

Assessment of [Scheme name]

Version as submitted [dd month 2015]

Summary

An assessment has been made on compliance of the [scheme name] as submitted to the European Commission for recognition, with the sustainability criteria of Directive 2009/28/EC.

[The assessment results indicate a number of issues with recognition against the sustainability criteria, chain of custody and audit quality requirements that would need to be addressed by the [scheme] before the Commission could take a decision to recognise the scheme under Article 18(4) of Directive 2009/28/EC. Requirements and recommendations are detailed further in this document. A number of more general comments and requirements are also given.]

OR

[The assessment results indicate that the [scheme] meets the mandatory sustainability requirements of Directive 2009/28/EC on GHG, land use, chain of custody and audit quality.]

Scheme scope:

- Type of feedstock:
- Type of biofuel:
- Geographic coverage:
- Chain of custody coverage:
- Role in the certification process:

Background

[Short background to scheme. Include key points e.g. is it a multi-stakeholder or private company, is it already operational, is it broader than RED etc.]

[Analysis of the relationship between the scheme owner, economic operators to be certified under the scheme and the third party auditors undertaking audits in the context of Directive 2009/28/EC and that the voluntary scheme has the legal capacity and the technical and operational structure required for the task.]

[Scheme name] is seeking formal assessment and recognition by the European Commission for the [scheme], as a 'voluntary scheme' to demonstrate compliance with Articles 17(2)-17(5) of the Renewable Energy Directive (RED).

IF RELEVANT

Please note this assessment focuses on coverage of the mandatory criteria, Articles 17(2)-(5). Coverage of the criteria that are 'non-mandatory' for economic operators, Article 18(4), is not part of this assessment at this time.

Assessment results

The summary results of the assessment are presented in the table below. The detailed assessment results are available in Annex 1. [In addition, a number of specific points are presented below, which the [scheme] will need to take into account]

[List additional specific points here if necessary]

Table 1: Assessment results - summary

RED Article	[Scheme name]	Comments
	Version as submitted [dd month year]	
Sustainability criteria		
17(2): Greenhouse gas emissions savings	N	1.1 [summary of requirement]
calculation of actual emission savings	N	
emission saving from soil carbon accumulation via improved agricultural management (e_{sca})	N	
emission saving from excess electricity from cogeneration (e_{ee})	N	
emission saving from carbon capture and geological storage (e_{ccs})	N	
emission saving from carbon capture and replacement (e_{ccr})	N	
17(3): Conservation of biodiversity	Y	
17(4): Conservation of carbon stocks	Y	
17(5): Conservation of peatlands	Y	
17(1): Exemption for wastes and residues	Y	
Chain of Custody		
18(1): Use of a mass balance system	Y	
Recognition of other voluntary schemes and national systems	Y	
Audit Quality and Scheme Governance		
18(5): Adequate standards of reliability, transparency and independent auditing.	Y	

Annex 1: Detailed assessment results

Sustainability criteria

The sustainability criteria detailed below are the mandatory sustainability criteria of the RED: Article 17(2) – 17(5)).

Scope of the sustainability scheme for biofuels and bioliquids		
Requirement	Guidance	Assessment
0.1 Voluntary schemes can only demonstrate compliance with the sustainability criteria for biofuels and bioliquids.	<ul style="list-style-type: none"> Set the scope of the scheme applying the relevant definitions of Directive (2009/28/EC) for "biomass", "bioliquids" and "biofuels". 	<div>N</div> <div>[document name and section]</div> <ul style="list-style-type: none"> "quote" "quote" <div>Requirement:</div> <ul style="list-style-type: none"> xxx
Article 17(2): Greenhouse gas emissions savings	The use and production of biofuels and bioliquids should lead to reductions in greenhouse gas emissions compared to fossil fuels	
Requirement	Guidance	Assessment
1.1 The greenhouse gas emission saving from the use of biofuels shall be at least 60% for biofuels produced in installations starting operation after 5	<ul style="list-style-type: none"> With respect to Article 17(2) the primary role of the voluntary schemes is to ensure that operators deliver accurate data on GHG emissions of biofuels and 	<div></div> <div>[document name and section]</div> <ul style="list-style-type: none"> "quote" "quote"

