Sustainable Biomass Program

NEPCon Evaluation of Rold Skov Savværk A/S Compliance with the SBP Framework: Public Summary Report

Second Surveillance Audit

www.sbp-cert.org

Completed in accordance with the CB Public Summary Report Template Version 1.4

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

Document history

Version 1.0: published 26 March 2015

Version 1.1: published 30 January 2018

Version 1.2: published 4 April 2018

Version 1.3: published 10 May 2018

Version 1.4: published 16 August 2018

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1 Overview

CB Name and contact:	NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia
Primary contact for SBP:	Ondrej Tarabus ot@nepcon.org, +420 606 730 382
Current report completion date:	22/Jan/2020
Report authors: :	Christian Rahbek, Lead Auditor
Name of the Company:	Rold Skov Savværk A/S
Company contact for SBP:	Benno Laursen, Purchasing manager, Phone: +45 99 40 40 60 email: bl@roldskov.dk
Certified Supply Base:	The certified Supply Base covers all of Denmark and Norway
SBP Certificate Code:	SBP-01-94
Date of certificate issue:	05/Mar/2018
Date of certificate expiry:	04/Mar/2023

This report relates to the Second Surveillance Audit

2 Scope of the evaluation and SBP certificate

The scope of this evaluation is based on SBP standards 2; 4; and 5. During the assessment, the geographical scope of the Supply Base was confirmed to be all of Denmark and Norway. The BP only uses secondary feedstock from its own two FSC and PEFC certified softwood sawmills and all inputs to the sawmills are either FSC or PEFC certified or FSC Controlled Wood or sourced as Controlled wood under the BP's own Controlled Wood evaluation.

The BP is supplying the secondary feedstock - co-products from the sawmills (fines/sawdust, bark) - directly from the two sawmills via truck to the customer, which is a combined heat and power plant. The BP does not have any processing nor drying of the sawmill co-products, nor any storage yard or facility outside the sawmills, where the secondary feedstock originates from.

Scope description: "Production of sawmill co-products (Sabro and Arden, Denmark), for use in energy production, and transportation to different energy producers in Denmark. The scope of the certificate does not include Supply Base Evaluation.

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification. The scope of this evaluation does not cover a Supply Base Evaluation, since all feedstock is either SBP-compliant feedstock or SBP-controlled feedstock.

The scope of the evaluation covered:

- Review of the BP's management procedures;
- Review of FSC and PEFC system control points, analysis of the existing FSC and PEFC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients;
- GHG data collection analysis.

4 SBP Standards utilised

4.1 SBP Standards utilised

Please select all SBP Standards used during this evaluation. All Standards can be accessed and downloaded from https://sbp-cert.org/documents/standards-documents/standards

☐ SBP Framework Standard 1: Feedstock Compliance Standard (Version 1.0, 26 March 2015)

☒ SBP Framework Standard 2: Verification of SBP-compliant Feedstock *(Version 1.0, 26 March 2015)*

☒ SBP Framework Standard 4: Chain of Custody *(Version 1.0, 26 March 2015)*

☒ SBP Framework Standard 5: Collection and Communication of Data *(Version 1.0, 26 March 2015)*

4.2 SBP-endorsed Regional Risk Assessment

Not applicable

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

Aktieselskabet Rold Skov Savværk is a Danish limited company operating two softwood sawmills, with the main office and one sawmill at the address Viborgvej 930, DK-8471 Sabro, Denmark, and one sawmill at the address Østergade 28, DK-9510 Arden, Denmark. The sawmills process Danish and Norwegian softwoods and all inputs are either FSC or PEFC Certified, FSC CW or sourced as Controlled wood under the FSC Controlled Wood standard.

Aktieselskabet Rold Skov Savværk holds FSC and PEFC CoC multisite certificates issued by NEPCon and have the PEFC CoC certificate number NC-PEFC/COC-029841 and FSC certificate number NC-COC-029841. They have implemented credit systems under both certification schemes.

