Supply Base Report: Aktieselskabet Rold Skov Savværk A/S

Third Surveillance Audit

www.sbp-cert.org

Completed in accordance with the Supply Base Report Template Version 1.3

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

Document history

Version 1.0: published 26 March 2015

Version 1.1 published 22 February 2016

Version 1.2 published 23 June 2016

Version 1.3 published 14 January 2019; re-published 3 April 2020

Contents

1 Overview

Producer name:	Aktieselskabet Rold Skov Savværk A/S
Producer location:	Viborgvej 930, 8471 Sabro
Geographic position:	56.228989, 9.947209
Primary contact:	Benno Laursen, +45 4011 7039, bl@roldskov.dk
Company website:	www.roldskov.dk
Date report finalised:	27/Nov/2020
Close of last CB audit:	3/Dec/2020
Name of CB:	Preferred by Nature
Translations from English:	No
SBP Standard(s) used:	Standard 2 version 1.0, Standard 4 version 1.0, Standard 5 version 1.0
Weblink to Standard(s) used:	https://sbp-cert.org/documents/standards-documents/standards
SBP Endorsed Regional Risk Assessment:	SBE not included
Weblink to SBE on Company website:	Not applicable

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

2 Description of the Supply Base

2.1 General description

Rold Skov Savværk is a Danish softwood sawmill with capacity to produce kiln dried and planed products for construction and capacity to cut long timber towards specific orders. Rold Skov Savværk has two sawills, with all main functions: purchase, sale and administration centered around the primary sawmill in Sabro.

Rold Skov Savværk is a subsidiary of Lindenborg Gods A/S.

Rold Skov Savværk source most of its primary feedstock, approximately 90 % from Denmark and the remaining approximately 10 % will from 2017 originate from Nordland in the north-western part of Norway.

Rold Skov Savværk will only apply the SBP system to sawdust (and other co products from the sawmill, and the SBP-compliant biomass product is sawdust)

Rold Skov Savværk utilize the following species in its sawmill: Norway spruce (Picea abies), Sitka spruce (Picea sitchensis), Omorika spruce (Picea omorika), Fir (Abies alba), Grandis (Abies grandis), Nobilis (Abies procera), Larch (Larix spp).

Rold Skov Savværk act as the “operator” according to the EU Timber Regulation 995/2010 and has a due diligence system which minimise the risk of placing illegally harvested timber, or timber products containing illegally harvested timber, on the EU market[1]

Rold Skov Savværk consider itself to be amongst the biggest sawmills in Denmark. Historical national figures for production etc. are shown in appendix 1.

[1] https://ec.europa.eu/environment/forests/pdf/Basic%20minimum%20description%20of%20a%20DDS.pdf

Supply base Denmark

Rold Skov Savværk consider all of Denmark as its supply base.

Rold Skov Savværk source most of its input materials from forest estates in Denmark and from few traders. Most of the forestry estates are in Jutland and on Funnen and one estate on Sealand.

According to Nord-Larsen et. al (2016) the forest cover in Denmark is 624.782 ha which is equal to app. 14,5 % of the total land area and the forest area is increasing. A total of app. 75% of the forest area is under private ownership while 25% is managed by public organizations (figure 1).

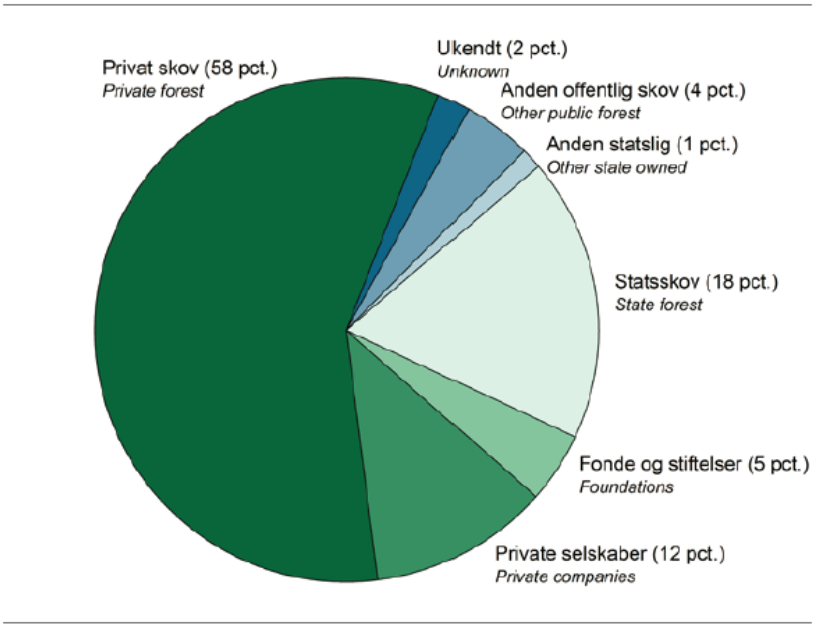


Figure 1 Forest ownership in Denmark (Nord-Larsen et. al (2016))

The land use development from 1851 to 2015 and distribution to forest type can be seen in figure 2 and table 1 below: The forest area is increasing, and the percentage of conifers has been increasing until 2000 and after 2000 the area of broadleaf forest has been increasing.

In table 1 the land use distribution of the forests in Denmark is presented. As it can be seen approximately 241.000 hectares have coniferous (softwood) plantings with a gross annual increment of on average 12,9 m3 and net annual increment of 2,8 m3 / hectar (Nord-Larsen et. al (2016)).

