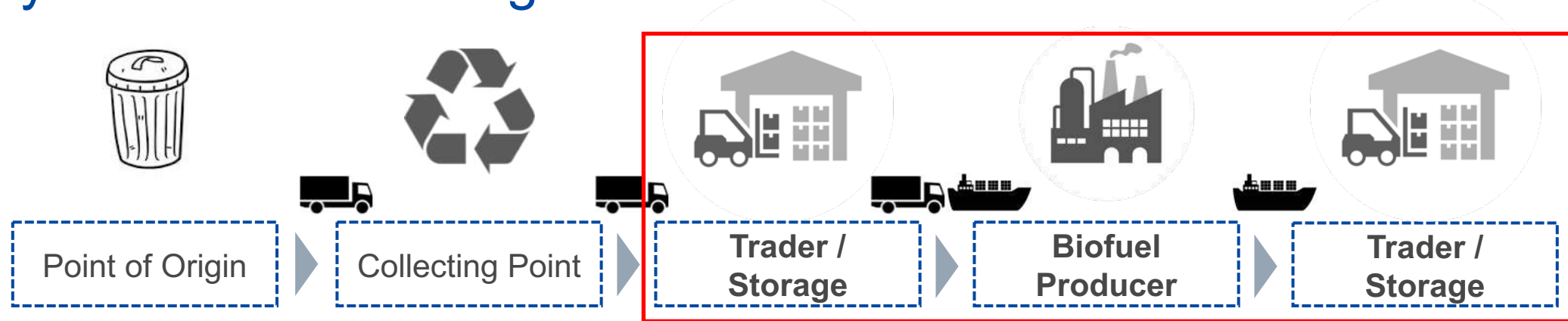


ISCC Technical Committee Wastes, Residues & Advanced Low Carbon Fuels

Proposals from the ISCC TC Working Group on Strengthening the Implementation of ISCC Requirements

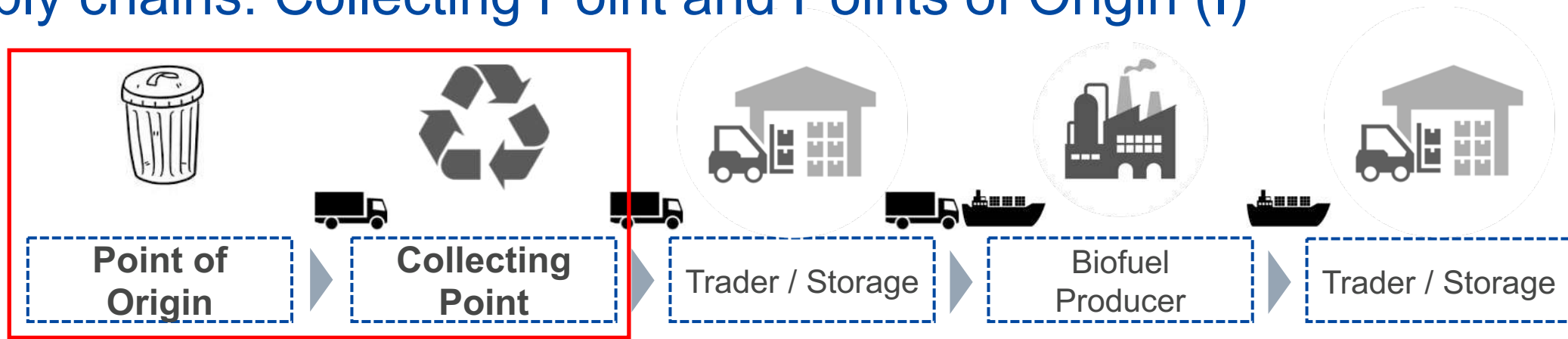
Shanghai, 2nd July 2019

Suggested measures to strengthen the certification of waste-based supply chains: Processing Units / Biofuel Producers and Traders



