



CORSIA



ISCC CORSIA 206 GROUP CERTIFICATION

Version 1.1



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Document Title: ISCC CORSIA 206 Group Certification

Version 1.1

This version becomes valid after approval by ICAO

Content

Summary of Changes	4
1 Introduction	5
2 Scope and Normative References	5
3 General Requirements	6
4 Management Requirements	7
5 Documentation and Records	8
6 Internal Audit System and Review	8
7 External Audit	9
7.1 Calculating the Sample Size	10
7.2 Selecting the Sample	11
7.3 Audit of the Sample	12
7.4 Issuing a Certificate	13
7.5 Farm and Plantation Definition	13

Summary of Changes

The following is a summary of all content changes to the previous version of the document. Minor amendments which do not affect the content, e.g. corrections of phrasings, marginal notes, amendments of graphics, etc. are not listed.

Summary of changes made in version 1.1	Chapter
Addition: <i>“As the approach to group certification does not differ between ISCC CORSIA and ISCC CORSIA PLUS, all references made to ISCC CORSIA in this document apply to ISCC CORSIA PLUS as well.”</i>	2

1 Introduction

The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) was developed by the International Civil Aviation Organization (ICAO) and requires the aviation industry to offset growth-related Greenhouse Gas (GHG) emissions through carbon credits that are generated by climate protection projects. An aeroplane operator can reduce its CORSIA offsetting requirements in a given year by claiming emissions reductions from the use of sustainable aviation fuels (SAF). In order to become eligible, such fuels shall come from fuel producers that are certified by an ICAO approved Sustainability Certification Scheme. For this purpose, the starting point of a fuel supply chain may be certified on a group/ sample basis. The provisions for this approach are presented in this document.

CORSIA

Group certification is a practice of organising individual producers into structured groups and shifting responsibility in part from an external audit to internal inspections. The procedure for group certification under ISCC CORSIA is based on best practices for the certification of groups, e.g. principles laid down by the ISEAL Alliance, and requirements of CORSIA.

Principles

Group certification is based on the concept that an extensive part of the inspections required is carried out by internal auditors. Independent external auditors assess and evaluate the effectiveness of the internal audit system, conduct audits of a sample of the group members (sampling) and certify the entire group. In several cases, an individual audit of each single producer of raw material would impose disproportionate financial costs and effort on the entity and the general certification process. By joining a group, biomass producers can reduce the certification effort and costs considerably. This approach is of specific importance for the certification of smallholder farmers, producer organisations and cooperatives. Group certification can be applied to homogeneous groups of producers of raw material and feedstock, i.e. farms/ plantations and points of origin for waste and processing residues, as well as to storage or logistic facilities under common management.

Internal and external auditors

2 Scope and Normative References

This document specifies requirements for the certification of groups, including the principles for sampling. The requirements laid down in this document apply on a global basis.

Global application

As the approach to group certification does not differ between ISCC CORSIA and ISCC CORSIA PLUS, all references made to ISCC CORSIA in this document apply to ISCC CORSIA PLUS as well.

References

As a basic principle, all ISCC CORSIA documents published on the ISCC website in their latest applicable version are valid and must be considered for the scope of application.

Scope of application

3 General Requirements

Group certification is only possible for homogenous groups. A group is considered as homogeneous if the following criteria are met:

Homogenous groups

- > The members are located in the same region (geographic proximity)
- > The climatic conditions for agricultural production are similar
- > Similar production systems are applied
- > The risk assessment has shown a similar risk exposure for the group members
- > The products are similar.

The number of group members can be limited by the Certification Body (CB), depending on the audit results and the performance of the group.

Number of group members

Group members which do not fulfil these conditions (e.g. due to considerably different production systems in size, nature or geography) will be treated as autonomous enterprises and cannot be part of the random sampling of the group. The external auditor should individually audit autonomous enterprises.

