

Demonstrating Sustainability through Certification

- Certification systems for solid and liquid biomass

Tokyo September 2018



Making a sustainability claim

- | | | |
|-----------------------------------|--------------------------------|--------------------|
| 1. I do my own Due Diligence | 1 st Party Auditing | e.g. less credible |
| 2. My client checks me | 2 nd Party Auditing | e.g. more credible |
| 3. A certification body audits me | 3 rd Party Auditing | e.g. most credible |



=> Demonstrate sustainability through a certification claim has proven to work.



Sustainability Certification Systems

- 210 sustainability certification standards used in global supply chains
- 51 Biomass Standards
- 33 Biofuels Standards
- 57 Palm Oil Standards
- 55 for Chocolate
- 37 Forestry & Logging Standards
- 41 Wooden Products Standards

Source: <http://www.standardsmap.org>



CERTIFIED



Renewable energy directive / RED I

Instead of Company own verification - Companies can show they comply with the RED I (2009) sustainability criteria through voluntary schemes recognised by the European Commission. Voluntary schemes verify compliance with the EU's biofuels sustainability criteria.



1. ISCC (International Sustainability and Carbon Certification)
2. Bonsucro EU
3. RTRS EU RED (Round Table on Responsible Soy EU RED)
4. RSB EU RED (Roundtable of Sustainable Biofuels EU RED)
5. 2BSvs (Biomass Biofuels voluntary scheme)
6. Red Tractor (Red Tractor Farm Assurance Combinable Crops & Sugar Beet Scheme)
7. SQC (Scottish Quality Farm Assured Combinable Crops (SQC) scheme)
8. Red Cert
9. NTA 8080
10. RSPO RED (Roundtable on Sustainable Palm Oil RED)
11. Biograce GHG calculation tool
12. HVO Renewable Diesel Scheme
13. Gafta Trade Assurance Scheme
14. KZR INIG System
15. Trade Assurance Scheme for Combinable Crops
16. Universal Feed Assurance Scheme



Renewable energy directive / RED II

... in force from 2021 that includes solid biofuels new
Certification systems are expected to be added to the current
system

- SBP
- GGL
- FSC?
- PEFC?



Forest Stewardship Council (FSC)

- 3rd party certification system => legality and sustainability wooden products
- Non-profit organisation - legally based in Germany
- Founded 1993
- FSC standards published in 1996 - globally applicable
- **Not specifically designed for Biomass**
- **No acceptance of other sustainability standards**
- **No collection of GHG Data**
- 3rd party accreditation / multiple certification bodies
- 34,000 FSC certified companies in 124 countries
- **amount of certified biomass in 2017 not documented**
- recognized by Japanese and Korean regulators
- **8 mil ha FSC certified in Asia**

=> www.fsc.org



Programme for the Endorsement of Forest Certification (PEFC)

- 3rd party certification system => legality and sustainability wooden products
- Non-profit organisation - legally based in Switzerland
- Founded 1998
- PEFC Framework published in 1998 - globally applicable
- **Not specifically designed for Biomass**
- **No acceptance of other sustainability standards**
- **No collection of GHG Data**
- 3rd party accreditation / multiple certification bodies
- 21,000 PEFC certified companies in 70 countries
- **amount of certified biomass in 2017 not documented**
- recognized by Japanese and Korean regulators
- **16 mil ha PEFC certified in Asia**

=> www.pefc.org



38 Standards => SFI,
LEI, MTCC, ATFS



Green Gold Label (GGL)

- 3rd party certification system => legality and sustainability woody biomass (pellets)
- Non-profit organisation - legally based in the Netherlands
- Founded 2002 (RWE/Essent company verification system)
- GGL standards published in 2002 - globally applicable
- Designed specifically for Biomass
- Accepts FSC & PEFC certified feedstock
- Collection of GHG Data
- **No 3rd party accreditation / only one Certification Body**
- **11 GGL certified companies**
- **amount of certified biomass in 2017 not documented**
- recognized by (NL) regulators



=> www.greegoldcertified.org



Focusing on sustainable sourcing solutions.

