



Department
for Transport

Summary and response to RTFO Guidance Consultation for Year 6: April 2013 to April 2014

March 2013

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Executive summary

Summary of respondents

There were a total of 22 responses received from a cross-section of the industry and representative organisations. Table 1 provides a summary of those that responded to the consultation.

Table 1 Summary of responses from organisations and companies

Company or organisation	Number of responses
Large companies	16
Representative Organisations	4
Small to Medium Enterprises	2
Total	22

This document summarises the responses to the questions posed in the consultation and provides the Administrator's Response.

A list of those organisations that responded to the consultation is provided at Annex A.

Summary of final guidance for Year 6

The final Year 6 Guidance is published alongside this consultation summary and response. The guidance has been updated broadly in line with the consultation proposals. Certain sections have, however, been clarified in the light of responses to the consultation.

The most substantive changes to the Guidance for Year 6 are:

- A new chapter providing guidance on new [Motor Fuel Greenhouse Gas Emissions Reporting Regulations](#) which apply to fuels supplied from 1 January 2013.
- Changes related to an amendment to the RTFO Order to include in the obligation renewable fuel and liquid fuel used in non-road mobile machinery, agricultural and forestry tractors, inland waterway vessels and recreational craft when not at sea (collectively termed 'NRMM' in this document and the Guidance). These changes also reduced the obligation level to ensure that the

volume of renewable fuel required under the RTFO remains the same, and amended certain aspects of the civil penalty provision.¹

- The publication of a compliance policy, which sets out the procedures the RTFO Administrator undertakes to ensure that renewable fuels supplied under the RTFO meet the mandatory sustainability requirements.

Timing

The new guidance comes into effect from 15 April 2013. The requirement for reporting under the greenhouse gas emissions regulations applies from fuels supplied from 1 January 2013.

Contact details

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¹ The civil penalty amendments will take effect from the day after the amendment Order is made by Parliament, however our guidance will not be updated until 15 April 2013. In the interim any affected party should consult the amended RTFO Order.

Introduction

The Renewable Transport Fuel Obligation (RTFO) is administered by the RTFO Administrator (the Administrator), supported by the RTFO Unit in the Department for Transport. The Unit has developed guidance to help suppliers and verifiers meet the requirements in the RTFO legislation. There are three main parts to the guidance and a number of supporting documents.

This document summarises the responses of consultees to proposed changes to the Guidance for Year 6 and provides a response from the Administrator.

The document is laid out in the same order as the consultation document, which is also the order in which they are expected to appear in the new guidance.

Several respondents made general comments not related to the guidance but to issues with the policy, including for example concerns expressed about targets. These have been passed to the policy team and are not addressed in this document.

General comments

Several respondents prefaced their consultation response with some general comments not raised directly in the consultation document.

One respondent raised a concern over the shortness of consultation over the Christmas period. The same respondent made a number of comments related to policy changes to the RTFO, in particular opposing the reduction in the target level related to the introduction of NRMM fuels. The respondent welcomed the review of double counting, to be undertaken later in 2013 as part of the post regulatory review of the RTFO following amendments in 2011. However, they were concerned that any modifications to the regime for used cooking oil that might result from the review would come too late to address industry concerns.

Two further respondents expressed concern about targets under the RTFO, specifically over:

- the reduction of the RTFO target from 5 to 4.75%
- the fact that the Fuel Quality Directive target for 2020 has not yet been set
- The delay in setting targets to reach the 2020 10% target

This respondent also stated that market confidence has been shaken by the European Commission's proposals on indirect land use change (ILUC) including a 5% cap on crop based biofuel.

Administrator response

The period of consultation was six weeks which included the Christmas period. The consultation was flagged well in advance and the key issues were discussed in detail at a stakeholder workshop on 7 November.

The Administrator notes the concerns expressed regarding policy decisions with respect to targets set under the RTFO and has passed these to policy colleagues. The Government response to issues on targets have been set out in responses to consultations on implementation of the transport elements of the Renewable Energy Directive and are available on the [Government's website](#).

In summary, these are that:

- The RTFO target is being reduced from 5% to 4.75% to account for the expansion in obligated fuels which will include gas oil for certain uses from April 2013. The intended effect is that the overall volume of biofuels required to meet the obligation remains the same as it would otherwise have been.
- Given concerns over the sustainability of certain biofuels the Government has decided not to increase targets for biofuel supply under the Renewable Transport Fuel Obligation (RTFO) beyond 2014 at this time. The Government believes that addressing ILUC is a prerequisite for ensuring

the sustainability of biofuels. The UK welcomes the work undertaken by the Commission to bring forward a proposal on ILUC. Ministers and officials are analysing the content and implications of the proposal.

1 Process Guidance

Updating fuels covered to include liquid fuel used for NRMM purposes

The consultation outlined the legislative changes to the RTFO to include NRMM fuels within the scope of the obligation. It stated that new text would be added to the Guidance explaining that the amended RTFO Order will contain a presumption that all low sulphur gas oil is used for NRMM purposes.

The consultation also explained that, as is currently the case with the presumption that fuel owned at the duty point is assumed to be supplied for delivery in the UK, suppliers will be able to demonstrate the contrary.

Q1. Do suppliers have any comments upon the practical mechanism for demonstrating the contrary?

Summary of responses

Yes	No
15	5

Main messages from respondents

- 1.1** Eight respondents commented that not all low sulphur gas oil is used for NRMM purposes. The fuel supplied through the duty point is often a dual purpose fuel and may be used, for example, for either NRMM (propulsion) or heating. It would therefore be difficult to differentiate between whether gas oil was going to be used in NRMM or not.
- 1.2** Eight respondents foresaw potential issues associated with more FAME (biodiesel) being blended into the UK fuel supply chain. Concerns were raised that the inclusion of FAME (fatty acid methyl esters) may lead to operability and safety issues with machinery, such as standby generators. Similarly the presence of FAME in jet fuel could render the product off specification.
- 1.3** Six respondents warned that including NRMM in the RTFO would increase costs in the supply chain.
- 1.4** Six respondents felt that as the distribution of NRMM fuel volume is not evenly spread among obligated suppliers, suppliers with a large market share would be disproportionately affected. The inclusion of NRMM would not provide a 'level playing field'.

- 1.5 Five respondents felt that the inclusion of NRMM in the obligation would be inconsistent with the EC amending proposal for the RED which indicates biodiesels are the grades most at risk from ILUC (indirect land use change) and may add to greenhouse gas emissions.
- 1.6 Three respondents felt that by including fuel used for NRMM in the obligation it would become increasingly difficult to source “bio-free” gas oil.
- 1.7 Three respondents considered the proposal of a reduction in the obligation level to 4.75% would mean a net increase in the obligation when the effect of NRMM was taken into account.
- 1.8 Two respondents expressed concern with the proposed DfT policy to reduce the obligation level to ensure there was no increase in the overall volume of biofuel supplied in the UK due to the inclusion of NRMM within the scope of the RTFO.
- 1.9 One respondent requested that specific reference is given in the RTFO guidance that suppliers of fuel for use in sea-going marine applications, for use on tidal sections of rivers or for use in standby power generation will not be obligated under the RTFO.

