

NEPCon Evaluation of RL Skovservice v/ René Løvborg Compliance with the SBP Framework: Public Summary Report

Second Surveillance Audit

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Completed in accordance with the CB Public Summary Report Template Version 1.4

*For further information on the SBP Framework and to view the full set of documentation see
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1 Overview

CB Name and contact:	NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia
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Current report completion date:	22/May/2019
Report authors: :	Christian Rahbek, Email: car@nepcon.org Mobile: +45 5059 7624
Name of the Company:	RL Skovservice v/ René Løvborg, Sepstrupvej 26, Asklev, 8653 Them.
Company contact for SBP:	René Løvborg, Owner. Email: rene@rlskovservice.dk, Mob: +45 2013 8443
Certified Supply Base:	The certified Supply Base covers all of Denmark
SBP Certificate Code:	SBP-01-80
Date of certificate issue:	07/Jun/2017
Date of certificate expiry:	06/Jun/2022

This report relates to the Second Surveillance Audit

2 Scope of the evaluation and SBP certificate

Scope of this evaluation is based on SBP standards 1; 2; 4; and 5. The geographical scope of the Supply Base was confirmed to be the following regions of Denmark: Midtjylland, Syddanmark and Nordjylland. The risk evaluation and mitigating measures in the Supply Base Evaluation are applicable to all of Denmark.

Scope description: "Production of woodchips for use in energy production, storage at the company's own address and sale at different energy producers in Denmark. The scope includes supply base evaluation for primary feedstock from Denmark".

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

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

The BP has used the SBP-endorsed Regional Risk Assessment for Denmark, which is available for download at this address: <https://sbp-cert.org/documents/risk-assessments>

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

RL Skovservice v/ René Løvborg is a company under the sole proprietorship of the owner and operator René Løvborg. The company offers forest contractors services to Danish forest and land owners, predominantly in the central part of Jutland. 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, and when buying wood chips from other companies, the BP will apply all own feedstock classification and risk mitigation measures. The organization can buy wood as PEFC certified but mainly relies 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 rather than implementing a Supplier Verification Program assumes all responsibility classification of feedstock and all necessary mitigating measures in all forests and stands of origin of the supplied feedstock.

The BP 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. However, the organization also maintains a storage yard at its home address at Sepstrupvej 26, Asklev, 8653 Them. The approximate capacity is 5000 tonnes.

RL Skovservice v/ René Løvborg is a member of the PEFC CoC group certificate held by industry association Danske Maskinstationer & Entreprenører. This PEFC group certificate is issued by NEPCon Certificering ApS, and has the PEFC CoC certificate number NC-PEFC/COC-025953

5.2 Description of Company's Supply Base

General description of Danish forests and forestry

Forests cover approx. 620,000 ha in Denmark, corresponding to approx. 14.4% of the country's total area. This area is expected to increase over time. Total standing timber in Danish forests is 130 million m³.

Standing timber in the forests has been increasing rapidly from the 2000 statement until today. This is a result of the steadily increasing forest area and probably an increase in standing timber per hectare.

Generally, Danish forests include a wide variety of wood species of which the most common species are: Norway spruce 15%, beech 14% and oak 10%. The numbers for the other wood species are: pine 11%, silver spruce 6%, Nordmann fir 5%, noble fir 2%, other fir species 10%, Sycamore maple 4%, birch 7%, ash 3% and other broadleaves 9%. In addition to this, unstocked areas are 4%. Broadleaves make up 47 per cent of the total wooded area whereas conifers make up 49 per cent. The rest is unstocked areas and areas

where a particular wood species could not be determined. None of the wood species belong to the CITES or IUCN species.

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

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

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

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

Danish forest owners are well-organised in various local and national associations. Dansk Skovforening (Danish Forest Association) is the trade organisation of private forest owners.

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

Two certification options exist in forest management: PEFC and FSC. The areas owned by the Danish states have been certified according to both standards. In private and municipal forests, some 56,000 ha have been certified according to PE and 20,161 ha according to FSC.

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

General description of Danish windbreaks

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

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

Description of the supply base

RL Skovservice's supply base is Danish forests, windbreaks, scenic areas and urban plantations, mainly in Mid-Jutland. In a few cases, biomass is harvested in South and North Jutland.