Sustainable Biomass Program (SBP)

- 3rd party certification system => legality and sustainability woody biomass (pellets and wood chips)
 - Non-profit organisation - legally based in UK
 - Founded 2013
 - SBP standards published in 2015 - globally applicable
 - Designed specifically for woody Biomass
 - Accepts FSC & PEFC certified feedstock
 - Collection of GHG Data
 - 3rd party accreditation / multiple certification bodies
 - 144 SBP certified companies in 18 countries
 - 7 mill tons of SBP certified Biomass 2017
 - recognized by UK, DK (BE & NL) regulators (invite METI to consider)
- => www.sbp-cert.org



Focusing on sustainable sourcing solutions.

Biomass Sustainability Certification Systems



Certification System	CoC Certificates	Certificates (pellets & chips)	Feedstock	Solid & Liquid	GHG Data
FSC (Forest Stewardship Council) – www.fsc.org	34.974	2724	wood	S	No
PEFC (Program for the Endorsement of Forest Certification Schemes – www.pefc.org)	21.168	509	wood	S	No
RSB (Round table on Sustainable Biomaterials) – www.rsb.org	17	1	wood & agri	S&L	Yes
GGL (Green Gold Label) - www.greengoldcertified.org	11	11	wood	S	Yes
BetterBiomass - www.betterbiomass.com	89	25	wood & agri	S&L	Yes
ISCC - www.iscc-system.org	3.280	0	wood & agri	L	Yes
SBP (Sustainable Biomass Program) - www.sbp-cert.org	144	144	wood	S	Yes
Red Cert www.redcert.org	1915	0	wood & agri	L	Yes
RSPO (Round table for sustainable Palm Oil) https://rspo.org	2093	0	agri	L	Yes



RSB
Roundtable on Sustainable Biomaterials
www.rsb.org

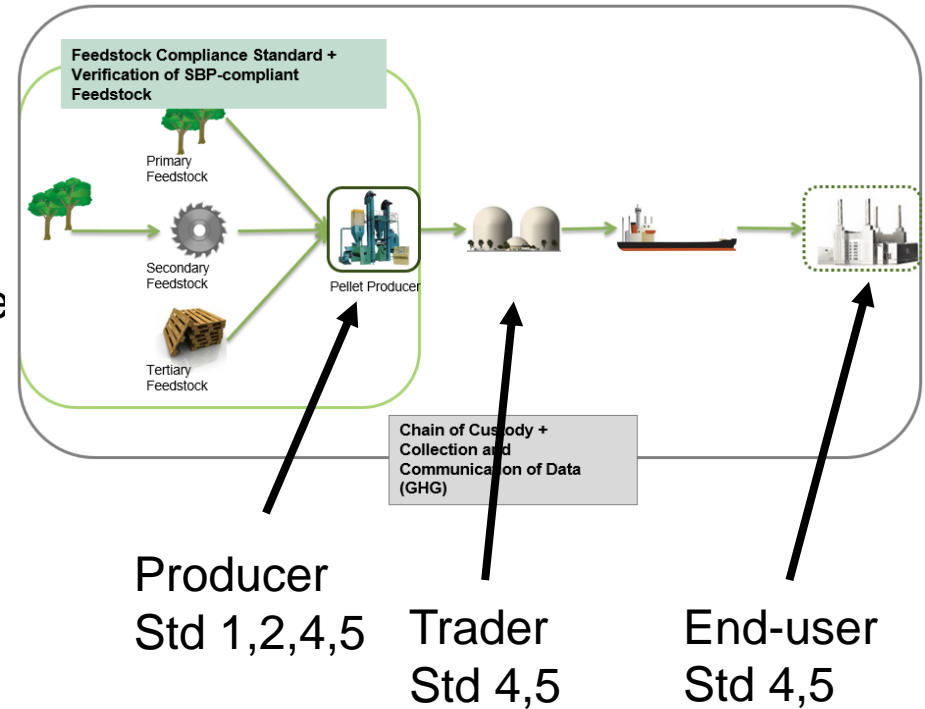


ISCC
International Sustainability & Carbon Certification



Certification process

- Choose a certification system or combination of certification systems
- Choose Certification Body
- Identify which standards apply / define scope of the certification
- Prepare for Certification
- Onsite Audit - Certification Body (CB)
 - CB stakeholder consultation
 - CB audit report publication
- Issue Certification 5 years / annual audits



