Normative Interpretations

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Contents

Glossary 1

Standard 1: Feedstock Compliance Standard 2

Standard 2: Verification of SBP-compliant Feedstock 4

Standard 3: Requirements for Certification Bodies 16

Standard 4: Chain of Custody 29

Standard 5: Collection and Communication of Data 37

Standard 6: Energy and Carbon Balance Calculation 41

Process Documents 42

The latest additions are highlighted in a coloured box.

Glossary

Q: What is the meaning of should, shall and related terms within SBP?

A: *[Adapted from ISO/IEC Directives Part 2: Rules for the structure and drafting of International Standards]*

"shall": indicates requirements strictly to be followed in order to conform to the standard.

"should": indicates that among several possibilities one is recommended as particularly suitable, without mentioning or excluding others, or that a certain course of action is preferred but not necessarily required. A Certificate Holder or CB can meet these requirements in an equivalent way provided this can be demonstrated and justified.

"may": indicates a course of action permissible within the limits of the document.

"can": is used for statements of possibility and capability, whether material, physical or causal.

"must": is a synonym for "shall" and indicates requirements strictly to be followed in order to conform to the standard.

Clarification: *The definition of SBP- approved recycled claim excludes reference to SBP-approved Chain of Custody (CoC) Systems.*

The SBP Glossary definition of SBP- approved recycled claim should read: A feedstock certification claim from an SBP- approved Chain of Custody (CoC) System or SBP-approved Forest Management Scheme demonstrating compliance with the scheme's requirements for determination of recycled material.

As such an SFI recycled content claim can be considered as SBP-compliant.

Standard 1: Feedstock Compliance Standard

General

Clarification of 'verify': *The term 'verify' is used in several indicators in Standard 1, for example indicator 1.4.1 states "The BP has implemented appropriate control systems and procedures to verify that payments for harvest rights and timber, including duties, relevant royalties and taxes related to timber harvesting, are complete and up to date."*

The meaning of 'verify' in Standard 1 is as defined in the Cambridge English Dictionary, namely "to prove that something exists or is true, or to make certain that something is correct." The meaning is consistent with the application of the term in ISO standards, such as ISO 9001:2008(E), Clause 7.4.3, which states: "Verification of purchased product, requires that "The organization shall establish and implement the inspection or other activities necessary for ensuring that purchased product meets specified purchase requirements".

Section 2.3

Q: Section 2.3 states that the BP "may be any organisation in the supply chain that takes legal ownership of feedstock or biomass." However, in the terms and definitions glossary, a BP is defined as an entity that takes physical possession of and, moreover, processes biomass feedstock; which precludes the possibility of those entities in the supply chain which do not process or gather feedstock (as well as organisations which do not take possession of or process non-feedstock biomass). Please resolve this contradiction by specifying which types of entities may and/or may not be considered Biomass Producers.

A: *The glossary definition should be read as: Biomass Producer (BP): A legal entity, which ordinarily processes feedstock for conversion into biomass (or gathers biomass, such as wood chips) suitable for power generation.*

SBP requires that a legal entity takes on the responsibilities of the BP as specified in the Standards. To comply with the SBP Standards this entity must also hold legal ownership of the biomass.

As per Standard 1, section 2.3, the BP will usually be an organisation that operates a facility, such as a pellet mill.

Where a parent company owns or operates multiple pellet mills each of these mills is a BP.

As per Standard 1, section 2.3, the BP role may be taken on by an entity that does not process or convert biomass, such as a forest owners' cooperative.

Section 2.4: Locally Applicable Verifiers

Clarification: *In undertaking an SBE, all BPs must prepare Locally Applicable Verifiers (LAVs). Standard 1 includes examples of Means of Verification, but these may not be appropriate to the Supply Base. LAVs are Means of Verification for each indicator in Standard 1 locally appropriate to the Supply Base of the BP.*

BPs are required to consult with stakeholders in determining appropriate LAVs (Means of Verification) to help ensure that appropriate evidence is used to evaluate risk against each indicator.

Although the LAV procedure must be followed for each SBE, modification of indicators is only required in the specific cases detailed in Instruction Note 1A.

Instruction Note 1A, section 3.2

Q: Regarding the risk assessment process, are Certification Bodies permitted to add additional indicators over and above those in Standard 1, or even to create their own risk assessment process for clients to follow?

A: *A Certification Body can make additional requirements provided these are in compliance with Standard 1, Instruction Note 1A, 3.2. The SBP indicators cannot be modified without approval from SBP. Modification of the process would need to ensure that all requirements are met and any additional requirements would need to be carefully managed and explicit to ensure the credibility of the process and avoid a conflict of interest arising between the certification body and its client.*

Instruction Note 1A, section 3.3

SBP will not approve any modifications to indicators. Additional indicators may be approved following application of SBP Instruction Note 1A clauses 3.1, 3.2 and 3.3.

For the avoidance of doubt, where 'verify' is used in an indicator in Standard 1 the requirement is that the Biomass Producer ensures that the requirement stated in the indicator is met, for example, that "payments for harvest rights and timber, including duties, relevant royalties and taxes related to timber harvesting, are complete and up to date".

Instruction Note 1A, section 6.1: Instructions for Biomass Producers for the development of Locally Applicable Verifiers

Erratum: *The word "Standard" should be replaced with* ***"Supply Base Report"****.*

Standard 2: Verification of SBP-compliant Feedstock

Supply Base Report, Section 7

Clarification: Overview of Initial Assessment of Risk

The initial assessment of risk section in the Supply Base Report (SBR) indicates the level of risk identified in the Supply Base independent of the BP's management systems or mitigation measures. Any action taken by the BP whether as a result of the identification of the risk or as part of the ongoing management system of the BP shall be reported under Section 9, Mitigation Measures in the SBR template.

A mitigation measure is any action taken by the BP to reduce an indicator's risk level to low, in line with Standard 2, section 16.

Section 5

Q: Can wood harvested from non-forest origins such as parks, roadsides or trees in open landscapes covered by the Biomass Producer's own FSC CW risk assessment be classified as SBP-controlled inputs?

A: *Yes. All woody feedstock, from forest and non-forest origins must meet the requirements set out in Standard 2. In this case if feedstock is received in compliance with FSC/PEFC CW/CS requirements then it can be considered as SBP-controlled.*

Section 6

Q: Does a BP sourcing only material with an FSC 100% claim with a declaration in the supplier contract to the effect that the supplied material must only come from a specified country still have to source additional records to prove the origin and place of harvesting? The situation is quite clear for uncertified or controlled material where the origin has to be proved anyway due to the FSC/PEFC requirements. However, for FSC/PEFC-certified material the traceability is assured, therefore is a declaration in the supplier contract sufficient?

A: *The CB would need to determine if the FSC/PEFC certification was enough or if additional due diligence was required.*

Section 6.2

Q: SBP Standard 2 section 6.2 "The BP shall record the place of harvesting and the identity of the primary wood processor responsible for the supply of inputs classified as SBP-compliant secondary feedstock". Would it be sufficient if the biomass producer would know the region/ country to prove that the material comes from designated SB?

A: *The Standard requires that the BP is able to record the place of harvesting such that it can be confirmed if the place of harvesting is within the Supply Base. The place of harvesting may never be larger than a country but may be any smaller geographic area, including a county, region, or state.*

Section 8.2

Q: Can biomass with an SBP claim include a proportion of non-woody material?

A: *The scope of SBP applies to "woody feedstock used in the production of biomass" and SBP claims apply to the entire woody feedstock component of biomass. The existing standards set out the requirements for mixing woody feedstock from multiple sources in the production of biomass and also the requirements for mixing biomass. These requirements apply to all biomass derived from woody feedstock, including binders.*

SBP permits woody biomass to be mixed with limited amounts of non-woody feedstock in the production of biomass carrying an SBP claim.

Where a non-woody component is less than 3% of the total weight of the transaction batch, then this may be included in the SBP claim.

Q: Is material procured under the SFI Fiber Sourcing standard recognised under the SBP rules? If not, is this something that is being revisited given the release of the new SFI Standards, and the FS standard as a stand-alone piece?

A: *SFI Fiber Sourcing is not considered to be SBP compliant as regulators in key biomass importing countries do not currently recognise it as demonstrating compliance with their sustainability criteria. Therefore, SBP would only be in a position to review its position if the relevant regulatory authorities revise their interpretations.*

Q: SFI Fiber Sourcing is now accepted by PEFC, will this now be acceptable as SBP- controlled feedstock?

A: *Yes. PEFC has announced that The Sustainable Forestry Initiative (SFI) Fiber Sourcing Standard is now recognised by the Programme for the Endorsement of Forest Certification (PEFC) as a tool that meets PEFC requirements for the avoidance of controversial sources in the PEFC Chain of Custody standard. Consequently, feedstock sourced in compliance with the SFI Fiber Sourcing Standard or supplied with the relevant SFI % Certified Sourcing claim may be considered to be SBP-compliant feedstock. The statements in Standard 2, Section 8.2 and Standard 4, Section 5.2.2 that: feedstock received in compliance with SFI Fiber Sourcing requirements are not considered to meet SBP-certified feedstock or Controlled Feedstock requirements are superseded by PEFC's recognition.*

Erratum: The above answer should read: *Yes. PEFC has announced that The Sustainable Forestry Initiative (SFI) Fiber Sourcing Standard is now recognised by the Programme for the Endorsement of Forest Certification (PEFC) as a tool that meets PEFC requirements for the avoidance of controversial sources in the PEFC Chain of Custody standard. Consequently, feedstock sourced in compliance with the SFI Fiber Sourcing Standard or supplied with the relevant SFI % Certified Sourcing claim may be considered to be SBP-controlled feedstock. The statements in Standard 2, Section 8.2 and Standard 4, Section 5.2.2 that: feedstock received in compliance with SFI Fiber Sourcing requirements are not considered to meet SBP-certified feedstock or Controlled Feedstock requirements are superseded by PEFC's recognition.*

Q: Can salvage, sanitation, and fire-prevention cuts be automatically accepted as being "sustainable."?

A: *Salvage, sanitation, and fire-prevention cuts are not exempt from the evaluation of sustainability and must comply the SBP requirements for primary feedstock.*

Q: How is woody feedstock sourced from plantations established for production of non-woody products (e.g. rubber) considered in SBP?

A: *Woody feedstock sourced from plantations established for production of non-woody products (e.g. rubber) must comply the SBP requirements for primary feedstock*

Q: A BP wishes to producer SBP certified pellets made from lignin. The lignin is a residue from bioethanol production and the trees were harvested 25-30 years ago. How could compliance with SBP sustainability requirements be demonstrated?

