

ITAKA

Collaborative Project

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D5.2 RSB EU RED Certification Transversal Report

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Executive summary (can be used for dissemination purposes)

This report intends to analyse the feasibility, barriers, complexity, and any other items encountered by the parties in the EU RED certification of the complete value chain of fuel production during the ITAKA project.

In the ITAKA project, the three partners (CCE, SkyNRG and Neste) were required to obtain an EU RED certification, both to comply with the current legislation and to achieve the objectives of the project. At the time of submission of this deliverable, both CCE and SkyNRG have obtained RSB EU RED certification while Neste has three EU RED recognised certifications: ISCC EU, RSPO RED and HVO Verification Scheme.

In order to assess the process of sustainability certification along the full chain of production of the biofuel, from feedstock production to final use, information has been gathered through direct consultation to the project partners involved in the value chain as well as a site visit to CCE during one of the audits.

The different inputs from the partners have helped to learn about the operability of the certification for the whole value chain and the difficulties encountered by the partners during the process.

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Abbreviations

- CCE: Camelina Company España
- GHG: Greenhouse Gas emissions
- EU: European Union
- ESMP (Environmental and Social Management Plan)
- HVO: Hydrotreated Vegetable Oil
- ISCC: International Sustainability and Carbon Certification
- LCA: Life Cycle Analysis
- PM: Person-Months
- RED: Renewable Energy Directive
- RFS: Renewable Fuel Standard
- RSB: Roundtable for Sustainable Biomaterials
- RSPO: Roundtable for Sustainable Palm Oil
- SME: Small and Medium Enterprises
- WWF: World Wildlife Fund for Nature

Definitions

- **Environmental and Social Management Plan:** management plan for the proposed biofuel operation that indicates how the project will be managed to ensure compliance with the RSB principles and criteria. Such plan will include all the mitigation measures and monitoring proposals developed as part of the Environmental and Social Impact Assessment and through consultation with interested and affected parties.
- **Environmental and Social Impact Assessment:** it is the process of identifying, predicting, evaluating and mitigating the biophysical, social and other relevant effects of development proposals prior to major decisions being taken that is informed by a stakeholder engagement process.
- **Participating operator:** legal entities or natural persons producing, converting, processing, blending, trading using or otherwise handling biomass and/or biofuels and participating in the RSB certification systems.
- **Screening tool:** it is the tool that will serve the operator to carry out the Screening Process, which is the first stage of the Environmental and Social Impact Assessment that is used to determine whether a full assessment is needed, or if a Rapid Environmental Assessment or Environmental and Social Management Plan will be sufficient for the proposed development.
- **RSB GHG Tool:** calculator that allows LCA calculations to be performed with a single data input

1 Introduction

This report intends to analyse the feasibility, barriers, complexity, and any other items encountered by the parties in the EU RED certification of the complete value chain of fuel production during the ITAKA project. It is also intended that the conclusions of this report will provide suggestions for streamlining and easing the process in the future.

Every step requires certification in the value chain of HEFA production for the project including:

- Feedstock Producer: numerous production facilities; certification is managed by Camelina Company España (**CCE**)
- Feedstock Processor: camelina grain is cleaned, crushed, and the camelina oil is purified. Each of these steps constitutes a feedstock processing step. Certification for each of these steps is managed by **CCE**.
- Biofuel Producer: Biojet is produced at the **Neste** facility in Porvoo, Finland. Neste manages the sustainability certification process.
- Biofuel Transport & Delivery: Numerous transport steps take place between feedstock production and the end of feedstock processing. Certification along these transport steps is managed by CCE. Transport and delivery of the final biofuel is managed by **SkyNRG**.

For the specific case of the ITAKA project, the three partners were initially asked to obtain an EU RED certification, both to comply with the current legislation and to achieve the objectives of the project. The initial proposal for the complete value chain to be implemented with the ITAKA project was to have a complete RSB certified value chain. However, some changes that have taken place to the original production plan have also derived in changes in the certification plan. Therefore, not all the steps of the value chain have been RSB certified although all the steps have some sort of EU RED approved certification. Hence the value chain is in compliance with the current legislation.

Both CCE and SkyNRG have obtained RSB EU RED certification while Neste has three EU RED recognised certifications: ISCC EU, RSPO RED and HVO Verification Scheme. The reasons for this decision will be exposed in the following report.

2 The EU RED context: Certification Standards

In order to demonstrate compliance with the RED and to be considered as renewable and sustainable energy source, biofuels must comply with specific sustainability criteria. The RED Directive defines that the minimum greenhouse gas emission savings from the use of biofuels must be of at least 35% for current installations. The savings must be at least 50% for the new installations constructed between 2017 and 2018 and 60% from 2018 on.

Several voluntary schemes can be used to demonstrate compliance with sustainability criteria and the fuel's GHGs' capacity of reduction. However, the Directive gives operators three different options to prove that their biofuel complies with the requirements¹:

- by providing the national authority with data, in compliance with requirements that the Member State has set (Member States must provide a national system according to the regulation),
- by using a voluntary scheme that the Commission has recognized for the purpose, or
- in accordance with the terms of a bilateral or multilateral agreement concluded by the Union and which the Commission has recognized for the purpose

In any case, when an economic operator submits evidence or information of certification under a voluntary scheme recognized by the Commission, the Member State shall not require the supplier to provide further evidence of compliance with the sustainability criteria. When using a voluntary scheme, operators must arrange an independent auditing process for the information to be provided to the national authority.

Since 19 July 2011, the EC has recognized 19 voluntary schemes among which RSB EU RED is included.

Some schemes have two different versions, an original one and one adapted to the specific requirements of the EU RED. This is also the case for the RSB EU RED. The GHG intensity, when obtaining the certification is therefore calculated according to the EU RED requirements but also according to RSB's own requirements, which differ on the emissions allocation to the coproducts. As a result, two sets of emission values have been calculated for those participating operators who have obtained the RSB EU RED certification. In this respect, EU RED GHG calculation allocates emissions between co-products based on their energy content (in particular their lower heating value, LHV), while RSB GHG calculation allocates the emissions based on their economic value.