Figure 1 Supply Base

RL Skovservice is a forest contractor that produces and sells wood chip. Wood chip production is approx. 25,000-35,000 tonnes a year; 80% of the wood chip is produced in areas outside forests, mainly windbreaks and small plantations and in connection with nature projects. The base also includes clearing of trees and shrubs in connection with developments and expansion of infrastructure in Denmark.

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

Description of jobs

Thinnings:

In windbreaks, the base mainly consists of the removal of nurse trees and pollarding of shrubs but in order to keep the sheltering effect of the windbreak. The work is carried out using feller bunchers and feller forwarders. In the forest, thinnings are carried out by feller bunching in connection with the running of tracks and thinning of younger standing crop. The subsequent chipping is carried out using an off-road chipper or a truck chipper.

Tree tops:

Chipping of tops and branches from conifers and broadleaves in connection with the deforestation of middle-aged or old broadleaves and conifers. Tops are often interconnected in stacks and chipped by the roadside.

Round timber:

Produced as a by-product from the felling of conifers where timber is also produced. The chip utilised timber of a low quality which cannot be used for products of high quality, such as timber. Felled using a harvester, forwarded to a solid road, chipped by the roadside or transported to a storage yard where the chipping is carried out.

Clearings:

Carried out by manual felling and subsequent forwarding or using a feller forwarder. Wood is often interconnected in stacks and chipped by the roadside. Clearing of tree regeneration in connection with Nature projects carried out in dialogue or in direct collaboration with the specific authorities.

Table 1 Distribution raw material input in %

	Conifers	Broadleaves	Mixed
Controlled feedstock			
SBP-Compliant primary	60	30	10
SBP-Compliant Secondary			
SBP-Compliant Tertiary			
SBP non-compliant			

5.3 Detailed description of Supply Base

RL Skovservice is defining the Supply Base as Denmark: Feedstock is currently sourced in the administrative regions of Midtjylland, Syddanmark and Nordjylland, but could potentially be sourced in all of Denmark. Hence, data is presented for all of Denmark from the National Forest Inventory (2014):

- a. Total Supply Base area (ha): app. 620.500 ha of forest
- b. Tenure by type (ha): 430.509 ha privately owned, 27.696 owned by foundations, 150.298 ha public owned, 11.997 ha unknown.
- c. Forest by type (ha): 0 ha boreal, 620.500 ha temperate, 0 ha tropical
- d. Forest by management type (ha): 483.844 ha is plantation or planted forest, 100.584 ha natural forest, including protective forest and historical management types, 36.072 ha with other management types or unknown.
- e. Certified forest by scheme (ha): 265.047 ha PEFC forest and 213.976 ha FSC-certified forest. Note that many forests hold both FSC and PEFC certificates.

The Qualitative description of the Supply Base can also be found in the Biomass Producer’s Public Summary Report, which is available for download from the BP’s website at: <http://www.rlskovservice.dk/da-DK/Certificering.aspx>

5.4 Chain of Custody system

RL Skovservice is a member of the PEFC CoC group certificate held by industry association Danske Maskinstationer & Entreprenører. This PEFC group certificate is issued by NEPCon Certificering ApS and has the PEFC CoC certificate number NC-PEFC/COC-025953.

The organization implements a PEFC CoC system based on physical segregation. Therefore, SBP claims can only be made for material that is delivered directly from the wood chipper in the forest, or via the storage

yard at the BP's home address, where physical segregation is ensured, and no uncontrolled material ("other biomass") 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 storage yard volumes, and production orders and in the system from in- and outbound sales documents.

6 Evaluation process

6.1 Timing of evaluation activities

The SBP Annual surveillance audit was carried out on March 6th, 2019 (office and field audits) and March 7th (field audit) and it included audit the RL Skovservice main office in Asklev near Them, Denmark, and of visits to a total of 11 sites where there have been or currently are being sourced feedstock and produced wood chips.

Total of 2,75 days were used for this evaluation – 1 day of preparations, 0,75 day at the BP main office site (including the follow-up audit) and 1 day for audits at the forests / stands of origin: On the basis of 161 locations had been used for wood chip production in the reporting period (2018 calendar year) a random sample of $0.8 \times \sqrt{161} \approx 11$ sites in Region Midtjylland and Syddanmark. Time used for reporting and administration is not included in these figures.