Autonomous enterprises

Group certification for farms and plantations, to demonstrate compliance with the land-related sustainability criteria specified in ISCC CORSIA Document 202 "Sustainability Requirements", is only acceptable when the areas concerned are near each other and have similar characteristics. Group certification for the purpose of calculating greenhouse gas savings is only acceptable when the individual members of the group have similar production systems and products. These criteria are usually also met by the agricultural producers supplying a first gathering point. Therefore, based on an assessment of the criteria indicated above, the farms and plantations supplying a first gathering point can usually be considered as one group. Farms and plantations can either become certified as an independent group under a central office, or under the framework of a first gathering point.

Proximity and similar characteristics

Group certification of points of origin under a central office is only allowed if the individual points of origin belong to a homogeneous group, share a harmonised management system, have similar processes and generate similar types of material (e.g. used cooking oil or animal fat). These criteria are usually met by points of origin supplying a collecting point. Therefore, based on an assessment of the criteria indicated above, the points of origin supplying a collecting point can usually be considered as one group. Points of origin can either become certified as an independent group under a central office, or under the framework of a collecting point.

Points of origin

Group certification of a group of storage facilities belonging to a logistic network is only allowed if the individual storage facilities belong to the same legal entity, share a harmonised management system and have similar processes. The principles of sampling can also be applied to such cases, when a System User rents external storage facilities from third parties

Logistic network

(warehouses, tanks, etc.). The rationale for applying the principles of sampling is that the storage facilities in such cases do not become the legal owner of the sustainable material. This means that they have no contractual agreements with the supplier or the recipient of the sustainable material, and fully act on behalf of their client. Therefore, it is the responsibility of the certified System User renting the storage facility to ensure that all relevant ISCC CORSIA requirements are complied with.

4 Management Requirements

A group is represented by a head office responsible for the group management, i.e. central office, first gathering point, collecting point or logistic centre. The head office is responsible for the implementation of the internal management system and for the individual group members' compliance with the ISCC CORSIA requirements. The responsibilities of the head office include:

*Responsibilities
of the head
office*

- > To set up a procedure to take in and register new group members
- > To inform the group members about their responsibilities and about the relevant ISCC CORSIA requirements applicable to the group
- > To make sure that all group members have an adequate understanding of the requirements and processes
- > To run an up-to-date register of members
- > To plan and organise internal audits
- > To issue annual reviews
- > To inform the members about relevant changes or adjustments to requirements
- > To compile the necessary documentation
- > To exclude members in the case of non-compliance
- > To initiate preventive and corrective measures in member operations.

The rights and duties concerning the group members shall be documented and defined in a regulating contract or agreement between the group members and the head office of the group.

Documentation

First gathering points receiving sustainable biomass from farms and plantations usually operate as head office for a group of farms or plantations. Collecting points receiving sustainable waste and processing residues from points of origin usually act as a head office for a group of points of origin.

*First gathering
point and
collecting point*

The following responsibilities apply for group members:

*Group member
responsibilities*

- > Commitment to the group's head office to meet the standard requirements and to report intentional or unintentional non-conformities
- > Conducting a self-assessment and signing of a self-declaration
- > Providing necessary information to internal and external auditors, especially regarding the (major) production activities and sales or deliveries of sustainable material relevant to ISCC CORSIA.
- > Granting access to the group members' premises to conduct internal and external audits
- > Commitment to the implementation of amendments and corrective actions.

5 Documentation and Records

The processes required by the ISCC CORSIA standard must be documented and kept for at least five years. The following information especially must be documented:

*Documentation
of processes and
responsibilities*

- > List of all group members including name and address/ location, the size of the production area, volume of production
- > Register of fields belonging to farms/ plantations, maps of production area
- > Process instructions
- > Contracts and/ or agreements between the group's head office and the group members
- > Records for (major) production activities and sales, deliveries and transportation of sustainable material relevant to ISCC CORSIA
- > Audit results of internal and external audits including non-conformities and corrective measures
- > Review of the audit results by the group's head office.

