

**Soy Export Sustainability, LLC**

***Scheme Governance Structure***

**SOYBEAN SUSTAINABILITY ASSURANCE PROTOCOL/RENEWABLE ENERGY DIRCTIVE**

**SSAP/RED**

 (SSAP/RED Protocol)

Document to be used by SSAP/RED system users

November 2023

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| Summary of changes made in Version 2.3 | Chapter |
| *General wording:* All reference with regard to the RED was changed to the Renewable Energy Directive (EU) 2018/2001 (recast) (also referred to as RED II) |  |
| *Addition:* “especially in relation to land use changes and traceability stipulations.” | 4 |
| *Additions:* * Registration with the SSAP/RED scheme (full section)
* Provisions for SSAP/RED initial audits (full section)
* Sampling procedure: “square root/10% whichever is higher or square root multiplied by 2/15% whichever is higher. SSAP/RED selection of sample audits is mainly based on a risk based approach, on which further guidance can be found in chapter 4 of the Protocol. However, when selecting the farmer/elevator locations, the following aspects have to be taken into account: At least 25% of the chosen sample must be selected randomly; The selection must vary from year to year”
* Review of the actual calculations, if applicable (full section)
* Execution of the audit: “In order to remain an active SSAP/RED system user, the re-certification audit will have to take place prior to the expiry of the existing certificate, also allowing for enough time to follow up on potential non-conformities.” [...] “The re-certification audits are conducted retrospectively, reviewing if activities during the most recent certificate validity period have been executed in compliance with all SSAP/RED requirements.”
* Reporting of the audit (full section)
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| *Addition:* Transparency and disclosure of information (full chapter) | 8 |
| Additions: * “a summary of all complaints received (see Chapter 11)”
* “As part of the above reporting requirements, SES will also collect the volume data and feedstock material from each economic operator and report together with the internal information. The internal reporting procedure and its responsibilities. Templates etc. is laid down in an internal SES manual.”
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| *Addition:* Support of the European Commission and competent authorities of EU Member States (full chapter) | 10 |
| *Additions:* * “A detailed description of the complaints’ procedure, its scope and evidencing requirements, the handling and appeal process, as well as provision of relevant third-party information is displayed on the SSAP-RED.org website. An internal manual will formally set forth the entire complaints procedure, its mechanics and appeal possibility as well as the internal SES responsibilities.”
* “To prevent a conflict of interest from emerging in the decision and resolution process, complaints and appeals will be analysed, investigated and decided on, case by case and it will be ensured that an impartial decision or solution can be reached. The board will be involved in the process if needed.”
* “Documentation: SES keeps a register of all complaints, including the steps taken for resolving the complaint and will include a summary into the annual report towards the European Commission as per Chapter 8.”
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| *Addition*: Non-conformities detected in sample audits (full section) | 12 |
| *Addition*: “SSAP/RED automatically approves other schemes recognised by the European Commission for the time that this recognition is valid, and only for their scope of approval.” | 13 |
| *Additions*:* a. Requirements for CBs: “The certification body shall ensure that the certification decision is taken by a technical reviewer that was not part of the audit team.”
* a. “The CB must also ensure having and maintaining [...] taking preventive actions to eliminate the causes of potential non-conformities.”
* b. “Auditors shall be: [...] If there is only one auditor, the auditor shall have the competence to perform the duties of an audit team leader applicable for that audit”
* e. Support of SSAP/RED related to the competencies of CBs and Auditors (full section)
* f. “This monitoring is undertaken on an annual basis or in case relevant information on potential non-conformities has been brought to the attention of SES by third parties and reflects the geographical coverage, as well as the risk level of the economic operators. Furthermore, the aim of this monitoring is to cross check the work conducted by external auditors.”
* f. “I - The monitoring activities include audits, as well as the inspection of a sample of audit reports prepared by each CB.
* f. “II - CBs are required to submit all audit reports, and actual value GHG emission calculations to the SES secretariat, where applicable this also includes related background evidence on the application of GHG emission saving credits (eccr, eccs, esca).”
* f. “V - Registering if CBs use and implement the competence support of the SSAP/RED scheme, as described in section e.”
* “The results of the internal monitoring will be evaluated [...] until evidence can be provided that the identified issue no longer appears.”
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# Introduction

**Soy Export Sustainability, LLC** (‘SES’) is a U.S.-based standard setting organization operating and managing the Soybean Sustainability Assurance Protocol/RED (SSAP/RED). Any reference in this document to SSAP-RED means a reference to the updated version, revised in accordance with the stipulations of the recast Renewable Energy Directive 2018/2001/EU (RED II) which entered into force in December 2018 and must be transposed into national law by Member States by 30 June 2021.

The SSAP/RED system covers the cultivation of soybeans in the U.S., and it is designed to be applied through the supply chain, from farmer to soy exporter tracking soybean volumes exchanged under the SSAP/RED. The certification scheme is based on the U.S. national version of the Soy Sustainability Assurance Protocol (SSAP) which only applies for the U.S. market, and therefore requires its users to be registered and fully compliant under the U.S. national SSAP scheme.

The SSAP/RED Protocol describes the regulations, processes, and management practices that ensure sustainable soybean cultivation and is centered on four core pillars. The four pillars address biodiversity and carbon stock, land use, health and labor conditions, production control measures, environmental protection measures, and continuous improvement of production practices.

SES is responsible for the development, monitoring, and revision of the SSAP/RED while following a continuous improvement process. SES has adopted the Credibility Principles of the ISEAL Alliance to ensure a consistent and reliable implementation of the SSAP/RED. This refers in particular to verification of data, planning and execution of audits, sampling methodology, monitoring, and reporting.

Verification of compliance with the SSAP/RED requirements and the issuance of compliance certificates are performed by independent third-party Certification Bodies (CBs) recognized by SES. While compliance with the U.S. national SSAP scheme is verified through the USDA Natural Resources Conservation Service (NRCS) audit process, compliance with SSAP/RED is performed independently by the CBs and stands fully apart from the NRCS audit procedure.

# Scope

This document is considered an implementation framework for the SSAP/RED intended to provide executional structure that promotes consistency for all activities related to the SSAP/RED. The governance structure applies to SES as an organization, and its position in relation with SSAP/RED users, recognized CBs, and other stakeholders of SES.

This framework specifies the goals and internal structure of SES while defining the relationship between SES and its stakeholders.

# Mission and role of SES

It is SES’s aim to promote the sustainable production of U.S. soybeans while adhering to the rules and requirements of the European Union’s **R**enewable **E**nergy **D**irective (RED) and its pertaining regulations and communications. This will allow international actors of the biofuel industry who are subject to the European RED to also trade with soybeans produced in the U.S.

SES is an independent organization comprised of different stakeholders of the U.S. soy market, including soybean producers and processors, traders, and logistics providers as well as NGOs and scientific research institutes. SES operates through a Board of Managers (Board), an Advisory Committee (Committee), and a Secretary who is responsible for the day-to-day operations.

The Board consists of seven members with equal voting rights, representing both a diverse set of skills and experiences as well as the different stakeholders. The Board is appointed for a period of three years. It is, among other things, the responsibility of the Board to:

* ensure the integrity of the SSAP/RED Protocol,
* monitor the implementation process,
* guide the continuous improvement process, and
* communicate with stakeholders, including the European Commission.

The Board has the freedom to delegate tasks to the Secretary.

The Board will appoint the Secretary. The Secretary could be comprised of different natural persons or be represented by one single person.