To understand how the co-product allocation can affect the final GHG value, the co-product selection from camelina seeds is shown below:

¹ In accordance with Article 18 of Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC

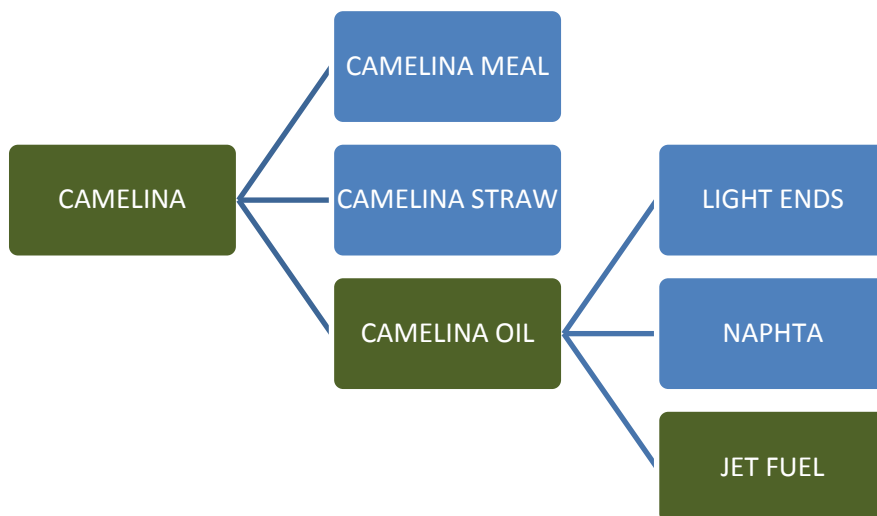


Figure 1: Co-products resulting from camelina seeds. The GHG emissions are allocated to the different products and co-products

For this value chain, if the allocation is based on economic value, the GHG emissions will highly depend on the market price of the final products (camelina meal, naphta and fuels). In the case of the camelina to jet value chain the results of the GHG emissions value with RSB methodology (using economic value) is higher than using the RSB EU RED (using energy content).

In some cases particular schemes go beyond the requirements of the RED, covering some aspects that are not in the legislation. For example, in the RSB EU RED the certifying process covers aspects such as those relative to social sustainability and the working conditions.

As a result, different sustainability schemes may have differing levels of ambition for different sustainability aspects. In particular, RSB is known for including not only environmental considerations in its standards and certification process, but also socio-economic aspects and land rights considerations.

3 The RSB Standard

The Roundtable on Sustainable Biomaterials (RSB)², formerly known as the Roundtable on Sustainable Biofuels, is one of the sustainability certification schemes recognized by the European Union (EU) as compliant with the sustainability certification requirements of the EU Renewable Energy Directive (EU RED). The RSB-EU RED Standard was recognized by the EU in 2011. As part of the RSB-EU RED Standard, the RSB submitted its own interpretation of the EU RED biofuel greenhouse gas calculation methodology, which was recognized as well. The “RSB-EU RED GHG calculation methodology” was integrated into the RSB GHG Tool, along with the RSB’s own “RSB GHG calculation methodology”. The RSB GHG Tool³ is an online and freely available GHG calculator, which requires that operators enter actual data pertaining to their operations.

The RSB Standard consists of 12 Principles & Criteria (P&Cs), which broadly comprise environmental and social sustainability principles, continuous improvement requirements, and completion of environmental and social impact assessments prior to the start of operations, for all operators along the chain of production of the biofuel. The types of operators envisaged by the RSB Standard are:

- Feedstock producer
- Feedstock processor
- Biofuel producer
- Biofuel blender (including transporter)

² www.rsb.org

³ www.rsb.org/ghgcalc

The RSB Certification process essentially verifies that operators comply with the RSB's P&C. While some P&Cs apply to all operators, some only apply to selected types of operators. For example, Biofuel Blenders only need to comply with Principle 3 (Greenhouse Gas Emissions), Principle 8 (Soil) only applies to Feedstock Producers, etc.

Since 2013, the RSB has a Standard for Smallholder Groups, which facilitates certification for smallholder production groups. Furthermore, there is a simplified standard for the certification of end-of-life (waste) products, residues, and by-products. In addition, the RSB developed certain simplified procedures for all operators during the RSB start-up phase, which started beginning of 2011 (RSB launch date) and is scheduled to end in March 2015⁴.

To undergo certification, operators are required to undergo a risk assessment process that will determine their risk factor (e.g., larger operations entail greater risk), which will in turn determine key aspects of certification, such as re-certification period and certification sample size. The RSB Chain of Custody standard requires that all operators along the chain of production of the biofuel should be RSB-certified in order for the final biofuel to have RSB certification. I.e., only when the entire chain of production is certified, can the final product carry RSB certification claim. This requirement is simplified if the final product simply claims compliance with EU RED. Biofuels and other biomaterials certified by any EU recognized Voluntary Sustainability Scheme can be accepted by RSB certified operators into their chain of custody. This approval is only granted if the claim of the final product is in compliance with EU RED, but not with RSB requirements.

Broadly, the main standards that comprise the RSB Standard are as follows:

- RSB Principles & Criteria: 12 Principles & Criteria of social and environmental sustainability
- RSB Standard for end-of life products, residues and by-products
- RSB GHG Standard: requiring all operators along the chain of production of the biofuel to conduct GHG calculations using actual production data and using the online RSB GHG Tool
- RSB Chain of Custody Standard: requiring all operators along the chain of production to obtain RSB certification, and setting guidelines for product mixing
- RSB Standard for operators: which contains general requirements for all participating operators
- RSB Risk Management Standard: this requires operators to conduct a self-risk assessment, which in turn affects certain certification and re-certification procedures.

An original goal of ITAKA was that the biofuel would be certified according to the Roundtable on Sustainable Biomaterials (RSB) Standard. While this objective was not met for the entire chain of production, some operators did obtain RSB certification, while others did not, for various reasons explained further on in this report. The reason for choosing RSB at the beginning was that airlines had expressed their preference for the standard through the SAFUG group, and therefore, it was a standard that is well appreciated by the aviation sector.

⁴ As indicated on the RSB website (rsb.org/sustainability/rsb-sustainability-standards), accessed January 2015.

4 Methodology

In order to assess the process of sustainability certification along the full chain of production of the biofuel, from feedstock production to final use, we have tried to learn directly from the experience gained by the project partners. To do so, two means have been used:

- Direct consultation to the project partners directly involved in the value chain through a questionnaire, as well as via direct consultation of the problems/barriers that they have encountered in the process.
- Site expedition: a site visit was carried out during the first CCE audit carried for the initial certification in order to observe the process first hand. The main reason for having chosen this visit was because it was the first one carried out within the project

4.1 Experience Questionnaire

The purpose of the questionnaire was to obtain feedback from each operator along the chain of production of biojet. This questionnaire was designed by EPFL as they were a key participant in the creation of the RSB. In particular, the questionnaire aims to assess each operator's experience with the certifications, and to understand operators' choice of sustainability certification standard.

Annexes A to C includes the experience questionnaire along with the individual answers by the different operators of the value chain.

4.2 Onsite Visits

4.2.1 Background

The objective of the onsite visits during the auditing process was to obtain first-hand information of the verification, check if there were any barriers to obtain the actual verification and get to know the process in practical terms and give recommendations for future improvements.

