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# Update ISCC – Innovations to Increase Credibility and Efficiency

Dr Norbert Schmitz, ISCC System GmbH



# Several projects within ISCC to develop practical solutions for sustainability challenges

- Social issues becoming increasingly important. **Food security** issues being addressed in projects with social NGOs
- Integration of **smallholders** in certification programs is a critical success factor. ISCC development of App for smallholder certification. Cooperation with IDH and other organizations
- Assessment and **reduction of GHG emissions** in low carbon fuel supply chains. Methane measurements at POME ponds conducted, assessment of potential for GHG reductions and Impact for Palm Oil Mills
- ISCC supports and uses innovative tools such as GRAS, a remote sensing tool to facilitate **risk assessment** and the identification of **land use change** (deforestation and grassland conversion)
- Introduction of APS – **Audit Procedure System** to increase efficiency of audits



# ISCC project to address food security issues

## ISCC involvement to address food security

ISCC is partner of the Food Security Standard (FSS) Project

FSS | PROJECT



zef  
Center for  
Development Research  
University of Bonn



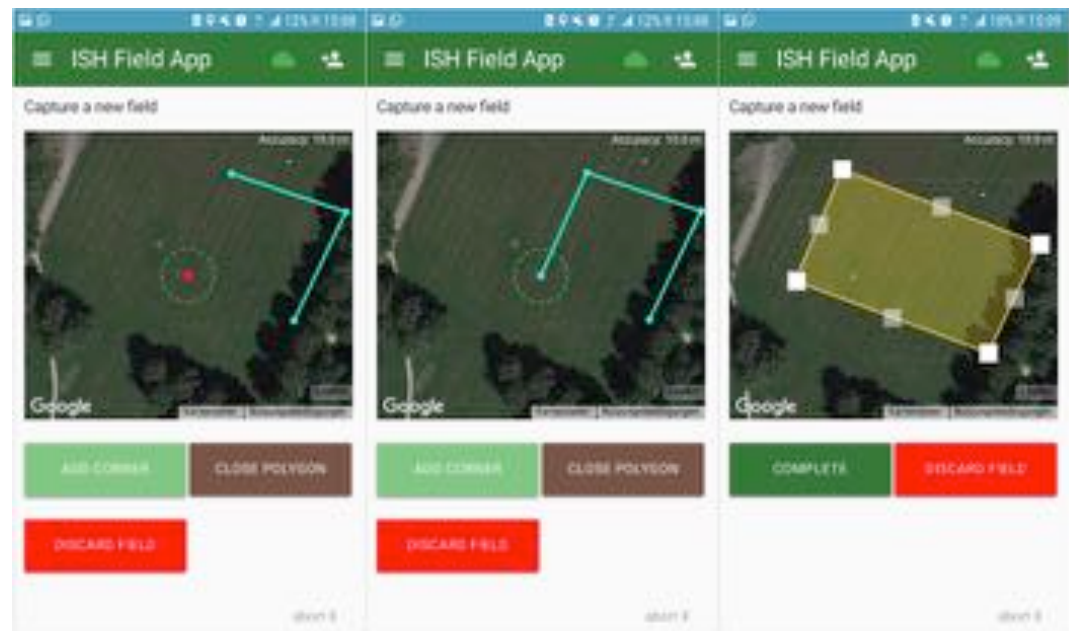
International demand for agricultural and biomass-based commodities is steadily growing due to a rising consumption of food, feed, energy and materials. To avoid any competition between food security and agri-exports, the EU and the German Federal Government grant the primacy of food security above all other biomass uses in their bioeconomy strategies. However, it remains unaddressed how this should be implemented and monitored, especially at local level in food insecure countries.

Food security is one topic that needs to be covered better by sustainability certification standards. ISCC is partner of the Food Security Standard (FSS) Project by WWF, Welthungerhilfe and ZEF (Center for Development Research) which is supported by the German Ministry for Food and Agriculture. The project aims to identify suitable pathways to consider food security in biomass production in developing countries. This project is a follow-up of a study on food security principles and criteria for biomass certification (to which ISCC also contributed). The aim is to test the Food Security criteria in the field with ISCC certified companies. The pilot audits will be conducted in the second half of 2018 with support from ISCC and the respective system users.