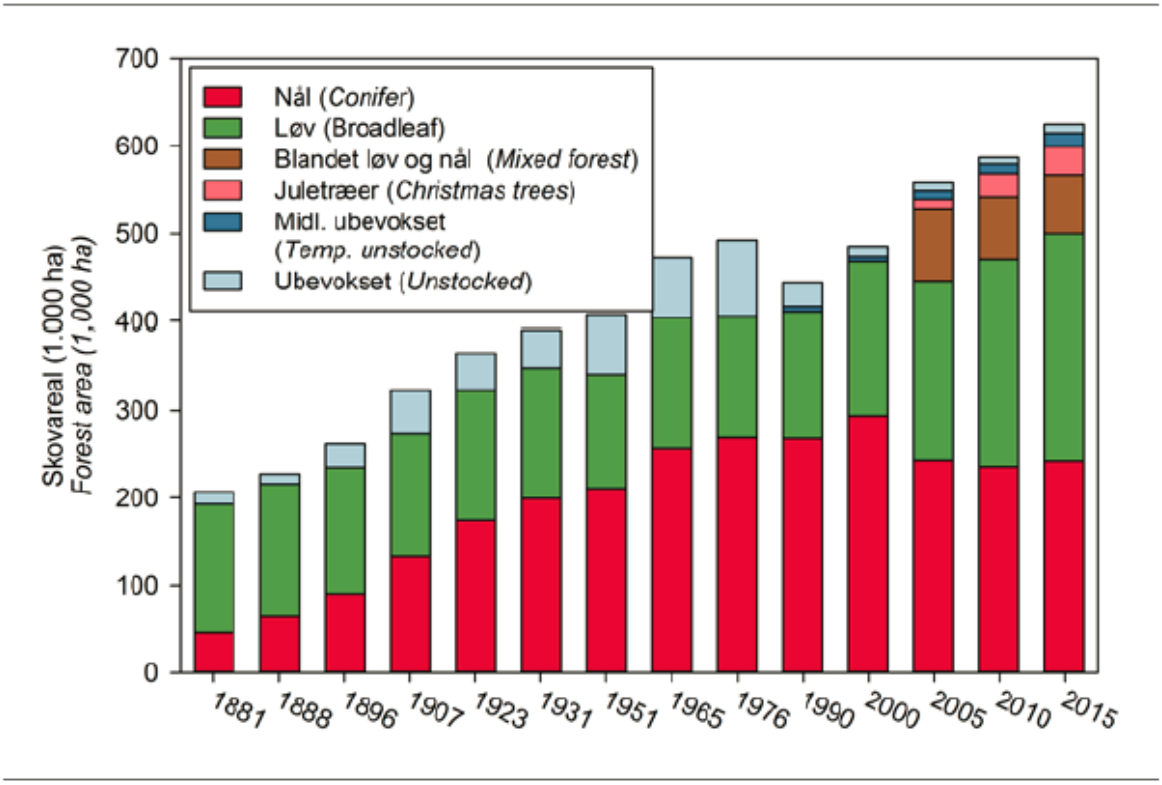


Figure 1: Denmark, land use and Type (Nord-Larsen et. al (2016))

Land use	Region					
	Danmark	Capital	Central Jutland	Northern Jutland	Sealand	Southern Denmark (incl Funnen)
	Hectar					
Total	624.782	49.673	219.106	112.317	99.709	143.977
Conifers	241.008	13.028	108.379	49.652	18.091	50.833
Broadleaves	258.807	27.727	65.373	35.894	64.879	66.163
Mixtures of conifers and broadleaves	67.721	6.166	22.043	20.270	8.596	10.480
Christmas trees	30.964	213	11.650	4.641	4.087	10.297
Temporarily unstocked	16.242	1.852	7.567	894	2.625	3.341
Unstocked	10.039	687	4.094	967	1.431	2.864

Table 1. Forest cover, land use in Denmark (Nord-Larsen et. al (2016))

Management practices

Norway and Sitka spruce normally originate from even aged plantings and even aged plantings influence on biodiversity as they have limited biodiversity. The cause being, that the management practice of clear felling leads to loss of habitat for organisms requiring a continuous forest cover. This management practice has however been challenged during the last 20 years and today more and more plantings are mixed, but with minimum rotations of 40 years, and even aged plantings still taking place, the management practice will continue to exist for long time. About 15 % of forest area is managed by uneven aged operations.

The distribution of the different management practices is presented in table 2.

Driftsform *Management type*	Region *Region*					
	Danmark	Hovedstaden	Midtjylland	Nordjylland	Sjælland	Syddanmark
	ha					
I alt *Total*	624.782	49.673	219.106	112.317	99.709	143.977
Ubevokset *Unstocked*	26.282	2.539	11.661	1.861	4.056	6.205
Ensaldrende, plantning *Evenaged, planted*	397.122	31.880	139.215	76.755	72.289	77.019
Ensaldrende, naturlig foryngelse *Evenaged, natural re-generation*	55.215	351	13.457	1.717	322	39.373
Uensaldret, drift *Unevenaged, operational*	61.470	9.014	21.561	7.894	15.321	7.971
Uensaldret, naturskov *Unevenaged, nature*	34.676	3.369	10.668	10.983	3.659	5.902
Gammel driftsform *Ancient management forms*	22.292	1.774	8.402	8.868	2.929	192
Værnskov *Protective forest*	4.938	-	1.418	2.076	-	1.397
Andet *Other*	18.951	111	11.067	1.936	24	5.688
Ukendt *Unknown*	3.837	635	1.658	228	1.110	231

Table 2: Forest management type, by area size and region (Nord-Larsen et. al (2016))

Socio-economic setting

A total of app. 75% of the forest area is under private ownership while 25% is managed by public organizations. There are many small forest owners (less than 20 ha), but the main part (more than 50%) of the forest area is owned by larger forest owner >250 ha (table 3).

