



2BS voluntary scheme
Annual Legal Reporting
The calendar year 2018

Submission date: 29 April 2019

Introduction

This report to the Commission from the 2BS voluntary scheme covers each of the points set out in the new paragraph 6 of Article 18 of the Directive (EU) 2015/113 amending the Directive 2009/28/EC.

As at the 31st of December 2018, the 2BS voluntary scheme had 593 certificates in 17 countries and 7 active recognised certification bodies [CB], one of which has its head office abroad. Baltic control has never done audits or issued a 2BS certificate despite its status as a certification body recognized by 2BS.

The number of certified entities at the end of 2018 remains stable compared to the previous year.

The number of certificates held by each certification body is as follows.

Certification Body [CB]	Number of certified operators	Share
Control Union (France)	287	48%
Bureau Veritas (France)	154	26%
Certis (France)	89	15%
Ocacia (France)	29	5%
Intertek (France)	28	5%
BS Qualicert (Belgium)	3	< 1%
Rina (Italy)	3	< 1%
Baltic Control (Denmark)	0	0%
	593	100%

87% of the 2BS certificates concern certified legal entities located in Europe, and the remaining 13% are based in South America.

Bureau Veritas [BV] and Control Union [CU] certify 74% of customers and share the global international certification activity for the 2BS Voluntary System.

Geographically, and outside of France, [CU] is well represented in South America while [BV] is more present in the south of Europe. These two main certification bodies perform almost all of the audits of the last interfaces certified by the 2BS voluntary system and the waste and residues streams (materials and biofuels).

The 2BS voluntary scheme does not certify palm oil as sustainable biomass, even though this feedstock is an input (certified by other voluntary schemes) of 2BS certified last interfaces.

The six main energy crops certified as sustainable by 2BS are soya, rapeseed, beetroot, wheat, corn and sunflower. Biodiesel, bioethanol and hydrotreated vegetable oil are the leading three biofuels certified by 2BS. Detailed information about feedstock certified by 2BS is in section (f).

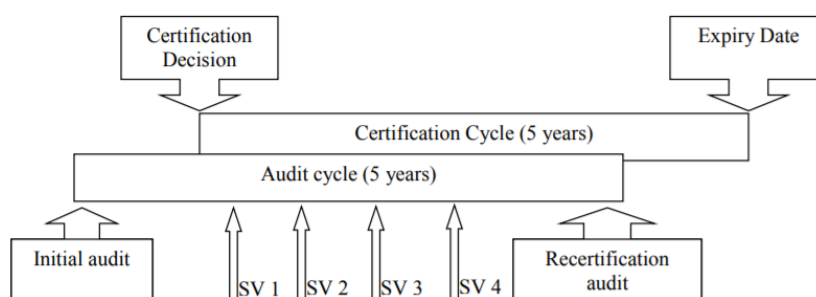
This report is based on the best information available covering the following eleven subjects listed from (a) to (k)

(a) **The independence, modality and frequency of audits. Details about these topics are in the scheme documentation at the time the scheme concerned was approved by the Commission and also about industry best practice.**

Independence, modality and frequency of audits

2BS clients are audited and certified by recognised Certification Bodies [CB] accredited according to a set of requirements¹ that will enable them to ensure that the management of their certification process is carried out in a competent, consistent and impartial manner.

The 2BS certification cycle is five years long.



Annual verification audits (SV1, SV2, SV3, SV4) are carried out on the anniversary date of the issuing of the certificate, with a tolerance of plus or minus two months.

The renewal audit is carried out 3 to 6 months before the expiry date of the certificate.

A systematic control in the private on-line area of each certification body [CB] allows the above rules to be monitored. This surveillance module is also available for the administration of the 2BS voluntary scheme.

Audit files are tagged “Late audit” when the audit has not been carried out at the calendar date or during the tolerance window (certificate calendar date + 2 months).

When a follow-up audit is not carried out within the maximum specified tolerance (certificate calendar date + 2 months), the certificates are withdrawn and archived.



Any change in the scope and the activity of the certified entity must be reflected in the certificate update and its annexes.

