



DNV GL Business Assurance Finland Oy Ab Evaluation of Biomasse Børsen ApS Compliance with the SBP Framework: Public Summary Report

Third 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 www.sbp-cert.org

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1 Overview

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Current report completion date:	20/Feb/2020
Report authors:	Karina Seeberg Kitnaes
Name of the Company:	Biomasse Børsen ApS
Company contact for SBP:	Paul Lillelund
Certified Supply Base:	Denmark
SBP Certificate Code:	SBP-05-07
Date of certificate issue:	02/Jun/2017
Date of certificate expiry:	01/Jun/2022

This report relates to the Third Surveillance Audit

2 Scope of the evaluation and SBP certificate

Introduction

Biomasse Børsen ApS is a biomass trader and producer of wood chips based in Denmark. In the context of SBP, Biomasse Børsen ApS purchases primary feedstock as roundwood or wood chips at roadside in Danish forests. The feedstock is transported by truck directly to the customers or to one of the two storages, where the BP store wood chips until the biomass is then loaded onto trucks to delivery to customers in Denmark.

The period of ownership begins when the feedstock is either 1) transported from the forest to the storage of the company or 2) offloaded at the storage. The period of ownership ends when the biomass (wood chips) is offloaded at the customer.

Scope

The company with company office and two storages. The scope includes purchase of roundwood and woodchips, chipping, and transport of wood chips from Danish forests for use in energy production in Denmark. The scope of the certificate does include Supply Base Evaluation for the Supply Base 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.

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

SBP endorsed Regional Risk Assessment for Denmark, June 2017.

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

Biomasse Børsen ApS is a Danish company, which purchases roundwood and wood chips from Danish forests and surrounding landscapes. The company produces and trades wood chips. The company office located near Ribe in Denmark is responsible for the trading, chain-of-custody and wood chipping. In the context of SBP, the company has two storage facilities, one located next to the office and one next to one of the customers/end-point in Denmark. The raw materials are primary feedstock (roundwood) originating from Danish forests and surrounding landscape, which are either chipped in the forest as part of the harvest operation and placed at roadside or transported to the company' two permanent storage facilities, where the wood is then chipped. The wood chips are sold and transported to the Danish energy sector, where the buyer takes over the responsibilities. The company holds valid PEFC and FSC COC certificates. The feedstock sold as SBP-compliant is non-certified but controlled through the company SBE including SVP, implementation of risk mitigation measures and use of the SBP endorsed RRA.

5.2 Description of Company's Supply Base

The BP sources all feedstock from the supply Base: Denmark. The feedstock is supplied as either Roundwood or Wood chips produced in the forest of origin or at two storage facilities within Denmark. The harvest and chipping operations are performed by Danish contractors under the monitoring of the forest managers or performed by other Danish contractors/forest owners/wood procurement organisations. In the latter case, Biomasse Børsen purchases the wood chips from the Danish suppliers. The BP has conducted the supply base evaluation (SBE) with SVP and using the SBP-endorsed RRA for Denmark. The Public SBR with the description of the SBE has been updated by the BP in the Danish and English version to be uploaded on the webpage of SBP. The SBP endorsed RRA for Denmark, June 2017, is available on <https://sbp-cert.org/documents/standards-documents/risk-assessments/>. The BP implements risk mitigation measures sufficient to secure low risk of specified risk indicators of the RRA.

General description of the forest resources and forest management practices within the Supply Base:

Land use and forest composition: Total Supply Base area (ha): Danish forest area: 625 000 ha of temperate forests (approx. 15 pct. of the land area); Other woodland area: 44 000 ha (approx. 1 pct. of the land area).