# ISCC has set up independent smallholder certification as the future growth of palm industry will mainly be driven by smallholders

## ISCC Tools for Smallholder Integration:

- ISCC System Basics for independent smallholders
- Development of APP for smallholders to easily upload their fields
- Specialized independent smallholder trainings
- Train-the-Trainer concept
- Development of scorecard to identify gaps and enable customised and focused training
- Adapted audit procedures (already included in APS)



Smallholder App specifically developed for the ISCC Independent Smallholder (ISH) Certification

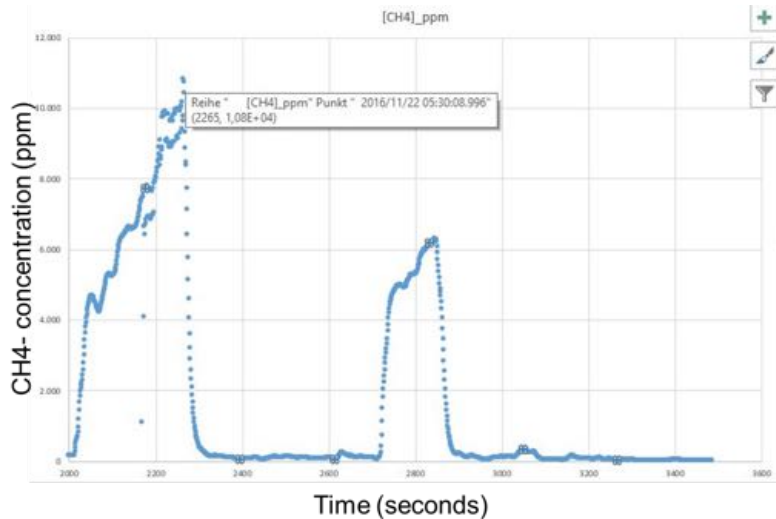


# Methane emissions from POME ponds

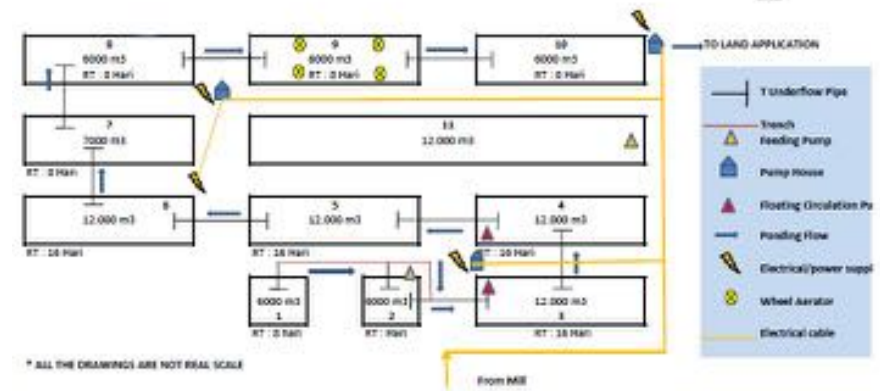
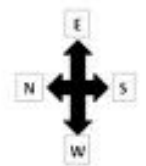


# Many GHG reduction and avoidance options exist at POME ponds. In some cases emission measurements will be required for actual values