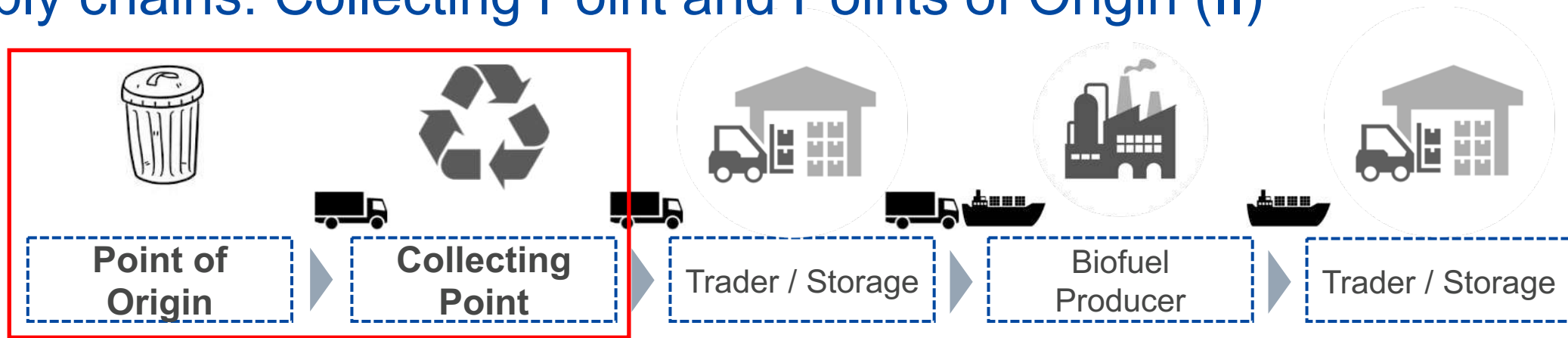
- Auditors and ISCC shall be entitled to double-check and verify deliveries received from (upstream) suppliers/PoO and deliveries made to (downstream) recipients of sustainable material, i.e. the auditee must provide access for the auditor to contact the suppliers and customers of sustainable material to corroborate the sustainability data of specific deliveries. (based on a random and risk-based sample). Auditees will have 30 days to present confirmation.
- If the certified operator uses multiple storage sites, the auditor should audit the mass balance of every storage site (not only a sample). Mass Balances shall be submitted to the auditor prior to the audit
- Checks on "live consignments" to verify the physical properties of deliveries
- Mandatory surveillance audit by the CB six months after the first (initial) certification (may be desk-based)
- Mandatory surveillance audits three months and six months after the first certification (may be desk-based) for traders
- Individual GHG calculations shall generally be submitted to ISCC by the CB together with the certification documents

Suggested measures to strengthen the certification of waste-based supply chains: Collecting Point and Points of Origin (I)



- Auditors must select a sample of all points of origin that have signed the ISCC self-declaration and verify their existence e.g. through research of websites, telephone call, etc.
- Reduction of the threshold for PoO from 10mt per month to 1mt per month (or 12mt per year).
 - If a PoO generates more than the threshold of a specific waste/residue, Auditors will be obliged to perform an on-site audit if the Auditor cannot verify that sustainability declarations are plausible and verifiable with the PoO by a desk based audit (on a sample basis)
 - All PoO generating more than 1mt of a waste per month must be reported to the CB and ISCC
- Approximate amount of waste generated per month (or year) and telephone number should be stated on the ISCC self-declaration
- List of all points of origin shall be submitted to the auditor prior to the audit
- Evidence or documents for all individual deliveries must be available at the CP and provided to the auditor (e.g. delivery slips, self-declarations, etc.)

Suggested measures to strengthen the certification of waste-based supply chains: Collecting Point and Points of Origin (II)



- Auditors and ISCC shall be entitled to double-check and verify deliveries received from (upstream) suppliers/PoO and deliveries made to (downstream) recipients of sustainable material, i.e. the auditee must provide access for the auditor to contact the suppliers and customers of sustainable material to corroborate the sustainability data of specific deliveries. (based on a random and risk-based sample). Auditees will have 30 days to present confirmation.
- Mandatory surveillance audit by the CB six months after the first (initial) certification. Remote audit by the CB three months after the initial certification dependent on risk assessment of CB.
- Checks on “live consignments” to verify whether declared sustainable materials appear consistent with their origin & approximate physical characteristics. CBs to be trained in identifying typical physical characteristics of common biofuel feedstocks in particular UCO/POME/Brown Grease vs Virgin Palm Oil/Tallow.
- If a collecting point uses multiple storage sites, the auditor should audit the mass balance of every storage site (not only a sample)

Suggested measures to strengthen the certification of waste-based supply chains: Additional measures

- Additional mandatory training for auditors with particular focus on certificates claiming sales of wastes & residues. A risk is that unsustainable/non-certified/crops will be sold as wastes/high GHG/advanced. Focus is the entire supply chain, not only the W/R supply chain.
- Risk mapping of the supply chain
- CBs to be trained in identifying typical physical characteristics of common biofuel feedstocks in particular UCO/POME/Brown Grease vs Virgin Palm Oil/Tallow
- ISCC will consult with TCs to provide further guidance to auditors on
 - Technical specifications of UCO vs. virgin oils
 - Typical documents to be verified at individual supply chain elements
- Expand the existing ISCC Integrity Programme with a focus on sales made as sustainable wastes & residues

Suggested measures to be further discussed by the working group

- Adapt the “ISCC Terms of Use” to give further rights to auditors and ISCC, and to tighten sanction mechanisms, e.g.:
 - Fines
 - International definition of Responsible Person (to implement suspensions)
 - Publishing the reasons for withdrawal of certificates
 - Automated information of system users about withdrawn certificates
- Ask CBs to identify common non-compliances and difficult interpretations
- Equivalence of other Voluntary Schemes after these changes are adopted
- Communication between other Voluntary Schemes on sanctions, suspensions, risks
- Amounts of sustainable material (incoming and outgoing) to be reported to ISCC on a quarterly basis (reporting via ISCC website, ISCC to share the reported amounts with the respective CB)
- Database solutions (e.g. TYC, blockchain, etc.)