Conifers have been very successful in Denmark because they are hardy and thrive on heath and dune areas, and because they grow quickly and therefore they have been more profitable for forest owners than deciduous trees. This is one reason why there are most conifers in Jutland. Conifers take up 50% of the total forest land, while deciduous trees account for 46.4%. Most species of deciduous trees, such as oak and beech, are indigenous to Denmark, while conifers have been imported over the past 200-300 years. For example, the most common tree species in Denmark is the Norway spruce and to some extent other species such as Sitka spruce and Douglas fir. Norway spruce grow on 19% of the forest area and it is the most common tree species in Denmark.

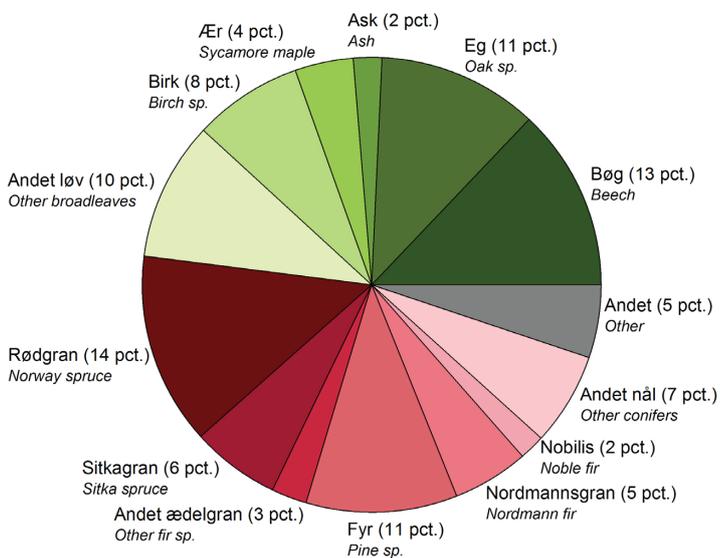


Figure. Distribution of the forest area to tree species and species groups. Distribution is made according to share of basal area (ref. Thomas Nord-Larsen, Vivian Kvist Johannsen, Torben Riis-Nielsen, Iben Margrete Thomsen og Bruno Bilde Jørgensen (2020): Skovstatistik 2018 (2. udgave), Institut for Geovidenskab og Naturforvaltning, Københavns Universitet, Frederiksberg. 40 s. ill).

Land use and ownership status: The tenure by type includes approx. private: 430 000 ha and public: 195 000 ha. The total number of forest properties in Denmark is estimated to 28,000. The size of the Danish FMUs range from between 2 to 1,000 hectares. There is limited variation in terms of ownership within the supply base. In Denmark, approx. 74 % of the forest area is owned by private persons or companies, while the remaining 26% is state-owned or owned by the municipalities.

Danish forests are managed as semi-natural for the normal forest management, while for Christmas trees and greenery the areas are intensively managed as plantation. The certified forest area consists of approx. 268 000 ha PEFC certified and 215 000 ha FSC certified. Forest management practices are based on the country specific forestry laws, forestry guidelines, and forest management planning practices. Even-aged forestry is the dominant method. The forest rotation period is 60-100 years, containing mostly tending of the young seedling stands, two thinnings, a final harvesting and regeneration of a mature stand. Planting or natural seeding can be used in regeneration. Recently, un-even-aged forestry has become more popular and applied to the extent possible.

The history of Danish forests. Most of Denmark was originally covered by forest, but after centuries of uncontrolled felling and clearance for agriculture, just 2-3% of Denmark was covered by forest around 1800. Since adoption of the Danish Forest Act in 1805, forest clearance has been banned in Denmark, and at the same time great efforts were initiated to plant more forests. The overall area of Danish forests has therefore increased significantly, and it is still increasing. Forests are being planted throughout Denmark, in particular on moorland and sand-dunes in mid and west Jutland.