2BS Scheme documentation

¹ ISO 17021 in its current version

Relevant scheme documentation is dedicated to certification bodies and their auditors, existing and new customers, integrity auditors, remaining EC recognized voluntary schemes, administrations and other interested parties. Relevant information is available via the following internet link: <https://www.2bsvs.org/scheme-requirements-and-documents.html>.

Users are notified whenever there is a change or update, as long as they are logged on and identified on the 2BS internet site.

Information is split and archived into five pillars, in English and French, as follows:

1. Governance procedures
2. Certification and audit procedures
3. Audit standards
4. Audit guidelines & tools
5. External support documents

The list of valid and withdrawn certificates is available to the public, and its update is the responsibility of each certification body [CB].

(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.

Reactive approach

Ares (2018)3838890 - Inquiry on the GHG emission claims of some biofuel producers

- 22 February 2018, 11:05
2BS received information from a client with a list of 37 Argentinian economic operators that were not complying with the GHG calculation rules concerning the factors of transport and distribution.
- 22 February 2018, 11:41
2BS Association identified five economic operators certified under 2BS, whose scope and activity might correspond to the initial non-conformity sample (37 Argentinian Economic operators)
- 09 March 2018, 17:06
Further investigation from 2BS Association leads to the conclusion that only two out of the five economic operators might possibly be involved in the non-conformity scenario.
- 29 March 2018, 16:29
GHG calculation assessment, GHG saving % and PoS' review, enabled 2BS to conclude on the conformity of the penultimate 2BS certified operator included in the review.
- 23 April 2018, 17:48
GHG calculation assessment, GHG saving % and PoS' review, enabled 2BS to conclude on the conformity of the last 2BS certified operator included in the review

The 2BS Association concluded that there was no wrongdoing and supplied the supporting evidence to the European Commission. The issue is closed.

Preventive approach

Ares (2018)3838890 - Inquiry into the GHG emission claims of some biofuel producers

The 2BS Association used this case to alert the CB about the certification boundaries, and the need for sharing the positive evidence from which GHG savings shall be demonstrated.

Europe, Middle East and Africa Division (Canada)

Following a request by Canada, 2BS confirmed in March 2018, that the esca emission reduction factor does not apply to NUTS2 values and it is used exclusively in the overall GHG emissions formula contained in part C of annex V of the Directive, i.e. actual values.

BLE (Germany)

Reports on unusually low greenhouse gas emissions of biofuels or bioliquids have been transmitted by the BLE (Germany). The details were checked and monitored by the certification bodies in charge of the audits of the economic operators so as to find proof of sustainability. The certification bodies found no evidence of wrongdoing.

RTFO (UK)

Guidance on practical implementation, while providing information and evidence on starch slurry, in response to a RTFO call for evidence – feedstocks including wastes and residues (2018 n°3 26/02/2018) - has been communicated to the certification bodies and economic operators. A sampling documentary review carried out by 2BS demonstrated compliance with this Member State requirement.

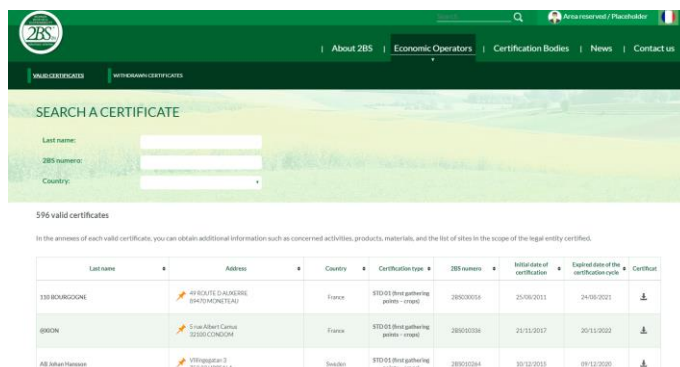
2BS system improvement




Refers to sections (f) & (j)

(c) transparency, particularly concerning 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

List of certified operators and relevant certificates

The list of valid and withdrawn certificates is available on <https://www.2bsvs.org/certificats-valides.html>



Last name	Address	Country	Certification type	2BS number	Initial date of certification	Expiry date of the certification cycle	Certificate
101 BOURGOGNE	49 ROUTE D'ALBERT (58470 MONTET)	France	STD-01 (first gathering points - crop)	2BS000036	25/09/2011	24/09/2021	
8000	5 rue Albert Camus 52000 CONDOM	France	STD-01 (first gathering points - crop)	2BS000036	25/11/2017	24/11/2022	
AB Johan Hansen	Vittingsdal 3 751 23 UPPSALA	Sweden	STD-01 (first gathering points - crop)	2BS00004	30/12/2015	29/12/2020	

The certificates whose scope is related to the first gathering points of agricultural biomass can be downloaded from the 2BS internet site since early 2018. This action answers the request from certified traders and last interfaces.