Aktieselskabet Rold Skov Savværk utilizes the following species in its sawmills: Norway spruce (Picea abies), Sitka spruce (Picea sitchensis), Omorika spruce (Picea omorika), Fir (Abies alba), Grandis (Abies grandis), Nobilis (Abies procera), Larch (Larix spp) and Douglas fir (Pseudotsuga menziesii).

The BP is supplying co-products from the sawmills (fines/sawdust, bark) directly from the two sawmills via truck to the customer, which is a combined heat and power plant.

The BP makes SBP-compliant biomass claims for the product group “Fines – Sawmill co-products”, and only uses secondary feedstock from its own two FSC and PEFC certified softwood sawmills as inputs to this product group. All inputs to the sawmills are either FSC or PEFC certified, FSC Controlled Wood or sourced as Controlled wood under the BP’s own FSC Controlled Wood evaluation. Hence, all feedstock is either SBP-compliant feedstock or SBP-controlled feedstock.

The BP does not have any processing nor drying of the sawmill co-products, nor any storage yard or facility outside the sawmills, where the sawmill co-products originates form.

5.2 Description of Company’s Supply Base

Link to the Supply Base Report on the Biomass Producer’s own website:
https://www.roldskov.dk/certificeringer/sbp-certificering

Supply base Denmark

Rold Skov Savværk considers all of Denmark as its supply base.

Rold Skov Savværk sources most of its input materials from forest estates in Denmark and from a few traders. Most of the forestry estates are in Jutland and on Funen and one estate on Zealand.

According to Nord-Larsen et. al (2016) the forest cover in Denmark is 624.782 ha which is equal to app. 14,5 % of the total land area and the forest area is increasing. A total of app. 75% of the forest area is under private ownership while 25% is managed by public organizations (figure 1, see public SBR document in the company website).

The land use development from 1851 to 2015 and distribution to forest type can be seen in figure 2 and table 1 below: The forest area is increasing, and the percentage of conifers has been increasing until 2000 and after 2000 the area of broadleaf forest has been increasing.

In table 1 the land use distribution of the forests in Denmark is presented. As it can be seen approximately 241.000 hectares have coniferous (softwood) plantings with a gross annual increment of on average 12,9 m3 and net annual increment of 2,8 m3 / hectar (Nord-Larsen et. al (2016)).

Management practices

Norway and Sitka spruce normally originate from even aged plantings and even aged plantings influence on biodiversity as they have limited biodiversity. The cause being, that the management practice of clear felling leads to loss of habitat for organisms requiring a continuous forest cover. This management practice has however been challenged during the last 20 years and today more and more plantings are mixed, but with minimum rotations of 40 years, and even aged plantings still taking place, the management practice will continue to exist for long time. About 15 % of forest area is managed by uneven aged operations.

The distribution of the different management practices is presented in table 2 (see public SBR document in the company website).

Supply base Norway

Rold Skov Savværk consider the region “Nordland” in the north-western part of Norway to be in its supply base.

Rold Skov Savværk source about 10 % of its roundwood from Nordland in the north-western part of Norway, see figure 4. In Norway approximately 40 % of the surface area is covered by forest. The total forested area amounts to 13 million hectares, including 8,3 million hectares of productive forest. The annual increment is about 26 million cubic metres and the most important species are Norway spruce (44 %), Scots pine (31 %) and birch and other broadleaves (25 %) (Rognstad et. al, 2015).

In Nordland the productive forest area amounts to 452.600 hectars (Rognstad et. al, 2015).

Management

Norwegian forest resource polices are based on principles of maintaining the long-term stability and resilience of the resource base. The goal of Norwegian forest management policies is to meet social, economic, ecological and cultural needs for present and future generations (Rognstad et. al, 2015)

Norway has similar management practices even/uneven aged as Denmark, but longer rotations cause better biodiversity settings.

Proportions of certified wood

Rold Skov Savværk purchases roundwood with one of the following claims:

- FSC 100%
- FSC Controlled Wood
- PEFC 100 % certified
- In addition, Rold Skov Savværk purchases wood from suppliers if the material can pass Rold Skov Savværk's FSC Controlled Wood mitigation measures in order to be classified as FSC Controlled Wood.