<p>October 2015. In the case of installations that were in operation on or before 5 October 2015 biofuels shall achieve a greenhouse gas emission saving of at least 35% until 31 December 2017 and at least 50% from 1 January 2018.</p> <p>Member States are obliged to transpose the amendments regarding the minimum GHG emissions savings set out in Directive (2015/1513/EU) by 10 September 2017.</p>	<p>bioliquids.</p> <ul style="list-style-type: none"> • Member States will verify whether these emissions fulfil the requirements of the Renewable Energy Directive. For this purpose the Member States need to be informed whether the biofuel or bioliquid has been produced in an installation that was in operation on or before 5 October 2015. • An installation shall be considered to be in operation if the physical production of biofuels or bioliquids has taken place. 		<p>Requirement:</p> <ul style="list-style-type: none"> • xxx
<p>1.2 The greenhouse gas emission saving from the use of biofuels and bioliquids shall be calculated in accordance with RED Article 19(1)-19(3), Annex V and Commission Decision 2010/335/EU of 10 June 2010.</p>	<ul style="list-style-type: none"> • The greenhouse gas emission saving from the use of biofuel and bioliquids shall be calculated as follows: <ul style="list-style-type: none"> a. where a default value for greenhouse gas emission saving for the production pathway is laid down in part A or B of Annex V and where the e_f value for those biofuels or bioliquids calculated in accordance with point 7 of part C of Annex V is equal to or less than zero, by using that default value; b. by using an actual value calculated in accordance with the methodology 	<p>N</p>	<p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p> <ul style="list-style-type: none"> • xxx

	<p>laid down in part C of Annex V; or</p> <p>c. by using a value calculated as the sum of the factors of the formula referred to in point 1 of part C of Annex V, where disaggregated default values in part D or E of Annex V may be used for some factors, and actual values, calculated in accordance with the methodology laid down in part C of Annex V, for all other factors.</p>		
1.3 Default values	<ul style="list-style-type: none"> Default values listed in Annex V can only be applied if the process technology and feedstock used for the production of the biofuel match their description and scope. In case specific technologies are set out the default values can only be used if those technologies were actually applied. One example is methane capture where the default value should only be applied when it is ensured that the methane is captured in an efficient manner. Details on the prerequisites for the use of the individual default values and how these prerequisites are assessed needs to be included in the system documentation. 		<p>[document name and section]</p> <ul style="list-style-type: none"> "quote" "quote" <p>Requirement:</p> <ul style="list-style-type: none"> xxx

<p>1.4 Actual values</p>	<ul style="list-style-type: none"> Actual values can only be calculated when all relevant information is available and transmitted through the chain of custody: <ul style="list-style-type: none"> Actual values of emissions from cultivation can only be determined at the origin of the chain of custody. Actual values of emissions from transport can only be determined if emissions of all transport steps are recorded and transmitted through the chain of custody. Actual values of emissions from processing can only be determined if emissions of all processing steps are recorded and transmitted through the chain of custody. GHG emissions shall be reported using appropriate units. These are: <ul style="list-style-type: none"> g CO₂eq/dry-ton for raw materials and intermediary products g CO₂eq/MJ for final biofuels When default values are used, information on GHG emissions should only be reported for final biofuels and can be reported as an aggregate. If relevant, both, the process technology and the raw material used need to be specified. 		<p>[document name and section]</p> <ul style="list-style-type: none"> "quote" "quote" <p>Requirement:</p> <ul style="list-style-type: none"> xxx
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	<ul style="list-style-type: none"> • Member States, or competent authorities of third countries, may submit to the Commission reports including data on typical emissions from cultivation of feedstock¹. Voluntary schemes may allow operators to apply these values as an alternative to actual values provided these have been published in the unit g CO₂eq/dry-ton of feedstock on the Commission website. • Information on actual GHG emissions has to be provided for all relevant elements of the GHG emission calculation formula. Relevant refers in this context to elements for which reporting is obligatory (e.g. e_i in case of land use change), all elements for which actual values should be used instead of disaggregated default values and all elements related to emission savings (if applicable). • If at any point of the chain of custody emissions have occurred and are not recorded, so that the calculation of an actual value is no longer feasible for 	
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¹ Article 19(3) Directive (2009/28/EC)