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Sustainability is complex & difficult to verify

No unified definition of Sustainability => Different criteria for sustainability by regulators, certification systems and expectations from stakeholders /civil society



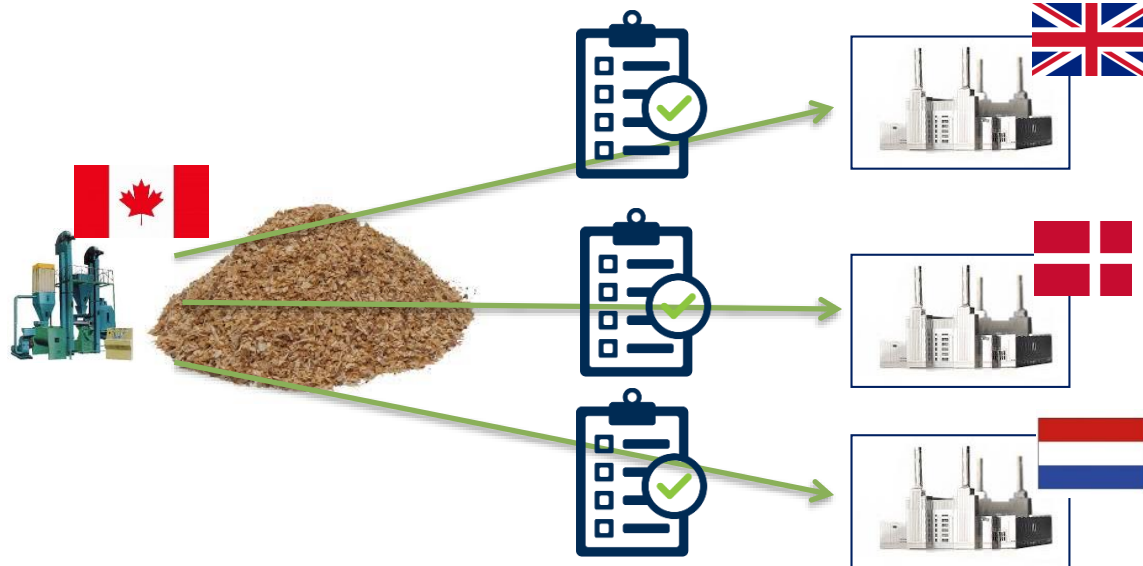
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Single national customer...



