

Benchmark of Draft RTRS Principles and Criteria (RoundTable on Responsible Soy)

December 2008

Summary

The RoundTable on Responsible Soy (RTRS) published draft principles and criteria which are open for consultation until 15 January 2009. A benchmark has been conducted to assess whether the relevant (draft) RTRS criteria comply with the demands for the RTFO qualifying standard and also whether the criteria meet the full RTFO Sustainable Biofuel Meta-Standard level. Outcomes of the benchmark will be made available to RTRS as part of their stakeholder consultation. The standard owners may wish to take these comments into account to adapt the standard towards full compliance with the RTFO Sustainable Biofuel Meta-Standard.

Two aspects are of importance to determine the quality of a certification scheme and whether it meets the requirements:

- *The criteria and indicators of the sustainability standard;*
- *The auditing quality of the sustainability standard.*

In the case of the draft RTRS standard, only the criteria and indicators are benchmarked as no information on the auditing quality is yet provided. After the current (final) consultation period is closed, a Field Testing Version will be published which will be available for at least 12 months. After this time a first version of the full RTRS Principles and Criteria will be provided by RTRS.

The current RTRS principles and criteria cover nearly all criteria in the RTFO Sustainable Biofuel Meta-Standard, and the standard reaches both the Environmental and Social Qualifying Standard level. It is recommended to the RFA to replace the current temporary approach to allowing reporting on the Basel Criteria with the draft RTRS standard as soon as the Field Testing Version of RTRS becomes available (due early 2009).

As the RTRS principles and criteria are still open for consultation, we recommend RTRS to further specify some criteria in order to obtain full compliance with the RTFO Sustainable Biofuel Meta-Standard.

Background RTRS

RTRS and the RTFO

Since April 2008 the UK Carbon and Sustainability reporting scheme of the RTFO has been operational. The reporting scheme aims to make maximum use of existing voluntary agri-environmental and social accountability schemes. It encourages transport fuel suppliers to demonstrate that their biofuel feedstock is produced in accordance with the RTFO Sustainable Biofuel Meta-Standard through existing certification schemes.

Several sustainability certification schemes have been benchmarked against the RTFO Sustainable Biofuel Meta-Standard to determine which schemes meet the demands of a "Qualifying Standard" level for social and/or environmental criteria - representing an acceptable level of sustainability. Previously, a benchmark has been conducted on the Basel Criteria for Responsible Soy. The Basel criteria and indicators by themselves do not function as a certification scheme, but reporting on a successful audit against the criteria and indicators is temporarily allowed as a 'Qualifying Standard' under the RTFO¹. The RTRS aims to operate as a certification scheme in due time and thereby would replace the temporary solution under the RTFO based on the Basel Criteria.

RTRS development process

The RTRS Development Group published draft principles and criteria on 15 November 2008 after having received comments during two prior public consultation periods. This third and final public consultation document is open for comments until 15 January 2009. The principles and criteria will then be adapted to produce a Field Testing Version, which will be available for at least 12 months, to allow soy producers to test the implementation of requirements and to comment on their findings. Following this, any further required revisions will be made before publishing the first version of the full RTRS Principles and Criteria.

In the current draft some sections are highlighted about which no consensus within the Development group has so far been achieved and for which input from the consultation is helpful. Other sections are highlighted upon which no agreement has been achieved and different options are presented for stakeholders to choose between. Differences in these specific sections have not influenced the benchmark outcomes.

RTRS sustainability principles

The RTRS standard distinguishes five principles and contains criteria, indicators and guidance for producers and verifiers. The five principles are:

¹ See RFA 2008, Technical Guidance on Carbon and Sustainability Reporting Within the Renewable Transport Fuel Obligation, Annex A. Available from: www.renewablefuelsagency.org/

- 1 Legal compliance and good business practice (3 criteria, 5 indicators)
- 2 Responsible labour conditions (5 criteria, 31 indicators)
- 3 Responsible community relations (3 criteria, 6 indicators)
- 4 Environmental responsibility (6 criteria, 13 indicators)
- 5 Good agricultural practice (11 criteria, 30 indicators)

Benchmark results

The draft Principles and Criteria of the RTRS are benchmarked against the demands of the RTFO for a Qualifying Standard and RTFO Sustainable Biofuel Meta-Standard according to rules outlined in Appendices A and B.