# Self-Assessment and internal audit

## Farmers

The SSAP/RED can only be applied by farmers participating in the U.S. national SSAP program and maintaining the qualification for the program, in the respective year of applying for the SSAP/RED.

The participating farmer will duly execute a self-assessment and fill in the self-declaration and present this document to the requesting First Gathering Point (FGP). Subsequently the Certification Body will verify whether the submitted data are correct or not. Therefore, a two-staged process will apply.

Initially, the CB will conduct a risk assessment to evaluate the potential level of compliance based on available information (satellite imagery starting 1 January 2008, USDA/NRCS data, other publicly available data, etc.). The CB will evaluate the risk that the farmers within the sourcing region of the FGP are not compliant with the requirements of the SSAP/RED, especially in relation to land use changes and traceability stipulations.

Based on the outcome of the risk assessment, the CB will decide on the sampling size and whether it is sufficient to conduct a remote verification or whether onsite visits of soy farmers are required.

## First Gathering Points (FGPs)

FGPs have the following obligations to prove they manage compliance to sustainability requirements of the SSAP/RED:

Before accepting a farmer as an SSAP/RED compliant supplier, the FGP shall check if the farmer provided a self-declaration, signed on or before the date of physical dispatch of the soy, and confirm the correctness of the declaration, for which satellite imagery starting 1 January 2008 from the USDA and NRCS may be used.

The FGP shall have a monitoring system in place that includes at least one self-assessment (internal audit) per year. This self-assessment shall check if the FGP, the elevators used, and the supplying farmers all comply to the SSAP/RED Protocol. The assessment shall include:

a check on the availability and validity of contracts and self-declarations;

a check on correct implementation of “SSAP RED Requirements for elevators operating under the scope of certified FGPs”;

a check on the availability, correctness, and completeness of delivery notes and sustainability declarations, and if reported amounts on these two documents match;

a check if mass-balance calculation rules are followed in line with Chapter 3 of the Protocol; and

a check if all other requirements of their internal management system related to SSAP/RED compliance are implemented accordingly.

Every annual audit of the FGP shall be conducted onsite.

## Traders

Traders have the following obligations to prove they manage compliance to sustainability requirements of the SSAP/RED:

* Before accepting a batch as SSAP/RED compliant the FGP shall check
	+ if the supplier (FGP or other trader) had a valid SSAP/RED certificate on the date of physical dispatch of the soy;
	+ if the delivery note and the sustainability declaration are available, correct, and complete.
* The Trader shall have a monitoring system in place that includes at least one self-assessment (internal audit) per year. This self-assessment shall check if the Trader and the storage locations used all comply to the SSAP/RED Protocol. The assessment shall include:
	+ a check on the availability and validity of contracts and sustainability declarations;
	+ a check on the availability, correctness, and completeness of delivery notes and sustainability declarations, and if reported amounts on these two documents match;
	+ a check if mass-balance calculation rules are followed in line with Chapter 3 of the Protocol; and
	+ a check if all other requirements of their internal management system related to SSAP/RED compliance are implemented accordingly.

# Verification Process

The verification process for compliance against the SSAP/RED is focused on companies that buy the soybeans from the Farmers and facilitate the export to the European Union (EU). These companies are referred to as First Gathering Points (FGPs) and Traders. The procedures in this chapter apply to initial certification audits as well as annual recertification audits, which cover retrospective auditing of claims made under SSAP/RED. FGPs are responsible for compliance against the SSAP/RED Protocol, which includes coordinating the execution of Farmers’ self-assessment on sustainability requirements, receiving their signed self-declarations and checking on correctness of those. They shall also assure compliance with all the traceability and greenhouse gas (GHG) emission requirements in the Protocol. Compliance will be verified by an independent CB. The following steps are required:

* Registration with the SSAP/RED scheme

The first step in the SSAP/RED certification process is the registration of the company with the SSAP/RED scheme. By confirming the registration with the SSAP/RED scheme, the company automatically accepts and confirms the duties it will have from the moment of being a certified operator. This includes cooperation with requests from EU Member States related to their duty to supervise the operation of EU voluntary schemes and certification bodies as set out under Article 30(9).

The registration process can be started by sending an email to info@ssap-red.org and include the following details:

1. Company full legal entity name
2. Full address
3. Confirm that the name and legal form of the company either changed or was the same over the last 12 months
4. Main contact person’s name, email address, and phone number
5. Desired certification scope (FGP or Trader), including expected participating Elevators and Farmers
6. Confirmation on current or past participation of its entity or its legal predecessor in another RED or RED II voluntary scheme, including reference to that scheme’s/schemes’ name(s), and all relevant information, including the mass balance data and the auditing reports and, where applicable, any decisions to suspend or withdraw their certificates in the last 5 years, and if so, if that happened before the first surveillance audit.
7. Confirmation of the selected CB for the initial audit

The registration will be processed by the SSAP/RED Secretary, who will review and cross-check the information and can only confirm this positive if the company applies to above points 1 to 7. The Secretary will also exclude the organization if they or their legal predecessor failed the initial audit under another scheme, unless such initial audit took place more than 3 years before the application or if in the meantime the other scheme ceased its certification activities, which prevented the economic operator for reapplying. A due diligence assessment will be conducted, especially for companies with limited trading history. Regarding point 6 of the registration, the SSAP/RED Secretary will conduct a cross-check against other voluntary scheme certificate lists (i.e. schemes that cover the same scope as the Protocol of this scheme). Where the participation of an economic operator requesting registration with SSAP/RED, or its legal predecessors, is suspended or terminated by the withdrawal of its certificate by any of the other voluntary schemes recognized under Directive (EU) 2018/2001, the SSAP/RED secretariat may refuse the participation of that operator for at least 2 years following the suspension or termination of participation under SSAP/RED. In case the due diligence does not reveal any major points of concern, such as frequently changing the name or legal structure of the requesting entity, previous bankruptcy, etc., confirmation of registration is submitted to the company’s contact person and the CB.

* **Risk management/ assurance level**

As part of any certification audit, auditors must carry out a risk assessment at the supply chain parts subject to the audit. The result of the risk assessment will be reflected in the audit intensity and influences the sample size as described in the next section on execution of a risk assessment.

* The initial audit of a new scheme participant or a re-certification of existing scheme participant under a revised regulatory framework shall always be on-site and shall as a minimum provide reasonable assurance on the effectiveness of its internal processes.
* Depending on the risk profile of the economic operator, a limited assurance level can be applied on the veracity of its statements. This implies a reduction of risk to an acceptable level as the basis for a negative form of expression by the auditor. The differentiation between “reasonable” and “limited” assurance level shall be implemented in accordance with ISAE 3000:
1. ***Reasonable assurance engagement****―An assurance engagement in which the practitioner reduces engagement risk to an acceptably low level in the circumstances of the engagement as the basis for the practitioner’s conclusion. The practitioner’s conclusion is expressed in a form that conveys the practitioner’s opinion on the outcome of the measurement or evaluation of the underlying subject matter against criteria.*
2. ***Limited assurance engagement****―An assurance engagement in which the practitioner reduces engagement risk to a level that is acceptable in the circumstances of the engagement but where that risk is greater than for a reasonable assurance engagement as the basis for expressing a conclusion in a form that conveys whether, based on the procedures performed and evidence obtained, a matter(s) has come to the practitioner’s attention to cause the practitioner to believe the subject matter information is materially misstated. The nature, timing and extent of procedures performed in a limited assurance engagement is limited compared with that necessary in a reasonable assurance engagement but is planned to obtain a level of assurance that is, in the practitioner’s professional judgment, meaningful. To be meaningful, the level of assurance obtained by the practitioner is likely to enhance the intended users’ confidence about the subject matter information to a degree that is clearly more than inconsequential.*
* **Provisions for SSAP/RED initial audits**

Prior to SSAP/RED scheme participation, operators must pass an initial audit. As per RED II requirements, initial audits for new SSAP/RED system users shall always be onsite.