	<p>operators downstream in the chain of custody, this must be clearly indicated in the delivery notes.</p> <ul style="list-style-type: none"> • GHG emissions from any land use change that has occurred since 1 January 2008 shall be taken into account in the greenhouse gas calculation, according to the methodology in the RED Annex V and Commission Decision 2010/335/EU of 10 June 2010. • If a scheme permits the use of actual values it is required that the scheme documentation sets out in detail how e_{ecr}, e_l, e_p and e_{td} are derived. Similarly, elements of the GHG emission calculation methodology representing measurements of emission savings such as e_{ccr}, e_{ccs}, e_{sca} and e_{ee} can be applied by economic operators within the scheme only when prerequisites on their use are fully described in the scheme documents. • For the purpose of actual GHG emission calculations, whenever available, the standard calculation values published on the Commission website should be applied. In case alternative values are chosen this must be duly justified and 	
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	<p>flagged up in the documentation of the calculations in order to facilitate the verification by auditors.</p>		
<p>1.5 Adjustment of actual GHG emission estimates throughout the chain of custody</p>	<ul style="list-style-type: none"> Voluntary schemes shall lay down in detail how the required information of GHG emissions is transmitted through the chain of custody (i.e. in the delivery notes) and how these values are calculated. At each step of the chain of custody it must be verified whether the emission estimate needs to be adjusted: <ul style="list-style-type: none"> Additional emissions from transport and/or processing have to be added to e_p and or e_{td} respectively. Energy losses occurred during processing or if relevant transportation or storage have to be taken into account using a 'feedstock factor'. Whenever a processing step yields co-products, emissions need to be allocated using an 'allocation factor' following the rules set out in the GHG emission calculation methodology. 		<p>[document name and section]</p> <ul style="list-style-type: none"> "quote" "quote" <p>Requirement:</p> <ul style="list-style-type: none"> xxx

	<p>d. At the last processing step the emission estimate needs to be converted into the unit g CO₂eq/MJ of final biofuel.</p>	
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Article 17(3): Conservation of biodiversity	Biofuels and bioliquids shall not be made from raw material obtained from land with high biodiversity value	
Requirement	Guidance	Assessment
2.1 Conservation of primary forest and other wood land	<ul style="list-style-type: none"> Biofuels and bioliquids shall not be made from raw material obtained from land that was primary forest or other wooded land in or after January 2008, whether or not the land continues to have that status. Primary forest and other wooded land is defined as forest and other wooded land of native species, where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed. 	<p>Y [document name and section]</p> <ul style="list-style-type: none"> "quote" "quote" <p>Requirement:</p> <ul style="list-style-type: none"> xxx

<p>2.2 Conservation of protected areas</p>	<ul style="list-style-type: none"> • Biofuels and bioliquids shall not be made from raw material obtained from land that was a protected area in or after January 2008, whether or not the land continues to have that status. • This includes areas designated: <ul style="list-style-type: none"> i) by law or by the relevant competent authority for nature protection purposes; or ii) for the protection of rare, threatened or endangered ecosystems or species recognised by international agreements or included in lists drawn up by intergovernmental organisations or the International Union for the Conservation of Nature, subject to their recognition in accordance with the second subparagraph of Article 18(4) of the RED. • An exception is possible if evidence is provided that the production of that raw material did not interfere with those nature protection purposes. 	<p>Y</p>	<p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p> <ul style="list-style-type: none"> • xxx
<p>2.3 Conservation of highly biodiverse grassland</p>	<ul style="list-style-type: none"> • Biofuels and bioliquids shall not be made from raw material obtained from land that was highly biodiverse grassland in or after January 2008, whether or not the land continues to have that status. 	<p>Y</p>	<p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p>

	<ul style="list-style-type: none"> • Highly biodiverse grassland is defined as: <ul style="list-style-type: none"> i) natural, namely grassland that would remain grassland in the absence of human intervention and which maintains the natural species composition and ecological characteristics and processes; or ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and which is species-rich and not degraded, unless evidence is provided that the harvesting of the raw material is necessary to preserve its grassland status. • Commission Regulation (EU) No 1307/2014 establishes definitions of 'grassland', 'human intervention', 'degraded' and 'species-rich' in the context of this criterion and furthermore, clarifies that grasslands in the following geographic ranges of the European Union shall always be regarded as highly biodiverse grassland: <ul style="list-style-type: none"> (1) habitats as listed in Annex I to Council Directive 92/43/EEC (1); (2) habitats of significant importance 	<ul style="list-style-type: none"> • xxx
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	<p>for animal and plant species of Union interest listed in Annexes II and IV to Directive 92/43/EEC;</p> <p>(3) habitats of significant importance for wild bird species listed in Annex I to Directive 2009/147/EC of the European Parliament and of the Council.</p> <ul style="list-style-type: none"> • The following approach must be taken when determining whether land is (or in the case of conversion was) highly biodiverse grassland: <ul style="list-style-type: none"> ◦ The lead auditor must judge whether an assessment of highly biodiverse grassland is necessary. ◦ If an assessment is necessary, it must be conducted by a qualified independent specialist who may be additional to the audit team. The assessment and result must then be reviewed as part of the audit. 	
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Article 17(4): Conservation of carbon stocks	Biofuels and bioliquids shall not be made from raw material obtained from land with high carbon stock	
Requirement	Guidance	Assessment
3.1 Conservation of wetlands	<ul style="list-style-type: none"> Biofuels and bioliquids shall not be made from raw material obtained from land that was wetland in January 2008 and no longer has that status. A wetland is land that is covered with or saturated by water permanently or for a significant part of the year. These provisions shall not apply if, at the time the raw material was obtained, the land had the same status as it had in January 2008. 	<div>Y</div> <div>[document name and section]</div> <ul style="list-style-type: none"> "quote" "quote" <div>Requirement:</div> <ul style="list-style-type: none"> xxx
3.2 Conservation of continuously forested areas	<ul style="list-style-type: none"> Biofuels and bioliquids shall not be made from raw material obtained from land that was continuously forested in January 2008 and no longer has that status. Continuously forested areas are defined as land spanning more than one hectare with trees higher than five metres and a canopy cover of more than 30%, or trees able to reach those thresholds in situ. 	<div>Y</div> <div>[document name and section]</div> <ul style="list-style-type: none"> "quote" "quote" <div>Requirement:</div> <ul style="list-style-type: none"> xxx