Socio-economic conditions: The Danish Forest Act regulates forest activity for private forest owners and subsidies are available for forest establishment, conservation of old trees, and establishment of non intervention areas. The Act aims to conserve the existing forest area through legal designation, expand the area through subsidies for new establishment, and aims to promote multi-purpose forestry including wood production, nature conservation, landscape, historical values, environmental protection and recreational interests. Responsibility for forestry activities lies with the Nature Agency. Forests are open to the public for recreational purposes. In Denmark, each year around 4.5 million m³ are felled, while the amount of biomass in Danish forests is growing by an annual net 2.5 million m³ through regeneration and increase in forest cover.

5.3 Detailed description of Supply Base

The BP has sources around 25 000 tonnes of primary feedstock from Danish forests. The volume of primary feedstock: 100%. Volume of secondary feedstock: 0 %. Volume of tertiary feedstock: 0%. The species are a broad range of coniferous and broadleaved species (Abies Alba, Abies Grandis, Abies Normania, Abies Procera, Abies ssp, Larix ssp, Picea Abies, Picea Glauca, Picea sitchensis, Picea ssp, Pinus contorta, Pinus Sylvestris, Pinus nigra, Pinus strobus, Pinus ssp, Acer pseudoplatanus, Alnus glutinosa, Betula Pendula, Betula pubescens, Fraxinus Excelsior, Salix ssp, Quercus ssp, Fagus Sylvatica etc.). A more detailed description of the Supply Base of the BP is found in the biomass producer' Supply Base Report on the webpage of SBP.

5.4 Chain of Custody system

The BP has valid FSC and PEFC certificates covering chips and wood issued by Soil Association Certification: Certificate codes: FSC: SA-COC-005618 and PEFC: SA-PEFC/COC-005618. All feedstock sourced is covered by the BP's own wood traceability system, which is third party certified according to both FSC and PEFC Chain of Custody. All feedstock is sourced through the FSC and PEFC COC systems of the company, which covers wood chips as a product group. The scope of the FSC system is transfer system and the scope of the PEFC system is physical separation in all phases with purchase of roundwood or wood chips, chipping, storage, transport and sales of wood chips. Based on the reviewed supplier invoices, claims are transferred correctly to sales documents if inputs are purchased as FSC or PEFC certified. This system is applied for SBP as well, since the same processes are transport, storage, chipping and loading from storage facilities. The BP

purchases non-certified roundwood and through the SBE using the approved RRA for Denmark and SVP plus field verification and control measures sells biomass as SBP-compliant biomass to customers holding valid SBP certificate. All non-certified feedstock are kept separate and is traceable during all phases from the forest to the customer. The BP is aware of the SBP claims and batch specific coding system, which is used on the sales invoices and in the DTS database for the monthly transactions. The company maintains annual volume accounts and calculations for all inputs and outputs.

6 Evaluation process

6.1 Timing of evaluation activities

Feb. 2020: Audit planning, document review (location: Home office and DNV GL office, Espoo Finland), performed by the Lead Auditor, Karina Seeberg Kitnaes and DNVGL staff responsible at DNV GL. Duration: 1 person-day.

19-20 Feb. 2020: PA3 On-Site audit (locations: Company Office of the BP, and storage and chipping facility at the harbour) performed by the Lead Auditor Karina Seeberg Kitnaes (*biologist, M.Sc., approved SBP auditor, 24 years of professional international experience with forest biodiversity, forestry, forest industry, certification, Natura 2000 implementation, key biotope mapping from working as senior expert on targeted international projects in Northern, North-eastern and Eastern Europe and many other countries*) and with participation of BP representatives: the CEO and SBP responsible, COC responsible, contractors and accounting responsible. Duration: 2 person-day:

Day 1:

09:30-10:00 Opening meeting: Introduction of participants, roles and confidentiality; Short introduction of the company, SBP audit process overview

Review of open Non-compliances

10:00-16:00 SBP Standard 1: Feedstock compliance, evaluation of SBE, RRA mitigation measures, means of verification, SVP and monitoring.

SBP Standard 2: Verification of feedstock; incl. feedstock data, origin and Supply Base Reports

SBP Standard 4: Chain of Custody, incl. DTS records.

