



ISCC PROOF OF COMPLIANCE GUIDANCE DOCUMENT

Version 1.1

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Document Title: ISCC Proof of Compliance Guidance Document

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Summary of Changes

The following is a summary of all content changes to previous version(s) of this ISCC Proof of Compliance Guidance Document. Minor amendments and/or adjustments which do not affect the content, e.g. corrections of phrasings, marginal notes, amendments of graphics, etc. are not listed.

Summary of Changes	Chapter
Updates to the PoC issuance criteria considering use of national databases	5
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2 Introduction

Major regulatory frameworks covering the production, supply, and use of alternative and renewable fuels, such as the EU's revised Renewable Energy Directive (EU RED II), require economic operators in the supply chain to provide evidence that they are complying with required sustainability and GHG emissions savings criteria established under aforementioned regulatory frameworks. Economic operators providing fuels to the marketplace, i.e., fuel suppliers, must provide documentary evidence to the relevant competent authorities that the final fuel (e.g., renewable road transport fuel, sustainable aviation fuel (SAF), or sustainable marine fuel (SMF)) supplied meets the sustainability and GHG emissions savings criteria established under the regulatory frameworks.

Fuel suppliers generally provide such documentary evidence via the submission of a Proof of Sustainability (PoS) document for a given batch of fuel, issued under a certification scheme which has been approved by the competent authorities under that particular regulatory framework.

In recent years, regulation in renewable fuel markets have evolved in such a way that multiple regulatory frameworks may cover the same markets, products, and/ or supply chains. In some instances regulatory frameworks interlink in ways that allow for multiple entities along a supply chain (e.g., fuel suppliers and final users, such as aircraft operators or shipping companies) to be allowed to account for, or claim, a single batch of certified fuel and/or its associated GHG emissions savings.

However, the current process and flow of sustainability documentation and submission of PoS documentation to competent authorities under certification systems for compliance purposes does not yet properly reflect this reality. It is not allowed for a PoS document to be "re-issued" or "re-used" to validate compliance further downstream in a supply chain for the same batch of certified fuel once used under a compliance scheme by a fuel supplier. While necessary to reduce the risk of improper double counting of certified fuel volumes, this restriction also can lead to final users not receiving proper documentation to make emissions reduction claims for batches of certified fuel in instances when it is explicitly allowed by respective competent authorities.

Given the absence of PoS documentation, it is therefore necessary to provide an optional standardised framework under which it is possible for fuel suppliers and downstream economic operators to forward and receive the required documentary evidence enabling claims on a batch of certified fuel, when allowed by competent authorities. Crucially, this framework must feature clear and transparent rules and be underpinned by a robust auditing structure, building on existing certification processes where possible, minimising additional administrative effort and cost for economic operators.

The “Proof of Compliance (PoC)” framework provides this optionally available standardised framework for ISCC System Users and is explained in this the following text.

3 Scope and Normative References

This Guidance document specifies the requirements surrounding the issuance and forwarding of PoC documents by economic operators certified under ISCC EU, including auditing by independent, third-party certification bodies.

The Guidance document supplements the ISCC EU System documents in their currently applicable version as published on the ISCC website.¹

4 Context: Challenge of PoS Unavailability

4.1 Supply Chain Certification and PoS Submission for Compliance Purposes

Under ISCC, as a general rule, every economic operator along a renewable fuel’s supply chain is certified to ensure traceability from feedstock origination/production and concluding with the supply of the finished product to the market.² This requirement is mirrored within major regulatory frameworks such as the EU RED II and other EU legislative pieces that reference the certification rules laid down by the EU RED II (such as ReFuelEU Aviation, FuelEU Maritime, and the EU Emissions Trading System (EU ETS)).

Sustainability information (such as information on compliance with sustainability criteria and GHG emissions savings criteria) is forwarded through the supply chain from certified economic operator to certified economic operator via sustainability documents, commonly referred to as Sustainability Declarations (issued for raw materials and intermediate products) and Proofs of Sustainability (PoS, issued for final products).

