



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

Re-assessment

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Completed in accordance with the CB Public Summary Report Template Version 1.5

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

Document history

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1 Overview

Certification Body (CB) Name:	NEPCon OÜ
Primary CB contact for SBP:	Ondrej Tarabus
Primary CB contact email:	otarabus@preferredbynature.org
Audit team leader:	Christian Rahbek
Audit team members:	Christian Rahbek
Name of the Company:	Södra Wood A/S
Company legal address:	Frydenborgvej 27N 1. sal, 3400 Hillerød, Denmark
Company contact for SBP:	Frank Lunk Larsen
Company contact email:	frank.larsen@sodra.com
Company website:	N/A
SBP Certificate Code:	SBP-01-48
Date of certificate issue:	02 Nov 2021
Date of certificate expiry:	01 Nov 2026
Audit closing meeting date:	18 May 2021
Audit cycle:	Re-assessment

2 Scope of the evaluation and SBP certificate

Scope Item	Check all that apply to the Certificate Scope	Change in scope (N/A for Assessments)
Primary Activity:	Trader	<input type="checkbox"/>
Approved Standards:	SBP Standard 4: Chain of Custody; SBP Standard 5: Collection and Communication of Data Instruction; Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.4; SBP Standard 5: Collection and Communication of Data Instruction	<input type="checkbox"/>
Includes Supply Base Evaluation (SBE):	No	<input type="checkbox"/>
Includes communication of Dynamic Batch Sustainability Data (DBSD)	No	<input type="checkbox"/>
Includes Group Scheme	No	<input type="checkbox"/>
Products	Chips, Pellets	<input type="checkbox"/>

Feedstock types:	Other	<input type="checkbox"/>
Feedstock origin (countries):	N/A	<input type="checkbox"/>
SBP-endorsed Regional Risk Assessments used: Public link: https://sbp-cert.org/documents/standards-documents/risk-assessments/	Not applicable	<input type="checkbox"/>
Chain of custody system implemented:	FSC: FSC CoC (NC-COC-011838) and PEFC CoC (NC-PEFC/COC-000130)	<input type="checkbox"/>
	Transfer	<input type="checkbox"/>

2.1 Description of the company

The main activity in Södra Wood A/S is trading of sawn timber, with storage and minor production activities at subcontractors. The scope related to trading activities for SBP products is solely trading of wood pellets and wood chips without physical possession.

2.2 Detailed description of the Chain of Custody system

The organization holds valid FSC and PEFC certificates with transfer systems implemented. There is no physical ownership of the traded SBP Biomass products, and physical segregation is maintained on a shipment level for all orders. The purchase and sales are usually made in exactly the same place under the INCOTERM FOB (both purchase and sale) but could also be CIF or at customer's facilities; there is no physical ownership or handling at Södra Wood facilities. The organization has established procedures for calculation and communication of GHG profile due to transport for pellets or chips under Södra Wood ownership by means of filling in the SREG document.

3 Specific objective

The specific objective of this surveillance audit was to confirm that the Biomass Producer's management system is being implemented in accordance with SBP standard requirements applicable to traders, including the use outsourced storage functions, and maintaining conformance with SBP CoC and FSC CoC requirements, including activities handled by subcontractors.

This report documents the third annual surveillance audit.

The organization holds valid FSC and PEFC certificates with transfer systems implemented. The point of purchase varies, and can be FOB, at storage facilities in several ports or EXW at the biomass production facility, and the point of sale can be FOB at export harbour, CIF at harbour or at customer's facilities.

The scope of the evaluation covered:

- Review of the BP's documented procedures;
- Review of the storage / logistics processes,
- Review of FSC system control points, analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records on-site.

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Christian Rahbek	0,0
2. On-site (excl. travel time)	Christian Rahbek	0,0
3. Report writing	Christian Rahbek	0,0
4. Other	Christian Rahbek	1,0

Audit Schedule			
Activity	Location	Auditor name	Date/time
<i>Opening meeting</i>	Main office (remote audit)	Christian Rahbek	18 May 2021/14:30
<i>Documents review</i>	Main office (remote audit)	Christian Rahbek	18 May 2021/14:45
<i>DCS and Interviews with responsible staff</i>	Main office (remote audit)	Christian Rahbek	18 May 2021/15:15
<i>Closing Meeting</i>	Main office (remote audit)	Christian Rahbek	18 May 2021/15:45

Auditor qualification		
Auditor name	Role	Qualification
Christian Rahbek	Audit Team Leader	M.Sc. (Forestry) from University of Copenhagen. Has passed NEPCoN Lead Auditor Training for FSC and PEFC FM and CoC certification. Experience from more than 10 years of FSC and PEFC CoC and FM audits. Approved as SBP Lead auditor in January 2017.

4.2 Description of evaluation activities

The reassessment audit was conducted remotely, and started with an opening meeting attended by Managing Director Frank Lund Larsen, Rasmus Vadmand, Mikkel Jæger and Lars Herschend.

Auditor introduced himself, provided information about audit plan, methodology and aim of the audit. CB's approval related issues and confidentiality issues were covered as well.

After that auditor went through all applicable requirements of the standard covering management system, CoC (including critical control points: biomass identification, claims, purchase and sale balance), recordkeeping requirements and verification of SBP compliant biomass. Later, the purchasing and logistics functions were audited. During the process overall responsible person for SBP system and staff having key responsibilities within the system was interviewed.

Analysis of CCPs: The scope and current activities related to the trade of SBP biomass as defined in the scope of the certificate is quite simple as all trades are done back to back with no physical possession. As all SBP claims are carried forward in the DTS directly from the supplier to the customer, the main critical control points related to the document checks, and the risks related to these are largely countered by the implementation of the DTS.

During the closing meeting auditor explained the results of the audit to Managing Director Frank Lund Larsen, Rasmus Vadmand, Mikkel Jæger and Lars Herschend. and further actions were discussed.

4.3 Sampling methodology

All purchase, transport and sales documents for 3 out of 5 transactions were reviewed. All involved staff were interviewed.

4.4 CB stakeholder engagement

Not applicable

4.5 Stakeholder feedback

There has been no stakeholder consultation process conducted in connection with this audit, and neither the CH nor the CB has received any comments or complaints pertaining any element of the CoC system since the certificate was issued.

5 Results

5.1 Main strengths and weaknesses

The main strengths of the organization lie with the relatively simple activities relating to SBP-compliant biomass. The staff carrying the main responsibilities for the SBP CoC system and biomass sustainability characteristics showed good competence and dedication to implementing and maintaining the system during the audit. No specific weaknesses of the organization's SBP certification has been identified.

5.2 Rigour of Supply Base Evaluation

Not applicable, Trader only.

5.3 Collection and communication of data

Södra Wood is not responsible for compilation of GHG data in cases for any GHG emissions when the point of purchase is the same as the point of sale. There could potentially be sales orders where the material is transported under the ownership of the organization. In these situations, the organization is responsible for collecting and reporting the GHG data for the transport in a SREG file in DTS.

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

5.4 Competency of involved personnel

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

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

Not applicable, Trader only.

6.2 Specified risk indicators and mitigation measures

Country/Area	Indicator	Specified risk description	Mitigation measure
N/A	N/A	N/A	N/A

7 Non-conformities and observations

N/A

8 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):	Olesja Puiso
Date of decision:	29 May 2021
Other comments:	N/A