AIC RED Module Version 3

To be read in conjunction with AIC TASCC Standard

For compliance with the Renewable Energy Directive (RED III) – Revised Directive EU/2018/2001

January 2025

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Contents

A) Introduction

The following RED III Module is designed to be incorporated into the AIC TASCC scheme as an appropriate and auditable appendix. Wastes, residues, ligno-cellulosic and non-food cellulosic feedstock are excluded from the scope of this appendix.

It relates to the following AIC Trade Assurance Scheme:-

- TASCC – Trade Assurance Scheme for Combinable Crops

  TASCC (Trade Assurance Scheme for Combinable Crops) is a UK based scheme which deals with what happens to grains and pulses when they leave the farm to the end user. Its participants are made up merchants, hauliers, storage, and product testing facilities.

In order to comply with this document, trade assurance participants must register with the relevant Certification Body so that RED III can be added to the scope of their audit and certificate. This RED III Module can also be found on the AIC website.

An **(R)** in the text indicates the areas where there is a need to keep a record.

Participants must comply with the TASCC Scheme Rules to verify Participant compliance to the scheme by the Certification Body, see section 5. It is a requirement of Article 17 of the Implementing Regulation 2022/996, on rules to verify sustainability and greenhouse gas emissions saving criteria and low indirect land-use change-risk criteria, that Participants prepare and supply certain information on request from the European Commission or Competent Authority.

AIC operates continuous product certification (under ISO17065 accreditation) for the scheme. An on-site audit is conducted once within the certification year against all scheme requirements to establish full compliance and maintain certification. Certificates are awarded on an annual basis. See Scheme Rules 5.1.

Certification bodies that are no longer entitled to conduct independent auditing under the scheme are listed on the AIC website for at least 12 months after the last audit. https://www.agindustries.org.uk/sectors/trade-assurance-schemes/renewable-energy-directive-red.html

Economic operators whose certificates are withdrawn, terminated or expired will be listed on the AIC website for at least 24 months after the withdrawal, termination or expiration date.

1) Purchasing RED III compliant material

Requirement	Guidance
1.1 Scheme participants must be able to show that any procured crops for biofuel use are compliant to the requirements of Renewable Energy Directive (RED III) – Revised Directive EU/ 2018/2001. **(R)**	To be able to show compliance with the requirements of the RED III, TASCC scheme participants shall have records available to show that all material purchased as being RED III compliant can be demonstrated as such. Records should be in the form of Combinable Crops passport (section 8 signed by the grower/storekeeper) or by the delivery documentation provided by the TASCC merchant. Evidence of compliance can only be accepted from those national schemes mutually recognised by the EC for all land related criteria. The appropriate link to the document for TASCC is on the AIC website is:- https://www.agindustries.org.uk/sectors/trade-assurance-schemes/renewable-energy-directive-red.html Records shall show which EC approved voluntary scheme material has been supplied from, crosschecking it is the same version and scope as that recognised by the EC. Full details of all recognised schemes in accordance with Article 30 (4) of Revised Directive EU/2018/2001 and their scope can be found on the European Commission website at:- https://energy.ec.europa.eu/topics/renewable-energy/bioenergy/voluntary-schemes_en

2) Mass Balance Requirements

Requirement	Guidance
2.1 Records shall be maintained in such a way as to ensure that the requirements of the Renewable Energy Directive (RED III) Revised Directive EU/ 2018/2001, in relation to a mass balance calculation – including sustainability characteristics – are met. Records shall be retained for a minimum of 5 years, or longer if required by the relevant national authority. If requested, scheme participants shall make available to the certification body all mass balance data in advance of the planned audit. For an initial certification audit before participation in a scheme, the auditor shall check the existence and functioning of the mass balance system. For annual audits thereafter, the auditor shall check at least the following: • List of all sites that are under the scope of certification. Each site shall have its own mass balance records. • List of all inputs per site, including description of materials and details of all suppliers. • List of all outputs per site, including description of materials and details of all customers. • The mass balance records must contain information on both the inputs and the outputs of sustainable and unsustainable material (including where relevant fossil fuels) handled by the sites.	In order to comply with the mass balance requirements of the RED III, the scheme participant shall be able to determine, for each three month time period, that quantity of crop taken into store which the supplier(s) has confirmed as being RED III compliant. The scheme participant shall also have records to demonstrate, over the same defined time periods, the quantity of crop loaded out of the store as RED III compliant. In all instances the mass balance of RED III compliant material for the time period in question must show the quantity out as being equal to, or less than, the quantity taken in. Records need to be kept to show that the sustainability criteria set out in Article 29 (3-5) of the Renewable Energy Directive (RED III) - Revised Directive EU/2018/2001 have been met. This is achieved through the use of a mass balance system which delivers the following: • allows consignments of raw material with differing sustainability characteristics to be mixed; requires information about the sustainability characteristics and sizes of the consignments to remain assigned to the mixture; allows consignments of raw material with differing energy content to be mixed for the purposes of further processing, provided that the size of consignments is adjusted according to their energy content; • and provides for the sum of all consignments withdrawn from the mixture to be described as having the same sustainability characteristics, in the same quantities, as the sum of all consignments added to the mixture.

• A sample of the calculations (inputs, outputs, conversion factors, and any balances carried forward). All data shall be checked against the book keeping system. • Mass balance timeframe shall be transparent, documented, and consistent, and an appropriate period of time (maximum 3 months) • Inputs and outputs shall be accompanied, where relevant, by a set of sustainability characteristics. • Any discrepancies between book keeping system and inputs, outputs and balances • The auditor shall check the sustainability data carried forward, see 2.1.1 (d) • The auditor shall check at the end of the mass balance period, the sustainability data carried forward shall be equivalent to the physical stock. Auditors shall check that sustainability characteristics have been allocated appropriately.	Note: Sustainability characteristics are defined as feedstock type (e.g. wheat), EC recognised voluntary scheme certifying the feedstock, origin of the raw material (country, NUTS2 region), GHG emission data (either default value or actual value in g CO_2/ dry ton feedstock).
2.1.1 The participant shall operate a mass balance system which: (a) allows consignments of raw material or fuels with differing sustainability and greenhouse gas emissions saving characteristics to be mixed for instance in a container, processing or logistical facility, transmission and distribution infrastructure or site(defined as a geographical location with precise boundaries within which products can be mixed);	The attached annex is provided as an example only of a way in which records may be maintained to meet the requirements of a mass balance system. If more than one legal entity operates on a site then each legal entity is required to operate its own mass balance.

(b) allows consignments of raw material with differing energy content to be mixed for the purposes of further processing, provided that the size of consignments is adjusted according to their energy content; (c) requires information about the sustainability and greenhouse gas emissions saving characteristics and sizes of the consignments referred to in point (a) to remain assigned to the mixture; and (d) provides for the sum of all consignments withdrawn from the mixture to be described as having the same sustainability characteristics, in the same quantities, as the sum of all consignments added to the mixture and requires that this balance be achieved over an appropriate period of time. The mass balance system shall ensure that each consignment is counted only once in point (a), (b) or (c) of the first subparagraph of Article 7(1) for the purposes of calculating the gross final consumption of energy from renewable sources and shall include information on whether support has been provided for the production of that consignment, and if so, on the type of support scheme. A physical transfer of crops must accompany each transfer of "sustainability characteristics" (information relating to crops including GHG emission data). The mass balance system shall operate at a level where consignments could normally be in contact, such as in a container, processing or logistical facility, or site (defined as a	

geographical location with precise boundaries within which products can be mixed).	
2.2 A mass balance period shall be three months in duration. Where positive balances of RED III compliant material exist at the end of a mass balance period records shall be maintained in order to ensure such balances can be identified and transferred to the next period. **(R)**	At the end of each three month mass balance period being operated, any residual positive balance of physical RED III compliant material can be 'banked' and carried over into the following time period. Records must be kept in such a way as to allow these positive balances to be identified.

2.2.1 At the end of the mass balance period, the sustainability data carried forward shall be equivalent to the physical stock.	
2.3 The scheme participant shall enter all relevant information on crops marketed for biofuel production in the Union database.	Participants should note that access to the database will be dependent on timely booking of audits and completion of corrective actions. Failure to adhere to required timescales is likely to result in automatic exclusion from the database.
2.3.1 In accordance with Article 30 (8-10) the scheme participant shall on request make available to the relevant national authority and/ or the European Commission all information and records pertaining to their RED II transactions and audits.	
2.4 To ensure compliance with Article 30(5) of the REDIII, the participant must provide to the Certification Body by the 31st January each year an annual total of the amount of feedstocks traded by origin and type for the preceding calendar year 1st January to 31st December.	The data template can be downloaded from the European Commission Website here: energy.ec.europa.eu.xlsx (live.com)

The data must be submitted in the RED Voluntary Schemes Data template.	