The SBP surveillance audit was conducted in accordance with the plan below; however, since some time was available after the office audit, 4 sites were visited after the main office audit on March 6th. Please note that the field visits were conducted after consulting the Biomass Producer’s records of ongoing and recent wood chip production engagements. The field visits started and ended in the field, including a summary of the observations from the field visits. A closing meeting was conducted in field in the afternoon of March 7th, 2019. During this closing meeting the auditor provided a summary of the findings from the field visits, and a formal communication about the result of the audit and NCR raised was provided to the owner-operator.

March 6th, 2019

Activity	Location	Auditor(s)	Approximate Time March 6, 2019
Opening Meeting. Introduction of participants. Review of the agenda.	RL Skovservice Main office	CAR	8.30 – 9.00
Brief presentation of the BP and any changes since last year. • Supply Base Report and SBE, and annual update • Documented procedures (Management system), including traceability, legality, health and safety, risk	RL Skovservice Main office	CAR	9.00 – 12.00

<p>mitigation measures, staff qualifications and competences, Supplier Verification Program, system for complaints handling</p> <ul style="list-style-type: none"> • Training activities and registration of completed training <p>Interviews with staff</p> <p>Planning the field trip</p> <ul style="list-style-type: none"> • Review of projects carried out • Planning of interviews with machine operators and any other staff 			
<p>Break</p>		<p>CAR</p>	<p>12.00 – 12.30</p>
<p>Review of the PEFC CoC traceability system</p> <ul style="list-style-type: none"> • Procedures • Review of documentation: (Projects, maps, purchase invoices) • Review of sales documentation (invoices and DTS) <p>Visit of storage site (located at the same address as the BP office)</p>	<p>RL Skovservice Main office</p>	<p>CAR</p>	<p>12.30 – 14.00</p>
<p>Review of the system for the collection and reporting of energy and emissions data: SAR</p> <ul style="list-style-type: none"> • Reporting period • Transport data • Fuel use 	<p>RL Skovservice Main office</p>	<p>CAR</p>	<p>14.00 – 15.00</p>

Review of procedures for the use of SBP logos and trademarks	RL Skovservice Main office	CAR	15.00 – 15.30
Preliminary Closing meeting. Auditor summarizes preliminary conclusions. Program for field visits confirmed.	RL Skovservice Main office	CAR	15.30 – 16.00

March 6th and 7th, 2019

Field visits were conducted on the basis of the inventory of ongoing, planned and completed projects. Since the Office audit described in the plan above was concluded early in the afternoon, 4 nearby sites were visited in the afternoon of March 6th. Auditor was responsible for selecting projects for field visits, taking into account the number of projects, as well as the type of project, size and geographical location.

Activity	Location	Auditor(s)	Approximate Time March 6, 2019
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Project ID: 2515 8653 Them Tree tops from final felling.	CAR	14.30 - 15:00
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Project ID: 2560 8600 Silkeborg Hedge row of trees with town zone.	CAR	15.00-15:10
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Project ID: 2538 8653 Them Felling of spruce at a building site within town zone.	CAR	15.10-15:30

Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Project ID: 2522 8653 Them Removal of shrubs and trees, less than 2000 m ₂ area for storage area.	CAR	15.30-15:50
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Project ID: 2554 8740 Brædstrup Removal of trees for a truck parking area within town zone. A small protected pond and immediate surrounding was left intact as required.	CAR	16.00-16:15
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Project ID: 2414 8653 Them Thinning and height reduction of a white spruce wind break.	CAR	16.15-16:30
Activity	Location	Auditor(s)	Approximate Time March 7, 2019
Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.	Supplier site: Project ID: 2383 7400 Herning Clearcutting of one 0.8-hectare area, first generation mixed conifer stand. A fire pond present, undamaged. Heavy thinning of one 0.8-hectare beech stand. No evidence of key	CAR	8.30-9:15