Biomass certificates (energy crops) represent 81 % of the total number of 2BS certificates. This figure includes the first gathering points and the trading activity. Europe is the origin of 89% of the biomass (France has a 79% share) and South America represents 11% (Argentina has an 8% share).

Upon receiving an authorised request, the 2BS Association supplies the certificates relating to traders and last interfaces as these records are not published on the 2BS internet site.

Applicable languages

Standards, procedures, guidelines, online audit tests, auditor training supporting documentation are available in English and French (87% of the certified entities).

The 2BS team can handle oral and written discussions in Spanish and Portuguese.

Audit reports

The audit records are not available on the intranet platform. They can be made available if an authorised request is made. For example, audit reports are requested to carry out the CB audit documentary reviews and to trace audit trails of a specific audit where there is a complaint investigation.

(d) stakeholder involvement, particularly regarding the consultation of indigenous and local communities before decision making during the drafting and reviewing of the scheme as well as during audits and the response to their contributions;

No contextual need was identified in 2018 to consult indigenous and local communities, regarding the scope of 2BS Voluntary scheme concerning the geographic certification of feedstock (type and origin), materials (type and origin) and products.

(e) the overall robustness of the scheme, particularly in light of rules on the accreditation, qualification and independence of auditors and relevant scheme bodies.

Certification bodies

2BS-PRO-01 and 2BS-PRO-02 procedures deal with the accreditation, qualification and independence of auditors and relevant scheme bodies.

2BS Contractual terms require that each recognised certification body be referred to as Accredited Certification Bodies and therefore be certified by Accreditation bodies. The seven certification bodies recognised by the 2BS Association are thus compliant with the set of requirements (ISO 17021:2015 and

ISO 19011:2018) that will enable them to ensure that their management certification process is carried out in a competent, consistent and impartial manner.

A qualifying training session for 3 participants (including 2 certification bodies, Certis and Ocacia) was carried out in France, in July 2018. The success rate was 66 %.

The knowledge of 2BS qualified auditors is verified annually before the end of January. Designed by the 2BS Association, online test questionnaires, per standard of audit are validated by the end of October with the technical representatives of each certification body.

The 2018 online test results confirmed the availability within the 2BS network of:

- o 57 qualified auditors for the scope "First gathering entities and trade of energy crops",
- o 33 qualified auditors for the scope, "Last interfaces, biofuel traders and wastes & residues chain "

2BS Governance activity

Six (6) Steering Committees, two (2) Board Meetings, one (1) Ordinary General Meeting and two (2) Harmonization meetings with certification bodies were held in 2018.

The 2BS Ethical committee participated in the board meetings of the 26 April and 6 November 2018. The 2BS Board made no specific referral to the Ethical Committee in 2018.

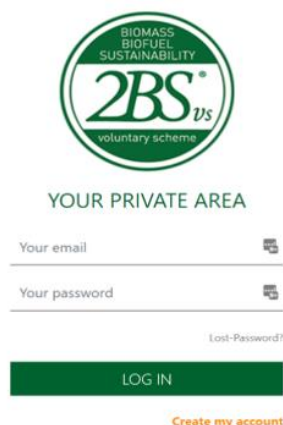
(f) Market updates of the scheme, the amount of feedstock and biofuels certified, by country of origin and type, the number of participants.

Changes in the process of gathering and verifying data

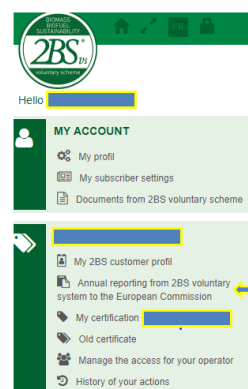
Based upon feedback from latest reporting information, 2BS decided to redesign the process of collecting and checking the consistency of data to be reported to the European Commission before anonymisation of the sources of information.