3) Sustainability Criteria Requirements

Requirement	Guidance
3.1 Records shall be maintained in such a way as to provide sufficient information to be passed along the supply chain to enable a GHG calculation to be undertaken in accordance with Article 29 (10) of Revised Directive EU/2018/2001. **(R)**	Participants must ensure their records are sufficient to allow them to pass along the supply chain sufficient information to allow a GHG calculation to be made in accordance with Article 29 (10). This information should be provided either with the goods, as part of the delivery documentation, or, where there is a specific customer requirement, in advance of the physical delivery of goods.
3.1.1 All information relating to the GHG calculation must be provided to the buyer of the goods and be clearly identifiable as to the consignment it relates to. **(R)**	Participants must ensure that all relevant information required under the RED III by the buyer is forwarded in respect of consignments sold for biofuel use. The information to be forwarded must include, as a minimum; • name and contact details of the supplying company, • feedstock type and origin (i.e. NUTS 2 region), • reference to previous EC recognised voluntary schemes applicable to the consignment and any relevant reference numbers. Such information may be supplied either on a post-harvest pesticide declaration form (grain passport) or on other commercial documentation relating to the consignment in question.
3.2 Records will include the GHG emission data/information which is transferred from the voluntary scheme participant (e.g. Red Tractor or SQC) that has certified the feedstock. Records shall be maintained in such a way as to ensure the sustainability criteria for material with differing characteristics is retained when consignments are mixed. **(R)**	The legislation allows consignments with differing sustainability characteristics to be mixed but only if those characteristics remain assigned to the mixture in the proportions relative to the original consignment sizes. The averaging of GHG emissions across different consignments is not permitted. Where consignments of different GHG emissions are mixed, even where they have the same sustainability criteria, the worst performing GHG emission value must be applied to the whole consignment.

	The mass balance system operated by the participant must be capable of delivering the three points identified in the Mass Balance Requirements section above. GHG emissions shall be reported using appropriate units. These are:- a. g CO_2eq/dry-ton for raw materials and intermediary products b. g CO_2eq/MJ which can only be reported for final biofuels (For information only as not relevant for TASCC) The delivery note shall specify the NUTS2 region and state "Use of NUTS2 region" or "Use of default value", along with the raw material used. Information on actual GHG emissions shall be provided for all relevant elements of the GHG emission calculation formula. This refers to elements for which:- • Reporting is obligatory (e.g. in case of land use change) • All elements for which actual values should be used instead of disaggregated default values • All elements related to emission savings.

3.3 Crops used to produce biofuels, bioliquids and biomass fuels produced from **agricultural biomass** must not have been produced on land subject to land use change since January 2008. A. Crops used to produce biofuels, bioliquids and biomass fuels must not have been obtained from land with high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status: *(a)* primary and other wooded land, is defined as forest and other wooded land of native species, where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed; and old growth forests as defined as: *A forest stand or area consisting of native tree species that have developed, predominantly through natural processes, structures and dynamics normally associated with late-seral developmental phases in primary or undisturbed forests of the same type. Signs of former human activities may be visible, but they are gradually disappearing or too limited to significantly disturb natural processes*[1]. (b) highly biodiverse forest and other wooded land which is species-rich and not degraded, or has been identified as being highly biodiverse	There are specific criteria which apply to the rules on land use change. The effect of these means that any land used for biofuel production cannot have been in the following on, or after, January 2008: • Land with a high biodiversity value or • Land with high carbon stock or • Land that was peatland unless evidence is provided that the cultivation and harvesting does not involve drainage of previously undrained soil Compliance must be obtained from the supplier and recorded. Goods may be procured from land that has undergone land use change which is compliant with the requirements of Renewable Energy Directive (RED III) - Revised Directive EU/2018/2001. In such instances the annualised emission from the resultant carbon stock change must be determined and supplied through an EC recognised voluntary scheme. This information must then also be supplied up the chain.

[1] COMMISSION STAFF WORKING DOCUMENT, Commission Guidelines for Defining, Mapping, Monitoring and Strictly Protecting EU Primary and Old-Growth Forests, SWD(2023) 62 final (section 2.3)

by the relevant competent authority, unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes; (c) areas designated: (i) by law or by the relevant competent authority for nature protection purposes; or (ii) for the protection of rare, threatened, or endangered ecosystems or species recognised by international agreements or included in lists drawn up by intergovernmental organisations or the International Union for the Conservation of Nature, subject to their recognition in accordance with the first subparagraph of Article 30(4), unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes; (d) highly biodiverse grassland spanning more than one hectare that is: (i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or	

(ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority, unless evidence is provided that the harvesting of the raw material is necessary to preserve its status as highly biodiverse grassland. e) Heathland[2] ; vegetation occurs widely on mineral soils and thin peats (0.5m). For the purposes of this plan upland heathland is defined as lying below the alpine or montane zone (at about 600–750m) and usually above the upper edge of enclosed agricultural land (generally at around 250–400m, but descending to near sea-level in northern Scotland). Lowland heathland occurs below the upper limit of agricultural enclosure and supports a range of birds, reptiles and invertebrates not found on upland heath; this habitat is covered by a separate habitat action plan. Montane heaths, restricted to high-altitude mountain summits and ridges, are also excluded from the upland heathland plan. Blanket bog and other mires, grassland, bracken, scrub, trees and woodland, freshwater and rock habitats frequently form intimate mosaics with heathland vegetation in upland situations. This plan recognises the importance	

[2] UK BAP Priority Habitat Descriptions (Dwarf Shrub Heath) (2008) | JNCC Resource Hub

of this habitat mosaic. Habitat action plans have been produced for some elements of this complex, for example, blanket bog and upland calcareous grassland. Upland heath in 'favourable condition' is typically dominated by a range of dwarf shrubs such as heather Calluna vulgaris, bilberry Vaccinium myrtillus, crowberry Empetrum nigrum, bell heather Erica cinerea and, in the south and west, western gorse Ulex gallii. In northern areas juniper Juniperus communis is occasionally seen above a heath understorey. Wet heath is most commonly found in the wetter north and west and, in 'favourable condition', should be dominated by mixtures of cross-leaved heath Erica tetralix, deer grass Scirpus cespitosus, heather, and purple moor-grass Molinia caerulea, over an understorey of mosses often including carpets of Sphagnum species. This habitat is distinct from blanket mire which occurs on deeper peat and which usually contains frequent occurrence of hare's-tail cotton grass Eriophorum vaginatum and characteristic mosses. High quality heaths are generally structurally diverse, containing stands of vegetation with heather at different stages of growth. Upland heath in 'favourable condition' also usually includes areas of mature heather. Upland heathland encompasses a range of National Vegetation Classification (NVC) plant communities. Ulex gallii - Agrostis curtisii (H4) and Calluna vulgaris - U. gallii (H8) are restricted to southern Britain. Calluna - V. myrtillus (H12) is particularly widespread in the east. Calluna - E. cinerea (H10), Calluna - V. myrtillus - Sphagnum capillifolium (H21), and Scirpus cespitosus - E. tetralix (M15) are especially characteristic of western margins.	

Vaccinium myrtillus - Deschampsia flexuosa (H18) is generally widespread in the uplands but other communities are more local in distribution, notably Calluna - D. flexuosa (H9), Calluna - Arctostaphylos uva-uri (H16) and E. tetralix - Sphagnum compactum (M16). The distribution of these communities is influenced by climate, altitude, aspect, slope, maritime influences and management practices including grazing and burning. An important assemblage of birds is associated with upland heath, including red grouse Lagopus lagopus, black grouse Tetrao tetrix, merlin Falco columbarius and hen harrier Circus cyaneus. Some forms of heath also have a significant lower plant interest, including assemblages of rare and local mosses and liverworts that are particularly associated with the wetter western heaths.[3] B. Crops used to produce biofuels, bioliquids and biomass fuels produced from **agricultural biomass** must not have been obtained from land with high carbon stock, namely land that had one of the following statuses in January 2008 and no longer has that status:	

[3] The invertebrate fauna is especially diverse. This habitat type is present on an estimated 270,000ha in England, 80,000ha in Wales, up to 69,500ha in Northern Ireland and between 1,700,000 and 2,500,000ha in Scotland. The total upland heath resource in the UK thus amounts to between 2 and 3 million hectares. Dwarf shrub heaths are recognised as being of international importance because they are largely confined within Europe to the British Isles and the western seaboard of mainland Europe. There have been considerable losses of heather moorland in recent times. For example, 27% of heather moorland is estimated to have been lost in England and Wales between 1947 and 1980. On the Berwyn mountains in north-east Wales there was a 44% decline in the extent of heather-dominated vegetation between 1946 and 1984, whereas other upland sites in Wales have shown much smaller losses over similar periods. An estimated 18% was lost in Scotland between the 1940s and 1970s and the trend continued throughout the 1980s with a further estimated loss of 5%. Much of this loss is attributed to agricultural land improvements, heavy grazing by sheep (and, in certain areas, red deer and cattle), and afforestation. It has also been estimated that 440,000ha of land in the uplands in England and Wales have less than 25% cover of heather (i.e. grassland containing suppressed dwarf shrubs). There is likely to be further significant loss of heather moorland to acid grassland if current grazing levels and pressures continue. However, the conversion of heathland to acid grassland is not a purely recent phenomenon. On some sites in Wales (and elsewhere in UK) the major decline in heathland cover probably took place in the 19th century or even earlier.