**EXAMPLE**



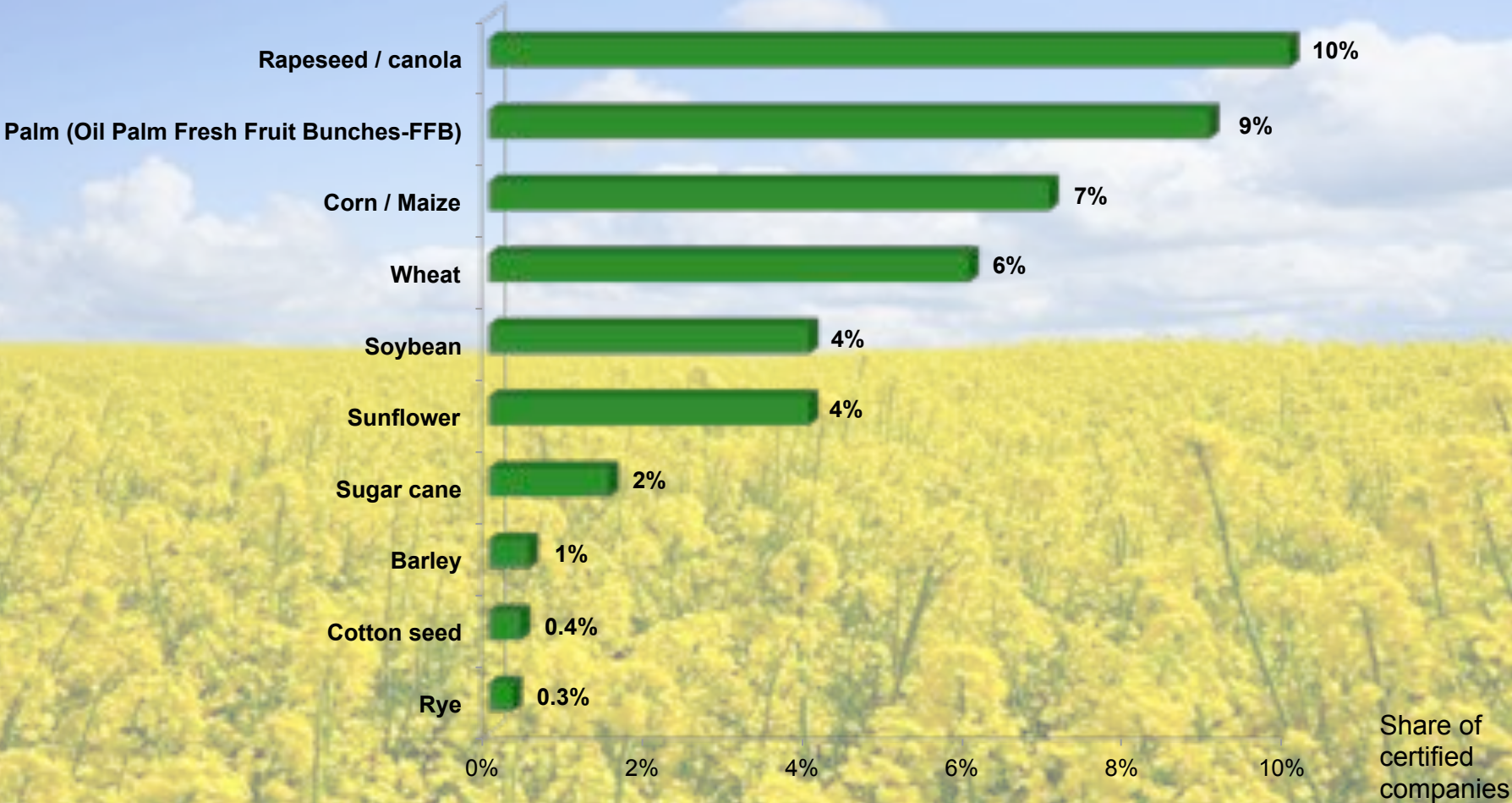
- Ponds Size:
- 1 Cooling Pond no. 1 (40 x 40 x 3.73)m
  - 2 Cooling Pond no.2 (40 x 40 x 3.73)m
  - 3 An-Aerobic Pond no.1 (90 x 40 x 3.30)m
  - 4 An-Aerobic Pond no.2 (90 x 40 x 3.30)m
  - 5 An-Aerobic Pond no.3 (90 x 40 x 3.30)m
  - 6 An-Aerobic Pond no.4 (90 x 40 x 3.30)m
  - 7 An-aerobic Pond No. 5 (90 x 40 x 2.9)m
  - 8 Aerobic Pond no.1 (90 x 40 x 1.7)m
  - 9 Aerobic Pond no.2 (90 x 40 x 1.7)m
  - 10 Aerobic Pond no.3 (90 x 40 x 1.7)m
  - 11 Decanting/ Dumping Pond (390 x 40 x 1.67)m





