

ISCC & World Bank on Palm-Based SAF/Renewable Diesel Production Project



Beatriz Nobre da Fonseca, Meo Carbon Solutions GmbH ISCC Regional Stakeholder Committee Latin America Online, August 13th, 2024



01

Project Overview

02

Main takeaways of the study

03

Recommendations and next steps



01 Project Overview

"Life cycle analysis (LCA) of the production chain of Sustainable Aviation Fuels (SAF) and Renewable Diesel (RD) from oil palm and its crop residues"













© Meo Carbon Solutions GmbH: For personal use only. Reproduction and distribution is prohibited.

Background: the palm sector in Colombia



Source: Fedepalma





*2021 *APROX 2022

© Meo Carbon Solutions GmbH: For personal use only. Reproduction and distribution is prohibited.

Project objectives



Identify promising SAF and RD supply chains for palm oil and (palm) residues produced in Colombia

Assess the environmental impacts and benefits of the production and use of SAF and RD (LCA)

E

1

Q

44

Explore the certification potential on EU REDII and CORSIA markets

Analyze the land use change in palm areas

Define the carbon balance of SAF/RD production chains

Engage relevant stakeholders of the palm-oil sector in Colombia

Collect feedback and integrate them into the study to improve the results



The approach

Life Cycle Analysis

- Identification of promising pathways (HEFA, Fisher Tropsch, Co-processing)
- Environmental impact and benefits assessment of the production and use of:
 - palm oil in different regions of Colombia,
 - SAF via different technologies,
 - renewable diesel (RD)
- GHG values calculation under REDII and CORSIA
- Assessment of SAF competitiveness in comparison to RED II and CORSIA requirements

Carbon Balance Assessment

- Land Use Change (LUC) Assessment following the Renewable Energy Directive (EU) 2018/2001 (RED II) and CORSIA specifications
- Suitability Assessment
- Carbon Balance results for SAF and RD pathways under REDII and CORSIA methodologies

Compliance assessment

- Identification of certification requirements
- ISCC EU and ISCC CORSIA certification potentials for palm-based SAF and RD pathways





Process emissions



From the LCA perspective

- SAF produced via CPO from oil mills with closed pond systems can achieve significant emission savings, in all the regions and pathways considered
- Closed POME treatment is highlighted as the most important element in emission reduction

From CORSIA perspective



- Considering closed POME pond treatment, it is possible to meet the GHG emission reduction requirements set by CORSIA
- While GHG values demonstrate Colombia's potential for SAF production, certification shall be done for individual sites with actual data





Land Use Change Assessment and Carbon Balance

- The results of the LUC assessment, focusing on conversions of forest, shrubland, and grassland to palm, are the input to determine the GHG emissions associated with LUC.
- The LUC values show similar patterns in the palm regions, under CORSIA, with the Orinoquía showing negative GHG emissions.
- The carbon balance highlights that the palm-based fuels produced in the Orinoquía region meet the GHG emission requirements (CORSIA).
- The ILUC value for Colombia to be used under CORSIA is missing.



Compliance assessment

Colombian feedstock as well as SAF producers are in a favorable position towards CORSIA certification



- The automated deforestation assessment showed either **low or medium deforestation risk** for all analyzed areas, with no area considered as high risk.
- While compliance of individual plantations still needs to be confirmed in individual audits, this already provides a **positive overall picture for many plantations in view of future compliance**.



Availability of ILUC value for Colombia required!

- The analysis has revealed an overall positive and promising picture for the Colombian palm sector, both in terms of low deforestation risk and compliance with GHG emission savings requirements.
- The ICAO calculation of a Colombia-specific ILUC value for palm is key.
- Low LUC risk certification under CORSIA is an interesting option for hybrid palm oil.
- All certification shall be at individual level.





03 Recommendations and next steps

Recommendations



Swift application to ICAO for the calculation of a Colombian-specific ILUC value for palm

Q

Decrease the consumption of fossil energy carriers

 \checkmark

Facilitate the conditions for investments in green technology



Adopt sustainable agricultural practices in palm plantations



Create awareness and educate operators on sustainable practices



Roadmap for the future of SAF/RD in Colombia



- Support and facilitate the dialog with ICAO to obtain the ILUC value
- Substantiate the request with the findings of this LCA study
- Assist companies in their own GHG calculation and improvement
- Support in the certification process

ISCC/MEO future perspectives and follow up projects in the sector

- Potential pilot certification for palm-based SAF produced in Colombia
- Potential for low LUC risk certification under CORSIA
- Assistance on ISCC individual certification
- GHG values calculation under CORSIA





Many thanks for your attention

Meo Carbon Solutions GmbH Hohenzollernring 72, 50672 Cologne Email: <u>nobre.fonseca@meo-carbon.com</u>