A: *SBP considers that lignin residue is not woody biomass and therefore not within the scope of SBP certification.*

Revised interpretation:

A: *SBP was originally developed for biomass derived directly or indirectly from forests. With the development of the market for SBP- certified biomass, SBP will now permit biomass derived from lignin and other woody biomass derivatives to be SBP-certified provided that all the SBP requirements for feedstock were met.*

The BP should demonstrate in the usual way that the SBP sustainability requirements have been met. For example, if the feedstock comes with a recognised claim, such as FSC, PEFC or SFI, then it meets the SBP requirements. In absence of a recognised claim compliance must be demonstrated through the risk-based approach, that is, by conducting a Supply Base Evaluation, despite the difficulties of completing a credible SBE given harvesting of 25-30 years ago.

Q: Can Pre-Commercial thinning automatically be considered as being “sustainable”?

A: *Pre-commercial and commercial thinnings are not exempt from the evaluation of sustainability and must comply the SBP requirements for primary feedstock.*

Section 8.4 CB sampling for secondary residues

Q: A sawmill supplying uncertified secondary feedstock where there are specified risks identified in the supply base co-operates with a BP to meet the SBP feedstock requirements. The BP requires that the sawmill implements procedures specified by the BP to ensure that the sawmill does not supply uncontrolled feedstock to the BP. What measures should the BP and CB take to ensure that these procedures are effectively implemented?

A: *SBP is at an early stage of implementation. Any BP or CB wishing to implement the system described in the question, or a similar system, is strongly advised to contact SBP in advance of implementation and audit.*

The BP should determine the level of risk associated with sawmills and the feedstock that they supply in relation to their operation (considering relevant factors that may include inputs, size, location in relation to identified risks in the supply base) to determine the level of control required.

In this case the sawmill may be considered to be implementing a part of the BP management system on behalf of the BP. As such, prior to taking feedstock from the sawmill.

- *There should be a legally enforceable contract between the sawmill and the BP. This should include reference to mitigating any risks related to the SBP requirements and sanctions if the sawmill does not implement the specified requirements. The contract should enable the BP to cease taking feedstock in cases where the SBP requirements are not met.*
- *The sawmill will need to be audited by the BP. This may be conducted by the BP or a contracted party.*
- *The sawmill will be subject to third party audit by the BP's CB.*
- *Auditing may require evaluation of suppliers to the sawmill.*

Note: Where more than one sawmill is included in the BP's management system, the sampling rate adopted by the CB should be no less than 0.8 x sqrt of number of sawmills in the BP's management system. The BP is required to audit 100% of the sawmills in the BP's management system.

Q: A sawmill supplying uncertified secondary feedstock where there are specified risks identified in the supply base co-operates with a BP to meet the SBP feedstock requirements. The sawmill takes in SBP-controlled and SBP-compliant feedstock and implements a Chain of Custody credit system so that it supplies the BP with SBP-compliant and SBP-controlled feedstock only. Is this approach acceptable and what measures should the BP take to ensure that these procedures are effectively implemented?

A: *SBP is at an early stage of implementation. Any BP or CB wishing to implement the system described in the question, or a similar system, is strongly advised to contact SBP in advance of implementation and audit.*

The approach is acceptable, provided that the following measures are implemented.

The BP should determine the level of risk associated with sawmills and the feedstock that they supply in relation to their operation (considering relevant factors that may include inputs, size, location in relation to identified risks in the supply base) to determine the level of control required.

In this case the sawmill may be considered to be implementing a part of the BP management system on behalf of the BP. As such, prior to taking feedstock from the sawmill.

- *There should be a legally enforceable contract between the sawmill and the BP. This should include reference to mitigating any risks related to the SBP requirements and sanctions if the sawmill does not implement the specified requirements. The contract should enable the BP to cease taking feedstock in cases where the SBP requirements are not met.*
- *The sawmill will need to be audited by the BP. This may be conducted by the BP or a contracted party.*
- *The sawmill will be subject to third party audit by the BP's CB.*
- *Auditing may require evaluation of suppliers to the sawmill.*

Note: Where more than one sawmill is included in the BP's management system, the sampling rate adopted by the CB should be no less than 0.8 x sqrt of number of sawmills in the BP's management system. The BP's is required to audit 100% of the sawmills in the BP's management system.

Additionally, the sawmill shall implement relevant aspects of the BP's management system, including a Chain of Custody system based on the requirements of SBP Standard 4, Chain of Custody.

Q: A sawmill is supplying uncertified secondary feedstock where there are specified risks identified in the Supply Base. The sawmill is not implementing mitigation measures on behalf of the BP. What measures

should the BP take to properly categorise feedstock as either controlled or compliant and avoid uncontrolled feedstock?

A: *To classify the feedstock as SBP- controlled the BP will have to source all secondary feedstocks within the scope of its SBP-recognised due diligence system.*

To classify the feedstock as SBP-compliant the BP will have to implement a process to identify risks and implement appropriate mitigation measures in line with SBP standards, notably Standard 2 prior to taking feedstock from the sawmill.

The BP must complete a Supply Base Evaluation which includes the sourcing areas of the sawmill.

The BP should determine the level of risk associated with each sawmill and the feedstock that they supply in relation to their operations (considering relevant factors that may include inputs, size, amount of fibre delivered to the BP, location in relation to identified risks in the Supply Base) to determine the appropriate risk rating for each sawmill and any associated mitigation measures that the BP must implement. An example is provided below:

A BP sources sawmill and wood industry residues from a variety of suppliers who do not supply the BP with certified content claims. To properly assess each supplier, the BP requires the supplier to provide details about their sourcing area and policies, including but not limited to:

- *Location*
- *Economic hauling radius, or list of counties/cities from which the sawmill procures material*
- *Species used*
- *Country of origin for all raw materials*
- *Certification status*

The BP compiles the data and assesses each supplier's Supply Base against any risks identified in the Supply Base Evaluation (SBE). The BP then uses the data provided by the supplier to assess whether that supplier could be using fibre from areas where risks have been identified to determine whether the feedstock received from the supplier can be deemed SBP- compliant or SBP-controlled. If needed, the BP can request more data from the supplier to complete the analysis.

Q: The SBP Interpretation states where "a sawmill [is] supplying uncertified secondary feedstock where there are risks identified in the supply base", then "the sawmill will be subject to third party audit by the BPs CB, [and] where more than one sawmill is included in the BP's management system, the sampling rate adopted by the CB should be no less than 0.8 x sqrt of number of sawmills… [and] auditing may require evaluations of suppliers to the sawmill".

Clarification: *Where mitigation measures are being implemented by suppliers of the sawmill and/or in the forest then audits of the suppliers and/or forest must be carried out by the CB, to verify that mitigation measures are being adequately implemented.*

Where onsite audits at the forest level are carried out by the CB in order to verify that mitigation measures are being adequately implemented for the sourcing of secondary feedstock the following sampling would be acceptable:

- *first, the CB determines the selection of mills/suppliers chosen to fill the required sample size of supplier sawmill audits (0.8 x sqrt of number of sawmills); and*

- *second, the CB applies a sampling ratio (as per the Clarification for Section 6.4 in the latest SBP Interpretation Q&A document) to the number of forests from which the selected mills are sourcing, rather than to the total number of forests from which all mills are sourcing.*

When selecting FMUs to sample, the CB should endeavor to select FMU's that supply the sawmill. It would be appropriate to weight the sample in proportion to the volume supplied by sawmills (and by volumes supplied by FMUs to sawmills) provided this does not result in under-sampling of risks related to smaller suppliers. Where it is not possible to audit an FMU supplying the sawmill, the CB may conduct audits of FMUs representative (with regard to the risk being mitigated) of the FMUs supplying the sawmills in order to verify the effectiveness of mitigation measures.

An FMU is a Forest Management Unit "a spatial area or areas with clearly defined boundaries managed to a shared set of long term management objective".

Q: What evidence is required in relation to sourcing of secondary feedstock?

***A:** As a minimum, the BP shall have access to information on its supply chains to a level that allows it to confirm and document:*

a) The origin of the material to be within the defined Supply Base;

b) The risk related to the origin, and the risk related to mixing with non-eligible inputs in the supply chain; and

c) The mitigation of risk.

The BP shall implement measures so that it can identify any changes that may affect a risk designation or the mitigation of risk, such as changes in species, origin and supply chain.

As a minimum, the BP should require the following from the supplier:

a) Confirmation that the feedstock taken in by the sawmill is sourced from within the Supply Base defined by the BP; and

b) A commitment that, in cases where feedstock originates from a Supply Base which includes specified risk, the sawmill will support the BP to collect the information needed to implement mitigation measures.

The BP shall verify the information provided by the sawmill. If the information provided is not sufficient to implement appropriate mitigation measures then the secondary feedstock may not be considered SBP-compliant feedstock.

NOTE: It is the responsibility of the BP to confirm the above and come to a fair and objective judgment regarding the plausibility and reliability of the information provided by the supplier. The precautionary approach should be applied. The justification will need to be approved by the Certification Body and included in the publicly available Supply Base Report.

Section 9: Clarification of management system, SVP and mitigation measures in risk reduction

Clarification: *In evaluating risk against the indicators in Standard 1 the BP is required to evaluate the risks that result from a combination of factors that are related to the woody biomass found in the Supply Base and the management system of the BP. This requires both evaluation of the risks associated with the feedstock and the impact of the BP management system.*

In some instances the risk may be low as a result of factors outside the influence of the BP, such as the nature of the forest type or a strong regulatory framework combined with effective enforcement.

Risk may also be altered by action taken by the BP such as sourcing policies, mapping of high risk areas or undertaking supplier audits. It may not always be clear if these interventions are part of the BP management system, Supplier Verification Program or mitigation measures. An example of this would be a BP's decision not to purchase from particular suppliers that are associated with particular risks. Activities that may be part of the SVP for one BP may be considered part of the management system of another BP, for example, because the BP has been implementing field audits for a long time.

Where the action of the BP reduces the risk (as a result of the management system, SVP or mitigation measure) then the effectiveness of this action needs to be monitored by the BP either as part of operating an effective management system, as part of monitoring the SVP, or as part of monitoring mitigation measures. The justification for low risk, either as a result of external factors or as a result of actions taken by the BP, must be documented.

In evaluating compliance of the BP the CB is required to evaluate the actions of the BP in reducing risk whether as part of the management system, SVP or mitigation measure.

Where a BP's SBE concludes low risk, a neighbouring BP with an identical Supply Base may not necessarily conclude low risk because of differences between the BPs, for example in their management system.

Section 10.1

Erratum: *"Where a Supply Base covers more than one country (or regions where different legislative jurisdictions apply) then each must be considered a separate sub- scope."* should be replaced with *"Where a Supply Base covers more than one country (or regions where different legislative jurisdictions apply) then each* ***may*** *be considered a separate sub-scope."*

Section 13

Q: What is the required content of the stakeholder consultation? Does it need to include information about the Supply Base Evaluation, including risk designations and/ or mitigation measures?

A: *The required content for stakeholder consultation is outlined in Standard 2, Instruction Note 2B: Supply Base Evaluation Stakeholder Consultation – Requirements for Biomass Producers. To meet the requirement that "Stakeholders shall be provided with adequate information as a basis for informed comment" the BP should provide the draft SBE including risk designations and mitigation measures.*

Q: To what extent should stakeholders and experts be involved in determining the level of risk and appropriate mitigation measures?

