Supply Base Report:
Biomasse Børsen ApS

Fourth Surveillance Audit

www.sbp-cert.org

Completed in accordance with the Supply Base 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

Document history

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Contents

1 Overview

Producer name: Biomasse Børsen ApS

Producer address: Stavnagervej 2, DK-6760 Ribe, Denmark

SBP Certificate Code: SBP-05-07

Geographic position: 55.331240, 8.876107

Primary contact: Paul Lillelund, +45 3131 8044,pl@biomasseborsen.dk

Company website: www.biomasseborsen.dk

Date report finalised: 11 Feb 2021

Close of last CB audit: 20 Feb 2020

Name of CB: DNV GL Business Assurance Finland Oy Ab

SBP Standard(s) used: SBP Standard 1: Feedstock Compliance Standard, SBP Standard 2: Verification of SBP-compliant Feedstock, SBP Standard 4: Chain of Custody, SBP Standard 5: Collection and Communication of Data Instruction

Weblink to Standard(s) used: https://sbp-cert.org/documents/standards-documents/standards

SBP Endorsed Regional Risk Assessment: Denmark

Weblink to SBR on Company website: www.biomasseborsen.dk

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations					
Main (Initial) Evaluation	**First Surveillance**	**Second Surveillance**	**Third Surveillance**	**Fourth Surveillance**	**Re-assessment**
☐	☐	☐	☐	☒	☐

2 Description of the Supply Base

2.1 General description

Feedstock types: Primary

Includes Supply Base evaluation (SBE): Yes

Feedstock origin (countries): Denmark

2.2 Description of countries included in the Supply Base

Country: Denmark

Area/Region: DK

Exclusions: No

General description of the Danish forest and forestry

In Denmark there are approximately 625.000 ha forest equivalent to 15 % of the total land area. Other woodlands cover approx. 44.000 ha. Over time it is expected that the forest area will increase. The total amount of growing stock is approximately 130 mio m3. The volume of wood in the forests has increased rapidly since year 2000 because off the area with forest still increases and a slightly higher volume pr hectare.

In the Danish forest are there in general several different tree species. The most common species are spruce 15%, beech 14% and oak 10%. Other species is represented by pine 11%, sitkaspruce 6%, nordmann 5%, nobelis 2%, other fir species 10%, maple 4%, birch 7%, ash 3% and other broadleaf 9%. Unplanted area is around 4%. In total broadleaf represents 47% and conifers 49% of the total forest area. The remaining area is unplanted or areas there the species have not been able to identify. None of the species are CITES or IUCN species.

The total number of estates in Denmark is estimated 28.000. Of the total number of estates 89% have between 0,5 and 20 hectares. The other estates have larger area, the main part have less than 500 hectares. Very few have more than 5.000 hectares.

Mostly forest is private owned, ether as private persons 59% or by companies 10% and funds 6%. The forest owned by the State represents 19%, municipalities and other public institutions represents 6%. The ownership structure of the Danish forest is represented by many private owners with less than 20 hectares.

In Denmark is it not legislated by law to have an operational forestplan for the specific estate, as well as the authorities do not require any harvest application by the owner.

The owners of Danish forest are organised in different local and national associations. Dansk Skovforening is the organisation for private forest owners.

Around 6.000 owners of private forests are organised in local forestry associations. These associations serve the owners by advising, forestry operations and participate in some forestry political discussions. In the same way do many private owners use HedeDanmark and other private forestry advisers.

There are two certification standards in forestry - PEFC or FSC. The Danish State Forest has both certification. The private, state and municipal owned forest represent approx. 275.000 hectares PEFC and 225.000 hectares FSC.

The total income from forest products generated around 1 billion krones. In 2015 sales revenue from energywood aggregated 300 mio kroner.

Operation mode in Danish forestry is all over devided in production of conifer and broadleaf. Conifers are mainly produced I Jutland. The production scheme is often 3-4 thinnings and clearfell followed by replanting. Broadleaf is operated both by natural generation and by replanting after clearfell. In general, the area with mixed species is increasing.

IUCN and CITES species

In general, there are none IUCN and CITES species in the Danish forest. The Danish red-list with threatened species include many species related to forest.

High nature values in forest

There are no regulatory requirements to map high nature value or areas with red listed species in Denmark. Monuments and protected areas etc. are mapped – also in forest.

The authorities motivate private forest owners to map high nature values, nature elements and red listed species by subsidies to make a Green Management Plan. Many private forests have already mapped high nature values and sensitive areas in a Green Management Plan.

The most important nature values are restricted by forest Act §28 (Skovloven) and Nature Conservation Act §3 (Naturbeskyttelsesloven). §3 areas is regular mapped by the authorities.

