

SBP

Sustainable Biomass Partnership

NEPCon Evaluation of Skovdyrkerforeningen Øerne A.M.B.A. 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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1 Overview

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Report completion date: 16/May/2017

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Producer contact for SBP: Ulrik Nielsen, Damsbovej 11, 5492 Vissenbjerg, +45 28605667, uni@skovdyrkerne.dk

Certified Supply Base: The certified Supply Base covers the following regions of Denmark: Syddanmark Sjælland and Hovedstaden

SBP Certificate Code: SBP-01-75

Date of certificate issue: 17/May/2017

Date of certificate expiry: 16/May/2022

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
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2 Scope of the evaluation and SBP certificate

Scope of this evaluation is based on SBP standards 1; 2; 4; and 5. During the assessment, the exact geographical scope of the Supply Base was confirmed to be the following regions of Denmark: Syddanmark, Sjælland and Hovedstaden. This does not change the risk evaluation or mitigating measures in the Supply Base Evaluation, as these are applicable to all of Denmark.

Skovdyrkerforeningen Øerne a.m.b.a. is a cooperative owned by forest owners in Funen and Zealand, Denmark, established to provide advisory services in forest management, to assist in managing contractors and to provide a sales channel for the forest owner’s forest products, including timber, wood chips, Christmas trees and greenery.

Skovdyrkerforeningen Øerne a.m.b.a. is itself a part of the umbrella organization” De Danske Skovdyrkerforeninger” and is also covered by the NEPCon issued PEFC CoC certificate held by this organization (NC-PEFC/COC-000070). Skovdyrkerforeningen Øerne a.m.b.a. also offers its members the opportunity of participating in FSC / PEFC Forest management group certification in collaboration with” De Danske Skovdyrkerforeninger”.

The organization purchases all of its feedstock in the Danish regions Syddanmark, Sjælland and Hovedstaden, with the vast majority coming from Funen and Zealand. All feedstock is primary feedstock, and can be purchased either as standing volume, as fuel wood in stack in the forest of origin or as fuel wood or chips from other suppliers working and sourcing within the Supply Base. In all cases the stand of origin is known. The organization can buy wood as FSC or PEFC certified, but will mainly rely on sourcing feedstock as SBP Compliant from its own Supply Base Evaluation. The organization is implementing appropriate mitigating measures in relation of the specified risks identified, and has described a Supplier Verification Program to ensure that the necessary mitigating measures are implemented in all forests supplying feedstock.

The organization is supplying the woodchips produced directly from the forest via truck to the customers, which are combined heat and power plants and district heating plants.

Scope Item	Check all that apply to the Certificate Scope		Change in Scope (N/A for Assessments)
Approved Standards:	<i>SBP Standard #1 V1.0 SBP Standard #2 V1.0 SBP Standard #4 V1.0 SBP Standard #5 V1.0</i> http://www.sustainablebiomasspartnership.org/documents		<input type="checkbox"/>
Primary Activity:	Producer of wood chips;		<input type="checkbox"/>
Input Material Categories:	<input checked="" type="checkbox"/> SBP-Compliant Primary Feedstock	<input type="checkbox"/> SBP-Compliant Secondary Feedstock	<input type="checkbox"/>
	<input checked="" 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 type="checkbox"/> FSC	<input checked="" 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 type="checkbox"/> Harbour (e.g. FOB incoterms) legal owner is not responsible for handling of material at the harbor	<input checked="" type="checkbox"/> Other point of sale (e.g. gate of the BP, boarder, railway station etc.)		<input type="checkbox"/>

<p>Provide name of all points of sales</p>	<p>-</p> <p>-</p>	<p>-</p> <p>-</p>	<p>Biomass is sold at the power plants:</p> <p>Assens Fjernvarme a.m.b.a</p> <p>Bogense Forsyningselskab Amba</p> <p>Fjernvarme Fyn Fynsværket A/S</p> <p>Marstal Fjernvarme Middelfart Fjernvarme amba</p> <p>Midtlangeland Fjernvarme Amba</p> <p>Dong Energy Thermal Power A/S</p> <p>Veks, Køge Kraftvarmeværk</p> <p>Vordingborg Forsyning</p> <p>Hillerød Forsyning</p> <p>SK Forsyning</p> <p>Hvalsø Savværk A/S</p> <p>Østkraft Produktion A/S</p> <p>Bornholms Varme</p>	
<p>Use of SBP claim:</p>	<p><input checked="" type="checkbox"/> Yes</p>		<p><input type="checkbox"/> No</p>	<p><input type="checkbox"/></p>
<p>SBE Verification Program:</p>	<p><input type="checkbox"/> Low risk sources only</p>		<p><input checked="" type="checkbox"/> Sources with unspecified/ specified risk</p>	<p><input type="checkbox"/></p>
<p>New districts approved for SBP-Compliant inputs: Denmark</p>				

<p>Sub-scopes</p>	<p>The feedstock is divided in following sub-scopes:</p> <ul style="list-style-type: none"> • Primary feedstock sourced from coniferous thinning operations • Primary feedstock sourced from areas of first generation afforestation • Primary feedstock sourced from a forest holding with a FM certificate (FSC/PEFC) • Primary feedstock sourced from a forest holding with a Green Management Plan • Primary feedstock sourced from an area without a Green Management Plan 	<p style="text-align: center;"><input type="checkbox"/></p>
<p>Specify SBP Product Groups added or removed: The BP only produces and sells wood chips as SBP certified.</p>		
<p>Comments:</p>		

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 also covered the Supply Base Evaluation, and the mitigation measures describing herein.