Three site visits were carried out between July and August of 2013, when CCE was first obtaining the RSB certification: the first one took place at the grain crushing and oil pretreatment facilities in - Spain, the second at the logistics and drying and cleaning facilities and the last one was at the CCE premises.

The auditing process implies that an independent third party reviews the application materials, the Self-Evaluation and any additional supporting documentation that the audited party is required to obtain certification. The documentation needs to be provided to the auditor before the site visit, during which the auditor will verify on site the validity of the information provided. The auditor will also check the compliance of the audited party with the principles and criteria of the EU RED RSB. In the particular case of CCE, the Certification Body was DNV.

During an audit preparation, companies need to self-assess their operations against the RSB's social and environmental criteria using an online questionnaire and assemble documented evidence to demonstrate compliance to the auditor. Prior to the auditing process, the participating operator is required to carry out a Screening process and a Self-Evaluation. The Screening Process will serve the participating operator to know whether a full Environmental and Social Impact Assessment (ESIA) is needed or if a Rapid Environmental Assessment or Environmental and Social Management Plan will be sufficient to acquire the certification. The self-Evaluation will allow the participating operator to identify the level of risk associated to their operation. In particular, the risk assessment will allow defining the risk of deficient implementation of the RSB standards. The participating operator is required to submit the risk assessment to the certification

body which will serve the auditor to better prepare the auditing process. In addition, the participating operator will also use an online calculator developed by RSB to conduct a lifecycle GHG assessment of their operations.

Regarding the auditors, RSB requires all auditors to meet certain qualifications such as having specific levels of education and experience, a good level of English language and a certificate on successful completion of an RSB auditor training program. In the particular case of CCE's audit, the audit was carried entirely in Spanish, which was important in order to interview the workers of the different facilities.

4.2.2 Audit performance

During the visit in the crushing and oil pretreatment facilities, the auditor made the necessary questions to fully understand the reception, functioning and waste disposal of the plant. In particular, the crude camelina oil refining plant consists of a seed reception area, a drying area, the refinery and crushing area, a cogeneration plant and a biodiesel plant. During the visit to the plant, the auditor decided to see the hazardous waste storage areas, fuel storage tanks, the water purification section, the area of seed discharging and flour storage. In addition to the plant itself, the auditor also requested documentation regarding the environmental management system in place and the occupational hazards prevention.

In the second visit to the logistics and drying facilities installation, the auditor requested to get to know how the installation worked (where the cereal is stored, dried and how the water management is carried out), the types of fuel that were used for the combustion and drying process, how the dangerous residues are managed and whether all the legal licences were in place. The auditor investigated all of the steps of the drying process and interviewed the workers of the plant for this purpose.

The last visit took place in CCE's premises. This audit was focused in the analysis of the data managed by CCE for the LCA calculation. The auditor revised how the data was treated and managed by Camelina Company in order to later introduce it in the RSB GHG tool, which represents the data flow process (management of all the data coming from the information provided by the farmers). In addition, the audit process covered the management by CCE of the individual lands and farmers to obtain individualised data (amounts produced, fertilizer use, etc.).

The verification process was successful and CCE was able to obtain the EU RED RSB certificate. There were however, some difficulties identified in the process for the particular case of CCE. The company has to manage a large amount of data (farmers and lands) which also varies every season. This is due to the nature of crop rotation, where the plots of land as well as farmers vary every year to change the type of annual crop. This requires a very exhaustive management of the data which needs a high level of dedication aimed at its management for certification. A high level of traceability of the data source (information regarding fertilization, land management practices, etc.) is also needed, which is sometimes difficult to control with such a high number of farmers.

5 Results

5.1 Results from the individual questionnaires and direct contact with the Stakeholders

5.1.1 CCE

(CCE's completed questionnaire has been attached in Annex A of this document)

The main reason for CCE as a feedstock producer to get the RSB certification was the fact that the final client, the airline, had expressed their interest in specifically buying a complete RSB certified product. The initial implementation of the certification required an effort of 10 PM in CCE. One of the causes of the need to have almost full dedication of a person is the fact that a production scheme where the land varies from year to year requires a higher dedication and control system.

According to CCE, some aspects of the certification process have been fairly straight forward but a number of items presented some difficulties for the company. The large number of fields, as well as the fact that there were many different farmers added complexity to an already difficult certification procedure. Another intricate factor is the novelty of the certification methodology to CCE, which needed to be defined for the first time. As a result, CCE had to manage a large amount of data.

In particular, the items that took a larger amount of effort (PM) were those related with data management, the establishment of procedures and with the assessment tools.

In terms of chain of custody, the initial certification was perceived as a complicated process due to that high number of farmers. As a result of the first experience, CCE has improved their traceability system in order to make sure that all certification requirements are covered.

Compliance with **Principle 1 (legality)** required to subcontract a specialized company. CCE expressed some difficulties to generate required documentation along the value chain (in particular at farmer level) to be able to have all the required documentation for the audits. Regarding this Principle of legality as well as Principle 4 (Human and Labour Rights), it must be pointed out that it took a significant amount of effort to compile the documentation from third parties (farmers and industrial installations) relative to compliance with health and safety regulations or even the legality of the workers' contracts and the non-use of child labour. mainly due to the large number of stakeholders with whom CCE have to deal with. One of the arguments presented by the audited party is that the revision of safety issues and compliance with labour rights could be simplified when the country offers a guarantee of sufficient police control. This could be solved by establishing, for example, a list of countries where the risk of non-compliance with labour regulation is categorised. In those countries with lower risk levels the auditing procedures of these elements could be further simplified.

Compliance with **Principle 2 (Planning, Monitoring and Continuous Improvement)** required CCE to develop tools which were perceived by the operator as complicated and time consuming. The ESMP (Environmental and Social Management Plan) required a large amount of initial work although once the tool is developed, updates have been fairly straightforward for CCE. The screening tool also required a significant amount of work at the beginning of the process but the tool, in particular the Self Risk assessment, has been very much simplified in the later versions.

For compliance with **Principle 3 (GHG Emissions)**, CCE has encountered the difficulty of having to gather all the farmer data which in some cases was not always accessible. CCE also had to collect data from the industrial facilities who expressed some confidentiality issues with the distribution of their operations records. It is important to mention that the existence of these situations could generate mistrust against biofuels by comparison with conventional crops resulting

in a “cultural” market penetration barrier. Transparency should be a key element throughout the whole value chain but sometimes it can be a something quite challenging for the stakeholders. It would be important to put the means to avoid these confidentiality issues since it is important to transmit the feeling of transparency in the production process of biofuels in order to avoid mistrust regarding the sustainability of biofuels.

