

# Supply Base Report: Skovdyrkerne Vestjylland

## Second Surveillance Audit

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## Completed in accordance with the Supply Base Report Template Version 1.2

*For further information on the SBP Framework and to view the full set of documentation see [www.sbp-cert.org](http://www.sbp-cert.org)*

### *Document history*

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# 1 Overview

Producer name: Skovdyrkerforeningen Vestjylland A.M.B.A  
 Producer location: Nupark 49, 7500 Holstebro. Denmark  
 Geographic position: Lat E 8 degrees 36.695 minutes, Long N 56 degrees 23.457 minutes  
 Primary contact: Michael Gehlert, Nupark 49, 7500 Holstebro, +45 20485333, [mgh@skovdyrkerne.dk](mailto:mgh@skovdyrkerne.dk)  
 Company website: [www.skovdyrkerne.dk/vest/](http://www.skovdyrkerne.dk/vest/)  
 Date report finalised: 31/Jun/2016 (for stakeholder consultation)  
 Close of last CB audit: 23/Aug/2018  
 Name of CB: NEPCon  
 Translations from English: No  
 SBP Standard(s) used: Standard 1 v1.0  
                                   Standard 2 v1.0  
                                   Standard 4 v1.0  
                                   Standard 5 v1.0  
 Weblink to Standard(s) used: <http://www.sbp-cert.org/documents>  
 SBP Endorsed Regional Risk Assessment: 27/Jun/2017 Denmark RRA  
 Web link to SBE on Company website: <http://www.skovdyrkerne.dk/vest/hvad-kan-vi/skovdrift/flis/>

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations				
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance
<input type="checkbox"/>	<input type="checkbox"/>	<b>X</b>	<input type="checkbox"/>	<input type="checkbox"/>

## 2 Description of the Supply Base

The scope of this description is to provide the necessary background information to read and understand this *Supply Base Report* - which constitutes a central part of the preparations for documenting the procedures involved in sustainable harvesting of forest biomass at Skovdyrkerne Vestjylland.

### 2.1 General description

Skovdyrkerne Vestjylland (SVJ) is a service organisation owned and controlled by local forest owners. The purpose of the organisation is to provide all services related to forest management - delivered in a way that takes the conditions and outlook of each forest owner as the starting point.

Skovdyrkerne Vestjylland is one of six local branches that constitute 'De Danske Skovdyrkerforeninger' - together forming a nationwide network providing services to the forest owners.

SVJ has, per 1<sup>st</sup> of July 2016, 574 members owning a total of 19.541 ha forest land (including Christmas tree plantations and open nature types related to forests). The members control the management of their organisation through a board of directors - elected on an annual general assembly.

The service and the operations of the organisation are carried out by a staff of foresters (all educated with a M.Sc. or B.Sc. in forestry) under the leadership of a forest supervisor (CEO). Per 1<sup>st</sup> of July 2016 the staff included 10 foresters.

The services of SVJ comprise all aspects of forest management:

- Advisory services (on site, written reports, green forest management plans, project plans for afforestation etc.).
- Harvest operations in forest - timber and biomass (from tree to industry).
- Harvest operations in Christmas trees and decoration foliage (from tree to end user).
- All types of manual and mechanical operations in relation to silviculture, Christmas trees, foliage and management of nature in the open range.

Most of the activity and operations takes place in forests owned by the members of SVJ - who has also certain advantages compared with other forest owners (non-members). But buying / selling forest products and services from / to other forest owners also takes place, as well as buying / and selling forest products on a gross basis (acting as a trader).

#### 2.1.1 Baseline definitions and scope

In this context the following baseline definition about SVJ as a biomass producer (BP) can be made:

- Biomass from all harvest operations where SVJ is responsible for the whole supply chain (from planning, felling and all the way to the customer) can be considered as 'within the production facility' - and all procedures in the Supply Base Evaluation, including risk assessment and mitigation measures, are carried out by SVJ own forest educated and trained staff.

- Biomass sourced from third party has to undergo the procedures in the Supplier Verification Programme to determine whether it can be considered sustainable according to the SBP standard.

The scope of this Supply Base Report is restricted to *primary feedstock*. As an operator closely connected to the forests, SVJ does not work with secondary or tertiary feedstock at all. Please find sustainability characteristics in the SAR and Static Biomass Profiling Data uploaded in the DTS (Radix)

The definition of forest land - where SBP is applicable - is the FAO standard: *Tree covered area of no less than 0.5 ha where the trees becomes higher than 5 m. - With the extension from the Danish department of Nature that the width is at least 20 m <sup>1)</sup>.*

## 2.1.2 Defining the Supply Base Area

SVJ is mainly harvesting biomass in the western part of Jutland with occasional operations in the neighbouring areas to the east. By far the largest proportions originate from the regions “Midtjylland” and “Syddanmark” occasionally with an input from region “Nordjylland”.



**Figure 1: The supply base is from the regions “Midtjylland”, “Syddanmark” and occasionally “Nordjylland”. The main area of forest activities (approx. 90%) is harvested in the western part of Jutland (area within the red line).**

<sup>1</sup> See FAO definition of forest land in full [link](#) or Danish version [link](#).

