



Appendix for the AIC Requirements for TASCC and UFAS Trade Assurance Participants to comply with the Renewable Energy Directive (RED) - DIRECTIVE 2009/28/EC

Introduction

The following RED Requirements document is designed to be incorporated into AIC schemes 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 Schemes:-

- [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.

- [UFAS – Universal Feed Assurance Scheme](#)

UFAS (Universal Feed Assurance Scheme) is a UK based scheme which deals with the production and delivery of compound feeds and the supply of feeds to the farm. Its participants are made up of Compound feed manufacturers and merchants.

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

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

Contents

1. Purchasing RED compliant material
2. Mass Balance Requirements
3. Sustainability Criteria Requirements

1. Purchasing RED compliant material

Requirement	Guidance
<p>1.1</p> <p>Scheme participants must be able to show that any procured Renewable Energy Directive (RED) crops are compliant to the requirements of RED. (R)</p>	<p>To be able to show compliance with the requirements of the RED, both TASCC and UFAS scheme participants shall have records available to show that all material purchased as being RED compliant can be demonstrated as such.</p> <p>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 or UFAS merchant.</p> <p>Evidence of compliance can only be accepted from those schemes recognised by the EU for all land related criteria.</p> <p>The appropriate link to the document for both TASCC and UFAS on the AIC website is:-</p> <p>https://www.aictradeassurance.org.uk/tascc/documents/renewable-energy-directive-red/</p> <p>Records shall show which EU approved voluntary scheme material has been supplied from, crosschecking it is the same version and scope as that recognised by the EU.</p> <p>Full details of all recognised schemes and their scope can be found in the European Commission website at:-</p> <p>https://ec.europa.eu/energy/en/topics/renewable-energy/biofuels/voluntary-schemes</p>

2. Mass Balance Requirements

Requirement	Guidance
<p>2.1</p> <p>Records shall be maintained in such a way as to ensure that the requirements of the Renewable Energy Directive, in relation to a mass balance calculation – including sustainability characteristics – are met. (R)</p>	<p>In order to comply with the mass balance requirements of the RED, 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 compliant. The scheme participant shall also have records to demonstrate, over the same defined time periods, the quantity of crop</p>

	<p>loaded out of the store as RED compliant. In all instances the mass balance of RED compliant material for the time period in question must show the quantity out as being equal to, or less than, the quantity taken in.</p> <p>Records need to be kept to show that the sustainability criteria set out in Article 17(2-5) of the RED have been met. This is achieved through the use of a mass balance system which delivers the following:</p> <ul style="list-style-type: none"> • 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; 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. <p>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 CO₂/ dry ton feedstock).</p>
<p>2.1.1</p> <p>Determination of mass balance calculation shall be operated at the site level.</p>	<p>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.</p> <p>The definition of a site is laid down in the Commission Communication of 19th June 2010 (Official Journal C160/1) and is given as “a geographical location with precise boundaries within which products can be mixed.”</p> <p>If more than one legal entity operates on a site then each legal entity is required to operate its own mass balance.</p>
<p>2.2</p>	<p>At the end of each three month mass balance period being operated, any residual positive</p>

<p>A mass balance period shall be three months in duration. Where positive balances of RED 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)</p>	<p>balance of physical RED 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.</p>
---	---

3. Sustainability Criteria Requirements

Requirement	Guidance
<p>3.1</p> <p>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 17(2) of Directive 2009/28/EC. (R)</p>	<p>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 17(2). 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.</p>
<p>3.1.1</p> <p>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)</p>	<p>Participants must ensure that all relevant information required under the RED by the buyer is forwarded in respect of consignments sold for biofuel use. The information to be forwarded must include, as a minimum;</p> <ul style="list-style-type: none"> • name and contact details of the supplying company, • feedstock type and origin (ie. NUTS 2 region), • reference to previous EU recognised voluntary schemes applicable to the consignment and any relevant reference numbers. <p>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.</p>
<p>3.2</p> <p>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.</p> <p>Records shall be maintained in such a way as to ensure the sustainability criteria for material</p>	<p>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.</p> <p>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</p>

<p>with differing characteristics is retained when parcels are mixed. (R)</p>	<p>sustainability criteria, the highest/worst performing GHG emission value must be applied to the whole consignment.</p> <p>The mass balance system operated by the participant must be capable of delivering the three points identified in the Mass Balance Requirements section above.</p> <p>GHG emissions shall be reported using appropriate units. These are:-</p> <ol style="list-style-type: none"> a. g CO₂eq/dry-ton for raw materials and intermediary products b. g CO₂eq/MJ which can only be reported for final biofuels (For information only as not relevant for TASCC/UFAS) <p>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.</p> <p>Information on actual GHG emissions shall be provided for all relevant elements of the GHG emission calculation formula. This refers to elements for which:-</p> <ul style="list-style-type: none"> • 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.
<p>3.3</p> <p>Crops used to produce biofuels and bioliquids must not have been produced on land subject to land use change since January 2008.</p> <p>A. Crops used to produce biofuels and bioliquids 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:</p>	<p>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:</p> <ul style="list-style-type: none"> • 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 <p>Compliance must be obtained from the supplier and recorded.</p>