Regarding the compliance of **Principle 7 (Conservation)** CCE found very challenging to trace the plots of land in order to demonstrate that they were arable before 1st January 2008. This process entailed a significant effort due to the nature of crop rotation, in which the plots of land and farmers vary every year. This situation also causes difficulty for the audit check of the compliance with **Principle 12 (Land Rights)**, since mapping of land rights boundaries can be very challenging and time consuming. This is because both farmers and associated lands vary annually. The information regarding the use of a specific plot is usually kept for approximately 5 years. Hence the compliance with the requisite of showing that the land was arable before 1 January 2008, will become even more challenging with time if new plots of land are incorporated.

CCE has encountered several difficulties that required a big investment of time and work but on the other hand, has found easy the compliance with other requirements of the scheme. For example, in terms of the End-of-life products, residues and by-products, the camelina oil production process does not produce any residues along the value chain and by-products are used in the animal feed industry. In addition, the Implementation of a Risk Management Standard was fairly straightforward. This is because CCE already markets camelina meal in the animal feed industry; to do so, they already carry out a risk management assessment in order to comply with regional regulations.

Compliance with **Principle 8 (soil)** has also been easy to achieve. The CCE production scheme is based on soil improvement through the introduction of an oilseed crop in barley/fallow production schemes. Such schemes directly reduce the desertification process.

No issues were found either for compliance **with Principle 9 (Water)**. The production process of CCE does not consume water along the value chain because the crop os rainfed. This is the case even when the agronomic production is performed in dryland regions.. In addition, water consumption at the facilities is highly regulated.

For **Principle 10 (Air)**, the Spanish regulation also covers the open-air burning practices of camelina straw in the fields. In general, any activity that generates air pollution within Europe is already highly regulated; therefore its compliance is simple within the EU.

Certification of **Principle 11 (Use of Technology, Inputs and Management of Waste)** has not caused any difficulty. CCE does not employ any potentially hazardous technology in the development of its activities along the value chain.

Although there have been some simple and some complicated aspects in the EU RSB certification process, we can conclude that the most critical aspect for a feedstock producer like CCE (an aggregator of a large number of small pieces of land and farmers), is the fact that such a style of production greatly complicates data management, control of production procedures, and chain of custody. On the other hand, it is important to point out that the certification of all the individual farmers would have been difficult in terms of management, cost and human resources. It is important that in regions where the agricultural model consists of a large number of small plots, the certification procedure is managed as a whole, and that the specificities of this type of model are taken into account to facilitate the certification procedure. It seems that the current certification requisites are very much thought for large extensions of land, where management practices are more uniform.

5.1.2 SkyNRG

(SkyNRG's questionnaire has been attached in Annex B of this document)

SkyNRG chose RSB certification due to the fact that they perceived it as the most robust scheme considering it is supported by WWF. This reflects well the fact that reputation is an important item to consider, especially by the final user of the product.

Compliance with the chain of custody process required an significant amount of work. This is because it was necessary to track back information in the company guidance and standard documents. In addition, the operator found challenging to find out the specific information that is relevant for the fuel blender to comply with the chain of custody requirements.

Compliance with **principle 2** also sets a number of challenges. In particular, the development of the ESMP was found to be non-applicable in some of its terms. Some of the questions that need to be answered to prepare it do not apply to an operator such as SkyNRG. For them it is not clear if such plan should be updated periodically for future re-certification. In addition, the Environmental and Social Impact Assessments also presented some challenges, for instance, it was difficult to assign a risk class to a specific operator. SkyNRG has expressed their disagreement with the risk class to which they have been categorised.

The use of the RSB GHG tool for the compliance with **Principle 3** (GHG Emissions) was not found to be easy to work with and further guidance could be helpful for the user. In this sense, a more detailed guide on how to fill in the different fields of the tool would be useful.

For the specific case of SkyNRG, **principles 5 (Rural and Social Development), 6 (Local Food Security), 7 (Conservation), 8 (Soil) and 9 (Water)** were not considered applicable to their activity because at the moment of certification, they have only used waste oils. **Principle 11 (Use of Technology, Inputs and Management of Waste)** was straightforward to comply, and **principle 12 (Land Rights)** was easy to comply because the raw material used by SkyNRG is sourced from the United States where land rights are assured by the national law.

5.1.3 Neste

(Neste's questionnaire has been attached in Annex C of this document)

Neste took the decision of not using the RSB EU RED certification scheme up to date but instead keeps using the schemes they had before the start of the ITAKA project which are ISCC, RSPO and HVO Verification Scheme.

Neste gave several reasons for not obtaining the EU RSB certification: Firstly, the company did not see the certification itself as a way to ensure sustainability (since Neste Oil already has certification through other schemes). In addition, they have argued that at the final biofuel production level, there is very little difference between different voluntary schemes audit requirements. The company has already implemented six different voluntary schemes of which three are recognized by the EC to fulfil the RED requirements. Therefore the company did not see an added value in obtaining this certification. Also, it is important to address the fact that at the biofuel production level the difference between the different schemes is smaller than, for example, at feedstock production level.

Another argument made by Neste for not obtaining the RSB certification in 2014 is related to the uncertainty on whether the required feedstock (camelina) could be supplied in a sufficient volume

to produce a complete batch. If that was the case, Neste argued that if they were to complete the batch with other feedstock to have a sufficient amount to start the production, there was a high probability that it would not be RSB certified. In such a case, the whole chain would not be RSB certified anyway. In addition, since part of the feedstock used could be uncertified, the whole production would not have been able to be claimed as RSB certified (even if it could be EU RED certified).

In any case, in order to ensure sustainability within the supply chain, Neste has its own internal procedures and asks for additional requirements to be met by all its suppliers, such as undergoing counter party studies, pose sustainability clauses in their contracts and requesting detailed traceability information of the chain of custody for every feedstock batch sold to Neste.

5.2 Feedback Obtained During the Site Visit and Several Contacts with the Stakeholders

The site visits during the audit process and the contacts had with the operators have helped to learn about some barriers or difficulties during the certification process.

In first place, at the time when CCE first intended to carry out the auditing and certification process, there was only one certifying entity in Europe, since other certification bodies had retired from the market. This restricted the possibility of the operator to choose and meant that there was actually a lack of competitiveness in the prices. It would be useful to expand the market of certifying entities so that the competition would be encouraged and so there is a range of certifying bodies to choose from.

SENASA interviewed one of the European certifying entities which stepped out of the certification process. It seems that it is uneconomic for the auditors to have auditors entitled (it requires training, certificates and to pay an annual fee to RSB) to certify so many standards (there are 19 approved), so they tend to go for those standards that are more common and with higher demand (like ISCC for example).