### 2.1.3 Denmark - forest resources

*Where no other source or reference is given, this section - giving a description of the forest resources in Denmark - is based on the similar description in 'SBP Regional Risk Assessment for Denmark'<sup>2)</sup>.*

*This choice is made for several reasons:*

- *The RRA gives an updated overview of the relevant information,*
- *The RRA contains the necessary and relevant references to sources of information - please press this [link](#) for further information.*
- *The stakeholder involvement secures that the description is made in consensus with other stakeholders - even if we at SVJ are a bit more optimistic in our view on the current status in the Danish forests, we in this manner includes the precautionary principle in our approach.*

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 - as well as following Danish forest acts - has 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 National 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 requires the managed area shall regain forest cover within 10 years from felling, that a maximum of 10% of the forest area can be used for short rotation Christmas trees

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<sup>2</sup> 'THE REGIONAL RISK ASSESSMENT FOR DENMARK' (draft submitted for public consultation by NepCon, May 2016. [Link](#). The RRA is finally endorsed by SBP in June 2017 and the subsequent necessary changes are included in this current, revised version of SVJ SBR.



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, heathlands, species-rich grasslands, coastal grasslands and bogs and fens 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 regulations regarding, e.g. harvesting, planting or thinning.

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 provided that the forest ecosystem will not be degraded. Issuing such permit is to be regarded more as an exception than common practice.

In relation to HCV category 3, it is worth noting that although the Forest Act §25 sets standards 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 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**

In general the biodiversity in the Danish forests are affected by the historical development. In the beginning of the 18<sup>th</sup> century the forest cover was reduced to a few percent of the land coverage. In 1805 the forest act was implemented for all most all the forests at that time. This shifted focus to the production on timber and over the next 200 years exotic tree species and especially coniferous tree species were increasing. The immediate consequence of the Forest Act was that the forest cover became denser because the trees and the regeneration was protected from the grazing livestock, the open areas within the forest was planted. The actions initiated 200 years ago have had a great impact on the biodiversity in the forests and we are now obligated to stop the reduction of biodiversity in the forest.

Since the 1990's 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.

Today there is a vast focus on preserving and even increasing the biodiversity in the forest. The awareness of this issue is an important step in a sustainable forest management, where a lot of factors must be balanced.<sup>3)</sup>

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’ hunting grounds landscape as, the site demonstrates the application of Baroque landscaping principles to forested areas.

### 2.1.4 Proportions of SBP feedstock product groups

SBP product group	Suppliers (pcs)	Proportion (%)	Forest certificate (%)	Coniferous (%)	Broadleaved (%)
SBP-compliant Primary Feedstock	150	65	15	90	10
SBP-compliant Secondary Feedstock	0				
SBP-compliant Tertiary Feedstock	0				
SBP non-compliant Feedstock	20	35		90	10

**Table 2.1.1 SBP product groups - forecast values for the period 01.06.16 until 31.05.17. The numbers are based on data from previous 12 months. 'Forest certificate' expresses share of 'Proportion', where feedstock originates from forest with a PEFC or FSC certificate.**

<sup>3</sup> Palle Madsen, Professor, PhD, IGN University of Copenhagen (2016) in his Peer Review ([link](#)).

## 2.2 Actions taken to promote certification amongst feedstock supplier

SVJ have since 2007 been approved to hold a PEFC group certificate. SVJ is also approved to assist forest owners to be certified under the FSC group certificate.

SVJ has embraced the SBP standard as a mean to ensure the procurement of sustainable biomass in a scheme that is affordable for small scale forestry. Skovdyrkerne have been a strong driver and stakeholder in the process towards a Regional Risk Assessment on a national level in Denmark.

SVJ implements SBP risk assessment and mitigation measures in procurement of all primary feedstock - both biomass and timber - and through our Supplier Verification Programme we reach out to further increase the level of sustainability within our geographical work range.

## 2.3 Final harvest sampling programme

The scope of this description is to quantify how large a proportion of the round wood, which has a potential for value-added use in the woodworking industry, which ends up as biomass.

Due to the price relations in the market, this proportion is insignificant small. There is no substitution between i.e. timber logs and wood chips – if a part of a log, that has reached timber dimension or high value end use, is used for biomass, it is usually because of:

- Damages
- Rot
- Inferior quality

SVJ approach to forest management and harvesting operations is to optimize the overall economic output for the forest owner. There is a strong economic driver for choosing any other assortment than round wood for energy – as shown in the below sample plot.