A: *SBP Standard 2, section 11.3 will be relevant: "In some cases determining the level of risk will require reference to independent published sources of information, consultation with experts and discussion with stakeholders."*

The BP should make reference to independent published sources of information, undertake proactive consultation and discussion with experts and stakeholders to determine the level of risk and appropriate mitigation measures. The approach set out in Instruction Note 1A: Instructions for Biomass Producers for the development of Locally Applicable Verifiers, Sections 4 and 5 will be relevant.

Section 13: Relationship between the BP and CB consultation processes

Clarification: *BPs are required to complete a stakeholder consultation as part of the SBE with the intention that stakeholders have an opportunity to help identify risks in the Supply Base. The consultation may be combined with the LAV consultation process. The requirement that "Stakeholders shall be provided with adequate information as a basis for informed comment" includes the requirement to provide a copy of or access to (for example, via a web-link) SBP Standard 1. Findings from the stakeholder consultation are used to inform the SBE.*

The CB stakeholder consultation process should take place once the BP stakeholder consultation is complete and it should be completed by the time of the CB onsite audit. In that way the process informs the CB audit, including evaluation of whether stakeholders' comments were adequately addressed by the BP. Additional stakeholder engagement during or after the audit may be appropriate to follow up on issues identified.

Instruction Note 2A, Section 1.5

Q: Section 1.5 states: "Suppliers selected by the BP for monitoring purposes should be different to those who have been selected for evaluation by the CB, except in situations where actions to address complaints or evaluate risk factors require verification." How does the CB select the sample of suppliers to be evaluated, since this is not covered in Standard 3? What qualifications are needed for auditors conducting on-site monitoring of suppliers who are forest owners?

A: *CBs need to justify the sampling techniques and the competence requirements of personnel. It is expected that both these would be based on processes included in the CBs' sampling procedures for accredited SBP-approved Forest Management Schemes and that auditors can demonstrate relevant forest auditing competencies.*

CBs are required to audit the BP management system and mitigation measures. Where the BP management system or mitigation measures extend to activities such as monitoring forest operations then CBs are required to audit these aspects of the BPs operation to evaluate compliance.

Instruction Note 2A, Section 8.4

Q: Can feedstock sourced from within a SB where a SBE is completed and found to be compliant with SBP requirements (including low-risk against all indicators in SBP Standard 1. Feedstock Compliance Standard) be classified as SBP-compliant feedstock if the feedstock is harvested on property owned or managed by the BP?

A: *Yes.*

Instruction Note 2C

Q: Does the Supply Base Report (SBR) always have to be translated into the local language?

A: *Section 2.1 states: "The SBR shall be made available in English, and at least one official language of the country in which the BP is located". Whilst the English version must be available online, the SBR in the local language must be made available if requested. This means that the SBR does not always need to be translated.*

Q: Regarding the Supply Base Report Template for Biomass Producers and Supply Base Report Template for Biomass Producers Annex 1, does the Annex 1 document need to be made publicly available as well the report? If, so why are they separate documents?

A: *Annex 1 needs to be made publicly available where a Supply Base Evaluation is completed. A Supply Base Report needs to be completed by all Biomass Producers.*

Q: Supply Base Report Indicator 3.1 states: "The SBR shall be both uploaded onto the BP website...". Many of the smaller Biomass Producers do not have a website. Is it the intent of 3.1 to require the BP to create a website or will the posting on the SBP website suffice?

A: *Posting of the Supply Base Report on the SBP website will suffice.*

Instruction Document 2D: SBP Requirements for Group Schemes

Q: Should SBP Certification Bodies acquire a separate approval/accreditation to deliver SBP Group Scheme certification in accordance with Instruction Documents 2D and 3I?

A: *No separate approval or accreditation is necessary.*

Instruction Document 2D, Section 1.11 a

"The Group Manager shall maintain records of a legally enforceable contract with each Group Member"

Interpretation: *A "legally enforceable contract" for the purposes of this clause should be a written document and shall:*

a) identify who the parties are;
b) have a date or period of application; and
c) include a clear statement between the parties on what they are agreeing to.

Instruction Document 2D, Section 1.11 new c) and d)

The Group Manager shall maintain records of:

c) Evidence demonstrating compliance of the feedstock supplied by Group Members with this Instruction Document.
d) Group members eligible to supply "NL SDE+ compliant feedstock" and "NL SDE+ controlled feedstock".

Instruction Document 2D, new Section 2.2.1

New section: *Feedstock supplied by a Group Member in compliance with the requirements in this Instruction Document, including the relevant SDE+ sustainability requirements, but excluding Section 5, Principles 6, 8, 9, 10 and Indicators 7.2, 7.4 and 7.5, may be recorded by the BP as NL SDE+ controlled feedstock.*

Instruction Document 2D, Section 2.3

Revised to: *Where feedstock is recorded as NL SDE+ compliant feedstock or NL SDE+ controlled feedstock the BP shall also record the Category using the definition of categories.*

Instruction Document 2D, new Section 4.4

New section: *Where feedstock is received with an RVO benchmarked standard claim and is exempted from evaluation of the relevant indicators in line with the published RVO benchmarking then the RVO benchmarked standard claim with be recorded in the required sustainability information, as per clause 3.3.*

Instruction Document 2D, Section 6, Definitions

The definition of 'Endangered species': ***Endangered species*** *Plant and animal species that are at least classified as 'endangered' in the international Red List of the IUCN and in the IUCN's guidelines for the regional application of the Red List. (TPAS)*

Is replaced with: ***Endangered species*** *Plant and animal species that are at least classified as '**threatened**' in the international Red List of the IUCN and in the IUCN's guidelines for the regional application of the Red List. (TPAS)*

Instruction Document 2E, Section 6, Definitions
Clarification of the FMU definition for determination of Category 2 feedstock under the SDE+ scheme
The following interpretation is required to ensure continued approval of SBP under the NL SDE+ scheme. This clarification of FMU applies only to biomass supplied as NL Biomass Category 1 or Biomass Category 2.

Below is the interpretation to help determine the size of a Forest Management Unit (FMU) in the NL SDE+ sustainability framework. The interpretation concerns the requirements of NL SDE+ regulation indicator 12.4 and the definition of FMU that are laid down in NL SDE+ regulation: "Ministriele Regeling Conformiteitsbeoordeling vaste biomassa voor energietoepassingen". The clarification presented below must be applied in determination of Category 2 feedstock. The interpretation results from a clarification issued by RVO.nl at:

https://www.rvo.nl/sites/default/files/2020/06/Interpretatiedocument%20versie%20juni%202020%20behorende%20bij%20het%20Verificatieprotocol%20versie%20januari%202020.pdf (page 7 section Onderscheid tussen categorie 1 en 2: Het bepalen van de grootte van een bosbeheereenheid in het SDE duurzaamheidskader").

Intention of Category 2 FMU: Historically, the intention of the SDE+ regime was that forests must be certified at FMU level (to FSC standards or equivalent). For the many private small forest owners, who are predominantly not yet certified, a path has been developed to stimulate the certification of this group. A transition period, which runs until 2023, has been designed to give these small-scale forest owners the option to demonstrate compliance with the SDE+ requirements first through the Risk Based Approach at the pellet mill, giving these small-scale forest owners time to ultimately certify at the FMU level. This transition period is not intended for owners of larger forests and/or for owners of forests that already have been certified for FMUs of a size larger than 500 hectares.

This text provides guidance to recognised CBs and approved Voluntary Schemes to help distinguish between a Category 1 and 2 Forest Management Unit (FMU). This distinction is especially important for the Category 2 FMU where forest compliance may be demonstrated at the pellet mill level through the Risk Based Approach. The exact size of the FMU is not always easy to determine. It is up to the CB to determine the boundaries of an FMU based on guidance from the scheme owner (of a Voluntary Scheme that has been approved for Dutch Sustainability criterion 12.4 and the Verification Protocol).
The Dutch regulation defines Category 2 Biomass as biomass from an FMU smaller than 500 hectares. In order to determine if the FMU can be characterised as Category 2, the definition for FMU is formulated as:
"Een of meer bospercelen − natuurlijk bos, aangeplant bos of een ander soort bos − die als één geheel worden beheerd."

Which is translated in the English version of the Verification Protocol as:
"One or more forest stands containing natural forest, planted forest or other types of forest that are managed as a single unit."

The need for clarification: There has been confusion over how this definition should be interpreted, which RVO has concluded is due to the English translation in the Verification Protocol and partly due to a need for more clarity on what is understood by the concept "management".

Clarification of the translation of FMU:

- The Dutch "bospercelen" has been translated as "forest stands". The meaning should be interpreted as: "plots of forested land, forested land parcels or forested properties".
- The Dutch "als één geheel" has been translated as "as a single unit". The meaning should be interpreted as: "as a whole, in unity, in coherence with each other".

The English translation of the Dutch definition of FMU shall therefore be interpreted as:

"One or more plots of forested land containing natural forest, planted forest or other types of forest that are managed as a whole."

Clarification of the concept of the word 'management':

Some clarification is provided on the concept of management in the FMU definition. Management in the context of the FMU definition cannot be seen as separate from a management plan. According to the Dutch legislation, all woody biomass from forests (that is, Biomass Categories 1 and 2), should be from forests that are managed through a documented forest management plan.

The Dutch legislation, as well as Principle 10 of the Verification Protocol, set out requirements of a forest management plan, which include long term goals, planning and monitoring, and a clear description of the state of the FMU. The geographical borders in the documented forest management plan are, therefore, an important indicator when determining the size of the FMU.

Standard 3: Requirements for Certification Bodies

General requirements for CBs

Certificate Applicant Registration:

1) CBs shall complete the on-line "SBP Certificate Applicant Registration Form" made available to accredited CBs before undertaking the stakeholder consultation for new applicants, re-certifications and before change of scope audits.

Certification: 1) The TMLA shall be signed by both the client and SBP before the certificate is issued by the CB and shall be submitted to SBP; 2) When issuing a new certificate the CB shall review the SBP logo, web page reference, version number of the certificate before finalisation; and 3) When issuing a new certificate, transferring certificates or changing the scope, certificate holder name or address the CB shall submit a completed updated Certificate Holder Information form to SBP.

Reports: 1) CBs shall use the latest report templates available at https://sbp-cert.org/documents/standards-documents/templates; 2) A CB shall submit a completed Annex 1 if the Biomass

Producer certification includes Supply Base Evaluation. Note, if an SBP-endorsed RRA replaces the Supply Base Evaluation then Annex 1 is not required. The SBR and PSR shall reference the relevant RRA; and 3) The CB shall verify and ensure the completeness and accuracy of all reports and data including those submitted to SBP and those made public, including the PSR and SBR. Document quality is within the scope of CBs' accreditation and SBP will notify ASI of documentation received or made public that is not of acceptable quality.