	<ul style="list-style-type: none"> Continuously forested areas do not include land that is predominantly under agricultural or urban land use. In this context, agricultural land use refers to tree stands in agricultural production systems, such as fruit tree plantations, oil palm plantations and agroforestry systems when crops are grown under tree cover. These provisions shall not apply if, at the time the raw material was obtained, the land had the same status as it had in January 2008. 		
3.3 Conservation of forested areas with 10-30% canopy cover	<ul style="list-style-type: none"> Biofuels and bioliquids shall not be made from raw material obtained from land that was sparsely forested in January 2008 and no longer has that status. Sparsely forested areas are defined as land spanning more than one hectare with trees higher than five metres and a canopy cover of between 10% and 30%, or trees able to reach those thresholds in situ, unless evidence is provided that the carbon stock of the area before and after conversion is such that, when the methodology laid down in part C of Annex V is applied, the greenhouse gas threshold (principle 	Y	<p>[document name and section]</p> <ul style="list-style-type: none"> "quote" "quote" <p>Requirement:</p> <ul style="list-style-type: none"> xxx

	<p>1 above) would still be fulfilled.</p> <ul style="list-style-type: none"> These provisions shall not apply if, at the time the raw material was obtained, the land had the same status as it had in January 2008. 		
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Article 17(5): Conservation of peatlands	Biofuels and bioliquids shall not be made from raw material obtained from peatland		
Requirement	Guidance	Assessment	
4.1 Conservation of peatlands	<ul style="list-style-type: none"> Biofuels and bioliquids shall not be made from raw material obtained from land that was peatland in January 2008. An exception is possible if evidence is provided that the cultivation and harvesting of that raw material does not involve drainage of previously undrained soil. For peatland that was partially drained in January 2008 a subsequent deeper drainage, affecting soil that was not fully drained, would constitute a breach of the criterion. 	Y	<p>[document name and section]</p> <ul style="list-style-type: none"> "quote" "quote" <p>Requirement:</p> <ul style="list-style-type: none"> xxx

<p>Article 17(1): Exemption for wastes and residues</p>	<p>Biofuels and bioliquids produced from wastes and residues, other than agricultural, aquaculture, fisheries and forestry residues, need only fulfil the sustainability criteria set out in [Article 17(2)]</p>	
<p>Approach to wastes and residues (OPTIONAL – only assessed if scheme includes exemption for wastes and residues)</p>	<ul style="list-style-type: none"> The Commission is able to recognise voluntary schemes as containing accurate data for the purposes of Article 17(2) and to demonstrate that biofuels comply with the sustainability criteria in Articles 17(3)-(5) (see Article 18(4), 2nd sub-paragraph). Thereby, in the context of a voluntary scheme, the Commission can recognise rules related to wastes and residues for the purposes of whether or not: <ul style="list-style-type: none"> biofuels from a certain feedstock have to demonstrate compliance with the land use criteria (Article 17(1): “biofuels and bioliquids produced from waste and residues, other than agricultural, aquaculture, fisheries and forestry residues, need only [comply with the GHG threshold]”). certain feedstocks can be 	<p>Y [document name and section]</p> <ul style="list-style-type: none"> “quote” “quote” <p>Requirement:</p> <ul style="list-style-type: none"> xxx

