SBP

Sustainable Biomass Program

Supply Base Report: EHJ Energi A/S

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Completed in accordance with the Supply Base Report Template Version 1.2

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

Document history

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Contents

1 Overview

Name of the producer:	EHJ Energi A/S
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Weblink to SBE on Company website:	http://ehj-energi.dk/doc/Flisforsyningsrapport%20EHJ_ver%201.2-EN.pdf

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations				
Main (Initial) Evaluation	**First Surveillance**	**Second Surveillance**	**Third Surveillance**	**Fourth Surveillance**
☐	**x**	☐	☐	☐

2 Description of the supply base

2.1 General description

EHJ Energi A/S is a Danish owned company with headquarters in Hadsten. EHJ Energi A/S produces biomass for a number of Danish energy companies. Biomass is used for eco-friendly power and heat for energy supply companies or manufacturing companies.

EHJ Energi A/S produces wood chips with own machines in Denmark. The wood material comes from own jobs in forests and open land. Furthermore, wood material is purchased from a limited number of regular business partners in Denmark.

EHJ Energi purchases wood in the countries of Norway, Germany, Poland, Estonia and Latvia. Wood from Norway is SBP-compliant Primary, wood from Germany, Poland, Estonia and Latvia is purchased as PEFC or FSC certified. This can take place directly in the forest or through PEFC or FSC Chain of Custody companies.

General description of Danish forests and forestry

There are approx. 620,000 hectares of forest in Denmark, corresponding to approx. 14.4% of the total area. This area is expected to increase over time. Total standing timber in Danish forests is 130 million m3.

Standing timber in the forests has been increasing rapidly from the 2000 statement until today. This is connected to the continuously increasing forest area and probably a larger amount of standing timber per hectare.

There are generally many different wood species in Danish forests, the most common ones are Norway spruce 15%, beech 14% and oak 10%. The numbers for the other wood species are: pine 11%, silver spruce 6%, Nordmann fir 5%, noble fir 2%, other fir species 10%, Sycamore maple 4%, birch 7%, ash 3% and other broadleaves 9%. In addition to this, unstocked areas are 4%. Broadleaves make up 47% of the total wooded area whereas conifers make up 49%. The rest is unstocked areas and areas where a particular wood species could not be determined. None of the wood species belong to the CITES or IUCN species.

The estimated total number of forest estates in Denmark is 24,000. 89% of the total number of forest estates has a size between 0.5 and 20 ha.

Most of the forest area is privately owned, either by individuals (59%) or by companies (10%) and foundations (6%). The Danish state forests make up 19% of the total forest area, while the area owned by municipalities and public institutions is 6%. This means that the Danish forest structure includes many private owners with forest areas of less than 20 ha.

Atypically, Danish forestry legislation has no requirements as to how each estate plans forestry, nor does the forest owners have to apply for or report cutting in their forests.

Danish forest owners are well-organised in various local and national associations. The Danish Forest Association is the Danish industry organisation of private forest owners.

Moreover, up to 6,000 owners of small forests are organised in local forest owner associations which help owners with advice and management of their forests and are also involved in forest policy. Similarly, many private forest owners also work with HedeDanmark and other forestry consultancies.

Total income in the production of forest products in Denmark is approx. DKK 1 billion. In 2015, the sale of energy wood amounted to DKK 300 million.

General description of Danish windbreaks

There is a major tradition of planting windbreaks in Denmark. The systematic planting of windbreaks started in the 1930s. In 1967, the first major windbreak planting guilds were established, and they started planting mainly 3 row and 6 row windbreaks consisting of broadleaves. Since then, various subsidies have existed to establish windbreaks and most have been established with subsidies. Today, Denmark is estimated to have some 80,000 km of windbreaks.

Windbreaks planted with subsidies must be maintained and cannot be removed.

Protected species and areas

Denmark has a national plan for fauna protection, nature protection and improvement of biodiversity.

Approx. 2000 species are listed on the Danish Red List, and many of these species are related to forests, old forests in particular. Areas in which one or more red list species have been identified are often registered as Natura 2000 areas, protected by the Danish Forest Act and/or the Danish Nature Protection Act.

All lakes above 100 m2, moors, heaths, meadows, alkaline fens and common pastures above 2500 m2 are protected in accordance with section 3 of the Danish Nature Protection Act. The international nature protection in Denmark includes 252 Natura 2000 areas as well as 4 national parks.

General description of Norwegian forests and forestry

There are approx. 12,830,000 hectares of forest in Norway, corresponding to approx. 37% of the total area. The 8,440,000 hectares are productive forest. This area is expected to increase over time. Total standing timber in Norwegian forests is 942 million m^3.

The standing timber in the forests has increased significantly for the last 40 years. This is connected to the continuously increasing forest area and a larger amount of standing timber per hectare. The annual growth is approx. 26 million m3, and about 10 million m3 are felled.

Norwegian forests are dominated by the wood species Scots pine, Norway spruce and birch. These are also the wood species that are used in the production of biomass.

Protected species and areas

None of the wood species used for the production of biomass belong to the CITES or IUCN species.

Protected nature and forest areas in Norway, protected in accordance with the Norwegian Nature Protection Act.

- National parks: 29. Total area: 27,756,000 ha.

- Landscape protection areas: 174. Total area: 15,093,000 ha.
- Nature reserves: 1,790. Total area: 4,193,000 ha.
- Nature monuments: 103. Total area: 2,000 ha.
- Other protection areas: 118. Total area: 126,000 ha.
- Total: 47,170,000 ha ~ 10.5%

General description of Polish forests and forestry

The forests cover 8.6 million ha, almost 30% of Poland, approx. 9.3 million/ha, and are dominated by conifers, mainly Scots pine (Pinus sylvestris). An increase in the country's forest areas has been planned. Afforestation efforts in Poland are responsible for the national afforestation program, of which the most important goal is to increase forest areas. In accordance with the goals of the national policy for forests, forest areas in Poland are to be increased to 30 % in 2020 and 33 % in 2050.

Forestry's contribution to the gross domestic product (GDP) is rather low (0.4 %), but this does not include the value of the forests' environmental and socio-economic contribution.

Public forests constitute more than 80% of the total number, the majority are state forests.

Since 1990, the amount of timber delivered to the market has more than doubled to 36 million m3 without damaging the forests, which are protected through relatively strict legislation. The Act on Forests, which was adopted by parliament in 1991, acknowledged that the forests' environmental and social role is just as important as a supplier's harvest of raw materials for industry. In 1997, the act was expanded further with a view to protecting the environment. At the moment, only approx. 61% of the growth is harvested.

Protected species and areas

In 1993, protected forests constituted 47% of the total state forest area. There were 20 national parks, 100 nature reserves, 100 landscape parks and 263 protected landscape areas, constituting an impressive network of protected forest areas.

- National parks: 20
- Landscape protection areas: 100.
- Nature reserves: 100
- Other protection areas: 263.
- Total: 3,360,000 ha ~ 36.1%

General description of German forests and forestry

About 11.4 million hectares, corresponding to approx. 33% of the total land area in Germany, are covered by forest. The share of forest coverage varies a lot regionally, from 11% in Schleswig-Holstein to more than 42% in Rheinland-Pfalz and Hesse, the most forest covered federal provinces. The forest area has increased by more than 1 million hectares in Germany during the last five decades. The wood mass in Germany accounts for 336 m3 per hectare, with an annual growth of approx. 76 million m3. Approx. 50 million m3 is felled per year. German forests currently consist of 60% coniferous forests and about 40% deciduous forests. Norway spruce constitutes the largest share among the wood species (28%), followed by pine (23%), beech (15%) and oak (10%). 48% of the 11.4 million hectares of forest in Germany consists of private forests. 29% of the forests are owned by the state, 19% are owned by municipalities and 4% are owned by the counties.