Natura 2000 areas, that consist Natura 2000 habitats and species is mapped and is controlled by authorities.

In Denmark all these registrations can be find on web Miljøportalen, which is a public webportal with maps and information.

Kilder:

Nord-Larsen, Thomas et al, *Skove og Plantager 2014,* Skov og Landskab, 2014

PEFC Denmark, http://www.pefc.dk/bliv-certificeret/skovcertificering

FSC Denmark, https://dk.fsc.org/dk-dk/hvad-er-fsc/fsc-i-danske-tal

2.3 Actions taken to promote certification amongst feedstock supplier

Biomasse Børsen typically sources the feedstock through contractors, that have direct contact to the forest owner.

In cases where Biomasse Børsen is directly involved in the forest operations, the management of the forest operation is solved with advising about forestry. Indirectly that also means that the management operations Biomasse Børsen handles is paying attention to high nature values like fx key nature elements, Natura 2000 or §3 habitats by Biomasse Børsens programme for screening and control.

By dialogue, guidance and supervision Biomasse Børsen advises the contractors and forest owners in solving his forest operation also to take care of the nature. Through the guidelines etc. the contractors are showing an increasingly sustainable behaviour. Biomasse Børsen trades some biomass with FSC and/or PEFC standards.

2.4 Quantification of the Supply Base

Supply Base

a. **Total Supply Base area (million ha)**: 0,60
b. **Tenure by type (million ha):**0.43 (Privately owned), 0.11 (Public), 0.06 (Community concession)
c. **Forest by type (million ha):**0.60 (Temperate)
d. **Forest by management type (million ha):**0.55 (Plantation), 0.05 (Managed natural)
e. **Certified forest by scheme (million ha):**0.23 (FSC), 0.28 (PEFC)

Describe the harvesting type which best describes how your material is sourced: Mix of the above
Explanation: Chips are made from thinning operations and branch ressidues from final harvest
Was the forest in the Supply Base managed for a purpose other than for energy markets? Yes - Majority
Explanation: The forests are grown for producing timber. In the lifecycle from establising new forest/plants to clearcut there are som thinningoperation and finally branches after clearfelling. Chips are only made from lowvalue wood that not can be used for sawmills.

For the forests in the Supply Base, is there an intention to retain, restock or encourage natural regeneration within 5 years of felling? Yes - Majority
Explanation: Most of the wood chips are produced from forest areas, which are reforested/regenerated with trees.

Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation? N/A
Explanation: N/A

Feedstock

Reporting period from: 01 Jan 2020

Reporting period to: 31 Dec 2020

a. **Total volume of Feedstock**: 1-200,000 tonnes
b. **Volume of primary feedstock**: 1-200,000 tonnes
c. **List percentage of primary feedstock, by the following categories.**
    - Certified to an SBP-approved Forest Management Scheme: 1% - 19%
    - Not certified to an SBP-approved Forest Management Scheme: 80% - 100%
d. **List of all the species in primary feedstock, including scientific name:** Abies alba (Silver fir); Abies grandis (Oregon fir); Abies nordmanniana (Nordmann fir); Abies procera (Nobel fir); Abies spp (Silver div); Larix spp (Larch); Picea abies (Norway Spruce); Picea glauca (White Spruce); Picea sitchensis (Sitka Spruce); Picea spp (Spruce div); Pinus contorta (Contorta pine); Pinus sylvestris (Scotch Pine); Pinus nigra (European black pine); Pinus strobus (Weymouth Pine); Pinus spp (Pine div); Acer pseudoplatanus (Maple); Alnus glutinosa (Common Alder); Betula pendula (Birch); Betula pubescens (Birch); Fraxinus excelsior (Ash); Salix spp (Willow); Quercus spp (Oak); Fagus sylvatica (Beech);
e. **Is any of the feedstock used likely to have come from protected or threatened species?** No
    - Name of species: N/A
    - Biomass proportion, by weight, that is likely to be composed of that species (%): N/A
f. **Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%):** 48,00
g. **Softwood (i.e. coniferous trees): specify proportion of biomass from (%):** 50,00
h. **Proportion of biomass composed of or derived from saw logs (%):** 2,00
i. **Specify the local regulations or industry standards that define saw logs:** N/A
j. **Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** 0,00
k. **Volume of primary feedstock from primary forest:** 0 N/A
l. **List percentage of primary feedstock from primary forest, by the following categories. Subdivide by SBP-approved Forest Management Schemes**:
    - 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: N/A
m. **Volume of secondary feedstock**: 0 N/A
    - Physical form of the feedstock: N/A
n. **Volume of tertiary feedstock**: 0 N/A
    - Physical form of the feedstock: N/A

