



NEPCon OÜ Evaluation of Skovdyrkerforeningen Øerne A.M.B.A. Compliance with the SBP Framework: Public Summary Report

Fourth Surveillance Audit

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1 Overview

Certification Body (CB) Name:	NEPCon OÜ
Primary CB contact for SBP:	Ondrej Tarabus
Primary CB contact email:	otarabus@preferredbynature.org
Audit team leader:	Christian Rahbek
Audit team members:	Christian Rahbek
Name of the Company:	Skovdyrkerforeningen Øerne A.M.B.A.
Company legal address:	Dambosvej 11, 5492 Vissenbjerg, Denmark
Company contact for SBP:	Rasmus Gregersen
Company contact email:	rgg@skovdyrkerne.dk
Company website:	N/A
SBP Certificate Code:	SBP-01-75
Date of certificate issue:	17 May 2017
Date of certificate expiry:	16 May 2022
Audit closing meeting date:	22 Jan 2021
Audit cycle:	Fourth Surveillance Audit

2 Scope of the evaluation and SBP certificate

Scope Item	Check all that apply to the Certificate Scope	Change in scope (N/A for Assessments)
Primary Activity:	Biomass Producer	<input type="checkbox"/>
Approved Standards:	SBP Standard 1: Feedstock Compliance Standard; SBP Standard 2: Verification of SBP-compliant Feedstock; SBP Standard 4: Chain of Custody; SBP Standard 5: Collection and Communication of Data Instruction; Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3	<input type="checkbox"/>
Includes Supply Base Evaluation (SBE):	Yes	<input type="checkbox"/>
Includes communication of Dynamic Batch Sustainability Data (DBSD)	No	<input type="checkbox"/>
Includes Group Scheme	No	<input type="checkbox"/>
Products	Chips	<input type="checkbox"/>

Feedstock types:	Primary	<input type="checkbox"/>
Feedstock origin (countries):	Denmark	<input type="checkbox"/>
SBP-endorsed Regional Risk Assessments used:	Denmark	<input type="checkbox"/>
Public link: https://sbp-cert.org/documents/standards-documents/risk-assessments/		
Chain of custody system implemented:	PEFC: NC-PEFC/COC-000070	<input type="checkbox"/>
	Percentage, Transfer	<input type="checkbox"/>

2.1 Description of the company

Skovdyrkerforeningen Øerne a.m.b.a. is a cooperative forest owner association owned by the members in Funen, Zealand and Bornholm in Denmark. The association was established to provide advisory services in forest management, to assist in managing contractors and to provide a sales channel for the forest owner's forest products, including timber, wood chips, Christmas trees and greenery. Skovdyrkerforeningen Øerne a.m.b.a. is itself a part of the umbrella organization "De Danske Skovdyrkerforeninger" and is also covered by the NEPCoN issued PEFC CoC certificate held by this organization (NC-PEFC/COC-000070).

Skovdyrkerforeningen Øerne a.m.b.a. also offers its members the opportunity of participating in FSC / PEFC Forest management group certification in collaboration with "De Danske Skovdyrkerforeninger". In relation to the SBP certification, the main activity of the BP is the production and sales of wood chips. The wood chips are produced in the forests of origin in the Danish regions Syddanmark, Sjælland and Hovedstaden. All feedstock is primary feedstock, and can be purchased either as standing volume, as fuel wood in stack in the forest of origin or as fuel wood or chips from other suppliers working and sourcing within the defined Supply Base. In all cases the stand of origin is known. The organization can purchase wood as FSC or PEFC certified but will mainly rely on sourcing feedstock as SBP Compliant from its own Supply Base Evaluation. The organization is implementing appropriate mitigating measures in relation to the specified risks identified and has described a Supplier Audits System to ensure that the necessary mitigating measures are implemented in all forests supplying feedstock. The organization does not chip secondary or tertiary feedstock, and thus this is not included in the scope of the certification. The organization is producing and purchasing wood chips in the forest of origin and supplies the material via truck to the customers, which are combined heat and power plants or district heating plants. Outdoor storage facilities are used in some cases..