	Danmark	Hovedstaden	Midtjylland	Nordjylland	Sjælland	Syddanmark
	Antal / *Number*					
I alt	24.142	862	2.339	2.529	5.800	8.966
Total	*5.748*	*289*	*518*	*529*	*1.700*	*1.834*
0,5-19,9 ha	21.570	772	2.073	2.314	5.263	7.881
	4.200	*239*	*329*	*375*	*1.409*	*1.171*
20,0-49,9 ha	1.335	55	63	103	328	602
	639	*28*	*16*	*55*	*146*	*323*
50,0-99,9 ha	579	15	61	50	111	253
	330	*5*	*36*	*41*	*65*	*139*
100,0-249,9 ha	365	8	62	37	59	126
	296	*5*	*58*	*35*	*43*	*101*
250,0-499,9 ha	145	2	38	15	19	53
	139	*2*	*37*	*13*	*19*	*50*
>500,0 ha	148	10	43	11	20	50
	144	*10*	*42*	*11*	*17*	*50*

Table 3: Number of forest estates distributed according to region and the size of the forest estate. The number of estates that has reported harvesting to Statistics Denmark are provided in italics (Nord Larsen et al. (2016)).

Total occupation within the forestry sector amount to 5.600 full time employees per year. If associated employment within the furniture and wood industry is included, the total amount of full time employees is 21.900 per year. However, a large part of raw material for the industry is imported and the percentage of employment related to Danish produced wood is unknown (Nord Larsen et al (2016)).

Redlist

The pan-European criteria for sustainable forest management include all species which depend on forest for a part of their lives. In our assessment we therefore include all species that have forests as one of their habitats. Of the species included in the Danish red list, more than half are associated with forests. Of the total number of species critically endangered in Denmark, 45% and 54%, respectively, are associated with forests.

Rold Skov Savværk utilize the following species in its sawmill: Norway spruce (Picea abies), Sitka spruce (Picea sitchensis), Omorika spruce (Picea omorika), Fir (Abies alba), Grandis (Abies grandis), Nobilis (Abies procera), Larch (Larix spp) None of these species are red listed by CITES. For IUCN categories present in Denmark see figure 3 below:

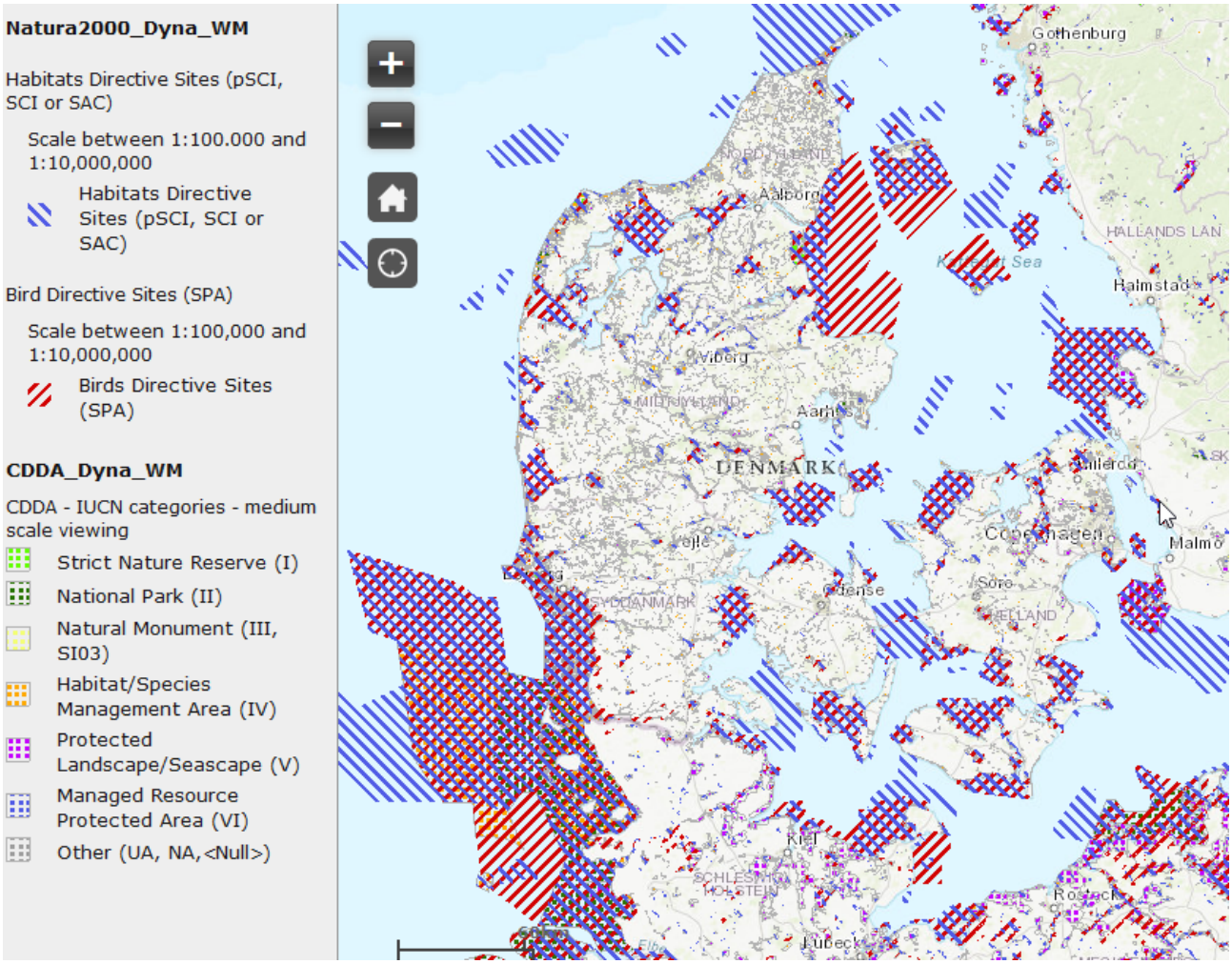


Figure 3: IUCN categories and locations in Denmark[2].

