
# KZR INiG System/1

# Description of the KZR INiG System– general rules

By the Oil and Gas Institute – National Research Institute

## List of consent

# 1. Introduction

This document describes biofuels, bioliquids and biomass fuels certification system (hereafter referred to as the **KZR INiG System** or **System or KZR INiG**). The rules of the KZR INiG System are based on the requirements stated in Directive 2018/2001 of the European Parliament and of the Council of 11 December 2018, on the promotion of the use of energy from renewable sources (RED II) as amended by Directive 2023/2413 of the European Parliament and of the Council of 18 October 2023 amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652 (RED III). The requirements of the KZR INiG System are in line with the aims defined in the Directive, and they also take into account local conditions.

Implementation of the KZR INiG System provides economic operators, operating in the supply chain of biofuels, biomass fuels and bioliquids, with the possibility to prove that they meet sustainability criteria, according to the requirements of Directive (EU) 2018/2001as amended by Directive (EU) 2023/2413 (RED III).

The KZR INiG System recognises the same version and scope of the voluntary schemes that are recognised by the EC in the context of the Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413 (RED III). KZR INiG System recognises the scope of the voluntary scheme that the EC recognises in this context. Where the scope of schemes differs, the KZR INiG differentiates the claims based on the scope of the voluntary scheme they are recognising. Where part of the supply chain relies on other voluntary schemes, KZR INIG accepts evidence of voluntary schemes recognised in accordance with Article 30(4) of Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413, only to the extent of the scope of their recognition. Where the scope of KZR INiG differs with other EC-recognised schemes, KZR INiG 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 “RED III compliant” claim.

The KZR INiG participants are obliged to verify the scope of certification of supplier’s scheme to ensure that the supplier is entitled to issue RED III compliant claim for products. The list of approved schemes is published on the EC website, link is provided on www.kzr.inig.eu.

The Commission may recognise national schemes for compliance with the conditions set out in Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413. The KZR INiG System shall not refuse recognition with those schemes as regards the verification of compliance with the sustainability criteria set out in Articles 29(2) to (7) and (10) and the GHG savings thresholds

set in Article 29a of Directive RED III and with the criteria for certification of low ILUC-risk biofuels, bioliquids and biomass fuels set out in Delegated Regulation (EU) 2019/807.
The Commission is able to recognise voluntary schemes as containing accurate data for the purposes of Article 29(10) and Article 29a of RED III and to demonstrate that biofuels, bioliquids and biomass fuels produced from agricultural biomass comply with the sustainability criteria in Articles 29(2)-(5) of RED III. The Commission is able to recognise voluntary schemes as containing accurate data for the purposes of Article 29(6)-(7) of RED III to demonstrate that biofuels, bioliquids and biomass fuels produced from forest biomass comply with the sustainability criteria in Articles 29(6)-(7) of RED III.

## 2. Normative references

The normative references, covering all aspects of the KZR INiG System, are the following linked documents, which should be read in conjunction.

*KZR INiG System /1/ Description of the KZR INiG System – general rules*
*KZR INiG System /2/ Definitions*
*KZR INiG System /3/ Reference with national legislation*
*KZR INiG System /4/ Land use for raw materials production – lands with high carbon stock*
*KZR INiG System /5/ Land use for raw materials production - biodiversity*
*KZR INiG System /6/ Land use for raw materials production – agricultural and environmental requirements and standards*
*KZR INiG System /7/ Guidance for proper functioning of mass balance system*
*KZR INiG System /8/ Guidelines for the determination of the lifecycle per unit values of GHG emissions for biofuel, biomass fuels and bioliquids*
*KZR INiG System /9/ Requirements for certification bodies*
*KZR INiG System /10/ Guidelines for auditor and conduct of audit*
*KZR INiG System /11/ Forest biomass*
*KZR INiG System/12/ Renewable Fuels of non-biological origin and recycled carbon fuels*

## 3. Definitions

*System KZR INiG/2/Definitions*

## 4. Scope of the KZR INiG System

**Type of fuels:**

- biomass;
- biofuels;

- biomass fuels;
- biogas;
- bioliquids;
- advanced biofuels;
- recycled carbon fuels;
- mixed (fossil and bio-origin) municipal waste based fuels[1];
- fuels based on biofraction from waste;
- renewable fuels of non-biological origin.

Thus, the certification is performed according to following certification pathways:

- biofuels and bioliquids;
- biomass fuels;
- recycled carbon fuels;
- renewable fuels of non-biological origin.

The economic operator (EO) may be certified according to one of four certification pathways parallel.

**Type of feedstock**

The KZR INiG covers **all raw materials** used in production of biofuels, bioliquids and biomass fuels, recycled carbon fuels and renewable of non-biological origin.

**Geographic coverage**

The KZR INiG **is a global** voluntary scheme (VS). Within the framework of the KZR INiG System raw materials cultivated and harvested **worldwide** as well as waste and residue collected worldwide and feedstock, biofuels, bioliquids and biomass fuels produced **all over the world** will be assessed for conformity with sustainability criteria.

**Chain of custody coverage**

The whole life cycle of biofuels, bioliquids and biomass fuels will be assessed starting from the stage of raw material acquisition to the stage of final usage considering all the inter-linkages in the supply chain.

- Besides of defining the pathway, the EO is obliged to declare certification scope(s) which are coded:

[1] Can be certified as RCF

| No. | Code | Scope |
|---|---|---|
| 1. | PO | Point of origin |
| 2. | FA | Farm / Plantation |
| 3. | FGCS | First gathering point of biomass grown/harvested on farms/plantations with storage |
| 4. | FGCW | First gathering point of biomass grown/harvested on farms/plantations without storage |
| 5. | FGWS | First gathering point of waste/residue material not grown/harvested on farms/plantations with storage |
| 6. | FGWW | First gathering point of waste/residue material not grown/harvested on farms/plantations without storage |
| 7. | FGAS | First gathering point of agricultural waste/residue with storage |
| 8. | FGAW | First gathering point of agricultural waste/residue without storage |
| 9. | FGFS | First gathering point of forest biomass with storage |
| 10. | FGFW | First gathering point of forest biomass without storage |
| 11. | OM | Oil mill |
| 12. | SM | Sugar mill |
| 13. | DT | Distillery |
| 14. | EP | Bioethanol plant |
| 15. | ET | ETBE plant |
| 16. | BP | Biodiesel plant |
| 17. | HVO | HVO plant |

| | | |
|---|---|---|
| 18. | HP | Hydroprocessing plant |
| 19. | MT | MTBE plant |
| 20. | HCAR | Biohydrocarbon production plant |
| 21. | LPG | BioLPG plant |
| 22. | LP | Liquefaction plant |
| 23. | BG | Biogas plant |
| 24. | BM | Biomethane plant |
| 25. | OT | Other processing unit |
| 26. | CPP | Co-processing plant |
| 27. | FS | Final fuel supplier to the market in a member state |
| 28. | IPER | Installation producing energy electricity, heat or cooling |
| 29. | IPET | Installation producing energy, heat or cooling for technology purposes |
| 30. | ML | Biomethanol plant |
| 31. | MP | Melting plant |
| 32. | MRP | Mechanical recycling plant |
| 33. | PB | Packaging/Blending |
| 34. | PM | Pulp mill |
| 35. | PBP | Pyrolysis plant |
| 36. | RP | Rendering plant |
| 37. | SC | Steam cracking, steam reforming |

| | | |
|---|---|---|
| 38. | TR | Trader without storage |
| 39. | TRS | Trader with storage |
| 40. | TW | Treatment plant for waste/residue |
| 41. | RCF | Recycled carbon fuel producer |
| 42. | RNBO | Renewable fuels of non-biological origin producer; |
| 43. | LQ | Bioliquid producer |
| 44. | SAW | Sawmill |
| 45. | SB | Solid biomass fuel producer |
| 46. | MWF | Mixed waste fuels producer (RDF, SRF) |
| 47. | WH | Warehouse |
| 48. | INT | Intermediaries |

Specific case of fuel is bio-hydrogen which can be produced according to two different pathways: biomass fuel and renewable fuels of non-biological origin.

**The KZR INiG System** includes economic operators (see the definition *KZR INiG System/2*) and legal owners of sustainable materials. The only exception is the case of biogas/biomethane trading where biogas/biomethane is sold to natural gas operator (e.g., due to national regulation requirements) and the same amount of natural gas declared as biogas/biomethane is bought by recipient. Sustainability declaration with whole sustainability characteristic is transferred directly from biogas/biomethane producer to the recipient, whether there are other brokers between biogas/biomethane plant and final recipient.

A company is permitted to forwards products as sustainable only if a certificate is active on KZR INiG website.

**Double counting (of biofuels towards Member States' national targets) is the decision of the Member States and not the KZR INiG System. The responsibility of the KZR INiG System is to ensure that information on the feedstock is passed down the chain.**

# 5. Criteria of the KZR INiG System

According to the KZR INiG System, the following criteria are to be met regarding corresponding stages of the biofuels, biomass fuels and bioliquids lifecycle, irrespective of the geographical origin of the biomass:

1. Biofuels, bioliquids and biomass fuels produced from agricultural waste and residues shall be taken into account for the purposes referred to Article 29 in points (a), (b) and (c) of the first subparagraph of paragraph 1 of the RED III only where operators or national authorities have monitoring or management plans in place in order to address the impacts on soil quality and soil carbon. Information about how those impacts are monitored and managed shall be reported pursuant to Article 30(3) of the RED III.

2. Biofuels, bioliquids and biomass fuels produced from agricultural biomass taken into account for the purposes referred to Article 29 in points (a), (b) and (c) of the first subparagraph of paragraph 1 of the RED III shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:

   (a) primary forest and other wooded land, namely forest and other wooded land of native species, where there is no clearly visible indication of human activity, and the ecological processes are not significantly disturbed and old growth forests as defined in the country where the forest is located;

   (b) highly biodiverse forest and other wooded land which is species-rich and not degraded, or has been identified as being highly biodiverse by the relevant competent authority, unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes;

   (c) areas designated:

      (i) by law or by the relevant competent authority for nature protection purposes; or

      (ii) for the protection of rare, threatened, or endangered ecosystems or species recognised by international agreements or included in lists drawn up by intergovernmental organisations or the International Union for the Conservation of Nature, subject to their recognition in accordance with the first subparagraph of Article 30(4) of the RED III;

   unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes;

   (d) highly biodiverse grassland spanning more than one hectare that is:

(i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or

(ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority, unless evidence is provided that the harvesting of the raw material is necessary to preserve its status as highly biodiverse grassland.

(e) heathland

If in the applicable Member State or third county an official definition of heathland exists, then that definition shall prevail. In the absence of such a definition, then the definition provides in System KZR INiG/2 document shall be applied.

Please follow the document System KZR INiG/5 point 3 in order to apply appropriate definition of heathland.

Where the conditions set out in paragraph 5, points (a)(vi) and (vii), are not met, the first subparagraph of this paragraph, with the exception of point (c), also applies to biofuels, bioliquids and biomass fuels produced from forest biomass.

3. Biofuels, bioliquids and biomass fuels produced from agricultural biomass taken into account for the purposes referred to in points (a), (b) and (c) of the first subparagraph of paragraph 1 of the RED III shall not be made from raw material obtained from land with high-carbon stock, namely land that had one of the following statuses in January 2008 and no longer has that status:

(a) wetlands, namely land that is covered with or saturated by water permanently or for a significant part of the year;

(b) continuously forested areas, namely land spanning more than one hectare with trees higher than five metres and a canopy cover of more than 30 %, or trees able to reach those thresholds in situ;

(c) land spanning more than one hectare with trees higher than five meters and a canopy cover of between 10 % and 30 %, or trees able to reach those thresholds in situ, unless evidence is provided that the carbon stock of the area before and after conversion is such that, when the methodology laid down in Part C of Annex V of the RED III is applied, the conditions laid down in paragraph 10 of Article 29 of RED III would be fulfilled.

The provisions of this paragraph shall not apply if, at the time the raw material was obtained, the land had the same status as it had in January 2008.

Where the conditions set out in paragraph 5, points (a)(vi) and (vii), are not met, the first subparagraph of this paragraph, with the exception of points (b) and (c), and the second subparagraph of this paragraph also apply to biofuels, bioliquids and biomass fuels produced from forest biomass.

4. Biofuels, bioliquids and biomass fuels produced from agricultural biomass taken into account for the purposes referred to in points (a), (b) and (c) of the first subparagraph of paragraph 1 of RED III shall not be made from raw material obtained from land that was peatland in January 2008, unless evidence is provided that the cultivation and harvesting of that raw material does not involve drainage of previously undrained soil.

   Where the conditions set out in paragraph 5, points (a)(vi) and (vii), are not met, this paragraph also applies to biofuels, bioliquids and biomass fuels produced from forest biomass.

5. Biofuels, bioliquids and biomass fuels produced from forest biomass taken into account for the purposes referred to in points (a), (b) and (c) of the first subparagraph of paragraph 1 of RED III shall meet the following criteria to minimise the risk of using forest biomass derived from unsustainable production:

   (a) the country in which forest biomass was harvested has national or sub-national laws applicable in the area of harvest as well as monitoring and enforcement systems in place ensuring:

      (i) the legality of harvesting operations;

      (ii) forest regeneration of harvested areas;

      (iii) that areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands, grassland, heathland and peatlands, are protected with the aim of preserving biodiversity and preventing habitat destruction;

      (iv) that harvesting is carried out considering maintenance of soil quality and biodiversity in accordance with sustainable forest management principles, with the aim of preventing any adverse impact, in a way that avoids harvesting of stumps and roots, degradation of primary forests, and of old growth forests as defined in the country where the forest is located, or their conversion into plantation forests, and harvesting on vulnerable soils, that harvesting is carried out in compliance with maximum thresholds for large

clear-cuts as defined in the country where the forest is located and with locally and ecologically appropriate retention thresholds for deadwood extraction and that harvesting is carried out in compliance with requirements to use logging systems that minimise any adverse impact on soil quality, including soil compaction, and on biodiversity features and habitats.