The scope of the evaluation covered:

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

4 SBP Standards utilised

4.1 SBP Standards utilised

Feedstock Compliance Standard, SBP Standard 1, Version 1.0, March 2015

Verification of SBP-compliant Feedstock, SBP Standard 2, Version 1.0, March 2015

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

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

Instruction document 5A Collection and Communication of Data version 1.0. March 2015 was utilised for the evaluation as well. (UPDATE)

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

4.2 SBP-endorsed Regional Risk Assessment

N/A

SBP-endorsed Regional Risk Assessment for Denmark was not endorsed yet at the time of the assessment. The BP has used the last available version of RRA and this is considered as organization's own risk assessment.

5 Description of Biomass Producer, Supply Base and Forest Management

5.1 Description of Biomass Producer

Skovdyrkerforeningen Øerne a.m.b.a. is a cooperative owned by forest owners in Funen and Zealand, Denmark, established to provide advisory services in forest management, to assist in managing contractors and to provide a sales channel for the forest owner's forest products, including timber, wood chips, Christmas trees and greenery.

Skovdyrkerforeningen Øerne a.m.b.a. is itself a part of the umbrella organization "De Danske Skovdyrkerforeninger" and is also covered by the NEPCoN issued PEFC CoC certificate held by this organization (NC-PEFC/COC-000070). Skovdyrkerforeningen Øerne a.m.b.a. also offers its members the opportunity of participating in FSC / PEFC Forest management group certification in collaboration with "De Danske Skovdyrkerforeninger".

In relation to the SBP certification, the main activity of the BP is the production and sales of wood chips. The wood chips are produced in the forests of origin, either in the stands by self-propelled wood chippers or from a log pile by a truck mounted chipper. All wood chips are produced from Primary Feedstock, and the organization does not foresee chipping secondary or tertiary feedstock, and thus this is not included in the scope of the certification.

The organization purchases all of its feedstock for the wood chips in the Danish regions Syddanmark, Sjælland and Hovedstaden. All feedstock is primary feedstock, and can be purchased either as standing volume, as fuel wood in stack in the forest of origin or as fuel wood or chips from other suppliers working and sourcing within the defined Supply Base. In all cases the stand of origin is known. The organization can buy wood as FSC or PEFC certified, but will mainly rely on sourcing feedstock as SBP Compliant from its own Supply Base Evaluation. The organization is implementing appropriate mitigating measures in relation to the specified risks identified, and has described a Supplier Verification Program to ensure that the necessary mitigating measures are implemented in all forests supplying feedstock.

The organization is supplying the wood chips produced directly from the forest via truck to the customers, which are combined heat and power plants and district heating plants.

5.2 Description of Biomass Producer's Supply Base

Denmark - forest resources

The terrestrial environment of Denmark is divided between two EU biogeographical regions by means of a north-south divide through the middle of the Jutland Peninsula: 1) the Atlantic region, covering the western part of Jutland and the Continental region, and 2) the Continental region covering the eastern part of Jutland and Denmark's islands. These regions are used by the Danish Nature Agency under the Ministry of the Environment and Food to the EU Commission to report on the status and management results of Natura 2000 conservation areas.

In the early 1800's, the forest cover in Denmark is estimated to have been as low as 3-4% of the total land area. Deforestation was caused by logging for timber and firewood and for animal grazing areas. Denmark's first forest legislation came into force in 1805. Its main objective and as well as following Danish forest acts, have been to

maintain the forest covered area and to protect the existing forest from overexploitation, premature felling and grazing by farm animals. In the mid nineteenth century, intensive forest management became widespread and large afforestation projects were carried out. Today approximately 14% (615,000 hectares) of Denmark's land area is covered by various types of forest.

According to the Danish Nation Forest Inventory, conducted by the Danish Nature Agency, 41% of Denmark's forest area is dominated by broadleaved trees, 39% by coniferous tree species, 11% by a mixed coniferous and broadleaved tree species, 5% are Christmas tree plantation (located within all the above forest types) and 4% of the area is unstocked, e.g., log loading and landing yards, fire prevention areas etc. Furthermore, 67% of the Danish forest area is covered with even-aged planted stands with 9% being even-aged stands from natural regeneration and 6% of the forest area is uneven-aged natural forest. The latter represent pockets forests that would be closest to what is considered of natural forest stands having retained or regained natural forest characteristics; which can be found in forests both under private and public ownership and they are predominantly located in the Continental region (east Jutland and the isles). The location of these natural forest stands is generally well-known, but some may still be unidentified.