Privately owned forests in Germany are mainly small and fragmented. About half the private forest properties are smaller than 20 hectares. Only 13% of the private forests have a size of more than 1,000 hectares. The number of private forest owners in Germany is approx. 2 million. State and municipal forests are often large uninterrupted forest areas. A large part of German forests are PEFC and/or FSC certified.

Protected species and areas

Several types of protected areas have been designated in Germany. The various types are defined in Germany's nature protection act (BNatSchG). The can be classified according to size, protection purpose and conservation goal and the resulting limitations for land use. The main types are nature protection areas, national parks, biosphere reservations, landscape protection areas, nature parks and Natura 2000 localities. Two or more protected areas of different types can overlap or even cover the same area. For example, many nature protection areas are also designated as Natura 2000 areas, and large areas of the national parks are designated as landscape protection areas.

National parks, biosphere reservations and nature parks are also known collectively as large preservation areas because of their size.

The German Nature Protection Act from 2002 created a new legal requirement for the federal provinces to create a network of interconnected biotopes covering at least 10% of their area (section 21 of the act). The network goals constitute an efficient contribution to the protection of biodiversity and the preservation of Germany's natural heritage. The areas that constitute the network must be protected by law by giving them status of a protected area, primarily as nature protection areas, national parks, biosphere reserves or Natura 2000 localities.

- National parks: 16 – 1,047,859 ha
- Biosphere reserves: 17 – 1,994,273 ha
- Nature parks: 103 – 9,900,000 ha
- Other protection areas: 8598 – 223,000 ha

General description of Estonian forests and forestry

Forests in Estonia cover almost half (48.7%) of the Estonian land area. The general characteristics of the forests have been stable for the last ten years. In 2013, the total forest area was 2.3 million hectares, and the total standing timber was 478 million m3. The most common wood species are pine (33.1% of the total area); birch (31.3%), fir (16.2%) and grey alder (9.1%). Around 35,000 people work in the forestry sector, and there are many indirectly related workplaces (within transport, tourism, sports and other sectors).

The Estonian forestry development program up until 2020 is the framework document for the development of forestry in the current decade. The most important goal is to protect the forests' productivity and sustainability and to ensure a varied and efficient use of the forests. Estonia has an annual increase in standing timber per hectare of 5.7 m3 annually including broadleaves. The state holds at least 10% of the forest area under strict protection in order to increase the diversity in protected forests. The main users of wood in Estonia are sawmills and the paper industry. The companies Stora Enso, Metsaliitto Eesti, Lemeks and Holmen Mets purchase almost 80% of the total amount. Felling is carried out for the purpose of delivering wood to the paper industry in Estonia and pulp for their paper factories in Finland and Sweden.

In 2000-2007, the felling volume decreased by approx. 60%, until it reached 5.3 million m3 in 2007. The felling volume started to increase gradually in 2008, where a total of 5.9 million m3 of forest were felled. In 2010, the felling volume was 8.5 million m3, after which it has decreased again, and it is now approx. 7.4 million m3 per year.

The relatively large share of mature standing timber in the Estonian forests will make higher felling volumes possible. The "Estonian forest development program up until 2010" specified 13.1 million m3 as the optimal amount, while the optimal sustainable harvest level in this decade is 12-15 million m3 per year. Which is significantly higher than the actual felling of approx. 7.4 million m3.

Protected species and areas

In order to preserve naturally diverse landscapes and nature types, 22% of Estonia's territory (incl. territorial waters) is protected. The share of strictly protected forests out of the total forest area was 10% in 2010.

- 5 national parks,
- 148 nature preservation areas,
- 152 nature protection areas,
- 96 areas protected under the old protection rules,
- 538 parks and forests,
- 343 special protection areas,
- 1,357 species for protection of nature types,
- 20 nature protected areas at municipal level and
- 1,228 specially protected nature objects.

The total Natura 2000 areas cover 11,320 km2 in Estonia. 66 special protection areas (SPA) in accordance with the Birds Directive (2009 / 147EC), a total of 12,590 km2. The Habitats Directive (92/43/EF) and localities of Community interest amount to 11,320 km2, both areas comprise private forest and state forest (866 km2 and 3,539 km2 respectively)

IUCN and Red List Estonia have formally decided on a red list classification of species in accordance with the criteria from the International Union for Conservation of Nature (IUCN). Furthermore, 568 protected plant, animal, fungus and lichen species have been included in the national red list of threatened species. 2,228 protected areas have an IUCN category. The IUCN has defined six protected land management categories based on primary management goals. Forests as a habitat have a large share of threatened species. Forestry activities are considered a threat against threatened species.

General description of Latvian forests and forestry

Forests in Latvia cover 3,020,575 ha or 50% of the total area. Compared to other European countries, Latvia is among the ones with the most forest (forests in Europe cover 33% of the land surface on average). State forests in Latvia cover 1,495,136 ha (49.5% of the total forest area), while private forests cover an area of 1,525,439 ha (50.5% of the total forest areas). State forests are managed by the state enterprise AS Latvijas Valsts Meži (LVM). According to statistics, the total forest area in Latvia is increasing.

The dominating wood species in Latvia are Scots pine, birch and Norway spruce. Grey alder, aspen and black alder also cover significant parts of the land. The other wood species that exist in Latvia grow in relatively small areas.

There are 144,000 private forest owners, who own 35% of the forest area. 14% of the forests are owned by legal entities, a total of 49%. The rest is owned by the state (49%) and municipalities (2%). The forest industry accounts for approx. 20% of the Latvian industry's turnover and employs approx. 5% of the total workforce in the country. 70-80% of the wood products are exported, which affects the Latvian international trade balance positively.

In Latvia, there is an objective of all forests being managed sustainably. The main criteria are the following: prevention of the reduction of forest area, protection and improvement of productivity and value of forests; afforestation of non-agricultural areas. Furthermore, Latvia’s forests comply with the sustainable forest management criteria determined in the FRA 2010 guidelines. In Latvia, all state forests are certified. The certification process continues in private forests. All forests where forestry activities take place have a working plan. Legislation and regulations contain strict demands for forest management. Supervision is carried out by the state forest service. Protected areas have safe boundaries and management requirements are stipulated in legislation and rules.

Protected species and areas

In Latvia, there is a total of 683 specially protected nature areas regulated by law or regulations from the government regarding specially protected nature areas.

4 nature reserves: Nature reserves are areas unaffected by human activities or almost natural, where unhindered development of natural processes are to be ensured in order to protect and study rare or typical ecosystems and parts thereof. Strict nature reserves must have areas where all natural resources are excluded entirely from financial and other activities.

1 biosphere reserve: A biosphere reserve is a large area where landscapes and ecosystems of international significance are located. The purpose of establishing biosphere reserves is to ensure the preservation of the natural diversity and to promote a sustainable social and financial development of the territory.

9 protected landscape areas: Landscape areas are areas that are significant because of their original and diverse landscapes and special beauty. The objectives of such areas are to protect and preserve the cultural environment and landscapes that are characteristic of Latvia in all their diversity as well as to ensure the preservation of an environment suitable for society's recreational activities and tourism as well as the use of environmental management methods. Nature reserves are nature areas that have only been changed a little or changed to a varying degree by human activities and which contain habitats of specially protected wild plant and animal species and specially protected biotopes.

4 national parks: National parks are large areas that are characterised by unique natural formations of a national significance, landscapes and cultural heritage landscapes unaffected by human activities or almost natural, a diversity of biotopes, cultural and historical monuments, and special cultural surroundings.