Administrator response

- 1.10 The Administrator notes the concerns of respondents relating to determining whether low sulphur gas oil is going to be used in NRMM or not. The Administrator notes that suppliers can rebut the presumption that all low sulphur gas oil is obligated if it can be demonstrated otherwise to the satisfaction of the Administrator. The Administrator will continue working with industry to resolve this issue.
- 1.11 The Administrator received comments on the Government’s overarching policy of expanding the RTFO to align with the Fuel Quality Directive and reduce the obligation level to ensure that the absolute volume of biofuel supplied in the UK is not increased. These comments on the wider policy included concerns about the availability of FAME-free gas oil and that the adjusted obligation level is either too high or too low. This is not within the scope of this consultation on the year 6 RTFO guidance. The Government consulted on its overarching policy between March and June 2011, and has delayed expanding the scheme until 15 April 2013 in order to allow industry time to prepare. The “Government response: Consultation on the implementation of the transport elements of the Renewable Energy Directive — Non Road Mobile Machinery” was published on 16 July 2012 and is available on the Department’s [website](#).

2. Sustainability compliance policy

The RTFO sustainability compliance policy is a new section of the guidance which describes the Administrator’s approach to assessing supplier’s compliance with the sustainability criteria.

Q2. Are the policy and process described with sufficient clarity?

Summary of responses

Yes	No
8	9

Main messages from respondents

- 2.1 Around half of respondents found the new guidance clear and the majority of these did not comment further.
- 2.2 A large number of respondents expressed concern with the policy, though the comments were generally focussed on opposition to the concept of the Administrator carrying out checks rather than pointing to a lack of clarity of either policy or process.
- 2.3 Respondents expressing concern emphasised the financial exposure suppliers were subject to from delays in awarding RTFCs, illustrating that a supplier with around 10% of the obligation could have an exposure of around £5-6 million per month. They made the case that delays in issuing RTFCs resulting from any new measures introduced by the Administrator could result in financial problems.
- 2.4 A large number of respondents made recommendations concerning the process of awarding RTFCs related to the proposed compliance policy. These included:
 - Any biofuel meeting an approved EU scheme should be automatically accepted
 - An RTFC that has been issued should not be revoked
 - There should be an appeal mechanism for any refusal to issue RTFCs
 - Where guidance is updated, suppliers must have scope to use existing stocks of product.
- 2.5 Some respondents suggested that the proposed compliance policy duplicated the work of independent verifiers, and made verification redundant.

Administrator response

- 2.6** The Administrator notes that whilst support for the compliance policy was mixed, there were few specific issues with the clarity of the guidance itself.
- 2.7** The Administrator continues to consider that it should have a mechanism to check the evidence suppliers are using to demonstrate that their biofuels are meeting the legal sustainability requirements. Independent verification is the primary mechanism by which assurance is provided that applications for RTFCs are accurate. However, there are a number of reasons why the Administrator does not feel it is sufficient to be the only mechanism for checking the evidence behind RTFC applications:
- Only 'limited assurance' is required under the current system, which means that only a sample of evidence behind consignments is checked by independent verifiers;
 - The Administrator may be aware of risks which it cannot communicate openly, and therefore independent verifiers may not have checked supply chain evidence for consignments the Administrator has information are high risk;
 - To ensure the system is working and address any shortcomings, the Administrator must have some understanding of the evidence underlying claims for RTFCs;
 - Evidence seen by the Administrator underlying claims for certificates immediately following RED implementation was often poor, indicating that improvements in standards are required.
- 2.8** The Administrator notes suppliers' concerns around the potential financial impact of delays in issuing RTFCs as a consequence of the Administrator's checks. Publication of the compliance policy, which sets out what information suppliers are required to provide, is intended to speed up the process. In addition, the Administrator has consulted on key performance indicators which set out the levels of service suppliers should expect, including for processing RTFC applications.
- 2.9** In regard to approved voluntary schemes, the current RTFO guidance provides that European Commission approved voluntary schemes are accepted under the RTFO. The Administrator has reviewed the Year 6 guidance and compliance policy to ensure it is clear that:
- A valid certificate/proof of sustainability for a consignment of biofuel is accepted as proof of meeting the sustainability criteria the scheme has been recognised for;
 - Where the approved voluntary scheme covers the full chain of custody to the final reporting party, and contains all of the C&S information reported in ROS, no further evidence is required.
 - The Administrator may require a copy of the scheme certificate/proof of sustainability to review it.

2.10 The Administrator notes supplier’s concerns about revocation of RTFCs, which appear to be related to the financial exposure implied. However, the Administrator is responsible for ensuring that RTFC’s are only issued if the conditions in RTFO Order are met, including that the Administrator is satisfied so far as is practicable that certain information provided by a supplier in its application is accurate. The Administrator has powers to revoke RTFCs in certain circumstances, including where the information provided in RTFC applications is found to be materially inaccurate. The legislation allows suppliers to make representations in cases of revocation, and for the Administrator to review these and reconsider its decision. The details of this mechanism are outlined in the Process Guidance.

2.11 The Administrator has also noted the suggestion of an ‘appeal mechanism’ for any refusal to issue RTFCs. The concept was discussed at the RTFO Expert Advisory Group of stakeholders held on 12 February, but there was no consensus on whether there should be such a mechanism nor how it should operate. At present, the Administrator allows suppliers to resubmit an application with further evidence following a refusal to issue. Suppliers are free to make representations to the Administrator concerning decisions it has made.

2.12 The Administrator has also noted the suggestion that where guidance is updated suppliers should have scope to use existing stocks of product. Whilst the Administrator can be sensitive to changes of process, the requirements of the legislation take effect at a particular date and it is the responsibility of suppliers to ensure that they comply. For example, changes to grandfathering rules for carbon emissions take effect for fuel supplied on or after 1 April 2013 and no further ‘grandfathering’ is allowed under the legislation. Grandfathering rules are set out in the RED itself, published in 2010. The Administrator will continue with its current approach of not making in-year changes to the guidance – changes to the guidance are communicated and consulted on ahead of the relevant obligation period.

Q3. Do you have any comments on the identification of risks?

Summary of responses

Yes	No
15	3

Main messages from respondents

2.13 Seven responses questioned what the section added in respect of checks that a verifier would operate and repeated the point that the compliance policy duplicated existing effort. These responses further suggested that:

- Biofuels under European Commission approved schemes should be low risk;
 - The risk system should steer suppliers towards the use of voluntary schemes
 - The Unit should develop a list of approved verifiers.
- 2.14** One respondent considered that the burden of providing provenance on used cooking oil was far in excess of double that of single counting fuel.
- 2.15** Five respondents welcomed the approach and considered the risks identified appropriate.
- 2.16** Two respondents indicated that risks should be communicated promptly and that the RTFO Unit should work more closely with verifiers.
- 2.17** One respondent expressed concern about the potential for subjectivity in considering the good and bad performance of companies historically, and another expressed concern about the creation and lawfulness or otherwise of 'blacklists.'
- 2.18** One respondent said that the RTFO Unit should check the voluntary schemes to ensure that they are fit for purpose and that the Unit should co-ordinate improvements with other Member States.