Assortment	End use	Volume (m3s)	Proportion (%)	Price relation	Value (%)
2,43 m. KTM EMB - MIX (60/40) T14R100	High-Value	295	19%	136	16%
2,43 m. KTM EMB - MIX (60/40) T14R100	High-Value	90	6%	139	5%
4,25 m. Korttømmer T20R60	High-Value	142	9%	167	10%
4,85 m. Korttømmer T14R40	High-Value	473	30%	167	32%
3,65 m. Korttømmer T15R40	High-Value	10	1%	167	1%
3,05 m. Trolldhedetræ T14R35	High-Value	254	16%	186	19%
4,85 m. Korttømmer T14R40	High-Value	143	9%	167	10%
3 m. Energitræ T5R60	Biomass	168	11%	100	7%
<b>Total</b>		<b>1.574</b>	<b>100%</b>		<b>100%</b>

**Table 2.3.1: Final Harvest Sampling.** Data from one representative sample plot indicating, that round wood end use as biomass only constitutes 11% of volume and 7% of value in final harvesting in mature stands (over 40 rotation age). Please remark that the forest owner has at least 36% gain from any other end use than biomass.

The minimum quantity threshold for making High-Value timber in smaller projects is normally one truckload (40 kfm).

## 2.4 Flow diagram of feedstock inputs showing feedstock type [optional]

N/A

## 2.5 Quantification of the Supply Base

### Supply Base

Data is collected from the National Forest Inventory (2014) <sup>4)</sup>

Skovdyrkerne Vestjylland is defining the Supply Base as the regions: 'Midtjylland', 'Syddanmark' and 'Nordjylland' – which correspond to the map on page 2.

- a. Total Supply Base area (ha): 474.088 ha
- b. Tenure by type (ha): 351.763 ha privately owned, 122.286 ha public owned, 0 ha community concession (7.559 other)
- c. Forest by type (ha): 0 ha boreal, 474.088 ha temperate, 0 ha tropical
- d. Forest by management type (ha): 375.437 ha plantation, 98.652 ha natural forest (most of the natural forest is situated outside the area marked with red line in figure 1).
- e. Certified forest by scheme (ha): ca. 162.000 ha FSC-certified forest and ca. 196.000 ha PEFC forest. Note that many forests hold both FSC and PEFC certificates. The numbers are based on an estimate for the regions 'Midtjylland', 'Syddanmark' and 'Nordjylland'.

### Feedstock

- f. Total volume of Feedstock: 0 – 200.000 tonnes pr. year (specific number varies – and is considered to be commercially sensitive information. Skovdyrkerne has no dominant position in the market place).
- g. All feedstock is primary: 0-200.000 tonnes pr. year.
- h. List percentage of primary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - 5% Certified to an SBP-approved Forest Management Scheme
  - 95% Not certified to an SBP-approved Forest Management Scheme

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<sup>4</sup> National Forest Inventory 2014 is available here: [link](#)

- i. List all species in primary feedstock, including scientific name.

Danish	English	Latin
Ahorn	Sycamore	<i>Acer pseudoplatanus</i>
Ask	Ash	<i>Fraxinus excelsior</i>
Dunbirk	White birch	<i>Betula pubescens</i>
Vortebirk	Silver birch	<i>Betula pendula</i>
Bjergfyr	Mountain pine	<i>Pinus mugo</i>
Bævreasp	Aspen	<i>Populus tremula</i>
Bøg	Beech	<i>Fagus sylvatica.</i>
Contortafyr	Lodgepole pine	<i>Pinus contorta</i>
Cypres	Lawson cypress	<i>Chamaecyparis lawsoniana</i>
Douglas	Douglas fir	<i>Pseudotsuga menziesii</i>
Stilkeg	Common Oak	<i>Quercus robur</i>
Vintereg	Sessile Oak	<i>Quercus petraea</i>
Elm	Mountain elm	<i>Ulmus glabra</i>
Ene	Juniper	<i>Juniperus communis</i>
Grandis	Grand fir	<i>Abies grandis</i>
Hestekastanie	Horse chestnut	<i>Aesculus hippocastanum</i>
Hvidgran	White spruce	<i>Picea glauca</i>
Lind	Common lime	<i>Tilia cordata</i>
Lærk	European larch	<i>Larix decidua</i>
Lærk	Japanese larch	<i>Larix leptolepis</i>
Hybridlærk	Dunkeld Larch	<i>Larix eurolepis</i>
Nobilis	Noble fir	<i>Abies procera</i>
Nordmannsgran	Nordmann fir	<i>Abies normanniana</i>
Omorika	Serbian spruce	<i>Picea omorica</i>
Poppel	Poplar	<i>Populus sp.</i>
Rødeg	Northern red oak	<i>Quercus rubra</i>
Rødel	Common alder	<i>Alnus glutinosa</i>
Rødgran	Norway spruce	<i>Picea abies</i>
Sitkagran	Sitka spruce	<i>Picea sitchensis</i>
Skovfyr	Scots pine	<i>Pinus sylvestris</i>
Spidsløn	Maple	<i>Acer platanoides</i>
Taks	Yew	<i>Taxus baccata</i>
Thuja	Western red cedar	<i>Thuja plicata</i>
Tsuga	Hemlock	<i>Tsuga heterophylla</i>
Ædelgran	Silver fir	<i>Abies alba</i>
Østrigsk fyr	Austrian pine	<i>Pinus nigra</i>

- j. Volume of primary feedstock from primary forest: 0 tonnes (no harvest operations takes place in virgin forest).
- k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - (N/A) Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme
  - (N/A) Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme
- l. Volume of secondary feedstock: N/A
- m. Volume of tertiary feedstock: N/A

### 3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
X	<input type="checkbox"/>

Skovdyrkerne Vestjylland as BP is mainly sourcing uncertified primary feedstock. A SBE is required.