Please follow the document System KZR INiG/11 point 3 in order to apply appropriate definition of old growth forest.

(v) that harvesting maintains or improves the long-term production capacity of the forest;

(vi) that forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in paragraph 2, points (a), (b), (d) and (e), paragraph 3, point (a), and paragraph 4, respectively under the same conditions of determination of the status of land specified in those paragraphs; and

(vii) that installations producing biofuels, bioliquids and biomass fuels from forest biomass, issue a statement of assurance, underpinned by company-level internal processes, for the purpose of the audits conducted pursuant to Article 30(3), that the forest biomass is not sourced from the lands referred to in point (vi) of this subparagraph.

(b) when evidence referred to in point (a) of this paragraph is not available, the biofuels, bioliquids and biomass fuels produced from forest biomass shall be taken into account for the purposes referred to in points (a), (b) and (c) of the first subparagraph of paragraph 1 if management systems are in place at forest sourcing area level ensuring:

(i) the legality of harvesting operations;

(ii) forest regeneration of harvested areas;

(iii) that areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands, grasslands, heathlands and peatlands, are protected with the aim of preserving biodiversity and preventing habitat destruction, unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes;

(iv) that harvesting is carried out considering maintenance of soil quality and biodiversity in accordance with sustainable forest management principles, with the aim of preventing any adverse impact, in a way that avoids

harvesting of stumps and roots, degradation of primary forests, and of old growth forests as defined in the country where the forest is located, or their conversion into plantation forests, and harvesting on vulnerable soils, that harvesting is carried out in compliance with maximum thresholds for large clear-cuts as defined in the country where the forest is located and with locally and ecologically appropriate retention thresholds for deadwood extraction and that harvesting is carried out in compliance with requirements to use logging systems that minimise any adverse impact on soil quality, including soil compaction, and on biodiversity features and habitats; and

(v) that harvesting maintains or improves the long-term production capacity of the forest;

(vi) that forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in paragraph 2, points (a), (b), (d) and (e), paragraph 3, point (a), and paragraph 4, respectively under the same conditions of determination of the status of land specified in those paragraphs.

6. Biofuels, bioliquids and biomass fuels produced from forest biomass taken into account for the purposes referred to in points (a), (b) and (c) of the first subparagraph of paragraph 1 of RED III shall meet the following land-use, land-use change and forestry (LULUCF) criteria:

(a) the country or regional economic integration organisation of origin of the forest biomass is a Party to the Paris Agreement and:

(i) it has submitted a nationally determined contribution (NDC) to the United Nations Framework Convention on Climate Change (UNFCCC), covering emissions and removals from agriculture, forestry and land use which ensures that changes in carbon stock associated with biomass harvest are accounted towards the country's commitment to reduce or limit greenhouse gas emissions as specified in the NDC; or

(ii) it has national or sub-national laws in place, in accordance with Article 5of the Paris Agreement, applicable in the area of harvest, to conserve and enhance carbon stock sand sinks, and provides evidence that reported LULUCF-sector emissions do not exceed removals;

(b) where evidence referred to in point (a) of this paragraph is not available, the biofuels, bioliquids and biomass fuels produced from forest biomass shall be taken into account for the purposes referred to in points (a), (b) and (c) of the first subparagraph of

paragraph 1 if management systems are in place at forest sourcing area level to ensure that carbon stocks and sinks levels in the forest are maintained, or strengthened over the long term.

7. Biomass fuels shall fulfil the sustainability and greenhouse gas emissions saving criteria laid down in paragraphs 2 to 7 and 10 of Article 29 RED III if used:

(a) in the case of solid biomass fuels, in installations producing electricity, heating and cooling with a total rated thermal input equal to or exceeding 7,5 MW;

(b) in the case of gaseous biomass fuels, in installations producing electricity, heating and cooling with a total rated thermal input equal to or exceeding 2 MW;

(c) in the case of installations producing gaseous biomass fuels with the following average biomethane flow rate:

i. above 200 $m^3$ methane equivalent/h measured at standard conditions of temperature and pressure, namely 0 °C and 1 bar atmospheric pressure;
ii. if biogas is composed of a mixture of methane and non-combustible other gas, for the methane flow rate, the threshold set out in point (i), recalculated proportionally to the volumetric share of methane in the mixture.

8. The greenhouse gas emission saving from the use of biofuels, bioliquids and biomass fuels shall be:
   (a) at least 50 % for biofuels, biogas consumed in the transport sector, and bioliquids produced in installations in operation on or before 5 October 2015;
   (b) at least 60 % for biofuels, biogas consumed in the transport sector, and bioliquids produced in installations starting operation from 6 October 2015 until 31 December 2020;
   (c) at least 65 % for biofuels, biogas consumed in the transport sector, and bioliquids produced in installations starting operation from 1 January 2021;
   (d) at least 80 %; for electricity, heating and cooling production from biomass fuels used in installations that started operating after 20 November 2023;
   (e) for electricity, heating and cooling production from biomass fuels used in installations with a total rated thermal input equal to or exceeding 10 MW that started operating between 1 January 2021 and 20 November 2023, at least 70 % until 31 December 2029, and at least 80 % from 1 January 2030;
   (f) for electricity, heating and cooling production from gaseous biomass fuels used in installations with a total rated thermal input equal to or lower than 10 MW that started

operating between 1 January 2021 and 20 November 2023, at least 70 % before they have been operating for 15 years, and at least 80 % after they have been in operation for 15 years;

(g) for electricity, heating and cooling production from biomass fuels used in installations with a total rated thermal input equal to or exceeding 10 MW that started operating before 1 January 2021, at least 80 % after they have been operating for 15 years, at the earliest from 1 January 2026 and at the latest from 31 December 2029;

(h) for electricity, heating and cooling production from gaseous biomass fuels used in installations with a total rated thermal input equal to or lower than 10 MW that started operating before 1 January 2021, at least 80 % after they have been operating for 15 years and at the earliest from 1 January 2026.

9. Energy from renewable fuels of non-biological origin shall be counted towards Member States' shares of renewable energy and the targets referred to in Articles 3(1), 15a(1), 22a(1), 23(1), 24(4) and 25(1) only if the greenhouse gas emissions savings from the use of those fuels are at least 70 %. The emissions savings shall be calculated according to Delegated Regulation (COM DA referred to in Article 28(5) of RED III) 2023/1185.

10. Energy from recycled carbon fuels may be counted towards the targets referred to in Article 25(1), first subparagraph, point (a), only if the greenhouse gas emissions savings from the use of those fuels are at least 70 %. The emissions savings shall be calculated according to Delegated Regulation 2023/1185.

    An installation shall be considered to be in operation once the physical production of fuel, heat or cooling, or electricity has started (i.e., once the production of fuels including biofuels, biogas or bioliquids, or production of heat, cooling or electricity from biomass fuels has started). Installation tests and commissioning are not included.

    Electricity, heating, and cooling produced from municipal solid waste shall not be subject to the greenhouse gas emissions saving criteria. If biomass is used for technological purposes e.g., in the construction industry, and the certification is required due to the legal reasons, (e.g., EU ETS), GHG emissions criteria do not apply.

    The sustainability and greenhouse gas emissions saving criteria shall apply irrespective of the geographical origin of the biomass.

11. Agricultural raw materials cultivated in the Community and used for the production of biofuels and bioliquids shall be obtained in accordance with the requirements and standards under the provisions referred to under the heading 'Environment' in part A and in point 9 of Annex II to Council Regulation (EC) No 73/2009 of 19 January 2009 establishing

common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers (OJ L 30, 31.1.2009, p. 16.) and in accordance with the minimum requirements for good agricultural and environmental condition defined pursuant to Article 6(1) of that Regulation.

Therefore, mentioned criteria, summarized below, are described in the following system documents:

1. Biofuels, bioliquids and biomass fuels have not been manufactured from raw materials obtained from lands with high carbon stock or from peatlands. These requirements are described in detail in document ***KZR INiG System/ 4/Land use for raw materials production – lands with high carbon stock.***

2. Biofuels, bioliquids and biomass fuels have not been manufactured from raw materials obtained from areas with high biodiversity. These requirements are described in detail in document ***KZR INiG System/ 5/Land use for raw materials production – biodiversity***.

3. Agricultural raw materials for production of biofuels, bioliquids and biomass fuels, have been obtained according to the requirements and standards establishing common rules for direct support systems for farmers within the framework of common agricultural policy, and according to the minimum requirements on good agricultural practice consistent with nature protection. These requirements are described in detail in document ***KZR INiG System/ 6/Land use for raw materials production – agricultural and environmental requirements and standards***.

4. In order to ensure traceability of a biomass (processed biomass) batch meeting the sustainability criteria and one which does not meet them, an economic operator who uses biomass (processed biomass) is obliged to implement a mass balance system. These requirements are described in detail in document ***KZR INiG System/ 7/Guidance for proper functioning of mass balance system***.

5. The reduction potential of greenhouse gases emissions for biofuels, bioliquids and biomass fuels and of intensity of greenhouse gases emissions for biomass (processed biomass) at the individual stages of its processing has been defined according to the methodology stated in Annex V to RED. These requirements are described in detail in document ***KZR INiG System/ 8/Guidelines for the determination of the lifecycle per unit values of GHG emissions for biofuels, biomass fuels and bioliquids***.

6. References in the KZR INiG System to national legislation are shown in document ***KZR INiG System/ 3/Reference with national legislation.***

7. Rules dedicated to forest biomass are shown in document ***KZR INiG System/11/ Forest biomass.***

The certificate issued by the certification body (CB) authorized by the KZR INiG System Administrator is a document confirming compliance with the above-mentioned criteria. Issuing such a certificate is preceded by an audit, during which evidence of meeting of the above criteria by the economic operator being subject to the certification process is assessed. Certification bodies (CB's) as well as auditors carrying out the audit shall be characterized by high professionalism, required knowledge, and competency. Requirements and guidelines for such bodies operating within the framework of the KZR INiG System are presented in the documents: ***KZR INiG System/9/Requirements for certification bodies*** and ***KZR INiG System/10/Guidelines for auditor and conduct of audit***.

## 6. Structure of the KZR INiG System

The KZR INiG System is owned and administered by the "Oil and Gas Institute - National Research Institute located in Cracow, represented by the Director of the Institute. "The Oil and Gas Institute – National Research Institute" and the "System Administrator" are equivalent terms assigned to the same entity. The System Administrator is the operator having the right to administer the certification system and is obliged to ensure **independence, transparency,** and **avoidance of conflicts of interests** between the system participants and certification bodies. The System Administrator signs agreements with:

- economic operators who intend to participate in the KZR INiG System,
- certification bodies that, after positive results of assessment (see *KZR INiG System /9/ Requirements for certification bodies)*, are named as authorized certification bodies.

The agreements oblige the parties among others, to comply with the KZR INiG documents. It means that economic operator agrees to respect all rules defined in the documents listed in a point 2 of this document, including in particular supervision by MSs as it is defined in the point 9 of this document. It applies also to certification bodies.

**The Biomass Certification Systems Office** (the BCSO)

is a division of the Oil and Gas Institute – National Research Institute (System Administrator) responsible for supervision and development of the System. The main task of this division is to supervise records and documents of the KZR INiG System and to apply the System's resolutions. Moreover, the BCSO is responsible for improving and developing the scheme's documents as well as prepares and organizes trainings. The BCSO collects biomass quantity reports from the

system's participant, supervises data, prepares, and sends an annual report for the EC according to the RED III Directive.

**The Management of the Biomass Certification Systems Office**, which is set up by System Administrator manages the KZR INiG System Office according to the Institute's internal rules (the Management means the Manager of the Office and/or deputy Manager in case of absence of Manager). The Management has decisive powers in relation to the System; The Management is responsible for assessment and authorizing the certification body, concerned with implementing the KZR INiG System to their structures. They supervise certifying bodies within the framework of the System. The Management is responsible for planning and preparing time schedules for supervision over authorized certification bodies (see point *5.3 of KZR INiG/9*). The Management assigns KZR INiG auditors to carry out audits (according to point 5.2 and 5.3 of *KZR INiG System/9)* at certification bodies (CB's).

The BCSO approves and supervises certification bodies and supervises certified companies. Thus, ensuring independence and avoiding conflict of interest is the main principle of the Office. The BCSO cannot be engaged in activity such as consulting, research for certification bodies and certified companies according to the KZR INiG System. It applies to companies which have had a business relationship with the BCSO over the past three years.

The Management of the Biomass Certification Systems Office is also entitled to appoint the audit team to carry out an "internal monitoring audit".

The Manager is responsible for setting directions for the development of the KZR INiG System and communication and cooperation with the System Administrator, system participants, certification bodies, System Council and interested parties.

The KZR INiG System has a documentation management system that addresses each of the following elements:

- general management system documentation (e.g., manual, policies, definition of responsibilities);
- control of documents; control of records;
- management review of management system;
- internal audit covering KZR INiG certification;
- procedures for identification and management of non-conformities; and
- 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.

**The KZR INiG System Council**, called "**the Council**" in all System documents comprises from 5 to 10 members (experts, e.g., external experts, industry representatives, associations, academia, NGOs, representatives of government, representatives of certification bodies). Members of the Council must:

- be external and impartial (staff of the Oil and Gas Institute- National Research Institute cannot be a member of the Council);
- not be representatives of institutions supervising KZR INiG;
- have appropriate skills and experience connected with the fuel, biofuel and biomass fuel industry, agriculture, land-use, sustainability criteria, forestry/forest biomass.