352 protected areas have an IUCN category. The IUCN has defined six protected land management categories based on primary management goals. Species that are considered threatened at a European level and exist in Latvia mainly exist in wetlands, forests and pasture land. Habitat loss, fragmentation and deterioration are the main threats at a European level for species that occur in Latvia. For freshwater species, large threats include water pollution caused by discharge from agriculture and forestry, changes in natural systems and expansion and intensification of agriculture. Other large threats come from logging and wood harvest and urban and tourism development.

Description of the supply base in Denmark

EHJ Energi A/S' supply base consists of Danish forests, windbreaks, nature areas and urban plantations. The supply base covers all of Denmark, but mainly Jutland.

Figure 1 Supply base Denmark

EHJ Energi A/S is a forest contractor that produces and sells wood chips. The wood chip production amounts to approx. 80,000 - 150,000 tonnes per year, approx. 50% of the wood chips are produced in areas outside of forests, mainly in windbreaks and smaller plantations, and in connection with nature projects. The base also includes clearing of trees and shrubs in connection with developments and expansion of infrastructure in Denmark.

In the forests, the base is thinning in conifers and roundwood from conifer deforestation while the rest is branches and tops from both broadleaves and conifers.

Description of the supply base in Norway

EHJ Energi A/S' supply base in Norway only consists of Norwegian forests. Mainly from the area around the port city Tofte. Wood and wood chips are purchased as SBP certified.

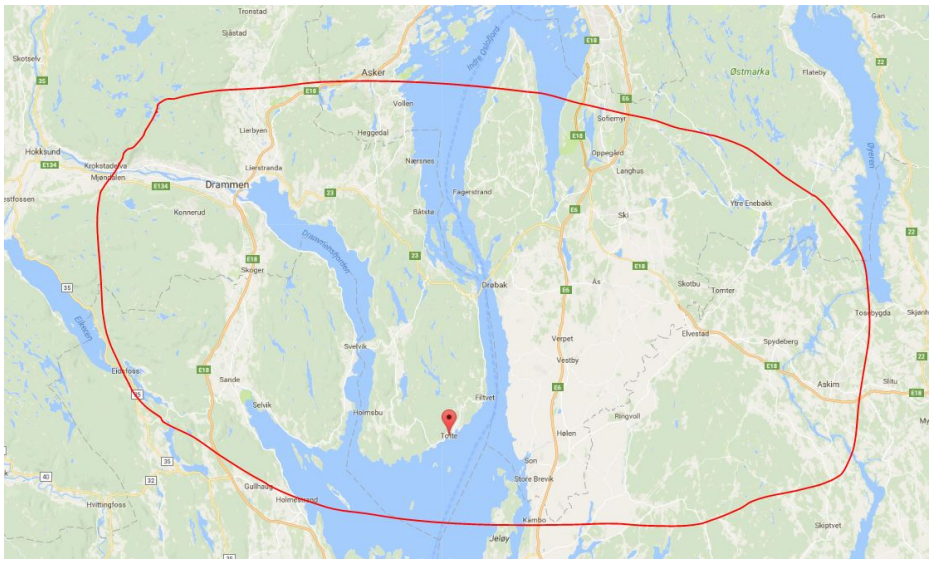

Figure 2 Supply base Norway

Description of the supply base in Poland

EHJ Energi A/S' supply base in Poland only consists of Polish forests. Mainly from the area south-west of the port city Gdansk. Wood and wood chips are purchased as PEFC certified, the location of the forest is known for each consignment. Trade with Polish wood and wood chips is expected to start in the middle of 2018.

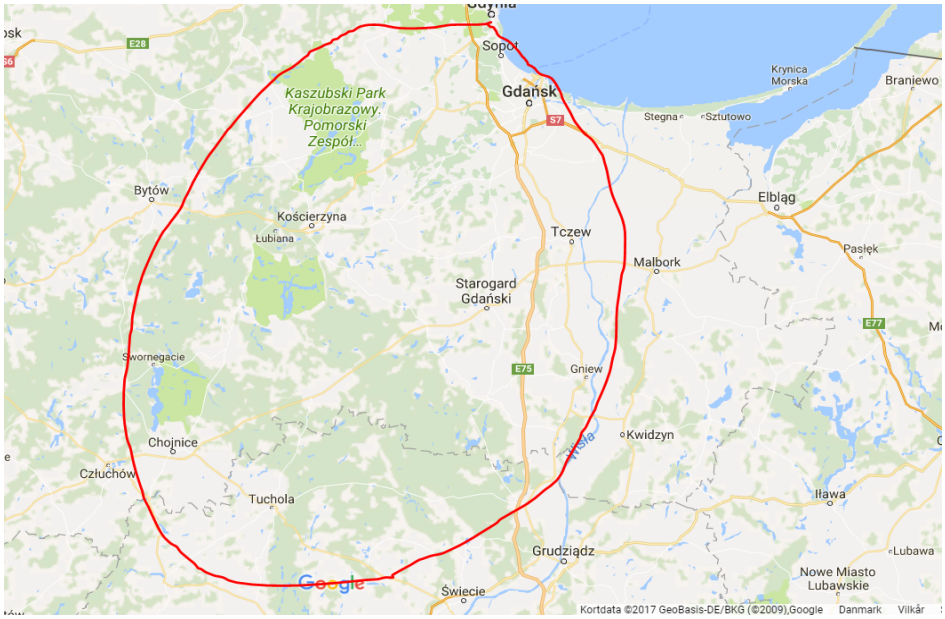

Figure 3 Supply base Poland

Description of the supply base in Germany

EHJ Energi A/S' supply base in Germany only comes from German PEFC certified forests. Mainly form the north-east part of Germany, in the regions of Schleswig-Holstein and Mecklenburg-Vorpommern. Wood is purchased as PEFC certified by a PEFC CoC company.

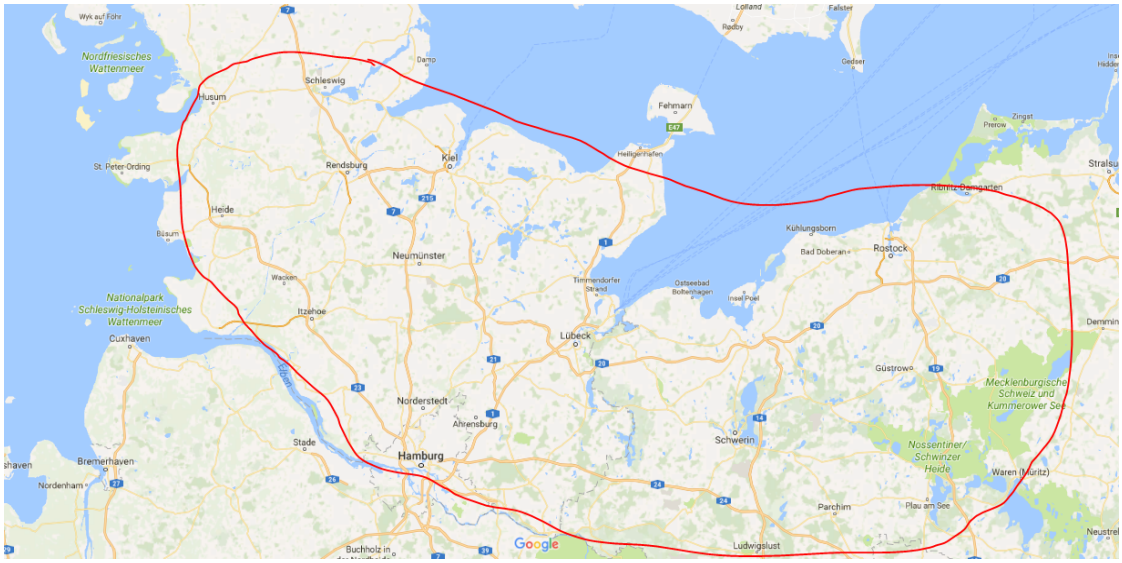

Figure 4 Supply base Germany

Description of the supply base in Estonia

EHJ Energi A/S' supply base in Estonia only comes from Estonian PEFC/FSC certified forests. Mainly from the northern part of Estonia around the city Tallinn. Wood is purchased as PEFC or FSC certified either directly from the state forest or from a PEFC/FSC CoC company.