Criteria and indicators²

The results of the benchmark are presented in the table below. Details of the benchmark can be found in Appendix C.

Table 1: Benchmark results

	RTRS
P1. Conserve carbon stocks	P
P2. Conserve biodiversity	Y
P3. Soil conservation	Y
P4. Sustainable water use	Y
P5. Air quality	Y
P6. Labour conditions	Y
P7. Land rights and community relation	Y

RTRS meets criteria for six out of seven principles. Only the conservation of carbon stock is only partially represented in the standard. The standard covers both environmental and social criteria from the RTFO very well. In particular labour conditions are covered comprehensively as well as biodiversity and sustainable water use.

To enable RTRS to fully comply with the RTFO Sustainable Biofuel Meta-Standard, some additions would need to be made to the criteria that relate to the following RTFO criteria:

- 1.1: Preservation of above and below ground carbon stocks

² For a description of the methodology, criteria and elements to be benchmarked, cf. Ecofys (2008) Sustainability reporting within the RTFO: Framework report. Available from: www.renewablefuelsagency.org/

- 2.4 (recommendation only): Preservation and/or improvement of surrounding landscape
- 3.3 (recommendation only): Negative effects from the use of agricultural by-products are avoided
- 5.2: No burning as part of land clearing or waste disposal
- 6.2: Contracts
- 6.4: Subcontracting

Recommendations on how to achieve full compliance are presented in the last section of this document.

Audit Quality²

Audit quality has not been benchmarked at this stage as this is not yet provided in the draft standard.

Conclusions and recommendations

Conclusions

As RTRS is currently a standard under development, conclusions only cover the extent to which the *draft* principles, criteria and indicators cover the demands for a Qualifying Standard and the full RTFO Sustainable Biofuel Meta-Standard. *The draft principles, criteria and indicators as published by RTRS for public consultation meet the Environmental and Social 'Qualifying Standard' level for the RTFO.* However, further guidance is necessary on audit quality before the standard can be accepted fully. The standard could potentially cover the full RTFO Sustainable Biofuel Meta Standard if a few criteria are made more specific or are added to the standard.

Recommendations

For the RFA

Several options exist for the RFA to proceed:

- 1** Temporarily accept the RTRS draft criteria as a qualifying standard, until the full version is available; and to:
 - a. Continue to allow the Basel Criteria as a temporary solution, or
 - b. Phase out the Basel Criteria as a temporary solution.
- 2** Wait with acceptance of the RTRS criteria until a Field Testing Version is available (expected duration: several months); and to:
 - a. Continue to allow the Basel Criteria as a temporary solution, or
 - b. Phase out the Basel Criteria as a temporary solution.

- 3** Wait until a first version of the full RTRS principles and criteria becomes available (expected duration: 1.5 years) including clear audit and certification procedures; and to:
- a. Use the Basel Criteria for the time being as a temporary solution.

We recommend option 2: the RFA accept the RTRS draft criteria as a temporary solution as soon as the Field Testing Version is available. This is expected to be available in early 2009. The current version of the draft RTRS could potentially be very short-lived, and would have to be changed early next year if included in the RTFO. When the draft RTRS criteria are accepted as a temporary solution in the RTFO, the Basel Criteria can be phased out (option 2b) as these are not expected to develop to an operational certification scheme, whereas RTRS is.