## 4 Supply Base Evaluation

### 4.1 Scope

The scope of this Supply Base Evaluation is primary feedstock harvested in Jutland, Denmark. The majority of the feedstock is harvested by trained professionals at Skovdyrkerne Vestjylland according to the procedures described in “Management System for biomass production at Skovdyrkerne Vestjylland”. The rest of the feedstock is sourced from suppliers approved by the Supplier Verification Programme.

The feedstock is divided in following sub-scopes:

- 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 areas without a Green Management Plan
- Primary feedstock sourced from non-forest areas

### 4.2 Justification

Skovdyrkerne Vestjylland adopts the ‘The Regional Risk Assessment for Denmark’ – submitted for public consultation on 27. May 2016. The RRA is prepared according to SBP Regional Risk Assessment Procedure Version 1.0 and is a thorough investigation of relevant risks in a Danish forest management context.

Skovdyrkerne Vestjylland will, if needed and relevant, make the necessary adjustments according to eventual changes in the RRA later in the endorsement process.

The RRA concludes that there is a specified risk for 4 indicators; all related to mapping and protection of areas of high conservation values (HCV) in the supply base. When an area of high conservation value is mapped and defined, it is possible to identify and address potential threats from forest harvest operations, and hence conserve and protect key ecosystems and the adjacent biodiversity.

However, in a Danish context coniferous species are all imported and therefore not a part of a natural forest type. The biodiversity is sparse and in case of thinning operations there is no negative impact on the biodiversity. This justifies making a sub-scope including all feedstock sourced from coniferous thinning operations.

In the same way, first generation afforestation holds no high conservation value that can be negatively affected by a harvest operation. Therefore harvesting operations in forests established as first generation afforestation are all low risk.



A forest holding with a forest management certificate has a detailed description of the forest including a detailed map with areas in the forest that have a high conservation value (specific HCV map). All risks are low when consulting the map prior to sourcing biomass from broadleaved stands or clear cuts.

A forest holding with a green management plan has a detailed description of the forest. The plan includes a detailed map with areas in the forest that have a high conservation value (specific HCV map). The HCV registration is mandatory and subsidized. All risks are low when consulting the map prior to sourcing biomass from broadleaved stands or clear cuts.

The last group in the scope contains areas without a forest management certificate or a green management plan. There is a specified risk that areas of high conservation value have not been mapped. A further consultation of the HNV forest map is needed prior to sourcing biomass from thinning in broadleaved stands or clear cuts from areas that are not first generation afforestation.

SVJ has implemented a procedure where all harvesting areas are assessed according to the above sub-scopes prior to biomass production. The procedure is described in the management system and all staff is educated in the procedures.

### 4.3 Results of Risk Assessment

The Regional Risk Assessment (RRA) states that there is a 'specified risk' in 4 indicators listed below (see appendix).

<b>2.1.1</b>	Forests and other areas with high conservation values in the Supply Base are identified and mapped.
<b>2.1.2</b>	Potential threats to forests and other areas with high conservation values from forest management activities are identified and addressed.
<b>2.2.3</b>	Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).
<b>2.2.4</b>	Biodiversity is protected (CPET S5b).

There is a coherency between identifying areas with high conservation values and being able to conserve habitats and protect the biodiversity. There is also a coherency between threats to high conservation value and the type of forest operation and forest type.

The HCV are identified and mapped in some forest holding (FSC/PEFC certified forest holdings and in forest holdings with a green management plan) and in other areas there is a specified risk that there may be unidentified areas with high conservation values.

Thinning operations in coniferous stands and in first generation afforestation is always low risk.

The supply base is therefore divided in the following sub-scopes:

- 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 non-forest areas – all low risk
- Primary feedstock sourced from a forest holding with a Green Management Plan – specified risk
- Primary feedstock sourced from an area without a Green Management Plan – specified risk

## 4.4 Results of Supplier Verification Programme

The Supplier Verification Programme is designed to ensure that sourcing biomass from external suppliers can be approved as SBP-compliant if it meets certain criteria's. The SVP concludes 6 possibilities for meeting the SVP criteria's:

1. Primary feedstock purchased with a valid FSC or PEFC certified claim.
2. Primary feedstock from other stands that are subject to Supplier Verification Program, where the stand of origin can be verified and where it can be verified the stand is in a low risk sub-scopes; these sub-scopes are:
  - a. Feedstock from thinning in coniferous stands
  - b. Feedstock from thinning in first-generation afforestation projects
  - c. Feedstock from legally compliant non-forest origin
  - d. Feedstock from a supplier holding a valid SBP certificate or a valid 'Kontrolleret Biomasseleverandør' certificate.
  - e. Feedstock screened by SVJ skilled personnel according to SVJ standard – and resulting in a 'low risk' (green light).