# Top 10 of agricultural materials covered currently under ISCC

Input materials as indicated on valid ISCC certificates\*



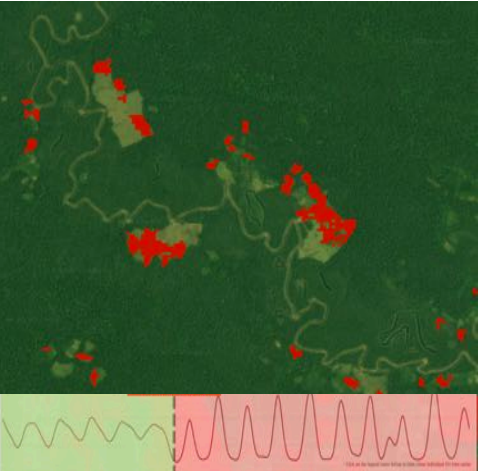
\* Numbers as of 16 February 2018. Information for trader and/or storage as stated in audit procedures as no (raw) materials are indicated on certificates

# ISCC uses GRAS: Remote sensing tool to implement site- and region-specific sustainability risk analysis and land use verification

**Biodiversity Areas**



**Deforestation**



**High Carbon Stock**



**Social Indices**

A collage of social indices. It includes the Global Slavery Index logo, the Global Hunger Index logo, the UNICEF logo with the text 'UNICEF Access to Drinking Water and Sanitation', the Environmental Performance Index logo, and the Human Development Index logo with a world map. The International Labour Organization logo is also present.

**Risk assessment and detailed analysis on farm/ plantation level**

**With GRAS sustainability can be checked from your desktop**



# Continuous monitoring of your supply base is possible with GRAS by activating your personal fire alert (I)

The screenshot displays the GRAS web application interface. At the top left, the GRAS logo is visible, along with navigation links for Help, Login, Worldmap, and a Country dropdown menu. The main area features a satellite map with several orange fire alert markers. A sidebar on the left contains a 'Go to' search bar and a list of monitoring categories: Biodiversity, Carbon Stock, Land Use Change, Social Indices, and Fires. The 'Fires' section is expanded, showing options to 'Select Timeframe(s)' with checkboxes for 'Fires of last 7 days' and 'Historical fires', and a timeline from Jan 2008 to Feb 2018. A pop-up window on the right provides 'GRAS Fire Information' for a specific event, including a thumbnail image and the date '21 Sep 2015'.

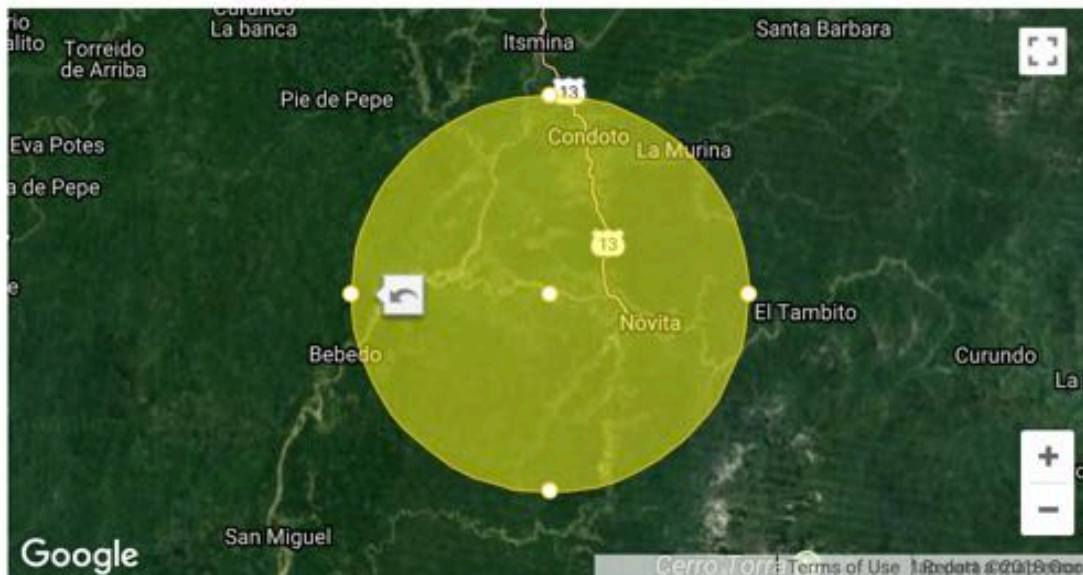
# Continuous monitoring of your supply base is possible with GRAS by activating your personal fire alert (II)