[2] http://www.eea.europa.eu/data-and-maps/explore-interactive-maps/european-protected-areas-1

Supply base Norway

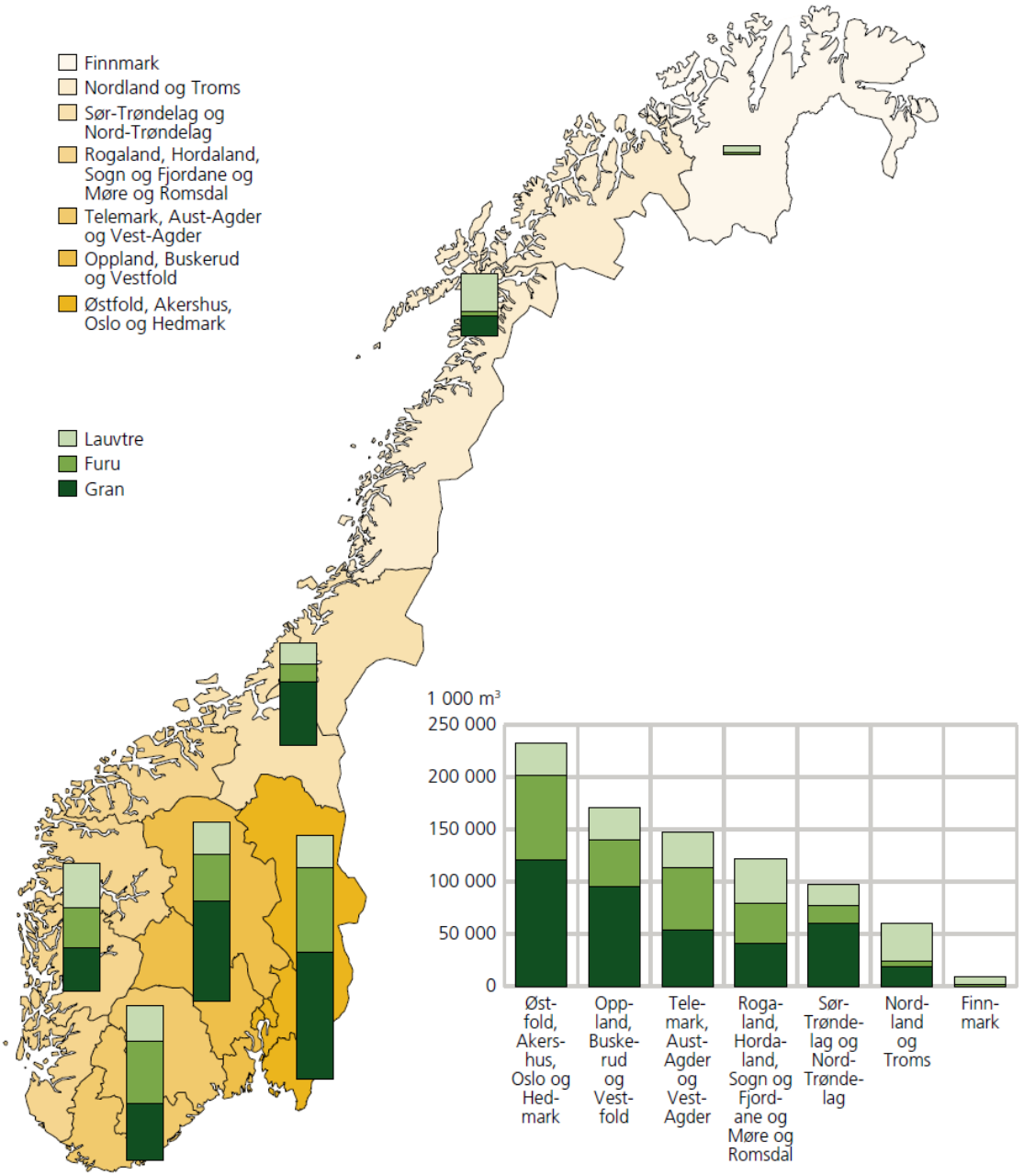
Rold Skov Savværk consider all of Norway to be in its supply base.

Rold Skov Savværk source about 10 % of its roundwood from Nordland in the north-western part of Norway, see figure 4. In Norway approximately 40 % of the surface area is covered by forest. The total forested area amounts to 13 million hectares, including 8,3 million hectares of productive forest. The annual increment is about 26 million cubic metres and the most important species are Norway spruce (44 %), Scots pine (31 %) and birch and other broadleaves (25 %) (Rognstad et. al, 2015).

In Nordland the productive forest area amounts to 452.600 hectars (Rognstad et. al, 2015).

It can not be ruled out that 100% PEFC certified timber handles the remaining part of Norway

Figur 3.1.4. **Ståande kubikkmasse under bork fordelt etter treslag og takserte regionar. 2011-2015. 1 000 m³**



Kjelde: Norsk institutt for bioøkonomi, Landsskogtakseringa.