Proportion of feedstock sourced per type of claim during the reporting period				
Feedstock type	**Sourced by using Supply Base Evaluation (SBE) %**	**FSC %**	**PEFC %**	**SFI %**
Primary	95,00	0,00	5,00	0,00
Secondary	0,00	0,00	0,00	0,00

Tertiary	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00

3 Requirement for a Supply Base Evaluation

Is Supply Base Evaluation (SBE) is completed? Yes

Biomasse Børsen harvests most of the biomass in forests with no certification. Because of that it is necessary to complete the Supply Base Evaluation, SBE, of the supply base Denmark. As part of the SBE, the SBP-endorsed Regional Risk Assessment for Denmark is used: RRA for Denmark, June 2017.

4 Supply Base Evaluation

4.1 Scope

Feedstock types included in SBE: Primary

SBP-endorsed Regional Risk Assessments used: Denmark

List of countries and regions included in the SBE:

Country: Denmark

Indicator with specified risk in the risk assessment used:
2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.

Specific risk description:
There can be defined different “source types” e.i. sources of biomass feedstock that share properties with regard to presence, mapping and protection HCVs, including Key biotopes and biodiversity in a broader sense, the following source types are defined and their risk levels assessed:

1. Feedstock originating from FSC or PEFC certified forests: LOW RISK.

2. Feedstock originating from forest estates with a Green Management plan: It is a requirement for receiving subsidies for developing a Green Management plan that HCV areas in the forest are identified and mapped. However, there is no strict requirement that the HCVs are monitored and protected from forest management. SPECIFIED RISK.

3. Feedstock from thinning in even--aged stands of conifers: LOW RISK.

4. Feedstock from thinning in first generation afforestation areas: LOW RISK.

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: SPECIFIED RISK.

6. Feedstock from non--forest areas, e.g. nature maintenance projects, windbreaks or residential areas: LOW RISK.

Country: Denmark

Indicator with specified risk in the risk assessment used:
2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.

Specific risk description:
There can be defined different “source types” e.i. sources of biomass feedstock that share properties with regard to presence, mapping and protection HCVs, including Key biotopes and biodiversity in a broader sense, the following source types are defined and their risk levels assessed:

1. Feedstock originating from FSC or PEFC certified forests: LOW RISK.

2. Feedstock originating from forest estates with a Green Management plan:

LOW RISK.

3. Feedstock from thinning in even--aged stands of conifers: LOW RISK.

4. Feedstock from thinning in first generation afforestation areas: LOW RISK.

5. <u>Feedstock from uneven--aged stands or stands of broadleaf species:</u> 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: <u>SPECIFIED RISK.</u>

6. Feedstock from non--forest areas, e.g. nature maintenance projects, windbreaks or residential areas: LOW RISK.

Country: Denmark

Indicator with specified risk in the risk assessment used:
2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).

Specific risk description:

Based on the existing protection through the Forest Act and designation of Natura 2000 areas and individual protected areas, it is concluded that larger scale key ecosystems and habitats are sufficiently protected, and that sourcing of feedstock for biomass does not pose a threat towards these areas.

As mentioned in the findings for criteria 2.1.1 it is likely that a large number of smaller areas or biotopes of local or regional importance to biodiversity or as species habitats, in a Danish context called Key Biotopes (“nøglebiotoper”), which are not systematically identified and mapped.

Based on a precautionary approach the risk assessment conclude that for these areas the risk is specified based on the same findings as for Indicators 2.1.1 and 2.1.2.

Country: Denmark

Indicator with specified risk in the risk assessment used:
2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).

Specific risk description:

As this Indicator is seen as being partially covered by Indicators 2.1.1 and 2.1.2, for which low risk must be demonstrated or reached through mitigating measures. The risk for this Indicator is also assessed as Specified.

Required risk mitigation measures are the same as outlined for Indicators 2.1.1 and 2.1.2.

4.2 Justification

Biomasse Børsen' SBE evaluation is based on the SBP-endorsed Regional Risk Assessment for Denmark, June 2017. The cost to make the NRA for Denmark is financed by different stakeholders, among them Biomasse Børsen. In the process, all indicators in Standard 1 is answered and the risk level evaluated for every single indicator. SBP-endorsed Regional Risk Assessment for Denmark is made by Nepcon, and they have got their information in Danish laws, guidelines, interviews of relevant persons as well as consultations.