For RTRS

Although the RTRS criteria cover nearly all RTFO criteria, and RTRS already meets the level for an Environmental and Social Qualifying Standard, the inclusion of the following recommendations would enable RTRS to meet the full RTFO Sustainable Biofuel Meta-Standard:

- Include criteria on preservation of above and below ground carbon stocks: for biodiversity this is covered fairly well, and dates are included as well but a clear reference to carbon stocks is needed to comply with RTFO criterion 1.1.
- Preservation and/or improvement of surrounding landscape (recommendation): although impacts on local society and environment are covered, no clear link to landscape is made.
- Negative effects from the use of agricultural by-products are avoided (recommendation): it needs to be specified whether this is applicable for soy cultivation.
- No burning as part of land clearing or waste disposal: although this is covered well for waste burning, a reference should be made to burning as part of land clearance. Prescribing a risk assessment does not include the avoidance of land clearance by burning per se.
- Contracts: Although many labour conditions are described extensively, no requirements for written contracts are included in the draft standard.
- Subcontracting: some criteria refer to subcontractors as well, but a separate criterion should point out all rights of subcontractors.

In addition, we recommend the RTRS to elaborate on the auditing in a next version of the standard.

References

RTRS (2008) *Draft RTRS Principles and Criteria: Third Public Consultation Document*. Document reference: DG4-OUT-02-ENG Draft RTRS Principles and Criteria for Consultation, 23 October 2008.

RTRS website: www.responsiblesoy.org, consulted November 2008.

RTFO (2008), Carbon and Sustainability Technical Guidance under the RTFO, available at www.renewablefuelsagency.org/

Ecofys (2008), Framework report, available at www.renewablefuelsagency.org/

Appendix A The norm for Qualifying Standards

The following norms were used for the benchmarks.

To become a Qualifying Environmental Standard the following criteria requirements must be met:

- Full compliance with all criteria referring to compliance with national legislation (2.1, 3.1, 4.1, 5.1)
- On all principles one 'partial compliance' criterion is permitted per principle, with a maximum of three in total.

To achieve the level of the Environmental RTFO Sustainable Biofuel Meta-Standard, all environmental minimum requirement criteria must be complied with.

Full compliance with a criterion is only awarded if the RTFO criterion is met by a corresponding mandatory criterion in the benchmarked standard.

To become a Qualifying Social Standard the following criteria requirements must be met:

- Of the 11 minimum requirement criteria of principle 6, 7 must be fully complied with
- On principle 7 on land right issues and community relations, one partial compliance is permitted.

To achieve the level of the Social RTFO Sustainable Biofuel Meta-Standard, all social minimum requirement criteria must be complied with.

Full compliance with a criterion is only awarded if the RTFO criterion is met by a corresponding mandatory criterion in the benchmarked standard.

Appendix B Guidance on compliance with criteria

In the benchmark performed on the criteria and indicators of existing standards against the RTFO Sustainable Biofuel Meta-Standard criteria and indicators three scores have been assigned:

- Y: Yes the RTFO criterion and its indicators are sufficiently met by the benchmarked standard
- X: No the RTFO criterion and its indicators are not or insufficiently met by the benchmarked standard
- P: indicating that the RTFO criterion and its indicators are partially met by the benchmarked standard. There can be three reasons for this:
 - Of the various indicators for one criterion several are met and several are not met
 - The subject covered by a criterion is addressed but in a less stringent manner. For example, several standards state that destruction of primary forest is forbidden but do not give a reference year. As the reference year is considered important this leads to a partial compliance score "P"
 - The RTFO Meta-Standard indicators are fully met by the benchmarked standard but are not mandatory for certification.

All Ps and Xs form gap criteria. In order to be able to claim the full RTFO Sustainable Biofuel Meta-Standard, successful supplementary checks on all gap criteria of the Qualifying Standard are required.

Supplementary checks can also be used to comply with gap criteria between a non-qualifying benchmarked standard and the Qualifying Standard level, or indeed to comply with gap criteria between a non-Qualifying Standard and the full RTFO Sustainable Biofuel Meta-Standard level.