It has been observed that it is very difficult, even with site visits, to track some elements of the agricultural procedure. For example, the auditor may ask for the bills of the fertilizers to cross check the amount that has been used. However, even with bills, it is difficult to trace if the fertilizers have actually been used for those lands under the scope of the certification. Usually, the farmer buys and uses fertilizers in all his/hers lands, and not all of those are included under the scope of the certification.

Another difficulty encountered by CCE is the lack of coincidence between the requirements of the RED and the RFS2 (US EPA regulation). In this case, Neste requires that all the feedstock that goes into their refining plant has to be compliant with RFS2 requirements because it is not possible to segregate. As opposed to RED, RFS2 does not accept mass balance traceability.

The sustainability requirements of RFS2 and RED have slight differences. In particular, to qualify under RFS it has to be demonstrated that the land used for the feedstock production had been cleared prior to 19th December 2007, while the RED requires demonstrating that no area with conservation values has been converted for biofuels production after 1st January 2009. The incompatibilities between the two systems result in an increased paperwork for the feedstock producer. Furthermore, in some regions such incompatibility could even be a barrier, as the records required by RFS2 are not so easy to obtain.

6 Certification of the Value Chain as a whole

As a conclusion from the input received, we can say that the certification of the whole value chain is not a straightforward task. It also requires a significant amount of compromise by all the stakeholders involved. In first place, the availability of a large number of EU RED approved schemes makes it difficult for all parties involved in the value chain to agree in one single scheme. Therefore, there needs to be a very strong requirement from the final user, in this case the airline, to have the whole chain certified with a particular scheme. In this regard, we can say that the final user can have a very strong influence on the preferred certification.

Another conclusion that we can be drawn from the analysis is that the facility for implementation of the scheme varies substantially depending on the scope of the certification, step of the value chain, and even the criteria of the auditing party. Due to the high variability of the stakeholders that can be present in a value chain, the auditing process is not something systematic or repetitive and, especially is the agricultural phase, an auditor can face very different situations. In the scope of the ITAKA analysis, the auditor has faced a situation in which the feedstock producer manages a high number of small individual farmers, something which was a completely new situation and which requires different auditing procedures. This will probably change with the matureness of the scheme, but it is true that the variability of the characteristics of the feedstock producer is extremely high.

Something that has to be considered is that this analysis was carried out during the first certification of the stakeholders. For this reason, the initial certification can be perceived as a complicated process; but the level of complexity decreases with experience. This was the case in particular for CCE, who had to manage the data and information of a high number of farmers. However, the initial difficulty found in the management of the chain of custody has resulted in an improvement of the traceability system, which is a positive indicator.

An item that should be pointed out is the fact that the different parties of the value chain have additional requirements to accept the product coming from the previous step in addition to the actual sustainability certification. Two requirements were made in this particular value chain: first, Neste Oil has required CCE the compliance not only with an EU RED approved scheme, but also with the EPA requirements; second, SkyNRG's Sustainability Board follows a strict procedure to assess feedstocks of the fuels they distribute.

The first requirement by Neste to CCE is due to the fact that all the biomass that enters its facilities needs to comply with EPA requirements. To better understand why EPA is required for a feedstock non intended for the US market, we needed to understand that, as in general commercial refining facilities, the refinery plant operates using mass balance principle. As for complying with the RFS2, even when it is not clearly stated, in practice this means that all renewable raw materials used in the refinery need to be EPA compliant. The raw materials also need to be handled in a segregated way along the entire supply chain (until those reach refinery storage facilities). Mass balance can be applied only among EPA raw materials at the production plant (not before). EPA does not allow mass balance between "EPA feedstock" and "non-EPA feedstock".

The second requirement by SkyNRG comes the requirement of its Sustainability Board, consisting of the Dutch wing of the World Wide Fund for Nature (WWF-NL), Solidaridad, and the Copernicus Institute of the University of Utrecht. The Board advises SkyNRG on all aspects related to the impacts sustainability can have on the business, follows a determined procedure to assess feedstocks and the board's positive or negative advise, will determine whether we can work with the selected feedstock and supplier or not. The objective is to ensure that the feedstock that the

company procures meets the board's sustainability criteria. As mentioned above, this process is additional to the compliance with any regulatory requirements derived from the RED.

One item that is worth mentioning is how the sustainability certification affects the operability of the chain. With this we refer to the fact that the feedstock producer has to make the selection of scheme at the harvest stage, otherwise, if the decision is made later, the data will not be available according to the requirements of the scheme. This is therefore a decision that the feedstock producer needs to take at an early stage and that later on will have a very important commercial impact on its product. If later on the producer decides to sell the feedstock to someone that requires some other certification scheme, it will be too late to obtain another certification and therefore will limit the options to sell the product. This situation does not apply so strictly on the other steps of the value chain.

7 Conclusions

It has been identified by the stakeholders that some steps of the certification process require a high amount of work and procedures for which the operators have to be prepared in advance. This effort dedication is especially relevant for SME and less complex for the case of larger companies in which procedures are already well established and the human resources have a longer experience in certification schemes. The case of CCE is especially particular since they centralise the management of a high number of farmers and different lands every year. On the other hand we have observed that a biofuel producer already dedicates an important amount of resources to dealing with sustainability and compliance issues. That was the case of Neste, who currently has six voluntary schemes certifications in place.

An important conclusion that we can make from the feedback of the different operators of the value chain is that in order to obtain the certification of a complete value chain with one single scheme, there needs to be a specific request, either from the final user (airline) or some other entity. Having 19 different schemes approved by the European Commission, it is very difficult otherwise to align the preferences of the different operators of a value chain. We have observed that once one operator sees that the whole value chain is in risk of not being completely RSB certified, there is no specific reason for the company to continue with the RSB certification process. It has been expressed by the stakeholders the fact that relying exclusively on one particular certification scheme could imply some limitations for the company.

It has been observed, both from the feedback obtained from the stakeholders as well as the observations made during the audit visit, that the verification process could be effortlessly simplified in countries where there is a solid law regarding certain aspects such as labour rights or waste management. A detailed revision of the workers contracting conditions would make sense in a country where legal control is low or the regulations do not comply with the principles of the standard. However, for the countries where the risk of illegal activities taking place is low because a high level of control, the procedure could be further simplified. This should not be understood as a competitiveness distortion in favour of the more developed countries, but as a way to better establish a level playing field. It is important to note, that where the environmental regulations are stringent, the operators are already supporting an important burden for compliance that should be not duplicated by these types of standards.