	<p>considered to have zero GHG emissions to the point of collection (Annex V, Part C, 18: "Wastes, agricultural crop residues, including straw, bagasse, husks, cobs and nut shells, and residues from processing, including crude glycerine (glycerine that is not refined), shall be considered to have zero life-cycle greenhouse gas emissions up to the process of collection of those materials.") In this context, the "point of collection" is the point where the waste or the residue arises in the first place (e.g. for used cooking oil this would be the restaurants or plants producing the fried products).</p> <ul style="list-style-type: none"> • The following requirements apply for the verification of the chain of custody of biofuels made from waste and processing residues: <ul style="list-style-type: none"> ○ The whole chain of custody needs to be covered starting from its origin, i.e. the economic operator where the waste or residue material arises. ○ As a principle, all economic 	
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	<p>operators need to be audited individually. Only at the origin of the chain of custody (e.g. restaurants) can group auditing approaches be considered (see requirement 6.4).</p> <ul style="list-style-type: none"> ○ The frequency and intensity of the auditing procedure needs to reflect the level of risk. • Include the following definitions set out in Directive (2009/28/EC) for: <ul style="list-style-type: none"> ○ “agricultural, aquaculture, fisheries and forestry residues” ○ “processing residue” ○ “waste” 	
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Chain of Custody

Article 18(1): Use of a mass balance system	Economic operators shall use a mass balance system	
Requirement	Guidance	Assessment
5.1 Economic operators shall use a mass balance system	<ul style="list-style-type: none"> The mass balance system: <ul style="list-style-type: none"> a) allows consignments of raw material or biofuel with differing sustainability characteristics to be mixed; b) requires information about the sustainability characteristics and sizes of the consignments referred to in point (a) to remain assigned to the mixture; and (c) provides for the sum of all consignments withdrawn from the mixture to be described as having the same sustainability characteristics, in the same quantities, as the sum of all consignments added to the mixture. 	<div>Y</div> <div>[document name and section]</div> <ul style="list-style-type: none"> "quote" "quote" <div>Requirement:</div> <ul style="list-style-type: none"> xxx
5.2 Prevention of multiple claiming	<ul style="list-style-type: none"> An information system needs to be included by each economic operator which is able to keep track of the amounts of sustainable material sourced and sold. This could include, <i>inter alia</i>, a digital database, 	<div>Y</div> <div>[document name and section]</div> <ul style="list-style-type: none"> "quote" "quote" <div>Requirement:</div> <ul style="list-style-type: none"> Xxx

	<p>documentation with unique reference numbers for consignments or similar.</p> <ul style="list-style-type: none"> • [See also requirement 6.7 below.] 		
5.3 The mass balance system shall operate at least at the level of a site	<ul style="list-style-type: none"> • The mass balance system shall operate at a level where consignments could normally be in contact, such as in a container, processing or logistical facility or site (defined as a geographical location with precise boundaries within which products can be mixed). • If more than one legal entity operates on a site then each legal entity is required to operate its own mass balance. 	Y	<p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p> <ul style="list-style-type: none"> • xxx
5.4 The mass balance shall specify the timeframe over which the system operates	<ul style="list-style-type: none"> • If the balance in the system is continuous in time, a "deficit", i.e. that at any point in time more sustainable material has been withdrawn than has been added, is required not to occur. • Alternatively the balance could be achieved over an appropriate period of time (up to a maximum of three months) and regularly verified. • In both cases it is necessary for appropriate arrangements to be in place to ensure that the balance is 	Y	<p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p> <ul style="list-style-type: none"> • xxx

	respected.		
5.5 Apply relevant feedstock definitions	<ul style="list-style-type: none"> When reporting on the type of feedstock the relevant definitions of Directive (2009/28/EC) must be applied: <ul style="list-style-type: none"> "ligno-cellulosic material" "non-food cellulosic material" 		[document name and section] <ul style="list-style-type: none"> "quote" "quote" Requirement: <ul style="list-style-type: none"> xxx

Recognition of other voluntary schemes and national systems

Recognition of other voluntary schemes		
Requirement	Guidance	Assessment
5.7 Approach to voluntary scheme recognition (OPTIONAL: Voluntary schemes are encouraged to include a clause on recognising the potential use of other voluntary schemes for part of a supply chain)	<ul style="list-style-type: none"> In case part of the chain relies on other voluntary schemes, schemes may only recognise voluntary schemes that are recognised by the Commission in the context of the Directive 2009/28/EC. Schemes may only recognise the <i>scope</i> of the voluntary scheme that the EC recognises in this context. 	<div>Y</div> <div>[document name and section]</div> <ul style="list-style-type: none"> "quote" "quote" <div>Requirement:</div> <ul style="list-style-type: none"> xxx
5.8 Recognition of national schemes	<ul style="list-style-type: none"> The Commission may recognise national schemes for compliance with the conditions set out in Directive 2009/28/EC. Voluntary schemes shall not refuse mutual recognition with those schemes as regards the verification of compliance with the sustainability criteria set out in Articles 17(2) to (5). 	<div>Y</div> <div>[document name and section]</div> <ul style="list-style-type: none"> "quote" "quote" <div>Requirement:</div> <ul style="list-style-type: none"> xxx

Audit Quality and Scheme Governance

Assessment of the audit processes of a voluntary scheme is relevant for auditing of the sustainability criteria and auditing of the chain of custody. The level of complexity of a chain of custody is a function of the features that a scheme allows.