Rold Skov Savværk does not purchase any volumes with the following claims: PEFC Controlled Sources or material without claims.

Estimated proportions of certified primary feed stock are shown in table 4.

	FSC 100%	FSC CW claim	FSC CW screening	PEFC 100 % certified	PEFC Controlled sources	Other
Denmark*	15% (5)	0	62% (15)	23% (10)	None	None
Norway	None	50 % (1)		50 % (1)	None	None

* Figures in () indicate number of suppliers

Table 4: Rold Skov Savværk's, estimated proportions of certified primary feed stock

From the production at Rold Skov Savværk the output will have the following SBP claims:

SBP-compliant biomass: Sawmill co-products which could otherwise achieve the claims: 100 % PEFC Certified or FSC Mix Credit.

SBP-controlled biomass: Sawmill co-products which could otherwise achieve the claims: FSC Controlled Wood.

5.3 Detailed description of Supply Base

The Qualitative description of the Supply Base can also be found in the Biomass Producer's Supply Base Report which is available in the company website at https://www.roldskov.dk/certificeringer/sbp-certificering

Supply Base

a. Total Supply Base area (ha):
   - Denmark: 624.000 ha
   - Norway 8.300.000 ha
   - Total: 8.924.000 ha

b. Tenure by type (ha):
   - privately owned:
     i. Denmark: 75 %
     ii. Norway: 83 %

- Public
    i. Denmark: 25 %
    ii. Norway: 17 %

c. Forest by type (ha):
    - Temperate forest type 100 % (Denmark)
    - Boreal forest type 100 % (Norway)

d. Forest by management type (ha):
    - planted stands 100 % (Denmark)
    - planted forest 100 % (Norway)

e. Certified forest by scheme (ha):
    - FSC[1]
        i. Denmark: 212.654 ha
        ii. Norway: 444.823 ha in total for all Norway, corresponding to about 5 % of the productive forest area. Specific FSC data for Nordland cannot be retrieved online.
    - PEFC[2]
        i. Denmark: 264.411 ha
        ii. Norway: 7.380.750 ha in total for Norway, corresponding to about 89 % of the productive forest area. Specific PEFC data for Nordland cannot be retrieved online.

Feedstock

f. Total volume of Feedstock: 0-200.000 m3

g. Volume of primary feedstock: N/A

h. List percentage of primary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
    - FSC certified 15 %
    - PEFC certified 25 %

i. List all species in primary feedstock, including scientific name:
    - Norway spruce (Picea abies),
    - Sitka spruce (Picea sitchensis),
    - Omorika spruce (Picea omorika),
    - Fir (Abies alba),
    - Grandis (Abies grandis),
    - Nobilis (Abies procera),
    - Larch (Larix spp.)
    - Douglas Fir (Pseudotsuga Menziesii)

j. Volume of primary feedstock from primary forest: 0 m3

k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes: N/A

l. Volume of secondary feedstock: 100 %

m. Volume of tertiary feedstock: 0 %

[1] https://ic.fsc.org/en/facts-and-figures
[2] https://www.pefc.org/about-pefc/who-we-are/facts-a-figures

Disclosure of the exact figures would reveal commercially sensitive information that could be used by competitors to gain competitive advantage. Volumes are sensitive as they may give competitors and idea about capacity, resources and market share.

5.4 Chain of Custody system

Aktieselskabet Rold Skov Savværk holds FSC and PEFC CoC multisite certificates issued by NEPCon and have the PEFC CoC certificate number NC-PEFC/COC-029841 and FSC certificate number NC-COC-029841. Under both schemes, the BP has implemented credit systems which are updated regularly when new wood comes into the sawmill.

The BP is using both PEFC and FSC material as input to the SBP system. The BP maintains FSC and PEFC credit product groups for sawn timber products and for the co-products. The BP uses conversion factors from saw logs to sawdust, these values are based on data from previous years. All three credit systems (SBP, FSC and PEFC) are using a maximum time for saving credits of 12 months before they expire.