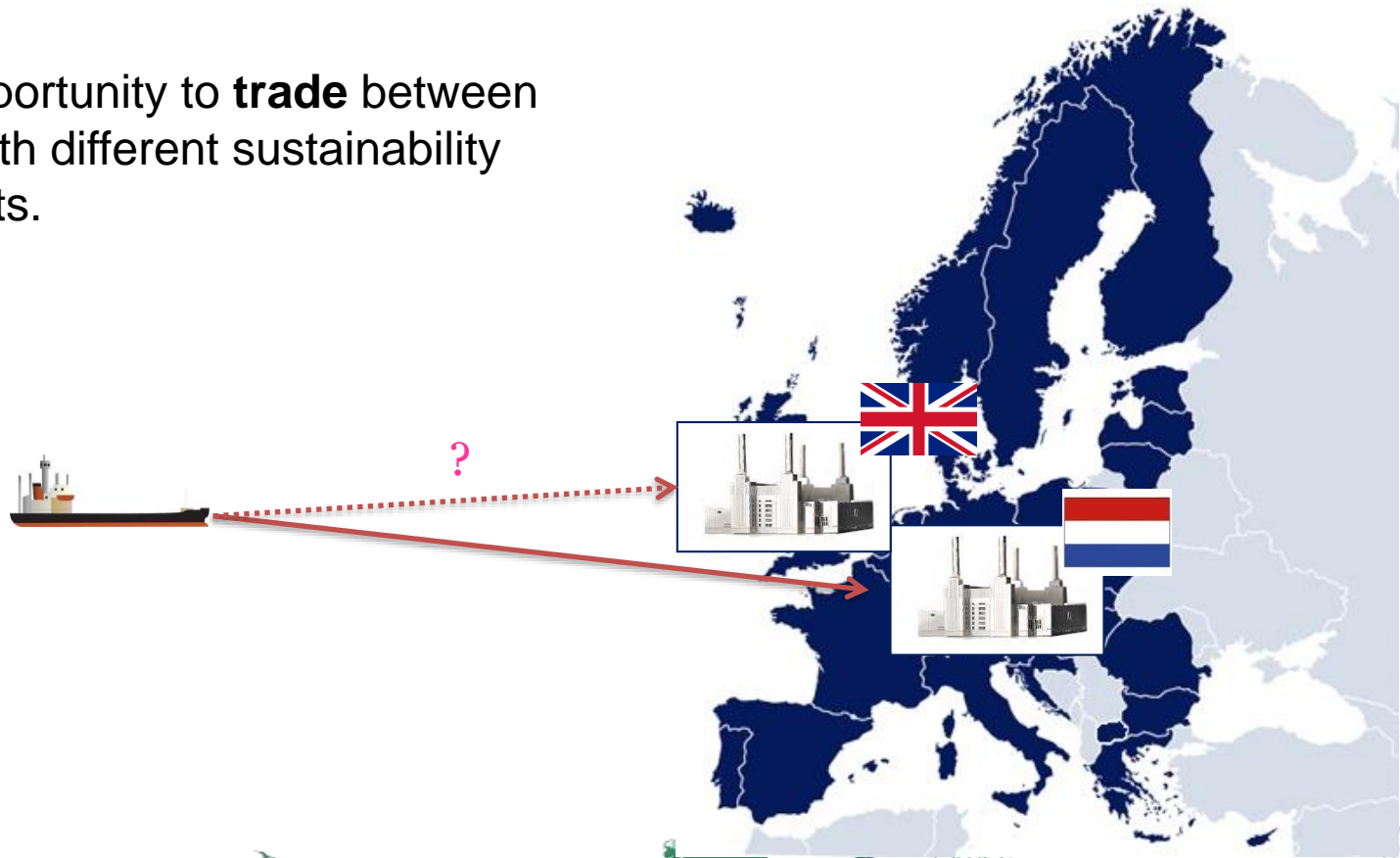
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Multiple lobal customers...



Different sustainability requirements - barrier for trade

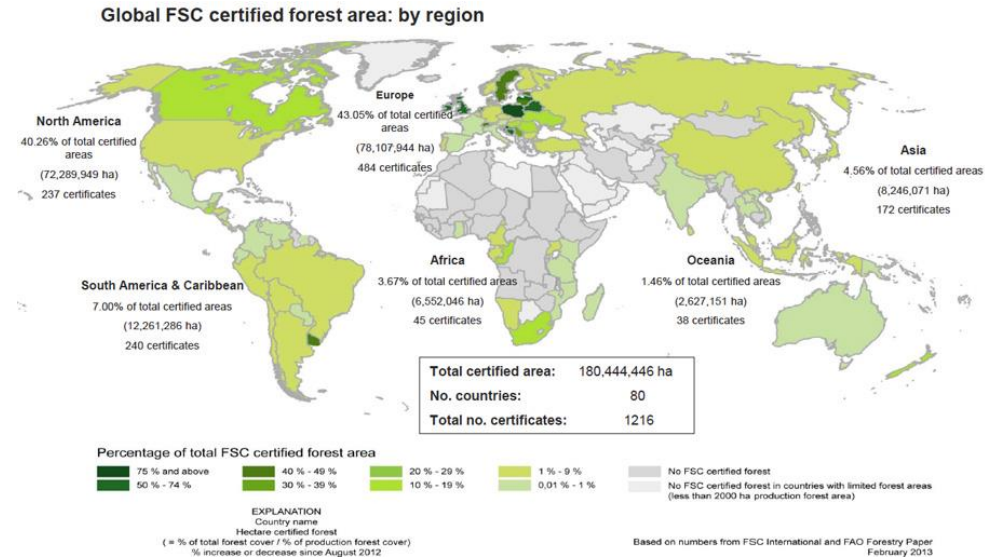
Limited opportunity to **trade** between Countries with different sustainability requirements.