	<p>biotopes. Screening had not been carried out by forestry professional.</p> <p>See also NCR 01/19</p>		
<p>Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.</p>	<p>Supplier site:</p> <p>Project ID: 2508</p> <p>7400 Herning</p> <p>Tree tops from final felling</p>	CAR	9.30-10:00
<p>Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.</p>	<p>Supplier site:</p> <p>Project ID: 2583</p> <p>7400 Herning</p> <p>Operator Interview Lasse Overgaard Petersen</p>	CAR	10.15-10:45
<p>Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.</p>	<p>Supplier site:</p> <p>Project ID: 2415</p> <p>7330 Brande</p> <p>Removal of a single row of trees for public road expansion</p>	CAR	11:00-11:15
<p>Evaluation at forest of origin of primary feedstock, evaluation of relevant mitigation measures.</p>	<p>Supplier site:</p> <p>Project ID: 2544</p> <p>7200 Grindsted</p> <p>Removal of trees on designated and protected heath area, coordinated with and approved by local municipal authorities.</p>	CAR	11.30-12:00
<p>Closing meeting</p> <p>Auditor summarizes audit conclusions.</p>	<p>Conclusions and NCR explained.</p>	CAR	12:45 – 13:00

6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Christian Rahbek, Lead Auditor	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 and FM 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 (BP) and the Certification Body (CB) in connection with the 2017 main assessment.

Neither the BP nor the CB has received any comments from stakeholders in the audit period.

The BP wished to add a low-risk sub-scope defined as “Primary feedstock sourced from final fellings in even-aged stands of non-native coniferous trees”. This was evaluated as acceptable by NEPCon and was added following a stakeholder consultation organized by NEPCon to the 4 major stakeholder organizations in Denmark. The comments from two organization (Danish Society of Protection of Nature and WWF) has been accepted and incorporated into the definition of the sub-scope. The stakeholder consultation ran from April 8th to April 22nd, with no additional responses received by May 14th.

7 Results

7.1 Main strengths and weaknesses

Main strengths: The main strengths of the BP lie in the relatively simple operation, with all administrative tasks being carried out by the owner-operator René Løvborg and the bookkeeper Jette Fogtmann, and the fact that all SBP feedstock is purchased in forest or stand of origin. The machine operators showed good awareness of best practice in forest machine operation, and all operators have attended a three-day training course in machine operation in near-natural forests, which is a requirement for forest contractors that operate in the FSC and PEFC certified Danish State forests.

The BP has worked closely with the consultant Claus Danefeldt Clemmensen for the industry association Danske Maskinstationer og Entreprenører (also DM&E), whom assisted in creating the Supply Base Report and the documented management system, etc. The BP has an on-going membership with DM&E, and therefore will also have access to support from this source in the future. Furthermore, all interviewed staff had a strong engagement in implementation of SBP system and positive approach.

Weaknesses: The BP does not have in-house staff that are professional foresters, and therefore they are reliant on external staff or partners for conducting field visits and identification and mapping of “key biotopes” prior to starting wood chip production in specified risk stands. The BP also does not have readily available fuel consumption data for the felling, extraction and chipping of biomass, and therefore for now will instead report default values in accordance with Instruction Document 5B. See also NCR 01/19

7.2 Rigour of Supply Base Evaluation

The BP has used the SBP endorsed regional risk assessment which has been widely circulated for stakeholder consultation. Based on the “specified risks” in this risk assessment the organization has implemented relevant mitigation measures.

7.3 Collection and Communication of Data

The BP does not have readily available fuel consumption data for the felling, extraction and chipping of biomass, and therefore the BP has opted to use the accepted Default Values from BioGrace II. Auditor has accepted the justification that actual fuel use records were not readily available. Transport distances are recorded for all truckloads of SBP-compliant biomass delivered.

7.4 Competency of involved personnel

The BP has a relatively simple operation, with all administrative tasks being carried out by the owner-operator René Løvborg and the bookkeeper Jette Fogtmann. Both administrative staff showed good awareness of their management system, and of the objectives and restrictions in the SBP system.

The owner and the machine operators showed good awareness of best practice in forest machine operation, and all operators have attended a three-day training course in machine operation in near-natural forests,

which is a requirement for forest contractors that operate in the FSC and PEFC certified Danish State forests.

The BP has worked closely with the consultant Claus Danefeldt Clemmensen for the industry association Danske Maskinstationer og Entreprenører (also DM&E), who has assisted in creating the Supply Base Report and the documented management system, etc. The BP has an on-going membership with DM&E, and therefore will also have access to support from this source in the future. Furthermore, all interviewed staff had a strong engagement in implementation of SBP system and positive approach.

All involved personal has provided good knowledge in relevant fields, including project management classification to correct sub-scope, 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

Neither the BP nor the CB has received any comments from stakeholders in the audit period.