An appropriate instrument for the documentation of processes and contents is a (quality) management handbook. The group should have a uniform method for mapping. Maps may be replaced by GPS-based information to allow for a more detailed overview and to improve the risk assessment, e.g. by using satellite data, databases or remote sensing tools.

*Management
and mapping
methods*

6 Internal Audit System and Review

The group must introduce an internal audit system which monitors the performance of the group management and controls compliance with the

*Internal audit of
group members*

ISCC CORSIA standard. The internal audits should ensure the individual group members' compliance with the certification criteria of the ISCC CORSIA system. The internal audit should cover the ISCC CORSIA requirements that are relevant for the group as a whole and for the scope of the individual group member in particular. A plan must be developed containing at least:

- > The auditors in charge
- > The participants
- > The time frame
- > Audit emphasis
- > The procedure.

All group members must be audited in an internal audit at least once a year. Prior to a first certification, all individual group members and the group as a whole must be subject to an internal audit to verify compliance with ISCC CORSIA requirements and the functionality of the internal audit system. Before a new member can be registered, they must first be internally audited.

Annual internal audit

The internal auditors in charge must be qualified to professionally judge the relevant questions. Before they start auditing, they must be trained regarding the requirements of the ISCC CORSIA system. Training of the internal auditors should continue on a regular basis, especially with a focus on relevant risk factors identified for the group.

Qualification of internal auditors

The internal auditor must document his/ her activities and the results of the internal audits. The documentation must be made accessible to the external auditor. The results of the internal audits must include major non-conformities, corrective measures and an action plan for improvement.

Documentation of internal audits

The group must carry out an annual review. As a minimum requirement, this review must contain the evaluation of the audit results and of possible inputs from a third party.

Review

7 External Audit

External audits of the group must take place on a yearly basis (i.e. at least every 12 months). Self-declarations by group members are not sufficient evidence and do not replace the annual external group audits. The group's head office is always audited. The sample size of group members to be audited must be calculated by the external auditor and is driven by the risk factor determined by the external auditor during the risk assessment. The external auditor is responsible for selecting and auditing individual group members within the scope of the sample.

Annual external audit

7.1 Calculating the Sample Size

The correct definition of the sample size (s) to be audited for compliance is the basis for a consistent and reliable group certification process. In order to determine the sample size, the total number of individual group members (n) relevant for sampling and the risk factor (r) determined during the risk assessment must be taken into account. The sample size is determined by the following formula:

$$s = r \times \sqrt{n}$$

s: sample size

r: risk factor

n: total number of group members.

The minimum sample size is the square root of the total number of group members ($\sqrt{n}$). The minimum sample size must be multiplied with the risk factor (r) determined by the auditor during the risk assessment. For a regular risk, the minimum sample must be multiplied by 1.0. For medium risk the minimum sample must be multiplied by 1.5. For high risk the minimum sample must be multiplied by 2.0. The auditor is entitled to increase the sample size according to the individual situation and based on the auditor's risk assessment in order to reach the necessary level of confidence to make a reliable statement regarding the conformity of the group. The lowest possible sample size is one.

In the case the result of calculating the sample size (s) is a decimal number, the sample size (s) is to be rounded up to the next whole number (integer).

Biomass producers or storage facilities that are certified individually or as part of a certified group under a (different) central office, or logistic centre, may not be considered for the total number of individual group members (n).

Farms and plantations which are participating in group certification must conduct a self-assessment and sign the respective self-declaration for compliance with the ISCC CORSIA requirements and provide it to the group's head office (e.g. central office or first gathering point). Thus, the total number of group members (n) is composed of all farms and plantations which have conducted the self-assessment and signed the self-declaration at any time during the 12-month period prior to the date of the certification audit.

Points of origin (producers of waste or processing residues) participating in group certification must sign the respective self-declaration for compliance with the ISCC CORSIA requirements and provide it to the group's head office (e.g. central office or collecting point). As the risk of non-compliance and fraud at the points of origin level mainly depends on the amount of waste or processing residues generated, the total number of group members (n) is composed of the number of producers with relevant amounts (see ISCC CORSIA Document 201-1 "Waste and Residues"), which have signed the self-declaration during the 12 months prior to the audit.