Of Denmark's 615,000 hectares of forest, 440,000 hectares are managed as forest reserves (called 'fredskov' in Danish) governed under the Danish Forest Act. The Forest Act permits forest management activities within these areas; however, Article 8 (see Category 1 for more details) requires the managed area shall maintain continuous forest cover, that a maximum of 10% of the forest area can be used for short rotation Christmas trees or greenery production (e.g., cuttings typically from *Abies procera*), and another maximum of 10% of the area can be used for coppicing or for animal forest grazing. The Forest Act also protects streams and wetlands in forests that are not covered by the Nature Protection Act or under the Ministry of Environment or local authorities. It stipulates that lakes, bogs, heaths, species-rich grasslands, coastal grasslands and swamps located in "fredskov" forest reserve may not be planted or cultivated, drained or in other way changed. It is also important to note the Forest Act does not include many measures relating to forest techniques, e.g. harvesting, planting or thinning (also see Category 1). There are 79,000 hectares of forests designated as Natura 2000 areas (13% of the Danish forest area) which have some overlap with the 74,900 hectares forests and other natural areas designated under the EU Habitat Directive, 51,500 hectares under the EU Birds Directive and 13,900 hectares as Ramsar sites. A harvest permit must be obtained from the Danish Nature Agency to conduct any timber harvesting activities within Natura 2000 forests; permits are given with the proviso that the natural condition of the forest will not deteriorate and issuing permits is more an exception than common practice.

In relation to HCV category 3, it is worth noting that although the Forest Act §25 sets provisions for registering 'especially valuable forests' i.e., valuable in terms of their biodiversity and conservation value, and accompanying appropriate conservation management activities for these areas, these areas have not yet been registered by the Danish Nature Agency. Danish forests biodiversity and conservation values have been surveyed by Department of Geosciences and Natural Resource Management at Copenhagen University through a sampling methodological approach. Therefore, not all forest management areas have been systematically surveyed, particularly small privately forests area. The task of systematically surveying 'especially valuable forests' will be carried out by the Danish Nature Agency in the years 2016 - 2019. Forest ownership in Denmark is divided by private forests owners, (70%), State and Municipal owners (24%), trust funds or foundations (4%) and unknown owners (2%).

Biodiversity in Danish forests

Due to its historical context, most Danish forests have been exposed to some level of forest management activities, varying from low impact to very intensive forestry. Today the majority of Denmark's forests are semi-natural ecosystems of composing of either native or exotic tree species, interspersed with a few small pockets of (recovered or remnant) natural forest-like stands. Although the forests area has increased over the last two centuries from 3-4% to more than 14%, the nature value of the pre-1800 forest stands has decreased significantly. This is due to intensive forest management practices aiming to manage even-aged, single-tree species stands. Examples of some the detrimental effects of intensive forest management practices include depleting or draining natural hydrology levels, extensive soil cultivation, eutrophication, removal of mature and over-mature trees and deadwood, semi or natural forest stand replacement with exotic species, coppicing and animal grazing.

Since the mid-1990s, forestry practices in Denmark, especially in State and Municipality owned forest, have shifted from traditional, production oriented forest management towards management regimes with a wider set of goals for conservation, biodiversity, recreation and addressing other social needs such as preserving cultural heritage sites.

Danish forest have been surveyed by Department of Geosciences and Natural Resource Management at Copenhagen University by means of a sample methodology and their biodiversity and conservation values have been documented under the Danish National Forest Inventory (NFI) hosted by the Danish Nature Agency.

Denmark ratified the Convention on Biological Diversity in 1994. Today more than 11% of Denmark's terrestrial lands are protected, one third of which are classified as IUCN Categories I and II; of which a large number are protected under the Nature Protection Act and the Natura 2000 EU Directive. These areas have been designated specifically to protect species, landscapes, cultural heritage and/or for scientific research and/or education purposes.

Approximately, over 6,300 species in 8 major species groups in Denmark have been assessed according to IUCN Red List criteria, and just over 1,500 or 24% of these have been red-listed. Forests constitute 52% of the habitat affiliations for red-listed species. Furthermore, areas enjoying protection under the Forest Act, Natura 2000 and/or the Nature Protection Act are also mapped and available online via the Danish Nature Agency's digital nature map. Biodiversity data is updated regularly by the Danish Nature Agency and, as mentioned above, it will be completing the registry of "especially valuable forest" over 2016 - 2019. There is one forest area in North Zealand which is listed as UNESCO world heritage due to its historical significance as royal 'Parforce' (a type of hunting system) hunting grounds landscape as, the site demonstrates the application of Baroque landscaping principles to forested areas.

The Biomass producer has adopted the description above from the draft Region Risk Assessment for Denmark

5.3 Detailed description of Supply Base

Skovdyrkerne Øerne is defining the Supply Base as the following regions of Denmark: Syddanmark, Sjælland and Hovedstaden. Data is collected from the National Forest Inventory (2014)

- a. Total Supply Base area (ha): 293.400 ha forest
- b. Tenure by type (ha): 199.000 ha privately owned, 18.900 ha owned by foundations, 67.700 ha public owned, 7.559 ha other

- c. Forest by type (ha): 0 ha boreal, 293.000 ha temperate, 0 ha tropical
- d. Forest by management type (ha): 187.800 ha plantation/planted forest, 71.800 ha natural forest, 33.400 ha unknown.
- e. Certified forest by scheme (ha): ca. 50.000 ha FSC-certified forest and ca. 60.000 ha PEFC forest. Note that many forests hold both FSC and PEFC certificates. The numbers are based on an estimate for the regions Syddanmark, Sjælland and Hovedstaden.