A downstream economic operator will surrender to competent authorities a PoS as documentary evidence to showcase that a batch of fuel supplied to the market meets the sustainability and GHG emissions savings criteria as per the relevant ISCC certification and the underlying regulatory framework, where applicable (e.g., certified as ISCC EU and thus as EU RED II compliant). The downstream entity, in most cases a fuel supplier, is required to complete this action to show compliance under certain fuel supplier compliance scheme (e.g., a renewable fuel blending mandate) or incentive scheme (such as an opt-in scheme for sustainable aviation fuel).

¹ The ISCC EU System Documents are available [here](#).

² Exceptions apply for certain types of economic operators, such as producers of raw materials and storage facilities, which may be covered via group certification approaches. Please find more information in ISCC EU System Document 203, available [here](#).

Figure 1 depicts this process for an exemplary, simplified supply chain.

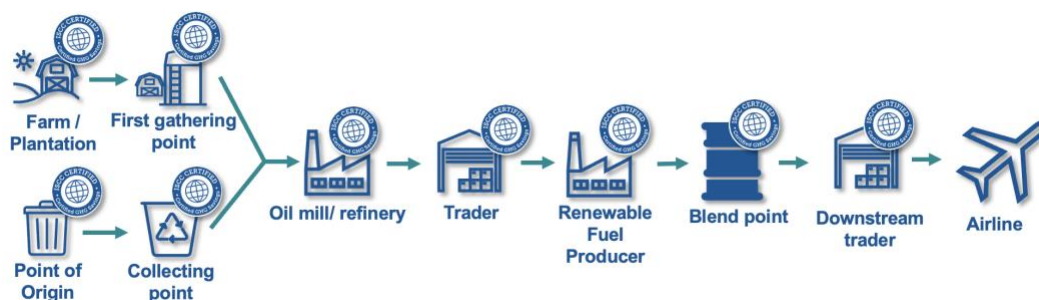


Figure 1 - Exemplary, simplified certified supply chain

4.2 Challenge of Unavailability of PoS for Final Users

In recent years, regulation in renewable fuel markets has evolved in a way that multiple regulatory frameworks may cover the same markets, products, and supply chains. Within the EU, for example, SAF is considered within the EU RED II, various national SAF mandates and opt-in schemes, the ReFuelEU Aviation Regulation, and the EU ETS. Similarly, alternative marine fuels are included within EU RED II, national opt-in schemes, the FuelEU Maritime Regulation, and the EU ETS. While some of these regulatory frameworks define fuel suppliers as “obligated parties” for providing evidence of fuels meeting a defined set of criteria (as is the case for renewable fuel mandates and opt-in schemes), others set the “burden of proof” on final users, i.e., aircraft operators and shipping companies (as is the case for GHG reduction schemes such as the EU ETS and FuelEU Maritime, as well as ICAO CORSIA).

Importantly, some regulatory frameworks interlink in such a way that multiple entities along a given supply chain (e.g., fuel suppliers AND final users) may be allowed by the authorities to account for or claim a single batch of certified fuel and/or its associated GHG emissions savings. For instance, a batch of SAF, provided it is certified as EU RED II compliant, may be counted by a fuel supplier towards a national SAF mandate or opt-in scheme, and then, if allowed by the competent authorities, be sold to an aircraft operator who accounts for use/combustion of that SAF under the EU ETS (i.e., that aircraft operator would benefit in terms of not needing to surrender allowances under the ETS for those SAF volumes bought and consumed).

While a regulatory framework may put the burden of proof of fuel compliance on either fuel suppliers or final users as the obligated entities, it is always required that these entities submit documentary evidence to prove fuel accounted or claimed under that regulatory framework meets defined sustainability and GHG emissions savings. As an example, both the EU RED II and the EU ETS require the obligated parties to provide evidence of the fuel meeting the EU RED II sustainability and GHG emissions savings criteria.

A PoS issued under a certification scheme that has been approved under a regulatory framework (such as a PoS issued under the ISCC EU scheme to verify EU RED II compliance) is the primary way in which obligated parties provide documentary evidence. In line with applicable requirements, obligated parties surrender the PoS for a fuel batch to respective competent authorities.