SBP Standard 5: Collection and Communication of Data; and Instruction Document 5E - requirements review of data and records; SBP Audit Report for Energy and GHG data (SAR), Verification of profile and energy data, monitoring and calculations.

Site visit to storage facility (storage, receipt, measurement station, chipping, loader and end-point).

Day 2:

08:00-16:00 Field visits to several harvesting sites, chipping sites, forest projects, crosschecking feedstock compliance, forest of origin, implemented mitigation measures etc.

16:00-16:30 Closing meeting

Mar 2020: Off-site audit with system and procedures review, assessment of corrective actions, reporting, technical review (location: Home office and DNV office, Espoo Finland) performed by the Lead auditor, Technical reviewer and Certification decision maker. Duration: 2 person-days.

6.2 Description of evaluation activities

The audit method included: a) records verification, document and report review and interviews of staff regarding the management system descriptions, calculations and invoicing arrangements at the office and b) site visit at the forest of origin, mobile chipping and storage facility.

The P3 On-site Audit contained:

- Review of all relevant data and records related to SBP Std. 1 on feedstock compliance, including SBE, SVP, RRA and implemented risk mitigation measures bringing risk to low risk for all indicators.
- Review of all relevant data and records related to SBP Std. 2 on verification of feedstock, including calculation verifications, control of data on origin crosschecked with supply base and review of supply base reports in English and Danish. Completion of DNVGL checklist for std. 2.
- Review of all relevant data and records related to SBP Std. 4 on Chain of Custody, including volume calculation verification, classification and crosscheck with DTS database records
- Review of all relevant data and records related to SBP Std. 5 on collection and communication of GHG data and review and verification of data recorded and reported in the SAR for wood chips with mobile chipping including transport from forests to end-points.
- Site inspection of harvesting sites, forests of origin, and of storage and chipping facility with tracking of timber batches and measurement and classification of feedstock.

Critical control points included verification of forest of origin, implementation of risk mitigation measures in accordance with the RRA for Denmark, feedstock classification and category (SBP-compliant biomass; PEFC certified) within the defined supply base and checking the chain-of-custody volume accounting and supplier documentation thoroughly against DTS recordings, as well as the data and records available as specified in SBP std. 5 and the Instruction note 5E on collection and communication of data and the resulting SAR report for mobile chipping in correct format.

The P3 resulted in closure of one nonconformity, maintenance of one observation and raising one observation to a minor nonconformities.

6.3 Process for consultation with stakeholders

N/A. This is a surveillance audit.

7 Results

7.1 Main strengths and weaknesses

As the main strengths of the BP, there is proven competency and experience of trading and forest management in the management team of Biomasse Børsen ApS. During the review and evaluation of the company' SBE with using the SBP-endorsed RRA for Denmark and the SVP, the strengths of the company include the clear track of feedstock to origin and its flows from the forest to the energy sector, the full overview of sets of suppliers, the well-developed SVP and the use of the SBP approved RRA for Denmark with identification of four indicators with specified risk. The BP has well-developed and clear risk mitigation measures to get these four specified risk indicators down to low risk, including supplier training programme and system setup, procedures, control and monitoring of forest operations. The audits did not identify any significant weaknesses.

7.2 Rigour of Supply Base Evaluation

There is a SBP endorsed Regional Risk Assessment for Denmark, June 2017. The Company applies the RRA and has conducted a rigorous Supply Base Evaluation of the defined Supply Base. For the risk assessment (RRA), the risk is low for all indicators of the SBP Standard 1 apart from four indicators: 2.1.1, 2.1.2, 2.2.3 and 2.2.4. The Company has built the developed mitigation measures for these four indicators into its procedures and feedstock sourcing programmes and has sufficient knowledge and procedures in place to demonstrate also low risk in practise for all indicators. For the four indicators with specified risk in the RRA, the company has developed clear risk mitigation measures, including supplier training for each defined set of similar suppliers in their SVP, and procedures, routines, apps, documents and records and control mechanisms for suppliers and own staff performing control of the forest operations conducted by forest contractors. The evaluation found that the mitigation measures are sufficient to bring the risk down to low for the four indicators.