## Subscribe to GRAS Fire Alert System

Enter alert name:

My Plantations in Colombia

Select area of interest:



Datei auswählen Keine Datei ausgewählt

Draw polygon

Draw circle

Cancel

Subscribe

GRAS Fire Alert

An: Mr./Ms. Customer

Antwort an: GRAS Fire Alert

Fire Alert: Colombia I



Dear user,

5 fires have been detected within your area of interest (Colombia I).

**Fire 1:**

Acquired date and time: 17.02.2018, 03:35

Coordinates: Latitude 4.516, Longitude -72.172

**Fire 2:**

Acquired date and time: 17.02.2018, 03:35

Coordinates: Latitude 4.527, Longitude -72.173

**Fire 3:**

Acquired date and time: 17.02.2018, 03:35

Coordinates: Latitude 4.622, Longitude -72.238

**Fire 4:**

Acquired date and time: 17.02.2018, 03:35

Coordinates: Latitude 4.622, Longitude -72.229

**Fire 5:**

Acquired date and time: 17.02.2018, 03:35

Coordinates: Latitude 4.62, Longitude -72.244



# ISCC Audit Procedures – Detailed information on certification requirements and verification guidance

ISCC EU Audit Procedure		Chain of Custody	Chapter No. 5:	Greenhouse Gas Emissions		
No.	Requirements	Verification guidance	Evidence/ Documents	Findings	Conformity	
					Yes	No
<b>5.1. Processing Unit Requirements</b>						
5.1.1.	<p>Option 1: In case company applied total default value for products: Is application of the total default value in line with the RED and ISCC requirements?</p> <p>In case of co-processing: Please note that the use of the GHG total default value from Annex V (D) of the RED and Annex IV of the FGD is currently only possible for hydrotreating facilities, where bio-based oils are simultaneously co-processed.</p>	<p>Verify whether the GHG information fits into the category from which the total default value was chosen and if total default value fulfills the required GHG emission savings. Especially relevant for:</p> <ul style="list-style-type: none"> <li>• Non-EU com ethanol (no default available)</li> <li>• Ethanol plants (availability of different total default values for different energy systems)</li> <li>• Palm oil mills (use of total default value only possible if methane capture is in place).</li> <li>• Total default value for biodiesel from soybean (does not reach minimum GHG saving requirements)</li> </ul> <p>If the company or its raw materials do not fulfil the requirements, the application of the total default value is not possible.</p>	<p>Documentation of the GHG value. Compare value with the RED default values. Layout plant, if relevant on-site verification, e.g.:</p> <ul style="list-style-type: none"> <li>• Palm oil mill: Methane capturing visible, no leakages visible, state of the art technology and maintenance proven by producer manuals, service reports etc.</li> <li>• Ethanol plants: energy system</li> </ul>			
5.1.2.	<p>Option 2: In case company applied disaggregated default values for products: Is application of the disaggregated default value in line with the RED and ISCC requirements?</p> <p>In case of co-processing: Please note that the use of the GHG default values for cultivation, processing and transport and distribution from Annex V (D) of the RED and Annex IV of the FGD is currently only possible for hydrotreating facilities, where</p>	<p>Verify that the statement "Use of disaggregated default value" is used separately for the relevant calculation formula elements. Verify whether the input material fits into the category from which the disaggregated default value was chosen. Especially relevant for:</p> <ul style="list-style-type: none"> <li>• Non-EU com (no disaggregated default available)</li> <li>• Ethanol plants (availability of different default values for different energy systems)</li> <li>• Palm oil mill (use of disaggregated default</li> </ul>	<p>Documentation of GHG value. Compare value with the RED values Layout plant, if relevant on-site verification:</p> <ul style="list-style-type: none"> <li>• E.g. palm oil mill: Methane capturing visible, no leakages visible, state of the art technology and maintenance proven by producer manuals, service reports etc.</li> </ul>			

