

# SBP

Sustainable Biomass Partnership

## DNV GL Business Assurance Finland Oy Ab Evaluation of Norsk Biobrensel AS Compliance with the SBP Framework: Public Summary Report

[www.sustainablebiomasspartnership.org](http://www.sustainablebiomasspartnership.org)



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

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

### *Document history*

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# 1 Overview

CB Name and contact: DNV GL Business Assurance Finland Oy Ab,  
 Martti Kuusinen ([martti.kuusinen@dnvgl.com](mailto:martti.kuusinen@dnvgl.com))

Primary contact for SBP: Martti Kuusinen ([martti.kuusinen@dnvgl.com](mailto:martti.kuusinen@dnvgl.com))

Report completion date: 12/Feb/2017

Report authors: Karina Seeberg Kitnaes

Certificate Holder: Norsk Biobrensel AS, Mjåvannsvegen 118, NO-4628 Kristiansand, Norway

Producer contact for SBP: Ole Kristian Hodnemyr ([ole@norbio.no](mailto:ole@norbio.no))

Certified Supply Base: Norway (biomass chipping and trade only)

SBP Certificate Code: SBP-05-05

Date of certificate issue: 04/Apr/2017

Date of certificate expiry: 03/Apr/2022

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

## 2 Scope of the evaluation and SBP certificate

### **Introduction**

Norsk Biobrensel AS is a biomass trader and producer of wood chips based in Norway. In the context of SBP, Norsk Biobrensel will purchase primary feedstock delivered by two PEFC certified suppliers at two harbour log yards/storages, where Norsk Biobrensel will chip the roundwood to wood chips and load the biomass onto ship vessels transported to Denmark.

The period of ownership begins when the feedstock is either 1) transported from the forest to the log yard at the harbour or 2) offloaded at the log yard at the harbour. The period of ownership ends when the biomass (wood chips) are loaded onto the ships (always FOB terms applied).

### **Scope**

Purchase of primary feedstock (roundwood) and sale of wood chips for energy production. Purchase and sales at the Head Office of Norsk Biobrensel. The processes involve transport, chipping, storage and loading of wood chips at terminal facilities on two harbours in Norway. The scope of the certificate does not include Supply Base Evaluation.

### 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.

## 4 SBP Standards utilised

### 4.1 SBP Standards utilised

The SBP system implemented by the applicant was assessed against the following SBP standards:

- Standard 2: Verification of feedstock (Standard version: 1.0, March 2015)
- Standard 4: Chain of Custody (Standard version: 1.0, March 2015)
- Standard 5: Collection and Communication of Data (Standard version: 1.0, March 2015)

The latest versions of SBP standards are available at:

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

### 4.2 SBP-endorsed Regional Risk Assessment

Not applicable. Norsk Biobrensel is PEFC COC certified and purchases 100% PEFC certified feedstock with Norwegian origin from two PEFC certified suppliers.

## 5 Description of Biomass Producer, Supply Base and Forest Management

### 5.1 Description of Biomass Producer

Norsk Biobrensel AS is a Norwegian company under the NEGgruppen. The company produces and trades wood chips. The company office is located in Kristiansand responsible for the trading, chain-of-custody and wood chipping. In the context of SBP, the company has two storage facilities at two Harbours in Norway.

The raw materials are primary feedstock (roundwood) originating from Norwegian forests, which are either occasionally chipped in the forest before transported to the permanent storage facilities at the harbor or transported as logs to permanent storage facilities at the harbour, where the wood is then chipped by a mobile chipper. The wood chips are loaded onto ships (FOB terms), where the buyer takes over the responsibilities.

The company holds valid PEFC COC certificate. All feedstock supplies are exclusively from PEFC certified sources within the supply base.

### 5.2 Description of Biomass Producer's Supply Base

The company sources feedstock from the supply Base: Norway and mainly from the two regions Telemark and Agder.

The feedstock is supplied by the two PEFC certified suppliers as primary feedstock, mainly as roundwood/logs or occasionally as wood chips produced in the forest of origin. The feedstock is always purchased with the PEFC claim: 100% PEFC certified.

Of Norway's territory, 37% are covered by forest. Approximately 50% of this is considered productive area. The main distribution of species in Norway: Spruce with 273 mill m<sup>3</sup> standing volume and 47% distribution, Pine with 188 mill m<sup>3</sup> standing volume and 32% distribution and broadleaved species with 123 mill m<sup>3</sup> and 21% distribution. There is approximately 75 000 km<sup>2</sup> of productive forest area in Norway, of which Telemark and Agder holds 10 828 km<sup>2</sup>. Standing volume has been double since 1925 and the harvesting is less than the increment every year.