RED Article 18(3):

Member States shall take measures to ensure that economic operators submit reliable information and make available to the Member State, on request, the data that were used to develop the information. Member States shall require economic operators to arrange for an adequate standard of independent auditing of the information submitted, and to provide evidence that this has been done. The auditing shall verify that the systems used by economic operators are accurate, reliable and protected against fraud. It shall evaluate the frequency and methodology of sampling and the robustness of the data.

RED Article 18(5):

The Commission shall adopt decisions only if the scheme in question meets adequate standards of reliability, transparency and independent auditing.

Article 18(3): Adequate standard of independent auditing	Voluntary Schemes need to ensure a sufficient quality of auditing and verification	
Requirements	Guidance	Assessment
6.1. Documentation management	<ul style="list-style-type: none"> The system ensures that economic operators must have a documentation management system. It should be a condition of participation in voluntary schemes that economic operators: <ul style="list-style-type: none"> i) have an auditable system for the 	<div>Y</div> <div>[document name and section]</div> <ul style="list-style-type: none"> "quote" "quote" <div>Requirement:</div> <ul style="list-style-type: none"> xxx

	<p>evidence related to the claims they make or rely on;</p> <p>ii) keep any evidence for a minimum of 5 years; and</p> <p>iii) accept responsibility for preparing any information related to the auditing of such evidence.</p> <ul style="list-style-type: none"> The auditable system should normally be a quality system drawing on points 2 and 5.2 of Module D1 ('Quality assurance of the production process') of Annex II of the Decision on a common framework for the marketing of products. 		
6.2 Audits before participation in the voluntary scheme	<ul style="list-style-type: none"> As a general rule, a voluntary scheme should ensure that economic operators are audited before allowing them to participate in the scheme. [The requirements for auditor competency are covered separately under requirement 6.5 below.] 		<p>[document name and section]</p> <ul style="list-style-type: none"> "quote" "quote" <p>Requirement:</p> <ul style="list-style-type: none"> xxx
6.3 Retrospective audits	<ul style="list-style-type: none"> The voluntary scheme shall arrange for regular, at least yearly, retrospective auditing of a sample of claims made under the scheme. It is the responsibility of the verifiers to define the size of the sample that will permit 		<p>[document name and section]</p> <ul style="list-style-type: none"> "quote" "quote" <p>Requirement:</p> <ul style="list-style-type: none"> xxx

	<p>them to reach the level of confidence necessary to issue a verification statement.</p> <ul style="list-style-type: none"> • [The requirements for auditor competency are covered separately under requirement 6.5 below.] 		
<p>6.4 Group auditing</p> <p>[OPTIONAL – only relevant when group auditing is applied]</p>	<ul style="list-style-type: none"> • Group auditing - in particular for smallholder farmers, producer organisations and cooperatives - can be performed. [Note that group auditing is only permitted for the producers of raw material, not other economic operators further down the supply chain.] • In such cases, verification for all units concerned can be performed based on a sample of units, where appropriate taking into account a relevant standard developed for this purpose. Aspects that should be covered include the following: <ul style="list-style-type: none"> ◦ What is the sample size and how is the sample determined? ◦ What is the threshold for non-compliance and do they apply to the whole group? • As a minimum, it is required that a sample of at least the square root of the number of group members is 	<p>Y</p>	<p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p> <ul style="list-style-type: none"> • xxx

	<p>audited individually annually, in line with the ISEAL standard P035.</p> <ul style="list-style-type: none"> • It is generally expected that group auditing is undertaken on-site (e.g. that auditors visit the individual farms where the feedstock is produced). If the application of desk audits is allowed voluntary schemes must provide guidance to the auditors under which circumstances such desk audits could be considered to provide the same level of assurance as an on-site audit (e.g. availability of high quality satellite images, data on protected areas and peatland that provide information on the relevant time horizon). For example: <ul style="list-style-type: none"> ◦ Criteria should be set out how the general level of risk in the areas can be determined and which consequences the level of risk has got for the auditing approach. ◦ What type of evidence needs to be available to allow desk audits. In this context self-declarations from economic operators cannot be regarded as sufficient evidence. 	
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	<ul style="list-style-type: none"> Group auditing for compliance with the scheme's land related criteria is only acceptable when the areas concerned are near each other and have similar characteristics. Group auditing for the purpose of calculating GHG savings is only acceptable when the units have similar production systems and products. 		
6.5 Auditor competencies	<ul style="list-style-type: none"> For these audits, requirements are that the auditor should be: <ol style="list-style-type: none"> Independent of the activity being audited Free from conflict of interest Competent <ul style="list-style-type: none"> Point 1 and 2 mean that the audit shall be carried out by an external third party (not the economic operator) Point 3 mean that the auditor has the generic skills and the verification body has the general skills for performing audits; and The auditor has the appropriate specific skills necessary for conducting the audit related to the scheme's criteria. Namely: 	Y	<p>[document name and section]</p> <ul style="list-style-type: none"> "quote" "quote" <p>Requirement:</p> <ul style="list-style-type: none"> xxx