a) Wetlands, namely land that is covered or saturated by water permanently or for a significant part of the year; b) Continuously forested areas, namely land spanning more than one hectare with trees higher than five metres and a canopy cover of more than 30%, or trees able to reach those thresholds in situ; c) Land spanning more than one hectare with trees higher than five metres and a canopy cover of between 10% and 30%, or trees able to reach those thresholds in situ, unless evidence is provided that the carbon stock of the area before and after conversion is such that, when the methodology laid down in part C of Annex V is applied, the conditions laid down in Article 29 paragraph 10 of the RED III would be fulfilled. The provisions in the paragraph above shall not apply if, at the time the raw material was obtained, the land had the same status as it had in January 2008. C. Crops used to produce biofuels, bioliquids and biomass fuels produced from **agricultural biomass** must not have been obtained from land that was peatland in January 2008, unless evidence is provided that the cultivation and harvesting of those crops has not involved drainage of previously undrained soil.	

4) Provision of information

4.1 Certification to Voluntary Schemes Applicants and participants must inform the Certification Body if they are (or have previously	This is to ensure that feedstocks are not "double counted" by schemes.

been) certified by or suspended from another RED III voluntary scheme recognised by the European Commission. Applicants must inform the Certification Body of any changes to the name or legal status of the business in the 12 months prior to application.	Applicants currently suspended by another voluntary scheme will not be certified until their suspension is lifted. The list of voluntary schemes recognised by the European Commission can be found here: https://energy.ec.europa.eu/topics/renewable-energy/bioenergy/voluntary-schemes_en
4.2 Audit Reports Participants agree that AIC and their appointed certification bodies may, on request, make available their audit reports to relevant authorities overseeing the functioning of the renewable energy market.	This is a requirement of the RED III, and aims to build confidence in the integrity of the certification process.

B) Appendix 1 Compliance with the AIC Renewable Energy Directive –RED III) – Revised Directive EU/2018/2001 Module

TASCC (Trade Assurance Scheme for Combinable Crops) is a UK based scheme which deals with what happens to grains and pulses when they leave the farm to the end user. Its participants are made up merchants, hauliers, storage, and product testing facilities.

The link on the AIC website which give the TASCC documents and Technical Manager contacts is:- https://www.agindustries.org.uk/sectors/trade-assurance-schemes/tascc-trade-assurance-scheme-for-combinable-crops.html

The Certification Body for TASCC is –

Kiwa Agri Food
The Inspire
Hornbeam Square West
Harrogate
HG2–8PA
Tel - 01423 8788–3
Email - feed@kiwa.co.uk

Recognised trade assurance schemes by the AIC

AIC have a list of recognised schemes which ensure that products can be traded without the need of extra scheme audits. The lists can be found on the link below.

https://www.agindustries.org.uk/resource/feed-food-schemes.html

RED III voluntary schemes recognised by the European Commission

The European Commission recognises a number of voluntary schemes that demonstrate compliance with the sustainability criteria for biofuels and a list of these schemes can be found on the link below. TASCC will accept feedstock from any voluntary or national scheme recognised in accordance with Article 30 (4) of Revised Directive EU/2018/2001.

TASCC shall not refuse mutual recognition with those schemes as regards the verification of compliance with the sustainability criteria set out in Articles 29(2) to (5) and (10).
Voluntary schemes (europa.eu)

i) Qualifying Raw Material: Given the position of TASCC Merchants members within the supply chain, the changes to deliver compliance under RED III are concerned with record keeping and principally to demonstrate a mass balance assessment in line with the requirements of RED III. As a first step however, scheme participants will be required to demonstrate, through the new module and in a verifiable manner that raw materials purchased as meeting the requirements of RED III, themselves come from a recognised voluntary scheme. Participants may demonstrate this compliance through a combination of auditable routes such as contracts incorporating the specific requirement for materials sourced to be from a RED III qualifying scheme or through the compilation

of data sourced from the farmer or supplier information (such as a grain passport for UK produced combinable crops) in relation to deliveries. TASCC uses the Grain Passport and further information can be found in the scheme documentation (TASCC – M14).

ii) Determination of Mass Balance: Scheme participants will be required to demonstrate, to an auditable standard, a mass balance system which is able to record quantities of sustainable raw material purchased, quantities sold and quantities remaining in store. The mass balance system should clearly state the length of time applied to each accounting period and records shall demonstrate how, for each accounting period, the quantity of sustainable raw material delivered is less than or equal to the quantity brought in, subject to any 'banked' amount being the positive residual balance carried forward from a previous accounting period(s).

iii) Banking: Scheme participants will need to demonstrate, within their mass balance recording system, how positive balances of sustainable raw material are identified at the end of each accounting period (3 months max.) and that the positive balance is transferred into the next period.

iv) Timetable: TASCC: The next issue of the TASCC Scheme Manual and Codes will be effective October 2027. The changes to the scheme to meet the requirement of RED III will be incorporated into these revisions.

European Commission Implementing Regulation 2022/996 Communication 2010/C 160/01: AIC has sought to provide details of how the RED III module complies with the European Commission's requirements on voluntary schemes under the EU Renewable Energy Directive biofuels and bioliquids sustainability scheme. These details are shown below.

Assessment and recognition requirements

Documentation management

It shall be a condition of participation in voluntary schemes that economic operators:

- *have an auditable documentation management system for the evidence related to the claims they make or rely on*
    - The requirement makes it an obligation for participants to have and maintain a documentation management system of records demonstrating compliance with the module and all information needed to fulfil their tasks under Revised Directive EU/2018/2001 in line with Article 17 of the Implementing Regulation 2022/996 on sustainability certification. This includes relevant evidence from suppliers demonstrating compliance with the sustainability requirements and mass balance calculations and that for the time period in question the amount of compliant material either in or entering the store should be equal to, or more than, the quantity out.

- *keep any evidence for a minimum of 5 years or longer where it is required by the relevant national authority*
    - Existing scheme requirements state "Records must be kept for a minimum of three years, unless there are additional requirements." Auditors will therefore be given

additional guidance to ensure they confirm the documentation management system meets the requirement of RED III. This will form part of the auditor's documented training program which is detailed below in "Auditor Training".

- *accept responsibility for preparing any information related to the auditing of such evidence*
  - The requirement referenced above makes it clear that an auditable system must be maintained. The existing Scheme Manuals states that by applying for certification, the participant will comply with the requirements of the relevant codes of practice.

Audit Bodies

Audits to verify the participant's compliance with the RED III requirements as listed in the RED III Module will be conducted by the existing scheme audit bodies which are accredited to ISO17065 by The United Kingdom Accreditation Service (UKAS) and/or national accreditation body under EU regulation. In addition, audit bodies will demonstrate awareness of ISAE 3000 as the recognised standard for non-financial assurance which is applied to meet a broad range of activities and have experience of conducting audits to those requirements. Each Certification Body will have a Sector Manager who is the liaison between AIC (scheme owner) and the auditors and technical reviewers.

AIC requires that the Certification Body has established a documentation management system that addresses each of the following elements in line with Article 5(5) of the Implementing Regulation:
(a) general management system documentation (e.g. manuals, policies, definition of responsibilities);
(b) control of documents and records;
(c) management review of management system;
(d) internal auditing/internal monitoring;
(e) procedures for identification and management of non-conformities; and
(f) procedures for taking preventive actions to eliminate the causes of potential non-conformities.
Documentation shall be kept for a minimum of 5 years, or longer if required by the relevant national authority.

Level of Assurance
All audits undertaken, including retrospective audits as part of the need to assess a sample of claims, shall be conducted to at least a limited assurance level such that the auditor can determine on the evidence presented there are no errors.

Economic operators must pass an initial audit before participating in the scheme. The initial audit of a new scheme participant or a re-certification of existing scheme participant under a revised regulatory framework shall always be on-site and shall as a minimum provide reasonable assurance on the effectiveness of its internal processes. Depending on the risk profile of the economic operator, a limited assurance level can be applied on the veracity of its statements. On the basis of the results of the initial audit, economic operators who are considered low risk may be subject to subsequent limited assurance audits.