Administrator response

- 2.19** The Administrator has amended the guidance to reflect the lower risk that supply of biofuel under recognised voluntary schemes represents, and to emphasise the advantages of voluntary schemes in providing assurance that biofuels meet the sustainability criteria. The practical consequence of this is that the Administrator is less likely to require further evidence supporting an application where a voluntary scheme has been used. Where evidence is required for a consignment that has been supplied through a voluntary scheme, it will usually be limited to the certificate of sustainability.
- 2.20** The Administrator has considered the idea of accrediting verifiers to provide assurance for RTFC applications, and raised this issue at an Expert Advisory Group meeting on 12 February. Support for the concept at this meeting was limited. Attendees emphasised the additional time, cost and effort involved in developing such a process and questioned its added value. Greater use of voluntary schemes, which already have accreditation processes for verifiers, would provide more effective assurance. An accreditation process might also have a disproportionate impact on the verifiers of smaller suppliers who are typically accountants that are self-employed or from SMEs. The Administrator does not, therefore, intend to pursue accreditation at this time.
- 2.21** The Administrator will communicate risks promptly where appropriate. This includes taking into account concerns about dangers of creating company 'blacklists', particularly where evidence is not definitive.

- 2.22 The Administrator has held workshops with verifiers, accompanied verifiers on RTFO related audits and includes an auditor on its Expert Advisory Group.
- 2.23 The Administrator will continue to engage closely with the European Commission, voluntary schemes and verifiers to ensure that the system is providing appropriate assurance that biofuels are meeting the sustainability criteria.

Q4. Do you have any comments on the assessment of risks?

Summary of responses

Yes	No
18	1

Main messages from respondents

- 2.24 Respondents generally reiterated their comments on the previous question. Eight respondents reiterated their opposition to the policy and that it was a duplication of work by independent verifiers. Two respondents welcomed the approach.
- 2.25 One respondent suggested that the Unit should only investigate risks which could not be communicated to the public or verifiers as part of normal ISAE3000 audits.
- 2.26 Two respondents suggested the Unit should do more to communicate risks to verifiers.
- 2.27 One respondent expressed concern about the obligated suppliers past performance and the assessment of risk, particularly how the Administrator will get access to the details of a supplier’s performance under the RO and other Member State obligations, and whether their performance would be shared with others.

Administrator response

- 2.28 Responses as outlined in the previous questions apply.
- 2.29 The Administrator will focus its checks as it considers appropriate at the relevant time. The Administrator will use information available to it that are a matter of public record or that become available in the course of its investigative activities.

2.30 Information on individual suppliers' performance under the RTFO may be shared with other regulators where appropriate and lawful (information on individual supplier volumes will not be shared).

Q5. Do you have any comments on what is required of the suppliers?

Summary of responses

Yes	No
14	5

Main messages from respondents

- 2.31** Eight respondents stated that, when a voluntary scheme is used, there should be no further evidence required. These respondents also suggested that this section of the guidance be re-worked to distinguish between what is typically required of suppliers when they used a voluntary scheme and other methods.
- 2.32** Four respondents were supportive of the policy, though they emphasised that queries relating to evidence behind RTFC applications should be raised and managed quickly to reduce any financial exposure.

Administrator response

2.33 The response to question two largely addresses these points. A paragraph has been added to the compliance policy to clarify what information is required of suppliers when they use a voluntary scheme as follows:

“Where an approved voluntary scheme is used only the certificate from the scheme is required to be produced with the following exceptions:

- *the scheme does not cover all of the sustainability criteria;*
- *the scheme does not cover the chain of custody or only covers part of the chain of custody e.g. from the farm to the first gathering point and not all the way through the supply chain to the reporting party;*
- *the scheme certificate does not include the required data e.g. the feedstock type;*
- *the C&S data contained on the certificate is implausible e.g. internally inconsistent.”*

Q6. Do you welcome the option to provide such a description of the chain of custody and the evidence within it as an initial stage of the process?

Summary of responses

Yes	No
8	9

Main messages from respondents

- 2.34** Around half of respondents welcomed this option, indicating that it should help evidence checks reach a conclusion quickly and that it should be repeated in the verifiers' guidance.
- 2.35** One supplier emphasised that requests needed to be specific as to the detail required.
- 2.36** Five respondents said that the Administrator should not be asking for chain of custody information where an approved voluntary scheme was used. These respondents also indicated that transparency was not always in supply chains due to commercial sensitivities and questioned the practicality of asking for data at the origin in the case of restaurants for used cooking oil. These respondents also re-emphasised the idea of accrediting suppliers.
- 2.37** One supplier suggested that where visibility is necessary to investigate potential fraud, the RTFO Unit should first request to review the internal audit report associated with a limited assurance opinion. This would demonstrate the depth of verification and standard evidences without causing additional burden.
- 2.38** One respondent stated that such an effort should be recognised by the regulator as going beyond the statutory requirements and should offer tangible economic incentives in terms of speed of RTFC issue.

Administrator response

- 2.39** In all cases, suppliers are responsible for ensuring that all biofuels that they supply meet the sustainability requirements.
- 2.40** The purpose of the option to include a description of the chain of custody and evidence in a list is to facilitate the speed of processing applications for RTFCs in cases where the Administrator carries out checks.
- 2.41** As outlined in previous responses (see, in particular, the response to question 2), the Administrator does not require chain of custody evidence to be submitted where a consignment has been supplied through an approved

voluntary scheme that covers the full chain of custody and contains all of the C&S information reported on ROS. voluntary schemes provide a mechanism that ensures the sustainability of the biofuel even though the full supply chain may be opaque to the end supplier who applies for RTFCs.

2.42 Unless supply is through an approved voluntary scheme covering chain of custody, the Administrator would expect suppliers to ensure full visibility down their supply chains to ensure that the biofuels they supply meet the requirements. In any case, where the Administrator requests chain of custody evidence it is the supplier’s responsibility to ensure that the evidence is provided. For all materials, including used cooking oil, evidence is required to credibly establish where the material first arose (e.g. the restaurant).

2.43 The Administrator is willing to assess all relevant evidence, including internal audit reports. However, requests for evidence related to specific consignments of fuel and the Administrator may still require specific evidence for those consignments beyond the contents of an audit report.

Q7. Do you have any comments on any practical issues that providing such a list [*setting out the chain of custody*] may give rise to?

Summary of responses

Yes	No
14	3

Main messages from respondents

2.44 Three respondents said that providing a list of suppliers may be difficult to provide due to commercial confidences. One of these also stated that it should not be required where a voluntary scheme has been used.