In the private online area of each certified company within the 2BS intranet, an additional surveillance feature has been added, "Annual reporting". The certified entity faces the following process for entering information

Access of the client to his 2BS private on-line area



Entering data in the dedicated field



According to the scope of activity certified, last interface or first gathering point, the client shall select the appropriate entering tables.

2018

☐ I produced and sold Biofuels during the calendar year :
Sustainable biofuel flows purchased from other entities certified 2BS-STD-02 and resold in the year should not be considered:

Yes ☐

If you produce more than one type of biofuel

+ Add a biofuel

Select the type of biofuel produced by your processing unit

Type of product :

Amount produced in tonnes certified by 2BSvs : 0 from

Feedstock or material information

Feedstock or material certified sustainable :

Amount collected in tonnes : 0

Country of origin :

+ Add another feedstock

If the type of biofuel selected is made from additional feedstock

Do not forget to validate

VALIDATE

You can delete to correct your initial entry

Organismes stockeurs / Points de collecte - Collecte de matières premières durables (cultures énergétiques et déchets & résidus)
First Gathering Points / Collection points – Collection of sustainable feedstocks (energy crops and wastes & residues)

Vérifiez la saisie de vos données, la quantité et l'unité (tonnes) avant de valider
Check the entry of your data, amount and unit (tons)

☐ J'ai collecté et vendu des matières premières durables au cours de l'année civile :
Les flux des matières premières durables achetées à d'autres entités certifiées 2BS-STD-01 ou 2BS-STD-02 et revendus dans l'année, ne doivent pas être pris en compte :

Oui ☐

Pour ajouter une Mat 1^{ère} cliquer ici

+ Ajouter une matière première

Matière Première : Pays d'origine : Quantité en tonnes :

Matière Première : Pays d'origine : Quantité en tonnes :

Ne pas oublier de valider

☐ I collected and sold sustainable raw materials during the calendar year :
Flows of sustainable raw materials purchased from other entities certified 2BS-STD-01 or 2BS-STD-02 and resold in the year should not be considered

Yes ☐

To add a feedstock

+ Add a feedstock

Feedstock : Country of origin : Amount in tonnes :

Feedstock : Country of origin : Amount in tonnes :

Do not forget to validate

Once the entered data has been saved, the following actions occur simultaneously

- The data is validated and recorded at the client premises
- The declaration record becomes available for audit purposes, and
- The information is automatically transmitted to the 2BS Association and a third party²
- The data is automatically split into the dedicated fields of the Excel spreadsheet provided by the European Commission, and transmitted to the European Commission by the third party on 30 April 2019, by the third party

² S.C.P G. SIMONIN E. LE MAREC V. GUERRIER, Huissiers de Justice associés, 54, rue Taitbout - 75009 PARIS

(g) The ease and effectiveness of implementing a system that tracks the proof of conformity with the sustainability criteria that the scheme gives to its member(s). Such a system is intended to serve as a means of preventing fraudulent activity through detection, treatment and follow-up of suspected fraud and other irregularities and, where appropriate, recording the number of cases of fraud or irregularities detected;

Refer to section (j), “ *Rules on how the monitoring of the certification bodies is to be conducted* ”. Positive proof of conformity is a 2BS checklist requirement.

(h) Options for entities to be authorised to recognise and monitor certification bodies.

Although the integrity audit team has been strengthened with a second external auditor, the 2BS Association has decided to use its audit resources from 2019, to increase flexibility in terms of planning integrity audits.

Whenever the conclusions of an integrity audit with a certification body are challenged, and in particular relating to the triggering of a sanction, the 2BS Association currently recommends that the Ethics Committee be notified. The Ethics Committee must make a decision based on the facts.

The notification of the accreditation body to which the certification body belongs may be an alternative to the current provisions.

(i) Criteria for the recognition or accreditation of certification bodies;

Recognition criteria are defined in the procedures 2BS-PRO-01 (governance pillar) and 2BS-PRO-02 (certification pillar), available on the 2BS internet site.

