# Low ILUC-risk Certification

# Stakeholder Feedback Questionnaire

## 1. Context

As part of the revisions of the Renewable Energy Directive (REDII), the risk of indirect land-use change (ILUC) has been addressed with the **cap on high ILUC-risk biofuels** and the introduction of the concept of **certification of low ILUC-risk biofuels** which can be counted outside this cap. Low ILUC-risk certified biofuels must comply with criteria as defined in [Delegated Act (EU) 2019/807](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R0807&from=EN) and the [report from the Commission](https://ec.europa.eu/transparency/documents-register/api/files/COM(2019)142_0/de00000001033705?rendition=false) to the Parliament on the status of production expansion of relevant food and feed crops worldwide (COM(2019) 142). These criteria and the certification process are further detailed in the forthcoming [Implementing Regulation](https://energy.ec.europa.eu/document/download/7a1ae54e-04d9-40a2-a12f-93f64910e208_en?filename=Draft%20IA%20certificaiton%20ruels%20for%20voluntary%20schemes_after%20BC%20vote_vs%20March%202022%20CLEAN.pdf) on “rules to verify sustainability and greenhouse gas emissions saving criteria and low indirect land-use change-risk criteria”, Annex VIII.

This stakeholder consultation is part of the [project to support the Commission](https://iluc.guidehouse.com/) in the implementation of the provisions on ILUC set out in the REDII. The project aims to support the Commission by developing a certification module for low ILUC-risk biofuels and by establishing the quality, performance, or reliability of the criteria set in the Delegated Act to characterise low ILUC-risk biofuels prior to widespread use.

In the first phase of the project, the low ILUC-risk certification process was tested over several pilot projects in different countries, four testing yield increase for existing farms/plantations and one testing new cultivation on abandoned land. Feedback from the pilot projects has been used to further develop the low ILUC certification process, as described in the draft certification guidance accompanying this questionnaire. A second round of pilot projects aims to develop outstanding aspects of the low ILUC-risk methodology. This stakeholder consultation aims to give stakeholders an opportunity to see the draft guidance in development and to provide input to improve the guidance, especially on the aspects to be developed in this second round.

## 2. Scope

This consultation focuses on the draft Low ILUC-risk certification guidance, developed during and after Phase 1 of the pilot testing, and updated to be in line with the forthcoming Implementing Regulation. The aim is to increase the quality of the guidance and improve its usability as well as to provide transparency in the project process.

Participants are especially invited to provide their views regarding the specific topics that will be developed in Phase 2: non-financial barrier analysis; group certification approach; approach to determine additional biomass for sequential cropping; certification of soy/annual crops; abandoned and severely degraded lands. The specific questions are described in the following section.

## 3. Instructions

The following questionnaire covers specific questions on the different topics. Please refer to the sections of the **draft Low ILUC-risk certification guidance** and use the boxes to type your reply. To the extent possible, please provide your rationale and documented evidence to back your answer.

You do not need to answer all the questions in the questionnaire. You may focus on areas that are relevant to your experience and specific expertise.

**Please send your completed questionnaire to** [**Alex.Kauffmann@e4tech.com**](mailto:Alex.Kauffmann@e4tech.com) **by 17 June 2022 at the latest.**

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| **Full Name** |  |
| **Organisation** |  |
| **Position in the organisation** |  |
| **Contact details** |  |
| **I want my inputs to remain anonymous (Y/N)[[1]](#footnote-2)** |  |

## 4. Questionnaire

### 4.1. Non-financial barrier analysis (See section 3.4.2.2 in the draft low ILUC-risk Guidance)

To be low ILUC-risk certified, an economic operator must prove that the yield increase measure is “additional”, **either** through a financial attractiveness test (section 3.4.2.1) **or** through a non-financial barrier analysis (section 3.4.2.2). In Phase 1, pilot auditors found that the non-financial barrier test required more guidance to enable it to be audited objectively and consistently. Therefore we seek to further develop the guidance in Phase 2.

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| **Question** | Do you understand every step in the approach? If not, which one(s) should be further clarified? | Would you be able to access or generate all the evidence required to implement the approach? | Would you have the technical resources and availability to implement the approach, or would you require external support? |
| **Answer** |  |  |  |

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| **Question** | Which additional objective or science-based indicators could be used to demonstrate non-financial barriers? | Do you have any other suggestion to further improve the approach (e.g. are any non-financial barriers missing)? |
| **Answer** |  |  |

### 4.2 Group certification (See section 6 in the draft low ILUC-risk Guidance, and section 3.5.1.2 for oil palm)

In a Phase 2 pilot, we aim to further elaborate guidance for how a group certification approach can be implemented in the context of low ILUC-risk certification, to enable the approach to be implemented alongside existing voluntary schemes in the most efficient way. We therefore aim to develop the rules for group certification **in general** and also **specifically for oil palm** to test the approach to determine adynamic yield baseline via “option 2” in the Implementing Regulation (draft guidance section 3.5.1.2).