The Qualitative description of the Supply Base can also be found in the Biomass Producer's Public Summary Report

5.4 Chain of Custody system

Skovdyrkerforeningen Øerne a.m.b.a. is itself a part of the umbrella organization "De Danske Skovdyrkerforeninger" and is also covered by the NEPCoN issued PEFC CoC certificate held by this organization (NC-PEFC/COC-000070). Skovdyrkerforeningen Øerne a.m.b.a. also offers its members the opportunity of participating in FSC / PEFC Forest management group certification in collaboration with "De Danske Skovdyrkerforeninger".

The organization implements both PEFC CoC systems based on physical segregation and a volume credit system, but the SBP only the physical segregation will be used. Therefore, SBP claims can only be made for material that is delivered directly from the wood chipper in the forest, or alternatively, when stacks of wood chips consist only of material meeting certification requirement, and no uncontrolled material has been added.

All relevant information with regards to volume tracking and verification of origin is handled in the BP's system for tracking projects and production orders and in the system from in- and outbound sales documents.

6 Evaluation process

6.1 Timing of evaluation activities

The SBP assessment was carried out on January 24th (office audit) and January 30th and 31st 2017 (field visits) and it included visit of the Skovdyrkerne Øerne a.m.b.a. Main office in Vissenbjerg, Denmark, and of visits to a total of 13 sites where there have been or currently are being sourced feedstock and produced wood chips.

Total of 4,0 days were used for this evaluation – 1 day of preparations, 1 day at the BP main office site and 2 days for audits at the forests stands of origin: 1 day / 7 sites in Region Syddanmark and 1 day / 6 sites in Region Sjælland. Time used for reporting and administration is not included in these figures.

The SBP assessment was conducted in accordance with the plan below; please note that the field visits were conducted after consulting the Biomass Producers records of ongoing and recent wood chip production engagements. The field visits were started and ended in the field. A short meeting was conducted in the main office in the morning of January 31, 2017 prior to field visits; here the BP presented improvements to documentation and management system.

Tirsdag d. 24. januar 2017

Tidspunkt	Aktivitet	Lokation
9.00 – 9.30	Åbningsmøde. Præsentation af deltagere. Gennemgang af dagsorden.	Skovdyrkerforeningen Øerne
9.30 – 12.00	Gennemgang af: <ul style="list-style-type: none"> • Supply Base Report og SBE, samt interessentkommentarer • Dokumenterede procedurer (Management system), herunder risikominimeringstiltag og Supplier Verification Program • Uddannelsestiltag og registrering af gennemført uddannelse <p>Interview med skovfogeder</p> <p>Planlægning af feltbesøg</p>	
12.00 – 12.30	Frokost	

12.30 – 17.00	<p>Gennemgang af sporbarhedssystem</p> <p>Gennemgang af system for indsamling og viderebringelse af energi- og emissionsdata</p> <p>Gennemgang af procedurer for anvendelse af SBP logoer og varemærker</p>	Skovdyrkerforeningen Øerne
17.00 – 17.30	Afslutningsmøde. Auditor opsummerer foreløbige konklusioner. Program for feltbesøg bekræftes.	Skovdyrkerforeningen Øerne

Feltbesøg gennemføres Mandag d. 30. januar og tirsdag d. 31. januar 2017

Feltbesøgene gennemføres på baggrund af opgørelsen over igangværende, projekterede og afsluttede flisprojekter. Auditor forestår udvælgelse af projekter til feltbesøg, under hensyntagen til antallet af projekter, samt projekternes art, størrelse og geografiske placering. Der gennemføres ligeledes besøg og interview med leverandører under Supplier Verification Program.

Activity	Location	Auditor(s)	App. Time (Jan 30, 2017)
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Sjørup Avlsgaard Hjelmømaglevej 99, 4100 Ringsted	CAR	10.00-11:00
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Hømgaarden Hømvej 22 4100 Ringsted	CAR	11.00-11:30
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Adamshøj Adamshøjvej 37, 4100 Ringsted	CAR	11.30-12:00
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Kongsdal Kongsdalvej 5A, 4440 Mørkøv	CAR	13.00-14:00

Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Skælskør Lystskov Slagelsevej 48, 4230 Skælskør	CAR	14.30-15:30
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Korsør Lystskov Korsør Lystskov 20, 4220 Korsør	CAR	16.00-16:30

Activity	Location	Auditor(s)	App. Time (Jan 31, 2017)
Main office: BP presenting improvements to documentation and management system	Main office: Damsbovej 11, Vissenbjerg	CAR	8.30-10:00
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Langesø, 5462 Morud	CAR	10.00-11:00
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Palle Jørgensen Husemosevej 80 5491 Blommenslyst	CAR	11.00-11:30
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site (SVP): Mikkel Thykjær (Contractor) Kragelundvej 11, Ørbæk	CAR	11.30-12:00
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site (SVP): Børge Schäfler (contractor) Nyborgvej 44, 5853 Ørbæk	CAR	13.00-13:30

Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Location near 5853 Ørbæk Børge Schäfler (contractor) Pårupvej 44, Ullerslev	CAR	13.30-14:00
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Lamdrup Kohave Sorteåvej 13, 5853 Ørbæk.	CAR	14.00-15:00
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Ravndrup Vænge Ravndrupvej 21, 5824 Gislev	CAR	15.00-16:00

6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Christian Rahbek, Lead Auditor and Local expert	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 200 FSC and PEFC CoC audits in Denmark and Europe. Christian is an approved SBP Lead auditor and has partaken in several SBP assessments in Denmark.

6.3 Process for consultation with stakeholders

Stakeholder consultation processes were carried out by both the Biomass Producer and the Certification Body

BP conducted a stakeholder consultation process that took place in a 30-day period from December 2nd, 2016 to January 5th, 2017. 15 stakeholders were notified by e-mail, this included associations, national NGOs, Copenhagen University, and umbrella organizations for recreational and labour organizations. The full list of stakeholders is available at BP and in the exhibit of this report. The BP received no stakeholder responses as a result of the stakeholder consultation.

CB conducted a 30-day stakeholder notification process by e-mail message the same stakeholders, and additionally to the Danish Industry Association, on December 14th 2016. No comments were received by Biomass Producer nor

CB by January 15th, 2017, but most of the key stakeholders had taken part in the Stakeholder meeting in relation to the Regional Risk Assessment for Denmark. This RRA stakeholder Process is ongoing and all relevant stakeholders are included in the work with the RRA for Denmark.

The BP and CB stakeholder processes ran with a partial overlap. This was in the light to the BP adapting the draft regional risk assessment for Denmark and implementing the suggested mitigating measures. These had all been subject to discussion at a stakeholder meeting where all relevant stakeholders had been invited. The meeting was held on May 20th, 2016, and was attended by most of the key stakeholders, with some providing their input to the process by email in advance. All comments from the previous stakeholder consultation were taken into account by the organization while preparing the final draft of their risk assessment. SBP has been informed about the two stakeholder processes running partially concurrently, and has accepted this.

7 Results

7.1 Main strengths and weaknesses

Main strengths: All processes have been well documented; project management system provides a strong backbone for material balances, and is very functional and ensures that all relevant information can be reported. The BP has a professional staff of foresters with good training and qualification for sourcing feedstock, including determining the need for mitigation measures and implementing these when needed. All interviewed staff had a strong engagement in implementation of SBP system and positive approach.

Weaknesses: See the NCR section of this report

7.2 Rigour of Supply Base Evaluation

At the moment the Supply Base Evaluation was implemented only for primary feedstock sourced from 3 regions of Denmark. Skovdyrkerforeningen Øerne a.m.b.a. will carry out the SBE for primary feedstock (forest products) that are originating from Denmark and is sold without SBP-approved Forest Management Scheme claim, SBP-approved Forest Management partial claim, SBP-approved Chain-of-Custody (CoC) System claim. Risk mitigation measures are implemented for material coming from both forest land and from other origin, e.g. landscape maintenance, or residential areas.

The BP has used the draft of the regional risk assessment which has been widely circulated for stakeholder consultation by NEPCon. Based on the “specified risks” in this risk assessment the organization has suggested some mitigation measures which were consulted with relevant stakeholders during a meeting held on May 20th, 2016, organized by NEPCon and calls/emails which took place prior the assessment.

The stakeholder consultation process started with sending email to numerous stakeholders. The BP keeps records of communication with stakeholders.

The supply base evaluation was a rigorous process, and there has generally been acceptance of the defined sub-scopes and the associated risk conclusions.

7.3 Compilation of data on Greenhouse Gas emissions

Prior to the main assessment the organization has not systematically recorded data on greenhouse gas emissions, but have received the results from trials conducted by an SBP certified sister organization. The BP thus gained accurate knowledge about the fuel use of the various equipment used, however, the BP has opted to use the accepted Default Values from Biograce II for reporting fuel used in forestry used and felling/chipping. Further information about fuel consumption for transport was also collected from trucking companies. The methodologies for collecting and reporting data were complete and accurate at the end of the assessment.

7.4 Competency of involved personnel

During the assessment it was identified that number of staff members are involved into the SBP system management and implementation, including the Managing Director, Deputy Managers, Foresters and administrative staff. Interviewed staff demonstrated awareness of their responsibilities within SBP system.

The SBE was mainly implemented by the Deputy Managers and forester with main responsibility for wood chip production, both holding B.Sc. degrees in forestry, supported by Mr. Flemming Sehested (M.Sc. Forestry) from the umbrella organization of Danish Forest Growers Association, and between them, they have more than 50 years of experience in forest management within the supply base.

All involved personal has provided good knowledge in relevant fields, including project management and recognition of HCVF aspects, and implementation of relevant mitigating measures during the site visits.

