

SBP

Sustainable Biomass Program

Control Union Certifications B.V. Evaluation of Blue Point Pellets Denmark ApS 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 1.3

*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

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1 Overview

| | | |
|---------------------------------|--|-----------------------|
| CB Name and contact: | Control Union Certifications; Meeuwenlaan 4-6; P.O.Box 161, 8000AD Zwolle, Netherlands. | |
| Primary contact for SBP: | Loek Verwijst; lverwijst@controlunion.com | Tel: +351 235 240 940 |
| Current report completion date: | 20/Aug/2018 | |
| Report authors: | Hubert Jurczyszyn – lead auditor | |
| Name of the Company: | Blue Point Pellets Denmark ApS | |
| Company contact for SBP: | Sherry Allen, Business Office Documentation Specialist, +45 22 36 03 91, sherry.allen@bluepointpellets.com | |
| Certified Supply Base: | Norway, Sweden, Finland, Estonia, Denmark, Germany, Russia (Kaliningrad) | |
| SBP Certificate Code: | SBP-06-17 | |
| Date of certificate issue: | 15/Jun/2018 | |
| Date of certificate expiry: | 17/Nov/2021 | |

This report relates to the Second Surveillance Audit

2 Scope of the evaluation and SBP certificate

Production of wood pellets, for use in energy production, at Blue Point Pellets Denmark ApS and transportation at Køge harbour. 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 the specified SBP Standards are implemented across the entire scope of certification.

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

Blue Point Pellets (BPP) is a wood pellet producer with office and production facilities located at the same place in Køge, Denmark. The BP was SBP certified in 2016. The current owner of the pellet mill took ownership in 2015. From October 2015, the production started again but until December 2015. BP is sourcing feedstock - sawdust from primary processors, forest chips and chips from primary production such as sawmills and sawdust from sawmilling of planks. Natural gas is used in drying process. Total annual production capacity of pellet plant is between 250 000 and 300 000 tons of pellets. The BP has implemented FSC and PEFC certification systems and all incoming feedstock is received with either FSC or PEFC claim. The organization sells material with SBP compliant claim and using their volume credit system to calculate the material suitable for this claim.

5.2 Description of Company's Supply Base

Blue Point Pellets course from variety of sawmills and the origin can therefore contain different countries. In order to make sure that the supply base contain all possible countries the organization has decided to include into their SB not only the countries where the supplier is from but also neighbouring countries of the suppliers. Full description of the Supply Base is included in the Supply Base Report which is to be found in Blue Point Pellets Denmark ApS webpage : <http://bluepointpellets.com/uploads/images/default/Supply-Base-Report-Blue-Point-Pellets-English.pdf>

5.3 Detailed description of Supply Base

A quantitative description of the Supply Base can be found in the Biomass Producer's Supply Base Report at: <http://bluepointpellets.com/uploads/images/default/Supply-Base-Report-Blue-Point-Pellets-English.pdf>.

5.4 Chain of Custody system

The company is PEFC / FSC CoC certified. There is one CoC system that covers SBP and all before mentioned standards and claims. All inputs are either FSC certified or PEFC certified, all biomass is eligible for being claimed SBP compliant. . During the audit it was proven that the Blue Point Pellets Denmark Aps CoC management system is fit for all types of biomass products with the different certification claims. Clear procedures are in place for developing and maintaining a complete Blue Point Pellets Denmark Aps-CoC track record per biomass consignment. The Blue Point Pellets Denmark Aps CoC management system is fully integrated in the management system of Blue Point Pellets Denmark Aps. Company is operating percentage system, volume credit method for PEFC COC and the same system is used for SBP claim establishing. This way, fulfilling the CoC standards is fully embedded in the processes agreed.