* **Execution of a risk assessment prior to the audit, taking into account:**
	1. information on the location of the suppliers and regional compliance to SSAP/RED sustainability requirements (to be provided by the Certified Main Entity);
	2. quality of the land-use data available;
	3. farmers’ potential weaknesses through the FGP internal monitoring process or the review of other relevant documented evidence with consideration to the presence of protected areas designated under U.S. law, forested areas, wetlands, or peatlands;
	4. reports on previous verifications on SSAP/RED or other assessments related to RED compliance (as available). Where an economic operator that was previously found to be in critical or major internal monitoring applies for re-certification, the auditor shall bring that fact to the attention of the SSAP/RED secretariat and any other voluntary schemes in which the economic operator is currently participating;
	5. compliance level to all points listed in Chapter 4 of the SSAP/RED Protocol with specific consideration given to identified non-compliance on previous audits;
	6. other aspects, including quality of the management system (structure and documentation, completeness of records), information relating to the FGP’s internal audits, and other aspects as determined by the auditors;
	7. clarity on the ownership structure of participating Elevators and implementation of relevant requirements, laid down in “**SSAP/RED Requirements for elevators operating under the scope of certified FGPs”**;
	8. In case the company wishes to declare actual GHG values, the GHG calculation must be submitted and reviewed by a qualified GHG expert prior to the audit.

The risk assessment shall result in a risk classification:

* **Reduced risk**

If the Certified Main Entity has proven to have a supply base that complies with the SSAP/RED sustainability requirements, there is a reduced risk to find major or critical major non-conformities. Companies with reduced risk classification are likely to have a shorter onsite audit as the external auditor may rely more on the internal management system of the Certified Main Entity. Traceability data on deliveries from the Farmers and inventories of Elevators/storage locations may be cross-checked remotely when information can be effectively provided in digital format. In the FGP audit, a square root (rounded up) or 10% (rounded up), whichever is higher, of the Farmer’s delivery documents and self-declarations need to be checked by the auditor. Furthermore, the auditor must confirm that the FGP acceptance and monitoring process for its supplying Farmers indeed assures Farmer compliance. When necessary, the auditor might perform parallel checks for additional assurance. The quantities listed on the documents need to be cross-checked with the amount of soy supplied and the amount of soy in the mass balance documentation of the FGP. The same procedure applies for a square root (rounded up) of all Elevator/storage locations that applies to all Certified Main Entities. The auditor needs to check their inventory lists for a cross-check with mass balance books of the Certified Main Entity.

* **Medium risk**

A medium risk classification will result if the information provided by the Certified Main Entity prior to the audit is not fully clear or complete, or a limited number of points from Chapter 4 of the SSAP/RED Protocol could not be checked prior to or during the onsite audit. The onsite audit of the Certified Main Entity is likely to take longer as incomplete information from the assessment must be clarified. Chain of custody data on deliveries from the Farmers and inventories of Elevators/storage locations needs to be cross-checked on-site on location on a sample basis, including a full month of deliveries. A square root (rounded up) or 10% (rounded up), whichever is higher, of the Farmers need to be visited to confirm compliance with the sustainability requirements and to cross-check feasibility of the amount of the soy production area with the delivery documents. A cross-check then must be made between amounts of soy supplied versus the amount of soy in the mass balance documentation of the FGP. A square root (rounded up) of all Elevators needs to be visited to confirm inventory administration as a cross check with mass balance books of the Certified Main Entity.

* **High risk**

A high-risk classification will result if the information provided by the Certified Main Entity prior to the audit is not clear or not available in a timely manner, assurance of compliance to sustainability requirements is limited, and if multiple points of Chapter 4 of the SSAP/RED Protocol could not be checked prior to, or at the moment of, the onsite audit. Companies with high-risk classification require an onsite audit with a full document check at the operational location of the Certified Main Entity. For companies already certified, documentation of all batches must be checked, which undoubtedly will result in a significantly longer audit process. Traceability data on deliveries from the Farmers and inventories of Elevators/storage locations needs to be cross-checked on-site. A square root (rounded up) multiplied by a factor of at least 2 or by 15% (rounded up), whichever is higher, of the Farmers need to be visited to confirm compliance with the sustainability requirements and to cross-check feasibility of the amount of soy production area with delivery documents. A cross-check then must be made between amounts of soybeans supplied versus amounts of soybeans in the mass balance documentation of the FGP. A square root multiplied by 2 (rounded up) of all Elevators/storage locations need to be visited to confirm inventory administration as a cross check with mass balance books of the Certified Main Entity.

* **Sampling procedure**

For all above risk classifications, remote or onsite sampling in the supply chain is required to cross-check accuracy of documentation available at the Certified Main Entity. Depending on the risk classification, sampling can be done remotely or onsite, and sample size is the square root or 10%, whichever is higher, or the square root multiplied by 2 or by 15%, whichever is higher. SSAP/RED selection of sample audits is mainly based on a risk-based approach, on which further guidance can be found in Chapter 4 of the Protocol. However, when selecting the Farmer/Elevator locations, the following aspects must be taken into account:

* At least 25% of the chosen sample must be selected randomly
* The selection must vary from year to year

Table 1 gives further clarification. When the results of the risk assessment result in compliance doubts for specific Farmers or storage locations, samples shall be chosen with a risk-based approach to confirm compliance on soy production and/or handling from the specific sites where the risks were identified. For the reduced risk classification, remote sampling can be selected randomly.

Table 1: Sample method per risk classification

|  |  |  |  |
| --- | --- | --- | --- |
| Risk classification | Sample size locations | Remote or onsite | Sample size delivery documents |
| Reduced risk | Square root | Remote | Square root |
| Medium risk | Square root | Onsite | Square root + full month |
| High risk | Square root\*2 | Onsite | Full check of all documents |

* **Assessment of highly biodiverse grassland**

To determine whether land is, or in case of conversion, was, natural highly biodiverse grassland, the lead auditor must judge whether an assessment of highly biodiverse grassland is necessary, based on the identified regional or individual risk. If an assessment is required, it must be conducted by a qualified independent specialist who may be additional to the audit team. Additional auditor competence requirements are defined on this topic, see chapter 14b, point 4. The assessment and result must then be reviewed as part of the audit.

* **Review of the actual calculations, if applicable**

In case the company has applied for the use of actual calculations, the auditor will request the calculation sheet prior to the execution date of the audit. The calculation will then be reviewed by the GHG expert, who will instruct the auditor for review of evidence, and will be responsible to approve the actual calculated values. SSAP/RED scheme users can only sell soybean with actual calculations after these have been approved by the GHG expert and this has been explicitly mentioned as such on their scope certificate. Every approval is valid for the validity time of the certificate. Should the emissions deviate significantly from typical values, or calculated actual values of emissions savings are abnormally high, the report has to include information that explains the deviation. Certification bodies must immediately inform SSAP/RED secretariat of such deviations.

* **Execution of the audit**

During an initial certification audit before participation in a scheme, the auditor shall check the existence and functioning of the mass balance system.

