

SBP

Sustainable Biomass Partnership

NEPCon Evaluation of Södra Timber Compliance with the SBP Framework: Public Summary Report

www.sustainablebiomasspartnership.org



Completed in accordance with the CB Public Summary Report Template Version 1.0

*For further information on the SBP Framework and to view the full set of documentation see
www.sustainablebiomasspartnership.org*

Document history

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Contents

1	Overview	1
2	Scope of the evaluation and SBP certificate	2
3	Specific objective	4
4	SBP Standards utilised	5
4.1	SBP Standards utilised	5
5	Chain of Custody system	6
6	Evaluation process	7
6.1	Timing of evaluation activities	7
6.2	Description of evaluation activities	7
7	Results	9
7.1	Compilation of data on Greenhouse Gas emissions	9
7.2	Competency of involved personnel	9
7.3	Preconditions	9
8	Non-conformities and observations	10
9	Certification decision	12
10	Surveillance updates	13
11	Evaluation details	14

1 Overview

CB Name and contact: NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia

Primary contact for SBP: Ondrej Tarabus ot@nepcon.net, +420 606 730 382

Report completion date: 16/Sep/2016

Report authors: Ondřej Tarabus

Certificate Holder: Södra Timber A/S

Producer contact for SBP: Frank Lund Larsen, Managing director
Frydenborgvej 27K, 3400 Hillerød, Denmark

Certified Supply Base: N/A - Trader

SBP Certificate Code: SBP-01-48

Date of certificate issue: 02/Nov/2016

Date of certificate expiry: 01/Nov/2021

Indicate where the current audit fits within the certification cycle				
Main (Initial) Audit	First Surveillance Audit	Second Surveillance Audit	Third Surveillance Audit	Fourth Surveillance Audit
X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2 Scope of the evaluation and SBP certificate

Södra Wood A/S is a secondary name of Södra timber A/S. The SBP certification scope contain trading activities only. Södra Wood is trading pellets and chips, of which all material to be sold as SBP-compliant biomass will be sourced from Biomass Producer Laskana via the intermediary Tylöskog, pending the certification of these entities. The organization holds valid certificates for FSC CoC (NC-COC-011838) and PEFC CoC (NC-PEFC/COC-000130). The CoC systems are based on the FSC transfer system and PEFC Physical separation principles. The purchase and sale is made in exactly the same place under the INCOTERM FOB (both purchase and sales); there is no physical ownership or handling, and therefore there is no change of GHG profile under Södra Wood ownership.

The scope of the certificate does not include physical possession of the material. The material is at the time of the audit only intended for one Denmark based client.

Scope Item	Check all that apply to the Certificate Scope			Change in Scope (N/A for Assessments)	
Approved Standards:	SBP Standard #4 V1.0; SBP Standard #5 V1.0 http://www.sustainablebiomasspartnership.org/documents			<input type="checkbox"/>	
Primary Activity:	Trader without physical possession			<input type="checkbox"/>	
Input Material Categories:	<input type="checkbox"/> SBP-Compliant Primary Feedstock	<input type="checkbox"/> SBP-Compliant Secondary Feedstock		<input type="checkbox"/>	
	<input type="checkbox"/> Controlled Feedstock	<input type="checkbox"/> SBP non-Compliant Feedstock			
	<input type="checkbox"/> SBP-Compliant Tertiary biomass	<input type="checkbox"/> Post-consumer Tertiary Feedstock			
	<input type="checkbox"/> SBP-approved Recycled Claim	<input type="checkbox"/> Post-consumer Tertiary Feedstock			
Chain of custody system implemented:	<input checked="" type="checkbox"/> FSC	<input type="checkbox"/> PEFC	<input type="checkbox"/> SFI	<input type="checkbox"/> GGL	<input type="checkbox"/>
	<input checked="" type="checkbox"/> Transfer	<input type="checkbox"/> Percentage		<input type="checkbox"/> Credit	<input type="checkbox"/>