7.3 Collection and Communication of Data

Since the scope of the SBP system is rather limited to purchase of roundwood, chipping and transport and as the feedstock originates from primary feedstock with detailed records on forest of origin of all feedstock, the GHG profiling data can be obtained through a quite simple routine including use of reference values (BioGrace). The baseline and general procedures are in line with the Document 5A, 5B and 5C requirements and procedures. The BP has prepared and maintained data for the SAR report for Woodchips with mobile chipping (SAR) v2.0.

7.4 Competency of involved personnel

The company has three active owners (self-employed) and one bookkeeper on part-time basis. The owners responsible for the management and control system has a long experience of system management, professional control of forest management and forest operations. The knowledge and experience of the responsible personnel relating to GHG data profiling procedures is also found to be on a suitable level.

7.5 Stakeholder feedback

N/A. No comments received.

7.6 Preconditions

None.

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.

The company – as well as the Certification Body - uses the SBP endorsed Regional Risk Assessment for Denmark, June 2017. The four indicators with specified risk in the SBP endorsed RRA for Denmark are 2.1.1, 2.1.2, 2.2.3 and 2.2.4.

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
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

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 four indicators with specified risk in the SBP endorsed RRA for Denmark are: 2.1.1, 2.1.2, 2.2.3 and 2.2.3.

For this purpose, Biomasse Børsen ApS has developed appropriate and clear systems and procedures as risk mitigation measures to ensure all indicators are low. The four specified risk indicators are all related to appropriate control systems and procedures to identify, address potential threats and avoid damage to nature values during forest operations. As part of the SBE, Biomasse Børsen ApS has setup the SVP including risk rating, identification of risk factors, listing suppliers, defining sets of suppliers, developing tools, procedures and training for all suppliers (forest contractors under own control and other suppliers).

The risk mitigation measures covering all four indicators are targeting both:

- a) Forest operations controlled by Biomasse Børsen and performed by forest contractors, and
- b) Forest operations where Biomasse Børsen receives the wood chips from suppliers with indirect control of the forest operations. Risk mitigation measures:

For each new project, i.e. assignment to purchase roundwood or wood chips, a risk assessment is carried out with screening of the forest of origin from where biomass is harvested. This screening is conducted to clarify whether the site on the basis of the indicators: 2.1.1, 2.1.2, 2.2.3, 2.2.4, has to be classified as a risk area.

The assessment is based on available national maps and databases accessible on internet or via a nature portal maintained by the Danish authorities, as well as a physical examination of the forest area before the forest operation is started. The screening and the resulting implementation of the risk mitigation measures contribute to minimizing any negative impacts on ecosystems, biodiversity and conservation areas and thereby converted the risk into low risk. The procedure for mapping and checking the forest area, where the feedstock will be harvested includes the following;

- 1) Each project is assigned a unique project ID that recur in the short, job description, weight slips and invoices etc.
- 2) Site map developed based on relevant map applications, incl. "Arealinformation" and "Miljøgis" with HNV (high nature value) forest or DM & E map program with relevant map layers (Map and detailed maps indicating the workspace and protected zones, if any, FSC and PEFC certified FMUs and/or green forest management plan involved "account card" in the planning process, so of values can be secured. These cards attached to the project).
- 3) Completion of checklist: a) Map Screening, the affected items in the checklist ticked; b) description of any remedial action; c) definition of product status; d) presentation of the person responsible for screening; e) Physical screening / review of the felling area to be implemented by Broadleaf stands; f) Uneven Aging stands; g) Areas with HNV value from 10 and up and h) Areas of Conservation, monuments, etc.
- 4) Physical screening with identifying any key habitats and valuable nature areas.
- 5) Physical screening may be omitted if the screening of existing maps and databases does not reveal any risks and the forest operation is: a) thinning of afforestation / 1st generation forest site; b) thinning in even-aged coniferous forest stand, c) the work area is outside the forest and the operation performed is not impacting any nature values.