Crucially, a “double issuance” of a PoS for a batch of fuel (i.e., re-issuance of a PoS for the same fuel batch after the PoS has been surrendered to relevant authorities, e.g., under a fuel supplier compliance scheme) is prohibited, as this increases the risk of improper double counting of volumes and the related GHG emissions reductions. In the EU, the EU’s “Implementing Regulation (EU) 2022/996 on rules to verify sustainability and greenhouse gas emission saving criteria and low indirect land-use change-risk criteria” specifically states that “*where a consignment of fuel is used to comply with an obligation placed on a fuel supplier by a Member State, it shall be considered to be withdrawn from the mixture of the mass balance*”, meaning, that no further PoS can be issued for that same consignment, or batch of fuel.

While necessary to avoid improper double counting, once the PoS for a batch of fuel has been surrendered, that PoS is no longer available to be forwarded by the fuel supplier to downstream users (such as aircraft operators or shipping companies). Consequently, these final users may not receive the documentation they need to later make emissions reduction claims (e.g., under the EU ETS). Claims of certified fuel use by final users such as aircraft operators and shipping companies under regulatory frameworks, even if allowed by competent authorities, may thus be prevented simply by the unavailability of the necessary documentary evidence and lack of standardised framework for evidence transference in the absence of PoS documentation.

5 The Proof of Compliance (PoC) Framework

5.1 Context and Basics

This PoC framework has been developed to provide a standardised structure for fuel suppliers to forward documentary evidence to final users in the absence of PoS documentation. The use of PoC documentation is increasingly recognised by competent authorities in regulated markets, such as for claiming use of EU RED certified fuel under the EU ETS.

The PoC framework provides:

- > A standardised framework for the forwarding of documentary evidence to final users, such as aircraft operators and shipping companies, in the absence of PoS documentation.
- > A standardised document that, like the PoS, provides evidence regarding the compliance of a fuel batch with a defined set of

sustainability criteria and GHG emissions savings (e.g., as per EU RED II), while *clearly distinguishing the status* of the PoC document from that of the original, underlying PoS document.

- > A robust auditing framework reinforcing the issuance and forwarding requirements of the document, comparable to the mechanisms governing the PoS document.

Issuance of a PoC document for a batch of certified fuel is **only allowed if**:

- > The original, underlying PoS document for that batch of fuel has been surrendered to relevant competent authorities (for the applicable claim being made) or has been clearly and formally marked for submission within internal management systems, and submission requirements occur within the defined timelines as laid out in this document³ and as required by applicable legislative authorities. It can further be validated that the original PoS document is no longer available for use of any kind, including issuance/ forwarding to downstream economic operators.
- > Allowance remains valid for cases where the PoS is registered within a digital national database (e.g. Nabisy in Germany) and such database does not provide tracking claims downstream after validating earlier compliance with mandates and/or obligations, such as national implementations of RED, ReFuelEU Aviation, and FuelEU Maritime.
- > A claim for that same batch of fuel (and/or the related GHG emissions reductions) is **not** prohibited by the relevant competent authorities (including both the competent authorities responsible for the regulatory framework under which the original PoS document was submitted, and the competent authorities responsible for the regulatory framework under which the PoC document is intended to be submitted).

Issuance of a PoC document for a batch of certified fuel is **not allowed if**:

- > The original PoS document remains available (i.e., has not, or will not be submitted under a fuel supplier compliance or incentive scheme). In such cases, the PoS document must be forwarded and issuance/forwarding of a PoC document is not needed.
- > A claim for that same batch of fuel (and/or the related GHG emissions reductions) **is** prohibited by the relevant authorities (including both the competent authorities responsible for the regulatory framework under which the original PoS document was submitted, and/or the authorities responsible for the regulatory framework under which the PoC document is intended to be submitted).
- > That batch of fuel is registered in end-to-end digital systems intended for tracking claims of certified fuel (i.e., compliance under a specific regulatory framework) and which thus render the use of the PoC

³ Please see section 4.3 for applicable PoS submission timeline details.

document obsolete. This includes, for example, systems where the certified fuel batch is fully registered, tracked, and claimed. This may include, for example, the EU's Union Database (UDB) when fully functional.

It is important to note that ISCC is not in the position to guarantee the acceptance of PoC documents under specific regulatory frameworks – this remains under the jurisdiction of applicable competent authorities. It is therefore highly recommended that economic operators contact the respective authorities to confirm acceptance of PoC documents.