Figure 4 Supply base Estonia

Description of the supply base in Latvia

EHJ Energi A/S' supply base in Latvia only comes from Latvian PEFC/FSC certified forests. Mainly from the northern part of Latvia around the city Riga. Wood is purchased as PEFC or FSC certified either directly from the state forest or from a PEFC/FSC CoC company.

Figure 5 Supply base Latvia

Table 1 Distribution of raw material input in %

	Country	Expected distribution	Conifers	Broadleaves	Mixed
SBP-Compliant primary	Denmark	40%	60%	20%	20%
SBP-Compliant primary	Norway	40%	> 75%	10%	10%
SBP-Compliant primary	Germany	8%	10%	80%	10%
SBP-Compliant primary	Poland	4%	100 %		
SBP-Compliant primary	Estonia	4%	10%	> 75%	10%
SBP-Compliant primary	Latvia	4%	10%	> 75%	10%
SBP-non-compliant					

Sources:

Denmark: Nord-Larsen, Thomas et al, *Skove og Plantager 2014,* Skov og Landskab, 2014

Denmark: PEFC Denmark, http://www.pefc.dk/bliv-certificeret/skovcertificering

Denmark: FSC Denmark, https://dk.fsc.org/dk-dk/hvad-er-fsc/fsc-i-danske-tal

Denmark: Legal information: https://www.retsinformation.dk/eli/ft/198812K00030

Denmark: Hedges to the benefit of animals and plants: https://jaegernesmagasin.dk/wp-content/uploads/Levende-hegn-til-gavn-for-dyr-og-planter.pdf

Denmark: Red list species: http://bios.au.dk/videnudveksling/til-myndigheder-og-saerligt-interesserede/redlistframe/artsgrupper/

Norway: https://www.ssb.no/en/jord-skog-jakt-og-fiskeri/statistikker/skogav/aar-endelige/2015-12-21

Norway: http://www.nordictimber.org/forest-industry-in-norway

Norway: http://www.lexadin.nl/wlg/legis/nofr/eur/lxwenoo.htm

Poland: http://iucn.org/about/union/secretariat/offices/europe/?12794

Germany: http://bwi.info/start.aspx

Germany: https://www.bfn.de/0308_gebietsschutz+M52087573ab0.html

Estonia: http://ec.europa.eu/agriculture/external-studies/2010/supply-wood/estonia_en.pdf 28

Estonia: https://knoema.com/GFRADB2015TEF/global-forest-resources-database-2015?tsId=1073520

Estonia: http://www.nationalredlist.org/red-data-book-of-estonia/

Estonia: http://www.protectedplanet.net/country/EE

Estonia: https://cmsdata.iucn.org/downloads/estonia_s_biodiversity_at_risk_fact_sheet_may_2013.pdf

Estonia: https://www.riigiteataja.ee/en/eli/508112013010/consolide

Latvia: https://sbp-cert.org/docs/draft-consultation/SBP-RRA-Latvia-25Aug15.pdf

2.2 Measures to facilitate certification

No measures have been launched to further certification at the forests where raw materials are felled.

2.3 Final harvest sampling programme

EHJ Energi A/S also focuses on ensuring a financially sound result for our customers working in the forest. Therefore, high value products primarily and not only biomass will be produced when felling standings of more than 40 years. The price difference on energy wood for biomass and wood for timber, logs or packing wood means that it is not financially sound to produce energy wood if a higher value product may be produced. When wood from clear fellings of more than 40 years ends up in biomass, part of the wood does not meet the quality requirements for e.g. timber. The reasons may be rot, damage, warping, splits, windfall, etc. There has been no investigation of the exact assortment distribution, our information is based on national statistics. Statistics show that the majority of wood in all the countries EHJ operates in is used for constructional timber. It has not been possible to find statistics from Latvia, Norway and Poland regarding final felling. In Estonia, there are no national statistics or information about Final Felling either. However, there are reports of felled amounts in Estimation of Estonian Wood Resources (Baltic Forestry 2009, 15 (1) 77-85; clear cut (CC) which are Final Fellings, estimated in Table 4.

Table 2 Final harvest sampling Denmark

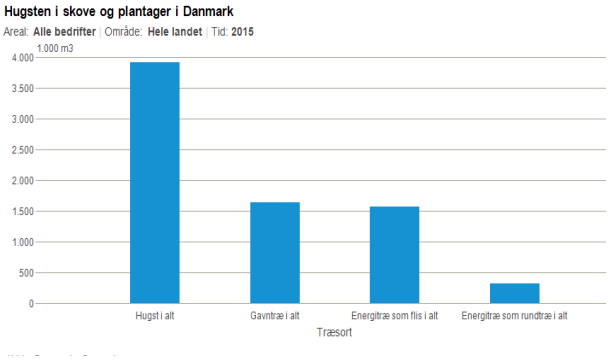

Table 3 Final harvest sampling Germany

Timber cutting (corrected)

Type of timber / timber assortment	Annual accounts 2014			Annual accounts 2015		
	Forests, total	including		Forests, total	including	
		federal forests	State forests		federal forests	State forests
	1,000 m³ excluding bark			1,000 m³ excluding bark		
Total	54,356	1,018	18,455	55,613	958	18,854
Oak	2,211	30	772	2 079	37	754
Stemwood, pole wood, sleepers	623	5	198	645	14	209
Industrial timber	472	10	220	513	10	238
Energy timber	896	12	255	731	10	219
not used timber	220	3	98	190	3	89
Beech and other non-coniferous wood	12,017	161	4,495	11,484	142	4,319
Stemwood, pole wood, sleepers	2,574	11	930	2,712	12	992
Industrial timber	3,285	57	1,538	3,309	54	1,558
Energy timber	5,058	79	1,478	4,454	64	1,283
not used timber	1,100	15	549	1,010	12	486
Pine and larch	13,293	583	4,205	12,564	532	4,082
Stemwood, pole wood, sleepers	6,420	273	2,342	6,248	239	2,395
Industrial timber	4,644	204	1,462	4,398	209	1,300
Energy timber	1,814	78	190	1,534	58	200
not used timber	416	28	211	384	25	187
Spruce, fir, douglas fir	26,834	244	8,983	29,486	248	9,699
Stemwood, pole wood	18,497	141	6,628	20,776	144	7,123
Industrial timber	3,865	66	1,365	3,778	65	1,407
Energy timber	3,345	25	312	3,775	27	491
not used timber	1,127	12	678	1,156	12	678

Table 4 CC = Clear Cutting Estonia 2009

Table 5. Long-term average annual yield of forests regarding restrictions, Mm^3 (TH – thinning, CC – clear cut)

Tree species	Felling system	Merchant-able wood	Fire-wood	Total	Harvest-ing residues	Stumps
Conife-rous	TH	1.463	0.011	1.474	0.318	
	CC	3.090	0.180	3.271	0.393	0.480
Deci-duous	TH	1.085	0.302	1.387	0.495	
	CC	1.805	0.470	2.274	0.298	0.298
Total		7.443	0.963	8.406	1.504	0.778