Candidates for membership are proposed by the Management of the Biomass Certification Office. Candidates can be either invited by KZR INiG or proposed by external entities. Candidates are evaluated for compliance with the requirements and finally appointed by the Director of the Oil and Gas Institute - National Research Institute. Members are selected such that each party will have representatives and no party predominates. Decisions shall only be taken where a quorum of the majority of stakeholders is reached. This approach ensures that no individual stakeholder, having a vested interest in the outcome of a decision, can have decisive influence on that particular decision.

The term of Council membership is two and a half years.

The Council meets at least twice a year. In cases of urgency the Council communicates electronically. Additionally, meetings of the Council can be organized at the request of any member. The main tasks of the Council are **supervision over independence, transparency, avoiding conflicts of interests** between the system participants and certification bodies, examination of complaints. Activity of the Council has also an advisory character and allows the engagement of independent external experts to provide advice on technical issues. The Council proposes directions for the development of the KZR INiG System.

Supervision over independence, transparency, avoiding conflict of interests is performed according to the following scheme: at least once a year, the Manager of the BCSO presents a report covering existing BCSO procedures and mechanisms proving independency, transparency of the scheme.
Implemented procedures and good practices are assessed by the members of the Council. The report also covers activities of the BCSO's staff that may have an impact on independence and conflicts of interest, indicated complaints about the scheme. Events (both, organized by the KZR

INiG and external entities) in which the staff of the BCSO participated are also covered by the report. The Council assesses if activities of the KZR INiG do not impact the impartiality of the scheme, not only on the basis of the report, but also based on their own remarks.

Findings from the Council meetings are always included in minutes. The minutes shall be accepted by each member of the Council and signed by the chairman of the Council.

Certification bodies **are not participants of the KZR INiG System**. Certification bodies task is to evaluate data submitted by economic operators and verify compliance with the requirements of the KZR INiG System. CBs are:

- impartial, independent organizations with freedom of economic activities;
- operating within the framework adopted by that body;
- recognised by the certification system;
- are authorized to:
  - issue KZR INiG certificates and to carry out control and management of processes,
  - ensure conformity with the KZR INiG System requirements by system participants.

All relevant requirements for certification bodies and audits are described in the following System documents: ***KZR INiG System /9/ Requirements for certification bodies*** and ***KZR INiG System /10/ Guidelines for auditor and conduct of audit***.

Cooperation between CBs and the KZR INiG System includes:

- First audit of conformity of System implementation;
- Surveillance audit;
- Verification according to the internal monitoring system;
- Trainings.

The structure of the KZR INiG System is shown diagrammatically in the figure 1. below:

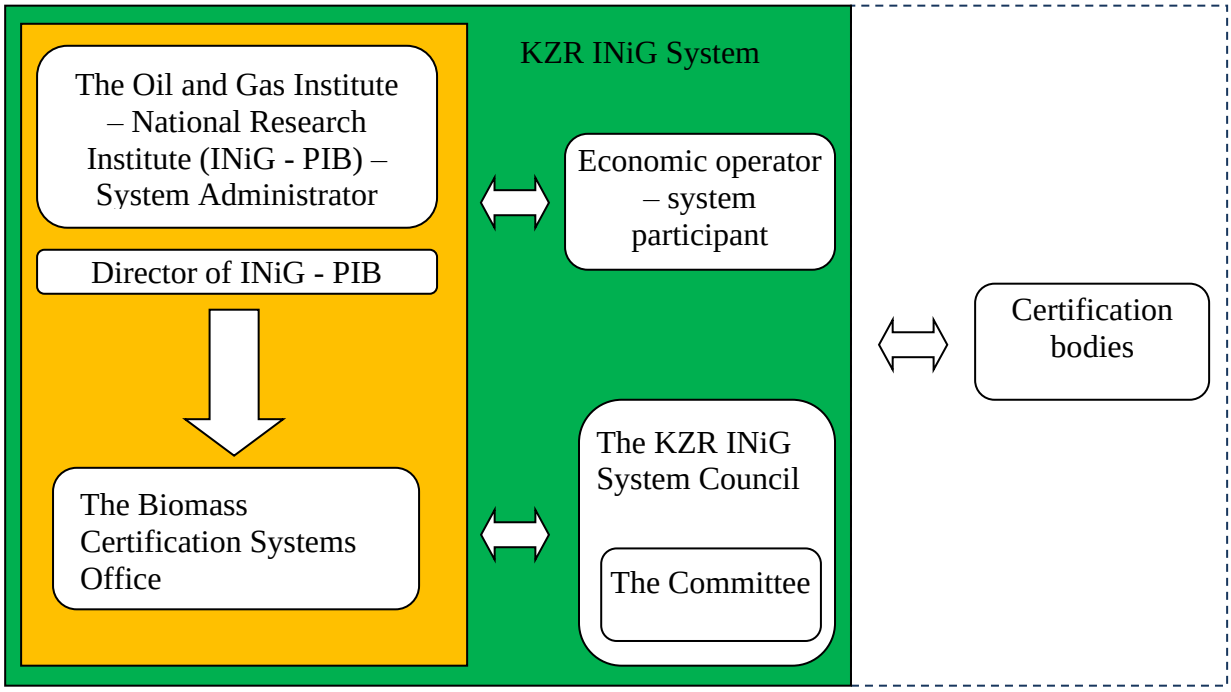


**Fig.1 Structure of KZR INiG System**

## 7. Participants of the KZR INiG System

In order for biofuels, bioliquids and biomass fuels to be accepted as achieving the goals set out by the KZR INiG System towards fulfilling the duty to use energy from renewable sources and also to qualify for financial support they must meet the sustainability criteria. Considering the fact that the sustainability criteria relate to the whole lifecycle of biofuels, bioliquids and biomass fuels it is required that all participants of the supply chain in the scope of their activity will show proof of meeting these requirements.

Before being the KZR INiG System participant, each economic operator shall pass following steps:

- ✓ Implement system requirements and select the accredited certification body (CB);
- ✓ Send an application form. The application form includes among others: **requiring applicant to disclose on registration**:
  - whether they or their legal predecessor are currently participating in another voluntary scheme or have participated in another voluntary scheme in the last 5 years;
  - whether they had a different legal form or name in the last 5 years;

- disclose all relevant information, including:
  - the mass balance data;
  - the auditing reports;
  - where applicable, any decisions to suspend or withdraw their certificates in the last 5 years. Whether they withdrew from a scheme before the first surveillance audit.

  In case of failure to comply with the above, KZR INiG may refuse to verify the economic operator (EO) and not accept joining to KZR INiG at this step.

✓ Enclose the signed Declaration of Consent allowing KZR INiG to obtain detail information on the applicant from other voluntary schemes (VSs).

✓ The application is verified by the KZR INiG. Customer Due Diligence/Know Your Customer is performed by: Cross-checking against other voluntary scheme(s) certificate lists, verification of the entity in the National Court Register or equivalent register, evaluation of history of co-operation with the Administrator taking into account not only the entity name but also management / beneficial owner;

✓ Sign the agreement with KZR INiG;

✓ Get audited;

✓ In case of positive audit result - issuing the certificate by CB;

✓ The economic operator is called KZR INiG system participant (appropriate information is published on KZR INiG website).

KZR INiG shall also exclude from participation EOs in the following cases:

- they do not disclose the necessary information (required to disclose on registration).
- 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. If KZR INiG accepts the justification of the economic operators and decides to assess their application, the scope of the initial audit shall be adjusted to cover all relevant issues and specifically focus on the shortcomings identified in the initial audit that they failed in the other schemes. They or their legal predecessor withdrew from another scheme before the first surveillance audit took place, unless the operator can prove that it had a valid reason for doing so. If KZR INiG accepts the justification provided by the economic operator, the scope of the initial audit shall be adjusted to cover all relevant issues of the surveillance audit.

- suspended operators may not join another voluntary scheme while suspended. Where the participation of an economic operator, or its legal predecessors, in a voluntary scheme is suspended or terminated by the withdrawal of its certificate following an audit which confirmed critical non-conformity, other voluntary schemes may refuse the participation of that operator for at least 2 years following the suspension or termination of participation.
- where an economic operator that was previously found to be in critical or major non-conformity applies for re-certification, the auditor shall bring that fact to the attention of all voluntary schemes in which the economic operator is currently participating, or to which it has applied for recertification.

The economic operator (EO) decides about certification scope and the pathway the EO is certify in accordance with. Depending on the scope of activity, the economic operator may show one or more certification scopes. Correctness of assigning the scope if verified during an audit.
The certification scope is listed in application form and is chosen before the certification process starts. The certification scope may be updated during an audit or during the certificate validity. Then a certificate needs to be updated.

The EOs are obliged to:

- ✓ submit credible information verified by an independent audit;
- ✓ have an appropriate documentation management system for securely storing all the information that confirms meeting of criteria, have written procedure(s), incorporated into the company describing rules of mass balance and applied GHG calculation methodology. The procedure shall match the activities of the company;
- ✓ have an auditable system for safekeeping and reviewing all evidence related to the claims they make or rely on;
- ✓ keep all evidence necessary to comply with this Regulation and Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413 for a minimum of 5 years, or longer if required by the relevant national authority;
- ✓ accept responsibility for preparing any information related to the auditing of such evidence.

Each EO is obliged to introduce and run documentation management system but special care in this area is needed in case of forest biomass supply chain. The purpose of the management system is to demonstrate that biomass sourcing area meets sustainability criteria. The System ensures that information confirming criteria is collected, stored, assessed, and verified by the certified entity, in order to ensure that the system shall be accurate, credible, transparent. The system

includes protection against fraud, verification ensuring that materials are not intentionally modified or discarded so that consignment or thereof could become a waste or residue.

The economic operator agrees that the persons representing the KZR INiG System may have unrestricted permission to enter the area of the plant(s) which conducts business related to the KZR INiG System, and unlimited access to documentation referring to participation in the KZR INiG System. The KZR INiG reserves the right to inspect all of the economic operator`s documents connected with the products covered by the KZR INiG System. The economic operator agrees that KZR INiG as part of its inspection activities shall have the right to verify the information made available to it by its contractors (cross-check). Refusal to grant access to the documents and devices to be inspected by the KZR INiG's representative will result in exclusion from the scheme.

System participants are obliged to report amounts of forward/sold biomass fuels to KZR INiG (excluding goods both bought and sold according to "trader" certification scope). Only FGPs report amounts of gathered/purchased biomass even if FGP certification scope is one of the company's scopes.
Specific rules including penalties are defined in General Terms and Conditions, which are part of the agreement between KZR INiG and economic operator. Place of origin reports amounts arose within this certification scope separately. Transfer of goods between warehouses is not a subject of reporting however, if a company has more than one certification scope, outputs (inputs for FGPs) from each certification scope have to reported, even if products are consumed internally).

If mass balance is performed in other than mass units, output amounts shall be recalculated into mass units according to established factors, the factors are accepted by the auditor, during the KZR INiG audits.

KZR INiG provides the template of the report containing type of product, country of origin, feedstock, and amounts expressed in tones. The country of origin is the place of origin of the feedstock. The KZR INiG treats all information received from system participants as confidential.

The reports are subject to regular audit carried out by certification bodies. Based on this information KZR INiG prepares a report to the European Commission.

Within the framework of the KZR INiG System, these requirements shall apply whether the biofuels, biomass fuels or bioliquids are produced within the European Community or imported

and is monitored by certification bodies that verify the submitted information. EOs are audited before being allowed to participate in the KZR INiG System. After a positive result of the audit, the CB issues the KZR INiG certificate that conformity with requirement of sustainable criteria. Transport is not audited (it is not a certification subject) but in case of performing actual GHG calculation for transport stage appropriate data shall be taken into account.

A diagram of the supply chain is shown below.