### 5.3 Detailed description of Supply Base

Norsk Biobrensel sources approx. 100 000 tonnes of primary feedstock from mainly Telemark and Agder and originating from PEFC certified forest managements. The species in the primary feedstock from the productive forest area will be mainly *Picea abies* and *Pinus sylvestris*, and to some extent also *Populus* spp., *Populus tremula*, *Betula* spp., *Fraxinus excelsior*, *Quercus* spp., *Fagus sylvatica*, *Alnus glutinosa*, *Alnus incana* and *Picea sitchensis*.

A more detailed quantitative description of the Supply Base can be found in the Biomass Producer's Public Summary Report.



## 5.4 Chain of Custody system

Norsk Biobrensel holds a valid PEFC COC certificate (207927-2016-AE-NOR-NA) and purchase primary feedstock from two Norwegian suppliers, also holding valid PEFC certificates.

All feedstock is purchased with the PEFC claim: 100% PEFC certified. The scope of the PEFC system is physical separation in all phases, with product categories 12000 Energy, 02010 fuelwood and others. Based on the reviewed supplier invoices (no sales of certified products yet), claims will be transferred correctly to sales documents.

This system will be applied for SBP as well, since the only processes are transport, storage, chipping and loading from storage facilities with only PEFC certified inputs from two PEFC certified suppliers delivering only 100% PEFC certified feedstock and since all orders will be delivered with FOB terms. Norsk Biobrensel is aware of the SBP claims and batch specific coding system, which will be used on the sales invoices.

## 6 Evaluation process

### 6.1 Timing of evaluation activities

<b>Activity</b>	<b>Date</b>	<b>Location</b>	<b>Persons involved</b>	<b>Duration</b>
<i>Audit planning, document review</i>	<i>Dec. 2016 – Jan. 2017</i>	<i>Home office and DNV office, Espoo Finland</i>	<i>Lead Auditor, DNV staff responsible for contracting</i>	<i>½ person-day</i>
<i>Pre-assessment</i>	<i>02 Dec. 2016</i>	<i>Company Office of Norsk Biobrensel</i>	<i>Lead Auditor, SBP responsible, COC systems responsible, managing director</i>	<i>1 person-day</i>
<i>Main (IA) Audit On-Site audit</i>	<i>30-31 Jan. 2017 and 06 Feb. 2017</i>	<i>Company Office of Norsk Biobrensel, and one of the two storage and chipping facilities at the harbour*, including third party measurement station</i>	<i>Lead Auditor, SBP responsible, COC systems responsible, managing director, accounting responsible</i>	<i>2½ person-days</i>
<i>Off-site audit (system and procedures review, assessment of corrective actions, reporting, technical review)</i>	<i>Jan-Feb 2017.</i>	<i>Home office and DNV office, Espoo Finland</i>	<i>Lead auditor, Technical reviewer, Certification decision maker</i>	<i>1 person-day</i>

\* Justification for visiting one harbour: The two harbour terminals are located in same region and under external control by same third party measurement control (national VSYS system). The terminals are in terms of processes and facilities the same. The mobile chipper is the same. No other processing takes place than chipping and loading. At the time of the audit, there was no roundwood on storage at Mandal.

### 6.2 Description of evaluation activities

The pre-assessment consisted of document review and interviews regarding the management system descriptions, calculations and invoicing arrangements. The pre-assessment resulted in a short list of nonconformities for the company to deal with before the Main (IA) Audit.

The Main (IA) Audit contained document reviews, record reviews, interviews of responsible personnel, calculation verifications, site inspection at storage and chipping facility at the harbour and tracking of timber

batches. Critical control points included verification of feedstock classification and category (SBP Compliant; PEFC certified) within the defined supply base and checking the chain-of-custody volume accounting thoroughly, as well as the data available as specified in the Instruction note 5A, 5B and 5C on collection and communication of data. The Main (IA) Audit resulted in closure of all major nonconformities and identification of a short list of minor nonconformities and observations.

## 6.3 Process for consultation with stakeholders

An email consultation was sent to a total of 13 Norwegian stakeholder organisations on 20 December 2016. The group of stakeholders was identified by selecting from the list of stakeholders normally used for FSC and PEFC FM consultations. No stakeholder feedback was received.

## 7 Results

### 7.1 Main strengths and weaknesses

Norsk Biobrensel has a solid basis for SBP, as the supply base contains only certified inputs, the COC system is in place and the SBP system is rather simple in terms of risk management. There is also proven competent professionals in the management team of Norsk Biobrensel.