SBP audit report on Energy and GHG data (SAR) and Static Biomass Profiling Data: 1) Before submitting data, including the SAR and Static Biomass Profiling Data to SBP for approval the CB shall always verify that: a) The SDI numbers are unique for each reporting period, clearly referenced in the SAR, and sequential; b) The SARs includes all necessary signatures; c) That the Static Biomass Profiling Data is completed in compliance with Instruction Document 5C; and d) The correct SAR is completed for woodchips.

Verifying SBP DTS entries/volume summary: 1) Auditors should be familiar with the DTS CB guide, available on the SBP website; 2) Auditors shall ensure they have established a connection to the Certificate Holder in the DTS before the onsite audit and have accessed the Certificate Holder's transaction data; and 3) Auditors shall evaluate Certificate Holder's DTS entries at least during the audit preparation phase before the on-site audit.

Peer review process: 1) CBs shall submit a copy of peer review comments if one was undertaken, and the CBs response to those comments.

General

Q: The SBP Standards don't specifically address multi-site auditing techniques, but other standards do allow the application of multi-site methodologies. Can such an approach be used under the SBP Standards, provided International Auditing Guidance is followed?

A: *SBP only allows one BP site per certificate. SBP considers each pellet mill to be a BP. Multi-site approaches only extend to multiple operational locations within the scope of one BP, e.g. a pellet mill operating two port facilities where the operational locations are subject to the conditions specified in IAF MD1. Each BP requires an on-site audit annually.*

In the implementation of SBP, the concepts of "logistic" and "storage" site are often seen in practice.

A "logistics site" is characterised by being a temporary storage as a part of a logistics process, e.g., pellets arrive on wagons or trucks, are put in a temporary heap in the port, before being loaded onto the boat. The storage is provided by the transporter or the harbour on an ad hoc basis. Stocks in this type of facilities are often "floating stocks" in ERP systems. Logistic sites shall be considered as temporary sites for application of IAF MD1, and thus do not need to be sampled.

A "storage site" is a facility (warehouse), where stocks are kept under legal ownership on a more or less permanent basis, in order to be able to fill orders. Typically, these sites will also have a storage location in an ERP system. Storage sites shall be considered as permanent sites, and thus need to be sampled according to the IAF MD1 rules.

When the SBP scope covers storage, logistics and/or port facilities, the CB Public Summary Report shall both categorise the sites and justify the sampling methodology.

Section 1.14

Section 1.14 states: *"The CB shall keep records of all letters of notification sent to companies and the respective letters acknowledging receipt and understanding of the conditions".*

Clarification: *SBP recognises that a suspended or terminated certificate holder may not always respond to a CB's notification of suspension or termination. It is a requirement that the certificate holder is made aware of the suspension or termination and its implications, including ceasing making SBP claims. As such, in all cases, including where no acknowledgement of receipt and understanding of the conditions is received the CB shall demonstrate through records that the CB has informed the certificate holder of the suspension or termination and engaged with the certificate holder requesting an acknowledgement of receipt and understanding.*

Section 1.2.2

Section 1.2.2 states: "Surveillance evaluations may be waived for operations that have not produced, or sold any biomass with an SBP-claim since the previous audit."

Clarification*: In order to waive the surveillance evaluation, the Certification Body (CB) shall:*

a) *verify the information in Data Transfer System to confirm no sale of biomass with an SBP claim by the Certificate Holder since the last audit;*

b) *inform the SBP Secretariat that the audit is waived; and*

c) *carry out a surveillance (or re-certification) evaluation within 3 months from the date the certificate holder notifies the CB regarding recommencing the production, or sale of material with an SBP-claim.*

Section 2

Q: Section 2 states: "Lead auditors and personnel in the review and certification decision-making process shall have completed an SBP-approved training course." What is the process for getting a training course approved by SBP?

A: *Training courses are currently provided directly by SBP. There are currently no plans to approve third party training courses.*

Section 5

Q: Can CBs operate SBP certification beyond the scope of the relevant FSC/PEFC or SFI accreditation?

A: *During the approval process, prior to accreditation, CBs may operate SBP certification from an office other than the legal entity holding FSC®, PEFC or SFI accreditation provided that the CB can demonstrate that the accredited systems and procedures are effectively implemented in providing SBP certification.*

Q: SBP has stated that during the approval process, prior to accreditation, CBs with multiple offices may hold SBP-approval at an office other than the legal entity holding FSC®, PEFC or SFI accreditation provided that the CB can demonstrate that the accredited systems and procedures are effectively implemented in providing SBP certification by the approved office. Does 'multiple offices' include contractors?

A: *A CB may not hold SBP-approval at an office of a contractor.*

Section 5.2

Q: The technical scopes of the accreditation must match as specified in Standard #3, section 5.2 which states "For CoC certification, CBs shall hold valid FSC®, PEFC, or SFI CoC accreditation. The scope of the accreditation (supply chain or forest management) shall be equivalent to the applicable scope for SBP certification (supply chain or BP's management systems evaluation)."

A: *Where a CB wishes to extend the geographic scope for SBP certification beyond that held for FSC®, PEFC, or SFI then the CB must demonstrate adequate evidence of competence to offer SBP certification.*

New Section 5.5

New section: *An SBP accredited CB shall not contract another organisation/entity to perform any key activities. The accredited CB shall retain responsibility and control of all key activities.*

Key activities include those listed in IAF/ILAC MLA/MRA: Application of ISO/IEC 17011:2004, IAF/ILAC MLA/MRA: Application of ISO/IEC 17011:2004, M.7.5.7.2, which states:

"*Key activities include:*

- *policy formulation and approval;*

- *process and/or procedure development and approval;*
- *initial assessment of competence, and approval of technical personnel and subcontractors;*
- *control of the monitoring process of competence of personnel and subcontractors and its outcomes;*
- *contract review including technical review of applications and determining the technical requirements for certification activity in new technical areas or areas of limited sporadic activity;*
- *decision on certification including technical review of evaluation tasks (see IAF GD5:2006 G.4.2.26)"*

COVID-19

1 Background

This provides normative requirements for certification audits during the COVID-19 pandemic for Certification Bodies (CBs) providing SBP certification. This includes audits of Biomass Producers (BPs), Traders and End-users and associated Chain of Custody (CoC) systems. The approach taken includes remote auditing and extension of time periods.

This interpretation only applies to audits in situations where:
– CBs assess there is a health risk involved in implementing an on-site audit; or
– auditors are prevented from conducting an on-site audit due to travel restrictions.

These requirements apply to audits scheduled until 30 June 2021, and to certificates with validity expiring to 30 June 2021.

SBP will continue to monitor the situation and revise the guidance, including extending or reducing timeframes, as required.

This interpretation will be reviewed by SBP no later than 31 March 2021.

2 Definitions

Remote audit: An audit where Information and Communication Technology (ICT) (Reference *IAF MD 4:2018)* is used for auditing purposes to replace on-site audit activities.

3 Reference documents

- *SBP Framework Standard 3: Certification Systems. Requirements for Certification Bodies Version 1.0*
- *IAF Informative Document on the Management of Extraordinary Events or Circumstances Affecting ABs, CABs and Certified Organizations (IAF ID 3: 2011 - Issue 1)*
- *ISO 19011:2018 Guidelines for auditing management systems*
- *IAF MD 4:2018 IAF MD for the Use of ICT for Auditing/Assessment Purposes*

4 General requirements

4.1 General requirements for surveillance and re-certification audits scheduled until 30 June 2021

4.1.1 For BPs with Supply Base Evaluations (certificates including Standard 1 in the scope) these audits may be undertaken in two parts.

4.1.1.1 Part 1 – A remote audit requiring the client to confirm:

a) Any significant changes since the last audit;
b) Any systematic failures since the last audit; and
c) Receipt of any complaints or stakeholder comments since the last audit.

4.1.1.2 The remote audit shall be planned together with the other surveillance activities so that the Certification Body can maintain confidence that the client's certified management system continues to fulfil requirements between recertification audits.

4.1.1.3 Part 2 – On-site audit (where required under SBP Framework Standard 3*)* by 31 December 2020 for audits with the field work target date before 1 July 2020.

4.1.1.4 Part 2 – On-site audit (where required under SBP Framework Standard 3) within six months after the audit field work target data where the field work target date is after 30 June 2020.

4.1.1.5 The Part 2 on-site audit shall be planned at the time of the remote audit, its implementation shall be subject to the policy and processes specified in 4.4.1 and formal travel restrictions.

Note: A certificate may be re-issued after successful completion of a Part 1 remote re-certification audit.

4.1.2 Scope extensions, surveillance and re-certification audits may be completed solely by remote methods for the following certificate scopes:

a) Trader
b) End-user
c) Biomass Producer without Supply Base Evaluation (where the scope of certification does not include Standard 1)
d) Biomass Producer with Supply Base Evaluation where all Standard 1 indicators are evaluated as low risk.

Note: Scope extensions for the Supply Base Evaluation of a Biomass Producer (where the scope extension includes Standard 1 and not all indicators are low risk) shall be completed in compliance with 4.2.1 (scope extension to add an SBE requires an on-site audit prior to scope extension).

4.2 General requirements for main assessment audits scheduled until 30 June 2021

4.2.1 An on-site audit is required as part of a main assessment prior to issuing a new certificate to a Biomass Producer where the certification scope includes a Supply Base Evaluation (Standard 1). A remote audit may form part of the main assessment.

4.2.2 The main assessment prior to issuing a new certificate to a Biomass Producer where the scope does not include a Supply Base Evaluation (where the scope of the certificate does not include Standard 1) may be completed by remote audit. An on-site surveillance audit which is additional to the annual surveillance audit requirements is required within six months of the last date of the remote audit. Future surveillance audits shall be scheduled based on the last date of the remote audit.

4.2.3 The main assessment prior to issuing a new certificate to a Trader or End-user may be completed by remote audit.

4.2.4 For main assessment audits undertaken by remote audit the CB shall ensure that the certificate holder notifies the CB immediately when any claims are made in the DTS. Until an on-site audit is completed, the CB shall review the first 10 DTS claims made by the certificate holder within 7 days of each of those claims being made.

4.3 Requirements for CBs conducting any audits scheduled until 30 June 2021

4.3.1 The CB shall establish a documented policy and process, outlining the steps it intends to take where:
- a certified organisation is affected by the COVID-19 event; or
- the COVID-19 event affects the ability of the CB to undertake certification activities.

4.3.2 This documented policy and process shall include an assessment for each audit of the risks of continuing certification . This policy shall also ensure confidentiality, competence of the audit team regarding ICT, adequacy of the ICT available for the auditor/ audit and for each type of audit

activity, maintenance of appropriate records, adequate level of sampling, adequacy of audit duration.

4.3.3 The guidance in IAF ID 3: 2011 - Issue 1 section 3. "*Extraordinary event or circumstance affecting a certified organisation"* shall be applied.