2.4 Quantification of EHJ Energi A/S' supply base

Supply base

a. Supply base area (ha): Total area 32.22m ha
(Norway 7.2m ha, Denmark 0.48m ha, Poland 8.6m ha, Germany 11.4 m ha, Estonia 1.52m ha, Latvia 3.02 m ha)

b. Ownership (ha): Private ownership

- Norway 80% - 5.76 m ha
- Denmark 65% - 0.31 m ha
- Poland 19% - 1.62 m ha
- Germany 48% - 5.48 m ha
- Estonia 54% - 0.83 m ha
- Latvia 49% - 1.48 m ha

Public ownership

- Norway 20% - 1.44 m ha
- Denmark 35% - 0.17 m ha
- Poland 81% - 6.97 m ha
- Germany 52% - 5.93 m ha
- Estonia 46% - 0.69 m ha
- Latvia 51% - 1.54 m ha

c. Forest type (ha): Temperate
d. Forestry (ha): Mixed
e. Certified area distributed on plans (ha):

FSC https://ic.fsc.org/en/facts-figures

- Norway: 54 Chain of Custody certificates. 444,828 (ha) certified
- Denmark: 295 Chain of Custody certificates. 212,161 (ha) certified
- Poland: 1613 Chain of Custody certificates. 6,936,469 (ha) certified
- Germany: 2218 Chain of Custody certificates. 1,159,650 (ha) certified
- Estonia: 256 Chain of Custody certificates. 1,428,767 (ha) certified
- Latvia: 318 Chain of Custody certificates. 1,022,196 (ha) certified
-

PEFC https://www.scribd.com/doc/147379606/PEFC-Global-Certificates

- Norway: 75 Chain of Custody certificates. 7,380,750 (ha) certified
- Denmark: 100 Chain of Custody certificates. 264,411 (ha) certified
- Poland: 172 Chain of Custody certificates. 7,252,197 (ha) certified
- Germany: 1708 Chain of Custody certificates. 7,398,828 (ha) certified
- Estonia: 71 Chain of Custody certificates. 1,174,511 (ha) certified
- Latvia: 49 Chain of Custody certificates. 1,700,889 (ha) certified

Feedstock

f. Total produced quantity: 80,000-150,000 T
g. Volume of primary feedstock: 80,000-150,000 T
h. SBP approved certification plans: 6,000-12,000 T

Table 3 List of wood species

Danish	English	Latin
Ahorn	Sycamore	Acer pseudoplatanus
Ask	Ash	Fraxinus excelsior
Dunbirk	White birch	Betula pubescens
Vortebirk	Silver birch	Betula pendula
Bjergfyr	Mountain pine	Pinus mugo
Bævreasp	Aspen	Populus tremula
Bøg	Beech	Fagus sylvatica.
Contortafyr	Lodgepole pine	Pinus contorta
Cypres	Lawson cypress	Chamaecyparis lawsoniana
Douglas	Douglas fir	Pseudotsuga menziesii
Stilkeg	Common Oak	Quercus robur
Vintereg	Sessile Oak	Quercus petraea
Elm	Mountain elm	U/mus glabra
Ene	Juniper	Juniperus communis
Grandis	Grand fir	Abies grandis
Hestekastanie	Horse chestnut	Aesculus hippocastanum
Hvidgran	White spruce	Picea glauca
Lind	Common lime	Tilia cordata
Lærk	European larch	Larix decidua
Lærk	Japanese larch	Larix leptolepis
Hybridlærk	Dunkeld Larch	Larix eurolepis
Nobilis	Noble fir	Abies procera
Nordmannsgran	Nordmann fir	Abies normanniana
Omorika	Serbian spruce	Picea omorica
Poppel	Poplar	Populus sp.
Rødeg	Northern red oak	Quercus rubra
Rødel	Common alder	Alnus glutinosa
Rødgran	Norway spruce	Picea abies
Sitkagran	Sitka spruce	Picea sitchensis
Skovfyr	Scots pine	Pinus sylvestris
Spidsløn	Maple	Acer platanoides
Taks	Yew	Taxus baccata
Thuja	Western red cedar	Thuja plicata
Tsuga	Hemlock	Tsuga heterophyl/a
Ædelgran	Silver fir	Abies alba
Østrigsk fyr	Austrian pine	Pinus nigra

i. Quantity from primary forests (untouched forest): 0 T
j. Specify percentage share from primary forest: N/A
k. Volume of secondary feedstock: 0%
l. Volume of tertiary feedstock: 0%

Germany:

https://www.destatis.de/EN/FactsFigures/EconomicSectors/AgricultureForestryFisheries/ForestsWood/Tables/TimberCutting.html

Denmark:

http://www.dst.dk/da/Statistik/emner/erhvervslivets-sektorer/landbrug-gartneri-og-skovbrug/skovbrug

3 Requirement for evaluation of origin (Supply Base Evaluation)

SBE completed	SBE not completed
X	☐

EHJ Energi A/S harvests most of the feedstock in Denmark in non-certified forests, which means that the supply base must be evaluated.

Feedstock purchased in Norrway, Germany, Estonia, Latvia and Poland is from SBP Approved Chain of Custody Scheme and certified suppliers and does not require an SBE.

4 Supply Base Evaluation (SBE)

4.1 Scope

The scope of the evaluation covered the entire supply base of EHJ Energi A/S, which is considered all existing and potential sources of primary feedstock and their origin. The purpose of SBE is to distinguish the risk level in relation to the indicators described in SBP Standard 1.

The feedstock is divided into the following categories:

1. Primary feedstock from FSC or PEFC certified forests
2. Primary feedstock from forests with a green management plan
3. Primary feedstock from thinnings of conifer stands
4. Primary feedstock from thinnings of first generation forest estates
5. Primary feedstock from forests without a green management plan or certification
6. Primary feedstock from non-forest areas, such as windbreaks, city and park areas, nature projects

Most of the feedstock has been produced by professionals that have assessed the work areas in accordance with the management system described in the Contractors' Manual. A minor part of the feedstock is produced by affiliated partners. In that connection, the materials are verified according to the supplier verification programme.

4.2 Reasons

This evaluation is based on the National Risk Assessment for Denmark published in September 2016 which is available from NEPCON. The National Risk Assessment was completed in accordance with SBP Standard no. 1 and the evaluation was completed in accordance with SBP standard no. 2.

All items in Annex 1 have been answered and the risks have been assessed in connection with the preparation of the National Risk Assessment. Information has been gathered from applicable Danish legislation, instructions and interviews with the relevant persons.

Based on the recommendations in the National Risk Assessment for measures to reduce the risk and analyse the company's procedures, useful measures to reduce the risk have been found to ensure a low risk for all indicators in connection with the production of primary feedstock.

EHJ Energi A/S is aware of the fact that changes in the National Risk Assessment may occur and is willing to adapt the SBE if this should happen.

4.3 Result of Risk Assessment

The Risk Assessment concludes that the risk is low in relation to all criteria except from the following criteria where a 'specified risk' has been identified and proposals have been prepared for possible measures to reduce the risk: Criteria 2.1.1, 2.1.2, 2.2.3 and 2.2.4. Proposals for measures to reduce the risk appear from Annex 1.

Table 4 Individual indicators with a 'specified risk' in the National Risk Assessment

2.1.1	Forests and other areas with high conservation values in the Supply Base are identified and mapped.
2.1.2	Potential threats to forests and other areas with high conservation values from forest management activities are identified and addressed.
2.2.3	Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).
2.2.4	Biodiversity is protected (CPET S5b).

Based on the National Risk Assessment, EHJ Energi A/S concluded that the supply base can be divided into the following sub-scopes:

1. Primary feedstock from FSC or PEFC certified forests
2. Primary feedstock from forests with a green management plan
3. Primary feedstock from thinnings of conifer stands
4. Primary feedstock from thinnings of first generation forest estates
5. Primary feedstock from forests without a green management plan or certification
6. Primary feedstock from non-forest areas, such as windbreaks, city and park areas, nature projects

4.4 Result of supplier verification programme

As described in section 8, EHJ Energi A/S has no need for a supplier verification programme. EHJ Energi A/S will only in special cases purchase biomass from other suppliers, and if so, EHJ Energi A/S will handle risk assessment and minimise the risk, if any.