6) For each project, a work instruction is prepared, which describes how the forest operation/task is to be solved and which measures must be taken on site.

The SVP and implemented training programme: Biomasse Børsen has developed and implemented a SVP including a training programme of forest contractors/suppliers of feedstock. The suppliers have been listed and categorised and a contractors handbook developed, which clearly explains how the suppliers/contractors are screened and trained, as well as how the supplier/contractor have to apply the work instruction and maps resulting from the screening of the individual forest area. Biomasse Børsen then controls that the supplier/contractor has implemented the screening, the mapping, the work instruction and the forest operation without negative impact on any nature values on site. Next to the contractor handbook, Biomasse Børsen has developed a Tradenda app, where all information is available and shared between Biomasse Børsen and the supplier/contractor.

Guide to perform the screening of the forest area before forest operations: The company has developed a guide to Danish contractors and suppliers on how they must screen the forest or landscape area before any harvest operations and how to use the Tradenda app. The guide includes the obligatory desk based and field screening to be performed and how the results must be made available to the company, so that the company will hold records proving implementation of risk mitigation measures securing low risk of negative impact on nature values.

Monitoring of implementation of the risk mitigation measures: The Biomasse Børsen has prepared and implemented a monitoring plan by sampling of the suppliers of Roundwood and wood chips respectively, which include clear sampling rules and how to monitor that the required mitigation measures are being implemented, records are being kept and whether the measures were shown to be effective in addressing the identified risks. The review of the lead auditor included checking forest operation sites, interviewing contractors of the suppliers, checking training programme implemented and checking the Tradenda app information and examples of maps with known nature values, project work instructions, documentation and company evaluation.

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 P2-01-2019-SBP2	NC Grading: Minor
Standard & Requirement:	SBP STD 2, 1.7
Description of Non-conformance and Related Evidence:	
<p>The BP has checked and conducted internal audits of all own contractors and external contractors. The sample density is 90% of all forest operations from where the BP purchases the primary feedstock. The BP has recorded the results of the SVP in the annual audit checklist report and in summary in the SBR. The BP has monitored that the contractors/suppliers uses the Tradenda app correctly with information to secure required mitigation measures. During the audit, one harvest operation had taken place next to a small §3 area (artificial water pond next to the forest) while the contractor had not ticked this field off in the Tradenda report. It was discussed whether or not the contractors should tick or not tick this field if a given value is located outside the actual harvesting site since no impact caused to the area. It is the task of the BP to secure sufficient monitoring of contractors performance on using the Tradenda app as an important tool to secure the required mitigation measures.</p>	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Tradenda app, screening reports and maps resulting from contractors recording and reporting.
Findings for Evaluation of Evidence:	<p>During the audit, several harvesting projects were visited and compared to the screening report and maps in Tradenda. For two of the projects, the contractor had correctly filled in presence and location of §3-areas, but not provided comments relevant for the performed activities. In one of the cases, the map (and public record) on §3-area was clear wrong compared to field situation, so harvest was performed correct but partly in the §3-area. In another case, the contractor had performed nature related operations to improve the quality of the §3-area: Open heathland to stop encroachment. In practice, it is evaluated that the forest operations were done correct and no nature values damaged. But the contractors had not explained this in the records and the BP had not picked this up. Observation raised to a Minor.</p>
NC Status:	Open