4.3.4 Corrective actions for open non-conformities can be verified by audit techniques other than on-site verification in cases where the CB has assurance that these other techniques show sufficiently clear evidence to conduct the verification.

4.3.5 For valid certificates that have corrective actions pending verification, the verification deadline may be extended by a period of no more than three months, which should then be reviewed as the three-month period comes to an end, based on the current travel and medical advice.

4.3.6 The CB shall immediately inform SBP of any material changes affecting a certificate, e.g. not being able to conduct a remote audit or difficulty in conducting a Part 2 on-site audit within the required timelines (i.e. Part 2 audit per 4.1.1.2 and 4.1.1.3 or an additional on-site audit in accordance with 4.2.2). The information should include a detailed description of the situation and be provided in a timely manner.

4.3.7 CBs shall cooperate with ASI in the implementation of the guidance under IAF ID 3: 2011 - Issue 1 section 4. "*Extraordinary event or circumstance affecting the CAB*."

4.3.8 CBs shall implement IAF MD 4:2018 IAF MD for the Use of ICT for Auditing/Assessment Purposes.

4.3.9 In any case the CB shall always conduct opening and closing meetings for all audits, whether remote or on-site.

4.3.10 The CB shall provide SBP with information requested by SBP (including certificate name, scheduled remote audit dates and if appropriate on-site audit dates) before a remote audit is undertaken. The information shall be supplied sufficiently in advance to enable the audit to be witnessed by SBP or ASI if required.

4.3.11 SBP may require that any remote audit is witnessed by SBP or ASI as a condition of undertaking the remote audit.

4.3.12 SBP may require that any aspect of these requirements, including the procedures specified in 4.3.1, 4.3.2 and 4.3.3 are remotely assessed by SBP or ASI as a condition of proceeding with remote audits.

4.3.13 This interpretation does not affect SAR validity requirements. Where a remote SAR audit replaces an on-site SAR audit then the SAR shall expire 15 months after the remote SAR audit closing meeting.

4.4 Requirements for retaining records

4.4.1 The CB shall retain appropriate records of the decisions taken on this topic, and their justification. Examples are formal travel restrictions for cases where an audit was undertaken in two parts as described in 4.1, extension of certificate validity, evidence of risks mentioned in 4.3.2, evaluation of corrective actions, etc.

Section 6

Q: If an applicant for SBP certification is operating an approved CoC system is the CB required to check that the CoC system is operating or can the fact that the applicant holds a valid certificate sufficient evidence?

A: *Standard 3 sets out requirements for CBs conducting main assessments (including sections 6 and 7) and for surveillance audits (including Instruction Notes). These requirements are additional to confirming that the applicant holds a valid CoC certificate.*

The requirements include that the CB confirms that the organisation's management system is capable of ensuring that all requirements of the standards are implemented across the entire scope of the evaluation. This includes analysis and description of the:

- *Structure, operation, inputs and outputs*
- *CoC system*
- *Critical control points*

Note also that Standard 3, section 6.4 requires the CB to implement the requirements as specified in the table.

Section 6.4

Clarification*: For audits of BPs with SBE and the need to sample FMUs, a CB can apply any of the accreditation standards specified in Table 1 of requirement 6.4. Additionally, CBs may apply the requirements specified in FSC-STD-20-011 V4-0 clause 6.18 under the section Evaluation of the organisation's DDS (Due Diligence System): "The certification body shall verify the adequacy of control measures, including: a) a sample of each type of control measure for each type of risk identified in the DDS. The sampling rate shall be established and justified by the certification body according to the scope of the DDS."*

This possibility is only allowed for sampling requirements that apply to FMUs and must be justified in the CB Public Summary Report.

Q: Can a Biomass Producer be certified before production starts?

A: *A certificate could be issued covering the activities that can be evaluated, for example, purchase of feedstock, but the scope of the certificate could not include production until that aspect of the process can be evaluated.*

Section 6.5 CB reporting of Chain of Custody audits

Clarification*: A CB shall specify which scheme accreditation rules it is following for Chain of Custody audits.*

Section 7.2

Clarification*: The requirements in Standard 3 include that the CB shall audit Sustainability Characteristics of feedstock, Mass Balance calculations, inventories and also data entered in the DTS. The ability of the applicant to meet these requirements shall be assessed at Main Assessment.*

A guidance document is provided to CBs on how to evaluate use of the DTS by their clients https://sbp-cert.org/docs/SBP-DTS-v1-0_CB-Guide-Oct-17.pdf

Section 7.3

Section 6

Q. In cases where the main (initial) audit took place over 12 months ago and the certificate is not yet issued, should the first surveillance audit be carried out?

A. *A guiding principle is that an SBP certificate provides a credible guarantee of compliance with SBP requirements.*

Any decision on certification must be based on current evidence of compliance. SBP does not consider that evidence greater than 12 months old provides a credible guarantee. CBs are therefore required to ensure that any data used is current.

Additionally, given that documents will be placed in the public domain those documents must contain data that is sufficiently current to present a credible basis for certification.

As such SBP would expect the CB to conduct an evaluation of the applicant, additional to that completed at the initial assessment, sufficient to ensure the evidence used is credible and current. The CB will plan these activities accordingly. SBP expects that this would include an onsite evaluation, with the onsite time being between the time required for an initial audit and a surveillance audit depending on risk and complexity as determined by the CB.

Q: Is an applicant allowed to transfer to another CB for the provision of first surveillance audit services? Such a situation may arise in cases where the initial audit report and all supporting documentation has been submitted to ASI and is therefore in the 'report review process' and an approval decision awaited, and the surveillance audit needs to be scheduled.

A: *Yes, an applicant may transfer to another CB for the provision of first surveillance services. This may occur in a situation where the initial audit report and all supporting documentation is currently undergoing the review and approval of the applicant certificate. In such cases, SBP requires that the newly appointed CB undertakes the audit within three months of the certificate being issued.*

Section 8

Q: Do lead auditors need to be qualified Lead Auditors for forest management or chain of custody in relevant SBP-approved schemes?

A: *Standard 3 section 8.2 requires that CB "personnel shall be competent for the functions they perform, including making required technical judgments, defining policies and implementing them." It is unlikely that this requirement can be met for Lead Auditors or Technical reviewers unless they are qualified Lead Auditors for forest management or chain of custody in relevant SBP-approved schemes.*

Section 8.2

Section 8.2 states*: "The personnel shall be competent for the functions they perform, including making required technical judgments, defining policies and implementing them."*

Clarification: *The Certification Body shall ensure that:*

a) internal audits are conducted by personnel knowledgeable in SBP certification, auditing, the requirements of this standard and applicable requirements of SBP normative documentation; and

b) internal auditors do not audit their own work.

Section 8.6

Clarification*: Section 8.6 states: "Lead auditors and personnel in the review and certification decision-making process shall be approved by SBP for their tasks at the time of undertaking those tasks. Confirmation of approval is available to CBs from SBP."*

Currently, SBP does not approve lead auditors and personnel in the review and certification decision-making process. As a minimum requirement those personnel are required to pass the SBP tests (SBP maintains a list of personnel that have passed these tests). Standard 3, Section 8 sets out competence requirements including implementation of ISO/IEC 17065:2012(E) section 6.1.2 Management of competence for personnel involved in the certification process.

Section 9

Q: Is the definition of stakeholders the same as that used in the FSC system?

A: *FSC-STD-20-006 is referred to as good practice and stakeholder is defined there as "Any individual or group whose interests are affected by the way in which a forest is managed". Use of another definition would need to be justified.*

Q: Does the Certification Body stakeholder consultation process only apply in situations where a Supply Base Evaluation has been done and will the Certification Body be working on the list of stakeholders provided by the Biomass Producer? Is it correct to assume that if the Biomass Producer does not need to do a Supply Base Evaluation there is no need for stakeholder consultation at all?

A: *A stakeholder consultation by the Certification Body is required irrespective of the Supply Base Evaluation process. Standard 3, Section 9.3 states: "The Certification Body (CB) shall consult with stakeholders included in the Biomass Producer's (BP's) Supply Base Evaluation (SBE) consultation and the Locally Applicable Verifiers (LAVs) process. As a part of the CB consultation the CB shall determine if stakeholders' comments were adequately addressed by the BP." This requires that where an SBE is completed the stakeholders engaged with by the Biomass Producer are also engaged with by the Certification Body.*

Section 9.4

Q: Must the CB allow one month to elapse between receiving the comments from the BP on the SBE and undertaking the CB stakeholder and conducting the audit?

A: *In theory, the process could be completed in 1 month with both the BP and CB stakeholders processes happening in parallel. There are credibility risks associated with that approach, including stakeholders not*

having opportunity to comment on the outcomes of the SBE, which the CB would need to consider in its evaluation.

Section 9.6 CB stakeholder consultation

Q: A stakeholder does not respond to the CB or BP stakeholder consultation, but publishes an article critical of the BP in the national press which is relevant to the requirements of Standards 1 and 2. Is the CB required to evaluate the comments?

A: *Where a BP is implementing an SBE, then the stakeholder consultation process is an essential part of the certification process by which interested and directly affected parties engage with both the BP and the CB in order to provide an effective means ensuring the BP's conformance with certification requirements. The CB is required to evaluate the BP's own stakeholder consultation and the BP's conformance with the wider standards, including the results of the Supply Base Evaluation.*

The FSC standard Stakeholder consultation for forest evaluation FSC-STD-20-006 (V3-0) EN provides guidance on the requirements for stakeholder consultation, including section 2 'Identification of and information for stakeholders'.

Where stakeholders make comments about applicants or certificate holder that are relevant,(i.e. includes evidence of an organization's conformity or nonconformity to the requirements of the SBP Standards) and which could reasonably be considered to have been identified by the BP or CB audit team that "has the combined necessary knowledge to evaluate against the SBP Feedstock Compliance Standard in the local context of the Supply Base" (Standard 3, section 8.4), then the BP or CB should ensure that the stakeholder has been contacted and given the opportunity to inform the consultation directly.

Section 10: Public Summary Report for non-BP

Q: Section 10 requires that the CB prepare a public summary report for each BP to which a certificate is issued. Is a public summary report required for non-BP certificate holders (e.g. biomass brokers and distributors)? If so, will SBP create a public summary report template for non-BPs?

A: *A public summary report is only required for the BP.*

Revised interpretation:

A: *In-line with the custom and practice of SBP audits and the principles of transparency a Public Summary Report is required for each audit of all SBP Certificate Holders.*

Section 10.3

Section 10.3 states: *"Main evaluation reports, surveillance reports, public summary reports and updates shall be submitted to SBP no later than ninety (90) days after the on-site closing meeting at the end of a CB audit."*

Q: Should the updated Public Summary Reports be uploaded/overwritten on SBP website for Non-conformity Verification Audits?