The BP wished to add a low-risk sub-scope defined as “Primary feedstock sourced from final fellings in even-aged stands of non-native coniferous trees”. This was evaluated as acceptable by NEPCon and was added following a stakeholder consultation organized by NEPCon to the 4 major stakeholder organizations in Denmark. The comments from two organization (Danish Society of Protection of Nature and WWF) has been accepted and incorporated into the definition of the sub-scope. The stakeholder consultation ran from April 8th to April 22nd, with no additional responses received by May 14th.

7.6 Preconditions

There are no open preconditions to this certification.

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.

Final risk ratings of Indicators as determined in the SBP-endorsed Regional Risk Assessment for Denmark (RRA), by the Biomass Producer (BP) after the SVP and any mitigation measures, and by the Certification Body (CB) after the Biomass Producer’s risk mitigation measures.

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	Specified	Specified
2.1.2	Specified	Specified
2.1.3	Low	Low
2.2.1	Low	Low
2.2.2	Low	Low
2.2.3	Specified	Specified
2.2.4	Specified	Specified
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

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

2.3.2	Low	Low
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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

The BP has defined and implement mitigation measures according to the risks identified in the SBP endorsed 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 the BP is implementing. However, the BP does not implement the suggestion that HCV maps are made publicly available, since this is seen as being invasive of the privacy of the forest owner. The auditor has accepted this conclusion. The reason for this is that it may not be desired by the forest owner. Another reason is that competitors would be able to identify the BP's customers which the BP wish to be confidential. All information is disclosed to the auditor and contain registrations over key biotopes and historical or cultural remnants

The BP has documented and described systematic procedures for implementing the relevant risk mitigating measures according to the sub-scope of the stand of origin. For forests with a green management plan, the relevant maps of HCVs will be used, and for Specified risk stands without the necessary identification and mapping of Key Biotopes, an onsite inspection will be carried out by a trained professional with a minimum of a B.Sc. in Forestry or biology, and maps identifying HVCs including key biotopes will be created.

The BP has also implemented documented procedures for protection of biologically valuable dead wood in the forests. The BP has described a short procedure for monitoring the implementation and effectiveness of the planned mitigation measures during annual internal audits.

Indicator	Mitigating measure
<p><i>2.1.1 Forests and other areas with high conservation values in the Supply Base are identified and mapped.</i></p>	<p><i>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 begins of feedstock for biomass production, so that the information about any HCVs can be securely passed on to staff carrying out the felling and chipping operation.</i></p> <p><i>The BP creates a map for all wood chip production areas, and all project are assigned a project ID and a checklist is filled in by the owner-operator. This also includes assigning the project to the correct sub-scope. If the area is in a specified risk sub-scope, it is checked if certification or green management plan maps are available, and if this is the case, these are used. This ensures that natural values, including key biotopes can be respected and protected during felling and extraction. If the area is in a specified risk sub-scope, and no maps of key biotopes is available, procedures state that a local expert must be consulted. The online HNV forest map (Map with indication of prevalence of areas of High Nature Value, which available at http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk) is also checked prior to the field survey of HCVs for a calculated indication of the potential for HCVs. If the area is too small to carry the cost of a local expert, the biomass will be classed a “other biomass”. If the project area is in a low risk sub-scope, screening is not conducted. Further consideration for all wood chip production areas include consulting maps of legally protected areas, e.g. wetland, marchland, bog, heath or areas of historical, archaeological or any other legal protection status. Procedures</i></p>