A PoC document can, in principle, also be used for claims in voluntary (i.e., non-regulated) markets. It remains out of scope for this guidance document to address the implications of utilizing PoC documents for claims in voluntary markets. As the use of a PoC document requires that the original, underlying PoS document has already been surrendered to competent authorities (i.e., that the concerned fuel volumes and/or related GHG emissions reductions have already been counted towards a fuel supplier compliance or incentive scheme), ISCC recommends that the involved parties carefully examine the implications of claiming those same fuel volumes and/or related GHG emissions reductions towards voluntary climate targets.

5.2 General Implementation Under ISCC

The PoC framework under ISCC consists of three implementation elements:

1. The Proof of Compliance (PoC) Guidance Document
2. The ISCC PoC Excel template
3. The PoC Audit Procedures

The **PoC Guidance Document** (this document) explains the context and rationale for establishing the PoC framework and delineates its applicability for varying scenarios. The Guidance Document further outlines the requirements on issuance and forwarding of PoC documents, and features provisions for PoC auditing by third-party certification bodies under ISCC.

The **ISCC PoC Excel Template** is a template provided by ISCC, which ISCC-certified economic operators can elect to utilize for the forwarding of required information, as laid down in this document. The template is available for download in the client section on the ISCC website (log-in required). Use of the template by economic operators remains optional and is not considered mandatory, provided that all necessary information and data-points for verification of the PoC requirements are included within the version utilized by the economic operator.

The **PoC Audit Procedures** are audit checklists developed by ISCC that are mandatory to be used by certification bodies for the auditing of correct PoC issuance and forwarding by ISCC-certified economic operators. These audit

procedures cover all PoC-related audit questions that are not checked as part of standard ISCC certification.

5.3 Issuance and Forwarding of PoC Documents

The process of issuing and forwarding PoC documents mirrors that of issuing and forwarding PoS documents.

Importantly, economic operators issuing, forwarding and/or receiving PoC documents must comply with the general requirements applicable to the issuance, forwarding and/or receipt of PoS documents, in line with the applicable mass balancing rules, laid down in ISCC EU System document 203.⁴

The process of issuing and forwarding of PoC documents can be generally defined as follows:

1. The fuel producer is the economic operator in the supply chain that first issues a PoS document for a batch of certified fuel (e.g., ISCC EU certified SAF or marine fuel).
2. The fuel producer forwards the PoS document downstream, alongside the physical product, to an “assessment point” (Generally defined by compliance schemes as the point in the supply chain where an economic operator must provide evidence that the fuel supplied to the market meets the scheme-defined sustainability and GHG emissions savings criteria). In most cases, the assessment point economic operator is the fuel supplier. This economic operator consequently surrenders the PoS document to relevant national authorities as documentary evidence that a given batch of fuel meets the sustainability and GHG emissions savings criteria.
3. As an extension to the above defined processes, it remains ISCC’s strong preference that all PoC generation and subsequent issuance should occur only after the related PoS has been formally submitted to relevant regulatory authorities. However, when considering current market realities and potentially varying submission timeline requirements (i.e., from various member-states within the EU), this may not always be conceivable. If, due to relevant regulatory submission requirements, it is not possible to submit a PoS to regulatory bodies in a timely manner, economic operators are allowed to generate PoC documentation prior to the PoS being submitted. However, for this to occur, the following criteria must be met:
 - The economic operator has a clear and auditable internal management system in place to prove that the underlying PoS has been marked for submission to relevant authorities.

⁴ The current applicable version of the ISCC EU System document 203 is available on the ISCC website, [here](#).

- It can be clearly tracked in an auditable way, and be further proven that there have not been, nor will there be any alterations, adjustments, or subsequent uses (other than submission against stated regulatory claim) for the underlying PoS, or its related fuel volumes.
 - Once the PoS has been marked for submission to a specific competent authority within internal management systems in a non-alterable way, the PoC may be generated, and must also reference the claim to which the PoS will be submitted under.
 - It is required that once a PoS has been marked for submission to a competent authority within internal systems, and a subsequent PoC has been generated, that this is considered final, and thereby no adjustments are allowed to subsequently be performed.
4. Once an economic operator has either surrendered, or alternatively marked a PoS document for submission to relevant authorities, they are allowed to generate and issue a PoC document based on the underlying PoS details. In the case of PoS submission to competent authorities, the POC should be generated no later than 30 days after the PoS document has been surrendered.
 5. The PoC can be forwarded downstream, e.g., to a downstream trader. This trader, in turn, can forward the PoC further downstream, until it eventually reaches the final user that wishes (and is allowed) to make a claim under applicable regulatory frameworks.