- *For such auditing …. verification for all units concerned can be performed based on a sample of units.*

It is an existing requirement that all scheme participants are audited annually.
The certifying body will select the auditor on the basis of their experience, scope of approval and freedom from conflicts of interest with the participant (an up to date register of conflicts is maintained for each auditor) and shall ensure that the same auditor will not audit the same scheme participant beyond a consecutive 3 year period. After 3 consecutive years, the auditor will then have a break of at least 1 year before returning to audit that scheme participant.

- *In addition the voluntary scheme should arrange for regular …. retrospective auditing of a sample of claims made under the scheme.*

It is an existing requirement of the schemes that all scheme participants are audited annually and a retrospective audit of a sample of claims will be undertaken.

For both types of audit referred to above a verifier should be selected who:

- *Is external, is independent, has the generic skills and has the appropriate specific skills.*

As per the requirements of ISO 17065, the audit report and any corrective actions shall be reviewed by a scheme verifier who was not part of the audit team. The certification decision shall also be taken by a suitably qualified individual who was not part of the audit team. As part of the ongoing training requirements, auditors will receive additional training and guidance on the appropriate specific skills related to the aspects of the introduced RED III Module.

Auditor Conflict of Interest
Auditors Confidentiality and Impartiality agreements are renewed every three years and the auditors are contacted circa every three months to confirm with the Certification Body, Quality Manager of any new potential conflicts. Conflicts of interest are checked prior to the allocation of audits.
The certifying body will select the auditor on the basis of their experience, scope of approval, independence, impartiality, and freedom from conflicts of interest with the participant.
Examples of conflict interest may include personal, business/financial or consultancy.
Personal – auditing a Participant owned by or employing a family member.
Business/financial – auditing a Participant in which the auditor has a financial interest.
Consultancy – has provided consultancy within the last 3 years. Irrespective if this, all previous relationships should be assessed on a case-by-case basis and the person may not be assigned to these tasks if the potential still exists.

Auditor Training
All training is carried out by the certification bodies. Auditors will be required to demonstrate their competency to audit carbon and sustainability information to the standards required under the Renewable Energy Directive (RED III) – Revised Directive EU/2018/2001. Required knowledge of the following aspects shall be demonstrated:-

- Knowledge of legislation, e.g. Renewable Energy Directive (RED III) – Revised Directive EU/2018/2001
- Knowledge of assurance systems, their methods, and assessments
- Knowledge of the requirements for, and assessment of, Greenhouse Gas calculations
- Knowledge of Mass Balance and Chain of Custody requirements
- Knowledge of the assessment for Land Use Criteria

Audit bodies will also be required to demonstrate their processes for managing auditor training and knowledge update and maintaining the professional development of auditors. Auditors are trained via a classroom style training (at least annually) and via email bulletins. AIC are fully involved in these events giving presentations relating to scheme updates. Further information is detailed below.

- Annual training is given with AIC in attendance
- Training documents are provided for more clarity and interpretation
- AIC announcements are distributed to assessors
- Reports are thoroughly reviewed and rated for level of detail, correctness of raised non-conformances, legibility, and correctness of the scope of the audit by the CBs Technical Reviewers (who report to the CBs Sector Manager). The report rating is recorded on CBs database as shown
- Witness Assessment Programme. Witnessed assessments are carried out at a frequency that the CBs Sector Manager deems necessary, but in line with the Scheme and UKAS requirements
- On a monthly basis the CBs Sector Manager reviews a sample of finalised reports as a quality check that reviewers are scoring reports correctly and that assessors are reaching the required standard.
- The CBs give AIC a monthly report on various KPIs such as the closing out of non-conformances.

Internal Audits

AIC will also conduct internal audits annually for the certification body for TASCC. The audits are a day in duration and the CB is checked for accuracy, completeness and consistency of the audits and how non-conformities are handled as per the scheme rules. Internal audits may also be undertaken in case relevant information on potential non-conformities has been brought to the attention of the schemes by external parties (including the European Commission and relevant Member State authorities).

AIC will assess that the management of conflicts of interest is correctly managed as part of the annual scheme owner audit, see *Auditor Conflict of Interest, page 19.*

AIC shall be entitled to terminate the contractual agreement (which has been signed by both AIC and the CB) following discussions with the CB if there shall be major breach by the CB of the Key Performance Indicators requirements where AIC has advised and no remedial action has been taken.

Any scheme participant non-conformance identified through an internal audit is acted upon as per the TASCC scheme rules.

Further information on the CBs can be found on the link below.
https://www.agindustries.org.uk/sectors/trade-assurance-schemes/about.html

Witness Audits
Certification Bodies also carry out witness audits alongside AIC Technical staff. The information gained from these audits will check the efficacy of audits and this will be reported to the various

working groups. Any scheme participant non-conformance identified through a witness audit is acted upon as per the TASCC scheme rules.

The Certification Body will report to the scheme working group on the delivery of KPI's, number of non-conformances and participant numbers. This information is available on request from AIC.

Adequate Standard of independent auditing

- *A voluntary scheme shall ensure that economic operators are audited on-site before allowing them to participate in the scheme.*
  Any company wishing to join TASCC Merchants must make a formal application to join the scheme. At that point they are contacted by the certification body and arrangements made to conduct an initial on-site audit. Not until that audit has been completed and any subsequent corrective action completed and signed off, will a company become a full scheme participant.

  The TASCC scheme deals with food and feed safety, the RED III Module has been written so that it can be audited at the same time. Non-conformances arising from a RED III Module audit would be due in part to a lack of records, procedures, and traceability. This is similar in format to the aspects of feed/food safety.

  All TASCC participants/ applicants must be subject to an on-site audit including the AIC RED III Module, and all non-conformances rectified, before becoming certified AIC RED III participants.

  The Scheme Rules give information on how the audits are conducted and criteria for non-conformance and the auditor checklists are found on the links below.

  TASCC
  Scheme Rules

  https://www.agindustries.org.uk/resource/tascc-code-of-practice-general-for-all-schemes.html

  Checklists

  https://www.agindustries.org.uk/sectors/trade-assurance-schemes/tascc-trade-assurance-scheme-for-combinable-crops/checklists.html

Management of the Audit

- Audits shall be properly planned, conducted, and reported on.
- The scheme has clear procedures that describe how audits should be conducted, including detailed guidelines or checklists for auditors.
- The guidelines shall also set out the content of the auditing reports e.g. beginning and the end of the audit (length of the audit), the address where the audit was conducted, the audit participants and a list of audited documents. Further, the guidelines shall determine the

necessary information to be included on the certificates (e.g. type of biomass and scope of certificate).

- Audit includes the following:
  - Identify the activities undertaken by the economic operator which are relevant to the scheme's criteria;
  - Identify the relevant systems of the economic operator and its overall organisation with respect to the scheme's criteria and checks the effective implementation of relevant control systems;
  - Analyse the risks which could lead to a material misstatement, based on the verifier's professional knowledge and the information submitted by the economic operator;
  - Analyse the risks considering the overall risk profile of activities depending on the risk of the economic operator and the supply chain;
  - Draw up a verification plan which corresponds to the risk analysis and the scope and complexity of the economic operator's activities, and which defines the sampling methods to be used with respect to that operator's activities;
  - Audits shall include verification of data accuracy recorded by the economic operator or their representative in the Union Database (UDB)
  - Carry out the verification plan by gathering evidence in accordance with the defined sampling methods, plus all relevant additional evidence, upon which the verifier's verification conclusion will be based;
  - Request the operator to provide any missing elements of audit trails, explain variations, or revise claims or calculations, before reaching a final verification conclusion.
- ISO 19011:2018 (plan, do, act, check), or justified equivalent (in the case of both the UK CBs it is *ISO/IEC 17065:2012 Conformity assessment - Requirements for bodies certifying products, processes, and services*) covers the above requirements.

Non-Conformance Criteria

Certification Bodies will produce a report for its own assessment purposes and identify any non-conformances to the Participant at the end of the assessment. Any Non-conformances will be classified as per Table 1 below and acted upon as per Table 2. When a Participant has rectified their Non-conformances, the Certification Body will notify the client of their continuing certification or issue a Certificate of Conformance whichever is appropriate. Examples of RED III non-conformances can be found in Table 3.

Article 10 (3)
Non-conformities identified during an audit shall be classified as critical, major and minor. The intentional violation of a voluntary scheme's standards such as fraud, irreversible non-conformity, or a violation that jeopardies the integrity of the voluntary scheme shall be considered to be a critical non-conformity.

