

20/04/2023

## ISCC Response to Recent Suspected Cases of Mislabelling of Advanced Biodiesel

April 20, 2023

News

In recent weeks, ISCC has received communications from stakeholders expressing concerns about a surge of advanced biodiesel<sup>1</sup> imported from China and produced from waste and residue materials that are at least partly supplied from Indonesia and Malaysia. This sharp increase began in late 2022 and peaked in January and February 2023, with serious implications for the European biofuels market and indications pointing to a potentially dubious or fraudulent origin of these trade flows.

ISCC has already intensified its work on mitigation measures. As a result, ISCC's Integrity Programme has focused on Asia since last year and additional Integrity Assessments have been conducted at Points of Origin. ISCC Managing Director Andreas Feige traveled to the region to discuss the situation and possible measures with affected System Users and Integrity Auditors, and the capacity of Integrity Auditors in Asia was expanded. Furthermore, ISCC requirements were strengthened, as communicated in the [ISCC System Updates](#). This included for example a designated Self-Declaration for POME oil, a mandatory 100% audit for respective Points of Origin and guidelines for plausible yields.

Since last month, after being alerted to certain players suspected of committing fraudulent activity, we immediately carried out unannounced Integrity Audits at the companies concerned. In a second step, we are conducting a further 70 unannounced Integrity Audits at Processing Units in China and Singapore. This gives us the opportunity to review data remotely and select System Users for on-site Integrity Audits based on the results.

We will also further strengthen our cooperation with regulatory and law enforcement authorities and have already received positive feedback in this regard.

Based on the Integrity Audit experiences of the last 6 months, ISCC has identified potential for further improvement such as the continued definition of clear yield thresholds for Points of Origin for specific waste and residue materials. This was already implemented for POME oil and the respective yield verification will become a mandatory audit requirement. Implausible quantities of material provided by the Point of Origin, that cannot be verified by the auditor will be considered as a critical non-conformity and will result in withdrawal of the certificate. False declaration of materials on Sustainability Declarations will be regarded as a critical non-conformity being subject to certificate withdrawal and further measures regarding Points of Origin will be implemented. ISCC will shortly issue a comprehensive System Update implementing the above-mentioned improvement areas for waste and residue supply chains.

Update: [Newsletter Update on Suspected Cases of Mislabelling of Biodiesel on 16 May 2023](#)

Update: [The System Update was published on 28 April 2023.](#)

External Article about the topic (in German): [Here](#)

1 Biodiesel produced from feedstocks listed in part A of Annex IX REDII

Continue reading about ISCC quality management, the ISCC Integrity Programme and the grievance mechanism in the ISCC newsletter from 20 April 2023

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