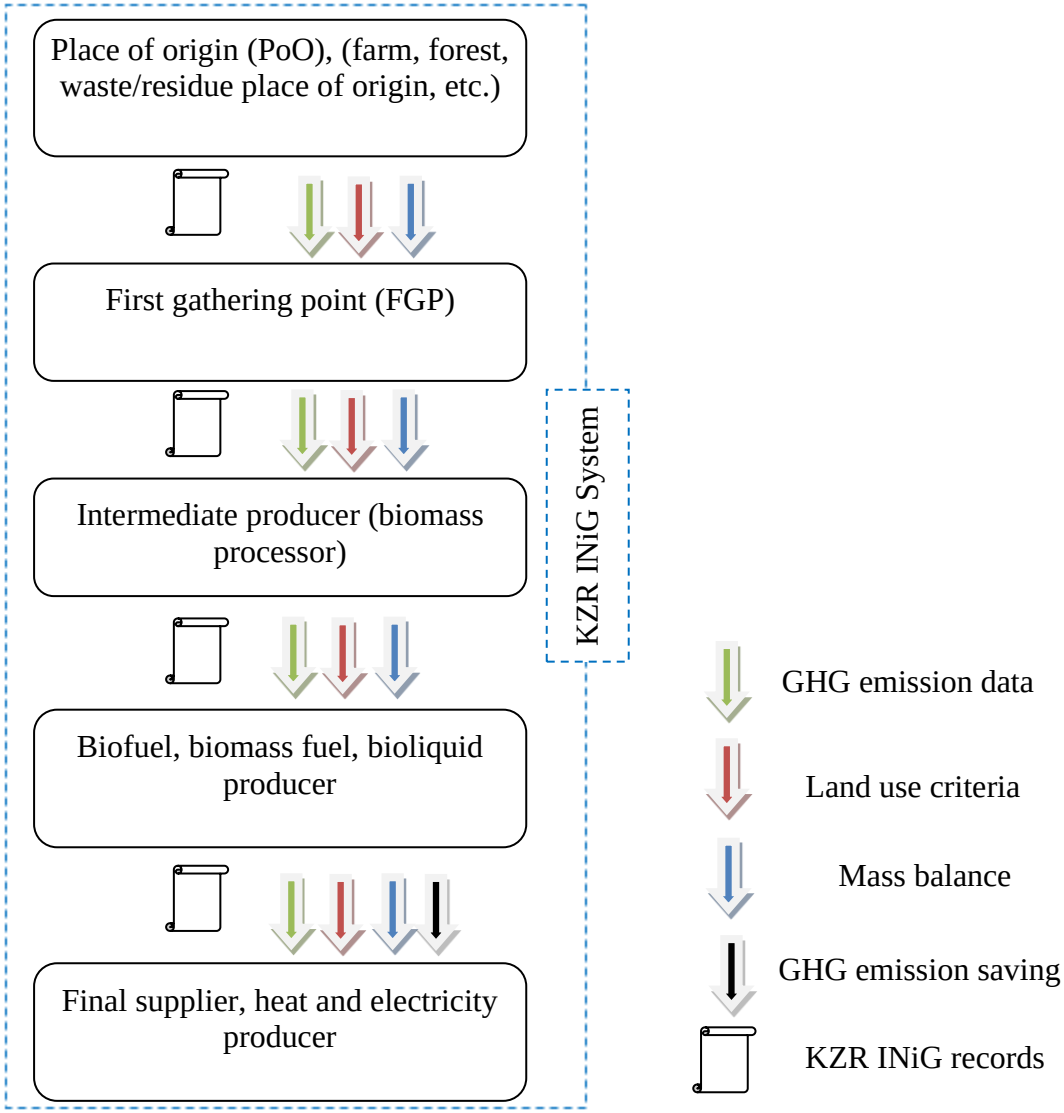


**Fig.2. A diagram of the supply chain**

As denoted in the figure above, each of the economic operators in the supply chain is obliged to implement the requirements of the KZR INiG System, within their operational area.

Place where biomass is acquired for the first time is called **the place of origin** – PoO (Fig. 2).

### 7.1. Place of origin

Place of origin is a place where biomass occurs in the form from which is further processed in order to fuels received. For example, it is a field where corn or rapeseed is cultivated in order to produce ethanol or biodiesel; oil mill where sunflower husk arises; restaurant where UCO arises; sawmill where secondary forest biomass occurs, etc. If there are doubts to define who is a legal person assigned to the place of origin (for example service tank cleaning in the food industry), the clue is who takes responsibility for the amount of biomass and for the origin of biomass.
In case if an installation processes or segregates waste and a result of this process some streams loss their waste status and the fate of the other streams is sustainable fuels production, the installation can be treated as production installation and thus it is a place of origin.

In case of pelleting of raw material at place of origin, it always shall be assessed if it is preparation for transport or production of fuels. In this context, in case of production of fuels the definition of processing applies. Based on laboratory reports it is assessed if there was a significant change in calorific value during the process. Significant change means a change that is greater than uncertainty of applied analytical method and that is greater than a typical change of calorific value during transport and storage. It is up to the FGP to prove that there is no significant change in calorific value. Usually in case of sunflower husks there is no significant change in calorific value during pelleting. Thus, oil mill which pellets sunflower husk can be treated as place of origin, while an EO which dries and pellets wet sawdust (there is a significant change in calorific value) is certified. If the place of origin is certified, the certificate shall cover the whole sustainable activity and all sustainable products. In this context signing a self-declaration is not allowed.

#### 7.1.1. Agricultural producer (farmer)

The agricultural producer is the first link of the supply chain, hence the need for the producer to participate in the KZR INiG System. It is necessary to prove that raw materials from which bioliquids, biofuels and biomass fuels have been produced meet the sustainability criteria within the scope of arable land use, as defined in the RED III and discussed in detail in the following KZR INiG System documents:

1. *KZR INiG System/4/Land use for raw materials production – lands with high carbon stock.*
2. *KZR INiG System/5/Land use for raw materials production – biodiversity.*
3. *KZR INiG System/6/Land use for raw materials production – agricultural and environmental requirements and standards.*

In order to assess compliance with the criterion of greenhouse gases (GHG) emission saving by a product included in the certification system it is necessary to know GHG emissions generated at earlier stages of production including plant cultivation. For that reason, the agricultural producer is obliged, besides running a mass balance, to define the intensity of GHG emissions at the cultivation stage. Details of the methodology for determining these values are provided in document: *KZR INiG System/8/Guidelines for the determination of the lifecycle per unit values of GHG emissions for biofuels, biomass fuels and bioliquids*.

According to the rules of the KZR INiG System, agricultural producers are audited. If requirements described in the KZR INIG System documents (no. 4-6) are met, a group audit is permitted (see KZR INiG *System/9* document).
The agricultural producer attaches the declaration to a batch of raw materials (annex 1). The declaration is valid no longer than 12 months from the date of signature. The reported data must identify sufficiently the agricultural producer, scale and type of their production, character of the land on which raw materials have been cultivated, and land-use-change information. The declaration contains sustainable characteristic of products. The information shall be verified by audit. Apart from complying with land-use criteria, the agricultural producer is obliged to prove a mass balance and report the GHG emissions (see document System KZR INiG/8). Regardless of agricultural product destination (biomass fuel or biofuel/bioliquid certification pathway) the same requirements are to be met and the same form of declaration is used.

Agricultural producers operating outside the EU shall follow good agricultural practices modelled on the requirements and standards in force in the EU. Agricultural producers shall therefore implement the requirements and standards laid down in the provisions referred to in the section on "Environment" in part A and in point 9 of Annex II to Regulation (EC) No 73/2009 of 19 January 2009 establishing common rules for direct support schemes for farmers under the common agricultural policy and establishing certain support schemes for farmers (OJ L 30, 31.1.2009, p. 16), and in accordance with the minimum requirements for good agricultural and environmental condition within the meaning of art. 6 paragraph 1 of the Ordinance.

The agricultural producer shall implement internal procedures to monitor compliance with good agricultural practices. He shall also develop procedures for the correction of irregularities in the area of good agricultural practices.

Certified companies and farmer hiring workers, are obliged to implement procedures for checking compliance with good employment practices, health and safety, non-discrimination, and good social practices. He should also develop procedures for the correction of irregularities in this regard. The benchmark to develop appropriate procedures in this regard should be Recommendations and Conventions of the International Labour Organisation (ILO). These are the rules relating to the maintenance of health and safety and the rules of employment according to the recommendations and the Convention of the International Labour Organisation (ILO), documents 29 and 105 (relating to the use of violence at work), 138 and 182 (relating to the employment of minors), 87 and 98 (concerning freedom of association and trade unions), 100, and 111 (of discrimination). The producer should also observe principles of mutual respect for the rights of co-existence of operators and local communities and other entities.

Farms can be controlled individually or as part of a group, according to the document Requirements for Certification Bodies (*KZR INiG System/9*), just as in the case of farms operating in the EU, certified by the KZR INiG system.

### 7.1.2. Waste/residue

The places of origin of the waste/residue are the enterprises, municipal areas, forests, agricultural areas, areas for investments or households where the waste and residue occur. These entities deliver the waste/residue, along with the declaration of origin, to the waste gathering points (Annex 2). In case of forest biomass, the declaration is signed by the entity responsible for forest management. They do not have to be certified but are audited at waste gathering point according to the rules described in the KZR INiG System/10 document. However, if these entities go under certification, they are obliged to follow all KZR INiG rules as appropriate (e.g., mass balance, internal procedures).

KZR INiG looks to use existing MS positive lists on waste and residue – can be assumed that if a MS considers a material as a waste/residue, then that material can be considered to be a waste/residue if it originates in that MS. Agricultural residues shall fulfil criterion defined in the art 29 (2) of the RED III (see KZR INiG/4). Branches and other biomass originating from orchard maintenance and removal are not treated as agricultural residue but as other wastes/residues.

Forest residues shall fulfil criteria defined in the art 29 (6-7) (see KZR INiG System/11).

Other residues (e.g., industrial, municipal, derived from the preparation of land for construction projects) are excluded from "land criteria". However, the origin and the amounts in relational to the source size always are to be confirmed.

In case of municipal waste, a company gathering waste directly from residents is treated as place of origin. Waste generated by small companies and gathered in the same way as municipal waste is treated as municipal waste. Place of origin of municipal waste signs self-declaration (see the annex 2).

The waste and residues listed below shall not be considered as waste or residues where they have been deliberately modified to be declared as a waste or residue. These substances shall be considered as falling under a category of raw material set out in Annex IX to Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413 without being explicitly mentioned. The list is not comprehensive and complements the existing list of materials in Annex IX to RED III.

| **Category in Annex IX of Directive (EU) 2018/2001 as amended by (EU) 2023/2413** | **Feedstock sub-category/examples** |
|---|---|
| Annex IX Part A d | Drink waste |
| Annex IX Part A d | Fruit / vegetable residues and waste (Only tails, leaves, stalks and husks) |
| Annex IX Part A d) | Bean shells, silverskin, and dust: cocoa, coffee |
| Annex IX Part A p) | Shells/husks and derivatives: soy hulls |
| Annex IX Part A d) | Residues and waste from production of hot beverages spent coffee grounds, spent tea leaves |
| Annex IX Part A d) | Dairy waste scum |
| Annex IX Part A d) | Food waste oil: oil extracted from waste food from industry |
| Annex IX Part A d) | Non-edible cereal residues and waste from grain milling and processing: wheat, corn, barley, rice |
| Annex IX Part A d) | Olive oil extraction residues and waste: olive stones |
| Annex IX Part A p) | Agricultural harvesting residues |
| Annex IX Part A q) | Palm fronds, palm trunk |
| Annex IX Part A q) | Damaged trees |
| Annex IX Part A p) | Unused feed/fodder from ley |
| Annex IX Part B b) | Waste fish oil classified as categories 1 and 2 in accordance with Regulation (EC) No 1069/2009. |

| | |
|---|---|
| Annex IX Part A d) | Other slaughterhouse waste (Animal residues (non-fat) Cat 1) |
| Annex IX Part A d) | Industrial wastewater and derivatives |
| Annex IX Part A g) | Palm sludge oil (PSO) |
| Annex IX Part A d) | Industrial storage settlings |
| Annex IX Part A d) | Biogenic fraction of end-of-life tyres |
| Annex IX Part A (q) | Recycled/waste wood |
| Annex IX Part A d) | Humins |
| Annex IX Part A d) | Spent bleaching earth |

It is an EO obligation to prove that the material is waste or residue. Economic operator shall keep and present to auditors the underlying evidence for his/her assessment.
Waste and residues need to be registered into the Union Database at the point of origin. Raw materials listed in Annex IV of Commission Implementing Regulation (EU) 2022/996 are automatically counted as wastes and residues irrespective of their country of origin. For materials not listed in Annex IV of the Regulation and in the case that the materials are sourced in the EU, then relevant national legislation in the country of origin applies. Relevant national legislation can also be applied if the material is sourced in a third country whose legislation is aligned with the EU. In all other cases, the classification of the raw material shall be determined using following rules:

1. If the material is deliberately produced it is the main product or co-product.
2. Does the holder discard, intend to, or is the holder (legally) required to discard the material. If yes, the material is waste.
3. The material can be treated as residue if:
    - there is no certain further use of the material (other than energetic applications) e.g., in the feed market and
    - cannot be used directly without any further processing other than normal industrial practice and
    - the further use is not allowed.
4. Otherwise, the material is product or co-product.

### 7.1.3. Forest biomass

It is area from forest biomass is harvested (sourcing area). See the document *System KZR INiG/11*.

### 7.1.4. Installation generating renewable electricity

It is an economic operator generating renewable electricity for renewable fuel of non-biological origin. Please see System KZR INiG/12.

### 7.1.5. Waste carbon source/$CO_2$ from air

It is an economic operator generating exhaust, waste gases or a company which captures $CO_2$ from air or other companies where waste solid or liquid streams appear. Please see System KZR INiG/12.

## 7.2. First gathering point (FGP)

Please see the definition in *KZR INiG System/*2. FGPs are:

- agricultural gathering points;
- agricultural waste/residue gathering point;
- waste/residue gathering points;
- forest biomass gathering points.

FGP is the entity that gathers raw materials such as:

- cultivated biomass;
- agricultural waste/residue;
- waste/residue from place of origin of waste/residue;
- forest biomass from sourcing area.

If an entity gathers goods from PoO and forwards directly to next link in the supply chain (without storage) and there are transactions between PoO and the entity, as well as between the entity and the next link in the supply chain, the entity is certified as FGP without storage.

FGP is obliged to implement internal management system including written procedure covering matrix of responsibilities, process flow diagram (process map), mass balance rules, GHG calculation methodologies, internal monitoring rules performed by FGP.

In such a case, the first gathering point or central office is obliged to:

- ✓ keep a list of places of origin,
- ✓ keep contracts/invoices,
- ✓ liaise between the certification body auditor and the places of origin,

- ✓ keep self-declaration(s),
- ✓ be responsible for managing the certification process.

FGP is obliged to implement a mass balance system and a methodology for determining GHG emissions. This responsibility is subject to audit. These aspects are discussed in detail in the following documents:

1. *KZR INiG System/ 7/ Guidance for proper functioning of mass balance system*
2. *KZR INiG System/8/Guidelines for the determination of the life cycle per unit values of GHG emissions for biofuels, biomass fuels and bioliquids*
3. *KZR INiG System/9/ Requirements for Certification Bodies*
4. *KZR INiG System/10/ Guidelines for auditors and conduct of audits*

FGP shall designate a management representative responsible for group management and implementation of the System's requirements.

