Audit and certification procedures for producers and processors

1. Consideration

In connection with the certification of industrial biochar and the registration of C-sinks based on it, the standards "European Biochar Certificate - Guidelines for the Certification of Biochar", "World Biochar Certificate - Guidelines for a Sustainable Production of Biochar" and the "Global Biochar C-Sink Standard" outline the necessary requirements for audits, inspection, and documentation obligations.

In principle, every producer, processor, and trader of biochar involved must be certified under either the EBC or WBC standard and must also be registered for the C-sink service if the C-sink (CINK) is to be registered.

Due to varying contractual and order structures within biochar processing and CINK generation chains, regulatory gaps may arise in certain cases. This is particularly relevant when an actor owns and processes the physical product (biochar), and the processed biochar is used to generate a CINK, but the actor does not wish to participate directly in the certification process. This document addresses these gaps and clarifies under which circumstances certification of the actor is mandatory, and when these obligations may be transferred to another registered actor.

In case of doubt, the information from the standards "European Biochar Certificate - Guidelines for the Certification of Biochar", "World Biochar Certificate - Guidelines for a Sustainable Production of Biochar," and the "Global Biochar C-Sink Standard" applies regarding the requirements for production, processing, and the associated quality management and documentation. These are mentioned as examples in this document. This document is valid with respect to the specifications for audit forms and registration, and clarifies which actor is responsible for compliance with the aforementioned quality requirements.

In a first step, the various players are described here.

2. Glossary

Producer	The producer of the physical product biochar. The producer sells these products and bears their development and production costs. The producer is the first owner of the manufactured product. The EBC/WBC producer certification is aimed at the producer of biochar. If the biochar produced is used for a C-sink, the producer must record all emissions up to the factory gate. He is always the owner of the C-sink potential.
Processors	Processing companies purchase or produce EBC/WBC-certified biochar and use it to manufacture new, biochar-based products. The trade of unpackaged, loose goods (e.g. containers) or repackaged purchased biochar also counts as processing. The processor physically purchases the product and uses it to manufacture its own new products. Cf. EBC standard 13.2.b. If the processed product is located in the value chain of a C-sink, the processor is also the owner of a C-sink potential and is responsible for recording the processing emissions.
Subcontractor	Subcontractors provide a service on the physical product for producers or processors, e.g. the operation of a production facility. They carry out individual production or processing steps and adhere to the producer's specifications. They do not buy and sell any products themselves and do not become the owner with this step. If a production site is located on the premises of a subcontractor, it must be contractually agreed that the site may be entered by the inspector.
Processing partner	A company that processes the physical product biochar, which is part of a C-sink supply chain, and becomes the owner of the biochar. The biochar products are marketed under the name of the processing partner. As the

	product is part of a C-sink supply chain, the processing partner must adhere to the contracting entity's specifications when labelling products in accordance with the quality standards and when recording emission-relevant data in accordance with the Global Biochar C-sink Standard. The contracting entity is the owner of the C-sink potential, is liable for the integrity of the carbon storage and is required to provide the processing partner with appropriate specifications that the contracting entity carries out the truthful recording of the processing emissions.
Retailer	The retailer of physical products buys and sells pre-packaged products in defined sales units. The product changes hands with this step, even if it may be delivered directly from the producer, processor or subcontractor to the end customer. The retailer is the owner of the physical product for a certain period of time. A retailer can also be the owner of the C-sink potential.
C-Sink Trader	The trader of C sinks trades the CINKs, i.e. he buys and sells them from one CINK owner to the next. With this step, he becomes the owner of the sinks in the meantime.

3. Audit and certification requirements

The following guidelines apply to the audit and certification body (CA) in order to ensure that the work processes in practice are as customer-friendly as possible.

	Registration CSI	Registration ZS	Form Audit ZS	Interval	EASY-CERT Listing
Producer	Yes	Yes	On site	1x per calendar year	Operation and products
Processors	Yes	Yes	Online/ on site	1x per calendar year	Operation and products
Retailers of unpackaged or repackaged goods	Yes	Yes	Online/ on site	1x per calendar year	Operation and products
Subcontractor	-	Registration by contracting entity	Audit of the contractual partner, if necessary online/on site	1x per calendar year	-
Processing partner	-	Registration by contracting entity	Audit of the contractual partner, if necessary online/on site	1x per calendar year	-
Retailer of packaged goods	Yes, if C sinks are to be generated for units >1tCO2e	-	-	-	-
C-Sink Manager	Yes	Yes	On site	1x per calendar year	Operation
C-Sink Trader	Yes	-	-	-	-

Anyone wishing to be entered in the register as the first C-sink owner must be registered with CSI, regardless of their role. If an audit can take place online or on-site, it is at the discretion of the certification body to choose the form of audit. CSI may order a specific form of audit.

If a producer is also a processor (definition 13.2 EBC standard), registration is required for both roles. Annual fees are charged only once per actor by CSI.