<p>a) Primary forest and other wooded land, namely forest and other wooded land of native species, where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed;</p> <p>b) Areas designated:</p> <p>i. By law or by the relevant competent authority for nature protection purposes; or</p> <p>ii. For the protection of rare, threatened or endangered ecosystems or species recognised by international agreements or included in lists drawn up by intergovernmental organisations or the International Union for the Conservation of Nature, subject to their recognition in accordance with the second subparagraph of Article 18(4) of Directive 2009/28/EC; Unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes;</p> <p>c) Highly biodiverse grassland that is:</p> <p>i. Natural, namely grassland that would remain grassland in the absence of human intervention and which maintains the natural species composition and ecological characteristics and processes; or</p> <p>ii. Non-natural, namely grassland that would cease to be grassland in the absence of human intervention and which is species rich and not degraded, unless evidence is provided that the harvesting of the raw material is necessary to preserve its grassland status.</p>	<p>Goods may be procured from land that has undergone RED compliant land use change. 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.</p>
--	--

B. Crops used to produce biofuels and bioliquids 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:

- 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 paragraph 2 of this Article 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 and bioliquids 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.

Module for TASCC & UFAS Merchants Schemes for RED compliance – and timetable

TASCC and UFAS Merchants are long established standards, audited to International Standard ISO 17065 requirements and with approximately 3000 participants (500 merchants in both schemes). All scheme participants must be successfully audited before being given an assured status and audits must take place on an annual basis.

The existing standards for both schemes deliver traceability in respect of food and feed safety. They are therefore well placed to take on additional requirements delivered through their adoption of a voluntary scheme under RED.

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.aictradeassurance.org.uk/tascc/documents/codes-of-practice/>

The Certification Body for TASCC is –

[Kiwa Agri Food](#)
The Inspire
Hornbeam Square West
Harrogate
HG2 8PA
Tel - 01423 878873
Email - feed@kiwa.co.uk

UFAS (Universal Feed Assurance Scheme) is a UK based scheme which deals with the production and delivery of compound feeds and the supply of feeds to the farm. Its participants are made up of Compound feed manufacturers and merchants.

The link on the AIC website which give the UFAS documents and Technical Manager contacts is:-
<https://www.aictradeassurance.org.uk/ufas/documents/ufas/>

The Certification Body for UFAS is –

Lloyds Register (formally Acoura)
6 Redheughs Rigg
Edinburgh
City of Edinburgh
Scotland
EH12 9DQ
Tel - 0131 322 6280
Email - ufas@acoura.com

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 cover both TASCC and UFAS and can be found on the link below.

<https://www.aictradeassurance.org.uk/tascc/documents/recognised-schemes/>

Recognised RED schemes 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 and UFAS will accept feedstock from any EC certified voluntary scheme.

TASCC and UFAS shall not refuse mutual recognition with any national schemes as regards the verification of compliance with the sustainability criteria set out in Articles 17(2) to (5).

<https://ec.europa.eu/energy/en/topics/renewable-energy/biofuels/voluntary-schemes>

i) Qualifying Raw Material: Given the position of TASCC and UFAS Merchants members within the supply chain, the changes to deliver compliance under RED are concerned with record keeping and principally to demonstrate a mass balance assessment in line with the requirements of RED. 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, 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 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. Both TASCC and UFAS use the Grain Passport and further information can be found in the scheme documentation (TASCC – M15 and UFAS - B2.4).

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 published in February 2021. The changes to the scheme to meet the requirement of RED will be incorporated into these revisions. **However, any amendments will be issued to the participants before the review via email conformations and changes to the AIC RED webpage.**

UFAS: The next issue of the UFAS Scheme Manual and Codes is due to be published in 2020. The changes to the scheme to meet the requirement of RED will be incorporated into these revisions.

European Commission Communication 2010/C 160/01: AIC has sought to provide details of how the RED module complies with the European Commission's Communication of 19th June 2010 on voluntary schemes and default values in the EU biofuels and bioliquids sustainability scheme. These details are shown below.

Assessment and recognition requirements

Documentation management

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

- *have an auditable system for the evidence related to the claims they make or rely on*
 - The new requirement makes it **an obligation** of the schemes for participants to have and maintain an auditable system for the purpose of determining a mass balance calculation and 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*
 - 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 mass balance records do meet the 5 year requirement of RED. 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 requirements as listed in the RED Appendix will be conducted by the existing scheme audit bodies which are recognised by an accepted EU accreditation body (UKAS in the UK) and audit to ISO17065. 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.

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.

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. Required knowledge of the following aspects should be demonstrated:-

- Knowledge of legislation, eg. Renewable Energy Directive
- 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 each certification body for TASCC (Kiwa) and UFAS (Lloyds Register). 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 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 respective TASCC and UFAS scheme rules.

Further information on the CBs can be found on the link below.