A: *Non-conformity Verification Audits are carried out in order to evaluate whether the proposed corrective actions have been implemented and if they are effective. Certification Bodies are responsible for managing all non-conformities and for keeping records of such audits. There is no need to upload Non-conformity Verification Audits on to the SBP website.*

Section 13.4

Q: Does the BP have to sign the Trade Mark Licence Agreement even if it is not willing to use the SBP trademark? (The FSC scheme requires it as the agreement contains other points not directly connected with trademark use.) Further, is use of the SBR template considered to be use of the SBP trade mark? There may be cases where the organisation doesn´t want to use the SBP trade mark, but still must use the official template for the SBR.

A: *Use of the trade mark includes using the term "SBP". Any company making an SBP claim needs to sign the agreement.*

Instruction Note 3B: Section 1.1.1 Surveillance audits

Section 1.1.1 states "The CB shall carry out a surveillance evaluation to monitor the certificate holder's continued conformance with applicable certification requirements, at least annually (i.e. every 12 months)".

Clarification: *The on-site element of annual surveillance audits shall be completed before the end of the anniversary month of the initial audit on-site closing meeting. To enable evaluation of operations across a range of seasonal variation and to maintain regular surveillance auditing annual surveillance audits should occur no more than up to six (6) months before this anniversary. CBs may request from the SBP secretariat to use an alternative anniversary month for specific Biomass Producers, for example where this facilitates efficient audit scheduling.*

Instruction Note 3B, Sections 1.1.5 and 1.1.6

Q: When planning on-site audits to storage facilities (for example, ports, inland terminals, log yards), what is the guidance for sampling?

A: A CB may choose which methodology to use to determine the sample. It may be a risk-based approach (classifying sites into low and high risk by using relevant criteria and deciding on-site audits based on the risk level) or sampling applying the standard formula (as per IAF Mandatory Document for the Audit and Certification of a Management System Operated by a Multi-Site Organization, Issue 2, IAF MD 1:2018). It is up to the CB which methodology to use, but the chosen methodology must be documented in the CB procedures and justified in the Public Summary Report (PSR).

When the scope of the SBP certificate covers storage, logistics or port facilities (both permanent and temporary), this must be described in the PSR. A justification shall be provided as to why the storage is considered temporary or permanent and sampling used shall be described under section 6.2, Description of the evaluation activities.

Instruction Note 3C, Section 1.2.3: CoC Surveillance – SBP requirements for CBs

Clarification*: Where a CB waives a surveillance evaluation the CB shall inform SBP at the time that the audit is waived.*

Instruction Note 3C, Section 2.1.4

Section 2.1.4 states:

"2.1 The CB shall review at a minimum:

"2.1.4 Purchasing and sales documentation for feedstock and biomass (invoices, bills, transport documents, sales contracts)".

Clarification*: For surveillance audits, this requirement includes that the CB verifies records of claims made and biomass received through the Data Transfer System (DTS). The CB shall verify a Certificate Holder's transaction data directly in the DTS.*

Note: For the period 1 October 2016 - 31 August 2017, a separate Periodic Transaction Summary Report (PTSR) shall be provided to the CB by the Certificate Holder. The PTSR must be requested by the Certificate Holder from SBP and supplied to the CB. All requests and questions shall be submitted to DTS@sbp-cert.org.

Instruction Note 3D, Section 1.9.1

Q: The minor non-conformity close-out timeframe is up to one year but other accreditation requirements require shorter close-out.

A: *Standard 3, section 1.9.1 states "Minor non-compliances shall be corrected within one year (under exceptional circumstances, within two years)." This is a maximum timeframe. CBs may elect to reduce the timeframe.*

Instruction Document 3F, Section 2 h)

Clarification: *For any Certificate Holders approved for Instruction Document 5D: Dynamic Batch Sustainability Data, the SBP certificate scope statement shall include the following:*

"The scope includes communication of Dynamic Batch Sustainability Data".

For any Certificate Holders approved for Instruction Document 2D: SBP Requirements for Group Schemes, the SBP certificate scope statement shall include the following:

"The scope includes an SBP Group Management Scheme".

Instruction Document 3F, Section 4

Q: Is there a requirement for Certification Bodies to have their certificate templates approved by SBP?

A: *Yes. Instruction Document 3F, section 4 states: “Certification documentation shall be approved in writing by SBP before use by the CB”.*

Standard 4: Chain of Custody

General

SBP-approved Chain of Custody (CoC) Systems are set out in the currently applicable PEFC, SFI and FSC Chain of Custody Standards as well as in Standard 4. These Chain of Custody systems all operate Mass Balance systems that ensure that sustainability characteristics remain assigned to consignments of biomass on a book-keeping basis while the physical mixing of feedstock and biomass with different sustainability characteristics is allowed.

SBP will only approve Chain of Custody systems under which the sustainability characteristics remain assigned to consignments of biomass on a bookkeeping basis while the physical mixing of biomass with different sustainability characteristics is allowed.

Specifically, SBP will only approve Chain of Custody systems where:

If a link in the chain of custody mixes feedstock or biomass with different sustainability characteristics a mass balance is used. For the mixing the following shall apply:

- The method may be applied up to the level of a single location; and
- The sustainability characteristics of mixed biomass output can be traced back to the characteristics and quantities of the individual incoming biomass and feedstock, taking account of applicable conversion factors.

SBP will not approve Chain of Custody systems characterised as 'Book and Claim' where the assignment of sustainability characteristics to physical biomass is lost.

Section 5.1.1

Q: Is it correct that a Biomass Producer cannot have SBP certification on its own, that is, it also needs to have FSC and/or PEFC and/or SFI certification as well, even if the Biomass Producer has no FSC- or PEFC-certified feedstock?

A: *Correct. There is no bespoke SBP Chain of Custody control system. Implementing an SBP-approved Chain of Custody (CoC) system and a valid certificate is required in order to be able to make an SBP claim.*

Q: A BP operates several pellet mills within the scope of an SFI multi-site certificate. SBP does not permit multi-site certification. What should the scope of the SBP certificate include?

A: *Each pellet mill requires its own SBP certificate. Each mill must be included within the scope of a valid SBP-approved Chain of Custody (CoC) system certificate.*

Q: A holding company owns several pellet mills. Each mill sells pellets to the holding company which takes legal ownership of the pellets before selling them to customers. Does the holding company require a separate SBP CoC certificate?

A: *Each legal owner, including the holding company, wishing to sell biomass with an SBP claim must be included within the scope of a valid SBP CoC certificate. The holding company could hold its own CoC certificate, alternatively it could be included in the scope of one (or more than one) of the BPs.*

Clarification: *Loss, including suspension, of the underlying FSC, PEFC or SFI CoC certificate held by an SBP certificate holder could lead to immediate suspension of the SBP certificate. However, if the causes of suspension are not related to the operation of the SBP Chain of Custody control system (for example due to non- payment of certification fees) then it would be appropriate for the CB to issue a major non-conformity with a one month close out period.*

Section 5.1.2

Q: Can a BP that is operating an FSC percentage system use that system for SBP as there is no SBP percentage claim?

A: *A BP that is operating a percentage- based control system for purposes other than SBP certification may adopt it to control SBP claims. As there is no SBP percentage claim, a proportion of biomass up to the equivalent of the percentage claim may carry the 'SBP-compliant biomass' claim.*

Q: Does the SBP scheme allow organisations to outsource pellet production, for example, the organisation in question will purchase the feedstock, supply it to the pellet producer and take the resultant pellets, paying only for the provided services?

A: *The legal owner shall implement all aspects of the SBP-approved CoC system requirements for the SBP feedstock and biomass including as they relate to outsourcing.*

Note: The CB shall implement the Scheme accreditation requirements which are being implemented and specified in Standard 3, section 6.4, including as they relate to auditing of outsourcing.

Q: When an entity takes legal possession of biomass, should it be compulsorily certified to any of the recognised COC systems such as PEFC? The note in Standard 4 states that: "Note: SBP feedstock or biomass will not necessarily enter into the scope of the SBP-approved CoC system certification, but the SBP-approved CoC system, CoC processes and requirements shall extend to SBP feedstock and biomass".

A: *Yes, the legal owner must be certified to an SBP-approved Chain of Custody (CoC) system. The note explains that the scope of the an SBP-approved Chain of Custody (CoC) system must include the SBP feedstock and biomass e.g. physical locations, outsourcing, or relevant standards and processes such as FSC- STD-40-007: FSCTM Standard for Sourcing Reclaimed Material for Use in FSC.*

The SBP feedstock or biomass does not, however, have to be certified under the SBP-approved Chain of Custody (CoC) system and it does not have to carry an FSC, PEFC or SFI claim.

Q: Where a legal owner is operating an FSC transfer system, can biomass with different SBP claims (SBP-compliant and SBP-controlled) be physically mixed (for example, in a ship) and the biomass still retain the SBP-compliant and SBP- controlled claims?

A: *A legal owner operating an FSC transfer system may physically mix batches of biomass with different SBP claims and the output batches of biomass may retain their original input claims.*

Although SBP requires that legal owners operate an SBP-approved CoC system (FSC, PEFC or SFI) to determine output claims, it differs from FSC in that material with different claims may be mixed as long as the material is sold in proper proportions to the original claims. Within FSC, implementation of the transfer system requires that if there is physical mixing of inputs with different claims then only the lowest claim may be used for outputs.

SBP differs from FSC in two important respects in relation to CoC claims. First, SBP does not have an equivalent of the FSC 100% claim, which indicates that all 'atoms' in a product carrying that claim originated from an FSC certified forest. Instead, the SBP standards state that SBP- compliant biomass "may physically contain SBP-compliant feedstock, Controlled Feedstock or EUTR-compliant biomass".

Second, SBP requires implementation of a Production Batch system which ensures that SBP claims are retained and cannot be transferred between batches, even if batches are physically mixed. This principle is supported by the implementation of the SBP Data Transfer System (DTS).

Additionally, SBP does not permit claims to be transferred between physical batches using 'book and claim' techniques as SBP states (in Instruction Document 5A v1.1) that the Permitted Use of a Transaction Claim is that it "must remain consistent with the physical biomass to which it relates.

If the biomass is destroyed, or is sold to a customer who is not an SBP Certificate Holder, the claim must also be destroyed. A Transaction Claim may only be 'detached' from the physical biomass to which it relates when the biomass is burned by an End-User for the purpose of generating electricity or heat." Put simply, batches may be physically combined as long as their Transaction Claim follows the same proportional weight of material as outputs that entered the system as inputs.

As such, SBP does not consider that the physical mixing of biomass with different SBP claims under an FSC transfer system necessarily requires that the lowest claim be allocated to all outputs.

SBP Standard 4, section 5.1.2 states that "The legal owner shall implement all aspects of the SBP-approved CoC system requirements for the SBP feedstock and biomass. Where there is a conflict between the requirements in the SBP-approved CoC system requirements and those specified in the SBP standards, the SBP standards shall have precedence."