6 Evaluation process

6.1 Timing of evaluation activities

The onsite audit was carried out 19.06.2018 by the above-mentioned audit team. This report is the result of the findings of a certification evaluation carried out by auditor representing Control Union Certifications. The purpose of the assessment was to evaluate the compliance of the client with respect to the standards used within the scope of the certificate.

| Activity | Date | Executed by |
|---------------------------|--|------------------------------------|
| Preparation | 18-06-2018 (review of the materials sent by BPP before assessment) | Hubert Jurczyszyn |
| Stakeholders consultation | No SBE – surveillance assessment | |
| Desktop review | 18-06-2018 | Hubert Jurczyszyn |
| site audit | 19-06-2018 | Hubert Jurczyszyn |
| evidence review | 25-08-2018 | Hubert Jurczyszyn Loek Verwijst |

6.2 Description of evaluation activities

The audit did consist of an opening meeting, during which the scope was confirmed. The auditor has introduced the team which consist of lead auditor Hubert Jurczyszyn who did also explain the methods to be employed during the audit. After this introduction, all relevant requirements of the applicable SBP standard(s) were verified on compliance. All relevant documentation related to pellet production was verified on site together with interviewing key BP staff having SBP tasks delegated. Findings were documented on audit checklists. Audit was also including visit to the production line where pellet is produced. The audit was completed by filling in the audit report and discussing the audit results.

| • Names and affiliations of people interviewed | |
|--|--|
| Name: | Affiliation: |
| Sherry Allen | Business Office Documentation Specialist |
| Susanne Helth Tikjøb | Certifications & Logistics Coordinator |
| Robin Askey | Consultant, Envirosense Ltd. |
| Michael Mølgaard | Health & safety representative |
| Jesper Clausen | Production supervision |
| | |

6.3 Process for consultation with stakeholders

The stakeholder consultation was carried out prior to the 2016 main assessment on 14th of April, 2016 by sending direct email to different stakeholder categories: state institutions, local NGOs, authorities, government bodies, forest owners associations, academic and research institutions. Only one comment was received from environmental inspectorate from Køge (dated 21st April 2016) with general statement that they don't have any concern about the organization under evaluation. No further stakeholder consultation was carried out neither as a part for the 2017 annual audit nor 2018 surveillance evaluation.

7 Results

7.1 Main strengths and weaknesses

The assessment results of Blue Point Pellets Denmark ApS demonstrated a good level of compliance with the required criteria of Standard 2, 4 and 5. There was reasonable evidence provided to support compliance with the applicable SBP standards. The existence of a Chain of Custody system such as FSC and PEFC COC are considered a main strength with respect to BPP overall conformity with the relevant SBP standards. Still problematic is process of material origin verification which was already described in the past

7.2 Rigour of Supply Base Evaluation

As Blue Point Pellets Denmark ApS only sources FSC and PEFC certified materials they are to deliver SBP compliant biomass thus no SBE is needed in order to increase the amount of SBP compliant biomass at this moment in time. Blue Point Pellets Denmark ApS is promoting very strong Forest certification schemes and put emphasis on this issue regarding sourcing.

7.3 Collection and Communication of Data

Company is able to provide all necessary data for GHG calculations and emissions as well as is able to collect such information from it's suppliers which was verified during audit onsite.

7.4 Competency of involved personnel

No SBE was completed.

All personnel that is involved with SBP have received appropriate training whereby all relevant procedures and requirements have been covered. All training and instructions are based on the procedures as identified in company manuals, and training is provided by internal resources and recorded accordingly. Key personnel showed good knowledge of SBP requirements.

7.5 Stakeholder feedback

See 7.2. Since no SBE has been performed also no stakeholder consultation was done as part of the SBE process.

Consultation with stakeholders was done during main assessment in 2016 by Certification body only as a part of the SBP accreditation requirements.

7.6 Preconditions

Organization is following SBP standards in their scope of the certification in sufficient way that is why certificate may be maintained without further 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.

No SBE is carried out only FSC certified and PEFC certified inputs.