Figure 4: Forest regions and main species in Norway: Gran = Picea spp; Furu = Pinus sylvestris; Lauvtre = broadleaves

Management

Norwegian forest resource polices are based on principles of maintaining the long--term stability and resilience of the resource base. The goal of Norwegian forest management policies is to meet social, economic, ecological and cultural needs for present and future generations (Rognstad et. al, 2015)

Norway has similar management practices for even/uneven aged stands as Denmark, but longer rotations cause better biodiversity settings.

Socio-economic setting

Most of forests in Norway are owned by private individuals/families 72 % and the state only with 11 % (figure 5). Rold Skov Savværk source its material from one private company. From figure 6 it can be seen that there are many owners of smaller forests 25-249 Dekar (10 dekar = 1 ha).

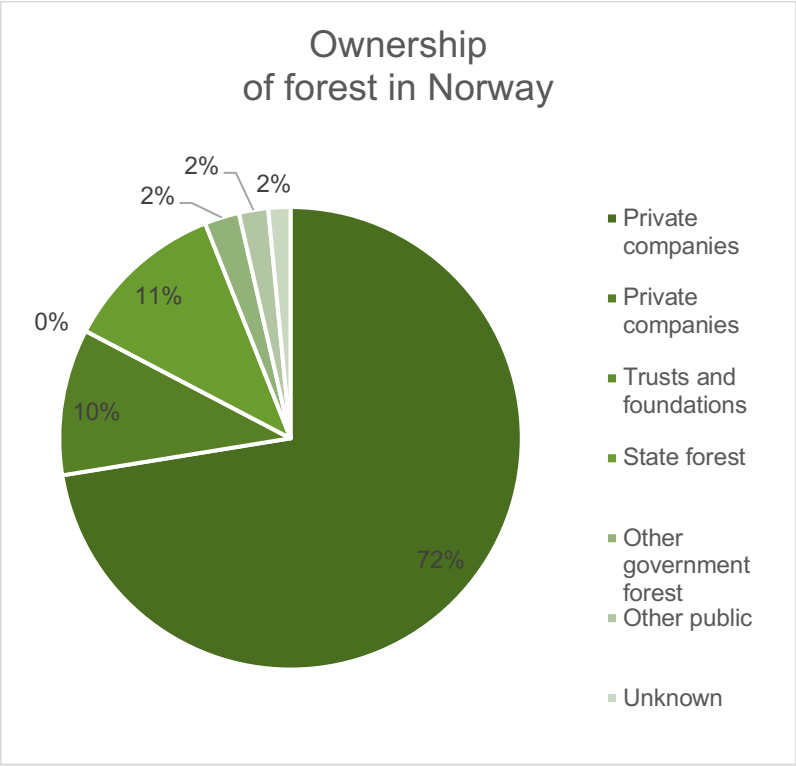


Figure 5: Forest ownership in Norway (Rognstad et al (2015))

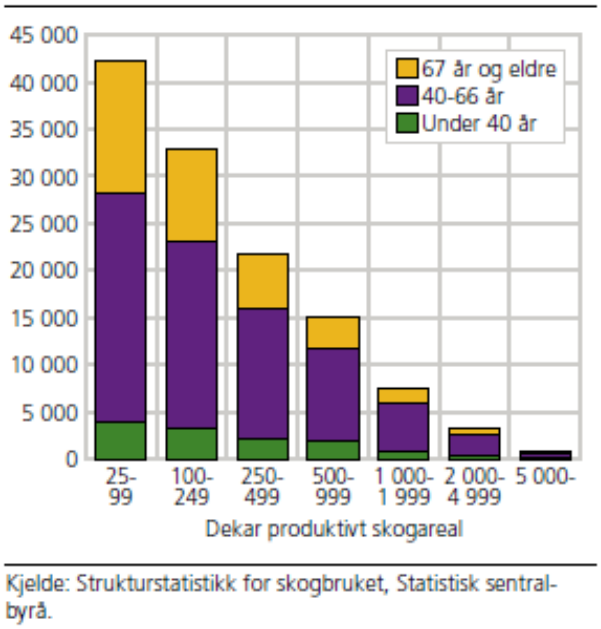


Figure 6: Ownership and size of forests in Norway (Rognstad et al (2015))

Total occupation within the forestry sector amount to 6.400 full time employees per year in 2015 (Rognstad et. al, 2015). The forestry sector contributed in 2015 with 0,3 % of BNP, corresponding to 10,2 billion Nkr, of these 1,5 billion Nkr originated from export of Roundwood, the major forest export value coming from export of cellulose and paper with 5,6 billion Nkr.

Redlist

Cites species are present in Norway but do not include threatened softwood or deciduous species. Norway has a considerable number of IUCN categories, see figure 7.