One of the main difficulties that the operators have expressed is the lack of compatibility of the EU RED requirements with the requirements of the RFS2. From the information obtained directly from the participant operators we have observed that when a biofuel producer sells part of its production to the US, all of the biomaterials introduced in the plant have to comply with the requirements of the RFS2. This imposed to the feedstock producer the compliance with unexpected extraordinary requirements. Considering that the feedstock producer was already working for the compliance with RSB EU RED requirements, it seems that some sort of harmonisation in this regard would simplify the procedures. Due to the fact that aviation is a global business, it would be interesting to make sure that there is some sort of recognition of between regions. This could be the case when the biomass/biofuel produced complies with the local legislation in place if the sustainability requirements are similar or based on the same principles.

As it has been previously identified, the number of certifying bodies qualified to carry out EU RED RSB certification is still fairly low. It would be important to incentivise completion and improve the process to have a larger list of available entities.

Annex A –CCE Questionnaire

<p>1. What is/are the sustainability certification scheme(s) that you have selected for your operation?</p>	<p>(select all that apply)</p> <p><input checked="" type="checkbox"/> RSB. Estimated PM dedicated annually: 4</p> <p><input type="checkbox"/> ISCC. Estimated PM dedicated annually: ____</p> <p><input type="checkbox"/> RSPO. Estimated PM dedicated annually: ____</p> <p><input type="checkbox"/> Other, please specify:</p>
<p>2. What best describes your operator status</p>	<p>(select all that apply)</p> <p><input checked="" type="checkbox"/> feedstock producer</p> <p><input checked="" type="checkbox"/> feedstock processor</p> <p><input type="checkbox"/> biofuel producer</p> <p><input type="checkbox"/> biofuel blender</p> <p><input type="checkbox"/> Other, please specify:</p>
<p>3. What is the reason for the choice of your certification scheme(s)?</p>	<p>This certification scheme is compulsory for the client (KLM) in ITAKA's value chain.</p>
<p>4. If not seeking RSB certification: a. What is the reason for <u>not</u> choosing RSB Certification for your operations?</p>	<p>N/A</p>
<p>b. If you attempted to seek RSB certification but decided to abandon the process, please describe the reasons.</p>	<p>N/A</p>
<p>5. In your opinion, what is the purpose for sustainability certification of your operations?</p>	<p>De-risking the feedstock purchase for the end user</p> <p>Client request</p>

For RSB Certified operators (or in progress) only	
<p>Please provide feedback on the following elements of the RSB certification process (if applicable). Base your feedback on your certification experience.</p> <p>“PM” = person-month</p> <p><i>TOTAL estimated PM spent on implementing the initial certification/audit was 10 PM approx. The most time consuming activities include: Pre audit tools, ESMP, GHG calculation procedures and documentation compliance within audits.</i></p> <p><i>However, in the case of a rotation production scheme where field/land varies from year to year, the PM necessary to gather the information at farm level is very high, including even full time dedication.</i></p>	
6. RSB Chain of Custody process and Standard	<p><input type="checkbox"/> certification was straightforward, because (please explain):</p> <p><input checked="" type="checkbox"/> certification was complicated, because (please explain): <i>CCE traceability system was improved in order to make sure that all certification requirements were contemplated.</i></p> <p>Other comments (optional):</p>
7. RSB Standard for End-of-life products, residues and by-products	<p><input checked="" type="checkbox"/> certification was straightforward, because (please explain): <i>CCE does not produce any residues along the value chain and by-products are used in the animal feed industry.</i></p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
8. RSB Risk Management Standard: general feedback	<p><input checked="" type="checkbox"/> certification was straightforward, because (please explain): <i>as CCE markets camelina meal in the animal feed industry it had undergone a Risk management assessment in order to comply with regional regulations.</i></p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>

<p>9. RSB P&C, Principle 1 (Legality)</p>	<p><input type="checkbox"/> certification was straightforward, because (please explain):</p> <p><input checked="" type="checkbox"/> certification was complicated, because (please explain): <i>this task was subcontracted to a specialized company in order to meet compliance. However, it is has shown to be quite difficult to generate documentation along the value chain (specifically for farmers) in order to show during audits.</i></p> <p>Other comments (optional):</p>
<p>10. RSB P&C, Principle 2 (Planning, Monitoring and Continuous Improvement)</p> <p>a. Environmental and Social Management Plan (ESMP)</p>	<p><input type="checkbox"/> developing the ESMP and updating periodically is straightforward</p> <p><input checked="" type="checkbox"/> developing the ESMP and updating periodically is complicated, because (please explain):</p> <p><i>Although updating the ESMP can be straightforward, developing such tool is a complicated and very time consuming task.</i></p> <p>Other comments (optional):</p>
<p>b. Screening tool</p>	<p><input type="checkbox"/> completing the screening tool was straightforward</p> <p><input checked="" type="checkbox"/> completing the screening tool was complicated, because (please explain): <i>the initial Screening tool released by RSB was very complicated and time consuming (especially the Self-evaluation process). Indeed, this process (Self Risk assessment) has been very much simplified in later releases.</i></p> <p>Other comments (optional):</p>

<p>c. Environmental and Social Impact Assessment(s)</p>	<p>Please list all impact assessments that you conducted, and their completion date:</p> <p>Social or Environmental impact assessment – Not required by Screening or RSB notification</p> <p><i>Weed risk assessment – 07/2013</i></p> <p><input checked="" type="checkbox"/> carrying out the above impact assessments was straightforward</p> <p><input type="checkbox"/> carrying out the above impact assessments was complicated, because (please explain):</p> <p>Other comments (optional):</p>
<p>11. RSB P&C, Principle 3 (GHG Emissions) a. RSB GHG Tool</p>	<p><input type="checkbox"/> carrying out calculations in the RSB GHG Tool was straightforward</p> <p><input checked="" type="checkbox"/> carrying out calculations in the RSB GHG Tool was complicated, because (please explain): <i>Principle 3 requires actual data along the value chain. This is very challenging especially at 2 stages: gathering farmer data (not always accessible) and at the industrial facilities (confidentiality issues).</i></p> <p>Other comments (optional):</p>
<p>b. For Blenders only</p>	<p>N/A</p> <p><input type="checkbox"/> demonstrating compliance with Criterion 3c (lifecycle GHG emission reduction requirements) was straightforward</p> <p><input type="checkbox"/> demonstrating compliance with Criterion 3c was complicated, because (please explain):</p> <p>Other comments (optional):</p>
<p>12. RSB P&C, Principle 4 (Human and Labor Rights)</p>	<p><input type="checkbox"/> certification was straightforward, because (please explain):</p> <p><input checked="" type="checkbox"/> certification was complicated, because (please explain): <i>it is challenging to demonstrate some criteria via documents, which makes the audit quite complicated.</i></p> <p>Other comments (optional):</p>