Points of sales	<input type="checkbox"/> Harbour (including own handling of material)	<input checked="" type="checkbox"/> Harbour (e.g. FOB incoterms) legal owner is not responsible for handling of material at the harbour	<input type="checkbox"/> Other point of sale (e.g. gate of the BP, boarder, railway station etc.)	<input type="checkbox"/>
	-	Copenhagen harbour	-	
Provide name of all points of sales	-		-	
Use of SBP claim:	<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No	<input type="checkbox"/>
SBE Verification Program:	<input type="checkbox"/> Low risk sources only	<input type="checkbox"/> Sources with unspecified/ specified risk		<input type="checkbox"/>
	New districts approved for SBP-Compliant inputs:			
Sub-scopes	N/A			<input type="checkbox"/>
Specify SBP Product Groups added or removed: Wood pellets and wood chips as SBP-compliant biomass and potentially Wood pellets and wood chips as SBP-controlled biomass				
Comments:				

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Trader'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 the evaluation covered:

- Review of the Biomass Trader's management procedures;
- Review of FSC system control points;
- Interviews with responsible staff; and
- Review of the records.

4 SBP Standards utilised

4.1 SBP Standards utilised

Chain of Custody, SBP Standard 4, Version 1.0, March 2015

Collection and Communication of Data, SBP Standard 5, Version 1.0, March 2015

<http://www.sustainablebiomasspartnership.org/documents>

5 Chain of Custody system

The SBP certification scope contain trading activities only. Södra Wood is trading pellets and chips, of which all material to be sold as SBP-compliant biomass will be sourced from Biomass Producer Laskana via the intermediary Tylöskog, pending the SBP certification of these entities. Each purchased material is recorded including the certification status of the material and the sales always contain the same type and quantity of material as purchased.

The SBP claim is stated on the sales invoices. The SBP Batch code is also included. Theses carries the GHG profiling and batch specific data from the Biomass producer. and GHG data relating to the transport, which are the responsibility of the BP, given the INCOTERM used.

6 Evaluation process

6.1 Timing of evaluation activities

The assessment was carried out on September 8, 2016. One half day was needed for the onsite audit and additional half day for the documentation review.

10.00 – 10.30 Opening meeting: Presentation of audit team, and client representatives, review of agenda. (All key personnel present)

10.30 – 13.30 Audit of compliance with SBP standards 4 and 5, review of FSC and PEFC CoC system

Review of procedures for purchase and sales, orders execution, supplier verification and logistics functions.

Monday, September 12th 2016

10.00 – 11.00 Closing meeting (Conducted remotely)

Presentation of audit findings and NCRs. Management representative must be present for the closing meeting.

OT – Ondřej Tarabus, CAR – Christian Anton Rahbek

6.2 Description of evaluation activities

Auditors were welcomed in the Södra Wood office in Hillerød, Denmark. Audit started with an opening meeting attended by Frank Lund Larsen, Lars Herschend, Anders Gøricke and Tina FÜRST Steffensen

Auditors introduced the audit team, provided information about audit plan, methodology and aim of the assessment. CB's approval related issues and confidentiality issues were covered as well.

After that auditor went through all applicable requirements of the standard covering management system, CoC, recordkeeping requirements and verification of SBP compliant biomass. Later on the purchasing and logistics functions were audited. During the process overall responsible person for SBP system and staff having key responsibilities within the system was interviewed.

During the closing meeting auditor explained the results of the audit and further actions were discussed.

Composition of audit team:

Name	Qualification	Role/focus in evaluation
Ondrej Tarabus	Czech citizen, graduated in University of Life Sciences Prague, The Faculty of Forestry. He has participated in several FSC assessments in Czech Republic, Slovakia,	Lead Auditor