## 4.5 Conclusion

The organisation meets SBP requirement due to a concise approach to risk assessment, where the supply base is divided in 5 different sub-scopes. The competent staff at Skovdyrkerne Vestjylland all have a degree as B.sc or M.sc in forestry and they are able to identify the registered HCV areas within the supply base and determine in which operations a field assessment is demanded. Mitigation methods are described in the plan and map that is handed to the contractor prior to harvest.

External suppliers can provide FSC/PEFC certified feedstock as SBP-compliant feedstock if they hold a valid PEFC CoC or FSC CoC certificate – or if the feedstock can be determined as 'low risk' according to the same criteria's as included in the SBE.

The strength of this approach is:

- It provides the necessary protection of biodiversity in harvesting areas.
- It is integrated in the workflow at Skovdyrkerne Vestjylland and thus feasible and controllable.

## 5 Supply Base Evaluation Process

The Supply Base evaluation process was initiated by the Regional Risk Assessment for Denmark. Skovdyrkerne Vestjylland has been an active stakeholder in the process leading to the decision of making an RRA for Denmark. Skovdyrkerne Vestjylland has also played an active role in the RRA stakeholder consultation meeting on May 20<sup>th</sup> 2016, where the stakeholders were invited to see how Skovdyrkerne Vestjylland assesses risks and implement mitigation measures in two different harvest operations –

- thinning operation in coniferous stands
- thinning operation in an old broadleaved stand

After the stakeholder meeting Skovdyrkerne Vestjylland has submitted stakeholder comments to the RRA. The comments were submitted on June 26<sup>th</sup> 2016.

This Supply Base Report (SBR) describes how Skovdyrkerne Vestjylland will assure that sourcing of biomass is SBP-compliant. The SBR was submitted for public consultation on July 1<sup>st</sup> 2016.

## 6 Stakeholder Consultation

The stakeholder consultation took place in a 30 day period from July 1<sup>th</sup> 2016 to July 31<sup>th</sup> 2016  
The SBR where submitted by e-mail to:

Danmarks Naturfredningsforening	Nora Skjernaa Hansen	nsh@dn.dk
FSC Danmark	Sofie Tind Nielsen	sofie@fsc.dk
Verdens Skove	Jakob Ryding	jr@verdensskove.org
WWF (Verdensnaturfonden)	Bo Normander	b.normander@wwf.dk
Københavns Universitet	Vivian Kvist Johansen	vkj@ign.ku.dk
PEFC Danmark	Morten Thorøe	mt@pefc.dk
Dansk Energi	Kristine van het Erve Grunnet	keg@danskeenergi.dk
Dansk Fjernvarme	Kate Wieck-Hansen	kwh@danskfjernvarme.dk
Dansk Skovforening	Marie-Louise Bretner	mlb@skovforeningen.dk
De Danske Skovdyrkerforeninger	Svend J. Christensen	sjc@skovdyrkerne.dk
Energistyrelsen	Lars Martin Jensen	lmj@ens.dk
Dong Energy	Peter K Kristensen	pekk@dongenergy.dk
Friluftsrådet	Thorbjørn Eriksen	toe@friluftsradet.dk
BAT Kartellet	Gunde Odgaard	gunde.odgaard@batkartellet.dk

## 6.1 Response to stakeholder comments

We have received no comments from the invited stakeholders within the 30 day period.

## 7 Overview of Initial Assessment of Risk

Skovdyrkerne Vestjylland is adopting the ‘SBP-endorsed Regional Risk Assessment for Denmark - submitted 29 June 2017’ which contains a thorough investigation of relevant risks in a Danish context. See also the annex 1 to this Supply Base Report.

2.1.1	Forests and other areas with high conservation values in the Supply Base are identified and mapped.	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. It is suggested that the HNV forest online map (available at <a href="http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk">http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk</a> ) 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.
2.1.2	Potential threats to forests and other areas with high conservation values from forest management activities are identified and addressed.	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. 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.
2.2.3	Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).	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. It is suggested that the HNV forest online map (available at <a href="http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk">http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk</a> ) 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.
2.2.4	Biodiversity is protected (CPET S5b).	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. It is suggested that the HNV forest online map (available at <a href="http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk">http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk</a> ) 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. This would allow for expert and stakeholder review and comments. It must be ensured that <b>biologically valuable</b> dead and decaying and deadwood on the forest floor is not chipped or removed in connection with production and extraction of biomass.

**Table 7:** The Regional Risk Assessment for Denmark has found 4 Indicators with specified risk. In the draft versions corresponding mitigation methods were suggested. In the process of endorsement a concern about the risk, that biologically valuable dead and decaying and deadwood on the forest floor to a large extent would be chipped or removed in connection with production and extraction of biomass was taken in to consideration. Also in the endorsed version the mitigation measures was left out. In this updated SBR, Skovdyrkerne Vestjylland has maintained the original perspective on the mitigation measures **and** included the considerations on dead and decaying and wood.