Critical non-conformities shall include, but are not limited to, the following:

(a) non-compliance with a mandatory requirement of Revised Directive EU/2018/2001, such as land conversion which contravenes Article 29(3), (4) and (5) of that Directive;

(b) fraudulent issuance of a proof of sustainability or self-declarations, for example, intentional duplication of a proof of sustainability to seek financial benefit;

(c) deliberate misstatement of raw material description, falsification of GHG values or input data as well as the deliberate production of wastes or residues, for example, the deliberate modification of a production process to produce additional residue material, or the deliberate contamination of a material with the intention of classifying it as a waste.

Where critical and major non-conformances are identified the Certification Body will inform any other Voluntary Scheme in which the economic operator participates.

Failure to comply with a mandatory requirement of Revised Directive EU/2018/2001, where the non-conformity is potentially reversible, repeated and reveals systematic problems, or aspects that alone, or in combination with further non-conformities, may result in a fundamental system failure, shall be considered to be a major non-conformity. Major non-conformities shall include, but are not limited to, the following:

(a) systematic problems with mass balance or GHG data reported for example, incorrect documentation is identified in more than 10 % of the claims included in the representative sample;

(b) the omission of an economic operator to declare its participation in other voluntary schemes during the certification process;

(c) failure to provide relevant information to auditors for example, mass balance data and audit reports.

A non-conformity that has a limited impact, constitutes an isolated or temporary lapse, is not systematic and does not result in a fundamental failure if not corrected, shall be considered to be a minor non-conformity.

Classification of non-conformances
The cause of non-conformances are detailed in Table 1 and classified as critical, major and minor, Table 2 details whether certification is granted depending on the type of audit and severity of non-conformance. Critical non-conformances results in immediate suspension of the certificate, reinstatement of the certificate is only granted once the non-conformance has been resolved and verified. Certification continues for major and minor non-conformances evidence must be submitted within the timescales as detailed in Table 2, failure to meet the timescale and resolve the non-conformance will result in the certificate suspension.

Economic operators whose certificates are suspended, shall not be able to make sustainability claims until the suspension has been lifted. Suspended operators may not join another voluntary scheme during that period. Where the participation of an economic operator, or its legal predecessors, in a voluntary scheme is suspended or terminated by the

withdrawal of its certificate following an audit which confirmed critical non-conformity, other voluntary schemes may refuse the participation of that operator for at least two years following the suspension or termination of participation.

Table 1 Classification of non-conformances

Classification	Cause
Critical	A deliberate misrepresentation of RED III status of material supplied. or; A loss of traceability such that demonstrating the RED III status of goods would be impossible, or; A recurrence of a Major Non-conformance raised at the preceding assessment, or; A complete unwillingness to cooperate in the audit.
Major	A complete failure to implement a requirement of TASCC RED III, or; A recurrence of a Minor Non-conformance raised at the preceding assessment.
Minor	A partial failure to implement a requirement of TASCC RED III or Poor evidence to demonstrate implementation.

Table 2 Response to Non-conformances

Classification	Initial assessment	Surveillance assessment
Critical	Certification refused. Full assessment required. AIC/Certification Body Scheme Manager to be contacted immediately.	Certification suspended with immediate effect. Certification will only be reinstated following the verification that the critical Non-conformances have been resolved. Extra Assessments, at the cost of the participant, may be required by the certification body in order to verify conformance with the TASCC Scheme.
Major	Certificate not granted until Non-conformances resolved. Plan of corrective actions to be submitted within 15 days of assessment, and timescales to resolve Non-	Certification continues. Plan of corrective actions to be submitted within 15 days of assessment, and timescales to be agreed with the Certification Body typically no more than 60 days from assessment. Failure to resolve

	conformances to be agreed with the Certification Body. Failure to resolve Non-conformances within agreed timescales will lead to a repeat Initial Assessment or the application being archived by the Certification Body	Non-conformances within agreed timescales will lead to suspension.
Minor	Certificate not granted until Non-conformances rectified. Plan of corrective actions to be submitted within 30 days of assessment, and timescales to be agreed with Certification Body. Failure to resolve Non-conformances within agreed timescales will lead to a repeat Initial Assessment or the application being archived by the Certification Body	Certification continues. Plan of corrective actions to be submitted within 30 days of assessment, and timescales to be agreed with Scheme Manager, typically no more than 60 days from assessment. Failure to resolve Non-conformances within agreed timescales will lead to suspension.

Table 3 Examples of RED III non-conformances

Classification	Cause
Critical	No system to ensure material bought as RED III compliant is actually RED III compliant. This would be raised as there is a risk to the end user that the participant has used non RED III material within their process which could lead to penalties against them and their legislative requirements. Failure to submit annual data to certification body by the required deadline.
Major	New member of staff has not received training within their role under RED III.
Minor	The business will have an approved suppliers list and this is required to be reviewed and maintained. However, a minor will be raised if the review is overdue.

Mass Balance System

- *The voluntary scheme should require verification of the mass balance system to be performed simultaneously with the verification of correctness in respecting the scheme's criteria. This should include the verification of any evidence or systems used for the purpose of complying with the requirements of the mass balance system.*
  Whilst the schemes to which the module would be applied represents only a single link in the chain, verification of the mass balance system will be undertaken through the same independent audit that verifies compliance with the remaining appropriate criteria of RED III. This will **not** include waste and residues (e.g. straw).

  RED III scheme participants must declare the names of all voluntary schemes they participate in and make available to the auditors all relevant information, including the mass balance data and the auditing reports. If, during a recertification audit a critical or major non-conformance is established in terms of the mass balance calculation, or any other aspect of the mandatory sustainability criteria, then this must be brought to the attention of the scheme owner by the auditor to pass onto the certification body(es) operating on behalf of the other voluntary schemes that the participant is participating in.

The mass balance system means a system in which sustainability characteristics remain assigned to consignments. For compliance with this module, sustainability characteristics must, as a minimum, include all of the following:

- *Evidence showing compliance with the Directive's sustainability criteria.*
  This requirement is one principally for the producer of the combinable crop and therefore is met through the auditable obligation on the scheme participants to purchase compliant material from suppliers audited under a scheme recognised by the Commission under the Renewable Energy Directive. If more than one legal entity operates on a site, then each legal entity is required to operate its own mass balance.

- *A statement that the raw materials used were obtained in a way that complies with the Directive's land related sustainability criteria.*
  This requirement is one principally for the producer of the combinable crop and therefore is met through the auditable obligation on the scheme participants to purchase compliant material from suppliers audited under a scheme recognised by the Commission under the Renewable Energy Directive.

- *A greenhouse gas emission figure.*
  This requirement is one principally for the producer of the combinable crop and therefore is met through the auditable obligation on the scheme participants to purchase compliant material from suppliers audited under a scheme recognised by the Commission under the Renewable Energy Directive (RED III) – Revised Directive EU/2018/2001. Information from such schemes identifying the production region will allow default data from NUTS2 regions to be utilised.

Where raw material is purchased from a region which does not have NUTS2 qualifying data, real data will have to be supplied in compliance with the requirements of Renewable Energy Directive (RED III) – Revised Directive EU/2018/2001.

Where data relating to transport and/or storage is generated, this should be identifiable and recorded, using the appropriate units, in a form which allows it to be auditable.

The legislation allows consignments with differing sustainability characteristics to be mixed but only if those characteristics remain assigned to the mixture in the proportions relative to the original consignment sizes. Mixing is permitted if the raw material belongs to the same product group (see definition 48). For example, combinable crops which are stored on a TASCC certified site, as a raw material and unmixed must have the correct sustainability characteristics allocated to the crop.

For further guidance on implementing the mass balance system and allocating sustainability characteristics to the appropriate product group see the *IR 2022/996 Article 19(2) b and c* below.
b) different raw materials shall only be considered to be part of a mixture if they belong to the same product group, except where the raw material is mixed for the purpose of further processing;

(c) raw materials or fuels shall only be considered to be part of a mixture if they are physically mixed unless they are physically identical or belong to the same product group. Where raw materials or fuels are physically identical or belong to the same product group, they must be stored in the same interconnected infrastructure, processing or logistical facility, transmission and distribution infrastructure or site;

Example
If wheat, barley and oil seed rape is stored on the same premises and sold for biofuel, sustainability characteristics must be allocated to each individual crop.

The averaging of GHG emissions across different consignments is not permitted. Where consignments of different GHG emissions are mixed, even where they have the same sustainability criteria, the /worst performing GHG emission value must be applied to the whole consignment.

Article 19 (2) (l)
The appropriate period of time for achieving the mass balance shall be 12 months from producers of agricultural biomass and forest biomass and first gathering points sourcing only agricultural biomass and forest biomass, and 3 months for all other economic operators. The start and end of the period shall be aligned with calendar year or, where applicable, the four quarters of the calendar year. As alternatives to the calendar year, economic operators may also use either the economic year that they use for bookkeeping purposes or another starting point for the mass balancer period, provide that the choice is clearly indicated an applied consistently. At the end of the mass balance period, the sustainability data carried forward should be equivalent to the physical stock in the container, processing or logistical facility, transmission and distribution infrastructure or site.