	<ul style="list-style-type: none"> ○ Land use criteria: Experience in agriculture, ecology or similar. Note that verifying compliance with the highly biodiverse grasslands criterion partially requires technical knowledge that goes beyond the competences that can be expected from the auditors verifying the claims made by market operators (e.g. assessing whether a grassland maintains the natural species composition and ecological characteristics and processes and whether grassland is species rich). ○ GHG criteria: Relevant experience in, agriculture, natural science, engineering (chemical, process etc), energy management or similar depending on the type of audits to be conducted by the individual auditor. ○ Chain of Custody system: Experience in mass balance systems, supply chain logistics, traceability, data handling or similar. • The scheme documentation should describe in sufficient detail how it is 	
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	<p>ensured that the requirements concerning auditors' competences are met.</p>		
6.6 Management of the audit	<ul style="list-style-type: none"> • Audits shall be properly planned, conducted and reported on. • The scheme has clear procedures that describe how audits should be conducted, including detailed guidelines or checklists for auditors. • The guidelines shall also set out the content of the auditing reports e.g. beginning and the end of the audit (length of the audit), the address where the audit was conducted, the audit participants and a list of audited documents. Further, the guidelines shall determine the necessary information to be included on the certificates (e.g. type of biomass and scope of certificate). • Audit includes the following: <ul style="list-style-type: none"> ○ Identify the activities undertaken by the economic operator which are relevant to the scheme's criteria; ○ Identify the relevant systems of the economic operator and its 	<p>Y</p>	<p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p> <ul style="list-style-type: none"> • xxx

	<p>overall organisation with respect to the scheme's criteria and checks the effective implementation of relevant control systems;</p> <ul style="list-style-type: none"> ○ Analyse the risks which could lead to a material misstatement, based on the verifier's professional knowledge and the information submitted by the economic operator; ○ Draw up a verification plan which corresponds to the risk analysis and the scope and complexity of the economic operator's activities, and which defines the sampling methods to be used with respect to that operator's activities; ○ Carry out the verification plan by gathering evidence in accordance with the defined sampling methods, plus all relevant additional evidence, upon which the verifier's verification conclusion will be based; ○ Request the operator to provide any missing elements of audit trails, explain variations, or revise claims or calculations, before 		
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	<p>reaching a final verification conclusion.</p> <ul style="list-style-type: none"> • ISO 19011: 2011 (plan, do, act, check), or justified equivalent, covers the above requirements. • The voluntary scheme should also describe what the implications are for any non-conformities identified during the audit. For example: <ul style="list-style-type: none"> ◦ Under which circumstances are certificates withdrawn or suspended? ◦ What procedures are in place to ensure that any non-conformities that do not lead to immediate withdrawal or suspension of the certificate are corrected? 		
6.7 Transparency on other voluntary scheme participation by economic operators	<ul style="list-style-type: none"> • Voluntary schemes need to ensure that economic operators declare the names of all schemes they participate in and make available to the auditors all relevant information, including the mass balance data and the auditing reports. • Prior to re-certification of an economic operator that was previously found to be in major non-conformity with this requirement, or any other aspect of the 	<p>Y</p> <p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p> <ul style="list-style-type: none"> • xxx 	

	<p>mandatory sustainability criteria, the auditor should be required to bring this to the attention of the voluntary scheme under which the operator is in the process of re-certification. (This requirement applies to all voluntary schemes that the economic operator is participating in.)</p>		
<p>6.8 Specific aspects relevant for audits of actual GHG emission calculations</p>	<ul style="list-style-type: none"> The voluntary scheme is required to ensure that economic operators make available to auditors all relevant information concerning the calculation of actual GHG emissions in advance of the planned audit. The auditor should record the emissions occurring at the audited site (emissions after allocation) and if relevant the achieved savings in the audit report. Should the emissions deviate significantly from typical values the report has to include information that explains the deviation. The voluntary scheme shall ensure that economic operators are only allowed to use actual values after the capability to conduct such a calculation according to the GHG emission calculation methodology has been verified by an auditor. Such a verification can be 	<p>Y</p>	<p>[document name and section]</p> <ul style="list-style-type: none"> "quote" "quote" <p>Requirement:</p> <ul style="list-style-type: none"> xxx