During subsequent annual audits thereafter, the auditor shall check at least the following:

1. List of all sites that are under the scope of certification. Each site shall have its own mass balance records.
2. List of all inputs per site, including description of material handled and details of all suppliers.
3. List of all outputs per site, including the description of material handled and details of all customers.
4. Any discrepancies between book keeping system and inputs, outputs and balances.
5. Allocation of sustainability characteristics.
6. Equivalence of the sustainability data and the physical stock at the end of the mass balance period. the mass balance records must contain information on both the inputs and the outputs of sustainable and unsustainable material (including where relevant fossil fuels) handled by the sites.
7. A sample of the calculations (inputs, outputs, conversion factors, and any balances carried forward). All data should be checked against the book keeping system.
8. Mass balance timeframe should be transparent, documented and consistent, and an appropriate period of time (see requirement 3.5).
9. Inputs and outputs should be accompanied, where relevant, by a set of sustainability characteristics. Auditors should check that sustainability characteristics have been allocated appropriately. At the end of the mass balance period, the sustainability data carried forward should be equivalent to the physical stock.
10. Auditors must verify the accuracy of the data submitted in the Union database, and cross check that they match with points a. to i. above.

After a successful initial audit, the Certified Main Entity receives a SSAP/RED scope certificate, which provides the right to export soy with a SSAP/RED compliant claim. The scope certificate will have a validity of one year. Annual recertification audits will take place to monitor compliance with the SSAP/RED requirements. When compliance is proven, the certificate will be renewed for another year. To remain an active SSAP/RED system user, the recertification audit will have to take place prior to the expiry of the existing certificate and also allow for enough time to follow up on potential non-conformities. (Chapter 9 of this document gives further explanation in the case of occurrence of non-conformities.) The recertification audits are conducted retrospectively, reviewing if activities during the most recent certificate validity period have been executed in compliance with all SSAP/RED requirements. During the onsite audit at the Certified Main Entity, the auditor will check if the management system meets the requirements, and if all requirements are implemented correctly. The auditor needs, at a minimum, confirmation that all supplying Farmers have a filed self-declaration, and that all applicable deliveries have sustainability documents. The above sampling procedure will be used to check completeness of the documents.

* **Reporting of the audit**

During the audit, the auditor must report the findings in the provided audit report templates. SSAP/RED provides two auditor checklists. The “SSAP\_RED Auditor Checklist COC” is to be used for all audits that are part of the “chain of custody” in the scheme. These include main audits of SSAP/RED registered operators (First gathering points and traders) as well as sample audits of locations operating as elevator, warehouse or terminals. The Checklist specifies which sections are applicable for main- and sample audits. The “SSAP\_RED Auditor Checklist Farmers” is to be used for the Farm sample audits, and specifically addresses all the sustainability requirements at farm level that are described in chapter 2 of the Protocol. On top of the applicable checklist, a Summary Audit Report needs to be reported for every main audit as well. This report accompanies the Certificate and specifies the information as required by Annex II of the implementing act.

* **Issuance of the SSAP/RED scope certificate**

After a successful audit and internal review process from the CB, a SSAP/RED scope certificate will be issued. The scope certificate gives the Certified Main Entity the possibility to make claims on outgoing soy batches from the validity start date of the certificate until the expiry date. In case the company applied for actual values, the issuance of the certificate also confirms the GHG calculation has been successfully verified and approved as part of the audit process, meaning that the actual values can be used. The Certified Main Entity is therefore enabled to issue a sustainability declaration to the receiver proving compliance with SSAP/RED and providing all relevant data for all SSAP/RED compliant batches. In line with the Implementing Regulation article 2, the following definitions on status of an SSAP/RED certificate do apply:

**‘certificate’** means a conformity statement by a certification body within the framework of a voluntary scheme, certifying that an economic operator complies with the requirements of Directive (EU) 2018/2001;

**‘suspended certificate’** means a certificate temporarily invalidated due to non-conformities identified by the certification body or upon voluntary request of the economic operator;

**‘withdrawn certificate’** means a certificate that has been permanently cancelled by the certification body or the voluntary scheme;

**‘terminated certificate’** means a certification that has been voluntarily cancelled while it is still valid;

**‘expired certificate’** means a certificate that is no longer valid;

# **Scheme Documents**

The SSAP/RED system consists of scheme documents that contain all applicable general requirements, processes, and guidelines. The SSAP/RED Protocol is considered the backbone of these documents, explaining the requirements and processes, such as dealing with sustainability requirements, GHG calculation and claims, compliance, and non-conformities. The protocol is supported by the Farmers’ self-assessment document and the overview of sustainability requirements for Certified Main Entities.

These documents are subject to changes that can be incorporated at any time. Changes will always be communicated to all stakeholders by the SES Secretary, and is also open for feedback.

To conduct the audits, the SSAP/RED Protocol is transformed in an audit procedure to a report template with a checklist where findings of compliance and non-compliance can be included. This checklist will be the base to make certification decisions of scope certificates of Certified Main Entities.

# **Transparency and disclosure of information**

The SES will furthermore make the following information available on its website:

* information on the governance structure of the voluntary schemes describing the roles of all relevant bodies, details on the ownership structure, and composition and experience of the Board (or equivalent);
* the list of economic operators participating in the scheme along with their certification status, with their respective date of certificate issuance, suspension, withdrawal, termination or expiry (This includes the certificates and/or summary audit reports of economic operators and information on the withdrawal or suspension of certificates);
* the list of economic operators whose certificates are withdrawn, terminated or expired shall be listed on the website for at least 24 months after the withdrawal, termination or expiration date; (Article 6(f) of the IR).
* an aggregated list of major non-conformities together with a respective action plan and timing for their correction as agreed with the economic operators concerned;
* changes in the certification status of economic operators will be published without delay;
* the latest version of scheme documents and the guidelines for audits;
* the certification bodies that are permitted to conduct audits, including the entity or national public authority that it was recognized by and which is monitoring the certification body;
* certification bodies that are no longer entitled to conduct independent auditing under the scheme will be listed for at least 12 months after the last audit;
* publication of contact details for the scheme, including the telephone number, email address, and physical address);
* the names of the voluntary schemes the scheme is recognizing;
* the complaints procedure, including evidence that needs to be provided, scope of the procedure, process and associated timeframe, decision making and consequences; and
* the results of the annual monitoring activities of the voluntary scheme as summarized in the annual activity report.

Specific information regarding the certificates and the summary audit reports may be redacted to comply with personal data protection legislation.

The SES has, acting as the voluntary scheme, a documentation management system that addresses each of the following elements:

(a) general management system documentation (e.g. manuals, policies, definition of responsibilities);

(b) control of documents and records;

(c) management review of management system;

(d) internal auditing/ internal monitoring;

(e) procedures for identification and management of non-conformities; and

(f) procedures for taking preventive actions to eliminate the causes of potential non-conformities.

Documentation shall be kept for a minimum of 5 years, or longer if required by the relevant national authority.

# **Reporting to the European Commission**

SES needs to report its activities and the status of the SSAP/RED scheme annually to the European Commission (EC). With reference to the Renewable Energy Directive (Directive (EU) 2018/2001). Requirements on this topic, reporting to the EC includes the following subjects, as set out in Annex III of the IR:

(a) rules on the independence, method and frequency of audits as approved by the Commission

upon accreditation of the voluntary scheme and any changes to them over time to reflect

Commission guidance, the modified regulatory framework, findings from internal monitoring

on the auditing process of certification bodies and evolving industry best practice.

(b) rules and procedures for identifying and dealing with non-compliance by economic operators

and members of the scheme.

(c) evidence of fulfilling the legal requirements on transparency and publication of information in

line with Article 6 of the IR.

(d) stakeholder involvement, in particular on the consultation of indigenous and local communities

prior to decision-making during the drafting and review of the scheme as well as during audits

and the response to their contributions.