- **Three audit procedures** available:
  - Farms/Plantations
  - Points of Origin (w/r)
  - Chain of Custody
- **Audit procedures:**
  - Contain all relevant **certification requirements** and **detailed guidance** for verification and evidence
  - **Must** be used by the auditor
  - Are a valuable tool for companies to **prepare for the audit**

# ISCC developed with APS an innovative tool to provide the audit procedures electronically. 70% of CBs are already applying APS

## What is APS?

- APS stands for **Audit Procedure System**
- Electronic application **simplifying the audit** process
- **Advanced technology** supporting the audit preparation
- **Secure and competent** way of conducting audits
- Contributing to **more efficient audit** performance

## Progress of APS in 2017

- May 2017: Release of APS 2.0
  - **Substantial** update of the tool
  - Broad and **secure application** now possible
- September 2017: Release of APS 3.0
  - **New GHG** requirements integrated
  - **Automatically generating** the Summary Audit Report
- **Four APS webinars** for auditors were provided in 2017
- **130 auditors** participated
- **70% of CBs** are already applying APS



# ISCC is increasingly being recognized for the sustainability verification of biofuels and bioliquids around the world



**European Union:** Recognition by the EC for all European since 2011



**Colombia:** ISCC can be used to determine GHG emissions and reductions of biofuels



**Germany:** Recognition since 2010



**California (USA):** ISCC in discussions with ARB regarding use of vol. schemes



**Poland:** Recognition by the ARR in 2016



**ICAO:** ISCC active in the development of Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)



**Queensland (Australia):** Recognition as certification standard for biofuels since 2017



**Indonesia:** ISCC is in close cooperation with national authorities



**CDP (Carbon Disclosure Project):** Recognition as certification standard for palm and soy to measure, disclose and reduce deforestation in supply chains



**Malaysia:** ISCC is in close cooperation with national authorities

# ISCC is an enabler for companies to implement sustainable supply chains and to comply with regulatory requirements

- ISCC is a **reliable partner** for companies and consumers really interested in deforestation-free supply chains. SCC does neither offer compensations for new plantings nor does it update cut off-dates
- The **GRAS system** supports ISCC in safeguarding carbon stocks, strengthening the protection of valuable habitats and biodiversity. GRAS provides accurate data on agriculture and forestry areas in more than 70 countries
- Only the **EU biofuel market** is 100% certified. Deforestations or conversions of biodiverse grassland after January 2008 not allowed. This applies also for palm being used in the EU biofuel market
- A **ban of palm oil** for the biofuel market would be unjustified (“crop apartheid”), and contra-productive with respect to all efforts undertaken so far. It would discredit sustainability certification and all efforts to halt deforestation in the region
- ISCC will continue to work on becoming a recognised certification standard to **further countries, industries and platforms**
- ISCC will place special emphasis on the **integrity** of supply chains of waste and processing residues and **advanced low carbon fuels**



Gracias por su atención!



## Contact

Dr Norbert Schmitz  
ISCC System GmbH  
Hohenzollernring 72  
D-50672 Cologne, Germany  
Email: [schmitz@iscc-system.org](mailto:schmitz@iscc-system.org)

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