	<p>are also in place to ensure that any information the owner might have about nesting trees, fox burrows, special local agreements etc. are registered in the project documents.</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>For all wood chip production areas the following material is given to the operator(s):</p> <ul style="list-style-type: none"> - Map of project area - Written instructions from project manager (owner-operator) - Checklist as per 2.1.1 - Any other relevant information <p>This, along with easy access to the project responsible (owner-operator) via mobile phone, ensures that any identified element on the maps requiring protection and any other element requiring protection is respected during felling, extraction and wood chip production processes,</p>
<p>2.2.3 Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).</p>	<p>Risk mitigation measures are the same as for Indicator 2.1.2:</p> <p>For all wood chip production areas the following material is given to the operator(s):</p> <ul style="list-style-type: none"> - Map of project area - Written instructions from project manager (owner-operator) - Checklist as per 2.1.1 - Any other relevant information <p>This, along with easy access to the project responsible (owner-operator) via mobile phone, ensures that any identified element on the maps requiring protection and any other element requiring protection is respected during felling, extraction and wood chip production processes,</p>
<p>2.2.4: Biodiversity is protected</p>	<p>The goal of the mitigation measure is to ensure that biodiversity is sufficiently protected. This Indicator is seen as being partially covered by Indicators 2.1.1 and 2.1.2, and as such Low risk will be demonstrated or reached through mitigating measures. Required risk mitigation measures are the same as outlined for Indicators 2.1.1 and 2.1.2.</p> <p>Due to the technical requirements that the biomass shall fulfil with regards to humidity and density, it is generally not accepted by Energy Producers that decaying wood is used as input in the chips supplied from Danish Forests. The BP has also established procedures for ensuring that biologically valuable dead and decaying and deadwood on the forest floor is not chipped or removed in connection with production and extraction of biomass. The BP has also established procedures for ensuring that a volume of deadwood is left in the forest after final felling, and for preserving standing dead trees in thinning or afforestation areas.</p>

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.

NC number 01/19	NC Grading: Major
Standard & Requirement:	SBP Standard 2, requirement 16.1
Description of Non-conformance and Related Evidence:	
<p>The BP has documented and described procedures both for identifying and mapping "key biotopes" prior to proceeding with felling and extraction operations, and for monitoring the implementation and effectiveness of the planned mitigation measures. The documented management system includes procedures for utilization of an external forester (min. B.Sc.) for identification and mapping of key biotopes in stands in specified risk sub-scopes.</p> <p>However, during the audit at the project site 2383, it became evident that the established procedures had not been followed. The project had been classified as forest area without a green management plan. The combined project area was app 1,6 hectares in two stands of app 0,8 hectares each. The stands are likely first-generation forest, and they are not "fredskov" or protected forest, hence they are not covered by the regulations in the Forest Act. The BP's procedures require that this type of area is inspected on-site by a forestry professional or biologist, and this had not been initiated before the clear-cut felling of the one compartment and the final felling with retention trees on the second compartment. Though interview it became clear that the owner-manager had himself inspected the area and had identified no woodland key biotopes. The auditor's retrospective inspection did also not reveal any evidence of removal of key biotopes.</p> <p>Since the interview and documents clearly indicated that the procedures for on-site inspection had not been followed as required by the BP's procedures and this non-conformity relates to the Risk Mitigation measures, the NCR 01/19 is raised as a major NCR.</p>	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	Immediately following the surveillance audit, the owner-manager has had a meeting with the external consultant, reviewing the procedures for screening of wood chip project sites and for indicators for initiating on-site inspection by trained forestry professional. See exhibit 1a + 1b (SBRs), exh 2 (Management system) and exh 10 (Description of corrective actions)

Findings for Evaluation of Evidence:	Auditor find that the corrective actions are sufficient to close the NCR and accepts the change in sub-scope definition. The NCR is closed on this background.
NC Status:	Closed

NCR: 01/18	NC Classification: Minor	
Standard & Requirement:	SBP Standard 2, requirement 15.1	
Description of Non-conformance and Related Evidence:		
<p>The BP has documented procedures for review of the Management System annually and whenever weaknesses are identified. The procedures include that any changes in the SBP standards, templates or Instruction Documents is incorporated into the documented Management System. See exhibit 2, section 7.5</p> <p>It was found during the audit that the internal audit covered most applicable fields, however there had not been carried out an internal monitoring process of wood chip projects to verify that appropriate mitigation measure had been implemented or that they are within supply base area. Since all of the projects are handled by the owner-operator, and no instances of incorrect or lacking mitigation measures were found, the NCR is classed as a minor NCR.</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:	Prior to the next annual audit, but no later than 12 months from closing meeting. (Before March 11, 2019)	
Evidence Provided by Organisation:	The BP explained the process for internal monitoring and provided documentation for internal audit and internal monitoring of wood chip projects conducted. It was demonstrated that the internal monitoring had been completed had not found any shortcomings in the mitigation measures. See exhibits 4a and 4b	
Findings for Evaluation of Evidence:	Auditor finds that procedures for internal monitoring are sufficient and have been implemented as described. The NCR 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 type="checkbox"/>	No <input checked="" type="checkbox"/>

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):	Pilar Gorría Serrano
Date of decision:	22/May/2019
Other comments:	<i>Click or tap here to enter text.</i>