

European Biodiesel Market – Sustainability Certification Information for Growers

MARKET OPPORTUNITY

- Over 85% of canola grown in Canada is exported to world markets such as the U.S., Japan, Mexico and China. Starting in 2011 Europe will require additional feedstock for biodiesel presenting Canadian canola growers and industry with a market opportunity. Meeting export market requirements is important for the canola industry to remain competitive with other countries and other oilseeds.
- Europe already has the world's largest biodiesel industry and the industry is about to double in size. Under European renewable fuel mandates 10% of gasoline and diesel must come from renewable sources by 2020. Canola oil is a prime renewable feedstock to make biodiesel and meet the European biofuel mandate.

REQUIREMENTS IN SUPPLYING THIS NEW MARKET

- The European Union (EU) has implemented the Renewable Energy Directive (RED) which sets out the 10% mandate for biofuels and also important market access criteria to meet the mandate. These criteria must be met by the entire value chain from growers to the biofuel processors.
- Under the RED, all feedstock used to produce biodiesel for the EU market must meet minimum sustainability criteria and be certified as sustainable. This applies to all feedstock produced both in the EU and imported from other countries.
- This means that all canola exported for the RED market must have a certificate of sustainability attached. All growers who choose to supply canola for this market must also be certified.
- The Canadian canola industry has chosen to use the International Sustainability and Carbon Certification (ISCC) system as the first system to certify canola for the EU market. ISCC, a non-profit organization based in Germany, is the largest certification scheme and is active across many countries.

HOW CERTIFICATION WORKS

- To meet the requirements for the RED market, the entire supply chain must be certified. This certification process happens through an audit process.

- Independent auditors that are trained and approved by ISCC conduct audits of the supply chain, including growers, crushing facilities, primary elevators and export terminals, as well as the supply chain in Europe.
- All growers that decide to participate in this export opportunity must be “audit ready”. But, only a small random sample of growers will actually be audited on an annual basis.
- It is very important that the growers selected for the audit pass the audit. If a grower does not pass the audit they will be allowed 40 days to rectify the audit deficiency. If a grower does not rectify the deficiency they will be disqualified from further participation in this export opportunity.

GETTING AUDIT READY

- To participate in this program you must determine whether you can meet the ISCC requirements. Using the “Audit-Ready” checklist of requirements, review and confirm that you have all the required information and documentation and that your practices meet the ISCC standard. Contact your local elevator or crushing plant for further guidance if needed.
- Once you have completed the checklist, contact your canola delivery point. You will need to advise them that you would like to participate in this export opportunity and that you will be able to meet the audit requirements.
- Talk to your canola delivery point about signing the Land Clearance Declaration form and provide a copy to the local delivery point participating in the program.
- You will then wait for instructions from the delivery point as to when canola can be delivered for the purposes of the EU biodiesel export market.

AUDIT-READY CHECKLIST

STEP 1 - Land Clearance Declaration

A key European requirement is that no land used to produce biofuel feedstock has been cleared after January 1, 2008. To be certified, all the land (owned and rented) currently used by a grower for growing all crops and pasture land must have been in production or pasture since January 1, 2008.

Any land area larger than an acre that was in forest, wetlands, peat lands, etc. should not have been cleared after January 1, 2008 to qualify. The clearance of minor areas such as a shelter belt or along an access road will not disqualify a grower from the program.

If you have cleared land since 2008, you will not be able to be certified under this export program.

If you have not cleared any land since January 1, 2008 sign a declaration form and submit it to your delivery point.

A copy of the declaration form is available from your local delivery point.

Signing and submitting this form is a pre-condition to participating in this export program.

STEP 2 – Review Practices and Documents Required

The on-site audit will focus on issues that reflect good environmental and business management practices.

To be prepared for an audit you must have these important documents organized and readily available.

All information provided to an auditor is confidential and may not be shared with any other party. The auditor will use information only to confirm that you meet the requirements of ISCC and to formally certify you.

Below is a list of documents the auditor will request. Please check off whether you have these documents readily available.

	List of Documents	Readily available
1	Copy of signed 'Land Clearance Declaration' that no new land was cleared after January 1, 2008.	
2	Legal description of all land owned or rented.	
3	Copies of land title documents confirming ownership and copies of any land rental agreements or other documents as evidence of land rental.	
4	List of crops and acres grown on each parcel of land for this crop year and the previous two years and which parcels were fallow (if any). <i>Crop insurance or other similar documents can be provided if available.</i>	
5	A document that describes the soil zones for the land farmed. <i>Crop insurance or other similar documents can be provided.</i>	
6	Records of fertilizer and pesticide applications that includes the following: <ol style="list-style-type: none"> 1) Legal Land Description or GPS coordinates 2) Dates of the application (day/month/year) 3) The trade name of product applied, type of fertilizer 4) Rate of application 5) Application equipment used 	
7	Contracts with company for delivery of canola.	
8	Weighbridge tickets from delivery point for each truck of canola delivered.	
9	Contracts with any sub-contractors e.g., custom application pesticides, fertilizer, etc.	
10	Payroll records for any employees.	
11	List of courses or training attended on pesticide and fertilizer use (if any).	

In addition to the documents listed above, please ensure you have access to information on the following farm practices below. This could be part of the audit.

1	TILLAGE - If no-till is used, be prepared to show evidence of it. If no-till is not used describe how soil erosion is minimized.
2	STUBBLE - If stubble is burned, be prepared to show that it is legally permissible in your area.
3	WATER - Ensure that water use meets all regulations.
4	SOIL - Be prepared to have auditors looking for any areas of significant soil damage from compaction.
5	FUEL STORAGE - Be prepared to show that you have legally compliant tank storage for gasoline/diesel. Be sure the area is clean and safe.
6	FERTILIZER – Indicate the following: <ol style="list-style-type: none"> 1) Storage area is not close to water (pond, stream etc), is not at risk of contaminating water sources, and has some type of impenetrable floor 2) Application equipment is accurate (calibrated) and properly maintained 3) Application procedures are safe and do not contaminate groundwater 4) Fertilizer is only applied on absorptive soils (not on frozen or waterlogged areas) 5) Application rates are used to maintain and improve soil nutrient levels
7	PESTICIDES - Be prepared to show that you followed instructions and regulations regarding pesticide use : <ol style="list-style-type: none"> 1) Only products registered in Canada 2) Storage area is safe and secure 3) All products are stored in their original containers 4) Safety gear and protective clothing is on site, clean, and maintained 5) Procedures are clear for any tank washing or disposal of surplus pesticides to ensure groundwater is not contaminated 6) If pesticides are mixed on site, be able to demonstrate safe and efficient handling procedures. 7) Pre-mixed pesticides – you should know loading procedures and disposal of surplus product 8) Show that a spill response kit is handy, in a fixed location with absorbent material (sand), floor brush, dustpan and plastic bags 9) Ensure containers are rinsed completely (triple rinse) and be able to describe this procedure. 10) Be knowledgeable about re-entry times to fields required on the pesticide label to ensure that no one is on the fields after a spray application
8	EMPLOYMENT CONDITIONS – Be prepared to discuss that your farm is in line with the following: <ol style="list-style-type: none"> 1) Provides equal opportunity of employment 2) Does not have any discriminatory employment policies 3) Has no forced labour on the farm 4) Does not prevent workers from joining labour organizations or organize one themselves to collectively bargain, as guaranteed by law 5) Does not use child labour - if minor members of a family work on the farm, the work is legal and not taking away from school time