Formula to calculate the sample size

Minimum sample size

Rounding up

Certified entities

Self-assessment and self-declaration

Points of origin

The principles for calculating the sample size apply equally to dependent storage facilities (rented by certified System Users) if sampling is applied.

Storage facilities

7.2 Selecting the Sample

The external auditor conducting the group audit must select individual group members to be included in the sample for verification of compliance with the ISCC CORSIA requirements. The group members to be audited should be selected in a way that represents the whole group in a well-balanced manner. The selection should be based on a combination of risk-based selection and random selection. The auditor must consider at least the following factors when determining the sample:

Selection of individual group members

- > Type of supplied raw material (if applicable, these should be represented appropriately in the random sample)
- > Different sizes of suppliers
- > Geographical location, e.g. by clustering the relevant area into different risk areas
- > Indication of non-conformity or fraud.

At least 25% of the selected group members should be determined per random process. For the risk-based selection, an auditor should preferentially select group members for the sample where there is indication of non-conformity, or fraud, or group members that are located in high-risk areas. In the case different risk areas have been identified by remote sensing analysis, e.g. via satellite data or databases, the selection of the sample should also take into account results and findings from previous audits conducted in the area (if available). This means a risk identified via remote sensing analysis should not be the decisive factor for the selection of the sample if this risk was not confirmed during previous audits (so-called “ground-truthing”). An example would be a farm - located in close vicinity to a no-go area - that has demonstrated compliance during an on-site audit by the external auditor, and that poses no further risks. In this case, the auditor should select a different group member for the next audit (usually one year later) if no additional risks are detected or indicated.

Random and risk-based selection

Where appropriate and in accordance with the criteria for risk-based and random selection, the auditor may select group members in a way that facilitates a cost-efficient auditing process, e.g. by selecting group members that are located near each other. As long as there is no indication of non-conformity from specific group members, none of the successfully audited entities from the previous year shall be part of the sample in consecutive audits, as long as there remain some entities that have not yet been subject to an external audit.

New group members in subsequent audits

The following factors bear specific relevance for group certification and must be considered by the auditor:

Factors for sample selection

- a Factors related to the type and size:

- > Size of the group member
- > Type of operation
- > Value and amount of the products
- b Factors related to specific characteristics:
 - > Degree of similarity of the production systems and the crops or raw materials within the group
 - > Risks of intermingling and/or contamination
- c Experience gained:
 - > Number of years the group has functioned
 - > Number of new members registered yearly
 - > Nature of the problems encountered during audits in the previous years and results of previous evaluations of the internal audit system's effectiveness
 - > Management of the internal auditors' potential conflicts of interests
 - > Staff turnover

ISCC can determine additional specific regulations for certain regions/ areas if this becomes necessary, e.g. due to concrete risk.

*Additional
regulations for
regions/areas*

7.3 Audit of the Sample

The group members selected by the external auditor for verification of compliance must be audited successfully to demonstrate compliance with the ISCC CORSIA requirements. Group certification audits are conducted on-site, unless

*Consequences
of non-
compliance*

- > They are conducted with tools that provide the same level of assurance as an on-site audit and which are explicitly approved by ISCC for conducting desk audits (see ISCC CORSIA Document 204).
- > The audit risk as assessed by the certification body is low.
- > Sufficient traceability and mass balance records, GHG data and other forms of appropriate evidence are available.
- > The systems in place for collecting and processing traceability and GHG data and ensuring data quality are reliable.

In the case that the external auditor detects one or more group members from the sample to be non-compliant with the ISCC CORSIA requirements, or one or more group members refuse to participate in the audit, the sample size (s) of the current audit must be doubled. In particular cases, in which System Users have applied highest levels of assurance (e.g. by using appropriate risk mitigation tools) a deviation from this rule may be considered in consultation with and after approval by ISCC. "Non-compliant" means that mandatory

requirements of ISCC CORSIA are not complied with, and compliance cannot be ensured within 40 days after the audit by implementing corrective measures. If in the increased sample, further group members are detected not fulfilling the ISCC CORSIA requirements, the increased sample must be doubled again, and so forth. This process may continue until 100% of the group members have been audited. Group members that are audited non-compliant must be excluded from the group and from the certification under any ISCC standard. Group members that were excluded may only participate in ISCC standards again once they have successfully passed an individual audit.