Figure 2 below provides an overview of the flow of PoS and PoC documents for an exemplary scenario.

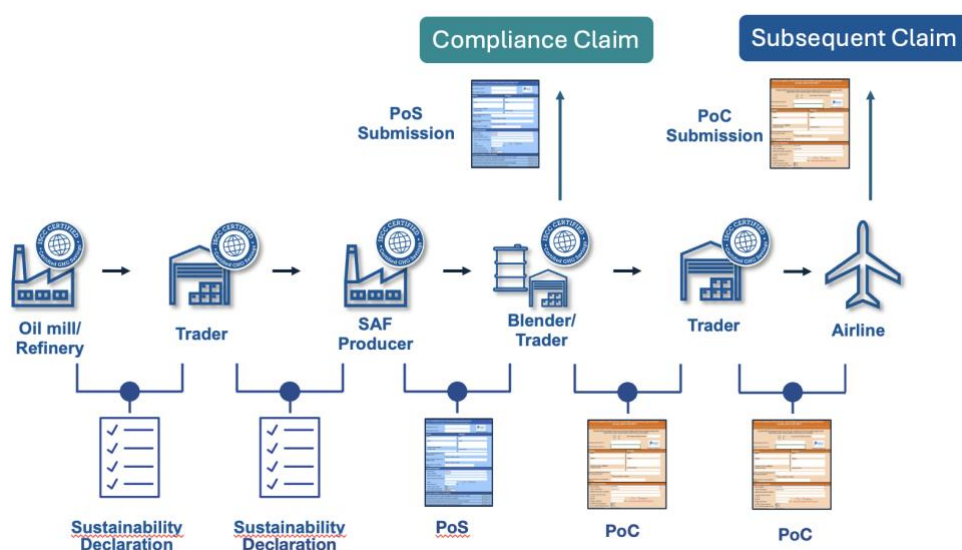


Figure 2 - Exemplary scenario for PoS Submission and PoC issuance

5.4 Data Requirements for PoC Documents

Given that the PoC provides documentary evidence of relevant sustainability criteria similar to the PoS, the format of the PoC is thereby based upon that of the PoS and contains many concurrent data points.

Crucially, however, a PoC document must include two additional data points:

- > A reference to the original, underlying PoS on which it is based (to allow for cross-referencing of PoC with PoS documents)
- > Information on which fuel supplier compliance/incentive scheme the fuel has been counted under (or benefitted from), for which the underlying PoS document was surrendered to competent authorities (e.g., under the EU RED II or UK RTFO)

A PoC document is required to include the following information:

Information on unique PoC document and underlying PoS document

- > Unique ID/number of the PoC document
- > Date of issuance of the PoC document
- > Fuel supplier compliance or incentive scheme that the original PoS document was submitted under (e.g., EU RED II, UK RTFO)
- > Unique ID/number(s) of the original, underlying PoS document(s)⁵
- > Certification system the product is certified under (e.g., ISCC EU)

Information on supplier and recipient of PoC document

- > Name and address of the supplier
- > Name and address of the recipient
- > Contract number related to the specific transaction
- > Address of dispatch/shipping point of the sustainable product (applicable if different from the address of supplier)
- > Address of receipt/receiving point of the sustainable product (applicable if different from the address of the recipient)
- > ISCC certificate number of the supplier

General information on certified product covered by the PoC document

- > Type of product (e.g., type of sustainable aviation fuel, marine fuel)
- > Type of raw material/feedstock (e.g., rapeseed, UCO)

⁵ Please note that, in some cases, a PoC document may refer to multiple PoS documents (and vice versa). Unique IDs/numbers of all relevant underlying PoS documents must be stated on the PoC document.