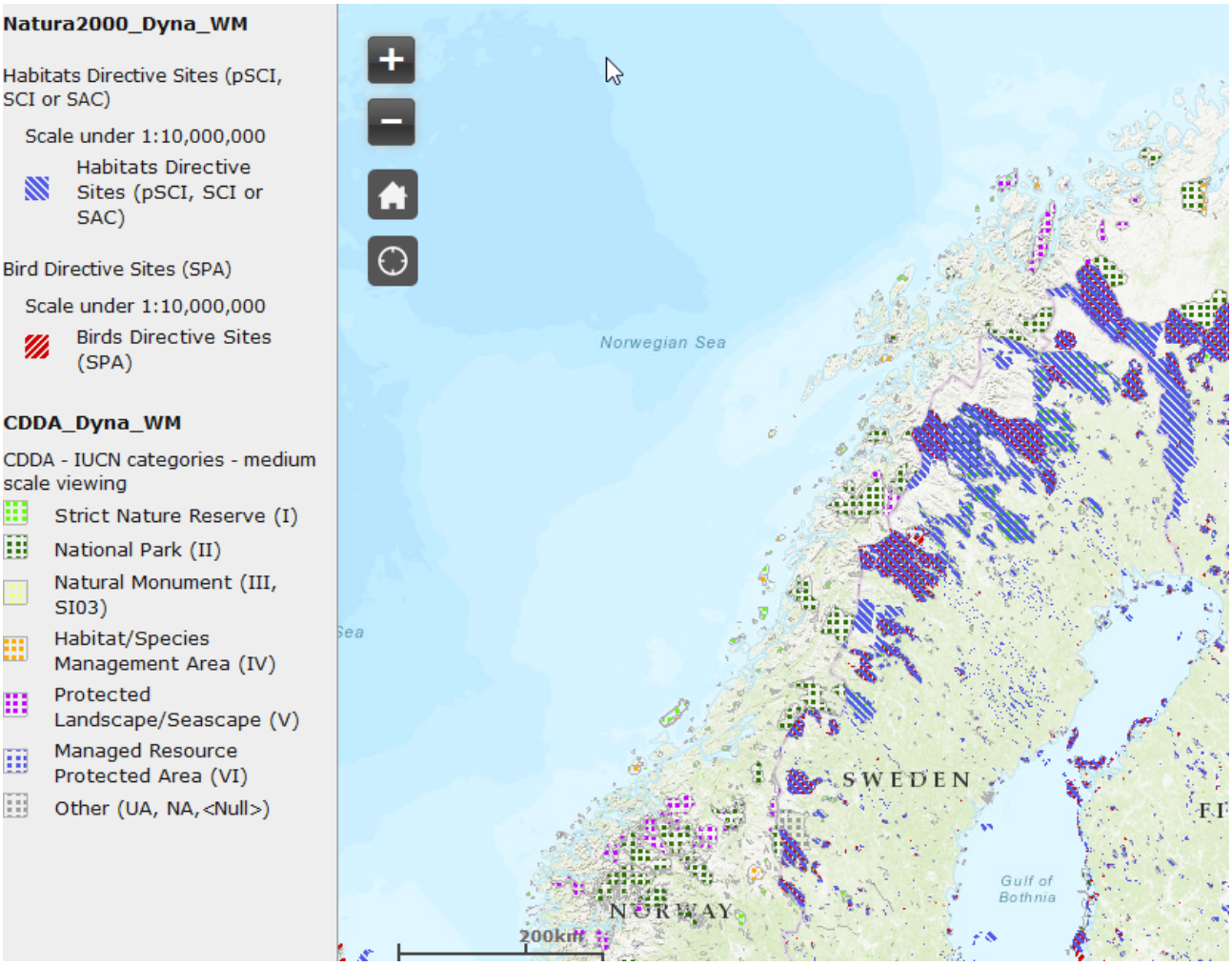


Figure 7: IUCN categories and locations in Norway[3]

In Norway, reported threats to any Red List species are not from forestry or farming paractices. Land Use Change provides the gratest threat[4], an example being construction activites. Norway is party to several international agreements that deal with the protection of threatened species and cover forestry and land management practices. The most important of these are the Convention on Biological Diversity, the Bern Convention, the CITES Convention and the Ramsar Convention.

From Norway Rold Skov Savværk import Sitka (Picea sitchensis).

[3] http://www.eea.europa.eu/data-and-maps/explore-interactive-maps/european-protected-areas-1
[4] http://www.biodiversity.no/Pages/230699

Proportions of certified wood

Rold Skov Savværk purchase roundwood which has one of the following claims:

- FSC 100%,
- FSC Controlled Wood
- PEFC 100 % certified.
- In addition, Rold Skov Savværk purchase wood from suppliers if this can pass Rold Skov Savværks FSC Controlled Wood mitigation measures in order to be classified as FSC Controlled Wood.

Rold Skov Savværk does not purchase any volumes with the following claims: PEFC Controlled Sources or material without claims.

Estimated proportions of certified primary feed stock are shown in table 4.

	FSC 100%	FSC CW claim	FSC CW screening	PEFC 100 % certified	PEFC Controlled sources	Other
Denmark*	15% (5)	0	62% (15)	23% (10)	None	None
Norway	None	50 % (1)		50 % (1)	None	None

* Figures in () indicate number of suppliers

Table 4: Rold Skov Savværk, estimated proportions of certified primary feed stock

From the production at Rold Skov Savværk the following SBP claims will arise:

SBP-Compliant biomass: Chips and Sawdust which could otherwise achieve the claims: 100 % PEFC Certified or FSC Mix Credit.

SBP-Controlled biomass: Chips and Sawdust which could otherwise achieve the claims: FSC Controlled Wood

2.2 Actions taken to promote certification amongst feedstock supplier

Rold Skov Savværk holds percentage and credit Chain of Custody systems for both PEFC and FSC claimed materials. The reason is that customers demand either FSC or PEFC claimed material.

All suppliers are therefore strongly encouraged to engage into the FSC or PEFC certification schemes.

2.3 Final harvest sampling programme

As Rold Skov Savværk only use softwood it is important to note that softwood mainly originate from even aged plantings. A large part will originate from thinning and an estimated 10-20 % will originate from final felling's from stands more than 40 years old.