In order to avoid misuse and fraud, group members which are audited as not complying with ISCC CORSIA requirements must be reported to the ISCC management.

*Reporting to
ISCC*

Example:

A first gathering point receives signed self-assessment/ self-declaration forms from 100 (homogeneous) farms. These 100 farms form the total number of group members “n”. The minimum sample size in this case is 10 ($\sqrt{100}$). If the risk assessment has resulted in a medium risk for the group of farms ($r = 1.5$), the sample size (s) to be audited by the external auditor is 15 ($s = 1.5 \times 10$). If the auditor evaluates one or more farms from this sample as non-compliant, the sample size (s) must be doubled. The new sample size (s) of farms to be audited by the external auditor would be 30. If again one of the group members is audited non-compliant, the new sample size is 60.

*Example
calculation*

7.4 Issuing a Certificate

If the audit(s) of the sample as well as the audit of the group’s head office demonstrates compliance with the ISCC CORSIA requirements, the CB can issue an ISCC CORSIA certificate. Depending on the type of operation registered for certification, the certificate may indicate the group members on an annex to the certificate. Such an annex may be issued to independent groups certified under a central office or under a logistics centre, to clearly indicate the individual group members. Such an annex may not be issued to groups depending on other types of operation, e.g. first gathering points or collecting points, to ensure the confidentiality of commercially sensitive information.

*ISCC certificate
and annex*

In the case sampling is applied during a certification audit, a list of all group members at least including their name and address must be submitted to ISCC after the audit. ISCC is entitled to further specify the information to be provided on the list of group members, which must be submitted to ISCC.

*List of group
members*

7.5 Farm and Plantation Definition

Farms or plantations under this standard are agricultural operations where crops are cultivated sustainably, or where agricultural crop residues from sustainable cultivation occur. A farm or plantation is either defined as distinct

Definition

legal entity or as an organisation managing an agricultural operation, and having control regarding the compliance with the ISCC CORSIA requirements. The entire land (agricultural land, pasture, forest, any other land) of the farm or plantation, including any owned, leased or rented land is subject to certification.

For the application of the ISCC CORSIA standard, it is crucial to correctly identify the farm or plantation. The wording *farm or plantation* can for example cover individual estates, outgrowers or smallholders. The core indicators for the identification of a farm are legal status and independent management. The identification of a farm is straight-forward if it is legally independent and has its own independent management. However, in certain cases both indicators might point in opposite directions, especially when smallholder structures are involved. These cases and their implications for audits are described below in table 1.

*Indicators for
identification*

Table 1: Overview table: Identification of farm/ plantation and implications

Characteristic of Set-up	1. Independent Legal Entity and Management	2. Centrally Managed Leased Land
Legal status	Independent legal equity (e.g. farm/plantation/ smallholder)	Landowners leasing land to a company
Management of land (see indicator list below)	Independent management	Land centrally managed by company
Centralised support in farming (by CO and FGP) ¹	No centralised support	Everything done centrally
Implications for certification		
Which entity is considered the "farm/plantation"?	The independent legal entity (e.g. farm/plantation/ smallholder)	The management company
Type of certification	> Individual farm certificate or > Part of CO/FGP	> Individual farm certificate or > Part of CO/FGP
Self-declaration	Signed by farmer (independent legal entity)	Signed by management company
Consequence of non-compliance of farm	> Individual certification not possible > Exclusion from group and farm sample size at CO/FGP doubled	> Individual certification of management company not possible > Exclusion of management company from group and farm sample size at CO/FGP doubled

¹CO = Central Office; FGP = First Gathering Point.