The mass balance system operated by the participant must be capable of delivering the three points identified in the Mass Balance Requirements section above.

GHG emissions shall be reported using appropriate units. These are:-

a) g CO_2eq/dry-ton for raw materials and intermediary products
b) g CO_2eq/MJ which can only be reported for final biofuels (For information only as not relevant for TASCC)

The delivery note shall specify the NUTS2 region and state "Use of NUTS2 region" or "Use of default value", along with the raw material used.

Information on actual GHG emissions shall be provided for all relevant elements of the GHG emission calculation formula. This refers to elements for which:-

- Reporting is obligatory (e.g. in case of land use change)
- All elements for which actual values should be used instead of disaggregated default values
- All elements related to emission savings

- *A description of the raw material used.*
  A description of the raw material purchased will be a requirement of the contract between the scheme participant and their supplier. Additionally information carried on the grain passport or similar, which relates to, and passes with, the consignment will detail the raw material. Verifying availability of this information will be a requirement of the independent audit.

- *The statement 'production has been awarded a certificate of type X from recognised voluntary scheme Y'.*
  The successful completion of an independent audit results in the production of a certificate for the appropriate scheme, valid for a 12 month period and the inclusion of the participant on a searchable web based assurance checker which is hosted on the AIC website at www.agindustries.org.uk

- *Certificate status- Article 2 , Implementing Regulation*
  'suspended certificate' means a certificate temporarily invalidated due to non-conformities identified by the certification body or upon voluntary request of the economic operator;
  'withdrawn certificate' means a certificate that has been permanently cancelled by the certification body or the voluntary scheme;
  'terminated certificate' means a certification that has been voluntarily cancelled while it is still valid
  'expired certificate' means a certificate that is no longer valid;

- *Sustainability characteristics would have to include information on the country of origin of the feedstock.*

Information supplied to the scheme participant on a grain passport (used for UK produced combinable crops) or similar document will detail the county and specific postcode of origin of the raw material and is auditable. Additionally the contractual requirement will specify the country of origin.

- *When consignments with different (or no) sustainability characteristics are mixed, the separate sizes and sustainability characteristics of each consignment remain assigned to the mixture.*
  If a mixture is split up, any consignment taken out of it can be assigned any of the sets of sustainability characteristics as long at the combination of all consignments taken out of the mixture has the same sizes for each of the sets of sustainability characteristics that were in the mixture.
  A 'mixture' can have any form where consignments would normally be in contact, such as in a container, processing or logistical facility or site (defined as a geographical location with precise boundaries within which products can be mixed).
  The schemes have an auditable requirement for the principles of mass balance to be maintained. This will include the need to identify consignments which may have differing sustainability characteristics and ensure records show how these differing consignments are attributed to consignments delivered.

  It is an auditable requirement of the schemes for participants to show records pertaining to appropriate periods of time in order to verify that the total quantity of consignments delivered during that period was equal to or lower than the total quantity of sustainable raw material taken in during that same period, subject to the banking of any positive balance of sustainable raw material from previous periods of time (accounting periods).

Union Database

Auditors need to verify the accuracy and completeness of information entered into the Union Database of the certified economic operator correspond with the figures that are part of the economic operator's book keeping and net mass balance data or other encoded information on their entities or sites. Economic operators shall correctly enter in a timely manner, all relevant information in the Union database on the transactions made and the sustainability characteristics of the fuels subject to those transactions, including their life-cycle greenhouse gas emissions, starting from their point of production to the moment they are placed on the market in the Union. Any deviations between data that has been registered in the Union Database and the respective data from the economic operator's documentation shall be immediately flagged in the audit report and to the voluntary scheme. Such discrepancies can lead to major non-conformities identified in the audit report and trigger a suspension of the certificate of the economic operator." More information on the Union database can be found at:

Union Database for Biofuels - Public wiki - Union Database for Biofuels Info-site - EC Public Wiki (europa.eu)

C) Appendix 2 AIC Renewable Energy Directive Definitions

Complete list of definitions from Revised Directive EU/2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources. Where relevant, definitions in Directive 2009/72/EC of the European Parliament and of the Council also apply.

For use in conjunction with the Module for the AIC Requirements for TASCC Trade Assurance Participants to comply with the Revised Renewable Energy Directive EU/2018/2001.

Note: not all terms defined are relevant to the scope of the AIC RED Module.

Definitions

1) 'energy from renewable sources' or 'renewable energy' means energy from renewable non-fossil sources, namely wind, solar (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas;

2) 'ambient energy' means naturally occurring thermal energy and energy accumulated in the environment with constrained boundaries, which can be stored in the ambient air, excluding in exhaust air, or in surface or sewage water;

3) 'geothermal energy' means energy stored in the form of heat beneath the surface of solid earth;

4) 'gross final consumption of energy' means the energy commodities delivered for energy purposes to industry, transport, households, services including public services, agriculture, forestry and fisheries, the consumption of electricity and heat by the energy branch for electricity, heat and transport fuel production, and losses of electricity and heat in distribution and transmission;

5) 'support scheme' means any instrument, scheme or mechanism applied by a Member State, or a group of Member States, that promotes the use of energy from renewable sources by reducing the cost of that energy, increasing the price at which it can be sold, or increasing, by means of a renewable energy obligation or otherwise, the volume of such energy purchased, including but not restricted to, investment aid, tax exemptions or reductions, tax refunds, renewable energy obligation support schemes including those using green certificates, and direct price support schemes including feed-in tariffs and sliding or fixed premium payments;

6) 'renewable energy obligation' means a support scheme requiring energy producers to include a given share of energy from renewable sources in their production, requiring energy suppliers to include a given share of energy from renewable sources in their supply, or

requiring energy consumers to include a given share of energy from renewable sources in their consumption, including schemes under which such requirements may be fulfilled by using green certificates;

7) 'financial instrument' means a financial instrument as defined in point (29) of Article 2 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council;

8) 'SME' means a micro, small or medium-sized enterprise as defined in Article 2 of the Annex to Commission Recommendation 2003/361/EC;

9) 'waste heat and cold' means unavoidable heat or cold generated as by-product in industrial or power generation installations, or in the tertiary sector, which would be dissipated unused in air or water without access to a district heating or cooling system, where a cogeneration process has been used or will be used or where cogeneration is not feasible;

10) 'repowering' means renewing power plants that produce renewable energy, including the full or partial replacement of installations or operation systems and equipment for the purposes of replacing capacity or increasing the efficiency or capacity of the installation;

11) 'distribution system operator' means an operator as defined in point (6) of Article 2 of Directive 2009/72/EC and in point (6) of Article 2 of Directive 2009/73/EC of the European Parliament and of the Council);

12) 'guarantee of origin' means an electronic document which has the sole function of providing evidence to a final customer that a given share or quantity of energy was produced from renewable sources;

13) 'residual energy mix' means the total annual energy mix for a Member State, excluding the share covered by cancelled guarantees of origin;

14) 'renewables self-consumer' means a final customer operating within its premises located within confined boundaries or, where permitted by a Member State, within other premises, who generates renewable electricity for its own consumption, and who may store or sell self-generated renewable electricity, provided that, for a non- household renewables self-consumer, those activities do not constitute its primary commercial or professional activity;

15) 'jointly acting renewables self-consumers' means a group of at least two jointly acting renewables self-consumers in accordance with point (14) who are located in the same building or multi-apartment block;

16) 'renewable energy community' means a legal entity:
    a. which, in accordance with the applicable national law, is based on open and voluntary participation, is autonomous, and is effectively controlled by shareholders or members that are located in the proximity of the renewable energy projects that are owned and developed by that legal entity;

b. the shareholders or members of which are natural persons, SMEs or local authorities, including municipalities;
c. the primary purpose of which is to provide environmental, economic or social community benefits for its shareholders or members or for the local areas where it operates, rather than financial profits;

17) 'renewables power purchase agreement' means a contract under which a natural or legal person agrees to purchase renewable electricity directly from an electricity producer;

18) 'peer-to-peer trading' of renewable energy means the sale of renewable energy between market participants by means of a contract with pre-determined conditions governing the automated execution and settlement of the transaction, either directly between market participants or indirectly through a certified third-party market participant, such as an aggregator. The right to conduct peer-to-peer trading shall be without prejudice to the rights and obligations of the parties involved as final customers, producers, suppliers or aggregators;

19) 'district heating' or 'district cooling' means the distribution of thermal energy in the form of steam, hot water or chilled liquids, from central or decentralised sources of production through a network to multiple buildings or sites, for the use of space or process heating or cooling;