Appendix C Detailed benchmark of criteria

Table 2: Detailed results of benchmark environmental criteria RTRS

Principles and Criteria		RTRS
P 1. Carbon Conservation		
C 1.1 Preservation of above and below ground carbon stocks (reference date 01-11-2005).	P	4.3: 4.3.2: may be further developed (p. 14) 4.5: 4.5.1-4.5.4 (carbon stock as such not mentioned)
P2. Biodiversity conservation		
C 2.1 Compliance with national laws and regulations relevant to biomass production and the area where biomass production takes place.	Y	1.1: 1.1.1 / 1.1.2 1.2: 1.2.1
C 2.2 No conversion of high biodiversity areas after 01-11-2005	Y	4.5: 4.5.1-4.5.4 (although dates differ)
C 2.3 Identification and conservation of important biodiversity on and around the production unit.	Y	4.1: 4.1.1 / 4.1.2 4.4: 4.4.1-4.4.3 4.6: 4.6.1
<i>Recommendations</i>		
2.4 Preservation and/or improvement of surrounding landscape	P	4.1: 4.1.1 / 4.1.2 (no landscape impact mentioned)
P3. Soil conservation		
C 3.1 Compliance with national laws and regulations relevant to soil degradation and soil management.	Y	1.1: 1.1.1 / 1.1.2 1.2: 1.2.1 5.7: 5.7.1 5.8: 5.8.1
C 3.2 Application of best practices to maintain and improve soil quality. o Erosion control o Soil nutrient balance o Soil organic matter o Prevention of salinisation o Soil structure	Y	5.4: 5.4.1-5.4.3 5.8: 5.8.2
<i>Recommendations</i>		
C 3.3 The use of agricultural by-products does not jeopardize the function of local uses of the by-products, soil organic matter or soil nutrients balance.	P	4.3: 4.3.2 (by-production not specifically mentioned)
P 4. Sustainable Water Use		
C 4.1 Compliance with national laws and regulations relevant to contamination and depletion of water sources.	Y	1.1: 1.1.1 / 1.1.2 1.2: 1.2.1 5.8: 5.8.1
C 4.2 Application of <i>best practices</i> to reduce water usage and to maintain and improve water quality.	Y	5.1: 5.1.1-5.4.3 5.2: 5.1.1-5.4.3 5.3: 5.1.1-5.4.3
<i>Recommendations</i>		
4.2 b Records	Y	5.1: 5.1.2 / 5.2: 5.2.1 / 5.3: 5.3.1 / 5.4: 5.4.1 / 5.5: 5.5.4
P5. Air quality		
C 5.1 Compliance with national laws and regulations relevant to air emissions and burning practices	Y	1.1: 1.1.1 / 1.1.2 1.2: 1.2.1
C 5.2 No burning as part of land clearing or waste disposal	P	4.6: 4.6.1 (risk assessment) 4.2: 4.2.1 (no burning of crop residues/waste) Land clearing not mentioned

Table 3: Detailed results of benchmark social criteria RTRS

Principles and Criteria		RTRS
P6. Workers rights and working relationships		
C 6.1 Compliance with national laws concerning working conditions and workers rights	Y	1.1: 1.1.1 / 1.1.2 1.2: 1.2.1
C 6.2 Contracts	N	Contract as such is not mentioned
C 6.3 Provision of information	Y	2.2: 2.2.1 / 2.2.2
C 6.4 Subcontracting	P	2.2: 2.2.1 / 2.2.2 Some criteria cover subcontractors, but not explicitly mentioned
C 6.5 Freedom to associate and bargain	Y	2.4: 2.4.1-2.4.4
C 6.6 Child labour	Y	2.1: 2.1.4 / 2.1.5
C 6.7 Young workers (15-17)	Y	2.1: 2.1.4
C 6.8 Health and Safety	Y	2.2: 2.2.1 / 2.2.2 2.3: 2.3.1-2.3.8
C 6.9 Wages	Y	2.5: 2.5.1 / 2.5.2
C 6.10 Discrimination	Y	2.1: 2.1.6 / 2.1.7
C 6.11 Forced labour	Y	2.1: 2.1.1 / 2.1.2 / 2.1.3
<i>Recommendations</i>		
C 6.12 Working hours	Y	2.5: 2.5.3- 2.5.6
P 7 Land right issues and community relations		
C 7.1 Land right issues	Y	1.2: 1.2.1
C 7.2 Consultation and communication local stakeholders	Y	1.3 (optional): 1.3.1 3.1: 3.1.1 / 3.1.2 3.2: 3.2.1 3.3: 3.3.1