NL Agency
*Ministry of Economic Affairs, Agriculture and Innovation*

# Selecting a biomass certification system

## A benchmark for level of assurance, costs and benefits

*>> Focus on energy and climate change*

Market demand is increasing for biomass of a certified, consistent quality for biofuels and to generate heat and electricity. The European biofuels and bioliquids market relies on voluntary certification, recognised throughout the EU. But which system of certification suits the market best? To understand the various kinds of certification systems, their accompanying costs and their ability to ensure sustainable bioenergy, NL Agency has supported research into certification systems.

### Essential information

What are the differences between certification systems: in terms of effectiveness, level of assurance, information requirements, expected cost levels and users' benefits? This information is essential for corporate decisions when making a choice to match their specific needs and situation. NL Agency's Programme for Sustainable Biomass has issued a benchmark study with the objective to assist companies with regard to the selection of biomass certification systems. This report is a follow up of the earlier publication 'How to select a biomass certification system', which looks into the sustainability requirements of the various projects.

The study provides guidance to economic operators and projects towards a motivated choice for a specific sustainability certification system. The report discusses four different aspects of each certification system:

- Coverage of the system in terms of chain of custody, principles and criteria;
- Level of assurance;
- Costs of certification;
- Benefits of certification.

Based on these outcomes, the research also discusses the relation between costs, benefits and level of assurance.

## Guidance for eight voluntary certification systems

The outcomes of the benchmark study provide extensive background information on eight voluntary certification systems for market parties to make their selection according to their specific sustainability goals and their supply chain characteristics. In all cases, with exception of REDcert, the EU versions of these systems were evaluated. The eight systems are:

1. Bonsucro
2. ISCC
3. NTA8080/81
4. REDcert (German version)
5. Roundtable on Sustainable Biofuels (RSB)
6. Roundtable on Sustainable Palm Oil (RSPO)
7. Roundtable on Responsible Soy (RTRS)
8. 2BSvs

## Level of assurance

The key question is whether systems can sufficiently ensure sustainability in practice. Subsequently, the systems were benchmarked in order to clearly show their differences and to indicate which performs better in areas related to the level of assurance.

## Costs and benefits of certification

While on the one hand certification offers various benefits to the market, certification costs will also have an important impact in the total cost structure of sustainable biofuels and bioliquids – especially for the production of the feedstock. Certification costs are classified in direct and indirect costs. The study provides an indication of the benefits and costs (direct and indirect) of certification. When looking at the evaluated systems, it can be concluded that the most reliable certification systems are also the more expensive ones.

In the end, it is very important that companies carefully weigh the characteristics of a certification system against their supply chain characteristics and their sustainability goals. When selecting a certification system, a company will need to make a thorough assessment based on expected costs and benefits, on its own strategy, company structure and its position in the market.

## Relations found

Important relations between certification costs, benefits to be gained from certification, and the level of assurance of voluntary certification systems, are found in these areas:

- Chain of Custody: Farmers are included in the audits of all systems, but they are in principle only the first certificate holders for RSB, RTRS and NTA8080;
- Operators audited and certified: Large differences exist between systems. REDcert and ISCC accept self-declarations from farmers; Bonsucro and 2BSvs accept self-declarations to a limited extent. For 2BSvs, the auditor determines whether it is necessary to perform a field or a desk audit to the farm;
- Level of assurance: Systems show differences in issues like accreditation, sampling requirements, level of verification, stakeholder consultation, complaints procedures, transparency, or recognition of other EU systems.
- Costs of certification: A comparison of costs is made for several case studies. The cost structure of the system influences the total costs of certification (direct costs). Indirect costs for meeting the system's sustainability requirements can be significant for a company.
- Benefits of certification: Operators at the end of the supply chain will receive most of the external benefits; farmers will receive most of the internal benefits. Internal benefits refer to efficiency and management improvements within a company; external benefits refer to improved market access or receiving a price premium.

**Please find the full benchmark study to be downloaded from:**
http://www.agentschapnl.nl/en/programmas-regelingen/sustainable-biomass

This publication belongs to NL Agency


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The Netherlands Programmes Sustainable Biomass (NPSB) bundle and disseminate the knowledge from the biomass project portfolio of NL Agency and complete the knowledge gaps with supplementary research. The project portfolio for NPSB consists of the Global Sustainable Biomass Fund and Sustainable Biomass Import Fund and the relevant projects of the Daey Ouwens Fund.