With reference to SBP Standard 4, section 5.1.2 and the absence of a 100% claim, the implementation of both the Production Batch system and the DTS and the definition of a Permitted Use of a Transaction Claim, SBP concludes the following: ***A legal owner operating an FSC transfer system may physically mix batches of biomass with different SBP claims and the output batches of biomass may retain their original input claims.***

Section 5.2.2

Q: Standard 4, section 5.2.2 states "Only the following feedstock inputs shall be considered to be SBP-compliant feedstock [3rd bullet]

- Feedstock sourced within the scope of the BP's own SBP-approved Chain of Custody (CoC) System Certification, for example, non-certified reclaimed feedstock sourced in compliance with FSC-STD-40-007: FSC Standard for Sourcing Reclaimed Material for Use in FSC."

A: *Notice is drawn to FSC-STD-40-007: FSC Standard for Sourcing Reclaimed Material for Use in FSC Annex I: Examples of reclaimed wood material which states that the following products are not considered to be reclaimed "Co-products from virgin parent materials (example: Offcuts, shavings, sawdust, and the like, generated during primary manufacture of logs)."*

Q: SFI Fiber Sourcing is now accepted by PEFC, will this now be acceptable as SBP- controlled feedstock?

A: *Yes. PEFC has announced that The Sustainable Forestry Initiative (SFI) Fiber Sourcing Standard is now recognised by the Programme for the Endorsement of Forest Certification (PEFC) as a tool that meets PEFC requirements for the avoidance of controversial sources in the PEFC Chain of Custody standard. Consequently, feedstock sourced in compliance with the SFI Fiber Sourcing Standard or supplied with the relevant SFI % Certified Sourcing claim may be considered to be SBP-compliant feedstock. The statements in Standard 2, Section 8.2 and Standard 4, Section 5.2.2 that: feedstock received in compliance with SFI Fiber Sourcing requirements are not considered to meet SBP-certified feedstock or Controlled Feedstock requirements are superseded by PEFC's recognition.*

Erratum: The above answer should read: *Yes. PEFC has announced that The Sustainable Forestry Initiative (SFI) Fiber Sourcing Standard is now recognised by the Programme for the Endorsement of Forest Certification (PEFC) as a tool that meets PEFC requirements for the avoidance of controversial sources in the PEFC Chain of Custody standard. Consequently, feedstock sourced in compliance with the SFI Fiber Sourcing Standard or supplied with the relevant SFI % Certified Sourcing claim may be considered to be SBP-controlled feedstock. The statements in Standard 2, Section 8.2 and Standard 4, Section 5.2.2 that: feedstock received in compliance with SFI Fiber Sourcing requirements are not considered to meet SBP-certified feedstock or Controlled Feedstock requirements are superseded by PEFC's recognition.*

Section 5.2.4

Q: Where feedstock is received with an SBP-approved Chain of Custody Scheme % Claim how should this be treated?

A: *Where a % claim is received then it should be allocated to Compliant and Controlled feedstock in the same proportion as the %. If feedstock is received as a % claim (for example, PEFC %) and the BP is operating another Chain of Custody system (for example, FSC) then a PEFC 70% claim may still be considered to comprise 70% SBP-compliant and 30% SBP-controlled feedstock.*

Section 5.2.7 Mixing of biomass

Clarification: *The concept of EUTR compliant biomass was used by SBP to facilitate the initial trading of biomass with SBP claims. The trade of biomass with SBP claims is now established and it is appropriate to remove this classification. From 31 December 2017, the biomass group "EUTR compliant biomass" will no longer be recognised by SBP. Standard 4 section 6.1, "EUTR compliance" will remain normative.*

Clarification: *Mixing of biomass. Until 30 September 2018, biomass carrying an SBP claim may be physically mixed with biomass carrying a claim from an SBP-approved scheme. Mass balance/ Credit control systems may be applied to the mix. The biomass must be received by the legal owner with the SBP-approved scheme claim. The conditions under which that claim can be transferred to the next customer are determined by the requirements of the SBP-approved scheme and are outside the scope of SBP.*

SBP will review the situation by 31 March 2018 and determine if this mixing rule may be extended beyond 31 September 2018 and, if so, for what period.

Example 1:

An SBP and FSC certified legal owner takes delivery of the following:

- *50,000 tonnes of biomass received with an SBP-compliant claim only; and*
- *60,000 tonnes of biomass received with an FSC Mix claim only.*

The deliveries are mixed.

40,000 tonnes of biomass are sold with an SBP-compliant claim and 10,000 tonnes of biomass with an SBP-compliant claim remains in stock.

Rules determining if the biomass may be sold with an FSC Mix claim are outside the scope of SBP (but it is assumed that they may not as 50,000 tonnes of biomass carries no FSC-recognised claim).

Example 2:

An SBP and FSC-certified legal owner takes delivery of the following:

- *50,000 tonnes of biomass received with an SBP-compliant claim and an FSC Mix claim; and*
- *60,000 tonnes of biomass received with an FSC Mix claim only.*

The deliveries are mixed.

40,000 tonnes of biomass are sold with an SBP-compliant claim and 10,000 tonnes of biomass with an SBP-compliant claim remains in stock.

Rules determining if the biomass may be sold with an FSC Mix claim are outside the scope of SBP (but it is assumed that they may be as all the biomass carries an FSC Mix claim and the legal owner is FSC certified).

Example 3:

An SBP and PEFC-certified legal owner takes delivery of the following:

- *50,000 tonnes of biomass received with an SBP-compliant claim and an FSC Mix claim; and*
- *60,000 tonnes of biomass received with an FSC Mix claim only.*

The deliveries are mixed.

40,000 tonnes of biomass are sold with an SBP-compliant claim and 10,000 tonnes of biomass with an SBP-compliant claim remains in stock.

Rules determining if the biomass may be sold with an FSC Mix claim are outside the scope of SBP (but it is assumed that they may not as the legal owner is not FSC- certified).

Current interpretation: *Until 30 September 2018, biomass carrying an SBP claim may be physically mixed with biomass carrying no SBP claim, but with a claim from an SBP-approved scheme (e.g. FSC 100%).*

Mass balance/Credit control systems may be applied to the mix. The biomass must be received by the legal owner with the SBP- approved scheme claim. The conditions under which that claim can be transferred to the next customer are determined by the requirements of SBP-approved scheme and is outside the scope of SBP.

Additional interpretation: *To permit existing supply chains to make the necessary operational changes, the period until which biomass carrying an SBP claim may be physically mixed with biomass carrying no SBP claim, but with a claim from an SBP-approved scheme (e.g. FSC 100%) is extended until 31 March 2019.*

For clarification purposes, biomass with both an SBP-claim and a claim from an SBP-approved scheme (e.g. FSC, PEFC) can continue to be mixed indefinitely.

Q: A trader has no stock and buys pellets with PBid 01-01-01-00 carrying an SBP-compliant claim and physically mixes them with pellets with PBid 02-02-02-00 carrying an SBP-controlled claim. The trader is implementing a credit system. Can the trader sell any pellets with PBid 02-02-02-00 and with an SBP-compliant claim?

A: *No. Sustainability characteristics may not be swapped between batches. Biomass may however be physically mixed and a batch's claim may be downgraded (from SBP-compliant to SBP-controlled).*

Section 5.3.1

Q: If a Biomass Producer has pellets in its credit account can they be sold after the date of issue of the SBP certificate as 'SBP- compliant' biomass? If such pellets were sold before the date of issue of the SBP certificate can they be considered 'SBP- compliant' in retrospect?

A: *If the feedstock is certified and the credit system has been used then the pellets may be sold with the 'SBP-compliant' claim.*

The 'SBP-compliant' claim cannot be used retrospectively.

Q: If pellets are produced after the closing meeting of the SBP assessment, can they be sold with the 'SBP-compliant' claim?

A: *If the pellets were produced in accordance with the process audited during the SBP assessment and subsequently SBP approves the certification of the Biomass Producer then such pellets may be sold with the 'SBP-compliant' claim.*

Sections 5.4.1 a-d, 5.4.2 and 5.5.3

Q: What information needs to be included in the sales document, when selling SBP- certified biomass and how does this relate to the data entered to the DTS?

A: *SBP Certificate Holder selling biomass with an SBP claim must use the Data Transfer System (DTS) to transfer an SBP claim to the next legal owner (Instruction Document 5A 4.1 and 4.2). SBP Claims are only valid if recorded in the DTS.*

The requirements of Standard 4, Sections 5.4.1 a-d and 5.4.2 may be met through the Transaction Data in the DTS.

Standard 4, Sections 5.5.3 requires that the transaction recorded in the DTS shall be referenced to sales and delivery documentation, for example through invoice numbers.

Note: SBP Certificate Holders within a group of SBP-certified organisations are also required to enter biomass movements between internal group Certificate Holders to the DTS. Reference to a sales document is not required in these cases.

Section 5.4.2

Q: Standard 4, section 5.4.2 states: "A legal owner shall record the certificate numbers of the customer to which it supplies biomass, where applicable."

What is the definition of "applicable" in that case?

A: *In the case of Standard 4, section 5.4.2 "applicable" is determined to mean if the customer is certified then record the number, otherwise do not. This information must be entered into the Data Transfer System (DTS).*

Section 5.4.2

Q: Standard 4, section 5.4.2 states: "A legal owner shall record the certificate numbers of the customer to which it supplies biomass, where applicable."

What is the definition of "applicable" in that case?

A: *In the case of Standard 4, section 5.4.2 "applicable" is determined to mean if the customer is certified then record the number, otherwise do not. This information must be entered into the Data Transfer System (DTS).*

Section 5.5.3 SBP claims on invoices and delivery notes

Clarification: *The SBP claim does not have to be included on the sales and delivery documentation. Biomass supplied with an SBP claim in the DTS shall be identifiable as such on sales and delivery documentation. Transactions recorded in the DTS shall be referenced to sales and delivery documentation, for example through invoice numbers. Where sales and delivery documentation include biomass with an SBP claim and also other products the referencing shall ensure that biomass supplied with an SBP-claim is clearly identifiable.*

Section 5.5.4

Q: Standard 4, section 5.5.4 states "5.5.4 'SBP-compliant biomass' is biomass which is produced in compliance with all relevant SBP standards using the rules of an SBP- approved Chain of Custody (CoC) System and is derived from SBP compliant primary feedstock. It may physically contain SBP- compliant feedstock, Controlled Feedstock or EUTR-compliant biomass."

The word 'primary' should be deleted.

A: *Standard 4, section 5.5.4 would more correctly read "'SBP-compliant biomass' is biomass which is produced in compliance with all relevant SBP standards using the rules of an SBP-approved Chain of*

Custody (CoC) System and is derived from SBP compliant ~~primary~~ feedstock. It may physically contain SBP-compliant feedstock, Controlled Feedstock or EUTR-compliant biomass."

Section 5.5.4

Clarification: *Standard 4, section 5.5.4 states: "SBP-compliant biomass is biomass which is produced in compliance with all relevant SBP standards using the rules of an SBP-approved Chain of Custody (CoC) System and is derived from SBP-compliant primary feedstock. It may physically contain SBP-compliant feedstock, Controlled Feedstock or EUTR- compliant biomass'.*

The word 'primary' should be deleted.