In the following section the risk related to the sub-scopes defined in 4.1:

- Primary feedstock sourced from coniferous thinning operations
- Primary feedstock sourced from first generation afforestation areas
- 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

... will be assessed – with an individual overview table per sub-scope.

Table 1: **Sub-Scope: Primary feedstock sourced from coniferous thinning operations.** Overview of results from the risk assessment of all Indicators

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		X	
1.1.2		X	
1.1.3		X	
1.2.1		X	
1.3.1		X	
1.4.1		X	
1.5.1		X	
1.6.1		X	
2.1.1		X	
2.1.2		X	
2.1.3		X	
2.2.1		X	
2.2.2		X	
2.2.3		X	
2.2.4		X	
2.2.5		X	
2.2.6		X	
2.2.7		X	
2.2.8		X	
2.2.9		X	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		X	
2.3.2		X	
2.3.3		X	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

Table 2. **Sub-Scope: Primary feedstock sourced from harvest operations in afforestation areas.**  
 Overview of results from the risk assessment of all Indicators

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		X	
1.1.2		X	
1.1.3		X	
1.2.1		X	
1.3.1		X	
1.4.1		X	
1.5.1		X	
1.6.1		X	
2.1.1		X	
2.1.2		X	
2.1.3		X	
2.2.1		X	
2.2.2		X	
2.2.3		X	
2.2.4		X	
2.2.5		X	
2.2.6		X	
2.2.7		X	
2.2.8		X	
2.2.9		X	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		X	
2.3.2		X	
2.3.3		X	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	



**Table 3: Sub-Scope: Primary feedstock sourced from a forest holding with a FM certificate (FSC/PEFC).** Overview of results from the risk assessment of all Indicators

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		X	
1.1.2		X	
1.1.3		X	
1.2.1		X	
1.3.1		X	
1.4.1		X	
1.5.1		X	
1.6.1		X	
2.1.1		X	
2.1.2		X	
2.1.3		X	
2.2.1		X	
2.2.2		X	
2.2.3		X	
2.2.4		X	
2.2.5		X	
2.2.6		X	
2.2.7		X	
2.2.8		X	
2.2.9		X	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		X	
2.3.2		X	
2.3.3		X	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

Table 4: **Sub-Scope: Primary feedstock sourced from a forest holding with a Green Management Plan.** Overview of results from the risk assessment of all Indicators

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		X	
1.1.2		X	
1.1.3		X	
1.2.1		X	
1.3.1		X	
1.4.1		X	
1.5.1		X	
1.6.1		X	
2.1.1		X	
2.1.2	X		
2.1.3		X	
2.2.1		X	
2.2.2		X	
2.2.3	X		
2.2.4	X		
2.2.5		X	
2.2.6		X	
2.2.7		X	
2.2.8		X	
2.2.9		X	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		X	
2.3.2		X	
2.3.3		X	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

Table 5: **Sub-Scope: Primary feedstock sourced from an area without a Green Management Plan.**  
 Overview of results from the risk assessment of all Indicators

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		X	
1.1.2		X	
1.1.3		X	
1.2.1		X	
1.3.1		X	
1.4.1		X	
1.5.1		X	
1.6.1		X	
2.1.1	X		
2.1.2	X		
2.1.3		X	
2.2.1		X	
2.2.2		X	
2.2.3	X		
2.2.4	X		
2.2.5		X	
2.2.6		X	
2.2.7		X	
2.2.8		X	
2.2.9		X	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		X	
2.3.2		X	
2.3.3		X	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

## 7.1 SBP compliance – conclusion on initial risk

Skovdyrkerne Vestjylland assesses that:

- Primary feedstock sourced from coniferous thinning operations is low risk.
- Primary feedstock sourced from areas of first generation afforestation is low risk.
- Primary feedstock sourced from a forest holding with a FM certificate (FSC/PEFC) is low risk.
- Primary feedstock sourced from a forest holding with a Green Management Plan is specified risk.
- Primary feedstock sourced from an area without a Green Management Plan is specified risk.

Feedstock sourced from areas outside the forest (farmland) according to FAO definition of forest is non-controversial according to the SBP scope and is hence SBP-compliant on the condition, that compliance with all legislation is undertaken during the harvest process.

In order to move risks from specified risk to low risk, Skovdyrkerne Vestjylland as the Biomass Producer (BP) will adapt and implement the mitigation measures according to the standard operation procedure (SOP). See 9.1 for at full review of the mitigation measures. Feedstock from suppliers must pass the Supplier Verification Programme. See section 8.

## 8 Supplier Verification Programme

### 8.1 Description of the Supplier Verification Programme

Skovdyrkerne Vestjylland procures biomass from a small group of external suppliers. Feedstock from these suppliers must be approved by our Supplier Verification Programme before it can be passed on in the supply chain as SBP-compliant.

Feedstock can be divided in the following biomass categories:

1. Feedstock from FM certified (PEFC/FSC) forest.
2. Feedstock from thinning in coniferous stands.
3. Feedstock from thinning in first generation afforestation.
4. Feedstock from non-forest areas.
5. Other feedstock – non-compliant.
6. Feedstock from suppliers holding a valid SBP or 'Kontrolleret Biomasseleverandør' certificate.
7. Feedstock from areas with a specified or unspecified risk. This option is only possible if the full mitigation measures (according to section 9) are implemented by the SVJ qualified staff and records of the instructions are kept.