2.45 Eight respondents said that there should be no need to provide such a list on the basis that the verifiers will have checked the information already in accordance with ISAE3000 and this was a duplication of effort.

2.46 One supplier stated that where an audit had selected a representative sample, demonstrating the availability of evidence to origin, the RTFO Unit should not require additional evidence.

2.47 One supplier saw no practical problems with this approach and considered that it was necessary to demonstrate sustainability. Another suggested that the list should consist of whatever a verifier would expect to see to audit the chain of custody to the level required by the RTFO Unit.

Administrator response

See response to question six above.

Q8. Do you have any comments on the approach to general investigations?

Summary of responses

Yes	No
14	2

Main messages from respondents

- 2.48** The responses to this question largely reiterated points made earlier, including some parties expressing concern about the potential financial impacts of delays to RTFC issue and questioning the need for investigations. Several respondents emphasised the potential cost and disruption of investigations, including some in support of the compliance policy, and were concerned that burdens should not be imposed without a specified reason.
- 2.49** Seven respondents expressed particular concern around the possibility of revoking RTFCs already issued as a result of such an investigation. Four of these suggested that the output to such an investigation should instead be fed back to verifiers and that suppliers be given time to respond to any resultant changes to guidance.
- 2.50** One respondent suggested that participation in a general investigation should be on a consensual basis.

Administrator response

- 2.51** The Administrator has amended this section of the compliance policy to make its purpose clearer. Having identified an issue with biofuel supply after issue of RTFCs, the Administrator may need to review evidence in respect of the fuel. For example, if it became apparent that some consignments of biofuel from a particular supply chain did not meet the mandatory sustainability requirements, or was not biofuel, the Administrator might need to review the evidence for biofuels reported through that supply chain.
- 2.52** The Administrator notes the concern of respondents regarding the possibility of RTFCs being revoked. However, the Administrator is responsible for ensuring that RTFCs are awarded only where the necessary conditions have been met. The legislation provides for the revocation of RTFCs where it comes to light that the conditions were not met.

2.53 The deadline for the Administrator to issue a notice of intended revocation is set in legislation and is the 18th of September following the obligation period. The appeals process for revocation is set out in the Process Guidance.

3. Part Two: Carbon and Sustainability Guidance

Overview

The majority of the Carbon and Sustainability (C&S) Guidance has not changed; however, we proposed a number of updates as well as two new chapters: *Demonstrating compliance: evidence requirements* and *Greenhouse Gas Emissions Reporting Regulations (Fuel Quality Directive)*. These are set out below.

Chapter 4: Update to Defra's list of evidence sources for demonstrating compliance with the land criteria

Chapter 4 on *Demonstrating compliance with the land criteria* refers to a list of evidence sources within the UK that might be used to show that biofuels grown in the UK have been sourced in a manner that is consistent with the sustainability criteria in the Renewable Energy Directive. This was compiled by The Department for Environment, Food and Rural Affairs (Defra) to assist economic operators and is available [online](#). The content has since been updated by Defra and the format changed to that of a flow chart to make it more user-friendly.

Q9. Do you agree that the new format of the Defra guidance is more user-friendly?

Summary of responses

Yes	No
12	1

Main messages from respondents

3.1 All bar one respondent agreed that the new format of the Defra guidance on evidence sources for demonstrating compliance with the land criteria is more user-friendly. The respondent who disagreed did not provide any comments.

Administrator response

3.2 The new format has been adopted for the Year 6 guidance.

Q10. Are there any other sources of evidence that could be included?

Summary of responses

Yes	No	Other
1	7	1

Main messages from respondents

- 3.3** One of the nine respondents suggested some useful resources for determining changes in land use and biodiversity which apply outside the UK. No other sources were provided.

Administrator response

- 3.4** The suggested sources of evidence have been added to Chapter 4 of the guidance as they apply not just to the UK.

Chapter 7: Demonstrating compliance with the mass balance rules

The consultation proposed reducing the maximum permitted mass balance period from one year to three months. This would bring the RTFO into line with the periods being used by voluntary schemes under the RED. This potential change was communicated in the Year 5 C&S Guidance (paragraph 7.22) (question 11).

The consultation proposed including definitions within this chapter of 'origin' and 'country of origin' (question 12).

- Origin: the farm or plantation where the crop was grown or the site/facility which first generated the waste or residue.
- Country of origin: the country in which the 'origin' is located. This is NOT the country where the biofuel was produced i.e. the biofuel processing plant.

An additional paragraph was proposed to the section on allocation of carbon and sustainability data (question 13):

- *“Once C&S data has been assigned to biofuel that has crossed the duty point, further substitution of the set of C&S data is not permitted². This applies whether or not the application for RTFCs was successful.”*

² Note, this is distinct from correcting inaccurate data in relation to the same fuel. It refers to mass balancing C&S data to different fuel, which is not allowed after it has been assigned at the duty point.

Q11. Does this change [*to the mass balance period*] present any insurmountable practical difficulties?

Summary of responses

Yes	No	Other
1	14	1

Main messages from respondents

- 3.5** Fourteen of the sixteen stakeholders agreed that this change would not present any insurmountable practical difficulties. Eight commented that this would be acceptable subject to:
- The mass balance timeframe being consistent with that used by voluntary schemes
- 3.6** Six of these also added that:
- It should not apply to the blending of fuels. This could be problematic as it is not possible to have zero stock due to a 'tank heel' and therefore suppliers would risk 'losing' C&S data for that residual volume of biofuel.

Administrator response

- 3.7** As no practical difficulties were presented, and to bring the RTFO in line with the practice of voluntary schemes, this proposal has been implemented.
- 3.8** As set out in previous versions of the RTFO C&S Guidance, the timeframe over which mass balance occurs requires suppliers to perform a regular 'balancing up' exercise at the level of the site. Key points are that:
- It is recommended that this occurs on a monthly basis, but (now) requires three months (previously one year);
 - It should not be negative i.e. more C&S data cannot be sold/passed to the next party in the supply chain than the economic operator has taken in;
 - The closing balance should not be more than the volume of biofuel on site. Therefore C&S data equivalent to the volume of biofuel on site can be carried forward to the next 3-month balancing up period and is not 'lost'.
 - Voluntary schemes have their own balancing up periods and are permitted under the RTFO. Therefore if the voluntary scheme mass balance period differs from that in the RTFO, the rules of that voluntary scheme should still be followed for biofuel supplied under that scheme.

Q12. Are these definitions [of ‘origin’ and ‘country of origin’] sufficiently clear?

Summary of responses

Yes	No	other
9	8	1

Main messages from respondents

- 3.9** Half of the respondents agreed that the definitions were clear. An industry representative noted that the clarification may be most useful for verification of double-counted materials.
- 3.10** Six of those that disagreed commented that whilst the definitions looked clear any definition in a voluntary scheme must be applicable for biofuel supplied through that scheme. Another stakeholder suggested that ‘site/facility’ can be misleading as it infers an industrial location and ‘location’ might be more suitable. An industry representative and a supplier were concerned about the burden of tracing used cooking oil back to the origin.