The manager of the group is responsible for establishing the internal procedures covering group management and internal inspection rules. The procedure shall contain at least following aspects:

1. Scope of staff's responsibilities
2. Obligation of internal inspection (internal audit) including:
   - ✓ Frequency of audits, at least once a year;
   - ✓ The competence of inspection staff;
   - ✓ Audit schedules;
   - ✓ Guidelines to set a size of the audit sample;
   - ✓ Scope of verification: whether internal procedures are up-to-date fulfilled, mass balance, GHG, completeness of delivery documents (Goods Received Note (GRN), Delivery Note (DN), Self-declarations), locations, suppliers list, etc.;
   - ✓ Annual inspections of PoO. Inspections can be based on a combination of desk-based and onsite visits (depending on the identified risk) but should take place at different times of the year and not be predictable.
3. Competences of staff handling of biomass.

The manager responsibilities include also gathering of proofs confirming that raw materials meet the sustainability criteria (agricultural producer declaration and/or waste/residue declaration). The declaration may be filled in for an individual supply or for all supplies within a given contract

or within a year, starting from the date of signing the declaration. The declaration may have a different form from the one in the Annexes, provided that all the information is included.
If FGP gathers raw materials from Points of Origin and without any processing forwards the goods to the final user, raw materials become fuels. No additional procedures and further actions are required.

### 7.2.1. Agricultural

FGP is obliged to define low/high risk of land-use change areas.
Before a farmer joins the group, the FGP shall verify following aspects:

- self-declaration correctness;
- origin of biomass (low/high risk of land-use change areas).

If the farmer delivers biomass from high risk or not defined risk areas, the farmer shall be individually verified before biomass is accounted as sustainable.

### 7.2.2. Waste/residue

Specific case of first gathering point is **first waste/residues gathering point** - economic operator collecting waste and residue. This scope of certification applies to all kind of waste/residue. FGP of agricultural residue is obliged to keep evidence that criterion laid down in the Article 29(2) of the RED III is met.
These enterprises can also be engaged in utilization of the waste and residue or processing of biomass e.g., chopping, pre-treatment. In the latter there is no need to define an additional scope of certification. If processing or upgrading of waste and residue is carried out, then GHG emission calculation for this activity, according to the document *System KZR INiG/8* shall be implemented. The values are express as $e_p$ component of formula 5 and formula 11.

### 7.2.3. Forest biomass

It is an economic operator collecting forest biomass directly from place of origin of forest biomass. Beside of general requirements forest biomass gathering point is obliged to define sourcing area and implement risk-based approach for each defined area. For further requirements please see the document System KZR INiG/11. Location of power plant using forest biomass is not taken into account during assessing of meeting of sustainable criteria by forest biomass. It can be located within or outside sourcing area.

## 7.3. Intermediate producer

The intermediate producer including waste and residue processors (e.g., oil extraction plant, distillery) is the next participant in the supply chain and thereby a participant of the System.

According to the rules of the KZR INiG System, similarly to the first gathering point of raw materials, the intermediate producer is obliged to obtain a certificate confirming that the production meets sustainability criteria. In case of new installation on the day of the audit a company is obliged to demonstrate an installation ready to process of biomass. The biofuels, bioliquids and biomass fuels production plant must have a management system and implement a mass balance system. It must also adopt a methodology for calculating GHG emissions based on a mass balance system and take into account emissions generated at earlier stages of the lifecycle. In case of new installation input data to calculate GHG emission can origin from an installation design data and/or from tests. However, in this case demonstration of GHG emission is allowed for a period of three months, after this period GHG emission shall be recalculated based on actual data. Recalculated values are to be verified by the auditor.

### 7.4. Producer of biofuel, bioliquid, biomass fuel, recycled carbon fuels, renewable fuels of non-biological origin

The producer of biofuels, bioliquids, biomass fuels (including bio-hydrogen plant) recycled carbon fuels, renewable fuels of non-biological origin is the entity producing fuels for which there is obligation to meet sustainability criteria and delivering these fuels to an entity which intends to demonstrate using of sustainable biomass. If the entity demonstrating using of sustainable biomass is also first gathering point, “producer” certification scope shall be added. The overall rules are that this certification scope applies to the final entity which demonstrate full compliance with sustainability criteria and fuels are not subject to further processes. It may be for example ethanol plant, biogas plant, pellets producers.

In case of starting new installation, the same provisions as for intermediate producers apply.

The biofuel, bioliquid and biomass fuel producer is obliged to calculate GHG emission reduction in comparison to the fossil fuel comparator and to meet the GHG emission reduction criterion, according to point 5.1. If GHG emission saving is determined by electricity/heat producer, this entity has also “producer” certification scope, even if no processing of biomass is performed.

### 7.5. Traders

Traders are companies which buy materials from certified companies and sell them unprocessed to the next entity. Traders may handle both sustainable and non-sustainable materials. Trading may be performed as an additional certification scope (e.g., a company produces rapeseed oil and buys rapeseed oil, next the mixture of produced and bought rapeseed oil is sold).
If a trader buys goods from certified EO and forwards them directly to next link in the supply chain (without storage) and there are transactions between certified EO and the trader, as well as

between the trader and the next link in the supply chain, the trader is certified as trader without storage. Thus, the activity may be performed both as trading with or without storage.

Quantities of sustainable materials bought from other certified company and sold unprocessed are not subject of reporting to the KZR INiG.

Main task of traders is to pass sustainability characteristic from supplier to recipient in appropriate way. Only if actual calculations of GHG for transport stage is performed, also GHG emission generated by the trader shall be taken into account (see document System KZR INiG/8).

Traders may also handle final fuels or biofuels, then additional rules for fuel producer, final fuel supplier apply.

If the broker is only selling on or trading the material without legal ownership (and not actually receiving or storing any physical product), they would normally not need to undergo certification.

### 7.6. Fuels suppliers

This is a group of economic operators involved in: handling all kind of certified fuels; blending sustainable fuels with conventional fuels; and demonstrating fulfilling renewable energy targets (RES targets). These entities are obliged to: implement a mass balance system; ensure traceability of fuel; and implement a documentation management system. If applicable, also GHG saving is calculated by fuel producer.

If any batch is accounted for national renewable energy target, the batch losses its sustainability. Thus, economic operator is obliged to have a separate balance and records batches accounted to the national renewable energy target and those which are sold for example abroad.

### 7.7. Biogas plant, biomethane plant

Biogas plant is a processing unit where biogas production is performed. This certification scope covers all technology under which the entity may be certified according to biofuel/bioliquid pathway and/or biomass fuel pathway. If the entity produces both for biofuel and biomass fuel purposes, separate mass balance and GHG emission calculation shall be performed.
This certification scope also covers landfill biogas production. Landfill operation is usually integrated with biogas plant, so place of origin certification scope is to be added. Landfill is treated as a place of origin of waste biomass and no waste/residue declaration is required. The same rule applies to biogas produced as a result of sewage treatment plant activity.
Biogas plant may also consist of biogas upgrading unit – **biomethane plant**. This unit upgrades biogas to biomethane quality, compresses and feeds into natural gas grid. If these two units belong to different owners, and process of trade of biogas is performed, each company is obliged

to run his own mass balance and have separate certificate. Yield must be accounted separately from biogas plant and upgrading unit.

Biogas plant may be a final biomass fuel producer or may be a link in biofuel supply chain. Thus, two certification pathways are possible.

Biogas/biomethane can be used for following purposes:

- ✓ **BioCNG/BioLNG for transport**. Biogas/biomethane plant is obliged to calculate GHG saving (according to System KZR INiG/8) before feeding into natural gas grid. A sustainability characteristic is assigned to every batch, and it is transferred in a supply chain till the final entity. In case of bio-LNG producing liquefaction/regasification plant is also covered by certification. Certification scope "Liquefaction plant" covers also regasification activity.
- ✓ **Power and heat production in CHP unit, power production, heat production**. The final biogas/biomethane should be reported as a greenhouse gas intensity along with the heat/power plant efficiency and associated greenhouse gas saving. The efficiency information comes from the final operator in the chain. It is important that the greenhouse gas values are reported on a consistent basis and the units are clearly stated. The final operator determines efficiency (according to KZR INiG/8) and provide to the biogas/biomethane supplier once a year.
- ✓ **As a feedstock for further processes and other purposes**. An example of such application is using biomethane to biomethanol production. Total emission according to System KZR INiG/8 is calculated instead of GHG saving calculation.

KZR INiG plays an important role in the overall biomethane certification process, namely the certification of the production of biomethane up to and including the point of final consumption. The certification of mass balancing of energy units of gaseous fuels within an interconnected infrastructure or between interconnected infrastructures can only be provided if the voluntary scheme certification is complementary to the system mass balancing carried out with the support of the Union Database. Therefore, sustainability characteristics can only be assigned to consignments of gas that has been registered in the Union Database, once the database is fully operational covering gaseous value chains. The mass balance of the interconnected infrastructure carrying the gas has to be in its entirety covered by the Union Database.

A key requirement for the mass balancing of biomethane across a gas grid is that there is no double counting or double claiming of consignments.

Bearing in mind that biogas/biomethane broking is excluded from certification and natural gas grid is treated as a way of transport, it is mandatory to ensure a consistency between amounts of fed in and taken out, irrespective of entities pointed out on invoices. Gas losses must be included in the scope of the GHG emissions savings calculation A standard industry factor can be applied for this purpose. For more information, please see System KZR INiG/8 point 4.2.4.8. Emissions from transport and distribution, $e_{td.}$

The full supply chain to the point of consumption shall be certified, otherwise the certification ends with the moment of injection of biomethane into natural gas grid. Sustainability characteristic can be transmitted from biomethane production plant to the recipient if the recipient is certified to an EC-recognised voluntary scheme the grid level mass balance is managed with the support of the Union Database (once up and running for biomethane).

**Natural gas grid**

Natural gas grid is treated as biogas/biomethane transport and does not go under certification. However, natural gas grid is registered in UDB and perform activity as it is required. Biogas/biomethane supplier must be able to feed biogas/biomethane into the natural gas grid and biogas/biomethane recipient must be able to receive gas. Supervising over quantity of biogas/biomethane feed is necessary. Information about amounts of biogas/biomethane fed in and taken out may come from the natural gas grid operator.

### 7.8. Heat and/or electricity producer

Power and heat plants are entities being subject to certification. The rules of mass balance and GHG calculation shall be applied.

The final biomass fuel shall be reported as GHG intensity along with the heat/power plant efficiency and associated GHG saving. The efficiency information comes from the power/heat plant. The GHG saving calculation is performed by power/heat plant. It is important that the GHG values are reported on the consistent basis and the units are clearly stated. The plants are obliged to calculate efficiency based on their own annual data (see *System KZR INiG/8*). Both actual and standard values can be applied for demonstrating GHG emissions criteria.

### 7.9. Solid fuels produced from municipal waste and other mixed waste

Specific case of fuels are fuels produced from waste which are a mixture of bio and fossil origin. It may be municipal mixed waste or mixed industrial waste. As sustainable can be treated only bio-origin fraction. However, it is difficult to detect the share of bio-origin fraction at the beginning of the supply chain. Thus, until the last interface the whole amount of stream in

supervised, without detecting biomass share. The last interface in the supply chain determines the share of bio-origin fraction in relation to average annual sample of receipt of waste. It is recommended to use EN ISO 21644 standard for the determination of biomass content. Sustainability characteristic is assigned to the amount of biomass fraction of waste based on the energy share of particular consignments with specific sustainability characteristic. The overarching principle is to use the same methodology for determining the share of bio-fraction as it is use in the EU ETS.

### 7.10. RFNBO/RCF

See system KZR INiG/12.

## 8. Transfer from other voluntary scheme

KZR INiG requires that economic operators who have decided to change from another voluntary scheme and wish to join the KZR INiG Scheme to disclose the following information:

(a) whether they or their legal predecessor are currently participating in another voluntary scheme or have participated in another voluntary scheme in the last 5 years;

(b) 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;

(c) whether they withdrew from a scheme before the first surveillance audit.

The KZR INiG System may refuse participation of economic operators if:

(d) do not disclose the information in paragraph 1, point (a) and point (b);

(e) 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. Where a voluntary scheme accepts the justification of the economic operators and decides to assess their application, the scope of the initial audit shall be adjusted to cover all relevant issues and specifically focus on the shortcomings identified in the initial audit that they failed in the other scheme;

(f) they or their legal predecessor withdrew from another scheme before the first surveillance audit took place, unless the operator can prove that it had a valid reason for doing so. Where a

voluntary scheme accepts the justification provided by the economic operator, the scope of the initial audit shall be adjusted to cover all relevant issues of the surveillance audit.

# 9. Transparency and independence of the KZR INiG System, complaint procedures, internal monitoring

## 9.1. Transparency and independence

The KZR INiG System is independent and free from external pressures. Thus, KZR INiG takes all needed actions in order to ensure the independence of the processes carried out. The actions apply in relation to both the system and the certification bodies.

The KZR INiG does not employ external auditors (i.e., individuals not employed under an employment contract by the Oil and Gas Institute - National Research Institute) to supervise certification bodies or verify system participants. All trainings organized by KZR INiG for certification bodies are open and relevant information is always published on the KZR INiG website.

Every year the BCSO identifies all potential conflict of interest in relation to the System activities. Persons having a potential conflict of interest are excluded from the decision-making process it is, performing and approving audits carried out according to internal monitoring. Activity of the KZR INiG System is a subject of review during a review of the management system. The review is performed yearly, and it is run by the management of the Institute.

The BCSO follows internal management system procedures of the Institute. The procedures cover among others: control of documents and records, internal auditing/ internal monitoring, procedures for identification and management of non-conformities; and procedures for taking preventive actions to eliminate the causes of potential non-conformities.