NC number P2-03-2019-SBP2	NC Grading: Observation
Standard & Requirement:	SBP STD 2, 1.4
Description of Non-conformance and Related Evidence:	
The BP has two sets of suppliers: 1) contractors directly working under own staff and 2) other contractors/suppliers, which again is subdivided according to the suppliers' forestry educational levels. During the audit, the BP explained that they are also considering to start purchasing secondary wood chips from sawmills as a third set of suppliers. This observation is issued to remind the BP of the requirement to include all suppliers and supplies under the SVP and the defined mitigation measures.	
Timeline for Conformance:	Other
Evidence Provided by Company to close NC:	The BP still considers to set up third set of supplier.
Findings for Evaluation of Evidence:	The BP still considers to start purchasing secondary wood chips from sawmills as a third set of suppliers, but has not yet done so. This observation is maintained.
NC Status:	Open

NC number P2-02-2019-SBP2	NC Grading: Minor
Standard & Requirement:	SBP STD 2, 1.1-1.2
Description of Non-conformance and Related Evidence:	
The BP implements the SVP, including monitoring and control system. The SVP is described in the BP's manual and in summary in the SBR. The BP has implemented monitoring visits by sampling and defined the risk levels for the two sets of similar suppliers. The BP has defined the indicators checked and conducted internal audits of all own contractors and external contractors. The sample density is 90% of all forest operations from where the BP purchases the primary feedstock. However, the BP has also started purchasing wood chips from one of the suppliers. The BP receives screening materials and maps of origin of the feedstock from this suppliers and based on this has accepted the supplies. The BP has included this type of supplies in their monitoring by checking the documentation. It is the task of the BP to cross check if the screening performed by the supplier includes all screening elements defined by the BP before accepting the supplies. This was unclear during the audit.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Examples of screening reports and maps from suppliers using own report templates, and examples of crosschecks performed by the BP
Findings for Evaluation of Evidence:	Since the last audit, the BP has cross check that the screening performed by other supplier includes all screening elements defined by the BP before accepting the supplies. Examples of projects and screening reports with maps checked. Condition closed.
NC Status:	Closed

NC number IA-07-2017-SBP5	NC Grading: Minor
Standard & Requirement:	SBP STD 5_Instruction Note 5A_2.2.4; 2.2.5

Description of Non-conformance and Related Evidence:	
<p>The company has set up system for Static Data Identifiers in the report and document templates for SDIs but had not put the system into action yet due to not yet being SBP certified. It is a SBP requirements that the Static Data Identifier shall refer only to a single Reporting Period. A new Static Data Identifier shall be allocated for each Reporting Period and be in the form: SBP--XX--YY--ZZ Where: SBP--XX--YY is the BP certificate number issued by the CB. XX is 05, allocated to the CB by SBP. YY is 05, allocated by DNV GL. ZZ is a unique 2--digit integer unique to the Reporting Period and the Scope End--Point for biomass as determined by the BP.</p>	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	At the PA1, the BP had set up system for Static Data Identifiers (SDIs) and put the system into action in the DTS, the ID5C and the ID5B reports. However, the BP had used the ZZ position as a standard for each end-point. The BP has not fully developed the system of allocating the ZZ in ascending linear numerical order for each end-point (SBP--XX--YY--ZZ). Observation was raised to a MINOR. At PA2, the BP now uses the calendar year, where new zz numbers are given by start of the year and included in table overview with new zz value for each end-point. Correct SDIs and zz values used in DTS, ID5B and ID5C since the last audit (i.e. from March 2018 and onwards).
Findings for Evaluation of Evidence:	Table with list of SDIs and zz values distributed on end-points for 2018 and 2019. Correct SDIs and zz values used in DTS, ID5B and ID5C.
NC Status:	Closed