Administrator response

- 3.11** As is the case with all of the RTFO Guidance, where biofuel is supplied under a voluntary scheme, the rules of that scheme should apply, including any relevant definitions. That biofuel will be accepted under the RTFO as demonstrating compliance with the sustainability criteria for which it is recognised. Note that not all voluntary schemes cover the complete chain of custody – see the table of voluntary schemes available [online](#).
- 3.12** Given this, and that other comments related to tracing biofuel to the origin rather than the definition of origin, these clarifications have been included in the Year 6 Guidance. It was felt that ‘site/facility’ is more specific than ‘location’ so have been retained; however, ‘premises’ has been added and an example has been added to clarify what is meant:
- *“the origin of used cooking oil, for example, is the restaurant or food processing facility where the oil was used, not the biofuel processing plant or where the used cooking oil is aggregated”*

Q13. Does this [*allocation of C&S data*] cause any practical implementation issues that we should be aware of?

Summary of responses

Yes	No	Other
1	13	2

Main messages from respondents

- 3.13** Thirteen of the sixteen respondents agreed that this would not cause any practical implementation issues. One commented that this was essential to avoid fraud. Three felt it was unclear what the purpose of this was, but that it might not be an issue as incorrect C&S data is still permitted to be amended.
- 3.14** The supplier who felt that this could cause practical implementation issues noted that where RTFCs have been applied for and further information is required by the Administrator which would take time to obtain, being able to substitute the C&S data would allow the supplier to fulfil any contractual obligations on the RTFCs, while work is done on the original data.

Administrator response

- 3.15** As the majority agreed that this proposal would not cause any practical implementation issues this has been implemented. Operating a mass balance system provides flexibility in that C&S data can be transferred between consignments of biofuel along the supply chain and up to the duty point. However, once this data has been assigned to biofuel at the duty point, and either submitted for verification or as part of an application for RTFCs it should not be swapped for another C&S dataset. This is because RTFCs are awarded in respect of fuels that have been supplied into the UK market.
- 3.16** The paragraph has been expanded in the Year 6 guidance to clarify further what is meant:
- “Once C&S data has been assigned to biofuel at the duty point, further substitution of the C&S data with a different C&S dataset through the use of mass balance is not permitted³. This means that once C&S data has been submitted to a verifier for verification or submitted to the Administrator as part of an application for RTFCs it cannot be substituted for another C&S data set. This applies whether or not the verification of that C&S data or the application for RTFCs was successful.”
- 3.17** The following text has also been added to Chapter 2 of the C&S Guidance in the section on ‘changing C&S data’:

³ Note, this is distinct from correcting inaccurate data in relation to the same biofuel e.g. as part of the verification process, or due to new information being gleaned from the supply chain.

- “Once C&S data has been assigned to biofuel at the duty point, further substitution of the C&S data with a different C&S dataset through the use of mass balance is not permitted⁴. Note that this is distinct from correcting inaccurate data in relation to the same biofuel - see below. “

3.18 To date, the substitution of C&S data after RTFCs have been applied for has not occurred under the RTFO.

Chapter 8: Wastes and residues

We did not propose changes to this chapter for Year 6. However, as this was a new part of the guidance following RED implementation, we asked for feedback on how useful the guidance and process have been in practice.

Q14. Has the system in operation this year for wastes and residues proved helpful? If not, please detail what improvements could be made.

Summary of responses

Yes	No
12	3

Main messages from respondents

- 3.19** The majority of respondents welcomed the guidance on wastes and residues introduced following RED implementation. Six respondents in particular noted that the lists of materials avoided ambiguity and hoped that other Member States would adopt a similar approach.
- 3.20** Two respondents suggested that a wider range of materials should be classified as wastes to encourage supply. One of these disagreed with the criterion in the current guidance which concerns the market value of the material per tonne for helping to establish whether a material is a waste or a product. Instead it was suggested that ‘market value per tonne’ should be weighted according to actual yield from one tonne of the original product.
- 3.21** Several comments related not to the consultation question but to waste related issues.
- One respondent considered that the Administrator had imposed a requirement on wastes being verified to a voluntary standard as this was the only way to demonstrate chain of custody. The same respondent was

⁴ This applies whether or not the verification of that C&S data or the application for certificates was successful.

also concerned that guidance should be published before the start of each obligation period.

- One respondent expressed concern about potential fraud related to used cooking oil biodiesel supply.
- Another respondent asked whether it was possible to provide alternative forms of evidence that would be acceptable in the case that a waste transfer note was not subject to legislation in the country concerned.

Administrator response

- 3.22** The Administrator will continue to work with other Member States and the European Commission toward a consistent and transparent approach to the classification of waste and residues materials under the Renewable Energy Directive.
- 3.23** The process and criteria in the Guidance for making assessments of materials was consulted on extensively last year. The Administrator will maintain this approach for Year 6.
- 3.24** With regard to voluntary schemes, the Administrator considers that these offer greater assurance for all kinds of biofuel feedstocks and encourages their use. Using a voluntary scheme is not a requirement, but suppliers are responsible for ensuring that they are able to demonstrate that their feedstocks meet the sustainability criteria: this requires a full chain of custody to the origin of the material.
- 3.25** The Administrator has taken action to address concerns about fraud in used cooking oil biodiesel supply. This includes working with the Commission, other Member States and the voluntary schemes to tighten requirements, alerting verifiers and suppliers to the issue, and the publication of its compliance policy in Year 6 Guidance.
- 3.26** With regard to the use of waste transfer notes outside of the UK, it is the responsibility of suppliers to identify what forms of evidence are available in individual countries. The requirement of the Guidance is that:
- There is credible evidence which forms a full chain of custody from the origin of the material to the duty point; and
 - This evidence is available for checking by verifiers and the Administrator.

Q15. Do you agree with the data and analysis provided in the Ecofys report on tallow? If not, please detail any alternative evidence.

Summary of responses

Yes	No
14	0

Main messages from respondents

3.27 Fourteen respondents agreed with the data. Three stated that they had no comment or opinion at this time. One neither agreed nor disagreed, but suggested that the reduction in use in tallow in the period to April 2012 was probably due to plants running at full capacity to take advantage of the duty incentive on used cooking oil.

Administrator response

- 3.28** No further evidence was suggested.
- 3.29** The Administrator agrees that the removal of the duty incentive for used cooking oil from April 2012 is likely to have an effect on tallow use for year 5 and beyond.

Q16. Do you agree with the approach outlined in the report to continue monitoring the tallow market? If not, please detail other sources of relevant data that we should take into account.

Summary of responses

Yes	No
16	2

Main messages from respondents

3.30 Whilst the vast majority of respondents agreed it was important to continue to monitor this market, one respondent considered that any effects were 'indirect', and thus should be dealt with in the context of EU negotiations, and

another considered that the conclusions of the report meant that it was unnecessary to monitor further.