The rule of transparency and independence is the primary principle of the System's operation. Monitoring of transparency and independence of operation of the System is the Council's duty. Correctness of the Council's operation is assured by the inclusion of external experts, free of any pressures and conflicts of interests.

Moreover, certification bodies that are not participants of the System but perform audits of a given participant of the System must be free from conflicts of interest. Audits are conducted according to principles of confidentiality. Implementation of the requirements of the KZR INiG System should be undertaken in a transparent and easily verifiable way.

KZR INIG pays special attention to the transparency of information publicly and freely available on the KZR INIG website regarding:

- ✓ System's governance structure including the KZR INiG Council;

- ✓ list of KZR INiG economic operators including their certification status with their respective date of certificate issuance, publication on the website if later than date of issuance, suspension, withdrawal, termination, or expiry, as well as the certificates or the summary audit reports (according to Annex II of COMMISSION IMPLEMENTING REGULATION (EU) 2022/996 of 14 June 2022), and aggregated list of non-conformities (if appears) drawn up.

  Where audits identify critical or major non-conformities, KZR INiG published an aggregated list of these non-conformities together with a respective action plan and timing for their correction as agreed with the economic operators concerned. Specific information may be redacted to comply with personal data protection legislation. Economic operators whose certificates are withdrawn, terminated or expired are listed on the website for at least 24 months after the withdrawal, termination or expiration date. Changes in the certification status of economic operators are published without delay.

- ✓ the latest version of their scheme documentation and the guidelines for audits. The documents shall include a date and version number and, where applicable, summarise any changes made compared to the previous document version;

- ✓ the contact details of the scheme, including telephone number, email address and correspondence address;

- ✓ the list of certification bodies carrying out independent auditing under the KZR INIG System, indicating for each certification body which national public authority or entity accredited or recognised it and which entity or national public authority of the Member State supervises it, in accordance with Article 30(9), second subparagraph of Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413. Certification bodies that are no longer entitled to conduct independent auditing under the scheme shall be listed for at least 12 months after the last audit with an indication to that effect;

- ✓ the results of the annual monitoring activities of the voluntary scheme as summarised in the annual activity report. The report includes list of all requirements for which critical and major non-conformities (NCs) were detected with reference to the number of block of questions as it is defined in the KZR INiG checklist (see System KZR INiG/10.1), amount of major and/or critical NCs detected during certification audits per block of

questions (category), summary/aggregation of the action/measures defined for correction of the violation of each KZR INiG requirement with major and/or critical NCs. an average of the time agreed for correction. The report is published once a year.

Above information is made available to consumers in an up-to- date, easily accessible, and user-friendly manner.

**NOTE**
It is strongly recommended that EOs check the validity of a supplier's certificate on the VSs' website.

System participants and certification bodies sign interim contracts with the Oil and Gas Institute - National Research Institute as the owner of the KZR INiG System defining the rights and obligations of both parties. Exceptions and proceedings in cases when the contract is broken are also regulated.

KZR INiG shall provide to the European Commission and national bodies authorities responsible for supervision of the certification bodies, on request, timely access to relevant information, including audit reports and actual value GHG calculations, certified under the KZR INiG voluntary scheme.

### 9.2. Complaint procedures

Representatives of authorities or Member States, companies, certification bodies and natural persons have the right to express their dissatisfaction with the KZR INiG in any field of its activity. A complaint may also concern the activity of certification body authorized by the KZR INiG System or KZR INiG participants. The complaints shall ensure also the protection of persons who report infringements or log complainants in good faith in accordance with Directive (EU) 2019/1937

Complaint procedure is available on the KZR INiG website. The website KZR INiG will cover following information:

(a) the information and the evidence to be provided to file a complaint, as well as the postal address or email address to which it is to be sent;

(b) guidance on which complaints are within the scope of the procedure;

(c) a step-by-step overview of how complaints are handled, from the receipt of the initial complaint through to resolution, and the associated timeframe for each step;

(d) the decision-making process for complaints and the process for appealing decisions;

(e) the consequences of the voluntary scheme finding a non-conformity as result of a complaint.

KZR INiG pays special attention and makes every effort to ensure that every claim is resolved in reliable, impartial, and accurate way. Thus, the decision resolving the complaint or appeal shall be made by, or reviewed and approved by, person(s) not involved in the certification activities related to the complaint or appeal. To ensure that there is no conflict of interest, personnel (including those acting in a managerial capacity) who have provided consultancy for a client, or been employed by a client, shall not be used to review, or approve the resolution of a complaint or appeal for that client within two years following the end of the consultancy or employment.

All complaints shall be in writing with a detailed description either an official letter or an e-mail including contact data and evidence. The complaint should be sent to the Biomass Certification Systems Office (contact data are published on the website www.kzr.inig.eu). Every claim is registered. If a claim concerns the Biomass Certification System Office's activity and can be honoured, the Office's staff take appropriate action without delay. In other cases, the complaint is transferred to the Chairman of the KZR INiG System Council without delay. The Chairman appoints a Committee. The Committee is composed of three persons: the director of the Oil and Gas Institute and two members of the Council, however the members cannot represent nor certification body or certified entities. If needed, the Committee can consult the issues with external experts (depending on the nature of the claim). In each case both the Committee and the experts declare in the written form that there is no conflict of interest. The Committee shall start to deal with the claim no later than 14 days from receiving the claim. The claim is analysed and investigated by the Committee and appropriate action is taken. Findings and recommendations are always a subject of voting by Members of the Committee. Final decision should be taken no later than 120 days from submitting the claim. The claimer is kept informed of progress of the appeal and has the right to anonymity. The KZR INiG is entitled to ask involved parties for additional information and documentation. Findings from the investigation of the claim, in the form of a recommendation, are passed (in the written form) to the Biomass Certification Systems Office in order to take appropriate actions as well as to the claimer. The claim may be also a reason to start internal monitoring procedures.

Persons reporting violations of Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413, and the Rules of the KZR INIG System, the so-called "whistleblowers", are protected in accordance with Directive (EU) 2019/1937. It is forbidden to disclose the identity of the reporting person against the regulations and to carry out retaliatory actions against these persons, in particular the actions listed in Article 19 of Directive 2019/1937 of October 23, 2019 on the

protection of persons reporting breaches of EU law. Retaliation protection is also available to other whistleblowers or other persons associated with the whistleblowers who may be subject to retaliation in a work-related context, such as colleagues or relatives of whistleblowers. In particular, these persons are protected in accordance with the provisions for the protection of those who report a breach (the Code of Criminal Procedure, the Act on Protection and Assistance to the Victim and the Witness, the Labor Law, the Act on Counteracting Money Laundering and Terrorist Financing)

The KZR INiG system maintains the "Register of complaints" in a manner consistent with the principles of personal data protection, taking into account the obligation to maintain confidentiality of the identity of the whistleblower and persons related to a given case, in written or electronic form. Access to the Register of internal notifications is granted only to authorized persons and law enforcement authorities in the event of their notification. Personal data in the Register of internal notifications is stored for a period of 5 years from the date of receipt of the notification.

The processing of personal data is carried out in accordance with Regulation (EU) 2016/679 (GDPR) and Directive (EU) 2016/680. The exchange and transmission of information by Union institutions, bodies, offices or agencies shall be carried out in accordance with Regulation (EU) 2018/1725. Personal data that are obviously not relevant to the consideration of a specific application are not collected, and in the event of accidental collection, they are deleted without undue delay.

Biomass Certification System Office keeps the "Register of complaints" of all claims being investigated by the Committee. The KZR INiG provides a summary of these claims to the European Commission through the annual reporting process.

The process (including contact details) for dealing with complaints made by third parties is placed on KZR INiG website.

### 9.3. Internal monitoring

The KZR INiG endeavours to ensure a consistent, objective, and reliable audit and certification process, carried out by authorized certification bodies. KZR INiG internal monitoring consists of assessments of **both system participants and certification bodies**. This assessment is called an “internal monitoring audit”.

Internal monitoring is undertaken at least once a year and reflects the geographical and raw material coverage of the voluntary scheme, as well as the level of risk of the activities conducted by the economic operators. As part of the monitoring process, the KZR INiG System requires certification bodies to submit all audit reports, checklists, and, where applicable, the calculations of actual values for the greenhouse gas emissions. Moreover, upon request the CB is obliged to send other audits documents. The monitoring activities covers a random and risk-based sample of those audit reports by each certification body.

The KZR INiG System establishes rules and procedures to ensure effective follow up of the results of the internal monitoring and, where necessary, the application of sanctions. The results of the annual monitoring activities of the KZR INiG System are summarised in the annual activity report submitted to the Commission.

The KZR INiG System keeps a register of all complaints and provide a summary of those complaints to the Commission in the annual activity report. Upon request by the Commission or a Member State, KZR INiG provides all documents related to a complaint and its handling.

Internal monitoring also includes an exchange of information within voluntary schemes. The KZR INiG apply for relevant background documents with other schemes. KZR INiG also shares relevant background documents upon valid request, in particular previous audit reports or details of non-conformities that have led to a certificate suspension or withdrawal. All information is kept secret and use only in certification purposes.
The results of the annual monitoring activities of KZR INiG are published on the website in an annual activity report.

### 9.3.1. System participants

The purpose of assessing a system participant is to verify compliance of economic operators with the provisions of the scheme as well as to cross-check the work conducted by certification bodies. Supervision over system participants can be a part of the supervision over certification bodies defined in System KZR INiG/9 point 5.3.

Internal monitoring audit is carried out by the KZR INiG and reflects audit carried out by the certification body (based on KZR INiG procedures). Findings are compared with the certification body's audit documents (report, checklist). The report from an internal monitoring audit is transferred to system participants and the certification body. Depending on the findings, the Management of the Biomass Certification Systems Office, in consultation with the KZR INiG auditors, decides about appropriate actions. The findings may be used as input data for a risk analysis for other similar audits carried out by certification body.

Internal monitoring audits (carried out by the KZR INiG) also should be undertaken in cases where relevant information on potential non-compliances has been brought to the attention of the scheme, and as a result of the audit carried out by the KZR INiG at certification bodies (see *KZR INiG System/9 point 5.3.*).

KZR INiG always has right to verify compliance of economic operator activity with KZR INiG requirements. This verification can be performed as desk or on-site audit.

In each in above mentioned case, the final scope of KZR INiG verification is determined individually as needed.

The certification body is always informed about planned internal monitoring audits and its representative may attend the assessments as an observer.

### 9.3.2. Certification bodies

Authorized certification bodies are subject to regular audits carried out by the KZR INiG. The audits are part of internal monitoring. Detailed rules are given in *KZR INiG System/9 point 5.3*.

The KZR INiG requires certification bodies to submit all audit documents, and actual value of GHG emission calculations including related background evidence on the application of GHG emission saving credits ($e_{ccr}$, $e_{ccs}$, $e_{sca}$), where applicable up to 14 days from date of decision on issuing of certificate 3% of these documents are verify. The sample is taken randomly semi-annually.

### 9.3.3. Supervision of internal KZR INiG activities

BSCO is a division of the Oil and gas Institute. The Institute has introduced management system ensuring avoiding conflict of interest. The management system includes procedures ensuring that persons having a potential conflict of interest are excluded from the decision-making process in relation to the overall activity of the Institute as well as to the KZR INiG System. The Biomass System Certification Office is a subject of internal audits at least once a year.

## 9.4. Supervision by the Member States and the Commission

Both economic operators and accredited by KZR INiG certification bodies are required to cooperate with the European Commission and the competent authorities of the Member States including granting access to the premises of economic operators where requested as well as making available to the Commission and the competent authorities of the Member States all

information needed to fulfil their tasks under Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413. Certification bodies and economic operators are required to be verified by the Member States, even if the operation is run outside EU.

Upon requests by the European Commission and national bodies authorities responsible for supervision of the certification bodies, KZR INiG provides access to actual GHG calculations certified under KZR INiG together with the respective audit reports to the Commission and the national authorities responsible for supervision of the certification bodies. In this context EOs are obliged to provide all needed documents and data with immediate effect. KZR INiG requires economic operators participating in the scheme as well as certification bodies conducting audits under the KZR INiG scheme to cooperate with the Commission and the competent authorities of the Member States, in particular in the context of provisions of Article 17 of COMMISSION IMPLEMENTING REGULATION (EU) 2022/996 of 14 June 2022.

Certification bodies shall:

(a) provide the information needed by Member States to supervise the operation of certification bodies pursuant to Article 30(9) of Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413;

(b) provide the information required by the Commission to comply with Article30(10) of Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413;

(c) submit, upon request of component authorities, all relevant information necessary to supervise the operation of certification bodies, including the exact date, time, and location of audits;

(d) verify the accuracy of information entered into the Union database or relevant national database pursuant to Article 28(4) of Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413.

Where a Member State has reasonable doubts about the ability of the KZR INiG accredited certification body, located in the Union or in a third country, to carry out its audit work, it shall share that information with the other Member States, the Commission and the KZR INIG System. The KZR INiG System shall immediately investigate the case. Upon completion of its investigation, the KZR INiG System informs the Member States and the Commission of the outcome of the investigation and of any corrective actions taken.

According to Art. 30(8) and 30(10) of the RED III, upon request of a Member State, or its own initiative, the European Commission may be required to investigate whether voluntary schemes

operate according to the rules or to examine whether the sustainability and greenhouse gas emissions saving criteria in relation to a particular consignment are met. The KZR INiG commits to supporting the European Commission in this effort. System participants and certification bodies are obliged to make available upon request relevant data, such as audit reports and actual GHG calculations and other documents, as required. The documents shall be made available without a delay.

Economic operators and certification bodies failing or unwilling to comply with the requirements set out in this section shall be respectively excluded from participating in and conducting audits under the KZR INiG System.