	<p>performed during the audit of the economic operator before participation in the voluntary scheme (see requirement 6.2. above)</p> <ul style="list-style-type: none"> Carbon capture and replacement: Auditors are required to verify that the estimate of emissions saving from capture and replacement of CO₂ is limited to emissions avoided through the capture of CO₂ of which the carbon originates from biomass and which is used to replace fossil-derived CO₂. This requires access to the following information: <ul style="list-style-type: none"> The purpose for which the captured CO₂ is used. The origin of the CO₂ that is replaced. The origin of the CO₂ that is captured. Information on emissions due to capturing and processing of CO₂. <p>To supply evidence regarding the origin of the CO₂ that is replaced, operators using the captured CO₂ should state how the CO₂ that is replaced was previously generated and declare, in writing, that due to the replacement emissions of</p>	
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	<p>that quantity are avoided.</p> <p>The evidence must enable auditors to verify whether the requirements of Directive 2009/28/EC are met including that emissions are actually avoided.</p> <ul style="list-style-type: none"> • Good examples for a replacement which can be expected to avoid CO₂ emissions are cases where the CO₂ that is replaced was previously produced in a dedicated process aiming at the production of CO₂. 		
6.9 Establishment of at least a "limited assurance level" when conducting audits	<ul style="list-style-type: none"> • A "limited assurance level"² implies a reduction in risk to an acceptable level as the basis for a negative form of expression by the auditor such as "based on our assessment nothing has come to our attention to cause us to believe that there are errors in the evidence". 	Y	<p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p> <ul style="list-style-type: none"> • xxx
6.10 Accreditation of certification bodies	<ul style="list-style-type: none"> • The requirements to be met by certification bodies to undertake audits on behalf of the scheme and the procedure to select or exclude certification bodies shall be described. 	Y	<p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p>

² A stronger "assurance level" is the "Reasonable assurance level". Reasonable assurance implies a reduction in risk to an acceptably low level as the basis for a positive form of expression such as "based on our assessment, the evidence is free from material misstatement".

	<ul style="list-style-type: none"> • Accreditation of certification bodies can take a number of approaches: <ul style="list-style-type: none"> ◦ Accreditation by bodies referred to in Article 4 of Regulation (EC) No 765/2008; or ◦ Accreditation by bodies having a bilateral agreement with the European Cooperation for Accreditation; or ◦ Accreditation by a national accreditation body affiliated to the International Accreditation Forum (IAF); or ◦ Accreditation by a full member or 'associate' member of ISEAL; or ◦ 'Commitment to comply' with ISO 17011: 2004 (General requirements for accreditation bodies accrediting conformity assessment bodies), or justified equivalent, within 3 years (consistent with ISEAL associate member). 		<ul style="list-style-type: none"> • xxx
6.11 Complaint procedure	<ul style="list-style-type: none"> • The voluntary scheme should describe how information received from third parties that is relevant for the certification is taken into account (e.g. in the planning of future audits and how 	Y	<p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p>

	requests for information, including that requests from competent authorities of EU Member States are answered).		<ul style="list-style-type: none"> • xxx
6.12 Internal monitoring	<ul style="list-style-type: none"> • The voluntary scheme should have in place a system of internal monitoring to verify compliance of economic operators with the provisions of the scheme. Such internal audits should be undertaken in case relevant information on potential non-conformities has been brought to the attention of the scheme by external parties, and also to cross check the work conducted by external auditors. • Internal monitoring should be undertaken on a regular basis. 		<p>[document name and section]</p> <ul style="list-style-type: none"> • "quote" • "quote" <p>Requirement:</p> <ul style="list-style-type: none"> • xxx

6.13 Transparency	<ul style="list-style-type: none"> • Voluntary schemes should make available information that is relevant for the operation of the system or for transparency purposes. This includes in particular: <ul style="list-style-type: none"> ○ The list of economic operators that are recognised under the scheme and those who no longer participate. Information on the withdrawal or suspension of certificates must be published without delay. ○ The latest version of scheme documents including the guidelines for audits. ○ The certification bodies that are permitted to conduct audits and if relevant where they are accredited. ○ Publication of contact details for the scheme e.g. telephone number, email address and correspondence address. ○ The names of the voluntary schemes the scheme is recognising. 	
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6.14 Annual reports	<ul style="list-style-type: none"> • Recognised voluntary schemes are obliged to submit annually a report to the Commission that includes relevant information concerning the operation of the scheme. • The scheme shall have a procedure in place to collect the information required to fulfil this reporting obligation. 		
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