

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

Second Surveillance Audit

www.sbp-cert.org



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

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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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: 09/Apr/2018

Report authors: Christian Rahbek and Rebecka Mc Carthy

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
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 is sourced from one biomass producer via a SBP certified the intermediary. 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 usually made in exactly the same place under the INCOTERM FOB (both purchase and sales); there is no physical ownership or handling. As a part of this first annual audit the organization has added procedures for calculation and communication of GHG profile due to transport for pellets or chips under Södra Wood ownership by means of filling in the SREG document.

Scope description: The SBP certificate scope covers back-to-back purchase and sales at the same location and trade with transport by ship.

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"/>
	-	Various harbours in Northern Europe, either exporting or importing	Weighbridge of customer	
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: No changes				
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;
- 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

Instruction documents 5A: Collection and Communication of Data,
5B Energy and GHG Data
5C Static Biomass Profiling data version 1.1, October 2016

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

5 Chain of Custody system

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. 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 sales can be made in harbours (exporting and importing) or the weighbridge of the customer. The organization has procedures for calculation and communication of GHG profile due to transport for pellets or chips under Södra Wood ownership by means of filling in the SREG document.

Each purchase of 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 Production Batch ID code is also included. These 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 annual audit was carried out on March 7, 2018. One day was needed for the onsite audit and additional half day for the documentation review. The audit was carried concurrently with the annual FSC and PEFC audits.

7 March 2018, Södra Timber A/S, Hillerød

09.30 – 12.00

1. Opening meeting, presentation of participants and audit agenda (Participants: All key personnel, including a management representative)
2. Central Office functions, including status for internal audits, management review, training, responsibilities and top management commitment
3. Evaluation of documented procedures for PEFC and FSC CoC systems
4. Evaluation of:
 - a. Supplier records, risk assessments
 - b. PEFC and FSC PGS
 - c. Supplier documentation
 - d. Annual volume summaries
 - e. Sales documents
 - f. PEFC, SBP and FSC Trademark usage

12.00 – 12.30 Lunch break

12.30 – 13.30 Audit of purchase and sales functions

Review of purchase and sales documents, and review with staff responsible for supplier validation, purchase and sales execution

13.30 – 14.30 Audit of compliance with SBP standards 4 and 5

14.30 – 15.00 Desk audit of responsible staff of Södra Wood Project, Sweden

15.00 – 15.30 Auditor conference

15.30 – 16.00 Closing meeting*

6.2 Description of evaluation activities

Auditor was welcomed in the Södra Wood office in Hillerød, Denmark. Audit started with an opening meeting attended by Managing Director Frank Lund Larsen and Lars Herschend.

Auditor introduced the audit team, provided information about audit plan, methodology and aim of the audit. 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 to Managing Director Frank Lund Larsen and Lars Herschend and further actions were discussed.

Composition of audit team:

Name	Qualification	Role/focus in evaluation
Christian Rahbek	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 has successfully completed SBP training course and has partaken in several SBP assessments.	Lead Auditor. Verification of procedures for purchase and sales of SBP-compliant biomass
Rebecka Mc Carthy	PhD (Forestry) from Swedish University of Agricultural Sciences. M.Sc. (Forest Management) from the same university. Worked as a researcher on hardwood silviculture in southern Sweden.	Auditor in training (SBP)

7 Results

7.1 Compilation of data on Greenhouse Gas emissions

Södra Wood is not responsible for compilation of GHG data in cases for any GHG emissions as the point of purchase is the same as the point of sale. There are some cases where the material is transported under the ownership of the organization. In such a situation, the organization is responsible for collecting and reporting the GHG data for the transport.

During the onsite audit the interviewed person provided good knowledge about how the energy and emission data shall be collected and calculated and passed on to customers. In the event of transport of pellets or chips under Södra Wood ownership, the company has defined procedures for filling in the SREG document and passing this on to the client.

7.2 Competency of involved personnel

The main responsible person in the company is Managing Director Frank Lund Larsen, and he is supported by Mr. Lars Herschend and both showed good understanding of the requirements in relation to SBP certification and of the already implemented FSC CoC system. Other interviewed staff showed good competence, good awareness of standard requirements and own responsibilities.

7.3 Preconditions

No preconditions remain in the audit report.

8 Non-conformities and observations

No non-conformities identified.

9 Certification decision

Based on Organisation's conformance with SBP requirements, the auditor makes the following recommendation:	
<input checked="" type="checkbox"/>	Certification approved: No NCR(s) issued.
<input type="checkbox"/>	Certification not approved:
Based on auditor's recommendation and NEPCon quality review following certification decision is taken:	
NEPCon certification decision: The certificate can be maintained.	
Certification decision by: Ondřej Tarabus	
Date of decision: 09.04.2018	

10 Surveillance updates

10.1 Evaluation details

The evaluation was carried out as per the audit plan in report section 6.

10.2 Significant changes

There has been no significant changes to the scope of the SBP certification.

10.3 Follow-up on outstanding non-conformities

N/A

10.4 New non-conformities

N/A

10.5 Stakeholder feedback

N/A

10.6 Conditions for continuing certification

There are no conditions for continuing certification

10.7 Certification recommendation

It is recommended to continue the certification.