	<p>Italy, Germany, Vietnam, Egypt, Spain, Romania, Bosnia and Herzegovina, Austria, etc. and FSC FM audits in Czech Republic and Lithuania. Ondřej Tarabus successfully completed SBP training course and he has practical experience with carbon footprint certification as well as biofuels certification.</p>	<p>Responsible for all aspects of the assessment process.</p>
<p>Christian Rahbek</p>	<p>M.Sc. (Forestry) from University of Copenhagen. Has passed NEPCon Lead Auditor Training for FSC and PEFC FM and CoC certification. Experience from more than 180 FSC and PEFC CoC audits in Denmark and Europe. Christian has successfully completed SBP training course and has partaken in several SBP assessments.</p>	<p>Auditor in training</p>

7 Results

7.1 Compilation of data on Greenhouse Gas emissions

Södra Wood has established that the scope of the certification does not include transport of SBP certified biomass. This was confirmed the managing director during the audit. This means that in no cases will the GHG profile of the SBP Biomass change while under Södra Wood ownership.

Should there in the future be cases where Södra Wood would be responsible for transport of the SBP Biomass, an expansion audit will be needed, in order for the Certification body to evaluate if the organization has sufficient knowledge about how the energy and emission data shall be collected, calculated and communicated to the customer.

7.2 Competency of involved personnel

The main responsible person in the company is Managing Director Frank Lund Larsen. who showed good understanding of the requirements in relation to SBP certification and of the already implemented FSC CoC system. All other interviewed staff showed good competence, good awareness of standard requirements and own responsibilities. The organization is being supported by an external consultant, which has helped prepare and implement the documented procedures for trade with SBP biomass.

7.3 Preconditions

No preconditions remain in the audit report.

8 Non-conformities and observations

NCR: 01/16	NC Classification: minor	
Standard & Requirement:	SBP Standard # 4 requirement 5.5.2	
Description of Non-conformance and Related Evidence:		
<p>Findings: No sales of SBP compliant biomass or SBP- controlled biomass has taken place so far. The staff responsible is aware of this requirement, but at the time of the audit, the organization’s orders handling system (C5) had not been correctly modified to ensure that SBP claims would be made correctly.</p> <p>The system is based on the SBP responsible person manually handling each order/shipment, and that SBP claims will be made per shipment. The instructions for the administrative staff contain the description of the different biomass inputs. The system of allocating the claims is described in the documented procedures.</p>		
Corrective action request:	<p>Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.</p> <p>Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p>	
Timeline for Conformance:	By the next annual surveillance audit	
Evidence Provided by Organisation:	During the audit, the orders handling system C5 was adapted, so that SBP claims will be correctly stated. Exhibit 1.	
Findings for Evaluation of Evidence:	Based on the corrective actions carried out during the audit, the NCR is closed.	
NCR Status:	CLOSED	
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

OBS: 01/16	Standard & Requirement:	SBP Standard 5 requirement 6.3
	Report Section	Appendix B p 1.4
Description of findings leading to observation:	<p>The organization actively limits the scope of its certification in is Documented procedures to only include trade of SBP biomass purchased FOB and sold FOB in the same location at the same harbour.</p> <p>Therefore, there will not be change of emissions profile under their ownership. The organization has not established procedures for calculating the distance and emission data to be calculated and communicated to the customer.</p>	
Observation:	<p>The organization should be aware that it must implement procedures for recording any changes in carbon or energy data that will happen during their ownership, if transport will happen under their ownership.</p>	

9 Certification decision

Based on Organisation's conformance with SBP requirements, the auditor makes the following recommendation:	
<input checked="" type="checkbox"/>	Certification approved: NCR(s) closed.
<input type="checkbox"/>	Certification not approved:
Based on auditor's recommendation and NEPCon quality review following certification decision is taken:	
NEPCon certification decision:	
Certification decision by: Olesja Puiso	
Date of decision: 16.09.2016	

10 Surveillance updates

Not applicable.

11 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Frank Lund Larsen, Managing Director
Auditor(s):	Ondrej Tarabus, Lead Auditor Christian Rahbek, Auditor in training
People Interviewed, Titles:	Frank Lund Larsen, Managing Director Lars Herschend, External Consultant Anders Gøricke, Biomass trader Tina Füst Steffensen, Administration and orders execution
Brief Overview of Audit Process for this Location:	See audit plan.
Comments:	N/A