The BP has documented qualification requirements for personnel involved in the different aspects of the SBP system, including the qualifications needed for SBE.

According to interviews, review for formal qualifications and the set of procedures and documents that were composed for the SBP system, auditors evaluated the competency of main responsible staff to be sufficient.

7.5 Stakeholder feedback

During the BP's stakeholder consultation, no comments were received and the consultation only proved that the stakeholders already expressed their opinion to certification body in charge of the Regional Risk Assessment Process for Denmark. The CB finds that the BP stakeholder consultation was sufficient, but comments that the BP should have contacted municipal authorities, and organization representing the wood industry. See OBS 01/16

The CB, however, has received number of comments from stakeholders during the Regional risk assessment stakeholder consultation. All comments will be take into account in the Regional Risk Assessment for Denmark. The BP is aware that it must implement the conclusion from the regional risk assessment for Denmark, once this has been endorsed by SBP.

7.6 Preconditions

There are no open preconditions to this certification.

8 Review of Biomass Producer’s Risk Assessments

Table 1. 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 Biomass Producer’s mitigation measures

Skovdyrkerne Øerne has used the mitigation measures in the first draft of the Regional Risk Assessment for Denmark, which found 4 Indicators with specified risk and suggests mitigating measures. The table below shows the specified risk Indicators and the corresponding mitigation methods that Skovdyrkerne Øerne will implement. However, the BP will not implement the suggestion that HCV maps are made publicly available.

Skovdyrkerne Øerne has documented and described procedures both for proceeding with extraordinary caution in potential areas and of specified risk, and for monitoring the implementation and effectiveness of the planned mitigation measures. Skovdyrkerne Øerne has not implemented documented procedures for protection of biologically valuable dead wood in the forests. See also NCR 04/17.

2.1.1	Forests and other areas with high conservation values in the Supply Base are identified and mapped.	<p>The goal of the mitigation measure is to ensure that any HCV in the area within the supply base is identified and sufficiently mapped before sourcing of feedstock for biomass production begins, so that the information about any HCV can be securely passed on to staff carrying out the felling and chipping operation. For non-FSC or PEFC certified forests and forests without a green management plan, identification and mapping of HCVs must be carried out.</p> <p>It is suggested that the HNV forest online map (available at http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk) is consulted for a calculated indication of the potential for HCVs prior to a field survey of HCVs, and that the catalog of key biotopes or similar is used. The effectiveness of the application of the catalog of key biotopes is reliant upon sufficient skill and training of the personnel carrying out the survey. For a skilled professional the identification and mapping of HCVs would be possible with an acceptable level of effort compared to the size of the area where sourcing of feedstock will take place. It is also suggested that, as a safeguard mechanism, the resulting maps are made publicly available. This would allow for expert and stakeholder review and comments.</p>
2.1.2	Potential threats to forests and other areas with high conservation values from forest management activities are identified and addressed.	<p>For forests with a green management plan, HCVs have been identified and mapped, but since there is no requirement for independent evaluation of adherence to limitations in the green management plan, the plan including the maps, must be consulted and planned activities must be compared to limitations in the management plan.</p> <p>For forests without at least a green management plan, HCVs in the area where feedstock for biomass production is sourced must first be identified and mapped (see indicator 2.1.1), and sufficient maps and instruction be prepared for personnel in charge for the felling or other activities, so that it is ensured that HCV will not be threatened for FM activities.</p> <p>It is also suggested that, as a safeguard mechanism, the resulting maps are made publicly available. This would allow for expert and stakeholder review and comments.</p>
2.2.3	Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).	<p>The goal of the mitigation measure is to ensure that any HCV in the area within the supply base is identified and sufficiently mapped before sourcing of feedstock for biomass production begins, so that the information about any HCV can be securely passed on to staff carrying out the felling and chipping operation. For non-FSC or PEFC certified forests and forests without a green management plan, identification and mapping of HCVs must be carried out.</p> <p>It is suggested that the HNV forest online map (available at http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk) is consulted for a calculated indication of the potential for HCVs prior to a field survey of HCVs, and that the catalog of key biotopes or similar is used. The effectiveness of the application of the catalog of key biotopes is reliant upon sufficient skill and training of the personnel carrying out the survey. For a skilled professional the identification and mapping of HCVs would be possible with an acceptable level of effort compared to the size of the area where sourcing of feedstock will take place. It is also suggested that, as a safeguard mechanism, the resulting maps are made publicly available. This would allow for expert and stakeholder review and comments.</p>
2.2.4	Biodiversity is protected (CPET S5b).	<p>The goal of the mitigation measure is to ensure that any HCV in the area within the supply base is identified and sufficiently mapped before sourcing of feedstock for biomass production begins, so that the information about any HCV can be securely passed on to staff carrying out the felling and chipping operation. For non-FSC or PEFC certified forests and forests without a green management plan, identification and mapping of HCVs must be carried out.</p> <p>It is suggested that the HNV forest online map (available at http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk) is consulted for a calculated indication of the potential for HCVs prior to a field survey of HCVs, and that the catalog of key biotopes or similar is used. The effectiveness of the application of the catalog of key biotopes is reliant upon sufficient skill and training of the personnel carrying out the survey. For a skilled professional the identification and mapping of HCVs would be possible with an acceptable level of effort compared to the size of the area where sourcing of feedstock will take place. It is also suggested that, as a safeguard mechanism, the resulting maps are made publicly available. This would allow for expert and stakeholder review and comments.</p>