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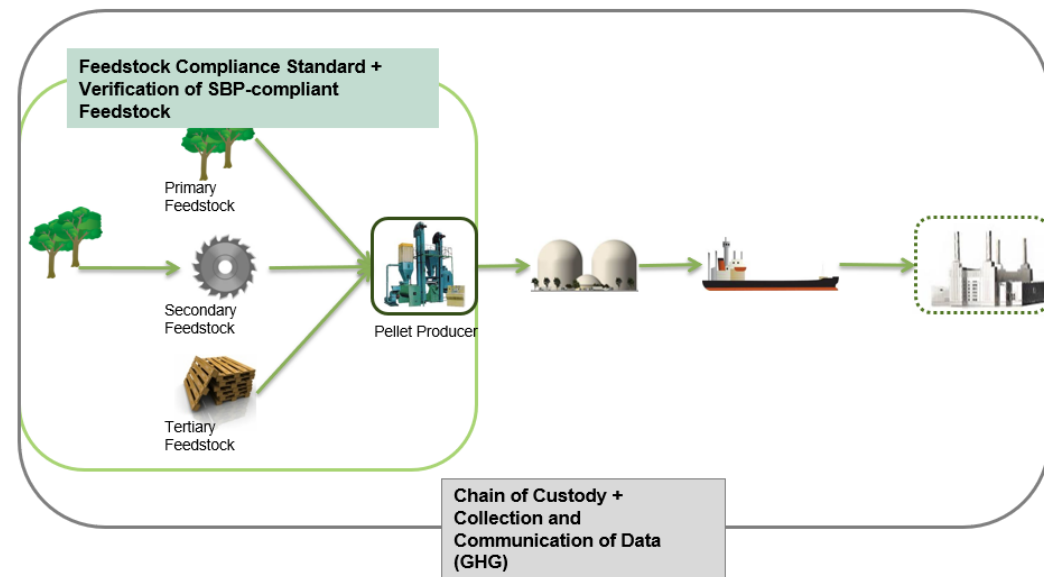
Supply and Demand

- Approx. 10% of the world's forest area certified by FSC and PEFC.
- Not enough sustainably sourced wood to satisfy the demand.
- Can not mix FSC & PEFC cert material



Certification as a solution

- One set of global applicable standards/ criteria
- In compliance with existing regulatory requirements
- Enable trade between countries with different sustainability criteria
- Replace multiple company verification systems
- Unleash / free resources in addition to FSC & PEFC
- Collect GHG data from production and transport – fill gaps FSC & PEFC



Credibility & Supply

- Certification Systems are useful tools to demonstrate compliance with regulatory sustainability criteria if they are credible:
 - If monitored on an annual basis
 - If 3 party certification and accreditation is applied
 - If there are multiple Certification Bodies to choose from
 - If processes are transparent and audit results are published
 - If Stakeholders are consulted in the certification process
- ... and if there is a reasonable supply of certified material:
 - If there is sufficient certification / area /ha in the supply regions
 - If there is an additional system to verify feedstock from non certified areas
 - If there are sufficient suppliers certified
 - If GHG data is made available



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