(e) overview of the activities carried out by the voluntary scheme in cooperation with the

certification bodies in order to improve the overall certification process and the qualification

and independence of auditors and relevant scheme bodies.

(f) market updates of the scheme, the amount of feedstock, biofuels, bioliquids, biomass fuels,

recycled carbon fuels and renewable fuels of non-biological origin all certified, by country of

origin and type, and the number of participants.

(g) overview of the effectiveness of the implementing system put in place by the governance body

of the voluntary scheme in order to track proof of conformity with the sustainability criteria that

the scheme gives to its member(s). This shall cover, in particular, how the system effectively

prevents fraudulent activities by ensuring timely detection, treatment and follow-up of suspected

fraud and other irregularities and where appropriate, the number of cases of fraud or

irregularities detected.

(h) criteria for the recognition of certification bodies.

(i) rules on how the internal monitoring system is conducted and the results of its periodic review,

specifically on oversight of the work of certification bodies and their auditors as well as on the

system of handling complaints against economic operators and certification bodies;

(j) possibilities to facilitate or improve the promotion of best practices.

In addition to above requirements, a summary of all complaints received will be submitted. (See Chapter 10.)

The market data, including the volume and type of feedstock, will be requested from each system user for the respective reporting period. SES will ask each system user to fill in an excel spreadsheet that asks for the volumes of all material certified, the feedstock type, and the name of the system user. During the next year’s audit, the volumes will be checked by the certification body and reported to SES to cross-check data correctness.

All of this information, together with all aspects of above clause 10e on internal monitoring, is compiled into an annual monitoring report by SES. As part of the reporting requirements, SES will also collect the volume data and feedstock material from each economic operator and report it together with the internal information. The internal reporting procedure and its responsibilities, complaints, templates, etc. is laid down in an internal SES manual. The annual report is submitted to the European Commission by 30 April each year and covers the previous calendar year. The received market data will be submitted to the Commission in the format specified on the Commission Voluntary Scheme website (<https://ec.europa.eu/energy/en/topics/renewableenergy/biofuels/voluntary-schemes>).

The results of the internal monitoring activities and an aggregated overview of the critical and major NCs is published on the SSAP/RED website.

# **Support of the European Commission and competent authorities of EU Member States**

Requests from the European Commission and competent authorities of EU Member States relating to the sustainability and greenhouse gas (GHG) emissions saving criteria can be brought forward in writing to the SES Secretary through the following email address: ssapred@ussec.org

The SES Secretary will acknowledge the request within two working days by confirming receipt of the request. The requested information will be provided within eight working days after the acknowledgement date, unless the Secretary has justified a longer assessment process, such as requesting the response of other involved or affected parties.

The SES Secretary commits to support the European Commission and national bodies / authorities responsible for supervision of the CBs in fulfilling its duties set out in RED recast Article 30(9) and Article 17 of the IR, of the Directive (EU) 2018/2001 including granting access to the premises of economic operators where requested. This includes any necessary investigation on whether the SSAP/RED and the involved entities operate according to the rules, or whether the sustainability and greenhouse gas emissions saving criteria in relation to a particular consignment are met. The SES Secretary will ensure in contractual arrangements with the participating operators and certification bodies that all relevant data, such as audit reports and actual GHG calculations, can be made available upon request.

Economic operators and CBs failing or unwilling to comply with the requirements set out in paragraphs 1 to 6 of Article 17 of the IR shall be respectively excluded from participating in and conducting audits under the SSAP-RED.

# **Complaint Procedure**

Attention to complaints and the resulting potential conflicts in a certification scheme is an important base for the scheme’s reliability, continuous improvement mechanism, and transparency to its users and stakeholders. Conflict management should always be executed as close to the source of conflict as possible and with participation of the parties involved in, and affected by, the conflict. Before using this formal procedure, involved parties in a conflict should attempt to find a solution by dialogue. If dialogue between the conflicting parties does not lead to a result, a formal complaint procedure in accordance with the principles specified in this section can be used.

SES manages any potential conflict of interest within its own organization through an operational governance policy, the so called SSAP RED Organizational Governance Structure. This policy is also published on the SSAP RED website.

A complaint is defined as the formal listing of a potential violation of rules, principles, and governance items resulting from the SSAP-RED certification activities, referring to a decision taken by the Certification Body, the conduct of an audit or a decision taken by SES respectively for one of its relevant bodies, and subsequently requesting abatement respectively remedy of the situation causing the conflict.

Conflicts can occur on different levels between different stakeholders, organisations, or individuals in relation to the procedures and decisions under the SSAP/RED scheme and could include:

* Conflicts between a CB and SSAP/RED certificate holders which should generally be resolved between the system user and the CB. (Such conflicts could occur when assessments results are, in the opinion of the CB, not resulting in granting a certificate, or result in withdrawing a certificate.)
* Conflicts that arise from decisions and procedures of SES or parties/individuals appointed by SES.
* Conflicts brought up by stakeholders when they are affected by activities performed by SSAP/RED certificate holders, including those related to non-compliance with requirements and obligations of certificate holders, CBs, SES, or other related parties, are resolved as described below.

**Principles that SES applies for the conflict resolution**

SES will apply the following principles for processing a complaint:

* SES will encourage parties to resolve the conflict between themselves first
* Encourage parties to resolve conflicts in a timely manner
* Gather the underlying facts from the parties involved
* Be as transparent in the decision-making process as possible given the sensitive information involved
* Maintain formal records of the complaints
* Ensure an appeal process is in place
* Act in the best interest of the integrity of the scheme, undertaking decisions in an unbiased and impartial manner.
* If a Board member has a conflict of interest, he or she will be excluded from the decision-making process.

**Admission of complaints**

Complaints and appeals will only be filed with SES when they meet the following criteria:

* The reason for the complaint or appeal is a substantial and non-negligible risk of non-compliance of an SSAP/RED system user or recognised CB, or which addresses gaps in the effectiveness of the SSAP Protocol and/or governance, with clear reference to the parties or documents involved.
* The text of the complaint or appeal is addressed to the SES Secretary.

SES reserves the right to dismiss complaints that do not meet the above criteria.

A detailed description of the complaints procedure, its scope and evidencing requirements, the handling and appeal process, as well as provision of relevant third-party information, is displayed on https://ssap-red.org/. An internal manual will formally set forth the entire complaints procedure, its mechanics, and appeal possibility, as well as the internal SES responsibilities.

**Complaints submission and processing**

Complaints and appeals need to be submitted in writing in the English language to ssapred@ussec.org or by completing an online form addressed to the SES Secretary.

* Complaints and appeals must contain the following information:
* The name of the organisation, contact person, and title/position
* Additional contact information, including the email address, phone number, and mailing address
* Information that shows the legitimacy of the organisation
* Name of the organisation and/or the individual against which the complaint is raised
* Explanation regarding the breach in question
* Documented evidence to substantiate the submitted claim and providing contextual information on the rationale in such a way that a third party can obtain a clear idea and form a judgement on the situation
* Additional documentation or correspondence evidencing the complaint about the organisation in question has been previously addressed
* A proposed solution to resolve the conflict.
* If the complaint is submitted anonymously, a reasonable explanation should be provided. However, this will not exempt the submitting party from substantiating its potential claim with evidencing information and the underlying rationale.
* In case the complaint is submitted by a natural person reporting infringements in good faith and specifically infringements of public interests - in accordance with Directive (EU) 2019/1937- the person shall be granted specific protection as laid down in Directive (EU) 2019/1937.
* The SES Secretary will acknowledge the complaint within 10 working days by confirming the receipt of the complaint. The complaint resolution will be proposed within 20 working days after the acknowledgement date, unless the Secretary has justified a longer assessment process, such as requesting the response of other involved or affected parties.
* Complaints and appeals are considered unacceptable under the provisions laid down in this chapter, if they meet one of the following criteria:
	+ The above requirements on form and content are not (fully) considered, for example, when complaints and appeals are not sufficiently supported by necessary evidence to get a clear idea and form a judgement on the situation.
	+ The complaint or appeal aims for adjustments of the recognised SSAP/RED Protocol and related documents.
	+ The reason for the complaint or appeal does not clearly relate to SES or to activities conducted within the SSAP/RED voluntary scheme.