2.2 Detailed description of the Chain of Custody system

Skovdyrkerforeningen Øerne a.m.b.a. is a part of the umbrella organization "De Danske

Skovdyrkerforeninger” and is covered by the NEPCo-issued PEFC CoC certificate held by this organization (NC-PEFC/COC-000070). Skovdyrkerforeningen Øerne a.m.b.a. offers its members the opportunity of participating in FSC / PEFC Forest management group certification in collaboration with ”De Danske Skovdyrkerforeninger”. At the same time as the 2021 SBP surveillance audit, the BP also underwent a FSC CoC/CW annual audit, but the PEFC CoC system remains the underlying CoC system for SBP. The organization implements both PEFC CoC systems based on physical segregation, and a volume credit system. However, only physical segregation will be used for SBP. SBP claims can therefore only be made for material that is delivered directly from the woodchipper in the forest, or alternatively, when stacks of wood chips only consist of material meeting certification requirement. The BP is aware that under the existing system, no controlled or uncontrolled material can be physically mixed with the SBP-compliant biomass. All relevant information with regards to volume tracking and verification of origin is handled in the BP’s system for tracking projects and production orders and in the system from in- and outbound sales documents.

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification. The scope of this evaluation also covered the Supply Base Evaluation, and the mitigation measures describing herein.

The scope of the evaluation covered:

- Review of the BP's management procedures;
- Review of PEFC system control points, analysis of the existing PEFC CoC system
- Interviews with responsible staff
- Review of the records, calculations and conversion coefficients;
- GHG data collection analysis
- Evaluation of mitigation measures implemented

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Christian Rahbek	3,0
2. On-site (excl. travel time)	Christian Rahbek	21,5
3. Report writing	Christian Rahbek	6,0
4. Other	N/A	N/A

Audit Schedule			
Activity	Location	Auditor name	Date/time
<i>Opening meeting</i>	Storage site in Vordingborg	Christian Rahbek	18 Jan 2021/9:30
<i>Field visits, production sites</i>	Region Sjælland	Christian Rahbek	18 Jan 2021/10:00
<i>Systems review: SBR, MS, Trainings, SAR</i>	Main Office, Vissenbjerg	Christian Rahbek	19 Jan 2021/8:30
<i>Documents and systems review: CoC, trademark and</i>	Main Office, Vissenbjerg	Christian Rahbek	19 Jan 2021/14:00

<i>Planning of field visits and summary of findings</i>	Main Office, Vissenbjerg	Christian Rahbek	19 Jan 2021/15:30
<i>Field visits, production sites</i>	Region Syddanmark	Christian Rahbek	22 Feb 2021/8:30
<i>Closing Meeting: Summary of audit results.</i>	Main Office, Vissenbjerg	Christian Rahbek	22 Feb 2021/15:30

Auditor qualification		
Auditor name	Role	Qualification
Christian Rahbek	Audit Team Leader	M.Sc. (Forestry) from University of Copenhagen. Has passed NEPCon Lead Auditor Training for FSC and PEFC FM and CoC certification. More than 10 years of auditor experience from FSC, PEFC and SBP audits in Denmark and abroad. Christian is an approved SBP Lead auditor and has partaken in numerous SBP assessments and audits in Denmark, Latvia, Canada, Sweden and Brazil.

4.2 Description of evaluation activities

The SBP audit was carried out on the 18th, 19th, and 22nd of January 2021 in accordance with the audit plan below, and it included visit to the Skovdyrkerforeningen Øerne A.m.b.a. main office in Vissenbjerg, Denmark (Jan 19th) and field visits of, in total, 15 sites (13 forest sites and 2 storage sites) at the islands Zealand and Fuenen. The field visit included sites from which feedstock had been, currently are being, or was planned to be sourced from. These sites have been, are, or will be used for production of wood chips.