- 3.31** In contrast, a number of respondents considered that as the data sets were not complete, and might not be typical due to the used cooking oil duty incentive, it would be important to continue monitoring.

Administrator response

- 3.32** The Administrator currently expects to repeat the review ahead of year 7 of the RTFO (15 April 2014).

New chapter: Demonstrating compliance: evidence requirements

We proposed to include a new chapter discussing the types of evidence that suppliers and verifiers may encounter in the Carbon and Sustainability Guidance. This Chapter is based on the information originally included in *Guidance for Verifiers, Chapter 6 Execution*. The chapter discusses the types of evidence that are required to demonstrate compliance with the sustainability criteria. It has been updated on the basis of learning from investigations into supporting evidence carried out during Years 4 and 5.

Q17. Are the evidence requirements sufficiently clear?

Summary of responses

Yes	No
5	11

Main messages from respondents

- 3.33** Although the majority of respondents answered 'no', points of clarity were only sought on a few specific areas.
- Two respondents wanted the guidance to clearly state that if the feedstock was a double counting material it should be identified on the voluntary scheme certificate.
 - One respondent asked for clarity on which voluntary schemes complied with chain of custody for waste materials.
- 3.34** One respondent asked for clarification that evidence from the origin was only required if there is no intermediary assurance of declarations beyond the

original origin. In contrast, another respondent welcomed the additional guidance on second and third party audits.

- 3.35** Four respondents considered that paragraphs B16 and B17 in the consultation document contradicted each other, because if actual carbon intensities are used under a voluntary scheme there should be no need to carry out further checks.

Administrator response

- 3.36** Voluntary scheme RTFCs should include the name of the biofuel feedstock. The list of materials that are treated as wastes and residues for the purposes of double counting under the RTFO are available [online](#).
- 3.37** It has been clarified in the chapter on wastes and residues that there are not separate requirements for chain of custody for wastes/ residues versus crop-based biofuels. Where a voluntary scheme covers the chain of custody the Administrator does not impose any additional requirements.
- 3.38** The table of voluntary schemes available in the existing guidance online states which schemes cover chain of custody and the extent of the chain of custody e.g. full or partial such as from farm to first gathering point.
- 3.39** With the exception of biofuels supplied through voluntary schemes that cover the chain of custody and all of the reported C&S information, evidence from the origin must be in place and be made available to review if requested by the verifier or Administrator. This point has been clarified in the new guidance.

Q18. Is the treatment of third party audits within the supply chain sufficiently clear?

Summary of responses

Yes	No
6	3

Main messages from respondents

- 3.40** One respondent asked whether the EU Emissions Trading Scheme (ETS) provided relevant expertise for auditing with respect to greenhouse gas calculations, and considered that the role and usability of second party audits remained unclear.

- 3.41 One respondent asked if additional guidance could be provided on sample sizes and indicators of sufficient auditing.
- 3.42 Another respondent asked for guidance on the frequency by which input data should be updated (e.g. operational data such as yield, consumption) for actual carbon intensity values.
- 3.43 One respondent stated that providing paperwork per collection of waste oil from a restaurant may not be possible for a given period e.g. per quarter.

Administrator response

- 3.44 Requirements for auditing under the EU ETS are considered as an *indicator* of competency as stated in the guidance, but as with all cases, suppliers will need to satisfy themselves that the individual concerned is competent in the specific area.
- 3.45 Suppliers and auditors will need to use their judgement in determining the weight that can be applied to second party audits and the circumstances in which they are appropriate. It is beyond the scope of the guidance to provide definitive guidance covering all circumstances.
- 3.46 Similarly, the Administrator does not have prescriptive guidelines for sample sizes or the frequency for updating input data. However, the current guidance sets out the validity of actual data over time:
 - *“The actual data which can be used to edit a default fuel chain does not have to be real-time data (e.g. companies will not be required to assess conversion plant characteristics such as yield and natural gas use at the exact moment that a particular consignment of biofuel is processed). Instead, all actual data in all modules can be based on characteristics averaged over a 12-month period, which should be representative of typical operation.”*

Q19. Are there any further types of evidence that should be included in this chapter?

Summary of responses

Yes	No
9	8

Main messages from respondents

- 3.47 Six respondents considered that the whole area of partially renewable fuels needs considerably more guidance.

- 3.48 One respondent considered that the requirement for complete documentation was unnecessary if through an approved scheme, and further that the amount of documentation means this is not practical, unless 'being available' means only for audits.
- 3.49 One respondent suggested further evidence including loading and discharge inspection reports, internal audit reports and supplier lists/endorsements. This respondent also considered that the RTFO Unit should engage further with verifiers in an open forum to share the types of evidence they use.

Administrator response

- 3.50 Guidance on partially renewable fuels is provided in Part 1: Process Guidance. The Administrator is happy to discuss any further clarifications.
- 3.51 Complete documentation for a supply chain is not required to be supplied for review where a recognised voluntary scheme is used. For supply outside of European Commission recognised voluntary schemes, suppliers are not required to hold full chain of custody information but they must ensure it is available for review by verifiers or the Administrator if requested.
- 3.52 Further evidence examples have been provided in the updated guidance.

New chapter: Greenhouse gas emissions reporting regulations (Fuel Quality Directive)

We propose to include a brief chapter in the carbon and sustainability reporting guidelines explaining how the requirements of the new legislation affect suppliers obligated under the RTFO. This explains that suppliers reporting under the RTFO will have the necessary information to meet the requirements of the GHG Emissions Reporting Regulations.

Q20. Is the proposed chapter on the GHG emissions reporting regulations clear and helpful?

Summary of responses

Yes	No
6	7

Main messages from respondents

- 3.53** Seven suppliers expressed concern about how NRMM fuels will be determined; about the differential in year ends between the GHG regulations and the RTFO; and why it was necessary for suppliers to submit an additional report.
- 3.54** One respondent reiterated a number of points they had made in response to policy consultations regarding the complexity associated with chains of custody for identifying the origin and lifecycle carbon intensity of fossil fuels. They asked that the Department should continue to advocate a workable set of implementation measures with the European Commission.

Administrator response

- 3.55** The approach to determining NRMM fuels is addressed in the response to question one. As stated in the guidance, NRMM fuels for the period 1 January 2013 to 14 April 2013 must be included in the first report, even though this fuel was not obligated under the RTFO in this period.
- 3.56** The consultation version of the guidance envisages that suppliers should apportion fuels evenly between December and January periods where reporting under the RTFO and the GHG regulations do not align.
- 3.57** The requirement to report is stipulated in the legislation. The Administrator will endeavour to simplify the process as far as possible, for example by enabling suppliers to download data from ROS into a reporting tool.

Negotiations continue at European level over measures to account for the different upstream carbon intensities of fossil fuels (as required by Article 7a of the FQD). The UK Government is clear that any agreed measures should be as easy to implement and as non-burdensome on industry or the consumer as possible, and is negotiating to this effect. In the absence of any agreed measures, the Greenhouse Gas Reporting Regulations allow suppliers to report *all* fossil fuels against a default greenhouse gas intensity figure of 88.3gCO₂eq/MJ.