Standard 4, section 5.5.4 should be read as: "SBP-compliant biomass is biomass which is produced in compliance with all relevant SBP standards using the rules of an SBP-approved Chain of Custody (CoC) System and is derived from SBP-compliant primary feedstock. It may physically contain SBP-compliant feedstock, Controlled Feedstock or EUTR-compliant biomass'.

Instruction Note 4B and Trade Mark Licence Agreement

Q: What are the rules/requirements to be observed by Certification Bodies and Certificate Holders when using any of the SBP trade marks, including the SBP logo? Where is the guidance given?

A: *Instruction Note 4B: trade mark use covers the general requirements, and application and formatting of the trade mark.*

The Trade Mark Licence Agreement, section 7.2 states: "As and when required by the Licensor, the Licensee shall send to the Licensor for its prior written approval, the text and layout of any material relating to Products containing the Mark. In the event that the Licensor disapproves of such material, it shall give written notice of such disapproval to the Licensee within 5 days of receipt by the Licensor of the material. The Licensee shall not use any material with the Mark (including but not limited to advertising, marketing or promotion of Products) that has not been approved by the Licensor. In the absence of a written notice of non-approval within 5 days of receipt of such materials, the materials shall be deemed to have been approved by the Licensor".

Instruction Note 4B and Trade Mark Use

Q: If a party wishes to use the SBP logo or one of its trade marks what guidance should it follow?

A: *There are three documents that should be consulted for guidance on how to use the logo and which permissions should be sought. Those documents are: i) the Trade Mark Licence Agreement; ii) Information Note 4B (found in Standard 4); and iii) the SBP Brand Guidelines (http://www.sbp-cert.org/documents/brand-guidelines).*

Importantly, in accordance with the Trade Mark Licence Agreement, clause 7.2, the party must send for its prior written approval the text and layout of any material containing the SBP logo or SBP trade marks.

Standard 5: Collection and Communication of Data

General

Q: If a Biomass Producer had FSC certification and was using exclusively FSC feedstock, could it use the energy and carbon balance data gathering standard on its own and supply the biomass as FSC-certified along with the carbon data without being SBP-certified?

A: *The energy and carbon balance data could be certified, but it is not clear how this could be linked to biomass carrying an FSC claim without SBP certification of the biomass. SBP is currently exploring the data transfer component and how it might facilitate trade more widely (e.g. quality aspects as well as sustainability characteristics).*

Q: What is to stop FSC and PEFC setting up their own energy and carbon balance systems as optional modules and supplying the feedstock as FSC- or PEFC-certified, thus cutting SBP out of the equation. Would the power generators accept this?

A: *SBP is actively working with PEFC to develop a greenhouse gas (GHG) module that would mean a legal owner could just be PEFC-certified with the GHG module, thereby not requiring SBP certification. It is SBP's stated intention to promote FSC and PEFC certification.*

Q: Is certification against standard 5 compulsory or optional? Can the BP be certified against standards 1 to 4 first, and against standard 5 afterwards?

A: *Certification against Standard 5 is optional and may be added later. If an organisation is not certified against Standard 5 no claim may be made about any carbon or energy data supplied until it is certified against Standard 5.*

Section 5.1

Q: How can greenhouse gas values be evaluated when a plant is being commissioned?

A: *Engineering values may be used as verifiable evidence and then actual values should be evaluated after start-up.*

Section 7.2

Erratum. *"Each legal owner is required to pass information relevant to each batch of pellets to the next legal owner and end- user, including sustainability and carbon and energy data." The word "pellets" should be replaced with "biomass".*

Instruction Document 5A

Q: Regarding the energy and carbon balance data gathering process, if the Biomass Producer is the unit of certification, how is the data that applies to the forest (and is presumably provided by the forest owner or harvester) verified as being accurate and correct? Instruction Document 5A, Section 3 "Feedstock Inputs"

carries a lot of data applying to the feedstock source, how would these data be validated? Would there be a need for the Certification Body to carry out site level assessments at forest source?

A: *Developing the data specifications in Instruction Note 5A is an ongoing task, which informed by the regulatory requirements as the regulators themselves define what they require. Guidance will be forthcoming.*

Instruction Document 5A, Section 2.2

Q: Is it possible to assess a BP that has not commenced commercial production, only test production? In such a case the reporting period would include only a few batches of production, would that be allowed? And if so, is there a minimum length of reporting period?

A: *Yes, it is possible to audit and certify a BP during commissioning. There is no minimum reporting period, and it may be appropriate to use engineering values for a start-up operation. Note, however, that an additional audit may be required if there is a significant change in the operation and associated GHG values, such as reaching full productivity.*

Instruction Document 5A, Section 6.1

Q: SBP Instruction Note 5A, section 6.1 states "For roundwood from final fellings from forest types typically grown in rotation times of more than 40 years, the average % of the volume of harvested wood from these final fellings that was delivered to the biomass producer.

Note: The average % of the volume of harvested wood going to the BP may be based on a representative sample of plots.

Note: Data does not need to be collected for roundwood from thinnings or roundwood from final fellings from forest types with a typical rotation time of less than 40 years."

A: *For clarification, the 2 Notes relate only to the last bullet point.*

Instruction Document 5A, Section 7

Q: SBP product groups – is it correct that if secondary feedstock is delivered with an FSC/PEFC 100% claim then it shall be considered as product group No. 6: SBP-compliant secondary feedstock, rather than product group 4 or 5 which are controlled only?

A: *Yes, product group No. 6 is the correct definition of secondary feedstock with an FSC/PEFC 100% claim. Secondary feedstock received with a 'Controlled' claim would be categorised as product group No. 4 or No 5.*

Instruction Document 5B, Section 2.1.1

The SBP Report on Energy and GHG for Supplied Biomass (SREG) is completed where biomass is supplied outside the scope of a Static Data Identifier (SDI), for example, where a port is used that was not foreseen during completion of the SAR.

It will facilitate the addition of any Scope End-Point if a BP ensures that there is an SDI representing the end of the production process for each reference period.

Instruction Document 5B, Section 2.1.4

Clarification: *BPs that produce only woodchips without further processing or energy logs and no other biomass with an SBP claim are required to complete the Woodchip SAR template and The Static Biomass Profiling datasheet. The Woodchip SAR template shall be completed with relevant sections of Instruction Document 5B, Sections 2.2 to 6 inclusive. Where required, an SREG shall be completed in compliance with Instruction Document 5B, Section 3.3.*

All requirements of Instruction Document 5B, Section 2.1. applies to these BPs.

Instruction Document 5B, Section 3.1.3

Section 3.1.3 states: *"The SAR shall be formally approved by SBP before it can be supplied to customers and End-Users."*

Clarification: *A new or changed Static Data Identifiers (SDI) shall not be used in transaction batches (including in PBids) before the SAR containing the new or changed SDIs is approved by SBP.*

Instruction Document 5B, Section 4.1.3

Section 4.1.3 currently states "Where feedstock is diverted and used as a fuel in the dryer or CHP, this shall be included in a separate Input Group and identified as such."

Clarification: *The word 'shall' is replaced with the word 'may'. It is no longer a requirement to include feedstock that is diverted and used as a fuel in the dryer or CHP as a separate Input Group.*

The relevant text now reads "4.1.3 Where feedstock is diverted and used as a fuel in the dryer or CHP, this may be included in a separate Input Group and identified as such."

Note: The sum of input groups must equal 100% for all biomass produced, even if that biomass is subsequently diverted to be used in the dryer or CHP.

Instruction Document 5B, Section 5.1.4

Clarification: *As indicated in the Instruction Document, the data recorded should permit calculation of the MJ of natural gas used per tonne of pellets produced. Usually heating value of the natural gas is evaluated periodically, and the natural gas flow is recorded. Very often those values appear on the natural gas invoices. In that case, average heating value and total volume flow can both be reported. Note: reporting of both data items also allows a consistency check of the data.*

Instruction Document 5B, Section 6.1.7

Clarification*: For transport by truck, train, flatboat the most important parameters are the distance and the capacity of the used vehicle. It is usually enough to make a good estimate of the transport energy, based on proposed references by JRC and BioGrace. There is the option to record fuel use for transport, but this is not obligatory.*

For (long distance) sea transport fuel usage data should be provided.

Instruction Document 5E, Section 5.3

The Flemish regulator, VEA, reports that for biomass supply to the Flanders market, **'**NL SDE+ Compliant for Biomass Category 5' meets the definition of 'Flanders Restricted biomass from processing residues' including sawmill and wood industry residues in the form of sawdust, shavings and chips, and is deemed equivalent.

These two claims are already defined in the DTS.

Instruction Document 5E, Section 5.7

Market Specific Status: Flanders Restricted

The following can be used for Flanders in the DTS for 'Market Specific Status':

- 'Flanders Restricted'

There are three options to make this claim:

- Flanders Restricted biomass from processing residues
- Flanders Restricted biomass from processing residues restricted to sawdust
- Flanders Restricted biomass from processing residues restricted to sawdust and shavings

Audit Report for Energy and GHG data (SAR): PART 4 – Dynamic Batch Sustainability Data

Part 4 states: "Record all biomass supplied with Dynamic Batch Sustainability data (as defined in Instruction Document 5A section 2.3) during the reference period."

Clarification: *Part 4 records historic data. The Biomass Producer shall record volumes of SBP-certified biomass in the table under Part 4 of the report, that have been supplied with Dynamic Batch Sustainability (DBS) data through the SBP Data Transfer System (DTS) during the reporting period defined in the SAR.*

DTS User Guide, Section 4.12

Q: If DTS Transactions have already been accepted by the customer in the DTS can they be changed/corrected?

A: *It is required that the DTS Transaction is corrected as soon as the mistake is discovered. All DTS Transactions are immutable once shared and accepted, hence it is required to create a new DTS Transaction to correct the error. Depending on the nature of the correction, a "credit DTS Transaction" or an additional DTS Transaction shall be created and shared with the customer. All Transactions, including the original transaction with sharing history will remain in the system and will be available for the Certification Body to verify. For more details and an example, please refer to DTS user guide.*

Standard 6: Energy and Carbon Balance Calculation

Currently no interpretation matters have been published for Standard 6.

Process Documents

Document Development Procedure, Sections 8.5.1 and 8.5.2

“8.5.1 Where an urgent substantive change (either revision or new documents) to a Category 1 or 2 document is determined to be needed the Secretariat shall draft the document.

“8.5.2 Urgent substantive changes to Category 3 and Category 4 documents may be implemented by the Secretariat.”

Definition: *The term substantive change is defined under section 8.5. A change is an urgent substantive change when an immediate need for change is identified that is consistent with international best practice for standards development.*

The conditions under which these changes may be triggered are as per 8.5.1.2. A change that is likely to generate significant divergent stakeholder views is not suitable for development as an urgent substantive change under section 8.5. The procedure set out in section 8.5 shall only be used infrequently where a specific urgent need is identified.