No additional certification body was recognised in 2018.

(j) Rules on how the monitoring of the certification bodies is to be conducted.

Daily monitoring

The certification activity and the interface with the certification bodies is clear and open on the 2BS intranet system. A 2BS back-office administrator supervises the overall process of certification activity for each certification body.

The monitoring is focused on

- Number and identification of new operating clients waiting for an initial audit
- Number and identification of updated certificates
- Annual audits carried out before or at the calendar date
- Annual audits that happen in the tolerance window (+ 2 months)
- Certificates that have been cancelled
- Number, identification and contact details of active and non-active qualified auditors

Desk reviews

Audit files are reviewed and sampled based on a risk analysis, such as the amount and type of feedstock or biofuel and the geographic position of the certified entity. The audit reviews encompass:

- Audit Plan
 1. Audit duration
 2. Audit trails
 3. Time taken to transmit the audit plan to the economic operator before the audit

- Audit report
 1. Validation of the audit scope (sites, incoming and outgoing flows, types of product, type of activity covered by the certificate - first gathering point, storage, transformation, trading)
 2. The effectiveness of the control of suppliers of sustainable raw materials, including the respect of sustainability criteria concerning the origin of the sustainable raw material (energy crops and/or waste & residues) and/or intermediate products and/or final biofuels
 3. Effectiveness and scope of the control of the records necessary to prove the sustainability of the raw material and/or intermediate products and/or biofuels (sustainability claims), as well as the respect of the archiving rules.
 4. Control of new suppliers of sustainable raw materials and/or intermediate products and/or final products (biofuels)
 5. Annual Review of the certified entity's Internal Control System (Management Review, Internal Audit Report and Training Activities of Stakeholders Involved in the 2BS System)
 6. Accuracy, consistency and completeness of information over time to be included in the mass balance, including:
 - *the use of the principle of precaution (doubts about the origin of the raw material and/or intermediate products),*
 - *the link to critical records (contracts, invoices, delivery notes, etc.),*
 - *the conversion factors used, and*
 - *the types of inputs and outputs, in the certified scope of the activity.*
 7. Regularity and accuracy of the information transmitted annually to the 2BS Association (origin and tonnage of outgoing products (biomass and biofuels) and incoming products (biomass))
 8. The conclusion of the auditor on the reduction of GHG emissions and the process of transmission/communication of evidence of sustainability in the certification chain,
 9. Clarity in the drafting of audit nonconformities (requirements, proofs and failures) and reasons leading to the closure of previous corrective actions.
 10. Details of the final and/or intermediate calculation results when the actual values for GHG emissions are used
 11. The conclusion of the audit report, readability of findings, including the reduction of GHG emissions in percentage (for final interfaces) followed by the sentence: "based on our review, nothing makes us believe that there are errors in the evidence of said".
 12. Monitoring of time taken to transmit deliverables (certificates and audit reports)

- Certificate
 1. Certificate number
 2. Validity period
 3. Coherency between the scope of the certification, the information in the audit report/check lists and audit standards
 4. Certification background (number of certification cycles)
 5. Reference to updated audit procedures, auditing standards and the EC recognition period in the certificate footer
 6. Conformity of the information drafted in Annex I and Annex II of the certificate
- Auditor
 7. 2BS qualification record (3-day training course)
 8. Sectorial skills in line with the scope of the audit
 9. Annual 2BS assessment

2018 desk reviews covered all the active certification bodies and constitute input data for the 2019 integrity audits. During the witnessed and benchmark audits, the integrity auditors shall verify the implementation of corrective actions to eradicate the causes of non-conformities which were identified during the documentary review.

Integrity audits

Witnessed audits are performed by 2BS audit staff or by independent auditors commissioned by the 2BS Association to assess compliance of the certification body and the system user agreements. These audits are carried out every two years by 2BS.

These types of audits include the follow-up of the site audit, witnessing the auditor activity and the activity of the headquarters of the certification body allocated to the management of the audits of the 2BS voluntary scheme (certification decisions, suspension of certificates, audit report reviewing report, transfer of certificates, auditors training, back-office training, audit durations, etc.)