Biomasse Børsen have worked through SBP-endorsed Regional Risk Assessment for Denmark. Biomasse Børsen comes to the same result as in the RRA with the four indicators as “specified risk”. Biomasse Børsen is applying the same risk specification as in the SBP-endorsed Regional Risk Assessment for Denmark and based on these developed risk mitigation meaures and management procedures to secure low risk for all indicators including the four indicators with specified risk in the RRA for Denmark. See risk mitigation measures beneath in section 7.

4.3 Results of risk assessment and Supplier Verification Programme

Biomasse Børsen concludes as the RRA, that there is low risk in all indicators except four indicators with “specified risk”. To these four indicators with “specified risk” Biomasse Børsen has described and implemented mitigation measures.

The four indicators is:

- 2.1.1 Forests with high conservation values are identified and mapped:

    - 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: SPECIFIED RISK.

- 2.1.2 Potential threats to forests and other areas with high conservation values from forest managements activities is identified and addressed:

    - 2. Feedstock originating from forest estates with a Green Management plan: It is a requirement for receiving subsidies for developing a Green Management plan that HCV areas in the forest are identified and mapped. However, there is no strict requirement that the HCVs are monitored and protected from forest management. SPECIFIED RISK.
    -
    - 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: SPECIFIED RISK.

- 2.2.3 Conservation of key ecosystems and habitats: Same conclusion as 2.1.1 and 2.1.2

- 2.2.4 Procedures to ensure protection of biodiversity: Same conclusion as 2.1.1 and 2.1.2.

For every single feedstock supply, Biomasse Børsen buys, a project is made including a project-number. For every project, a forest/land map, checklist and work instruction is prepared. All available information about HNV and other nature values is controlled in an app based on the maps on the Danish public environmental data portal: Miljøportalen.

In the following is mitigation measures explained if the area for harvest of feedstock has “specified risk”. The process is described in details in Biomasse Børsens instruction “Entreprenørhåndbog” and the instruction note for screening.

The SBE RRA concludes that all stands with broadleaf and uneven-aged stands in none FSC and none PEFC forests requires further analysis / physical screening.

Feedstock from either certified forests or from thinnings and afforestation and even-aged stands is considered low risk.

4.4 Conclusion

Biomasse Børsen has developed a Supplier Verification Programme, SVP. The supplier program, Entreprenørhåndbogen chapter 4.3, is designed to secure that Biomasse Børsen can source primary feedstock, which can be sold as SBP-compliant.

Biomasse Børsen Biomasse Børsen has developed a control system with Entrerprenørhåndbogen, instructions and tools that the contractors are trained in using. Supplier training and verification is done of all contractors, which produces biomass of primary feedstock, that will be sold as SBP-compliant. The results of the supplier verification on the contractors shows that the risk mitigation measures ensure the nature values at the feedstock area are protected and kept intact, and that the indicators with “specified risk” is possible to classify low risk. The systematic way to solve a project using checklist, map and work instructions, and the completion of SVP secure low risk for the four indicators with “specified risk”. In the forest management operations, where mitigation measures are demanded, the mitigation measures are described in a work instruction, the screening is performed and maps prepared, as well as a physical inspection at the place of harvesting the feedstock. The contractors get the maps and work instruction, and Biomasse Børsen continuously has contact to the contractors. Taking the staffs professionalism and competences including their education in forestry (BSc and MSc) and several years of practice in production of biomass and nature management in account, the necessary competences and qualifications to identify and manage risks is found to be meet. Further, all contractors that work on sensitive locations have done the national training course “Maskinfærdsel på naturnære arealer” (“Management of machines on nature valuable habitats”). For the four indicators with “specified risk”, mitigation measures include a screening of all known data, which are transfered on maps and a physical inspection of the feedstock area is done. Combined with the SVP program containing training and instructions of subcontractors, all 38 indicators in standard 1 and the RRA for Denmark arrive at low risk.

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The systematic way to solve a project using checklist, map and work instructions, and the completion of SVP secure low risk for the four indicators with “specified risk”. In the forest management operations, where mitigation measures are demanded, the mitigation measures are described in a work instruction, the screening is performed and maps prepared, as well as a physical inspection at the place of harvesting the feedstock. The contractors get the maps and work instruction, and Biomasse Børsen continuously has contact to the contractors.

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5 Supply Base Evaluation process

The SBP-endorsed Regional Risk Assessment for Denmark was approved by SBP in 2017.

As written in the SBP-endorsed Regional Risk Assessment for Denmark, low risk is identified for all indicators except from the following four indicaotrs, with “specified risk”: 2.1.1, 2.1.2, 2.2.3 and 2.2.4.