<p>13. RSB P&C, Principle 5(Rural and Social Development)</p>	<p>N/A</p> <p><input type="checkbox"/>certification was straightforward, because (please explain):</p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
<p>14. RSB P&C, Principle 6 (Local Food Security)</p>	<p>N/A</p> <p><input type="checkbox"/>certification was straightforward, because (please explain):</p> <p><input type="checkbox"/> certification was complicated, because (please explain)</p> <p>Other comments (optional):</p>
<p>15. RSB P&C, Principle 7 (Conservation)</p>	<p><input type="checkbox"/>certification was straightforward, because (please explain):</p> <p><input checked="" type="checkbox"/> certification was complicated, because (please explain): <i>it is very challenging to trace all plots of land and demonstrate that they were arable before 2008. This entails a huge effort (since the land used varies annually due to new farmers and the rotation scheme employed) which might not be replicable in all locations.</i></p> <p>Other comments (optional):</p>

16. RSB P&C, Principle 8 (Soil)	<p><input checked="" type="checkbox"/> certification was straightforward, because (please explain): <i>CCE production scheme is based on soil improvement through the introduction of an oilseed crop in barley/fallow production schemes, reducing this way desertification processes.</i></p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
17. RSB P&C, Principle 9 (Water)	<p><input checked="" type="checkbox"/> certification was straightforward, because (please explain): <i>as CCE does not consume water along the value chain (agronomic production performed in dryland regions) and water consumption at the facilities is very regulated.</i></p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
18. RSB P&C, Principle 10 (Air)	<p><input checked="" type="checkbox"/> certification was straightforward, because (please explain): <i>In Europe, as well as in Spain, air pollutant levels are highly regulated. Additionally the most critical aspect along the value chain (open-air burning practices in the fields – camelina straw) has also been regulated at European and Spanish level.</i></p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>

<p>19. RSB P&C, Principle 11 (Use of Technology, Inputs, and Management of Waste)</p>	<p><input checked="" type="checkbox"/> certification was straightforward, because (please explain): <i>CCE does not employ any type of potentially hazardous technology in the development of its activities along the value chain.</i></p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
<p>20. RSB P&C, Principle 12 (Land Rights)</p>	<p><input checked="" type="checkbox"/> certification was straightforward, because (please explain):</p> <p><input checked="" type="checkbox"/> certification was complicated, because (please explain): <i>Mapping of land rights boundaries can be very challenging and time consuming as farmers/farms vary annually.</i></p> <p>Other comments (optional)</p>
<p>21. General feedback on the overall certification process experience</p>	<p><i>Sustainability certification is a complex procedure, very time consuming in the case of a rotation production scheme where field/land varies from year to year.</i></p> <p><i>Other bio-products in Europe are currently not requested to have such demanding and costly sustainability schemes and certifications, which is a barrier for the aviation industry.</i></p>

Annex B – SkyNRG

<p>1. What is/are the sustainability certification scheme(s) that you have selected for your operation?</p>	<p>(select all that apply)</p> <p><input checked="" type="checkbox"/> RSB. Estimated PM dedicated annually: 1.5</p> <p><input type="checkbox"/> ISCC. Estimated PM dedicated annually: ____</p> <p><input type="checkbox"/> RSPO. Estimated PM dedicated annually: ____</p> <p><input type="checkbox"/> Other, please specify:</p>
<p>2. What best describes your operator status</p>	<p>(select all that apply)</p> <p><input type="checkbox"/> feedstock producer</p> <p><input type="checkbox"/> feedstock processor</p> <p><input type="checkbox"/> biofuel producer</p> <p><input checked="" type="checkbox"/> biofuel blender</p> <p><input checked="" type="checkbox"/> Other, please specify: supplier</p>
<p>3. What is the reason for the choice of your certification scheme(s)?</p>	<p><i>RSB is the strongest, most robust sustainability certification scheme in our view, and also in the view of leading NGO's, like WWF.</i></p>
<p>4. If not seeking RSB certification: a. What is the reason for <u>not</u> choosing RSB Certification for your operations?</p>	<p>N/A</p>
<p>b. If you attempted to seek RSB certification but decided to abandon the process, please describe the reasons.</p>	<p>N/A</p>
<p>5. In your opinion, what is the purpose for sustainability certification of your operations?</p>	<p><i>Guarantee of sustainability</i></p>
<p>For RSB Certified operators (or in progress) only</p>	
<p>Please provide feedback on the following elements of the RSB certification process (if applicable). Base your feedback on your certification experience. “PM” = person-month</p>	
<p>6. RSB Chain of Custody process and Standard</p>	<p>0.2_ estimated PM spent on compliance</p> <p><input type="checkbox"/> certification was straightforward, because (please explain):</p> <p><input checked="" type="checkbox"/> certification was complicated, because (please explain):</p> <p><i>Complicated is maybe not the best word, but you have to track back information in a lot of guidance and standard documents and find out yourself which information is relevant for you as specific operator.</i></p> <p>Other comments (optional):</p>

<p>7. RSB Standard for End-of-life products, residues and by-products</p>	<p>0,1___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/> certification was straightforward, because (please explain): this is a separate standard you can refer to</p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
<p>8. RSB Risk Management Standard: general feedback</p>	<p>0,1___ estimated PM spent on compliance</p> <p><input type="checkbox"/> certification was straightforward, because (please explain):</p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
<p>9. RSB P&C, Principle 1 (Legality)</p>	<p>0,1___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/> certification was straightforward, because (please explain): it is clear what is expected</p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
<p>10. RSB P&C, Principle 2 (Planning, Monitoring and Continuous Improvement)</p> <p>a. Environmental and Social Management Plan (ESMP)</p>	<p>0,15___ estimated PM spent on compliance</p> <p><input type="checkbox"/> developing the ESMP and updating periodically is straightforward</p> <p><input checked="" type="checkbox"/> developing the ESMP and updating periodically is complicated, because (please explain): <i>it hasn't been clear it should be updated periodically, also many questions do not apply to us, therefore you get an interpretation of what is expected.</i></p> <p>Other comments (optional):</p>
<p>b. Screening tool</p>	<p>0,1___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/> completing the screening tool was straightforward. It is a sort of checklist, so that is handy to work with</p> <p><input type="checkbox"/> completing the screening tool was complicated, because (please explain):</p> <p>Other comments (optional):</p>