NC number IA-09-2017-SBP5	NC Grading: Major
Standard & Requirement:	SBP STD 5 Instruction Note 5B_5.1.1-5.1.4
Description of Non-conformance and Related Evidence:	
<p>The BP has only just started up this recording and has set up system to record the data via the transporters reporting and the Tradenda app. But at the time of the audit, no real data was recorded yet, not was there a system operating, such as log books or electronic code/card systems to allocate the use of fossil fuel to processing (biomass production) or transport.</p>	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	At the PA1, system set up to record the number of km driven for each truck load and then to calculate use of fossil fuel used to chip the roundwood and to load and unload wood chips on storage. Records on diesel use of the mobile loader on the storage seen. The NC was partly met, but the BP had not specified if using reference consumption values. The reference values are used for calculating use each month based on best known data. At PA2, the BP has submitted updated SAR (wood chips) with information on reference values used for the energy used for forestry and chipping in the forest.
Findings for Evaluation of Evidence:	Updated SAR (wood chips) with precise information on reference values used for the energy used for forestry and chipping in the forest.

NC Status:	Closed
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NC number P1-01-2018-SBP1	NC Grading: Minor
Standard & Requirement:	SBP Standard 1, 2.1.1, 2.1.2, 2.2.3, 2.2.4
Description of Non-conformance and Related Evidence:	
<p>For the SBP-endorsed RRA for Denmark, June 2017, the four specified risk indicators, there is a specific focus on :5. Feedstock from uneven--aged stands or stands of broadleaf species: Due to no legal requirement for identification and mapping of Key biotopes, it is assessed that for all other forest sources of biomass feedstock, the risk of HCVs being present, but not identified or mapped is SPECIFIED. Although the company has strong focus on field verification and checking forest operation sites for HCVs (see risk mitigation measures described in the SBR and the DNVGL PSR), the company has not in the implemented risk mitigation measures showed specific focus on the concept of key biotopes.</p>	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	The BP has participated in a training on key biotopes performed by third party. The BP has revised the procedures describing the mitigation measures, the checklist for screening and field verification to include field on checking key biotopes, as well as the Tradenda app, so that the harvesting sites are always checked for key biotopes and reported both digital and in the field.
Findings for Evaluation of Evidence:	Review of the description of the mitigation measures, the checklist for screening and field verification, the Tradenda app, as well as examples seen in the field of harvesting sites close to key biotopes with data found in the digital tradenda report and conserved in the field.
NC Status:	Closed

NC number P1-02-2018-SBP4	NC Grading: Minor
Standard & Requirement:	SBP Standard 4, 5.5.2, instruction note 4B, 2.2
Description of Non-conformance and Related Evidence:	
The BP's invoices state "SBP compliant biomasse" and not the correct claim "SBP-compliant biomass".	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	The BP has corrected the SBP claim on the invoices issued for SBP-compliant biomass Examples of invoices seen. Correct claim included: SBP-compliant biomass.
Findings for Evaluation of Evidence:	Examples of invoices seen and the system of applying correct SBP claim on invoices issued for SBP-compliant biomass demonstrated.
NC Status:	Closed

NC number P1-03-2018-SBP4	NC Grading: Observation
Standard & Requirement:	SBP Standard 4, 6.3.2
Description of Non-conformance and Related Evidence:	
Denmark has the second lowest corruption in the world according to the CPI. At the time of the audit, the company could not find the Anti-corruption policy but during the audit, the company again formulated the policy and included it in the procedures manual as a short section appropriate to the small size of the company. This is an observation issued as a reminder to keep procedures in line with SBP requirements.	
Timeline for Conformance:	Other
Evidence Provided by Company to close NC:	The BP has revised the procedures manual since the last audit and the anti-corruption policy is still included and found sufficient (entreprenørhåndbogen Version 04; 22. januar 2019)
Findings for Evaluation of Evidence:	Anti-corruption policy in SBP procedures manual found sufficient.
NC Status:	Closed

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):	Kimmo Haarala
Date of decision:	01/Apr/2020
Other comments:	Based on the assessment process, it has been shown that the management system implemented by the BP meets the requirements of the applicable SBP standards and the certificate remains valid. The corrective actions resulting from the minor NCs shall be initiated and implemented within 12 months following this surveillance.