Categories 1-4 and 6+7 can be passed on as SBP-**compliant** biomass.

Biomass from FSC/PEFC certified forest holdings is recognised by SBP as low risk. This leads to a division in to two supplier groups:

- Suppliers with a valid PEFC CoC or FSC CoC certificate – able to pass on biomass for forest holdings with a FM certificate as low risk.
- Suppliers without a valid PEFC CoC or FSC CoC certificate – *not* able to pass on biomass for forest holdings with a FM certificate as low risk.

Category 5 can be passed on as SBP-**controlled** biomass if it meets the specific criteria's in Management System section 6.2.2. which insures legality according to EUTR.

*All suppliers must:*

*Confidential information has been deleted*

### 8.2 Site visits

Skovdyrkerne Vestjylland ensures that all biomass with a SBP-claim is sourced in compliance with the SBP standards. For  $\sqrt$  of projects SVJ is conducting an unnoticed paper tracing and visits to the sourcing areas.

The internal auditor must control that:

- The origin of the biomass is with-in the supply base

- The biomass category and the distance from the forest to the end-user is correct
- If the biomass originates from a forest with a PEFC or FSC FM certificate, the auditor must control the validity of the certificate.
- If the biomass is marked with category 7, - there must be a corresponding *work instruction* made by SVJ own forest staff.

## 8.3 Conclusions on the Supplier Verification Programme

The Supplier Verification Programme is designed to ensure that sourcing biomass from external suppliers can be approved as SBP-compliant if it meets certain criteria's. The SVP concludes 6 possibilities for meeting the SVP criteria's:

1. Primary feedstock purchased with a valid FSC or PEFC certified claim
2. Primary feedstock from other stands that are subject to Supplier Verification Program, were the stand of origin can be verified and were it can be verified the stand is in a low risk sub-scopes; these sub-scopes are:
  - a. Feedstock from thinning in coniferous stands
  - b. Feedstock from thinning in first-generation afforestation projects
  - c. Feedstock from legally compliant non-forest origin
  - d. Feedstock from a supplier holding a valid SBP certificate or a valid 'Kontrolleret Biomasseleverandør' certificate
  - e. Feedstock screened by SVJ skilled personnel according to SVJ standard – and resulting in a 'low risk' (green light).

# 9 Mitigation Measures

## 9.1 Mitigation measures

<p>2.1.1</p>	<p>Forests and other areas with high conservation values in the Supply Base are identified and mapped.</p>	<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. It is suggested that the HNV forest online map (available at <a href="http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk">http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk</a>) 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.</p>
<p>2.1.2</p>	<p>Potential threats to forests and other areas with high conservation values from forest management activities are identified and addressed.</p>	<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. 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>2.2.3</p>	<p>Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).</p>	<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. It is suggested that the HNV forest online map (available at <a href="http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk">http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk</a>) 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.</p>
<p>2.2.4</p>	<p>Biodiversity is protected (CPET S5b).</p>	<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. It is suggested that the HNV forest online map (available at <a href="http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk">http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk</a>) 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. This would allow for expert and stakeholder review and comments. It must be ensured that <b>biologically valuable</b> dead and decaying and deadwood on the forest floor is not chipped or removed in connection with production and extraction of biomass.</p>

Figure 4.4: From the RRA: Indicators with specified risk and proposals for corresponding mitigation methods.

The indicators are defined in the RRA. A new national digital map covering all areas of high conservation value in forest is in progress. When this new national HCV map is finished, all indicators will be ‘low risk’.

Skovdyrkerne Vestjylland as the Biomass Producer (BP) will adapt and implement the mitigation measures suggested in the RRA - except the suggestion of publishing HCV maps - according to the below standard operation procedure (SOP):

### 9.1.1 Basics - level of expertise:

All harvest operations are planned and supervised by own forest staff (B.Sc. or M.Sc. in forestry).

- a. All staff is trained in the below procedures.
- b. All staff is trained in identifying areas of high conservation value according to [the catalogue of key biotopes](#) within the supply base.

### 9.1.2 Planning and risk management:

- a. Operations are planned and described in the company database (Pinus) with a corresponding geographic location (GIS) showing a map of the forest with a clear demarcation of ownership, the planned harvest area and eventual areas of high conservation value, that needs to be taken into consideration.
- b. The database holds information about the forest owner and the basic risk class of the sourcing area – *Confidential information has been deleted*.

If the feedstock is sourced from thinning in coniferous stands or 1. Generation afforestation – and legality (EUTR) is ok, - the operation is low risk and status is changed to 'Green light'. The conclusion is described in the work instructions 5. – *Confidential information has been deleted*.

The *work instruction* is emailed to the sub-contractor, who is instructed to respond if there is a SBP status without a corresponding conclusion and description of the mitigation measures. – *Confidential information has been deleted*.