4.5 Conclusion

When reviewing and revising the procedures of EHJ Energi A/S based on the National Risk Assessment, it is estimated that the company ensures that the biomass produced in Denmark complies with the SBP certification. Esben Hegelund, who handles job planning, identification of key biotopes and project mapping, has a wide experience in working in the forest and making considerations for nature worth conserving. The company is aware of the fact that if jobs have to be carried out in areas with a specific risk, it may be necessary to have other qualified persons, such as biologists or foresters, help with the identification of key biotopes. During the startup phase, it is important to integrate regulations and adaptations when the company has become more familiar with the new standards and procedures.

5 Supply Base Evaluation Process

The National Risk Assessment has been completed by NEPCon at the initiative of Dansk Energi, Dansk Fjernvarme, Skovdyrkerforeningen, Danish Forest Association, DM&E and HedeDanmark.

As it appears from the National Risk Assessment for Denmark, a low risk has been identified for all indicators, apart from the following indicators where a 'specified risk" has been identified: 2.1.1, 2.1.2, 2.2.3 and 2.2.4.

In order to minimise the risk of processing biomass, EHJ Energi A/S has prepared a set of procedures which complies with the due diligence requirements of the standards. The procedures are available in the Contractors' Manual.

EHJ Energi A/S has used both internal and external resources for the work with SBE. SBE has been prepared with own staff, who has a wide experience in biomass production.

EHJ Energi A/S is owned by Esben Hegelund, who has 20 years of experience with forest and nature management.

EHJ Energi A/S is used to handling nature projects in Clause 3 and Natura 2000 areas.

If EHJ Energi A/S is in doubt, assistance is acquired from an external forester.

Machine operators at EHJ Energi A/S have a high level of skills with many years' work with production of feedstock in Danish state forests.

EHJ Energi A/S has used an external consultant from DM&E who has approx. 10 years' experience in forest certification and forest management for the work of adapted work processes and gathering additional data.

6 Stakeholder consultation

The consultation phase ran for a period of 30 days from xx to xx. The Danish version of SBR was sent by email to the following stakeholders:

Danmarks Naturfredningsforening (Danish Society for Nature Conservation)	Nora Skjernaa Hansen	nsh@dn.dk
FSC Danmark	Sofie Tind Nielsen	sofie@fsc.dk
Verdens Skove (Forests of the World)	Jakob Ryding	jr@verdensskove.org
WWF	Bo Normander	b.normander@wwf.dk
Copenhagen University	Vivian Kvist Johansen	vkj@ign.ku.dk
PEFC Danmark	Morten Thorøe	mt@pefc.dk
Dansk Energi (Danish Energy)	Kristine van het Erve Grunnet	keg@danskenergi.dk
Dansk Fjernvarme (Danish District Heating Association)	Kate Wieck-Hansen	kwh@danskfjernvarme.dk
Dansk Skovforening (Danish Forest Association)	Marie-Louise Bretner	mlb@skovforeningen.dk
Energistyrelsen (Danish Energy Agency)	Lars Martin Jensen	lmj@ens.dk
Ørsted	Peter K Kristensen	pekkr@dongenergy.dk
Friluftsrådet (National Federation of Outdoor Recreation)	Thorbjørn Eriksen	toe@friluftsraadet.dk
BAT Kartellet	Gunde Odgaard	gunde.odgaard@batkartellet.dk
Naturstyrelsen (Danish Nature Agency)	Niels Bølling	niboe@nst.dk
NOVOPAN A/S	Jette Wulff	j.wulff@kronospan-dk.dk
Troldtekt A/S	Orla Jepsen	oje@troldtekt.dk
Rold Skov Savværk A/S	Henrik Thorlacius-Ussing	htu@lindenborg.dk

6.1 Replies to comments from stakeholders

Hello again ☺.

Thank you for a detailed reply.

It is nice to know that your are screening for anything related to legality.

Generally, natural values consisting of trees and vegetation outside of forests (as well as in private forests, but that is a different story) are not mapped and not protected at all – including incontestably valuable hedges, for example. – and are therefore not a problem regarding legality.

We also recommend that the parties behind the multi-industry agreement address this issue, but we risk a situation where the multi-industry agreement will be discontinued with reference to the future EU regulations on biomass.

Best regards, *Nora*

Nora Skjernaa Hansen
Forest policy, forest business, project Biodiversitet Nu (Biodiversity Now)
BSc in forestry and MSc in land management
Danish Society for Nature Conservation, Masnedøgade 20, DK-2100 Copenhagen Ø
Direct: +45 31 19 32 60, @dn.dknsh
Central switchboard: +45 39 17 40 00, dn@dn.dk
www.dn.dk

From: Claus Danefeldt Clemmensen [mailto:cdc@dmoge.dk]
Sent: 2 February 2018 11:00
To: Nora Skjernaa Hansen
Cc: Esben Hegelund; Christian Anton Rahbek
Subject: RE: SBP Certification of EHJ Energi A/S

Dear Nora

Thank you for your remarks. You are quite right that about a third of the wood for energy purposes comes from non-forest. Until the multi-industry agreement is revised, we will continue to consider non-forest as areas with low risk. Having said that, the contractors working through our system will investigate whether it is legal to work in the areas in question. This means that jobs in non-forest are investigated in order to find out whether there are any cultural or ancient monuments, preservations, clause 3 areas or natura 2000 areas where the felling job is to be carried out. This is done in our map program.

When harvesting biomass in areas that are non-forest, this covers many things. Such as clearings for buildings/infrastructure, thinnings in small “forest” areas around properties, depots, clearing of nature areas in order to promote a specific nature type, such as clearing of contorta pine in a heath and not least windbreaks.

With regard to windbreaks, the jobs often consist of thinnings of bushes and nurse trees, but the windbreaks remain. Clearing of windbreaks often occur in case of sitka spruce/white spruce windbreaks that are decaying.

I think the issue regarding areas described as non-forest should be adressed in connection with revision of the multi-industry agreement. Maybe we can talk about how to quantify some of our estimates, about how much wood chip is being produced outside forests and the kind of jobs we are dealing with.

If the number of PEFC/FSC certified forests in Denmark increases, this player would definitely like to source in them, as it makes administration much easier. But you know the composition of forest properties in DK, where 90% of the properties are of 0.5-20 ha. All these small properties are not easy to certify, unless the PEFC/FSC forest certification is changed.

If my reply gives rise to further questions, feel free to get back to us.

Best regards,

Claus Danefeldt Clemmensen

T: +45 7641 3662 M: +45 4141 0312

DME SKOV

From: Nora Skjernaa Hansen [mailto:nsh@dn.dk]
Sent: 01 February 2018 14:47
To: Claus Danefeldt Clemmensen <cdc@dmoge.dk>
Cc: 'ehj@ehj-energi.dk' <ehj@ehj-energi.dk>
Subject: RE: SBP Certification of EHJ Energi A/S

Dear Claus

Thank you for the opportunity to comment on this.

Generally, it is very positive that there is focus on the fellings that are on paper at the greatest risk of damaging biodiversity, i.e. old deciduous forests.

It is a good initiative to evaluate a number of operations afterwards in order to become wiser.

It is also nice to generally refer to the Contractors' Manual, which can always be developed further.

And that screening for risk is carried out by competent people.

A very general problem which is not connected specifically to this player, but definitely relevant to it, is that wood chips from non-forest are automatically assessed as low-risk regarding damage to biodiversity (and cultural environment etc. could also be included).