The SBP audit was conducted in accordance with the plan below. The annual surveillance audit process started with an opening meeting in the storage facility in Vordningborg of the BP attended by overall

responsible. After this, the field visits were started by consulting the Biomass Producer's records of planned, ongoing and recent wood chip production projects to determine the sample size.

On Tuesday January 19th the main office evaluation of documented procedures, projects administration, records and invoices/claims took place in the HQ in Vissenbjerg, Funen. Chain of custody implementation was reviewed focusing in the Critical Control Points, in particular it was verified reception of the material and it's classification, identification of feedstock origin, production process, massbalance, final product sotage and sales.

After the last days of field visits at the wood chip production sites, the Lead Auditor (CAR) held a closing meeting in the afternoon of the 22nd of January 2020. Here, the Lead Auditor presented a summary of the findings to the forester in charge of management of wood chip operations and the management system consultant.

Activity

Activity	Location	Auditor (s)	Date / Time
Opening Meeting	Vordingborg, Zealand	CAR	January 18, 2021 9:30 to 10:00
Field Visit to forest/wood chip projects	Bornholm	CAR	10:00 to 16:30
Activity Review of the Management System and interviews with the certification responsible:	Location	Auditor (s)	Date / Time
<ul style="list-style-type: none"> • Management system or procedures with special focus on scope changes • Status of internal audits of the management system and SVP (if used) • Training of staff 			January 19, 2021
<ul style="list-style-type: none"> • Compliance with the EU Timber Regulation • Safety and health procedures • Classification of projects in sub-scopes • Risk minimization initiatives in the company • Supply Base Report, Annual update • SAR and Static Biomass Profile Data 	Main office	CAR	8:30 to 12:00

- Interviews with employees (can also be performed during field visits)

- Follow-stakeholder approach

Activity	Location	Auditor (s)	Date / Time
Break	Main office	CAR	12:00 to 12:30
Continuing review of Management System referred to above.	Main office	CAR	12:30 to 14:00
Review of SBP CoC system and Credit System, DTS, and the use of logos	Main office	CAR	14:00 to 15:00
Planning of field visits and preliminary summary	Main office	CAR	15:00 to 15:30
Field Visit to forest/wood chip projects and storages after agreement with company	Field: Fuenen	CAR	8:30 – 15:00 Jan 22nd, 2021
Closing Meeting:	Field	CAR	15:00 - 15:30
Auditor summarizes the results of the evaluation			

4.3 Sampling methodology

The number of sites that was selected for field audit was based on the 0.6 times the square root of the number of projects since last audit. The number of total projects from which wood chips had been sold with a SBP claim for 2020 corresponded was approximately 330. This results in a minimum sample of $\sqrt{(330)} \times 0.6 \approx 11$ projects, which were selected for field visits. In total 13 project sites and 2 storages site were visited. Relevant documents and records in production planning and logistics were also checked for these projects. 4 out 16 foresters were interviewed at the sites of wood chip projects they are responsible for. All records in DTS were compared against the volumes recorded by the BP.

4.4 CB stakeholder engagement

The CB has not had any stakeholder engagement during this audit.

4.5 Stakeholder feedback

The CB has not received any stakeholder comments during this audit.

5 Results

5.1 Main strengths and weaknesses

Main strengths: All processes have been well documented; project management system provides a strong backbone for material balances and is very functional and ensures that all relevant information can be reported. The BP has a professional staff of foresters with good training and qualification for sourcing feedstock, including determining the need for mitigation measures and implementing these when needed. The BP has long-term relations with most of the forest owners in the cooperative, where the wood chips are produced. They also have a strong engagement and contact with local stakeholders. All interviewed staff had a strong engagement in implementation of SBP system and positive approach.