Q21. Do you agree with the energy intensities for the fuels included in table C2 that are not part of Annex III of the RED?

Summary of responses

Agree	Disagree
9	2

Main messages from respondents

- 3.58** Several respondents were concerned that the fossil fuel comparator of 83.8gCO₂/MJ is not the same as the baseline set at 88.3gCO₂/MJ, and that the two values should be the same.
- 3.59** Another respondent suggested that the latest figures which have been proposed for the Directive should be used. They also expressed concern that any change to numbers should not become effective retrospectively.
- 3.60** One respondent considered that, although the figures used in the guidance are from the Renewable Energy Directive, the data for energy per litre of biofuel in table C1 are not consistent with data used within other RTFO and Biograce data, where data are provided for energy per kg and by density. This means that suppliers get different figures depending on which data they use. In the respondent's view, the data in table C1 should give the Biograce data on density and lower heating value data in energy per kg rather than energy per litre.

Administrator response

- 3.61** As set out in the guidance, the GHG Emissions Reporting Regulations include a 2010 baseline emissions figure of 88.3gCO₂/MJ. This was the figure used in an EC draft proposal and was therefore used for the UK legislation. This baseline is required to calculate the 2020 target of 6% GHG savings, but the European Commission has yet to confirm this as the final baseline figure⁵. The UK will amend the baseline in the GHG Emissions Reporting Regulations, if necessary, in line with EU legislation.
- 3.62** The fossil fuel comparator is set out in EU legislation. It is stipulated as being the latest available actual average emissions from the fossil part of the petrol and diesel consumed in the Community as reported under the FQD, or if no such data are available, 83.8gCO₂/MJ.
- 3.63** These figures may be updated by legislation, and the Administrator will update the guidance in line with the legislation.
- 3.64** We have considered the suggestion to use Biograce data and energy per kg rather than on a per litre basis. The difference in overall energy content between the approaches for bioethanol, biomethanol and biodiesel blends is less than 1%, and for pure biomethanol is just over 1%. Furthermore, several fuels listed in the Table C1 are not listed in Biograce so it would be necessary to either:
- maintain the current assumption that the fuel's energy content and density are equal to another fuel (e.g. kerosene = diesel) and therefore present a false level of accuracy; or

⁵ 88.3gCO₂e/MJ was the figure included in a draft EC proposal.

- to round the resulting MJ/litre energy content, which would likely result in the value being the same as in the RED; or
- to find an additional source for the density and energy content of each fuel.

Given this, the Administrator will proceed with the current approach.

Annex A: Guidance on recognition of voluntary schemes

The RTFO Administrator carried out initial benchmarks of seven existing voluntary schemes against the mandatory RED biodiversity and carbon stock criteria in 2010. Whilst the initial benchmarks carried out by the Administrator enabled the use of some key schemes before they were assessed by the Commission, it was always the intention that biofuel suppliers should move towards use of the European Commission-recognised voluntary schemes.

Q22. Do you agree that the old indicative benchmarks of voluntary schemes against the RED land criteria should no longer be recognised under the RTFO?

Summary of responses

Yes	No
18	0

Main messages from respondents

3.65 All eighteen stakeholders who responded agreed that the old indicative benchmarks of voluntary schemes against the RED land criteria should no longer be recognised under the RTFO. An industry representative stated that they support the use of the European Commission-recognised voluntary schemes in the interests of harmonisation of the European Union biofuels market.

Administrator response

3.66 The old indicative benchmarks of the voluntary schemes are no longer recognised under the RTFO from Year 6 (15 April 2013).

Reporting biofuel from another Member State's national system (mutual recognition)

The UK supports the approach of mutual recognition across Europe. We have therefore developed a process to enable recognition of other Member States' assessments of RED compliance where their national systems are relevant to exported fuels. We have also prepared a framework which can be used to assess whether and how a Member State's national system can be used under the RTFO to demonstrate compliance with the sustainability criteria of the Renewable Energy Directive (RED), in a similar way that a European Commission-recognised voluntary scheme can.

Q23. Do you agree with the proposed process for assessing Member State national systems?

Summary of responses

Yes	No	other
8	9	1

Main messages from respondents

- 3.67** The response to this was split with half agreeing and half disagreeing with the proposed process.
- 3.68** Two biofuel suppliers questioned whether the recognition would be reciprocal such that UK biofuel supplied under the RTFO would be automatically accepted in that Member State.
- 3.69** One biofuel supplier expressed concerns about the sustainability of imported biofuels without proper checking of the verification schemes. Further, that a 'brief review' of the other Member States' schemes leaves the measures open to abuse.
- 3.70** Eight of those who disagreed with the process welcomed mutual recognition which brings consistency across Europe. They also noted that if biofuel can be verified as RED compliant in another Member State this would give suppliers the flexibility to use it in that Member State or to export it. Other comments included that it was unclear what work DfT actually had to do and that biofuel certified as RED-compliant by another Member State should be automatically accepted.
- 3.71** The remaining stakeholder who disagreed with the process felt that the table should be revised to identify those Member States that provide sufficient verification of sustainability data for biofuel supplied across the duty point and exported to the UK.

Administrator response

3.72 As set out in the consultation document, it is not possible to export biofuel from the UK’s national system (the RTFO) to another Member State as the system operates at the duty point. The evidence of compliance with the RTFO is the issue of RTFCs – it is not permitted to then export that biofuel to another Member State for reward under their national system. This is because that biofuel has already been rewarded in the UK and will count towards meeting the UK’s national targets. Therefore UK biofuel supplied under the RTFO cannot be accepted in another Member State.

3.73 Only biofuel that is not rewarded in another Member State, and has been *verified under a Member State’s national system* to be compliant with the sustainability criteria of the RED, may be automatically accepted under the RTFO. The ‘brief review’ was to identify which countries appeared to have national systems that might have potential to be used in the same way as voluntary schemes. Biofuel from these Member States is *not* automatically accepted under the RTFO and will not be unless a comprehensive assessment is made (following the proposed process and using the assessment framework) to confirm that:

- Biofuel is verified as RED-compliant before the duty point and may therefore be exported to the UK; and
- What the evidence or supporting documentation would be to support this so that suppliers are aware of what evidence they should be looking for.

3.74 As no comments were made on the process for assessing other Member States’ national systems no changes have been made.

Q24. Do you agree that the proposed framework for assessing Member State national systems covers all relevant topics?

Summary of responses

Yes	No	other
6	2	6

Main messages from respondents

3.75 Six stakeholders commented that these assessments should be completed as soon as possible. One repeated comments regarding UK biofuel being recognised by other Member States if we are to recognise that Member State’s biofuel. Another reiterated that they welcome processes which bring greater consistency across Europe.

Administrator response

As no comments on the framework itself were provided it has not been revised.