<https://www.aictradeassurance.org.uk/how-to-join/>

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 respective TASCC and UFAS scheme rules.**

Both Certification Bodies will report to the various scheme working groups 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

- *As a general rule, a voluntary scheme should ensure that economic operators are audited before allowing them to participate in the scheme.*
Any company wishing to join either TASCC or UFAS 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 a first 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.

Although both TASCC and UFAS are **schemes** which deal with food and feed safety, the RED appendix has been written so that it can be audited at the same time. Non-conformances arising from a RED 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.

The Scheme Rules which gives information on how the audits are conducted and lists non-conformances and the auditor checklists are found on the links below.

TASCC

Scheme Rules

<https://www.aictradeassurance.org.uk/latest-documents/tascc-code-of-practice-general-for-all-schemes-2018/>

Checklists

<https://www.aictradeassurance.org.uk/tascc/documents/tascc-checklists/>

UFAS

Scheme Rules

<https://www.aictradeassurance.org.uk/latest-documents/ufas-scheme-rules-2016/>

Checklists

<https://www.aictradeassurance.org.uk/ufas/documents/ufas-checklists/>

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;
 - Draw up a verification plan which corresponds to the risk analysis and the scope and complexity of the economic operator's activities, and which defines the sampling methods to be used with respect to that operator's activities;
 - Carry out the verification plan by gathering evidence in accordance with the defined sampling methods, plus all relevant additional evidence, upon which the verifier's verification conclusion will be based;

- Request the operator to provide any missing elements of audit trails, explain variations, or revise claims or calculations, before reaching a final verification conclusion.
- ISO 19011: 2011 (plan, do, act, check), or justified equivalent (in the case of both the UK CBs it is [ISO/IEC 17065:2012 Preview 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 non-conformances can be found in Table 3.

Table 1
Classification of non-conformances

Classification	Cause
Critical	A gross or deliberate food/feed safety regulatory violation, or; A food/feed safety failure resulting in unsafe products, or; A loss of traceability such that recall of unsafe 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/UFAS or a failure that may result in unsafe food/feed, or; A recurrence of a Minor Non-conformance raised at the preceding assessment.
Minor	A partial failure to implement a requirement of TASCC/UFAS 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/UFAS Scheme.
Major	<p>Certificate not granted until Non-conformances resolved. Plan of corrective actions to be submitted within 15 days of assessment, and timescales to resolve Non-conformances to be agreed with the Certification Body.</p> <p>Failure to resolve Non-conformances within agreed timescales will lead to a repeat Initial Assessment or the application being archived by the Certification Body</p>	<p>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 Non-conformances within agreed timescales will lead to suspension.</p>
Minor	<p>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.</p> <p>Failure to resolve Non-conformances within agreed timescales will lead to a repeat Initial Assessment or the application being archived by the Certification Body</p>	<p>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.</p>

Table 3
Examples or RED non-conformances

Classification	Cause
Critical	No system to ensure material bought as RED compliant is actually RED compliant. This would be raised as there is a risk to the end user that the participant has used non RED material within their process which could lead to penalties against them and their legislative requirements.
Major	New member of staff has not received training within their role under RED.
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.

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

It is an existing requirement of all schemes that all scheme participants are audited annually. The certifying body will ensure that the same assessor will not assess the same scheme participant beyond a consecutive 3 year period. An assessor should 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.*

The requirements placed on certification and audit bodies by the requirements of ISO17065, the standard to which all three schemes are accredited, means these requirements are met as a part of that existing process. 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 module.

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. This will **not** include waste and residues (e.g. straw).

RED 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 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. Sustainability characteristics could include for example:

- *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. 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 the RED.

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.

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 highest/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 CO₂eq/dry-ton for raw materials and intermediary products
- b) g CO₂eq/MJ which can only be reported for final biofuels (For information only as not relevant for TASCC/UFAS)

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

- *Sustainability characteristics would have to include information on the country of origin of the feedstock, except for bioliquids*

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 as 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 parcels which may have differing sustainability characteristics and ensure records show how these differing parcels are attributed to consignments delivered.

- *The balance in system can be continuous in time, in which case a 'deficit', ie. that at any point in time more sustainable material has been withdrawn than has been added, is required not to occur. Alternatively the balance could be achieved over an appropriate period of time and regularly verified. In both cases it is necessary for appropriate arrangements to be in place to ensure that the balance is respected.*

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)

Development of the AIC RED Assurance module for RED Compliance

The existing TASCC and UFAS Merchants Schemes have been in full operation for over 18 years. -All scheme participants must undergo audit before they are accredited to the scheme and audited take place for all participants on an annual basis.

As both schemes are in current operation, it is proposed that the new module is introduced to the schemes to ensure raw material handled through the scheme participants retains its sustainable status and can be audited to that effect.

It is proposed that the new module will be introduced to both schemes in a 'stand alone' format as outlined in the RED Requirements document. In addition to the introduction of the standards 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 being 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 www.agindustries.org.uk for the scheme in question.

As the schemes are reviewed, and revised codes reissued on a biennial 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.