



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR ENERGY

Directorate C - Renewables, Research and Innovation, Energy Efficiency
C.1 - Renewables and CCS policy
The Head of Unit

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**To the voluntary schemes that have
been recognised by the Commission
for demonstrating compliance with
the sustainability criteria for biofuels**

Subject: New legal reporting requirements for voluntary schemes

Dear Sir or Madam,

The EU legislator has achieved a political agreement on the Commission proposal to limit indirect land use impacts of biofuels¹. The agreement includes several provisions that will affect the operation of voluntary schemes directly. We thought it to be appropriate to inform you about the coming changes although these amendments are not yet in force².

Mainly the following two provisions will have a direct effect on the operation of voluntary schemes:

- Voluntary schemes have to publish at least once per year a list of their certification bodies used for independent auditing, indicating for each certification body by which entity or national public authority it was recognised and which entity or national public authority is monitoring.
- Voluntary schemes have to submit one year after the adoption of the amendments and annually thereafter by 30 April, a report to the Commission covering each of the points set out in Annex 1. Assuming that the adoption date is 9 September 2015, the deadline for submission of the first report would be 9 September 2016 and the second 30 April 2017. Generally, the report must cover the preceding calendar year. The first report must cover at least six months from the date of the adoption of the amendments. However, we would suggest aiming to cover the entire calendar also in the first report. The requirement to submit a report applies only to voluntary schemes that have operated for at least 12 months.

The Commission will be required to make the reports available on the transparency platform. The reports, therefore, should not include confidential information. If part of the information cannot be published - for instance for commercial reasons - this should be clearly

¹ 2012/0288 (COD)

² We expect that the amendments will be adopted on 9 September 2015 and will be published about one month thereafter. They enter into force 20 days after the publication in the Official Journal.

communicated to the Commission services and the confidential information should be submitted in a separate document.

The reports should be structured in a way that allows the reader to verify quickly whether all required information has been provided. For this purpose it should be indicated clearly where in the report the issues outlined in Annex I are addressed.

The information to be submitted includes also information on market updates of the scheme, the amount of feedstock and biofuels certified, by country of origin and type. In order to ensure that the information submitted is comparable among schemes and can be aggregated easily it is necessary to provide further details how the information should be reported.

The Directive requires submission of information on both certified feedstock and certified biofuels. In order to avoid that material is accounted multiple times; voluntary schemes should report only feedstock certified under the scheme at the origin of the chain of custody i.e. at the place where compliance is established for the first time. Thus, raw material received from other market operators with a sustainability claim, normally, should not be accounted a second time. Similarly, data on certified biofuels should comprise only the amounts arising at the last stage of processing i.e. at the biofuel production plant. Data on interim products and amounts certified by economic operators that only trade or distribute the material should not be covered. Further, only material that has been claimed compliant under the scheme in question should be reported. This can be relevant if an operator participates in several voluntary schemes. The information under which scheme the claims have been made should be available from the mass balance records.

Data should be reported in thousands of metric tons covering all feedstocks included in Annex II of this letter. Information has to be differentiated by country of origin. The list of feedstock covers all major feedstocks used for biofuel production as well as the double counting biofuels included in Annex IX of the amended Renewable Energy Directive. The countries of origin should be spelled out as they are set out in the list of UN Member Countries³. Data on certified biofuels should also be reported in thousands of metric tons [m³ in case of gaseous biofuels] and should cover all biofuels produced from these feedstocks. With respect to the type of biofuels it should be differentiated between biodiesel, bioethanol, Hvo, pure vegetable oil, biomethane, FT diesel, DME and methanol. The country of origin would be the place of origin of the feedstock. For the submission of the data the attached spread sheet should be used.

The spread sheet should be self-explanatory. In the column "Type of product" it has to be determined whether the entry concerns a feedstock or if it concerns a biofuel the type of biofuel has to be entered. In the column "Country of origin" obviously the origin of the feedstock must be provided. In the column "Feedstock" the type of the feedstock certified or in case of biofuels the type of feedstock used to produce the biofuel needs to be entered while in the column "Calendar year" the year when the product was marketed with a sustainability claim of the scheme needs to be entered. Finally, in the last column the mass of the product in tons or in case of gaseous biofuels in m³ must be provided.

The terminology used in the Renewable Energy Directive for the default values slightly differs from the terminology used in Annex IX. For less common types of feedstock this could a potentially be an issue as the terminology used for the information on the type of

³ <http://www.un.org/en/members/index.shtml>

feedstock in the delivery notes could deviate from the terminology to be used for reporting. It should, however, be possible to link each biofuel for which a default value is given to one combination of fuel type and feedstock type.

It was our objective to design a template that allows an easy recording of the required information. Should the daily operation show that the proposed disaggregation of feedstock and biofuels poses practical problems we are open to look for operational solutions provided they fulfil the requirements set out in the Directives.

Yours sincerely,



Paula Abreu Marques

Annex 1: list of information to be reported by the voluntary schemes

- (a) the independence, modality and frequency of audits, both in relation to what is stated on those aspects in the scheme documentation, at the time the scheme concerned was approved by the Commission, and in relation to industry best practice;
- (b) the availability of, and experience and transparency in the application of, methods for identifying and dealing with non-compliance, with particular regard to dealing with situations or allegations of serious wrongdoing on the part of members of the scheme;
- (c) transparency, particularly in relation to the accessibility of the scheme, the availability of translations in the applicable languages of the countries and regions from which raw materials originate, the accessibility of a list of certified operators and relevant certificates, and the accessibility of auditor reports;
- (d) stakeholder involvement, particularly as regards the consultation of indigenous and local communities prior to decision making during the drafting and reviewing of the scheme as well as during audits and the response to their contributions;
- (e) the overall robustness of the scheme, particularly in light of rules on the accreditation, qualification and independence of auditors and relevant scheme bodies;
- (f) market updates of the scheme, the amount of feedstocks and biofuels certified, by country of origin and type, the number of participants;
- (g) the ease and effectiveness of implementing a system that tracks the proofs of conformity with the sustainability criteria that the scheme gives to its member(s), such a system intended to serve as a means of preventing fraudulent activity with a view, in particular, to the detection, treatment and follow-up of suspected fraud and other irregularities and where appropriate, number of cases of fraud or irregularities detected;
- (h) options for entities to be authorised to recognise and monitor certification bodies;
- (i) criteria for the recognition or accreditation of certification bodies;
- (j) rules on how the monitoring of the certification bodies is to be conducted.
- (k) possibilities to facilitate or improve promotion of best practice.

Annex 2: List of feedstock

Rapeseed

Sunflower seed

Palm oil

Soybeans

Other oil crops

Wheat

Corn

Other cereals

Sugar cane

Sugar beet

Other sugar crops

Used cooking oil

Animal fats classified as categories 1 and 2

Other waste vegetable or animal oils

Algae

Biomass fraction of mixed municipal waste

Bio-waste

Biomass fraction of industrial waste

Straw

Animal manure and sewage sludge

Palm oil mill effluent and empty palm fruit bunches

Tall oil pitch

Crude glycerine

Bagasse

Grape marcs and wine lees

Nut shells

Husks

Cobs cleaned of kernels of corn

Biomass fraction of wastes and residues from forestry and forest-based industries

Other non-food cellulosic material

Other ligno-cellulosic material except saw logs and veneer logs

Other feedstock