**Complaints follow-up process**

* First the complaint will be assessed to determine if it is within the scope of the SSAP/RED. In such case, within 10 working days, the complaint issuer will receive a confirmation email that their complaint has been listed with the Secretary.
	+ If the complaint is not within the scope, the issuer will be notified within 10 working days upon submission of the complaint and given the reasons for rejection.
	+ When there is not sufficient documentary evidence, the issuer of the complaint will be notified within 10 working days and requested to provide further documentary evidence.
		- When the additional evidence is still not sufficient to substantiate the claim, the complaint will be rejected by SES within 10 working days.
		- If the additional evidence is strong enough to support the claim, the issuer will be informed accordingly within a period of 10 days after submitting the additional evidence, at which time the Secretary will begin the material assessment process.
* When complaints have met this criteria, the Secretary will conduct further review of the presented documentary evidence and hearing all parties involved: the party submitting the complaint, and the counter-party, the party/parties causing, or which might have been affected by, the complaint. The Secretary will subsequently propose a decision and present it to its CEO who will inform the Board of the complaint and the proposed decision. The Board will make a decision within 10 working days; a majority of more than 50% of the present quorum of at least three-fourths is needed. The meeting is not required to be hosted physically; a virtual meeting via email circulation is sufficient. In case of a virtual meeting, at least three-fourths of the members of the Board are required to be present.
* Once the proposed decision has been accepted, or amended and accepted by the Board, the Secretary will communicate the decision to both the issuer of the complaint as well as to the counter-party.
* If required, the decision could cause corrective actions to be required by the counterparty. Alternatively, the decision could also require:
	+ To inform the CB to specifically check the topic in question in the upcoming recertification audit, or
	+ to perform an extra onsite surveillance audit to assure the integrity of the SSAP/RED system, or in severe cases, to suspend the scope certificate of the counterpart.
* In case the CB comes to the conclusion that the complaint leads to a non-conformity (‘NC’) the system user has to remedy the NC within the required time frame. In case the system user needs more time to remedy his request will be assessed and approved if there are good reasons to grant extension of the deadline, e.g. significant investments needed for remediation but have not been budgeted within the current year and therefore cannot be done. In case there are no good reasons to grant extension and the system user does not remedy the NC the certificate will be withdrawn.
* If the counter-party does not consent to the decision of the Board, the counter-party can submit a counterproposal within a period of 10 working days upon receiving the decision. The counterproposal will be submitted to the Secretary who will confirm within five business days whether it accepts the counterproposal or declines it for formal or material reasons.
* Upon acceptance of the counterproposal, the Secretary will assess its legitimacy, very specifically focusing on the newly-introduced aspects, and perform an assessment. The Secretary can either decline the counterproposal, accept the counterproposal, or propose a new decision.
* The decision will be presented to the CEO who will present the decision to the Board. The Board will make a decision following the same procedure and quorum requirements as stipulated in this chapter above. This decision and any corrective actions will be communicated to the involved parties and can be subject to an appeal. The Secretary will act within a period of 10 working days from acceptance of the counterproposal until the communication of the decision.
* The corrective actions proposed will be monitored by the Secretary on a timely basis.

**Appeal procedure**

The decision from the Board can be appealed by both parties, the issuer of the complaint and the counter-party.

* The appeal is to be submitted within 20 working days from the decision and must substantiate the reasons for the appeal. The appeal will be grounded on either information that was already previously available, or on newly-introduced facts. In case of the latter, the appellant has to explain why the new facts should be considered, and why they were not considered in the previous decision.
* The appeal will be presented to the Secretary who will inform the CEO. The CEO will convene a panel within a period of 25 working days with all Board members and three members of the Advisory Committee and inform the appealing parties of the meeting. In case of a conflict of interest, the respective Board member or the respective Advisory Committee member will be excluded from the panel and replaced by another member of the Advisory Committee who is not conflicted. A conflicted Board member cannot be replaced.
* The convened panel will make a decision which will be communicated directly after meeting. Written communication can follow within five days after the meeting.

This decision is the final decision and is not subject to further appeal. The Secretary will monitor any corrective actions. required by the decision

**Documentation**

SES keeps a register of all complaints and appeals, including the steps taken for resolving the complaint, and will include a summary in its the annual report to the European Commission, as per Chapter 8. Upon request by the EC or a Member State, SES shall provide all documents related to a complaint and its handling.

# **Non-conformities, observations, and consequences**

**Non-conformity grading**

During the SSAP/RED verification process, findings of discrepancy with the requirements can be detected in four grades, as defined below:

* Observations are findings that do not affect the performance yet but may result in errors that cause future non-conformity. Follow up is not mandatory, but recommended;
* Minor non-conformities: A non-conformity that has a limited impact, constitutes an isolated or temporary lapse, is not systematic and does not result in a fundamental failure if not corrected, shall be considered to be a minor non-conformity.;
* Major non-conformities: Failure to comply with a mandatory requirement of Directive (EU) 2018/2001, where the non-conformity is potentially reversible, repeated and reveals systematic problems, or aspects that alone, or in combination with further non-conformities, may result in a fundamental system failure, shall be considered to be a major non-conformity. Major non-conformities shall include, but are not limited to, the following:

(a) systematic problems with mass balance or GHG data reported for example, incorrect documentation is identified in more than 10% of the claims included in the representative sample;

(b) the omission of an economic operator to declare its participation in other voluntary schemes during the certification process;

(c) failure to provide relevant information to auditors for example, mass balance data and audit reports.;

* Critical major non-conformities: The intentional violation of a voluntary scheme’s standards such as fraud, irreversible non-conformity, or a violation that jeopardizes the integrity of the voluntary scheme shall be considered to be a critical non-conformity. Critical non-conformities shall include, but are not limited to, the following:

(a) non-compliance with a mandatory requirement of Directive (EU) 2018/2001, such as land conversion which contravenes Article 29(3), (4) and (5) of that Directive;

(b) fraudulent issuance of a proof of sustainability or self-declarations, for example, intentional duplication of a proof of sustainability to seek financial benefit;

(c) deliberate misstatement of raw material description, falsification of GHG values or input data

**Non-conformity resolution timelines**

* Observations do not necessarily need to be solved as there is no impact on performance yet detected.
* Minor non-conformities need to be resolved within 12 months from their notification but without a detailed corrective and preventive action plan, as there was no effect on further incorrectness in the supply chain. The next year’s audit will check the effectiveness in preventing the same error.
* Major non-conformities need to be resolved within 90 days from notification or before expiry of the scope certificate (if that date is earlier) and include a detailed corrective and preventive action plan. The corrective action plan should include information on the mistake to all effected buyers of the sustainable material. The effected buyers need to be informed of the correction in order to maximise the possibilities to limit repetition of the mistake downstream in the supply chain. To prevent the same error, the preventive action plan should include measures such as updating procedures, the management system, and to provide further training of responsible staff. The auditor must approve both the corrective and preventive action plans and measures before the non-conformity can be closed. Depending on the speed and accuracy of the resolution of the non-conformity by the Certified Main Entity, the closing decision might include an increased risk level for next recertification audit. Effectiveness on preventing the same error will be checked in the next recertification audit. When the system user does not close the non-conformity in a timely manner and still has a valid certificate after 90 days, the certificate will be withdrawn.
* After detecting a critical major non-conformity at a currently certified SSAP/RED system user, their certificate will be withdrawn until the non-conformity is closed, meaning the company cannot sell any other material with a SSAP/RED sustainability claim. For initial certification audits, critical major non-conformities related to sustainability requirements can only be solved by limiting the sourcing area (e.g., excluding non-compliant Farmers). In case of detection of intentional fraud, this will result in a suspension period of the company and in the worst-case, exclusion of further participation in the SSAP/RED scheme.