As presented in the List of Findings, the minor non-complying issues and observations relate to following up the GHG data profiling and SAR data compilation and reporting after certification has been granted.

### 7.2 Rigour of Supply Base Evaluation

N/A

### 7.3 Compilation of data on Greenhouse Gas emissions

In terms of SBP, the calculations consist only of transport, chipping and loading onto the ship (all biomass is delivered with FOB terms). Data calculation excel sheet has been prepared and data are either calculated on real data or by use of Biograce.

The baseline and general procedures are in line with the requirements in the Instruction Notes 5A, 5B and 5C, but some details in the data contents and reporting of the information did at the time of the audit not meet the requirements due to not having processed nor supplied any SBP compliant biomass yet (see list of findings).

### 7.4 Competency of involved personnel

Norsk Biobrensel has only two employees, i.e. the managing director and the production manager, while the CEO and the administration staff are shared with the sister companies under the same holding NEG Gruppen.

Based on audit interviews, all personnel are aware of the SBP requirements on detailed level and have the adequate competencies and knowledge for their tasks. The managing director and the production manager has developed the SBP framework to be implemented by Norsk Biobrensel, while the CEO has overseen and approved the process and the accountant has been and will be instructed when the certification has been granted.

### 7.5 Stakeholder feedback

No stakeholder feedback was received.

### 7.6 Preconditions

None.

## 8 Review of Biomass Producer's Risk Assessments

N/A

## 9 Review of Biomass Producer's mitigation measures

N/A.

## 10 Non-conformities and observations

No Major non-conformities were issued.

### Minor Non-conformities (to be closed within 12 months after the audit):

- IA-2-2017      After approval, the BP shall make the SBR readily accessible on the BP's website (ref. SBP STD 2\_7.1; Instruction Note 2c\_2.1)
- IA-3-2017      The BP shall maintain volume calculations, including data and claims of inputs and outputs, for each site (ref. SBP STD 4\_5.2.6; 5.4.1).
- IA-4-2017      The BP shall make data available to the customer using the templates specified in the Instruction Documents (5A, 5B and 5C) to Standard 5. The data shall be communicated using a medium agreed between the two parties (ref. SBP STD 5\_Instruction Note 5A\_2.1.5).
- IA-5-2017      The BP shall make sure that the Static Data Identifiers - one for each scope-end-point (each of the two harbor terminal) - are in the form: SBP-- XX-- YY-- ZZ (ref. SBP STD 5\_Instruction Note 5A\_2.2.4-2.2.6) and are included in the SAR and 5C documents.
- IA-6-2017      The BP shall operate and justify to the CB a system - such as log books or electronic code/card systems - to allocate the use of fossil fuel to processing (biomass production: chipping), transport and loading on to the ship (ref. SBP STD 5 Instruction Note 5B\_5.1.1-5.1.4).
- IA-7-2017      Specifically for transport, the BP shall record and report the following data for transport for each SDI: place of departure; place of arrival; transportation mode; type of vehicle; type of fuel used; and for feedstock: average and maximum travel distance (ref. SBP STD 5 Instruction Note 5B\_6.1.2).
- IA-8-2017      The BP shall provide the CB with an annual overview of the quantity of biomass handled at the two different storages and chipping facilities within the scope of its certification. This should include data on feedstock inputs and biomass outputs (ref. SBP Std 5 Instruction Note 5B\_6.2).

### Observations:

- IA-1-2017      The BP should specify and implement the annual sampling methodology of measurement list ID and origin stated by supplies to ensure that the place of harvest is within the defined SB (ref. SBP STD 2\_6.2-6.4, SBP STD 5 Instruction Note 5C\_4.1.1).
- IA-9-2017      In order to use the SBP trademarks, the BP should contact SBP after certification has been granted and ask for the SBP trademark licence agreement (ref. SBP STD 4 Instruction Note 4B\_1.2).

## 11 Certification decision

DNV GL personnel involved in the certification process:

- The audit was conducted by Karina Seeberg Kitnaes, qualified SBP lead auditor.
- The Technical Review was conducted by Martti Kuusinen, qualified SBP lead auditor.
- The Certification Decision was made by Technical Manager Kimmo Haarala, acting as the DNV GL Management representative.

Based on the assessment process, it has been shown that the management system implemented by Norsk Biobrensel AS meets the requirements of the applicable SBP standards and a certificate can therefore be issued. For the certificate to remain valid, necessary corrective actions resulting from the minor non-conformities shall be initiated and implemented within 12 months following the Initial Audit.

Date of certification: 04/Apr/2017

Date of expiry of the certificate: 03/Apr/2017