20) 'efficient district heating and cooling' means efficient district heating and cooling as defined in point (41) of Article 2 of Directive 2012/27/EU;

21) 'high-efficiency cogeneration' means high-efficiency cogeneration as defined in point (34) of Article 2 of Directive 2012/27/EU;

22) 'energy performance certificate' means energy performance certificate as defined in point (12) of Article 2 of Directive 2010/31/EU;

23) 'waste' means waste as defined in point (1) of Article 3 of Directive 2008/98/EC, excluding substances that have been intentionally modified or contaminated in order to meet this definition;

24) 'biomass' means the biodegradable fraction of products, waste and residues from biological origin from agriculture, including vegetal and animal substances, from forestry and related industries, including fisheries and aquaculture, as well as the biodegradable fraction of waste, including industrial and municipal waste of biological origin;

25) 'agricultural biomass' means biomass produced from agriculture;

26) 'forest biomass' means biomass produced from forestry;

27) ‘biomass fuels’ means gaseous and solid fuels produced from biomass;

28) ‘biogas’ means gaseous fuels produced from biomass;

29) ‘biowaste’ means biowaste as defined in point (4) of Article 3 of Directive 2008/98/EC;

30) ‘sourcing area’ means the geographically defined area from which the forest biomass feedstock is sourced, from which reliable and independent information is available and where conditions are sufficiently homogeneous to evaluate the risk of the sustainability and legality characteristics of the forest biomass;

31) ‘forest regeneration’ means the re-establishment of a forest stand by natural or artificial means following the removal of the previous stand by felling or as a result of natural causes, including fire or storm;

32) ‘bioliquids’ means liquid fuel for energy purposes other than for transport, including electricity and heating and cooling, produced from biomass;

33) ‘biofuels’ means liquid fuel for transport produced from biomass;

34) ‘advanced biofuels’ means biofuels that are produced from the feedstock listed in Part A of Annex IX;

35) ‘recycled carbon fuels’ means liquid and gaseous fuels that are produced from liquid or solid waste streams of non- renewable origin which are not suitable for material recovery in accordance with Article 4 of Directive 2008/98/EC, or from waste processing gas and exhaust gas of non-renewable origin which are produced as an unavoidable and unintentional consequence of the production process in industrial installations;

36) ‘renewable fuels of non-biological origin’ means liquid or gaseous fuels, the energy content of which is derived from renewable sources other than biomass;

37) ‘low indirect land-use change-risk biofuels, bioliquids and biomass fuels’ means biofuels, bioliquids and biomass fuels, the feedstock of which was produced within schemes which avoid displacement effects of food and feed-crop based biofuels, bioliquids and biomass fuels through improved agricultural practices as well as through the cultivation of crops on areas which were previously not used for cultivation of crops, and which were produced in accordance with the sustainability criteria for biofuels, bioliquids and biomass fuels laid down in Article 29;

38) ‘fuel supplier’ means an entity supplying fuel to the market that is responsible for passing fuel through an excise duty point or, in the case of electricity or where no excise is due or where duly justified, any other relevant entity designated by a Member State;

39) ‘starch-rich crops’ means crops comprising mainly cereals, regardless of whether the grains alone or the whole plant, such as in the case of green maize, are used; tubers and root crops, such as potatoes, Jerusalem artichokes, sweet potatoes, cassava and yams; and corm crops, such as taro and cocoyam;

40) ‘food and feed crops’ means starch-rich crops, sugar crops or oil crops produced on agricultural land as a main crop excluding residues, waste or ligno-cellulosic material and intermediate crops, such as catch crops and cover crops, provided that the use of such intermediate crops does not trigger demand for additional land;

41) ‘ligno-cellulosic material’ means material composed of lignin, cellulose and hemicellulose, such as biomass sourced from forests, woody energy crops and forest-based industries' residues and wastes;

42) ‘non-food cellulosic material’ means feedstock mainly composed of cellulose and hemicellulose, and having a lower lignin content than ligno-cellulosic material, including food and feed crop residues, such as straw, stover, husks and shells; grassy energy crops with a low starch content, such as ryegrass, switchgrass, miscanthus, giant cane; cover crops before and after main crops; ley crops; industrial residues, including from food and feed crops after vegetal oils, sugars, starches and protein have been extracted; and material from biowaste. Where ley and cover crops are understood to be temporary, short-term sown pastures comprising grass-legume mixture with a low starch content to obtain fodder for livestock and improve soil fertility for obtaining higher yields of arable main crops;

43) ‘residue’ means a substance that is not the end product(s) that a production process directly seeks to produce; it is not a primary aim of the production process and the process has not been deliberately modified to produce it;

44) ‘agricultural, aquaculture, fisheries and forestry residues’ means residues that are directly generated by agriculture, aquaculture, fisheries and forestry and that do not include residues from related industries or processing;

45) ‘actual value’ means the greenhouse gas emissions savings for some or all of the steps of a specific biofuel, bioliquid or biomass fuel production process, calculated in accordance with the methodology laid down in Part C of Annex V or Part B of Annex VI;

46) ‘typical value’ means an estimate of the greenhouse gas emissions and greenhouse gas emissions savings for a particular biofuel, bioliquid or biomass fuel production pathway, which is representative of the Union consumption;

47) ‘default value’ means a value derived from a typical value by the application of pre-determined factors and that may, in circumstances specified in this Directive, be used in place of an actual value.

48) ‘product group’ means raw materials, biofuels, bioliquids, non-gaseous biomass fuels with similar physical and chemical characteristics and similar heating values or gaseous biomass fuels, and LNG with similar chemical characteristics that all are subject to the same rules set out in Articles 7, 26 and 27 of Revised Directive EU/2018/2001 for determining the contribution of biofuels, bioliquids and biomass fuels towards achieving the targets for renewable energy

D) Appendix 3 Voluntary Scheme Compliance with Revised Directive EU/2018/2001 of the European Parliament and of the Council of 11 December 2018

RED III places a number of requirements on the owners of recognised voluntary schemes, in particular relating to management of certification bodies and reporting scheme outcomes to the European Commission.

Certification Body Registration Checks on Scheme Applicants

Applicants must declare current or previous certification to any EC recognised voluntary scheme at application, along with any changes to company name or legal status. (see requirement 4.1)

1. Economic operators must disclose the following information in their applications for certification:

(a)whether they or their legal predecessor are currently participating in another voluntary scheme or have participated in another voluntary scheme in the last 5 years;

(b)all relevant information, including the mass balance data and the auditing reports and, where applicable, any decisions to suspend or withdraw their certificates in the last 5 years;

(c)whether they withdrew from a scheme before the first surveillance audit

Applicants shall be excluded from the scheme economic operators in the following cases:

(a)they do not disclose the information in paragraph 1, point (a) and point (b);

(b)they or their legal predecessor failed the initial audit under another scheme, unless such initial audit took place more than 3 years before the application or if in the meantime the other scheme ceased its certification activities, which prevented the economic operator for reapplying. Where a voluntary scheme accepts the justification of the economic operators and decides to assess their application, the scope of the initial audit shall be adjusted to cover all relevant issues and specifically focus on the shortcomings identified in the initial audit that they failed in the other scheme;

(c)they or their legal predecessor withdrew from another scheme before the first surveillance audit took place, unless the operator can prove that it had a valid reason for doing so. Where a voluntary scheme accepts the justification provided by the economic operator, the scope of the initial audit shall be adjusted to cover all relevant issues of the surveillance audit.

The Certification Body will verify the information provided by the applicant, by cross checking this against published certificate lists of the other EC recognised voluntary schemes, and any other checks deemed necessary to establish the *bona fide* standing of the business.

Certification Body reporting to AIC

Audit Reports

The certification body is required to provide a copy of all RED III audit reports to AIC upon completion. These audit reports will be stored securely and used only for the following purposes:

- monitoring of Certification Body performance
- review of audit reports by the Scheme Owner based on risk including all audits where non-conformances were raised and as a random sample
- completion of annual reports to the EC
- supplied on request to relevant national authorities and the EC
- Certification Body to record audit duration

The Certification bodies will also provide AIC with summaries of non-conformances raised which will be used to develop training materials and information for participants and auditors.

Complaints

The Certification Body will support AIC in investigating any complaints relating to RED III participants or the implementation of the AIC RED III Module. These complaints will be logged, investigated, and resolved and a summary included in the annual report to the EC. If requested by the Commission or a Member State AIC will provide all documents related to complaint/s and its handling.

Complaints about either a Participant or the Scheme Certification Body should be directed to AIC and/or the scheme Certification Body where they will be acknowledged, reviewed and actions taken to resolve the cause of any problems.

If Participants are not satisfied with the way in which the scheme Certification Body handles the complaint, they should refer the matter to AIC.