KZR INiG notifies the Commission without delay, about all substantial changes to the content of the scheme that might affect the basis for the recognition of the scheme. Such changes may include any of the following:
(a) changes to the mandatory sustainability criteria covered by the scheme;

(b) extension of the scope of the scheme beyond what is described in the Implementing act, recognising the scheme;

(c) extension of the scope of feedstock or biofuels referred to in the original scheme documents where the risk profile of added feedstock differs, for example, with the inclusion of waste or residue, or where specific procedures are applied;

(d) changes to the mass balance rules;

(e) changes to auditing procedures or requirements for auditors;

(f) changes in, or extension of the GHG calculation methodology;

(g) any other change that could be considered to affect the basis for the recognition of the scheme.

## 10. Annual reports

KZR INiG submits annual activity reports to the Commission pursuant to Article 30(5) of Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413. The structure and content of the annual activity reports provided for in Article 30(5) of Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413 shall follow the minimum requirements set out in Annex III to this Regulation. The main report shall not contain confidential information and shall be published in full. Data shall be supplied separately in a format to be determined by the Commission.
The report is to be sent by 30th April every year covering previous calendar year.

To prepare reliable information, KZR INiG extracts reports, in aggregated form, received from the First Gathering Point and from biofuel/bioliquid/biomass fuel producers. Relevant data are then put on the Commission's data-reporting template. If any company among the system participants does not comply with its reporting obligations, it is treated as non-conforming, and is liable to suspension of its certificate. Moreover, KZR INiG is entitled to indicate the name of any such company to the European Commission.

## LIST OF INFORMATION TO BE REPORTED BY VOLUNTARY SCHEMES IN THEIR ANNUAL ACTIVITY REPORTS TO THE COMMISSION

(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 Commission Implementing Regulation (EU) 2022/996.
(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.

(k) information on the way the risk assessment required in Article 29(6) and (7) of the Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413 is made.
(l) detailed statistical information and qualitative feedback on the implementation of the $e_{sca}$ methodology.

# 11. Costs of participation in KZR INiG System

The main purpose of the KZR INiG System is to prove conformity of raw materials, biofuels bioliquids and biomass fuels production with the sustainability criteria stipulated by RED III. Fulfilment of these requirements is inevitably an additional administrative and financial burden for participants. In organizing the KZR INiG System, specific local conditions have been taken into account (including using data and information collected from government agencies) which should lessen the administrative burden, particularly for agricultural producers.

Costs for obtaining the KZR certificate include those connected with:

- obtaining the certificate (audit),
- participation in the KZR INiG System.

## 11.1. Costs connected with the process of obtaining the certificate (audit)

Payments for carrying out an audit are agreed upon in a separate contract between the certification body and the economic operator.

## 11.2. Costs connected with participation in the KZR INiG System

Fees for participation in the System are paid according to the pricelist and to a contract signed between the Oil and Gas Institute - National Research Institute and the participant being certified. Fees are determined by the Management of the KZR INiG Biomass Certification System Office and approved by the Director of the Institute. The current price list is published on the System's website.

# 12. Traceability and Union database

Using Union database is mandatory for each economic operator in the supply chain (starting from FGP) of biofuels, gaseous fuels. Thus, it is crucial to define a certification pathway in the correct way.

The sustainability and GHG emissions saving characteristics and other information describing raw materials or fuel, required for the purposes of Directive (EU) 2018/2001 as amended by

Directive (EU) 2023/2413, together with transaction data shall be thoroughly documented and EN 21 EN passed on from economic operator to economic operator through the supply chain. Such information shall include data to be transmitted through the whole supply chain as well as data that is specific for the individual transaction, as specified below:

### 12.1. Data to be transmitted through the whole supply chain

(a) name of the voluntary or national scheme;
(b) proof of sustainability number;
(c) sustainability and GHG emission savings characteristics, including:
- ✓ statement on whether the raw material or fuel complies with the criteria set out in Article 29(2) to (7) of Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413;
- ✓ GHG emission data calculated according to the methodology set out in Annexes V and VI to Directive (EU) 2018/2011as amended by Directive (EU) 2023/2413 or Delegated Regulation (EU) 2019/807;
- ✓ description of when the installation started operation (for fuels only);

(d) name of raw material or name of raw material that the fuel is produced from;
(e) waste or animal by-product permit number (if applicable);
(f) fuel type (for fuels only);
(g) country of origin of raw material;
(h) country of fuel production;
(i) statement on whether the raw material or fuel complies with the criteria set out for low indirect land-use change-risk biofuels;
(j) information on whether support has been provided for the production of that consignment, and if so, the type of support scheme.

### 12.2. Transaction data

(a) supplier company name and address;
(b) buyer company name and address;
(c) date of (physical) loading;
(d) place of (physical) loading or logistical facility or distribution infrastructure entry point;
(e) place of (physical) delivery or logistical facility or distribution infrastructure exit point;
(f) volume: for fuels, the energy quantity of the fuel must also be included. For the calculation of the energy quantity, conversion factors in Annex III to Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413 must be used;
(g) data on the injection and withdrawal of renewable gaseous fuels.

The information to be transmitted through the supply chain shall be included in the documentation accompanying the physical shipments of raw material or fuels. It shall also be included in the Union database, in the case of liquid and gaseous fuels that are eligible for being counted towards the numerator referred to in Article 27(1), point (b) of Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413, or that are taken into account for the purposes referred to in Article 29(1), points (a), (b) and (c), first subparagraph, of that Directive. Accurate data in a timely manner shall be entered by the economic operators into the Union database.

The KZR INiG System ensures that economic operators correctly enter all relevant information in the Union Database on the transactions made and the sustainability characteristics of the fuels subject to those transactions, including their life-cycle greenhouse gas emissions, starting from their point of production to the moment they are placed on the market in the Union as soon as the database starts operation.

For the purpose of entering data into the Union database, the interconnected gas system shall be considered to be a single mass balance system. Data on the injection and withdrawal of renewable gaseous fuels shall be provided in the Union database. Data on whether support has been provided for the production of a specific consignment of fuel, and if so, on the type of support scheme, shall also be entered into the Union database. For the purpose of tracing consignments of liquid or gaseous fuels in an interconnected infrastructure the sustainability and GHG emissions saving characteristics and the other information as described in paragraph 1 shall be registered in the Union database at the first entry point and registered out as consumed at the point of final consumption. If gaseous fuels are withdrawn from an interconnected infrastructure and further transformed into gaseous or liquid fuels, the point of final consumption is considered to be the point of final consumption of the final gaseous or liquid fuels. In such a case, all intermediary stages from the withdrawal of the gaseous fuels from the interconnected infrastructure until the point of final consumption of the final gaseous or liquid fuels have to be registered in the Union Database.
The Member State may decide to complement a mass balance system by a system of guarantees of origin, enter into the Union database data on the transactions made and on the sustainability characteristics and other relevant data, such as greenhouse gas emissions of the fuels up to the injection point to the interconnected gas infrastructure. In such a case auditors verify that information.

Certification bodies shall verify the accuracy and completeness of information entered by economic operators into the Union database or relevant national database.

## 13. Transition period

4th issue of the KZR INiG documents implements provisions of 2023/2413 Directive. The amendments brought by Directive (EU) 2023/2413 to Directive (EU) 2018/2001 are already in force as of the 20th November 2023 will have to be transposed by 21st May 2025. As of the 21st of May 2025, the KZR INiG will request to all the actors performing certification activities under the scheme to ensure compliance with the new rules, as included in RED III. The complete transposition of the Directive (or lack thereof), does not impact this obligation. KZR INiG will not, under any circumstances, check only compliance with RED II when performing certification activities. On the contrary, compliance with RED III should be ensured even if the Directive has not been fully transposed.

Certificates issued before the date of 21st of May 2025 remain valid. Certificates issues or updated after this date shall be in line with the 4th issue of the KZR INiG documents. Any proofs of sustainability declarations for biomass or sustainable fuels, issued by the economic operators whose certificates have been renewed, before or after the date of the recertification based on the new rules will be valid. Goods maintain their sustainability.

## 14. Annexes list

1. Annex 1 - Self-declaration for agricultural producer
2. Annex 2 - Declaration of waste/residue

## 15. Changes compared to the previous edition

| Date | Section | Previous requirement | Current requirement |
|---|---|---|---|
| 05.05.2025 | Whole document | Directive 2018/2001 | Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413 |
| 05.05.2025 | Whole document | RED II | RED III |
| 05.05.2025 | Whole document | renewable liquid and gaseous transport fuels of non-biological origin. | renewable fuels of non-biological origin. |
| 05.05.2025 | 1. | The rules of the KZR INiG System are based on the requirements stated in Directive 2018/2001 of the European Parliament and of the Council of 11 December 2018, on the promotion of the use of energy from renewable sources (RED II) as amended by Directive 2023/2413 of the European Parliament and of the Council of 18 October 2023 amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652 (RED III). | The rules of the KZR INiG System are based on the requirements stated in Directive 2018/2001 of the European Parliament and of the Council of 11 December 2018, on the promotion of the use of energy from renewable sources (RED II) as amended by Directive 2023/2413 of the European Parliament and of the Council of 18 October 2023 amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652 (RED III). |
| 05.05.2025 | | Implementation of the KZR INiG System provides economic operators, operating in the supply chain of | Implementation of the KZR INiG System provides economic operators, operating in the supply chain of |

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| | | biofuels, biomass fuels and bioliquids, with the possibility to prove that they meet sustainability criteria, according to the requirements of Directive 2018/2001 (RED II). | biofuels, biomass fuels and bioliquids, with the possibility to prove that they meet sustainability criteria, according to the requirements of Directive (EU) 2018/2001as amended by Directive (EU) 2023/2413 (RED III). |
| 05.05.2025 | | The Commission is able to recognise voluntary schemes as containing accurate data for the purposes of Article 29(10) of RED II and to demonstrate that biofuels, bioliquids and biomass fuels produced from agricultural biomass comply with the sustainability criteria in Articles 29(3)-(5) of RED II. The Commission is able to recognise voluntary schemes as containing accurate data for the purposes of Article 29(6)-(7) of RED II to demonstrate that biofuels, bioliquids and biomass fuels produced from forest biomass comply with the sustainability criteria in Articles 29(2)-(7) of RED II. | The Commission is able to recognise voluntary schemes as containing accurate data for the purposes of Article 29(10) and Article 29a of RED III and to demonstrate that biofuels, bioliquids and biomass fuels produced from agricultural biomass comply with the sustainability criteria in Articles 29(2)-(5) of RED III. The Commission is able to recognise voluntary schemes as containing accurate data for the purposes of Article 29(6)-(7) of RED III to demonstrate that biofuels, bioliquids and biomass fuels produced from forest biomass comply with the sustainability criteria in Articles 29(6)-(7) of RED III. |
| 05.05.2025 | 2. | - | Added:<br>KZR INiG System/12/Renewable Fuels of non-biological origin and recycled carbon fuels |
| 05.05.2025 | 4. | **Type of fuels**<br>❖ biomass; […]<br>❖ renewable liquid and gaseous transport fuels of non-biological origin.<br>Thus, the certification is performed according to following certification pathways:<br>❖ biofuels and bioliquids; [..]<br>❖ renewable liquid and gaseous transport fuels of non-biological origin. | **Type of fuels**<br>❖ biomass; […]<br>❖ renewable fuels of non-biological origin.<br>Thus, the certification is performed according to following certification pathways:<br>❖ biofuels and bioliquids; […]<br>❖ renewable fuels of non-biological origin. |
| 05.05.2025 | 4. | 37. SC Steam cracking | 37. SC Steam cracking, steam reforming |
| 05.05.2025 | 4. | 42. RNBO Renewable liquid and gaseous transport fuels of non-biological origin producer; | 42. RNBO Renewable fuels of non-biological origin producer; |
| 05.05.2025 | 4. | 47. SBPU Solid biomass processing unit | 47. WH Warehouse |
| 05.05.2025 | 4. | - | Added:<br>1. INT Intermediaries |
| 05.05.2025 | 4. | Specific case of fuel is bio-hydrogen which can be produced according to two different pathways: biomass fuel and renewable liquid and gaseous transport fuels of non-biological origin. | Specific case of fuel is bio-hydrogen which can be produced according to two different pathways: biomass fuel and renewable fuels of non-biological origin. |
| 05.05.2025 | 5. | 2. Biofuels, bioliquids and biomass fuels […]<br><br>(a) primary forest and other wooded land, namely forest and other wooded land of native species, where there is no clearly visible indication of human activity, and the ecological processes are not significantly disturbed; | 2. Biofuels, bioliquids and biomass fuels […]<br>(a) primary forest and other wooded land, namely forest and other wooded land of native species, where there is no clearly visible indication of human activity, and the ecological processes are not significantly disturbed and old growth forests as defined in the country where the forest is located; |
| 05.05.2025 | 5. | - | Added:<br>(e) heathland<br>If in the applicable Member State or third county an official definition of heathland exists, then that definition shall prevail. In the absence of such a definition, then the definition provides in System KZR INiG/2 document shall be applied.<br>Please follow the document System KZR INiG/5 point 3 in order to apply appropriate definition of heathland.<br>Where the conditions set out in paragraph 5, points (a)(vi) and (vii), are not met, the first subparagraph of this paragraph, with the exception of point (c), also applies to biofuels, bioliquids and biomass fuels produced from forest biomass. |
| 05.05.2025 | 5. | - | Added: |