The only audit scheduled for 2018 (Bureau Veritas) was postponed until 30 January 2019 for coordination reasons. The other active certification bodies shall be audited in 2019.

The scope of the integrity audits is to be extended in 2019 to integrate the benchmark audits in addition to the witnessed audits. Benchmark audits will be focussed on economic operators where the risk of fraud is important, namely biofuel conversion chains from UCO.

The square root of the number of these types of legal entities will be verified annually by 2BS qualified staff. Benchmark audits will be carried out on site. They will be scheduled in addition to the main or surveillance audits carried out by the certification body's auditors.

Check-lists, audit reports and audit plans are the typical records to be used by 2BS to define the scope and the sample size for the benchmark audits. 2BS looks to evaluate the relevance of the findings of the audit and the conclusions of the 2BS qualified auditors.

Meetings with Certification bodies

Two (2) harmonisation meetings took place with the recognised certification organisations which were based in France, on the 4th of June and on the 4th of December 2018. The agenda for these meetings was specifically drawn up to cover improvements in the certification chain and it incorporated operational feedback from 2BS surveillance activity, customers, and certification bodies.

The discussions dealt with the following core elements:

Certificates	<ul style="list-style-type: none"> ○ More precision about the definition of the scope of the certified operators ○ Update of the content information related to annexes I and II ○ Coherency and liaison with the dedicated audit report, checklist and audit plan ○ Reminder of basic certification rules <ul style="list-style-type: none"> - the process of transferring certificates between certification bodies recognised by 2BS in line with IAF MD 2: 2017³
Process requirements	<ul style="list-style-type: none"> ○ Reminder of basic certification rules <ul style="list-style-type: none"> - in line with subsections, 9.2 “Planning audits”, 9.4 “Conducting audits”, 9.6 “Maintaining certification” of ISO 17021-1:2015⁴ - in line with sections 5 “Managing audit program”, 6 “Performing audit”, 7 “Competences and evaluation of auditors” of ISO 19011:2011⁵
Deliverables: audit reports and checklists	<ul style="list-style-type: none"> ○ Reminder of the primary supporting sources of information to maintain a certificate <ul style="list-style-type: none"> - Audit plan, audit report and checklist, in line with the contract terms between 2BS and the recognised certification bodies
CB Governance	<ul style="list-style-type: none"> ○ Reminder of the basic elements of a credible certification process concerning the 2BS voluntary scheme, procedures and standards <ul style="list-style-type: none"> - Responsibility and knowledge of <ul style="list-style-type: none"> ▪ auditors, ▪ report reviewers, and ▪ people allocated to manage audit planning
Maintenance of 2BS competence (Auditors)	<ul style="list-style-type: none"> ○ Improvement of the process of evaluating and coaching auditor performance <ul style="list-style-type: none"> - Annual control - Questions process design and CB participation

³ IAF MD 2:2017 IAF, Mandatory Document for the Transfer of Accredited Certification of Management Systems

⁴ ISO 17021-1:2015, Conformity assessment – requirements for bodies providing audit and certification of management systems

⁵ ISO 19011 in its current version, Guidelines for auditing management systems

(k) Possibilities for facilitating or improving the promotion of best practice

Online market update of the voluntary scheme

The main functionalities introduced to the internet site www.2bsvs.com in 2018, are related to the design and implementation of an IT application to collect information from the relevant certified entities. The application produces audit records for auditing purposes, and consolidates the Market updates of the scheme, the amount of feedstock and biofuels certified, by country of origin and type, the number of participants. See also section (f), related to the market update processing of 2BS data.

Online self-assessment of qualified 2BS auditors

Questions/answers in multiple-choice computer-based tests (CBT) have been designed and deployed for each of the audit standards of the 2BS voluntary system. This standard segmentation assessment enables fine-grained control over the audit skills that the recognised certification body needs to respond to its certification market, i.e. the different possible combinations per standard and audit scope for first gathering entities, collection points (wastes & residues), traders and processing units. The system generates individual assessment records.

See also section (e), related to the overall robustness of the scheme, particularly considering the qualification and independence of auditors and relevant scheme bodies.

The Secretary-General



29 April 2019, Luis Da Silva E Serra

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