Q25. DfT does not intend to assess other Member State national systems at this time. Are there any Member State national systems that you feel should be a priority for DfT to assess in the short term? If so, please provide an indication of how much biofuel you anticipate will come from that Member State's national system and the timeframe.

Summary of responses

Yes	No	other
6	8	2

Main messages from respondents

- 3.76** Six of the sixteen who responded to this question stated that the top five countries identified (the Netherlands, Germany, France, Ireland and Sweden) are a priority and should be automatically accepted under the RTFO - any issues with the Member State’s nationals system should be taken up by the European Commission. No data was provided on likely volumes.
- 3.77** One biofuel supplier commented that if there are significant imports from another Member State’s national system then DfT should review whether this is due to lapses in that system.

Administrator response

3.78 The Administrator does not intend to undertake any further assessment of whether other Member State’s national systems can be used under the RTFO at this time. The Administrator will consider requests to review individual Member State systems where significant volumes of biofuel will be supplied to the UK under that system.

Updates to Annex C: Potential future updates to RTFO C&S reporting

Updates will be made to the text on indirect land use change, degraded land, and the definition of highly biodiverse grassland if more information is available prior to release of the new guidance in March 2013.

Q26. Are there any known updates missing from this guidance that would impact on RTFO C&S reporting?

Summary of responses

Yes	No	other
0	15	1

Main messages from respondents

3.79 All respondents agreed that the current guidance captured all the potential future updates that are relevant to C&S reporting under the RTFO.

Administrator response

3.80 No changes have been made as no new information is available.

Updates to Annex D: Example chain of custody records

This annex contains examples of chain of custody records for different economic operators along the supply chain.

Although the new records are not yet available, we propose to update this annex to show some examples of records for a waste feedstock.

Q27. Are there additional examples we should consider providing?

Summary of responses

Yes	No
2	8

Main messages from respondents

- 3.81** One biofuel supplier proposed adding examples of C&S data from multiple feedstocks in a chain of custody. A fuel supplier felt that it would be useful to reference actual supply chain documentation which may be expected to contain the information detailed in the Annex D tables.

Administrator response

- 3.82** The examples have been expanded to include an example from a waste product chain of custody. It is not possible to capture the full range of supply chain documentation that might contain this information. The purpose of these examples is to capture the information that should be passed down the chain of custody – this information may be captured on a range of different documents. Chapter 10 of the C&S Guidance discusses types of evidence and has been expanded to include further examples suggested by stakeholders.

4. Part Three: Guidance for Verifiers

The Guidance for Verifiers provides further detail on the particular issues relating to assurance of biofuel sustainability data. The most significant change to this document is the removal of the evidence section from Chapter 5. This section has been updated and incorporated within the C&S Guidance. It is intended to provide a useful reference for suppliers and verifiers.

Other minor changes have been made where necessary to ensure consistency with other changes to the guidance.

Q28. Do you have any other comments relating to the Guidance for Verifiers?

Summary of responses

Yes	No
6	9

Main messages from respondents

4.1 Most comments reflected those made elsewhere, in particular asking the Administrator to accredit verifiers and to engage more closely with verifiers.

Administrator response

4.2 Responses elsewhere, in particular to questions two and three, address these points.

5. General comments on the Guidance

The final questions below provided an opportunity to make general observations on any or all parts of the existing Guidance.

Q29. Is the overall structure and format of the existing guidance (with proposed amendments) helpful?

Summary of responses

Yes	No
16	0

Main messages from respondents

5.1 All the stakeholders who responded to this question agreed that the overall structure and format of the guidance was helpful. Comments included that it was well written and clear. Five stakeholders' comments related to the consultation document itself noting that the layout had been very helpful and easy to follow.

Administrator response

5.2 The Administrator thanks stakeholders for their positive feedback and aims to maintain this standard.

Q30. Are there other areas of the existing guidance that we should clarify?

Summary of responses

Yes	No
9	4

Main messages from respondents

- 5.3 Nine of the thirteen respondents felt that there were further areas of the guidance we should clarify. Seven respondents referred back to their response to question 19 on 'further types of evidence' (addressed in detail under question 19).
- 5.4 One supplier requested further guidance on the acceptability of voluntary schemes to DfT with respect to biofuels derived from wastes.
- 5.5 An industry representative body requested more time for 'grandfathered' fuel to pass through the system – proposing that it could be reported under the RTFO for a further three months.

Administrator response

- 5.6 Voluntary schemes recognised by the European Commission are automatically accepted under the RTFO. The Administrator does not have separate requirements for waste and does not differentiate between the chains of custody of different voluntary schemes (providing the chain of custody is part of the voluntary scheme recognised by the Commission). A table of voluntary schemes including the scope for which they are recognised (including chain of custody) is available [online](#).
- 5.7 The Renewable Energy Directive and RTFO require that the grandfathering provision ends on 31 March 2013. This has been flagged up since before implementation of the RED in December 2011. Grandfathered fuel cannot be accepted from 1 April 2013. Voluntary schemes, such as ISCC EU, are also applying these rules. For example, ISCC 205: GHG Emissions Calculation Methodology and GHG Audit, Section, states:
“Biofuels/ bioliquids produced by old operational units (units that were in operation on 23 January 2008) are exempted from complying with the GHG saving criterion until 1 April 2013 (grandfathering). After 1 April 2013 no ISCC-compliant claim can be made without meeting the GHG threshold, regardless of the date that the feedstock or biofuel were produced. The ISCC certificates for old operational units expire on 31 March 2013.”
- 5.8 No further changes to the guidance have been made.

Q31. Do you agree we have captured all the necessary changes?

Summary of responses

Yes	No
13	2

Main messages from respondents

- 5.9** The majority of stakeholders agreed that all of the necessary changes to the guidance for Year 6 have been captured. Seven of these reiterated earlier comments, namely:
- that a simple methodology to distinguish NRMM and non-NRMM is needed; and
 - that a list of approved verifiers should be maintained by the Administrator: RTFCs should be automatically awarded where C&S data has been verified by these verifiers.

- 5.10** The two respondents who did not agree referred to comments made to earlier questions.

Administrator response

- 5.11** No further changes have been made to the guidance other than those outlined in this document. Issues relating to NRMM are addressed in the response to question 1, and to accrediting verifiers in the response to question 2.

What will happen next?

The RTFO Guidance for Year 6 has been updated and is published alongside this document.

Annex A: List of organisations that responded

AB Sugar
Argent Energy (UK) Ltd
British Association for Chemical
Specialities
BP Oil UK Limited
EDF Energy
Ensus Group
Ernst & Young
Essar Oil UK Ltd
Esso Petroleum Company
Limited
Greenergy International Ltd
Harvest Energy Ltd
Mabanaft Limited
Neste Oil Corporation
Petroineos Refining and Trading
Phillips 66
Downstream Fuel Association
(DFA)
Renewable Energy Association
Shell
Total UK Ltd
Uptown Biodiesel
UKPIA
Valero Energy Limited