The SBP credits are based on the volume credits in both the FSC and PEFC registrations. The FSC and PEFC CoC systems are therefore both resulting in the underlying CoC system for the SBP certification, but the FSC system is considered the dominant system for the SBP CoC system.

Rold Skov Savværk utilize the following species in its sawmill: Norway spruce (*Picea abies*), Sitka spruce (*Picea sitchensis*), Omorika spruce (*Picea omorika*), Fir (*Abies alba*), Grandis (*Abies grandis*), Nobilis (*Abies procera*), Larch (*Larix* spp), Douglas Fir (*Pseudotsuga menziesii*).

The BP is supplying by-products from the sawmills (fines/sawdust, bark) by truck directly to the customer. At the time of the audit, the only customers are heat and power plants.

The BP uses SBP-compliant biomass claims for the product group (sawmill co-products), and only uses secondary feedstock from its own two FSC and PEFC certified softwood sawmills as inputs to this product group. All inputs to the sawmills are either FSC certified, PEFC Certified, FSC Controlled Wood or sourced as Controlled wood under the BP's own Controlled Wood evaluation. Hence, all feedstock is either SBP-compliant feedstock or SBP-controlled feedstock.

6 Evaluation process

6.1 Timing of evaluation activities

The SBP audit was carried out in the BP's main office in Sabro, Denmark, on December 3rd, 2019.

The SBP audit was conducted in accordance with the plan below; and included audit activities and interviews in the main office. The production facilities in Sabro and Arden were inspected looking at raw material and biomass storage areas, including the machinery used for loading of the biomass.

The audit ended at the sawmill in Arden, including a summary of the findings and the audit team's presentation of draft non-conformities. In total one day was used for the annual audit.

Tuesday 3rd of December 2019

Time	Activity	Location	Responsible auditor
8.00 – 8.30	Opening Meeting. Introduction of participants. Review of the agenda.	Rold Skov Savværk Main office	Christian Rahbek
8.30 – 10.00	The organization's presentation of: Brief presentation of the company: Number of employees, business activities, machinery, storage facilities and customers • Review of Supply Base Report, including any relevant change • Documented procedures (Management system) ○ Management's annual review of the system ○ Compliance with EU Timber Regulation ○ Safety and health procedures ○ Classification of input material ○ Supplier Evaluation Program ○ Employee competences ○ Procedure for handling complaints ○ Training measures and registration of completed trainings • Review of FSC / PEFC credit system and basis for classification of inputs and calculation of credit use on SBP-compliant biomass.	Rold Skov Savværk Main office	Christian Rahbek

	• Planning interviews with employees and business partners		
10.00 – 13.00	Review of the traceability system Review of documentation: Material records, maps, purchase and sales documentation (interviews with relevant staff) Review of the system for the collection and reporting of energy and emissions data Review of procedures for sales documentation: SBP invoices, and transport documents, reporting of GHG and emissions data, used of the DTS system.	Rold Skov Savværk Main office, production and storage facilites.	Christian Rahbek
13.00-13.30	Lunch	Rold Skov Savværk Main office,	Christian Rahbek
13.30 – 14.30	Review of system for collecting and transferring energy and emission data • Reporting Period • Transportation Data • Registration of fuel consumption at production and in stock • "SAR" and Static Biomass Profiling Data	Rold Skov Savværk Main office	Christian Rahbek
14.30 – 16.00	Visit the sawmill facilities in Arden	Rold Skov Savværk Arden	Christian Rahbek
16.00 – 16.30	Closing meeting. Auditor summarizes conclusions.	Rold Skov Savværk Arden	Christian Rahbek

6.2 Description of evaluation activities

The evaluation followed the agenda outlined in the plan above. Due to the scope of the certification, the audit consisted mainly of document reviews and interviews with the overall responsible, Mr. Benno Laursen, Head of Raw Material Sourcing. Due to the scope of the SBP certification, the most important Critical Control Point is the sourcing of the input materials to the sawmill as either FSC certified, FSC Controlled Wood or as Controlled Wood under the BP's verification program in accordance with FSC Controlled Wood standard requirements.