According to a preliminary assessment, about a third of the Danish wood chips for energy purposes comes from non-forest. Obviously, there are great natural values associated with trees in open land in a country like Denmark with only 14-15% forest. Therefore, it is not reassuring that the Supply Base Evaluation in section 9.1 prescribes that: "If the work area is located outside a forest, screening may be omitted."

I hope that this player and the industry in general will do their best to address this issue.

It would also be nice if this player would set a goal to eventually only source form FSC or PEFC certified Danish (and Norwegian) forests in the same way as in other countries.

Best regards, *Nora*

Nora Skjernaa Hansen
Forest policy, forest business, project Biodiversitet Nu (Biodiversity Now)
BSc in forestry and MSc in land management
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www.dn.dk

Danmarks Naturfredningsforening
Vi ta'r naturens parti

7 Overview of the initial assessment of risk

EHJ Energi A/S uses the SBP endorsed Regional Risk Assessment for Denmark. This risk assessment has been prepared in accordance with the SBP Regional Risk Assessment Procedure Version 1.0, and it is a thorough examination of the relevant risks in a Danish context. See also Annex 1 to this Supply Base Rapport.

As it appears from the SBP endorsed Regional Risk Assessment for Denmark, a low risk has been identified for all indicators, apart from the following indicators where a 'specified risk" has been identified: 2.1.1, 2.1.2, 2.2.3 and 2.2.4.

In order to minimise the specified risks, EHJ Energi A/S is working according to its management system, described in the Contractors' Manual. Among other things, the management system describes how EHJ Energi A/S minimises the risk in the areas where there is a risk that the biomass is not sustainable.

Based on the SBP endorsed Regional Risk Assessment, the Supply Base of EHJ Energi A/S is divided into 6 sub-scopes, described in section 2.1.1 in the National Risk Assessment for Denmark:

1. Primary feedstock from FSC or PEFC certified forests
2. Primary feedstock from forests with a green management plan
3. Primary feedstock from thinnings of conifer stands
4. Primary feedstock from thinnings of first generation forest estates
5. Primary feedstock from forests without a green management plan or certification
6. Primary feedstock from non-forest areas, such as windbreaks, city and park areas, nature projects

Table 5 . Sub-scope: Primary feedstock from FSC or PEFC certified forests. Overview of the result of the risk assessment of all indicators

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		x	
1.1.2		x	
1.1.3		x	
1.2.1		x	
1.3.1		x	
1.4.1		x	
1.5.1		x	
1.6.1		x	
2.1.1		x	
2.1.2		x	
2.1.3		x	
2.2.1		x	
2.2.2		x	
2.2.3		x	
2.2.4		x	
2.2.5		x	
2.2.6		x	
2.2.7		x	
2.2.8		x	
2.2.9		x	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		x	
2.3.2		x	
2.3.3		x	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

Table 6 Sub-scope: Primary feedstock from forests with a green management plan. Overview of the result of the risk assessment of all indicators.

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		x	
1.1.2		x	
1.1.3		x	
1.2.1		x	
1.3.1		x	
1.4.1		x	
1.5.1		x	
1.6.1		x	
2.1.1		x	
2.1.2	x		
2.1.3		x	
2.2.1		x	
2.2.2		x	
2.2.3	x		
2.2.4	x		
2.2.5		x	
2.2.6		x	
2.2.7		x	
2.2.8		x	
2.2.9		x	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		x	
2.3.2		x	
2.3.3		x	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

Table 7 Sub-scope: Primary feedstock from thinnings of connifer stands. Overview of the result of the risk assessment of all indicators.

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		x	
1.1.2		x	
1.1.3		x	
1.2.1		x	
1.3.1		x	
1.4.1		x	
1.5.1		x	
1.6.1		x	
2.1.1		X	
2.1.2		X	
2.1.3		X	
2.2.1		X	
2.2.2		X	
2.2.3		X	
2.2.4		X	
2.2.5		X	
2.2.6		x	
2.2.7		x	
2.2.8		x	
2.2.9		x	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		x	
2.3.2		x	
2.3.3		x	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

Table 8 Sub-scope: Primary feedstock from thinnings of first generation forest estates. Overview of the result of the risk assessment of all indicators.

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		x	
1.1.2		x	
1.1.3		x	
1.2.1		x	
1.3.1		x	
1.4.1		x	
1.5.1		x	
1.6.1		x	
2.1.1		x	
2.1.2		x	
2.1.3		x	
2.2.1		x	
2.2.2		x	
2.2.3		x	
2.2.4		X	
2.2.5		x	
2.2.6		x	
2.2.7		x	
2.2.8		x	
2.2.9		x	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		x	
2.3.2		x	
2.3.3		x	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

Table 9 Sub-scope: Primary feedstock from forests without a green management plan or certification. Overview of the result of the risk assessment of all indicators.

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		x	
1.1.2		x	
1.1.3		x	
1.2.1		x	
1.3.1		x	
1.4.1		x	
1.5.1		x	
1.6.1		x	
2.1.1	x		
2.1.2	x		
2.1.3		x	
2.2.1		x	
2.2.2		x	
2.2.3	x		
2.2.4	x		
2.2.5		x	
2.2.6		x	
2.2.7		x	
2.2.8		x	
2.2.9		x	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		x	
2.3.2		x	
2.3.3		x	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

Table 10 . Sub-scope: Primary feedstock from non-forest areas, such as windbreaks, city and park areas, nature projects. Overview of the result of the risk assessment of all indicators.

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		x	
1.1.2		x	
1.1.3		x	
1.2.1		x	
1.3.1		x	
1.4.1		x	
1.5.1		x	
1.6.1		x	
2.1.1		X	
2.1.2		X	
2.1.3		X	
2.2.1		X	
2.2.2		X	
2.2.3		X	
2.2.4		X	
2.2.5		x	
2.2.6		x	
2.2.7		x	
2.2.8		x	
2.2.9		x	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		x	
2.3.2		x	
2.3.3		x	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

Based on the National Risk Assessment, EHJ Energi A/S has concluded:

1. Primary feedstock from FSC or PEFC certified forests - **always low risk**
2. Primary feedstock from forests with a green management plan - **specified risk**
3. Primary feedstock from thinnings of conifer stands - **always low risk**
4. Primary feedstock from thinnings of first generation forest estates - **always low risk**
5. Primary feedstock from forests without a green management plan or certification - **specified risk**
6. Primary feedstock from non-forest areas, such as windbreaks, city and park areas, nature projects - **always low risk**

8 Supplier verification programme

8.1 Description of the supplier verification programme

EHJ Energi A/S handles the entire process for most of the wood chip sold by EHJ Energi A/S. This means customer contact, job planning, job execution as well as the transport and sale of wood chip. Using the management system from the Contractors' Manual, EHJ Energi A/S documents origin, risk assessment and risk reduction, if any.

A minor part of the wood chip is purchased from other forest contractors. This is not a group of supplier from whom wood chip is bought on an ongoing basis. The quantities are often small. EHJ Energi A/S has chosen not to establish a supplier verification programme, as we are dealing with a small amount of wood chips and not regular business partners.

Therefore, the procedure for the purchase of external wood chip will be that EHJ Energi A/S handles the purchase of wood chip from subcontractors as if it was its own project. Some suppliers supply material to EHJ Energi A / S in the form of mapping, risk assessment, review of the area and risk minimization, but EHJ Energi A / S has initiated cooperation with its own forestry officer to review the projects and the material. For other projects, EHJ Energi A / S carries out the entire work in connection with mapping, risk assessment, review of the area and risk minimization in collaboration with forestry officer.In this way, EHJ Energi A/S takes responsibility for the entire production.