Table 1. Final risk ratings of Indicators as determined BEFORE the SVP and any mitigation measures.

| Indicator | Risk rating (Low or Specified) | |
|-----------|--------------------------------|-----|
| | Producer | CB |
| 1.1.1 | Low | Low |
| 1.1.2 | Low | Low |
| 1.1.3 | Low | Low |
| 1.2.1 | Low | Low |
| 1.3.1 | Low | Low |
| 1.4.1 | Low | Low |
| 1.5.1 | Low | Low |
| 1.6.1 | Low | Low |
| 2.1.1 | Low | Low |
| 2.1.2 | Low | Low |
| 2.1.3 | Low | Low |
| 2.2.1 | Low | Low |
| 2.2.2 | Low | Low |
| 2.2.3 | Low | Low |
| 2.2.4 | Low | Low |
| 2.2.5 | Low | Low |
| 2.2.6 | Low | Low |
| 2.2.7 | Low | Low |
| 2.2.8 | Low | Low |
| 2.2.9 | Low | Low |
| 2.3.1 | Low | Low |
| 2.3.2 | Low | Low |

| Indicator | Risk rating (Low or Specified) | |
|-----------|--------------------------------|-----|
| | Producer | CB |
| 2.3.3 | Low | Low |
| 2.4.1 | Low | Low |
| 2.4.2 | Low | Low |
| 2.4.3 | Low | Low |
| 2.5.1 | Low | Low |
| 2.5.2 | Low | Low |
| 2.6.1 | Low | Low |
| 2.7.1 | Low | Low |
| 2.7.2 | Low | Low |
| 2.7.3 | Low | Low |
| 2.7.4 | Low | Low |
| 2.7.5 | Low | Low |
| 2.8.1 | Low | Low |
| 2.9.1 | Low | Low |
| 2.9.2 | Low | Low |
| 2.10.1 | Low | Low |

Table 2. Final risk ratings of Indicators as determined AFTER the SVP and any mitigation measures.

| Indicator | Risk rating (Low or Specified) | |
|-----------|-----------------------------------|-----|
| | Producer | CB |
| 1.1.1 | Low | Low |
| 1.1.2 | Low | Low |
| 1.1.3 | Low | Low |
| 1.2.1 | Low | Low |
| 1.3.1 | Low | Low |
| 1.4.1 | Low | Low |
| 1.5.1 | Low | Low |
| 1.6.1 | Low | Low |
| 2.1.1 | Low | Low |
| 2.1.2 | Low | Low |
| 2.1.3 | Low | Low |
| 2.2.1 | Low | Low |
| 2.2.2 | Low | Low |
| 2.2.3 | Low | Low |
| 2.2.4 | Low | Low |
| 2.2.5 | Low | Low |
| 2.2.6 | Low | Low |
| 2.2.7 | Low | Low |
| 2.2.8 | Low | Low |
| 2.2.9 | Low | Low |
| 2.3.1 | Low | Low |
| 2.3.2 | Low | Low |

| Indicator | Risk rating (Low or Specified) | |
|-----------|-----------------------------------|-----|
| | Producer | CB |
| 2.3.3 | Low | Low |
| 2.4.1 | Low | Low |
| 2.4.2 | Low | Low |
| 2.4.3 | Low | Low |
| 2.5.1 | Low | Low |
| 2.5.2 | Low | Low |
| 2.6.1 | Low | Low |
| 2.7.1 | Low | Low |
| 2.7.2 | Low | Low |
| 2.7.3 | Low | Low |
| 2.7.4 | Low | Low |
| 2.7.5 | Low | Low |
| 2.8.1 | Low | Low |
| 2.9.1 | Low | Low |
| 2.9.2 | Low | Low |
| 2.10.1 | Low | Low |

9 Review of Company's mitigation measures

No SBE is carried out only FSC certified and PEFC certified inputs.

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.*

Organization is following SBP standards in their scope of the certification in sufficient way that is why certificate may be maintained without further preconditions. No non-conformities or observations were raised during 2018 SBP surveillance assessment. For open minor Non-conformities raised during 2017 evaluation corrective actions were presented supported with sufficient evidences to close them.

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): | Loek Vervijst |
| Date of decision: | 31/Aug/2018 |
| Other comments: | <i>Click or tap here to enter text.</i> |