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| **Question** | Do you understand every step in the approach? If not, which one(s) should be further clarified? | Would you be able to access or generate all the data required to implement the approach? | Would you have the technical resources and availability to implement the approach, or would you require external support? |
| **Answer** |  |  |  |

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| **Question** | Should the whole group commit to implement the low ILUC approach and if so, would the whole group have to implement the same additionality measure at the same time? | Shall each group member individually calculate a dynamic yield baseline and yield increase or should it be done collectively at group level? | **For oil palm**: Can the dynamic yield baseline/additional biomass approach described in option 2 be implemented over a group? (section 3.5.1.2) |
| **Answer** |  |  |  |

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| **Question** | Do you have any other suggestion to further improve the approach? |
| **Answer** |  |

### 4.3 Sequential cropping (See section 3.5.1.3 in the draft low ILUC-risk Guidance)

Sequential cropping is the practice is growing a second crop on the same land in the same year when the land would otherwise have been left fallow, thus producing additional biomass without triggering demand for additional land. The main challenge for the guidance with respect to sequential cropping is how to determine the volume of additional biomass, taking into account varying crop rotations and the situation where the sequential crop might impact the yield of the main crop.

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| **Question** | Do you understand every step in the approach? If not, which one(s) should be further clarified? | Would you be able to access or generate all the data required to implement the approach? | Would you have the technical resources and availability to implement the approach, or would you require external support? |
| **Answer** |  |  |  |

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| **Question** | Which of the three options (1/2a/2b) would be the most feasible and appropriate to implement in the context of sequential cropping? | What units shall be primarily considered when determining which methodology is best suited to calculate the additional biomass? (e.g. weight vs. energy value etc.) Should other units be considered? | Do you have any other suggestion to further improve the approach? |
| **Answer** |  |  |  |

### 4.4 Soy and annual crops (See section 3.5.1.1 in the draft low ILUC-risk Guidance)

In Phase 1 we piloted the low ILUC-risk methodology for perennial crops and sequential cropping. In Phase 2 we also introduce a pilot to test the approach for yield increase measures from large-scale annual cropping, such as soy.

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| **Question** | Do you understand every step in the approach? If not, which one(s) should be further clarified? | Would you be able to access or generate all the data required to implement the approach? | Would you have the technical resources and availability to implement the approach, or would you require external support? |
| **Answer** |  |  |  |

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| **Question** | Can the dynamic yield baseline approach be used for crops such as soy, grown in rotation? | What are the specific challenges for Low ILUC certification related to soy supply chains? | Do you have any other suggestion to further improve the approach? |
| **Answer** |  |  |  |

### 4.5 Unused, abandoned and severely degraded land (See section 3.4.3 in the draft low ILUC-risk Guidance)

Alongside yield increase measures on exiting farms and plantations, the low ILUC-risk approach also allows to certify new cultivation on land defined, according to the definitions in Delegated Act 2019/807, as unused, abandoned or severely degraded. In Phase 1 we conducted a pilot on abandoned land and in Phase 2 we aim to conduct a pilot on severely degraded land.

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| **Question** | Do you understand every step in the approach? If not, which one(s) should be further clarified? | Would you be able to access or generate all the data required to implement the approach? | Would you have the technical resources and availability to implement the approach, or would you require external support? |
| **Answer** |  |  |  |

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| **Question** | Do the proposed definitions of **severely degraded land** in the draft low ILUC guidance (section 3.4.3.2) match other definitions you may work with and can they be audited in practice? | What other challenges do you foresee to certify unused, abandoned or severely degraded land as low ILUC? | Do you have any other suggestion to further improve the approach? |
| **Answer** |  |  |  |

### 4.6 Small holders (See section 7 in the draft low ILUC-risk Guidance)

Small holders who wish to be low ILUC-risk certified are exempt from proving additionality (financial attractiveness or barrier analysis test). Small holders are defined in Delegated Regulation 2019/807 as “farmers who conduct independently an agricultural activity on a holding with an agricultural area of less than 2 hectares for which they hold ownership, tenure rights or any equivalent title granting them control over land, and who are not employed by a company, except for a cooperative of which they are members with other small holders, provided that such a cooperative is not controlled by a third party”.

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| **Question** | Do the definitions of small holders in the low ILUC approach match other definitions you may work with? What alternative definitions do you use? | In your experience, what are the typical feedstocks grown by small holders? | Do you have any other suggestion to further improve the approach? |
| **Answer** |  |  |  |

### 4.7 Calculating additional biomass volumes (See section 3.5.2 in the draft low ILUC-risk Guidance)

The additional biomass is the volume of biomass that can be claimed as “low ILUC-risk”. It is calculated as the difference between the “dynamic yield baseline” and the observed yield, and will therefore vary year on year according to actual yields achieved.

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| **Question** | Do you understand every step in the approach? If not, which one(s) should be further clarified? | Would you be able to access or generate all the data required to implement the approach? | Would you have the technical resources and availability to implement the approach, or would you require external support? |
| **Answer** |  |  |  |

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| **Question** | Should post-harvest yield increase measures (e.g. mill efficiency) be considered in the calculation of additional biomass? | Do you have any other suggestion to further improve the approach? |
| **Answer** |  |  |

### 4.8 Profitability of low ILUC-risk certification

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| **Question** | Would the concrete benefits from Low ILUC certification (e.g. market access, price premium) justify the efforts and costs incurred throughout the implementation? | Do you have any other suggestion to enhance the profitability of low ILUC-risk certification? |
| **Answer** |  |  |

1. Some feedback may be shared as received with the European Commission. If you prefer your feedback to be anonymous, we will ensure that your inputs cannot be assigned to you and will not share your feedback with the EC. [↑](#footnote-ref-2)