Biomasse Børsen uses the SBP-endorsed Regional Risk Assessment for Denmark. The SBP-endorsed Regional Risk Assessment for Denmark is financed by different stakeholders, among them Biomasse Børsen. Nepcon was contracted to do the RRA and has in the process of the Supply Base Evaluation for Denmark consulted different stakeholders. The result of the process with the SBP-endorsed Regional Risk Assessment for Denmark, all indicators in SBP Standard 1 were answered and the risk level is evaluated with information from current legislation, guidelines, interview with relevant persons /stakeholders and consultations.

Biomasse Børsen applies risk mitigation measures in accordance with the risk specifications in the SBP-endorsed Regional Risk Assessment for Denmark, combined with Biomasse Børsens own management procedures, to secure low risk for also the four indicators with specified risks.

To minimize the risks, Biomasse Børsen have working procedures, that fulfill the requirements. A detailed description can be found In chapter 7.

Biomasse Børsen implements a Supplier Verification Programme, SVP, with instruction and training of the subcontractors followed up by a monitoring control system.

Biomasse Børsen have used both internal and external persons to develop the risk mitigation measures. The risk mitigation and SVP programme is made of Biomasse Børsens own staff, which is educated in forestry (BSc and MSc) and have several years of experience producing biomass and advising owners of forests.

6 Stakeholder consultation

Before achieving SBP certification in 2017, Biomasse Børsen has on 27th of January 2017 done a consultation by different stakeholders by sending the SBR by email to the stakeholders beneath. The stakeholders had 30 days to respond.

Organisation Person Email adresse

Dansk Fjernvarme Kate Wieck-Hansen kwh@danskfjernvarme.dk

Dansk Energi Kristine Van Het Erve Grunnet keg@danskenergi.dk

Energistyrelsen Lars Martin Jensen lmj@ens.dk

Dansk Skovforening Marie-Louise Bretner mlb@skovforeningen.dk

FSC Danmark Sofie Tind Nielsen sofie@fsc.dk

PEFC Danmark Morten Thorøe mt@pefc.dk

KU Vivian Kvist Johansen vkj@ign.ku.dk

Friluftsrådet Thorbjørn Eriksen toe@friluftsraadet.dk

WWF Bo Normander b.normander@wwf.org

Danmarks Naturfredningsforening Nora Skjernaa Hansen nah@dn.dk

DONG Energy Peter Kofod Kristensen pekkr@dongenergy.dk

6.1 Response to stakeholder comments

Description:	Biomasse Børsen has not received any response from any of the stakeholders.
Comment:	No comments recieved
Response:	No comments recieved

7 Mitigation measures

7.1 Mitigation measures

Country:	Denmark
Specified risk indicator:	2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.
Specific risk description:	There can be defined different “source types” e.i. sources of biomass feedstock that share properties with regard to presence, mapping and protection HCVs, including Key biotopes and biodiversity in a broader sense, the following source types are defined and their risk levels assessed: 1. Feedstock originating from FSC or PEFC certified forests: LOW RISK. **2. Feedstock originating from forest estates with a Green Management plan: It is a requirement for receiving subsidies for developing a Green Management plan that HCV areas in the forest are identified and mapped. However, there is no strict requirement that the HCVs are monitored and protected from forest management. SPECIFIED RISK.** 3. Feedstock from thinning in even--aged stands of conifers: LOW RISK. 4. Feedstock from thinning in first generation afforestation areas: LOW RISK. **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: SPECIFIED RISK.** 6. Feedstock from non--forest areas, e.g. nature maintenance projects, windbreaks or residential areas: LOW RISK.
Mitigation measure:	

For all projects is risk assessment /screening made for the location there the feedstock is produced. This screening is made to clarify if the feedstock area can be classified low risk or specified risk (indicators: 2.1.1, 2.1.2, 2.2.3 and 2.2.4). If specified risk, shall mitigation measures be described and physical visit be done. The risk assessment is done using available information from maps, databases and by physical inspection of the feedstock area.

Screening and the mitigation measures contributes that Biomasse Børsen perform forest management operations at the feedstock area, in a way without negative impact on ecosystems, biodiversity and preservative areas – and in that way all indicators achieve low risk.

Feedstock areas shall be examined and mapped by using the procedure below. Maps is made in relevant applications fx. Arealinformation and Miljøgis which have HNV forest layer alternatively using the DM&E map-application with relevant layers.

- Each project get a unique project ID, and the ID follows on maps, workinstructionnotes, transport documents, invoices etc.

- For each project is made a map showing

i. Overview and detail map showing the feedstock area, and if any, the preserved spots

ii. On estates with FSC, PEFC and Green Management Plan is maps with regarding spots taking into account to ensure the nature values at the preserved areas. The relevant maps shall be attached the project.