**Non-conformities detected in sample audits**

If non-conformities are detected at sample audits, such as at Farmer audits or Elevators operating under the scope of a certified FGP, the non-conformities must be indicated in the sample audit report according to the above grading guidelines and follow up has to be managed in line with the resolution timelines. However, the SSAP/RED system user (certificate holder) is responsible to assure follow-up in line with the SSAP/RED scheme requirements and will be informed as part of the auditing process as well as by receiving the sample audit reports. The following requirements must be met in this process:

* Any non-conformities graded “critical major”, especially those involving violation with sustainability requirements of the land where the soy is produced, or proof of intentional fraud by the audited company, may only result in excluding that company or the related land area from the SSAP/RED certification scope.
* For all non-conformities (NCs) graded “critical major” and “major”, the certified main entity needs to execute a route cause analysis that at least clarifies the following points:
	+ an explanation on why the NC was not detected during their own internal audit process, including a corrective and preventive action plan with an implementation process to prevent missing such NCs in the future
	+ an analysis of the extent of the NC and if the NC may have also occurred at other farms/elevators in the group that were not part of the sample audited by the CB

Based on the above process, the CB will determine if the grading of the NC raised initially remains correct, and if it any consequences should be applied accordingly. NCs graded as major for a sample audit may be graded as a minor NC for the whole group in case the extent of the NC has proven to be an error occurring at a single entity of the group sampled.

Certificates can only be issued after closure of all non-conformities. If major or critical major non-conformities occur with SSAP/RED system users that are already certified, a consequence could be to withdraw the scope certificate. Re-issuing scope certificates can only be done when the finding is fully resolved and prevents reoccurrence of the finding. In case of critical major non-conformities, a suspension period can be defined up to five years depending on the severity of the findings. The suspension period is proposed by the CB to the SES Secretary, who makes the final decisions on the suspension period. Re-issuance of the scope certificate is only likely when uncompliant sourcing areas are excluded, or when clear measures have been taken to prevent fraudulence acts.

If an operator participates in EU recognized RED voluntary schemes and is found to be in major non-compliance, prior to re-certification, the SSAP/RED CB who detected these audit findings will share them with all other voluntary schemes in which the operator is participating.

# **Transparency on other voluntary scheme participation by economic operators**

The SSAP/RED scheme recognizes importance of transparency with other RED II voluntary schemes to prevent system users from hopping between schemes with the aim to prevent detection or consequences of major and critical major non-conformities. SSAP/RED automatically approves other schemes recognised by the European Commission for the time that this recognition is valid, and only for the EC’s scope of approval. Therefore, SSAP/RED system users are obliged to declare current and past participation in all other voluntary schemes and to share their most recent audit details. In case of failed audits with other schemes, a SSAP/RED scope certificate can only be issued after informing the relevant other voluntary schemes. More specific requirements can be found in Chapter 4 of the SSAP/RED Protocol. Where part of the supply chain relies on other voluntary schemes, they shall accept evidence of voluntary schemes recognised in accordance with Article 30(4) of Directive (EU) 2018/2001, only to the extent of the scope of their recognition. Where the scope of schemes differs, schemes may choose to differentiate the claims based on the scope of the voluntary scheme they are recognising, e.g. Other EC-recognised voluntary schemes could lead to a “REDII compliant” claim.

# **Approval procedure for Third-Party Certification bodies**

* 1. **Requirements for CBs**

The CB must ensure appropriate expertise and experience, both in the relevant fields of activity and for the types of auditing tasks to be executed for SSAP/RED. The CB must be independent of the activities being audited and free of any conflict of interest.

Chapter 6 provides requirements to the CB on how to use the SSAP/RED system documents to assure comprehensive audit execution.

The CB must also have and maintain a general management system which retains documents for at least five years, or longer where it is required by the relevant national authority. This system must include:

* A manual with procedures and definition of responsibilities;
* A mechanism for control of documents and control of records;
* A management review of the management system;
* An internal audit process;
* A set of contractual terms to be used when contracting operators under SSAP/RED that assures information requests are possible for the SSAP/RED scheme and the CB to comply to RED II Article 30(9), meaning EU Member States can supervise the operation of certification bodies and certified operators under voluntary schemes;
* Procedures for identification and management of non-conformities;
* Procedures for taking preventive actions to eliminate the causes of potential non-conformities;
* Procedures and integrity rules to ensure the independency of the auditor, including principles of auditors’ rotation or other existing best practices in the area;
* Procedures to exclude from decision making any persons having a potential conflict of interest.
	1. **Auditor requirements and competences**

The CB shall select and appoint the audit team in accordance with ISO 19011, taking into account the competence needed to achieve the objectives of the audit.

The CB shall aim at ensuring the highest possible level of independence of the auditors’ judgement by applying principles of auditors’ rotation or other existing best practices in this area (in this respect a maximum period of 3 years continuous audits of one company is considered best practice). To ensure the CB performs an assessment regarding the impartiality and integrity of an auditor respectively technical expert or any other person involved in the certification decision it will maintain and in case it is not yet in place, develop a policy that provides a definition of a conflict-of- interest-situations and the consequences in case it applies. Subsequently the auditor respectively person in questions will sign off a declaration confirming the absence of a conflict of interest before the certification audit commences. In case of a conflict of interest the auditor or any other person in question will be excluded from the audit. The exclusion is valid for a period of one year. After one year the situation will be assessed again.

The CB’s policy will elaborate on the definition of a conflict of interest and present practical examples. As such, a potential conflict of interest could result from a shareholding in the economic operator or a family relationship with the operator respectively its decision makers, or any type of personal economic interest in the distribution of biofuels into the European market, or a previous working relationship that could influence the decision. Also rendering consultancy services related to the audit scope to the economic operator within the last three years prior to the audit will constitute a conflict of interest.