As Rold Skov Savværk is a sawmill, it is our high interest that the forests during their thinning and clear fellings operations produce as much high value round wood as possible. The production of e.g. chips for biomass will reduce the availability of our primary products, round wood. Depending on the market situation, we estimate that in thinning operations 10-50 % (depends on the age of the forest stand) of the production

will result in wood chips while in final fellings the production will result in 5-10 % of wood chips. The reminder products will be high valued timber, some cellulose wood and some firewood.

Rold Skov Savværk has a pending dialogue with its suppliers about even aged plantings, biodiversity etc. We discuss strengths and weaknesses of the different silvicultural methods. Our suppliers have a strong professional knowledge about the subject.

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

N/A

2.5 Quantification of the Supply Base

Supply Base

a. Total Supply Base area (ha):
   - Denmark: 624.000 ha
   - Norway: 8.300.000 ha (Nordland: 452.600 ha)
   - Total: 8.924.000 ha

b. Tenure by type (ha):
   - privately owned:
     i. Denmark: 75 %
     ii. Norway: 83 %
   - Public
     i. Denmark: 25 %
     ii. Norway: 17 %

c. Forest by type (ha):
   - Temperate forest type 100 % (Denmark)
   - Boreal forest type 100 % (Norway)

d. Forest by management type (ha):
   - planted stands 100 % (Denmark)
   - plantation 100 % (Norway)

e. Certified forest by scheme (ha):
   - FSC[5]
     i. Denmark: 224.239 ha
     ii. Norway: 639.959
   - PEFC[6]
     i. Denmark: 292.956 ha
     ii. Norway: 7.380.750 ha

[5] https://ic.fsc.org/en/facts-and-figures
[6] https://www.pefc.org/about-pefc/who-we-are/facts-a-figures

Feedstock

f. Total volume of Feedstock: 0-200.000 m3
g. Volume of primary feedstock:0-200.000 m3
h. List percentage of primary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
    - FSC certified 15 %
    - PEFC certified 25 %
i. List all species in primary feedstock, including scientific name:
    - Norway spruce (Picea abies),
    - Sitka spruce (Picea sitchensis),
    - Omorika spruce (Picea omorika),
    - Fir (Abies alba),
    - Grandis (Abies grandis),
    - Nobilis (Abies procera),
    - Larch (Larix spp.)
j. Volume of primary feedstock from primary forest: 0ha
k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes: N/A
l. Volume of secondary feedstock: 0 %
m. Volume of tertiary feedstock: 0 %

Disclosure of the exact figures would reveal commercially sensitive information that could be used by competitors to gain competitive advantage. Volumes are sensitive as they may give competitors and idea about capacity, resources and market share.

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
☐	X

Rold Skov Savværk only utilize wood which according to SBP Standard 2 part 8.2 is exempt from a SBE. Rold Skov Savværk utilize wood purchased with a FSC or PEFC claim or wood which has been assessed with low risk under Rold Skov Savværk´s own FSC Controlled wood mitigation system

4 Supply Base Evaluation

4.1 Scope

Not applicable

4.2 Justification

Not applicable

4.3 Results of Risk Assessment

Not applicable

4.4 Results of Supplier Verification Programme

Not applicable

4.5 Conclusion

Not applicable

5 Supply Base Evaluation Process

Not applicable

6 Stakeholder Consultation

Rold Skov Savværk only use certified feedstock in its production (FSC 100 %, FSC Controlled wood and PEFC 100 % certified), therefore a Supply Base Evaluation hasn´t been conducted.

The SBR has been made publicly available 30 days before initial audit.

6.1 Response to stakeholder comments

Not applicable

7 Overview of Initial Assessment of Risk

Not applicable

8 Supplier Verification Programme

8.1 Description of the Supplier Verification Programme

Not applicable

8.2 Site visits

Not applicable

8.3 Conclusions from the Supplier Verification Programme

Not applicable

9 Mitigation Measures

9.1 Mitigation measures

Not applicable

9.2 Monitoring and outcomes

Not applicable

10 Detailed Findings for Indicators

Not applicable

11 Review of Report

Specific data for Rold Skov Savværk is not publicly available.

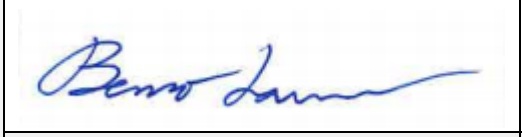
11.1 Peer review

N/A

11.2 Public or additional reviews

This SBR will be made publicly available by NEPCon for additional comments by stakeholders during November 2017.

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:		***Sourcing Manager***	***November 27th 2020***
	Name: Benno Laursen	**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:		***Sourcing Manager***	***November 27th 2020***
	Name: Benno Laursen	**Title**	**Date**
Report approved by:	***[name]***	***[title]***	***[date]***
	Name	**Title**	**Date**
Report approved by:	***[name]***	***[title]***	***[date]***
	Name	**Title**	**Date**

Rold Skov Savværk, sends SBR to SBP, no later than 90 days after the end of the meeting. This action is taken by the Sourcing Manager

13 Updates

13.1 Significant changes in the Supply Base

There is no change in the supply base by 27/11/2020.

13.2 Effectiveness of previous mitigation measures

For each mitigation measure identified during the evaluation, give a detailed account of whether the measures were shown to be effective or not.

13.3 New risk ratings and mitigation measures

Provide an update of risk ratings for all relevant Indicators.