- Doing the checklist

i. Screening on map, the relevant points in the checklist is marked

ii. Description of relevant mitigation measures

iii. Define the type of biomass

iv. Indication of responsible person for the screening

- Physical screening / visit at the feedstock site shall be done at

i. Broadleaf stands

ii. Unevenaged stands

iii. Areas with HNV values from value 10 and up

iv. Areas with conservations, ancient monuments etc.

- Definition of eventually key habitats and preserved areas.

Physical screening can be omitted if the feedstock area is

- Thinning in afforestation / first generation forest

- Thinning in evenaged conifer stand

- The feedstock area has no forest status (FAO definition), but legislative harvested

Each project has a work instruction note for the management operation as well as eventually mitigation measures is described.

Guidance to screening

Fill out the basic data and chose tree species (at more species describes the main species).

If the forest has FSC/PEFC certificate, are there maps showing spots where to pay attention regarding production of sustainable biomass production. The biomass producer shall have these maps available as well as the producer shall respect the procedures the forest in question. The valid number of certificate is recorded. Do the forest have a Green Management Plan shall the biomass producer have the maps showing attention spots available.

If the project is thinning in first generation afforestation, or an even aged conifer stand is it concluded, that the thinning is low risk concerning threats to important habitats, and of course do pay attention to mapping of other HCV types regarding annex 10

In cases there forest is transformed to another use fx agriculture, particular attention must be paid in the documentation /screening etc to ensure that the transformation do not conflict to current legislation, HNV is controlled for the area, and if the HNV>10 on the HNV-forestmap, particular attention must be taken in the operation regarding annex 11

If the operation is carried out on any §3 areas, there circumstances regarding Nature Conservation Act §3 must be followed. Often the local municipality must grant an exemption. Number of journal may be recorded in notes, annex 12

If the feedstock area is Natura 2000 shall there be paid attention depending on the reasons for the appointment, se annex 13

Ancient monuments and dikes may not be disturbed in the operation for biomass production, se annex 14

Conservative areas may be paid attention to the reason for the appointment. Often the local municipality shall grant exemption for operation in such areas, se annex 15

Information (often from the owner of the forest) about nesttrees, badgers homerange etc shall be recorded in notes.

Screening is done by professionals with current knowledge about nature and environmental legislation. At projects with “specified risk” physical screening is done by professionals and educated (BSc and MSc) in forestry, or by persons with valid “DM&E approved biomass producer”

Pilots on the forestry machines have been educated in “Maskinfærdsel på naturnære arealer” (“Management of machines on nature valuable habitats”) through the School of Forestry. The pilots are trained in understanding the workinstructionnotes and maps.

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If essential circumstances changes under the forest management operation regarding the workinstruction/-map, it will be recorded and send to the pilot for the following operation.

Observations that not correspond to production of SBP-compliant feedstock shall be recorded and mitigation measures shall be done. In cases there the risk not can be reduced the biomass can – regarding legislative rights – be classified non-compliant and be kept separated from the SBP-compliant biomass.

Country: Denmark

Specified risk indicator: 2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.

Specific risk description: There can be defined different “source types” e.i. sources of biomass feedstock that share properties with regard to presence, mapping and protection HCVs, including Key biotopes and biodiversity in a broader sense, the following source types are defined and their risk levels assessed:

1. Feedstock originating from FSC or PEFC certified forests: LOW RISK.

2. Feedstock originating from forest estates with a Green Management plan:

LOW RISK.

3. Feedstock from thinning in even--aged stands of conifers: LOW RISK.

4. Feedstock from thinning in first generation afforestation areas: LOW RISK.

5. <u>Feedstock from uneven--aged stands or stands of broadleaf species:</u> 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: <u>SPECIFIED RISK.</u>

6. Feedstock from non--forest areas, e.g. nature maintenance projects, windbreaks or residential areas: LOW RISK.

Mitigation measure:

For all projects is risk assessment /screening made for the location there the feedstock is produced. This screening is made to clarify if the feedstock area can be classified low risk or specified risk (indicators: 2.1.1, 2.1.2, 2.2.3 and 2.2.4). If specified risk, shall mitigation measures be described and physical visit be done. The risk assessment is done using available information from maps, databases and by physical inspection of the feedstock area.

Screening and the mitigation measures contributes that Biomasse Børsen perform forest management operations at the feedstock area, in a way without negative impact on ecosystems, biodiversity and preservative areas – and in that way all indicators achieve low risk.

Feedstock areas shall be examined and mapped by using the procedure below. Maps is made in relevant applications fx. Arealinformation and Miljøgis which have HNV forest layer alternatively using the DM&E map-application with relevant layers.

- Each project get a unique project ID, and the ID follows on maps, workinstructionnotes, transport documents, invoices etc.