Complaints can be raised via the AIC website
https://www.agindustries.org.uk/sectors/trade-assurance-schemes/tell-aic.html

The complaints investigation process can be viewed
https://www.agindustries.org.uk/sectors/trade-assurance-schemes/tell-aic.html#

Ways to Contact AIC

- Call the AIC on 01733 385230. A message may be left outside of office hours and we will call you back as soon as possible.
- Complete the secure Tell AIC webform, see below link
- Alternatively email enquiries@agindustries.org.uk or write to Agricultural Industries Confederation (AIC), First Floor, Unit 4, The Forum, Minerva Business Park, Lynch Wood, Peterborough, PE2 6FT

Complaints can be logged by completing the online complaint form.
https://www.agindustries.org.uk/sectors/trade-assurance-schemes/tell-aic.html#

Upon completion of the online form this is sent directly to a secure inbox. The inbox is only visible to the AIC Technical Managers who are trained in the complaint investigation process. The complaint will be processed by the Technical Manager who is responsible for the scheme for which the complaint has been made. In their absence, another Technical Manager will deputise and begin the investigation.

The nature of the complaint is assessed by the Scheme Manager which may result in a combination of the following;

- Notification to the Certification Body for investigation and reporting to AIC
- Site visit by AIC or the Certification Body
- Request for further information from the site either by AIC or the Certification Body
- Witness audit/auditor training

Complaint confidentiality

In order to investigate a complaint fully details of the person submitting the complaint are normally required for in the instance of additional information, the details of the person will not be disclosed unless requested by the person/company submitting the complaint. Details of the complaint and company or site involved will not be disclosed to any other customers or users of the site concerned. Complaint confidentiality in accordance with the Directive EU 2019/1937. Complaints are managed by the AIC Scheme Manager and if necessary, investigated by the Certification Body. Persons reporting complaints may remain anonymous, are free from retaliation and can request to be updated and contacted further during the complaint investigation.

Whistleblowing legislation

The Public Interest Disclosure Act 1998 protects people who 'blow the whistle' about wrongdoing. You're protected by law if you report any of the following:

- a criminal offence, for example fraud
- someone's health and safety is in danger
- risk or actual damage to the environment
- a miscarriage of justice
- the company is breaking the law, for example does not have the right insurance
- you believe someone is covering up wrongdoing

EU equivalent legislation can be found via this link:
Directive - 2019/1937 - EN - eu whistleblowing directive - EUR-Lex (europa.eu)

What happens after a complaint is received via Tell AIC?

The AIC Scheme Technical Manager will acknowledge receipt of the complaint within ten working days of the complaint being made.

AIC aims to provide an update on the complaint within 30 days.

As part of the investigation process information may be requested from various sources for example; certification bodies, AIC Members and Participants and stakeholders. AIC may also contact the competent authority to fully investigate the complaint.

Documentation provided to the AIC during the investigation e.g. audit report will not be provided to any other persons unless prior permission has been given by the documentation owner.

You may be contacted for further information in relation to the complaint during the investigation process.

Market Data

The appointed certification bodies will aggregate all market data received from Participants and submit this to AIC in the agreed Voluntary Scheme Data Format no later than 31st March each year (see section 2.4 – Mass balance requirements.)

AIC Reporting to the European Commission

Annually AIC conducts an audit of the Certification Body, assessing the systems and processes of the scheme management. It includes tracing 3 audits with different scopes verifying the correct processes have been carried out within the agreed timescales, assessment of any non-conformances raised, the technical review through to certification. The audit outcome is summarised in the annual report submitted to the Commission.

In accordance with Article 30 (5) of Revised Directive EU/2018/2001 AIC will submit annually by 30 April a report to the Commission covering the preceding calendar year including the following information as set out in Annex III of Implementing Regulation (EU) 2022/996.:

(a) rules on the independence, method and frequency of audits as approved by the Commission upon accreditation of the voluntary scheme and any changes to them over time to reflect Commission guidance, the modified regulatory framework, findings from internal monitoring on the auditing process of certification bodies and evolving industry best practice.
(b) rules and procedures for identifying and dealing with non-compliance by economic operators and members of the scheme.

(c) evidence of fulfilling the legal requirements on transparency and publication of information in line with Article 6 of Implementing Regulation (EU) 2022/996.
(d) stakeholder involvement, in particular on the consultation of indigenous and local communities prior to decision-making during the drafting and review of the scheme as well as during audits and the response to their contributions.
(e) overview of the activities carried out by the voluntary scheme in cooperation with the certification bodies in order to improve the overall certification process and the qualification and independence of auditors and relevant scheme bodies.
(f) market updates of the scheme, the amount of feedstock, biofuels, bioliquids, biomass fuels, recycled carbon fuels and renewable fuels of non-biological origin all certified, by country of origin and type, and the number of participants.
(g) overview of the effectiveness of the implementing system put in place by the governance body of the voluntary scheme in order to track proof of conformity with the sustainability criteria that the scheme gives to its member(s). This shall cover, in particular, how the system effectively prevents fraudulent activities by ensuring timely detection, treatment and follow-up of suspected fraud and other irregularities and where appropriate, the number of cases of fraud or irregularities detected.
(h) criteria for the recognition of certification bodies.
(i) rules on how the internal monitoring system is conducted and the results of its periodic review, specifically on oversight of the work of certification bodies and their auditors as well as on the system of handling complaints against economic operators and certification bodies;
(j) possibilities to facilitate or improve the promotion of best practices.

The annual report is published on the AIC website which includes the results of the annual monitoring activities. The annual report can be viewed by clicking the following link:

https://www.agindustries.org.uk/sectors/trade-assurance-schemes/tascc-trade-assurance-scheme-for-combinable-crops/renewable-energy-directive-red.html

Supervision of Implementation of the AIC RED Module by Competent Authorities

The appointed Certification Bodies agree to permit such supervisory activities as may be deemed necessary by relevant Competent Authorities of Member States. This may include:

- Witnessing of audits
- Review of documentation
- Observing operational elements (e.g. signing off corrective actions, certification decisions etc.)

AIC, as the Scheme Owner will assist in facilitating any arrangements that are required for representatives of competent authorities of the Member States to witness audits or view documentation or operational elements of the scheme.

E) Appendix 4 Background to TASCC Scheme

TASCC Merchants are long established standards, audited by certification bodies accredited to International Standard ISO 17065 requirements and with approximately 2000 participants (250 merchants).

The scheme has been in operation for over 20 years and delivers traceability in respect of food and feed safety. TASCC is well placed to take on additional requirements delivered through the adoption of a voluntary scheme under RED III. All scheme participants must undergo an audit before they are certified to the scheme and audits take place for all participants on an annual basis.
This module is audited as part of the scheme to ensure feedstocks handled by scheme participants retains its sustainable status and can be audited to that effect.

The updated module is a 'standalone' format. In addition to the introduction of the standard within the module, guidance to scheme participants is aimed at assisting their understanding what is required in order to meet the additional audit requirements.

The new standards are communicated to all scheme participants and participants will be audited against them once technical approval is achieved.

All participants will begin from a point of being non-compliant and will only be certificated against the new standards upon successful completion of the audit. Participants will subsequently have their revised assurance status indicated on the on-line assurance checker at [AIC | Trade Assurance Schemes (agindustries.org.uk)]

As the schemes are reviewed, and revised standards reissued on a triennial basis, any subsequent amendments will be incorporated into these reviews. In the event of more immediate updates being required, these can be delivered via an amendment to the existing standards.

Scheme Governance

The TASCC Scheme is split into 4 Standards Haulage, Merchants, Storing and Testing of Combinable Crops and Animal Feeds. Participants must comply with the relevant standard to their scope and all Participants are required to comply with the General section.

The TASCC Working Group meet three times a year the committee members are representatives of AIC Members, Participants, Stakeholders and Trade Associations. Each agenda issued includes Competition Law Compliance and Conflicts of Interest as agenda item 1. Conflicts of interest identified at committee meetings are recorded in the minutes including the Chair's decision with managing the conflict of interest. Any recorded conflicts of interest are monitored by the Technical Manager.

The TASCC Scheme is reviewed every three years, there are Review Groups for each standard comprising of TASCC Participants, Consultants, Auditors and Certification Body representatives. The

secretariat is the AIC Scheme Technical Manager. Upon completion of the review the scheme undergoes a minimum 6 week public consultation, any comments or feedback are further reviewed by the Review Groups before the final draft is submitted for UKAS approval and then final publication and implementation.

The AIC Services Board is the Board that oversees the governance and management of AIC Services. AIC Services manages a range of agribusiness related professional services and is a wholly owned subsidiary of AIC.

https://www.agindustries.org.uk/group/aic-services-board/memberlist.html

TASCC Working Group Committee Members are listed on the AIC website:
AIC | TASCC Working Group (agindustries.org.uk)