If parts of the wood chip are assessed in this process to be non-SBP compliant, it will not be sold with an SBP Claim.

8.2 Field visits

Not applicable

8.3 Conclusions from the supplier verification programme

Not applicable

9 Measures to reduce risks

9.1 Measures to reduce risks

Introductory remarks:

EHJ Energi A/S works according to the procedures in the Contractors' Manual, which is designed to take the indicators described in the national risk assessment into account. The manual describes how to identify a specified risk and the measures to reduce risk that should be implemented before you can call the material SBP compliant. If EHj Energi A/S is not able to reduce the risk for parts of the biomass, it will not form part of the SBP quantity.

Projects at EHJ Energi A/S are planned, assigned and controlled by Esben Hegelund.

Risk assessment

In all new jobs, the areas on which biomass is harvested will be screened according to the following indicators: 2.1.1, 2.1.2, 2.2.3 and 2.2.4 where a specified risk has been established. The risk assessment is based on available map material and databases as well as a review of the area before startup. A map and checklist is prepared for each job to ensure that the machine operator is aware of protected or preserved nature/culture. EHJ Energi A/S has implemented the risk-minimising measures from the national risk assessment, but not the suggestion to share maps with experts or relevant stakeholders.

The risk assessment is divided into six categories.

1. Primary feedstock from FSC or PEFC certified forests - **always low risk**
2. Primary feedstock from forests with a green management plan - **specified risk**
3. Primary feedstock from thinnings of conifer stands - **always low risk**
4. Primary feedstock from thinnings of first generation forest estates - **always low risk**
5. Primary feedstock from forests without a green management plan or certification - **specified risk**
6. Primary feedstock from non-forest areas, such as windbreaks, city and park areas, nature projects - **always low risk**

The risk assessment is carried out by Esben Hegelund. If a specified risk is established, we will always use an external assessment from a forester/biologist/graduate in forestry with local knowledge. Esben Hegelund is familiar with identifying key biotopes according to the key biotope type catalogue.

Risk handling

Staff carrying out screenings and planning the jobs are familiar with applicable nature and environment legislation. EHJ Energi A/S plans supply activities to minimise the negative effect on ecosystems, biodiversity and areas worth preserving.

Areas where wood chip is harvested must be examined before startup by a physical review and must be mapped according to the procedure below. All procedures are explained in the Contractors' Manual.

A map will be prepared for each wood chip project. If maps have been prepared in connection with certification or a green management plan, these maps must be used in the process in order to ensure HCV areas.

- If the work area is located in a forest, it will be screened according to the checklist in the Contractors' Manual.
- If the job consists of thinning in an afforestation or thinning in a uniform conifer stand, screening may be omitted. Legality must be ensured.
- If the work area is located outside a forest, screening may be omitted. Legality must be ensured.
- Each wood chip project is given a unique case number and address which also appear on the job description, weighing forms and basis of settlement. Ensure traceability.
- Each wood chip project has a checklist with relevant information. Ensure excellent communication between the various parties in the work process and note down all relevant data which the machine operator needs.

In order to identify areas with high natural values during the work, all machine operators working with wood chip production in the forest are trained in “Operation of machines in areas close to nature”.

9.2 Monitoring and results

Increased focus will apply during the first 12 months of jobs with the highest risk of felling activities harming HCV areas. In old forest areas, they will consist mainly of broadleaves. The effect of this measure will be assessed at the next internal audit. However, every tenth project, though at least 5 projects, with a specified risk will be assessed.

10 Detailed results for indicators

Detailed results for indicators in the risk assessment can be found in the Regional Risk Assessment for Denmark.

https://sbp-cert.org/docs/Final-Draft-RRA-for-Denmark_pubic-consultation-Apr17.pdf

11 Review of the report

11.1 Peer review

The SBR has not been subject to a peer review, as it is based on the SBP endorsed Regional Risk Assessment for Denmark.

11.2 Public or additional reviews

The SBR has been subject to 30 day stakeholder consultations both the Biomass Producer and the CB, but has not been subject to further reviews.

12 Approval of the report

Approval of Supply Base Report by senior management			
Report Prepared by:		***Company owner***	***8-1-2018***
	Esben Hegelund	**Company owner**	**Date**
Report Prepared by:		***Consultant***	***8-1-2018***
	Claus Danefeldt Clemmensen	**Consultant**	**Date**
The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.			
Report approved by:		***Company owner***	***8-1-2018***
	Name	**Title**	**Date**
Report approved by:			
	Name	**Title**	**Date**
Report approved by:			
	Name	**Title**	**Date**

13 Update

In June 2019, self-inspection was carried out according to the procedure described in the Construction Manual - see review plan 08. The conclusion on own control is as follows:

- *There were no changes to the tile supply area*
- *Some suppliers supply material to EHJ Energi A / S in the form of mapping, risk assessment, review of the area and risk minimization, but EHJ Energi A / S has initiated cooperation with its own forestry officer to review the projects and the material. For other projects, EHJ Energi A / S carries out the entire work in connection with mapping, risk assessment, review of the area and risk minimization in collaboration with forestry officer.*
- *It is estimated that the risk minimizing measures - where 5 projects have been taken - have been sufficient. In order to maintain the risk minimizing measures, projects for specific assessment will again be selected in year 2. Each 10th project will be sampled randomly.*
- *There are no significant changes to the Supply Base*

13.1 Significant changes in the Supply Base

We only produce and buy biomass in the areas described in the SBR. In this report period, this is about Denmark and Poland.

13.2 Effectiveness of previous mitigation measures

EHJ Energi A / S works on the basis of the SBP-endorsed Regional Risk Assessment for Denmark. The extra focus that has been on selected projects - cf. 09.02 extra focus tasks - has for the individual tasks led to an increased focus on the stated comments. In order to strengthen the work on risk minimization, EHJ Energi A / S has established solid cooperation with the forestry officer. The collaboration means that all projects and material are reviewed by a forestry officer. In order to maintain risk minimization as a focal point, it will in the future also be expedient to take projects for risk-minimizing measures. For the coming year, every 10th project will be selected for a specific assessment.

13.3 New risk ratings and mitigation measures

Increasing resources for risk assessments and analyzes, and preferably with high professional knowledge.

13.4 Actual numbers for raw material during the last 12 months

Feedstock

Total volume of Feedstock: 0-200,000 Ton

b. Volume of primary feedstock: 0-200.000 Ton

c. List percentage of primary feedstock (g), by the following categories:

- Certified to an SBP-approved Forest Management Scheme - 15.66%
- Not certified to an SBP-approved Forest Management Scheme - 84.34%

d. List all species in primary feedstock, including scientific name - See SBR

e. Volume of primary feedstock from primary forest: 0 T

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

- Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 0 T
- Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0 T

g. Volume of secondary feedstock: 0 T

h. Volume of tertiary feedstock: 0 T

Reason: BP reports the annual raw material volume using an assessment instead of the actual figures, as the actual volume is seen as sensitive information in the highly competitive Danish biomass market.

13.5 Expected numbers for raw material during the next 12 months

Feedstock

Total volume of Feedstock: 0-200,000 Ton

j. Volume of primary feedstock: 0-200.000 Ton

k. List percentage of primary feedstock (g), by the following categories:

- Certified to an SBP-approved Forest Management Scheme - 20.00%
- Not certified to an SBP-approved Forest Management Scheme - 80.00%

l. List all species in primary feedstock, including scientific name - See SBR

m. Volume of primary feedstock from primary forest: 0 T

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

- Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 0 T
- Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: 0 T

o. Volume of secondary feedstock: 0 T

p. Volume of tertiary feedstock: 0 T

Reason: BP reports the annual raw material volume using an assessment instead of the actual figures, as the actual volume is seen as sensitive information in the highly competitive Danish biomass market.