10 Non-conformities and observations

NCR: 01/17	NC Classification: minor	
Standard & Requirement:	SBP Standard 2, Instruction Note 2A requirement 1.6	
Description of Non-conformance and Related Evidence:		
The BP's documented system for sampling does not include specification that random sampling must be applied when selecting suppliers to visit.		
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. 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.	
Timeline for Conformance:	By next audit, but not later than 12 months after report finalisation date.	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN	
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"/>

NCR: 02/17	NC Classification: minor	
Standard & Requirement:	SBP Standard 2, Instruction Note 2A requirement 1.7	
Description of Non-conformance and Related Evidence:		
The BP's procedures for supplier verification program does not include that all results, including any identified non-conformances, must be recorded.		
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. 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.	
Timeline for Conformance:	By next audit, but not later than 12 months after report finalisation date.	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN	
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"/>

NCR: 03/17	NC Classification: minor	
Standard & Requirement:	SBP Standard 2, Instruction Note 2A requirement 1.8	
Description of Non-conformance and Related Evidence:		
The BP's procedures for supplier verification program does not include that additional sampling must be applied if credible and relevant allegations of violations are received.		
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. 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.	
Timeline for Conformance:	By next audit, but not later than 12 months after report finalisation date.	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN	
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"/>

NCR: 04/17	NC Classification: minor	
Standard & Requirement:	SBP Standard 2, Instruction Note 2A requirement 1.8	
Description of Non-conformance and Related Evidence:		
<p>The Biomass Producer has adapted the Draft of the Regional Risk Assessment, including the suggested risk mitigation measures herein, with the exception of publishing maps of the identified HCV areas (Key biotopes).</p> <p>The draft Regional Risk Assessment available to the BP at the time, concluded specified risk for the following indicators:</p> <p>2.1.1 Forests and other areas with high conservation values in the Supply Base are identified and mapped.</p> <p>2.1.2 Potential threats to forests and other areas with high conservation values from forest management activities are identified and addressed.</p> <p>2.2.3 Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).</p> <p>2.2.4 Biodiversity is protected (CPET S5b).</p> <p>The key issue in the regional risk assessment, the based on the stakeholder process at the time, was centered on the lack of legal requirement for identification and mapping of Key biotopes (HCV category 3), and the notion that this would pose a potential risk when carrying out forest management activities. The stakeholders accepted an approach where several sub-scopes were defined, with the purpose of only having apply mitigation measures for sub-scopes where these are relevant.</p> <p>The Biomass Producer has defined the following subscopes:</p> <ul style="list-style-type: none"> • Primary feedstock sourced from coniferous thinning operations – all low risk • Primary feedstock sourced from areas of first generation afforestation – all low risk • Primary feedstock sourced from a forest holding with a FM certificate (FSC/PEFC) - all low risk • Primary feedstock sourced from a forest holding with a Green Management Plan - all low risk • Primary feedstock sourced from an area without a Green Management Plan – specified risk 		

The Biomass producer has adapted the risk mitigating measures from the draft risk assessment, and has made detailed instructions for the staff members responsible for implementing mitigation measures. These consist of a screening of the area where the feedstock will be sourced on the online forest biodiversity indicator map and reviewing information and maps already on file for the forest, in order to assign specific, the wood chipping project to the correct sub-scope. If HCV areas are present, these are highlighted, and maps and instructions for the personnel carrying out the operation are prepared.

In relation to indicator 2.2.4, there has not been any specific documented procedures developed to ensure sufficient protection of biologically valuable dead wood during felling and chipping operations.

Interviews with and demonstration of procedures by some of the foresters responsible for implementation the mitigation measures confirmed that they had been trained, that they met the training requirements established, and that they had the practical competence necessary.

During the field audits, the current level of protection of biologically valuable dead wood during felling and chipping operations was discussed, and good awareness was found on the importance of dead wood to the biodiversity of the forests. It is auditor's evaluation that documented procedures for protection of biologically important dead wood in the forest must be developed. See exh 2 section 5.1

Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. 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.
Timeline for Conformance:	By next audit, but not later than 12 months after report finalisation date.
Evidence Provided by Organisation:	PENDING
Findings for Evaluation of Evidence:	PENDING
NCR Status:	OPEN
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 checked="" type="checkbox"/> No <input type="checkbox"/>

NCR: 05/17	NC Classification: MAJOR (Precondition)
Standard & Requirement:	SBP Standard 4, Requirement 5.3.1
Description of Non-conformance and Related Evidence:	
<p>At the time of the audit, The BP had implemented a PEFC CoC system based on Physical separation, and therefore there were no calculation of outputs required. The BP was aware that a possible future implementation of a PEFC Volume Credit system would require calculations of outputs. The BP has established procedures for using the PEFC volume credit system, but does not expect to implement it. See</p> <p>At the time of the audit, most deliveries of SBP-compliant biomass happen directly from the forest to the customer, but during the audit it became clear that no procedures for physical separation had been established for the use of storage facilities. Auditor raised this as a precondition to be addressed prior to certification.</p>	

Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. 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.	
Timeline for Conformance:	By next audit, but not later than 12 months after report finalisation date.	
Evidence Provided by Organisation:	Immediately after the audit at the main office, the BP established documented procedures to ensure that SBP material can be stored at the main storage facility ("Sallingelunde"), once all material at the facility has been removed. After this point, only SBP compliant biomass will be stored at the main storage facility and the risk of any mixing has been eliminated. Should any "other biomass" be sourced, documented procedures have been established to ensure that this is either delivered directly to the customer or is put into storage at an auxiliary storage site ("Brobygaard"). See exhibit 2.	
Findings for Evaluation of Evidence:	Auditor finds that the implemented documented procedures are sufficient to address the identified precondition, which is closed on this background.	
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 checked="" type="checkbox"/> No <input type="checkbox"/>

OBS: 01/17	Standard & Requirement:	SBP Standard 1 Instruction Note 1A requirement 4.3
	Report Section	Appendix A, 1.9
Description of findings leading to observation:	The BP has contacted most of the important stakeholders during the stakeholder consultation, but has not contacted wood industry associations nor municipal authorities.	
Observation:	The BP should include all relevant stakeholders when carrying out stakeholder consultations, including wood industry associations, municipal authorities and the agency for water and nature management.	

OBS: 02/17	Standard & Requirement:	SBP Standard # 2 requirement 7.2
	Report Section	Appendix B p 2.4
Description of findings leading to observation:	The BP was aware of the requirement for sending the SBR to the SBP secretariat, but has not documented procedures for doing this.	
Observation:	The BP should document procedures for sending the SBR to the SBP secretariat.	

OBS: 03/17	Standard & Requirement:	SBP Standard 2, Instruction Note 2A requirement 1.3
	Report Section	Appendix B p 8.4
Description of findings leading to observation:	<p>The Biomass producer has defined procedures to carry out monitoring of 5% of the delivered volume under the Supplier Verification program, and specified the procedures for carrying out the verification. See exhibit 2, section 6.</p> <p>Auditor finds that chosen density of sampling of 5% is similar to the recommended square root based sample size, unless the total number of supplied projects is small (<50).</p>	
Observation:	The BP should ensure that the sample size is always sufficient.	

OBS: 04/17	Standard & Requirement:	SBP Standard # 4 requirement 5.1.2
	Report Section	Appendix C p 1.2
Description of findings leading to observation:	<p>The BP has described its SBP CoC procedures in the documented SBP Management system. This system references and relies on the already implemented PEFC CoC system. The scope of the PEFC CoC system trading activities with Logs, Fuelwood and Wood chips under a Physical separation system.</p> <p>The BP has made very few PEFC claims for products sold, and it has been more than one year since the last claims were made</p>	
Observation:	Since the BP has made very few PEFC claims for products sold, and it has been more than one year since the last claims were made, the BP should ensure that the latest version of the instruction for invoicing is used.	

11 Certification decision

Based on Organisation's conformance with SBP requirements, the auditor makes the following recommendation:	
<input checked="" type="checkbox"/>	Certification approved: Upon acceptance of NCR(s) issued above
<input type="checkbox"/>	Certification not approved:
Based on auditor's recommendation and NEPCon quality review following certification decision is taken:	
<p>NEPCon certification decision: The Biomass Producer has been certified by NEPCon as meeting the requirements of the specified SBP Standard, the certificate can be issued immediately after NEPCon will obtain the recognition as SBP certification body. The expiration of the certificate will be then 5 years.</p>	
Certification decision by:	
Date of decision:	

12 Surveillance updates

12.1 Evaluation details

Not applicable.

12.2 Significant changes

Not applicable.

12.3 Follow-up on outstanding non-conformities

Not applicable.

12.4 New non-conformities

Not applicable.

12.5 Stakeholder feedback

Not applicable.

12.6 Conditions for continuing certification

Not applicable.

12.7 Certification recommendation

Not applicable.

13 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Ulrik Nielsen, Forest Manager and Managing Director (CEO)
Auditor(s):	Christian Rahbek, Lead auditor
People Interviewed, Titles:	<p>Ulrik Nielsen, Forest Manager and Managing Director (CEO)</p> <p>Per Christian Christensen, Deputy forest manger</p> <p>Klaus Kristensen, Forest, Main responsible for wood chip production</p> <p>Claus Boel, Forester</p> <p>Rasmus Gregersen, Deputy forest manager</p> <p>Rasmus Larsen, Forester</p> <p>Hans Thekilde Nielsen, Forester</p> <p>Stefan Petersen, Forester</p> <p>Lis Krogh Thomsen, Bookkeeping</p> <p>Mikkel Thykjær, Contractor</p> <p>Børge Schäfler, Contractor</p> <p>Jacob Juul, Forest worker</p>
Brief Overview of Audit Process for this Location:	Please see the audit overview in section 6.1
Comments:	