<p>c. Environmental and Social Impact Assessment(s)</p>	<p>Please list all impact assessments that you conducted, and their completion date:</p> <p>Risk assessment in April 2012, 2013, 2014</p> <p>0,2___ estimated PM spent on compliance</p> <p><input type="checkbox"/> carrying out the above impact assessments was straightforward</p> <p><input checked="" type="checkbox"/> carrying out the above impact assessments was complicated, because (please explain): <i>I didn't find it easy to understand in which risk classes we belong and I do not fully agree with the current risk class we are in.</i></p> <p>Other comments (optional):</p>
<p>11. RSB P&C, Principle 3 (GHG Emissions) a. RSB GHG Tool</p>	<p>0,3___ estimated PM spent on compliance</p> <p><input type="checkbox"/> carrying out calculations in the RSB GHG Tool was straightforward</p> <p><input checked="" type="checkbox"/> carrying out calculations in the RSB GHG Tool was complicated, because (please explain): <i>The GHG tool is not easy to work with and needs quite some guidance.</i></p> <p>Other comments (optional):</p>
<p>b. For Blenders only</p>	<p><input checked="" type="checkbox"/> demonstrating compliance with Criterion 3c (lifecycle GHG emission reduction requirements) was straightforward</p> <p><input type="checkbox"/> demonstrating compliance with Criterion 3c was complicated, because (please explain):</p> <p>Other comments (optional):</p>
<p>12. RSB P&C, Principle 4 (Human and Labor Rights)</p>	<p>0,05___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/> certification was straightforward, because (please explain): <i>these are well covered by law in the Netherlands</i></p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>

13. RSB P&C, Principle 5(Rural and Social Development)	<p>0___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/>certification was straightforward, because (please explain): N/A so far, we used waste oils</p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
14. RSB P&C, Principle 6 (Local Food Security)	<p>0___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/>certification was straightforward, because (please explain): N/A so far we used waste oils</p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
15. RSB P&C, Principle 7 (Conservation)	<p>0___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/>certification was straightforward, because (please explain): N/A so far we used waste oils</p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
16. RSB P&C, Principle 8 (Soil)	<p>0___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/>certification was straightforward, because (please explain): N/A so far we used waste oils</p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
17. RSB P&C, Principle 9 (Water)	<p>0___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/>certification was straightforward, because (please explain): N/A so far we used waste oils</p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>

18. RSB P&C, Principle 10 (Air)	<p>0___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/> certification was straightforward, because (please explain):</p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
19. RSB P&C, Principle 11 (Use of Technology, Inputs, and Management of Waste)	<p>0,1___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/> certification was straightforward, because (please explain): well explained in the guidance doc</p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
20. RSB P&C, Principle 12 (Land Rights)	<p>0,1___ estimated PM spent on compliance</p> <p><input checked="" type="checkbox"/> certification was straightforward, because (please explain): <i>sourced from the United States where land rights are well managed by law</i></p> <p><input type="checkbox"/> certification was complicated, because (please explain):</p> <p>Other comments (optional):</p>
21. General feedback on the overall certification process experience	(please explain)

Annex C – Neste Questionnaire

<p>22. What is/are the sustainability certification scheme(s) that you have selected for your operation?</p>	<p>(select all that apply)</p> <p><input type="checkbox"/> RSB. Estimated PM dedicated annually: ____</p> <p><input checked="" type="checkbox"/> ISCC. Estimated PM dedicated annually: ____</p> <p><input checked="" type="checkbox"/> RSPO. Estimated PM dedicated annually: ____</p> <p><input checked="" type="checkbox"/> Other, please specify: HVO Verification Scheme</p> <p><i>Neste has currently seven people working in a dedicated sustainability team.</i></p>
<p>23. What best describes your operator status</p>	<p>(select all that apply)</p> <p><input type="checkbox"/> feedstock producer</p> <p><input type="checkbox"/> feedstock processor</p> <p><input checked="" type="checkbox"/> biofuel producer</p> <p><input type="checkbox"/> biofuel blender</p> <p><input type="checkbox"/> Other, please specify:</p>
<p>24. What is the reason for the choice of your certification scheme(s)?</p>	<p><i>Certification schemes recognized by the European Commission main objective is to ensure market compliance requirements, i.e. EU RED. Neste does not see that certification itself is enough to ensure sustainability within the supply chain and therefore requires additional requirements to be met by all its suppliers. These include for example the following:</i></p> <ul style="list-style-type: none"> <i>• Undergo counter party studies (separate security, credit and sustainability assessments)</i> <i>• Pose sustainability clauses containing e.g. audit rights to whole supply chain,</i> <i>• Request detailed traceability information of the chain of custody for every feedstock batch sold to Neste</i> <p><i>There is very little difference between different voluntary schemes audit requirements at the final biofuel production level. Moreover, in order to be competitive in the biofuel market it is important to have flexibility of the feedstock pool. Relying on one particular certification scheme would not just limit the business but also contradict EU's free market.</i></p>

<p>25. If not seeking RSB certification:</p> <p>a. What is the reason for <u>not</u> choosing RSB Certification for your operations?</p>	<p><i>The actual biojet production phase has been postponed by two years already. In December 2014 when the decision not to obtain RSB certification was taken it was uncertain whether the required feedstock (camelina) can be supplied in the first place. Moreover, of the original 4,000mt feedstock volume (actual volume 1,500mt?) only approximately 900mt has been RSB certified whilst the remaining, larger part will not be certified at all. Therefore the whole biojet supply chain and production cannot be claimed as RSB certified.</i></p> <p><i>Neste has already six different voluntary scheme certifications in place (ISCC EU, ISCC DE, ISCC PLUS, RSPO RED, RSPO SCCS, HVO Verification Scheme). Three of them are recognized by the European Commission to fulfil EU RED requirements (ISCC EU, RSPO RED, HVO Verification Scheme) whilst the remaining three certification systems include similar elements.</i></p> <p><i>Also as majority of the used feedstock was uncertified the whole biojet supply chain and production would not have been able to be claimed as RSB certified.</i></p>
<p>b. If you attempted to seek RSB certification but decided to abandon the process, please describe the reasons.</p>	<p><i>From the beginning of the ITAKA project Neste has made preparations for the RSB certification but has been postponing the certification audit to the future as there has not been guarantee for the feedstock volumes and actual biojet production for this particular project. Also as majority of the used feedstock was uncertified the whole biojet supply chain and production would not have been able to be claimed as RSB certified.</i></p>
<p>26. In your opinion, what is the purpose for sustainability certification of your operations?</p>	<p><i>Certification schemes recognized by the European Commission main objective is to ensure market compliance requirements, i.e. EU RED. Moreover, there is very little difference between different voluntary schemes audit requirements at the final biofuel production level. It is Neste view that certification itself is enough to ensure sustainability within the supply chain and therefore the company requires additional requirements to be met by all its suppliers. These include for example the following:</i></p> <ul style="list-style-type: none"> <i>• Undergo counter party studies (separate security, credit and sustainability assessments)</i> <i>• Pose sustainability clauses containing e.g. audit rights to whole supply chain,</i> <i>• Request detailed traceability information of the chain of custody for every feedstock batch sold to Neste</i>

Note: the rest of Neste's questionnaire has not been included since it was intentionally left blank as the operator has not been certified by RSB EU RED.