The CB must maintain appropriate records of the education, training, skills, and experience of each of its auditors that are working for the CB in executing assessments for SSAP/RED. Prior to the audits, the auditors will receive training specific to the requirements of the RED II, and specific scheme requirements of the SSAP/RED Protocol. One may align these competency records with systems in place for other RED II recognized voluntary schemes. Training and competency records must include:

* Proven understanding and experience in implementing the audit process as specified in ISO 19011;
* Proven training and experiences in the agricultural industry;
* Proven training and experience in auditing;
* Specific reference to training on changes within the SSAP/RED Protocol;
* All SSAP/RED auditors are required to adhere to specific auditor trainings and updates from SES.
* Auditors shall be:
	1. Independent of the activity being audited;
	2. Free from conflict of interest;
	3. Competent, specifically to the following SSAP/RED scheme criteria:
		1. Land use criteria (Article 29(3-5) and Low ILUC risk certification): Experience in agriculture, agronomy, ecology, natural science, silviculture, or a related field, including specific technical skills needed to verify compliance with the highly biodiverse grasslands and highly biodiverse forest criteria. Note that verifying compliance with the highly biodiverse grasslands criterion partially requires technical knowledge that goes beyond the competences that can be expected from the auditors who are verifying the claims made by market operators, such as assessing whether a grassland would remain grassland in the absence of human intervention and maintains the natural species composition and ecological characteristics and processes.
		2. GHG criteria (Article 29(10)), relevant for the GHG expert in the audit team: A minimum of two years’ experience in fuels life-cycle assessment and specific experience in auditing GHG emission calculations following the RED recast calculation methodology. Relevant experience depending on the type of audits to be conducted by the individual auditor. Note that verifying soil organic carbon levels for the purpose of applying the emission saving credit for soil carbon accumulation (esca) requires specific technical knowledge, such as in soil science).
		3. Chain of Custody criteria (Article 30(1-2)): Experience in mass balance systems, supply chain logistics, bookkeeping, traceability, data handling, or similar.
		4. Group auditing: Experience in conducting group audits.
	4. Auditors must receive training and pass an exam to demonstrate compliance with the training requirements in the technical area(s) that they are active in, prior to conducting audits under the voluntary scheme. Auditors shall undertake refresher training courses to ensure that auditors are competent. Voluntary schemes shall implement a system to monitor the training status of active scheme auditors. In case a biodiversity assessment is required due to highly biodiverse grassland is identified to be part of the scope of the audit the following auditor/expert competencies are required:
		1. Competence in assessing whether harvesting of the raw material is necessary to preserve the highly biodiverse grassland status;
		2. Competence in assessing whether management practices do not present a risk of causing biodiversity decline of the grassland.
	5. The audit team shall have the appropriate specific skills necessary for conducting the audit related to the scheme's criteria, and in accordance with the audit scope. If there is only one auditor, the auditor shall have the competence to perform the duties of an audit team leader applicable for that audit.

* 1. **Accreditation**

The CB performing the audits shall be accredited to ISO 17065, and to ISO 14065 where it performs audits on actual GHG values.

The CB shall also be accredited by a national accreditation body and in accordance with Regulation (EC) 765/2008, or recognized by a competent authority to cover the scope of SSAP RED or Directive (EU) 2018/2001.

SES will take proactive measures to ensure that all CBs performing audits under SSAP RED meet the requirements on accreditation respectively recognition. Therefore, SES will request the CB to provide evidence that it is accredited by a national accreditation body or recognized by a competent national authority.

The CB is obliged to inform SES immediately if the accreditation is suspended, withdrawn or terminated by the accreditation body.

* 1. **Recognition**

In case the CB is not accredited to the above mentioned ISO standards the CB must be recognized by a competent national public authority which are officially responsible for the recognition of CBs in the framework of the Renewable Energy Directive (EU) 2018/2001 (recast) and predeceasing Directive 2009/28/EC and Fuel Quality Directive 2009/30/EC amended through Directive (EU) 2015/1513 (FQD) and according to the regulatory framework of the national transposition of the EU Directives in a Member State. Alternatively, to recognition by a competent national public authority, the CB must be accredited against ISO/IEC 17065 establishing requirements for bodies operating product certification systems, done by an accreditation body as per point (c).

The CB is obliged to inform SES immediately if the recognition is suspended, withdrawn or terminated by the competent national public authority.

* 1. **Support of SSAP/RED related to the competencies of CBs and Auditors**

The SSAP/RED scheme is committed to enhance and support the competencies of CBs and Auditors, especially as the program is developing over the course of program updates and alignments with the RED II and further guidance provided by the European Commission, to which the scheme must adhere. Therefore, SSAP/RED is responsible to:

* Set up training courses for certification bodies, covering all aspects relevant to the scope of the scheme, with a focus on the differences with other RED II-recognized voluntary schemes. The courses will be provided on a regular basis, depending on the needs of participating CBs and auditors.
* SSAP/RED shall also provide guidance to certification bodies, as required, on aspects that are relevant to the certification process. These may include, for example, updates to the regulatory framework or relevant findings from the voluntary scheme’s internal monitoring process.
	1. **Review/Internal monitoring**

SES takes responsibility for reviewing and monitoring the process and documents of SSAP/RED certificate holders and for CBs executing the audits and issuing the certificates. The internal monitoring is performed in order to verify compliance with the scheme provisions and also to ensure the quality of the work carried out by the auditors of the CBs.

The monitoring program also includes the review of the procedure set up by the CB to prevent any potential conflict of interest for the involved auditors of the CB

This monitoring is undertaken on an annual basis or in case relevant information on potential non-conformities has been brought to the attention of SES by third parties and reflects the geographical coverage, as well as the risk level of the activities conducted by the economic operators. Furthermore, the aim of this monitoring is to crosscheck the work conducted by external auditors.

The monitoring program consists of the following items:

1. The monitoring activities include audits, including the time spent on audits, as well as the inspection of a random and risk-based sample of audit reports prepared by each CB. The time spent on audits varies depending on the risk level and the sample size. The auditor shall ensure the duration of the audit reflects the level of risk according to Chapter 5 of this document.
2. CBs are required to submit all audit reports, and actual value GHG emission calculations to the SES Secretary,
3. For each participating CB, SES is responsible to review the certification documents of the square root of audited companies on an annual basis. The review will include a consistency check on information in the certification documents, assuring that the answers given confirm compliance of the corresponding requirement and a feasibility check on the number of hectares of soy in the scope versus the volume supplied. If SES finds any issues or discrepancies in the reports, they will be sent back to the CB, which will have to clarify the issues or discrepancies within 15 working days. Delays in answering and/or providing incomplete answers in this timeframe can lead to suspension.
4. CBs are required to issue an evaluation report to SES on an annual basis. This report needs to include an internal evaluation of the CB related to all audits and certification decisions taken and shall include an overview of all the non-conformities (NCs) given to new and existing SSAP/RED certificate holders. SES will use this report and overview of findings as a crosscheck with their own monitoring of the respective CB.
5. Registering if CBs use and implement the competence support of the SSAP/RED scheme, as described in section e.
6. Complaint registrations and information received from external parties including market data concerning the integrity of the program is collected by SES.
7. SES reserves the right to take action in case monitoring obligations listed in above points I to VI are not met. Consequently, SES reserves the right to include internal audits at participating CBs and certificate holders. Results of such internal audits may, in case of proven poor performance, impact the certification status of certificate holders and the recognition status of the CB. SES reserves the right to suspend or exclude CBs or certificate holders in cases of proven violation of SSAP/RED requirements.

The results of the internal monitoring will be evaluated and acted upon if needed. In case the results of the internal monitoring show the need for further technical guidance towards, or harmonization between the CBs, it will be developed and provided by SES.

In the event of the non-compliant behaviour of a CB cooperating with SES, its auditors, or representatives, SES may impose sanctions against the CB or the individuals responsible for the non-conformity. Based on a case-by-case examination, SES evaluates the type and level of non-conformity and defines the type and level of sanctions. This may ultimately result in temporary disqualification of a CB or auditor, until evidence can be provided that the identified issue no longer appears.

The information distilled from all above points shall be part of the annual monitoring report by SES. This annual report covers the previous calendar year and is submitted by 30 April each year to the European Commission, as described in Chapter 9.

* 1. **Internal** **Monitoring**

SES will monitor the activities performed by the CB on a regular basis, at least once a year.