### 9.1.3 Harvest operations

All harvest operations (cutting, wood chipping, transport etc.) are conducted by trained subcontractors with long term relationships and contracts to the BP.

- d. All contractors and staff are trained in understanding the *work instructions* set of documents.
- e. All contractors work under the instruction of a SOP for harvesting operations.
- f. All contractors and staff have a basic training in identifying areas of high conservation value.

In case that biologically valuable dead or decaying wood (especially such as large dimensioned domestic species, standing or laying trunks inhabited by woodpeckers or characterised by fungus fruitbodies) is present in the harvest area, measures should be taken to assure that it is left in the stand.

- g. Forest staff should address this issue in relevant projects.
- h. Contractors shall ask whenever in doubt.

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<sup>5</sup> *Work instruction* – a set of documents including instructions on how to perform the task, all relevant risk assessments and a corresponding map.



### 9.1.4 SBP compliance - conclusion

Skovdyrkerne Vestjylland assesses that:

- Feedstock sourced from harvest operations conducted under the above SOP with:
  - 'Green light' – feedstock is low risk.
  - 'Orange light' – the harvest operation contains specified risk, but feedstock is delivered through a mitigation process, that ensures that the biomass is non-controversial in relation to SBP.
- Primary feedstock sourced from coniferous thinning operations is low risk.
- Primary feedstock sourced from areas of first generation afforestation is low risk.
- Feedstock sourced from areas outside the forest (farmland) according to FAO definition of forest.

All is non-controversial according to the SBP scope and is hence SBP-compliant, whereas ...

- Feedstock sourced from harvest operations conducted under the above SOP with:
  - 'Red light' – the harvest operation contains specified risk, and the resulting biomass is SBP-non-compliant (but still legal according to EUTR).

Can be considered as legally sourced and hence non-controversial (SBP Controlled) – but not passed on as SBP Compliant.

## 9.2 Monitoring and outcomes

With respect to the precautionary principle it is decided, that:

- When harvesting in 'Red light' areas - work instructions must be emailed cc. to the internal auditor (kbh@skovdyrkerne.dk). The work instructions will be reviewed and mitigation measures evaluated prior to felling.

## 10 Detailed Findings for Indicators

Detailed findings for each Indicator are given in the SBP endorsed Regional Risk Assessment for Denmark:  
<https://sbp-cert.org/documents/risk-assessments/denmark> .

## 11 Review of Report

To ensure the credibility of this report, a peer review has been conducted.


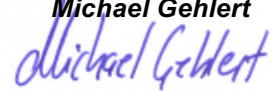
### 11.1 Peer review

The Supply Base Report has been Peer Reviewed by The Faculty of Science – Department of Geoscience and Natural Resource Management - University of Copenhagen,- PhD in Forestry professor Palle Madsen. The reviewer's comments and recommendations have been incorporated in the report.

### 11.2 Public or additional reviews

As an additional review The Supply Base Report has also been submitted to the 5 CEO of the sister organisations of Skovdyrkerne. The reviewers' comments and recommendations have been incorporated in the report.

## 12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	<i>Katrine Bang Hauberg</i> 	<i>M.sc in Forestry</i>	<i>August 23<sup>th</sup> 2018</i>
	Name	Title	Date
The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.			
Report approved by:	<i>Michael Gehlert</i> 	<i>Forest manager (CEO)</i>	<i>August 23<sup>th</sup> 2018</i>
	Name	Title	Date
Report approved by:	<i>[name]</i>	<i>[title]</i>	<i>[date]</i>
	Name	Title	Date
Report approved by:	<i>[name]</i>	<i>[title]</i>	<i>[date]</i>
	Name	Title	Date

## 13 Updates

### 13.1 Significant changes in the Supply Base

There are no significant changes to the Supply Base. The BP is still sourcing below 200.000 tons primary feedstock from the regions Northern-, Middle- and Southern Denmark.

### 13.2 Effectiveness of previous mitigation measures

The previous mitigation measures have been effective. The harvest procedures implemented has improved the communication between forest management, the entrepreneurs and the forest owners.

The sample of SVP was based on 5% of the truckloads in the period, which made it hard for small projects to be selected for internal audit. The sample method for internal audit of suppliers is change to  $\sqrt{}$  of projects in the period. Now all projects have the same probability to be selected for at internal audit.

### 13.3 New risk ratings and mitigation measures

There is no new risk ratings and mitigation measures.

### 13.4 Actual figures for feedstock over the previous 12 months

All feedstock is primary.

Total volume of Feedstock: 0 – 200.000 tonnes pr. year (specific number is reported to the CB – and is considered to be commercially sensitive information. Skovdyrkerne has no dominant position in the market place).

### 13.5 Projected figures for feedstock over the next 12 months

All feedstock will be primary.

Total volume of Feedstock: 0 – 200.000 tonnes pr. year (specific number is reported to the CB – and is considered to be commercially sensitive information. Skovdyrkerne has no dominant position in the market place).

Updated August 2018 on <http://www.skovdyrkerne.dk/vest/hvad-kan-vi/skovdrift/flis/>