4. Producer

The producer must go through the requirements of the standards and become certified with its products before delivering them to customers. In industrial biochar production, production can begin after the technical pre-audit (in accordance with EBC/WBC) and the quantities can be entered into the quantity management system. Comprehensive on-site audits are conducted one per calendar year.

C-sink project documentation

If the producer's biochar is to be used as material for C-sinks, the producer is required to submit a PDD. The PDD will be published.

5. Processors and retailers of unpackaged or repackaged goods

The processor and their products must be certified before delivering the first products to customers. The first audit can be conducted remotely, allowing companies to begin production and sell products without delay after submitting the company description. During the audits, particular attention is given to the flow of goods and correct labelling.

Each step of processing biochar and biochar-based products must be documented in a traceable processing log. The quantity and quality of biochar used and the amount of biochar in the final product must be specified. If the biochar or biochar-based products are merely repackaged or relabeled, a similar processing log must be maintained regarding the quantity and quality of raw materials and end products. Goods flow control (comparison of incoming goods, processing, and outgoing goods) must be possible at all times.

To maintain proportionality, biochar processors may be exempted from the annual on-site inspection if they can prove they process less than 10 tons of biochar per year. In such cases, compliance with production and quality guidelines may be ensured through self-declaration and processing protocols.

C-sink project documentation

Processors must submit a Processor PDD Annex. The validated emission factors from the PDD Annex will be uploaded to the processor project page. Publication of the processor project page determines whether these factors are publicly viewable. Whether they are public or not depends on the customer's preference. Upon the customer’s request, the entire PDD Annex can be made public.

If the entire processing is carried out by the producer themselves, the documentation of processing emissions can be included directly in the producer’s PDD.

If the customer can convincingly demonstrate to CSI that processing biochar does not result in emissions beyond the BAU (Business As Usual) scenario without biochar, the PDD annex can be limited to a description of the processes and project boundaries. In this case, a monitoring plan to track emissions is not necessary. If the findings from the on-site inspection contradict this assumption, the PDD annex must be completed.

6. Subcontractor

The subcontractor is notified to the certification body and can start production after notification and listing with the certification body. The auditing and certification is part of the audit of the contracting entity (producer or processor) and is usually carried out at the same time.

- A subcontractor is neither the owner of the physical biochar nor of the C-sink potential.

A contract between the contracting entity and subcontractor must exist and be presented to the CS, in which the subcontractor undertakes to work in accordance with the contracting entity's specifications and to provide the contracting entity with the necessary data to carry out a goods flow check and localise any C-sinks that arise. Furthermore, the subcontractor's obligation to provide information to the contracting entity must be regulated in the agreement, and the access and inspection authorisation for the CA to all buildings/documents relevant to the inspection must be guaranteed. If the subcontractor takes over the production of the biochar, annual audits of the production unit will take place. Otherwise, this access authorisation will only be used in exceptional cases.

The entire quality assurance and documentation obligation of the contracting entity and the subcontractor is the responsibility of the contracting entity; this includes in particular: Each processing step of biochar and biochar-based products must be documented in a traceable processing protocol. The quantity and quality of the biochar used in each case and the quantity of biochar in the end product must be listed. If the biochar or

biochar-based products are merely repackaged or relabeled, a similar processing log must be kept on the quantity and quality of the raw materials and the end products. A goods flow control (comparison of incoming goods, processing and outgoing goods) must be possible at all times.

C-sink project documentation

The documentation obligations are also transferred to the contracting entity. The contracting entity must ensure that it receives reliable information on the emission factors and the location of the C-sink material. The project documentation is carried out by the contracting entity in accordance with the contracting entity's role.

7. Processing partner

The processing partner is notified to the certification body and can start production after notification and listing with the certification body. The auditing and certification is part of the audit of the contracting entity (producer or processor) and is usually carried out at the same time.

- A processing partner cannot take over the production of biochar.

A contract between the contracting entity and the processing partner must exist and be presented to the CA, in which the processing partner undertakes to comply with the label specifications received from the contracting entity and to provide the contracting entity with the necessary data to carry out a goods flow check and localisation of the resulting C-sinks. Furthermore, the processing partner's obligation to provide information to the contracting entity must be regulated in the agreement, and the access and inspection authorisation for the CA to all buildings/documents relevant to the inspection must be guaranteed. This access authorisation is only used in exceptional cases.

- The contract must state that the processing partner does not become the owner of the C-sink potential. In contrast to the subcontractor, the processing partner is the owner of the physical product biochar.
- The contract with a processing partner must contain the information that the processing partner can also register independently with CSI should it wish to do so.

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C-sink project documentation

The documentation obligations are also transferred to the contracting entity. The contracting entity must ensure that it receives reliable information on the emission factors and the location of the C-sink material. The project documentation is carried out by the contracting entity in accordance with the contracting entity's role.