- > Country of origin of the raw material/feedstock (i.e., country where the raw material/feedstock was cultivated or generated)
- > Quantity of certified product (in m³ or metric tons)⁶
- > Energy content of the certified product
- > Product density, if available (at 15°)
- > Chain of custody option under which product is delivered (generally: mass balance)

Information on scope of certification of raw material/feedstock

- > For PoC documents issued under ISCC EU: Statement “The raw material complies with the relevant sustainability criteria according to Art. 29 (2)-(7) RED II” (applicable to agricultural and forest biomass including residues from agriculture, aquaculture, fisheries and forestry)
- > For PoC documents issued under ISCC EU: Statement “The raw material meets the definition of waste or residue according to RED II” (applicable to waste and residues and products produced from waste or residues)

Information on GHG life cycle emissions

- > For PoC documents issued under ISCC EU: Indication on whether total default values according to RED II are applied
- > For PoC documents issued under ISCC EU: If actual values and/or disaggregated default values according to RED II are applied, then GHG emissions for all relevant life cycle steps

ISCC provides, on its website, a PoC Excel template which economic operators may elect to utilize to forward necessary information to downstream customers. As is the case for the PoS, the use of the PoC Excel template provided by ISCC remains optional. However, it is mandatory that all data points specified in the above list are included on a PoC document.

6 Auditing of PoC Issuance and Forwarding

The POC framework has been built in a way to ensure streamlined integration into existing ISCC processes and certification standards. Via the inclusion of specific PoC Trader Audit procedures, users are able to showcase validate their usage/ generation of PoC documentation and the necessary requirements.

⁶ Please note that the quantity of sustainable product stated on the PoC must always refer to the sustainably certified portion of the fuel batch only.

6.1 General Auditing Frameworks

The process of PoC issuance and forwarding along the downstream supply chain requires a robust auditing framework is in place to safeguard integrity of claims and the overall processes. As such, every economic operator involved in the handling of PoC documentation (i.e., PoC issuance, receipt, and/or forwarding) must be individually audited and certified. Economic operators handling PoC documents are required to:

- > **Become certified under the respective ISCC certification scheme** (e.g., ISCC EU certified to handle documents for EU RED compliance), which implies auditing according to the respective ISCC scheme requirements regarding the economic operator's management system and general processes, procedures, and systems for mass balancing and documentation.
- > **Apply the ISCC PoC add-on.** If an economic operator is submitting PoS documents to competent authorities, thereby generating (or in any way altering PoC documentation), or are handling and/or transferring PoC documentation, they are required to have the additional ISCC PoC certification scope. This additional scope covers all PoC-related audit requirements that are not covered by standard ISCC certification. For increased ease of use, this certification will be showcased via the inclusion of a new Scope within the existing certification.
 - ISCC provides audit procedures to its cooperating certification bodies for PoC add-on certification.
 - To keep audit effort and cost to a minimum, the add-on certification can be completed concurrently with the standard Trader certification and could, in some cases, be conducted remotely, provided the same level of assurance can be established as in a comparable audit conducted on-site.
 - The add-on certification must be conducted by the same certification body that conducts the standard ISCC Trader certification.

During the PoC certification audit, the certification body will check that PoC issuance and forwarding was done correctly and in line with the requirements laid out in this Guidance document. In particular, the certification body will check that

- > PoC documents are only issued for batches of certified fuel for which the original, underlying PoS has been surrendered to, or have been clearly marked for surrendering (in a non-editable way) to competent authorities, as outlined within this document.

- > PoC documents clearly reference the underlying PoS documents, including clearly stating for which purpose (i.e., under which regulatory framework) the underlying PoS has been used.
- > PoC documents are issued and forwarded in line with the applicable rules for forwarding sustainability documentation as well as the applicable rules for mass balancing under ISCC.

Certification of final users that only receive PoC documents, such as aircraft operators and shipping companies is not necessary. Instead, their suppliers must be certified to ensure that issuance/forwarding of PoC documents to final users is audited and controlled for. Final users, their emissions reports, and related GHG emissions reduction claims are audited by verification bodies.

Annex I: Glossary

Term	Definition in the context of the Proof of Compliance Guidance document
ISCC	International Sustainable Carbon Certification
PoC	Proof of Compliance
PoS	Proof of Sustainability
SAF	Sustainable Aviation Fuel
SMF	Sustainable Marine Fuel
GHG	Green House Gas
EU	European Union
EU RED	European Union Renewable Energy Directive
EU ETS	European Union Emission Trading System
ICAO	International Civil Aviation Organization
GHG	Green House Gasses
UK RTFO	United Kingdom Renewable Fuel Transport Obligation
UCO	Used Cooking Oil