The audit also included site visits to both production facilities at Sabro and Arden sawmills, with the purpose of confirming the equipment onsite, biomass in stock and loading and transport equipment.

The audit was concluded with a closing meeting with attendance by the Raw material sourcing manager. During the closing meeting the auditor presented the conclusions of the audit, including the NCR, Observation and a few points for follow-up.

6.3 Process for consultation with stakeholders

NEPCon conducted a stakeholder consultation in preparation to the 2017 main assessment, and this process did not yield any stakeholder comments. Neither NEPCon nor the BP has received any comments from stakeholders in the reporting period.

7 Results

7.1 Main strengths and weaknesses

The main strength of the BP's SBP management system is that the scope is quite simple, and there is limited effort necessary to maintain compliance with the management system and SBP standard requirements. For weaknesses see the NCR section.

7.2 Rigour of Supply Base Evaluation

Not applicable – Supply base evaluation is not part of the scope.

7.3 Collection and Communication of Data

Since all feedstock is Secondary feedstock, the only contributions to GHG emission are from the handling and loading of the biomass at the sawmills and from the transport of the biomass from the sawmills to the end-user.

7.4 Competency of involved personnel

The BP does not implement a Supply Base Evaluation.

The overall responsible at the BP has been supported in establishing the SBP Management System and preparing the necessary documents by the external consultant Anders Bjørnkjær-Nielsen. Mr. Bjørnkjær-Nielsen holds a M.Sc. degree in forestry and an advanced business diploma in accounting, and has experience from assisting in establishing a SBP management system for other biomass producers.

The overall responsible has very good understanding of the sawmill and necessary aspects of wood sourcing and is being supported by the external consultant in establishing and implementing the SBP management system. It is the auditor's evaluation that the relative simple scope of this SBP certification requires little regular maintenance.

7.5 Stakeholder feedback

Neither the CB or BP received any stakeholder feedback as result of the stakeholder process during the main assessment in 2017 or in the 2019 annual surveillance audit period.

7.6 Preconditions

No preconditions

8 Review of Company's Risk Assessments

Describe how the Certification Body assessed risk for the Indicators. Summarise the CB's final risk ratings in Table 1, together with the Company's final risk ratings. Default for each indicator is 'Low', click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.

Not applicable, the BP does not implement a Supply Base Evaluation, since all feedstock is either FSC or PEFC certified, FSC CW or sourced under the BP's on FSC controlled wood evaluation.

9 Review of Company's mitigation measures

Not applicable

10 Non-conformities and observations

Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. For each, give details to include at least the following:

- *applicable requirement(s)*
- *grading of the non-conformity (major or minor) or observation with supporting rationale*
- *timeframe for resolution of the non-conformity*
- *a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.*

NC number 01/19	**NC Grading:** Minor
Standard & Requirement:	SBP Standard #2, requirement 7.3
Description of Non-conformance and Related Evidence:	
The BPs SBR was reviewed and found to be complete, but it had not been updated to the most recent version of the SBR template. Minor NCR 01/19 was raised	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 monhts from report finalisation date
Evidence Provided by Company to close NC:	PENDING
Findings for Evaluation of Evidence:	PENDING
NC Status:	Open

NC number 01/19	**NC Grading:** Observation
Standard & Requirement:	SBP Standard #2, requirement 15.1
Description of Non-conformance and Related Evidence:	
The BP has a monitoring system for annual reviews of the SBP system. The results from the annual monitoring is documented. Auditor found the internal audit reports to be very brief, but also did not identify any significant non-conformities that should be have been identified during and internal audit. The BP	

should ensure that the internal review system is sufficient to evaluate compliance with the BP's procedures and the applicable standard requirements (Exh 5).	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 monhts from report finalisation date
Evidence Provided by Company to close NC:	PENDING
Findings for Evaluation of Evidence:	PENDING
NC Status:	Open

11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Pilar Gorría Serrano
Date of decision:	22/Jan/2020
Other comments:	*Click or tap here to enter text.*