- For each project is made a map showing

i. Overview and detail map showing the feedstock area, and if any, the preserved spots

ii. On estates with FSC, PEFC and Green Management Plan is maps with regarding spots taking into account to ensure the nature values at the preserved areas. The relevant maps shall be attached the project.

- Doing the checklist

i. Screening on map, the relevant points in the checklist is marked

ii. Description of relevant mitigation measures

iii. Define the type of biomass

iv. Indication of responsible person for the screening

- Physical screening / visit at the feedstock site shall be done at

i. Broadleaf stands

ii. Unevenaged stands

iii. Areas with HNV values from value 10 and up

iv. Areas with conservations, ancient monuments etc.

- Definition of eventually key habitats and preserved areas.

Physical screening can be omitted if the feedstock area is

- Thinning in afforestation / first generation forest

- Thinning in evenaged conifer stand

- The feedstock area has no forest status (FAO definition), but legislative harvested

Each project has a work instruction note for the management operation as well as eventually mitigation measures is described.

Guidance to screening

Fill out the basic data and chose tree species (at more species describes the main species).

If the forest has FSC/PEFC certificate, are there maps showing spots where to pay attention regarding production of sustainable biomass production. The biomass producer shall have these maps available as well as the producer shall respect the procedures the forest in question. The valid number of certificate is recorded. Do the forest have a Green Management Plan shall the biomass producer have the maps showing attention spots available.

If the project is thinning in first generation afforestation, or an even aged conifer stand is it concluded, that the thinning is low risk concerning threats to important habitats, and of course do pay attention to mapping of other HCV types regarding annex 10

In cases there forest is transformed to another use fx agriculture, particular attention must be paid in the documentation /screening etc to ensure that the transformation do not conflict to current legislation, HNV is controlled for the area, and if the HNV>10 on the HNV-forestmap, particular attention must be taken in the operation regarding annex 11

If the operation is carried out on any §3 areas, there circumstances regarding Nature Conservation Act §3 must be followed. Often the local municipality must grant an exemption. Number of journal may be recorded in notes, annex 12

If the feedstock area is Natura 2000 shall there be paid attention depending on the reasons for the appointment, se annex 13

Ancient monuments and dikes may not be disturbed in the operation for biomass production, se annex 14

Conservative areas may be paid attention to the reason for the appointment. Often the local municipality shall grant exemption for operation in such areas, se annex 15

Information (often from the owner of the forest) about nesttrees, badgers homerange etc shall be recorded in notes.

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Country: Denmark

Specified risk indicator: 2.2.3 The BP has implemented appropriate control systems and procedures

to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).

Specific risk description:

Based on the existing protection through the Forest Act and designation of Natura 2000 areas and individual protected areas, it is concluded that larger scale key ecosystems and habitats are sufficiently protected, and that sourcing of feedstock for biomass does not pose a threat towards these areas.

As mentioned in the findings for criteria 2.1.1 it is likely that a large number of smaller areas or biotopes of local or regional importance to biodiversity or as species habitats, in a Danish context called Key Biotopes (“nøglebiotoper”), which are not systematically identified and mapped.

Based on a precautionary approach the risk assessment conclude that for these areas the risk is specified based on the same findings as for Indicators 2.1.1 and 2.1.2.

Mitigation measure:

For all projects is risk assessment /screening made for the location there the feedstock is produced. This screening is made to clarify if the feedstock area can be classified low risk or specified risk (indicators: 2.1.1, 2.1.2, 2.2.3 and 2.2.4). If specified risk, shall mitigation measures be described and physical visit be done. The risk assessment is done using available information from maps, databases and by physical inspection of the feedstock area.

Screening and the mitigation measures contributes that Biomasse Børsen perform forest management operations at the feedstock area, in a way without negative impact on ecosystems, biodiversity and preservative areas – and in that way all indicators achieve low risk.

Feedstock areas shall be examined and mapped by using the procedure below. Maps is made in relevant applications fx. Arealinformation and Miljøgis which have HNV forest layer alternatively using the DM&E map-application with relevant layers.

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- Doing the checklist

i. Screening on map, the relevant points in the checklist is marked

ii. Description of relevant mitigation measures

iii. Define the type of biomass

iv. Indication of responsible person for the screening

- Physical screening / visit at the feedstock site shall be done at

i. Broadleaf stands

ii. Unevenaged stands

iii. Areas with HNV values from value 10 and up

iv. Areas with conservations, ancient monuments etc.

- Definition of eventually key habitats and preserved areas.