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| | | | Where the conditions set out in paragraph 5, points (a)(vi) and (vii), are not met, the first subparagraph of this paragraph, with the exception of points (b) and (c), and the second subparagraph of this paragraph also apply to biofuels, bioliquids and biomass fuels produced from forest biomass. |
| 05.05.2025 | 5. | - | Added:<br>Where the conditions set out in paragraph 5, points (a)(vi) and (vii), are not met, this paragraph also applies to biofuels, bioliquids and biomass fuels produced from forest biomass. |
| 05.05.2025 | 5. | 5. Biofuels, bioliquids and biomass fuels […]<br>(iii)that areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands and peatlands, are protected;<br>(iv)that harvesting is carried out considering maintenance of soil quality and biodiversity with the aim of minimising negative impacts; and<br>(v)that harvesting maintains or improves the long-term production capacity of the forest;<br>(b) when evidence referred to […]<br>(iii)that areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands and peatlands, are protected unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes;<br>(iv)that harvesting is carried out considering the maintenance of soil quality and biodiversity with the aim of minimising negative impacts; and<br>(v)that harvesting maintains or improves the long-term production capacity of the forest. | 5. Biofuels, bioliquids and biomass fuels […]<br>(iii) that areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands, grassland, heathland and peatlands, are protected with the aim of preserving biodiversity and preventing habitat destruction;<br>(iv) that harvesting is carried out considering maintenance of soil quality and biodiversity in accordance with sustainable forest management principles, […] and habitats.<br>Please follow the document System KZR INiG/11 point 3 in order to apply appropriate definition of old growth forest.<br>(v) that harvesting […]<br>(vi) that forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in paragraph 2, points (a), (b), (d) and (e), paragraph 3, point (a), and paragraph 4, respectively under the same conditions of determination of the status of land specified in those paragraphs; and<br>(vii) that installations producing biofuels, bioliquids and biomass fuels from forest biomass, issue a statement of assurance, underpinned by company-level internal processes, for the purpose of the audits conducted pursuant to Article 30(3), that the forest biomass is not sourced from the lands referred to in point (vi) of this subparagraph.<br>(b) when evidence referred to […]<br>(iii) that areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands, grasslands, heathlands and peatlands, are protected with the aim of preserving biodiversity and preventing habitat destruction, unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes;<br>(iv) that harvesting is carried out considering maintenance of soil quality and biodiversity in accordance with sustainable forest management principles, with the aim of preventing any adverse impact, in a way that avoids harvesting of stumps and roots, degradation of primary forests, and of old growth forests as defined in the country where the forest is located, or their conversion into plantation forests, and harvesting on vulnerable soils, that harvesting is carried out in compliance with maximum thresholds for large clear-cuts as defined in the country where the forest is located and with locally and ecologically appropriate retention thresholds for deadwood extraction and that harvesting is carried out in compliance with |

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| | | | requirements to use logging systems that minimise any adverse impact on soil quality, including soil compaction, and on biodiversity features and habitats; and<br>(v) that harvesting maintains or improves the long-term production capacity of the forest.<br>(vi) that forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in paragraph 2, points (a), (b), (d) and (e), paragraph 3, point (a), and paragraph 4, respectively under the same conditions of determination of the status of land specified in those paragraphs. |
| 05.05.2025 | 5. | - | Added:<br>7. Biomass fuels shall fulfil the sustainability and greenhouse gas emissions saving criteria laid down in paragraphs 2 to 7 and 10 of Article 29 RED III if used:<br>(a) in the case of solid biomass fuels, in installations producing electricity, heating and cooling with a total rated thermal input equal to or exceeding 7,5 MW;<br>(b) in the case of gaseous biomass fuels, in installations producing electricity, heating and cooling with a total rated thermal input equal to or exceeding 2 MW;<br>(c) in the case of installations producing gaseous biomass fuels with the following average biomethane flow rate:<br>i. above 200 m3 methane equivalent/h measured at standard conditions of temperature and pressure, namely 0 °C and 1 bar atmospheric pressure;<br>ii. if biogas is composed of a mixture of methane and non-combustible other gas, for the methane flow rate, the threshold set out in point (i), recalculated proportionally to the volumetric share of methane in the mixture. |
| 05.05.2025 | 5. | 7. The greenhouse gas emission […]<br>(d)at least 70 % for electricity, heating and cooling production from biomass fuels used in installations starting operation from 1 January 2021 until 31 December 2025, and 80 % for installations starting operation from 1 January 2026.<br>An installation shall be considered to be in operation once the physical production of fuel, heat or cooling, or electricity has started (i.e., once the production of fuels including biofuels, biogas or bioliquids, or production of heat, cooling or electricity from biomass fuels has started). Installation tests and commissioning are not included.<br>Electricity, heating, and cooling produced from municipal solid waste shall not be subject to the greenhouse gas emissions saving criteria. If biomass is used for technological purposes e.g., in the construction industry, and the certification is required due to the legal reasons, (e.g., EU ETS), GHG emissions criteria do not apply. The sustainability and greenhouse gas emissions saving criteria shall apply irrespective of the geographical origin of the biomass. | 8. The greenhouse gas emission […]<br>(d) at least 80 %; for electricity, heating and cooling production from biomass fuels used in installations that started operating after 20 November 2023;<br>(e) for electricity, heating and cooling production from biomass fuels used in installations with a total rated thermal input equal to or exceeding 10 MW that started operating between 1 January 2021 and 20 November 2023, at least 70 % until 31 December 2029, and at least 80 % from 1 January 2030;<br>(f) for electricity, heating and cooling production from gaseous biomass fuels used in installations with a total rated thermal input equal to or lower than 10 MW that started operating between 1 January 2021 and 20 November 2023, at least 70 % before they have been operating for 15 years, and at least 80 % after they have been in operation for 15 years;<br>(g) for electricity, heating and cooling production from biomass fuels used in installations with a total rated thermal input equal to or exceeding 10 MW that started operating before 1 January 2021, at least 80 % after they have been operating for 15 years, at the earliest from 1 January 2026 and at the latest from 31 December 2029;<br>(h) for electricity, heating and cooling production from gaseous biomass fuels used in installations with a total rated thermal input equal to or lower than 10 MW that started operating before 1 January 2021, |

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| | | | at least 80 % after they have been operating for 15 years and at the earliest from 1 January 2026. |
| 05.05.2025 | 5. | - | Added:<br>9. Energy from renewable fuels of non-biological origin shall be counted towards Member States' shares of renewable energy and the targets referred to in Articles 3(1), 15a(1), 22a(1), 23(1), 24(4) and 25(1) only if the greenhouse gas emissions savings from the use of those fuels are at least 70 %. The emissions savings shall be calculated according to Delegated Regulation (COM DA referred to in Article 28(5) of RED III) 2023/1185. |
| 05.05.2025 | 5. | 7.The greenhouse gas emission […] from 1 January 2026.<br><br>An installation shall be […] of the biomass. | 10. Energy from recycled carbon fuels may be counted towards the targets referred to in Article 25(1), first subparagraph, point (a), only if the greenhouse gas emissions savings from the use of those fuels are at least 70 %. The emissions savings shall be calculated according to Delegated Regulation 2023/1185.<br>An installation shall be […] of the biomass. |
| 05.05.2025 | 5. | 8. Agricultural raw materials […] | 11. Agricultural raw materials […] |
| 05.05.2025 | 7. | - | Added:<br>Place of origin […] even if products are consumed internally. |
| 05.05.2025 | 7.1.2. | - | Added:<br>Place of origin of municipal waste signs self-declaration (see the annex 2). |
| 05.05.2025 | 7.1.4. | - | Added:<br>7.1.4. Installation generating renewable electricity<br>It is an economic operator generating renewable electricity for renewable fuel of non-biological origin. Please see System KZR INiG/12. |
| 05.05.2025 | 7.1.5. | - | Added:<br>7.1.5. Waste carbon source/CO2 from air<br>It is an economic operator generating exhaust, waste gases or a company which captures CO2 from air or other companies where waste solid or liquid streams appear. Please see System KZR INiG/12. |
| 05.05.2025 | 7.2. | 2. Obligation of […]<br>✓ Annual inspections of farmers. Inspections can be based on a combination of desk-based and onsite visits (depending on the identified risk) but should take place at different times of the year and not be predictable; (Only agricultural gathering point). | 2. Obligation of […]<br>✓ Annual inspections of PoO. Inspections can be based on a combination of desk-based and onsite visits (depending on the identified risk) but should take place at different times of the year and not be predictable |
| 05.05.2025 | 7.10 | - | Added:<br>7.10. RFNBO/RCF<br>See system KZR INiG/12. |
| 05.05.2025 | 9.1. | ✓list of KZR INiG economic operators including their certification status with their respective date of certificate issuance, suspension, withdrawal, termination, or expiry, as well as the certificates or the summary audit reports (according to Annex II of COMMISSION IMPLEMENTING REGULATION (EU) 2022/996 of 14 June 2022), and aggregated list of non-conformities (if appears) drawn up. | ✓ list of KZR INiG economic operators including their certification status with their respective date of certificate issuance, publication on the website if later than date of issuance, suspension, withdrawal, termination, or expiry, as well as the certificates or the summary audit reports (according to Annex II of COMMISSION IMPLEMENTING REGULATION (EU) 2022/996 of 14 June 2022), and aggregated list of non-conformities (if appears) drawn up. |
| 05.05.2025 | 9.1. | ✓ the results […] The report is published once a year, the first will cover 2023. | ✓ the results […] The report is published once a year. |
| 05.05.2025 | 9.1. | - | Added:<br>Above information is made available to consumers in an up-to- date, easily accessible, and user-friendly manner. |

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| 05.05.2025 | 9.3. | Internal monitoring […] As part of the monitoring process, the KZR INiG System requires certification bodies to submit all audit reports, and, where applicable, the calculations of actual values for the greenhouse gas emissions. […] | Internal monitoring […] As part of the monitoring process, the KZR INiG System requires certification bodies to submit all audit reports, checklists, and, where applicable, the calculations of actual values for the greenhouse gas emissions. Moreover, upon request the CB is obliged to send other audits documents. […] |
| 05.05.2025 | 9.3.1. | 9.3.1. System participants<br>The purpose […]<br>Internal monitoring […]<br>Such internal monitoring audits (carried out by the KZR INiG) should be undertaken in cases where relevant information on potential non-compliances has been brought to the attention of the scheme by external parties, and as a result of the audit carried out by the KZR INiG at certification bodies (see KZR INiG System/9 point 5.3.). | 9.3.1. System participants<br>The purpose […]<br>Supervision over system participants can be a part of the supervision over certification bodies defined in System KZR INiG/9 point 5.3.<br>Internal monitoring […]<br>Internal monitoring audits (carried out by the KZR INiG) also should be undertaken in cases where relevant information on potential non-compliances has been brought to the attention of the scheme, and as a result of the audit carried out by the KZR INiG at certification bodies (see KZR INiG System/9 point 5.3.).<br>KZR INiG always has right to verify compliance of economic operator activity with KZR INiG requirements. This verification can be performed as desk or on-site audit.<br>In each in above mentioned case, the final scope of KZR INiG verification is determined individually as needed. |
| 05.05.2025 | 9.3.2. | The KZR INiG requires certification bodies to submit all audit reports, and actual value […] | The KZR INiG requires certification bodies to submit all audit documents, and actual value […] |
| 05.05.2025 | 10. | 10. Principles of use of KZR INiG System logo | Deleted whole chapter 10. Principles of use of KZR INiG System logo |
| 05.05.2025 | - | 11. Annual reports<br>12. Costs of participation in KZR INiG System<br>12.1. Costs connected with the process of obtaining the certificate (audit) […]<br>12.2. Costs connected with participation in the KZR INiG System […]<br>13. Traceability and Union database […]:<br>13.1. Data to be transmitted through the whole supply chain<br>13.2. Transaction data | 10. Annual reports<br>11. Costs of participation in KZR INiG System<br>11.1. Costs connected with the process of obtaining the certificate (audit) […]<br>11.2. Costs connected with participation in the KZR INiG System […]<br>12. Traceability and Union database […]:<br>12.1. Data to be transmitted through the whole supply chain<br>12.2. Transaction data |
| 05.05.2025 | 12.2. | 13.2. Transaction data<br>(a) supplier company<br>[…]<br>(f) volume: for fuels, the energy quantity of the fuel must also be included. For the calculation of the energy quantity, conversion factors in Annex III to Directive (EU) 2018/2001 must be used.<br>The information […]<br><br>The KZR INiG System ensures that economic operators correctly enter all relevant information in the Union database.<br><br>For the purpose of tracing consignments of liquid or gaseous fuels […]Database.<br><br>Certification bodies shall be required to verify the accuracy of information entered into the Union database or relevant national database. | 12.2. Transaction data<br>(a) supplier company<br>[…]<br>(f) volume: for fuels, the energy quantity of the fuel must also be included. For the calculation of the energy quantity, conversion factors in Annex III to Directive (EU) 2018/2001 as amended by Directive (EU) 2023/2413 must be used;<br>(g) data on the injection and withdrawal of renewable gaseous fuels.<br>The information […] Accurate data in a timely manner shall be entered by the economic operators into the Union database.<br><br>The KZR INiG System ensures that economic operators correctly enter all relevant information in the Union Database […].<br><br>For the purpose of entering data into the Union database, the interconnected gas system shall be considered to be a single mass balance system. Data on the injection and withdrawal of renewable gaseous fuels shall be provided in the Union database. Data on whether support has been |

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| | | | provided for the production of a specific consignment of fuel, and if so, on the type of support scheme, shall also be entered into the Union database. For the purpose of tracing consignments of liquid or gaseous fuels […] Database.<br>The Member State may decide […].<br><br>Certification bodies shall verify the accuracy and completeness of information entered by economic operators into the Union database or relevant national database. |
| 05.05.2025 | 13. | - | Added:<br>13. Transition period<br>4th issue of the KZR INiG documents implements provisions of 2023/2413 Directive. […] |