13.4 Actual figures for feedstock over the previous 12 months

The total amount of raw material 0-200.000m³

Quantity of primary commodity 0-200.000m³

13.5 Projected figures for feedstock over the next 12 months

*Using the categories in Section 2.5 'Quantification of the Supply Base' (above), give an updated projection for the coming 12 month period. Volume may be shown in a banding between XXX,000 to YYY,000 tonnes or m^3 if a compelling justification is provided**

The total amount of raw material 0-200.000m³

Quantity of primary commodity 0-200.000m³

Disclosure of the exact figures would reveal commercially sensitive information that could be used by competitors to gain competitive advantage. Volumes are sensitive as they may give competitors and idea about capacity, resources and market share.

14 References:

CITES 2017:
http://checklist.cites.org/#/en/search/cites_region_ids%5B%5D=6&output_layout=alphabetical&level_of_listing=0&show_synonyms=1&show_author=1&show_english=1&show_spanish=1&show_french=1&scientific_name=picea&page=1&per_page=20

IUCN 2017:

https://cites.org/eng/cms/index.php/component/cp/country/DK

https://cites.org/eng/cms/index.php/component/cp/country/NO

Nord-Larsen, T., Johannsen, V. K., Riis-Nielsen, T., Thomsen, I. M., Suadicani, K., Vesterdal, L., ... Jørgensen, B. B. (2016). Skove og plantager 2015: Forest statistics 2015. Institut for Geovidenskab og Naturforvaltning,Københavns Universitet.

Rognstad, O., Løvbjerget, A. I. og Steinset T. A(2015): Landbruget I Norge 2015, Jordbruk, Skogbrug, Jakt. Statistisk Sentralbyrå, Statistics Norway, Oslo-Kongsvinger.

Appendix 1:

In the table below the use of wood utilised in Denmark and distributed to primary wood products is presented (assessed in cubicmeter of roundwood equivalents). The following factors have been used: sawn wood 2,0; woodbased boards 1,2; paper and pulp 4,0; energy wood 1,0.

	1985-1989	1990-1994	1995-1999	2000-2004	2005-2009	2010	2011	2012	2013	2014
	1.000 m³ råtræ-ækvivalenter *1.000 m³ raw wood equivalents*									
Produktion *Production*										
Savskåret træ[1]	1.347	1.006	1.277	875	706	770	808	800	762	892
Træbaserede plader[2]	396	409	489	465	466	522	440	408	415	440
Papir og pap[3]	1.272	1.354	1.497	1.461	1.775	2.140	2.091	2.088	2.088	1.926
Energitræ[4]	1.170	1.542	1.771	2.382	3.559	4.290	3.972	3.970	3.688	3.360
I alt[5]	4.185	4.310	5.034	5.183	6.507	7.722	7.312	7.266	6.954	6.619
Import *Import*										
Savskåret træ[1]	3.076	3.505	6.013	5.166	4.069	2.621	2.712	2.741	3.772	4.768
Træbaserede plader[2]	688	656	923	1.457	1.897	1.060	1.233	895	900	900
Papir og pap[3]	3.706	4.300	4.462	4.651	4.724	4.104	3.975	2.912	3.047	3.047
Energitræ[4]	0	2	82	738	2.205	4.042	4.244	4.741	4.841	4.981
I alt[5]	7.471	8.463	11.480	12.012	12.895	11.827	12.165	11.289	12.560	13.696
Eksport *Export*										
Savskåret træ[1]	295	234	354	320	786	909	1.134	614	514	514
Træbaserede plader[2]	128	133	213	161	201	190	212	209	152	152
Papir og pap[3]	703	802	979	947	1.065	934	1.020	622	512	512
Energitræ[4]	0	0	0	0	0	0	0	0	0	0
I alt[5]	1.126	1.169	1.546	1.428	2.052	2.032	2.366	1.445	1.178	1.178
Forbrug *Consumption*										
Savskåret træ[1]	4.129	4.276	6.936	5.722	3.990	2.483	2.386	2.928	4.020	5.146
Træbaserede plader[2]	956	933	1.199	1.761	2.162	1.392	1.461	1.093	1.163	1.188
Papir og pap[3]	4.275	4.851	4.979	5.165	5.434	5.310	5.046	4.378	4.624	4.461
Energitræ[4]	1.170	1.544	1.853	3.120	5.764	8.332	8.217	8.710	8.529	8.342
I alt[5]	10.529	11.604	14.968	15.767	17.350	17.517	17.110	17.110	18.336	19.137

[1]Sawn wood, [2]Wood-based panels, [3]Paper and Paperboard, [4]Energy wood, [5]Total

(Nord-Larsen et. al (2016))

15 Amendments

Chapter 2.1: Rold Skov Savværk supply base has been extended from Nordland in Norway to include all of Norway.

Chapter 2.3: The following has been added: "…Depending on the market situation, we estimate that in thinning operations 10-50 % (depends on the age of the forest stand) of the production will result in wood chips while in final fellings the production will result in 5-10 % of wood chips. The reminder products will be high valued timber, some cellulose wood and some firewood"

Chapter 2.5: Figures has been adjusted so that supply base include Norway and not just Nordland in Norway.

Chapter 2.5: The following has been deleted: "Specific FSC and PEFC data for Nordland cannot be retrieved online"

2018-11-09

In connection with evaluation up to the annual audit, we have not found reason to change the procedure. Supply Base is the same, and supply base is the same.

2019-12-02

In connection with evaluation up to the annual audit, we have not found reason to change the procedure. Supply Base is the same, and supply base is the same.

2020-11-27

In connection with evaluation up to the annual audit, we have not found reason to change the procedure. Supply Base is the same, and supply base is the same.