Physical screening can be omitted if the feedstock area is

- Thinning in afforestation / first generation forest

- Thinning in evenaged conifer stand

- The feedstock area has no forest status (FAO definition), but legislative harvested

Each project has a work instruction note for the management operation as well as eventually mitigation measures is described.

Guidance to screening

Fill out the basic data and chose tree species (at more species describes the main species).

If the forest has FSC/PEFC certificate, are there maps showing spots where to pay attention regarding production of sustainable biomass production. The biomass producer shall have these maps available as well as the producer shall respect the procedures the forest in question. The valid number of certificate is recorded. Do the forest have a Green Management Plan shall the biomass producer have the maps showing attention spots available.

If the project is thinning in first generation afforestation, or an even aged conifer stand is it concluded, that the thinning is low risk concerning threats to important habitats, and of course do pay attention to mapping of other HCV types regarding annex 10

In cases there forest is transformed to another use fx agriculture, particular attention must be paid in the documentation /screening etc to ensure that the transformation do not conflict to current legislation, HNV is controlled for the area, and if the HNV>10 on the HNV-forestmap, particular attention must be taken in the operation regarding annex 11

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Country: Denmark

Specified risk indicator: 2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).

Specific risk description:

As this Indicator is seen as being partially covered by Indicators 2.1.1 and 2.1.2, for which low risk must be demonstrated or reached through mitigating measures. The risk for this Indicator is also assessed as Specified.

Mitigation measure:

Required risk mitigation measures are the same as outlined for Indicators 2.1.1 and 2.1.2.

For all projects is risk assessment /screening made for the location there the feedstock is produced. This screening is made to clarify if the feedstock area can be classified low risk or specified risk (indicators: 2.1.1, 2.1.2, 2.2.3 and 2.2.4). If specified risk, shall mitigation measures be described and physical visit be done. The risk assessment is done using available information from maps, databases and by physical inspection of the feedstock area.

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7.2 Monitoring and outcomes

Biomasse Børsen assess after further analysis that biomass can be produced with low risk on:

- - Thinning I conifer stands

- - Thinning in afforestation

- - Biomass from estates with valid PEFC/FSC certificate

- - Estates with Green Management Plan

Regarding the above, it assessed that biomass from the following locations shall follow the procedures of risk mitigation measures for “specified risk” to achieve low risk. These forest types are are:

- - Uneven aged stands without PEFC/FSC or Gren Management Plan

- - Broadleaf stands.

The Supplier Verification Programme is in this writing moment done by three subcontractors with good results. The suppliers give positive feedback on the useful worktools /systems Biomasse Børsen have available, and they appreciate the supervision, help and guidelines they get.

Of course, it takes some time to be confidential with the procedures, and because of that Biomasse Børsen pays more attention to follow up and control of origin and the management of biomass production. Especially extra control is performed on projects sourced from locations with “specified risk”.

Regarding the 38 indicators in SBP Standard 1 and the completed SBE RA and SVP, Biomasse Børsen considers with the implemented procedures fx by screening the feedstock area that all 38 indicators achieves low risk – and that also means the “specified risk” indicators:

- 2.1.1 Forests with high conservation values are identified and mapped

- 2.1.2 Potential threats to forests and other areas with high conservation values from forest managements activities is identified and addressed

- 2.2.3 Conservation of key ecosystems and habitats

- 2.2.4 Procedures to ensure protection of biodiversity

Has achieved low risk.

8 Detailed findings for indicators

Detailed findings for each Indicator are given in Annex 1 in case the Regional Risk Assessment (RRA) is not used.

Is RRA used? Yes

9 Review of report

9.1 Peer review

To ensure the validity of this report it shall be reviewed and the comments shall be incorporated in the report. Claus Clemmensen, consultant at DM&E have reviewed this report, and his comments are incorporated. Claus Clemmensen, DM&E have represented one of the stakeholders / interests there have been consulted in the SBP-work for Denmark. This report is also read by DNVGL, and they have reviewed the report.

9.2 Public or additional reviews

To ensure the validity of this report it shall be reviewed and the comments shall be incorporated in the report. Claus Clemmensen, consultant at DM&E have reviewed this report, and his comments are incorporated. Claus Clemmensen, DM&E have represented one of the stakeholders / interests there have been consulted in the SBP-work for Denmark. This report is also read by DNVGL, and they have reviewed the report.

10 Approval of report

Approval of Supply Base Report by senior management			
Report Prepared by:	**Paul Lillelund**	**Partner/ ceo**	**11 Feb 2021**
	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:	**Michael Vismar Birch**	**Partner**	**11 Feb 2021**
	Name	**Title**	**Date**
Report approved by:	**Henry Hansen**	**Partner**	**11 Feb 2021**
	Name	**Title**	**Date**

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A