Weaknesses: No specific weaknesses were identified.

5.2 Rigour of Supply Base Evaluation

The BP has used the SBP endorsed regional risk assessment for Denmark (June 2017) which has been widely circulated for stakeholder consultation. Based on the “specified risks” in this risk assessment the organization has implemented relevant mitigation measures.

5.3 Collection and communication of data

The BP has opted to use the accepted Default Values from BioGrace II for reporting fuel used in forestry used and felling/chipping. Further information about fuel consumption for transport was also collected from trucking companies. The methodologies for collecting and reporting data were complete and accurate at the end of the annual audit.

5.4 Competency of involved personnel

A number of staff members are involved in the SBP system management, including the daily responsible for the SPB system, the Wood Chip Production Manager, Foresters and administrative staff. Interviews carried out with the current staff demonstrated good awareness of their responsibilities within SBP system.

The main responsibility for the SBP certification, lies with the head forester for the SPB system Mr. Rasmus Gregersen (M.Sc. Forestry) who has significant experience from more than 10 years of Forest management in Denmark, supported by external consultant Mr. Anders Bjørnkjær-Nielsen (M.Sc. Forestry)

All involved personal has provided good knowledge in relevant fields, including project management and recognition of HCV aspects, and implementation of relevant mitigating measures during the site visits.

The BP has documented qualification requirements for personnel involved in the different aspects of the SBP system, including the qualifications needed for SBE.

According to interviews, review for formal qualifications and the set of procedures and documents that were composed for the SBP system, auditors evaluated the competency of main responsible staff to be sufficient.

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

The BP uses the final risk ratings of Indicators as determined in the SBP-endorsed (June 2017) Regional Risk Assessment for Denmark (RRA) and has established and implemented risk mitigating measures to achieve a low risk rating.

6.2 Specified risk indicators and mitigation measures

Country/Area	Indicator	Specified risk description	Mitigation measure
Denmark	2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.	Not all forests and other areas with high conservation values are identified and mapped.	<p>The BP has adapted the SBP-endorsed Regional Risk Assessment for Denmark (June 2017) for the SBE. Specified risk was designated to this indicator.</p> <p>The BP has implemented procedures (Exh 1) and control systems where the local forester makes a screening for each forest activity, to ensure that these areas are identified and mapped.</p> <p>Auditor reviewed the mitigation measures implementation through records review, staff interviews and onsite FMUs verification. It was found that the BP performance are effective enough to mitigate the identified risk.</p>
Denmark	2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to	Since not all forests and other areas with high conservation values are identified and mapped, mitigating measures are needed so that these are not threatened by forest management activities.	<p>The BP has adapted the SBP-endorsed Regional Risk Assessment for Denmark (June 2017) for the SBE. Specified risk was designated to this indicator.</p> <p>The BP has implemented procedures (Exh 1) and control systems where the local forester makes a screening for each forest activity, to ensure that potential threats to HCVs are identified, and</p>

	forests and other areas with high conservation values from forest management activities.		<p>the appropriate risk mitigating measures are described and implemented.</p> <p>Auditor reviewed the mitigation measures implementation through records review, staff interviews and onsite FMUs verification. It was found that the BP performance are effective enough to mitigate the identified risk.</p>
Denmark	2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).	Not all key ecosystems and habitats are conserved or set aside in their natural state	<p>The BP has used the SBP-endorsed Regional Risk Assessment for Denmark (June 2017) for the SBE. Specified risk was designated to this indicator. For details and mitigating measures please see the BP risk assessment in exhibit 2.</p> <p>The BP has implemented procedures (Exh 1) and control systems where the local forester makes a screening for each forest activity, to ensure that key ecosystems and habitats are identified, and the appropriate risk mitigating measures are described and implemented.</p> <p>Auditor reviewed the mitigation measures implementation through records review, staff interviews and onsite FMUs verification. It was found that the BP performance are effective enough to mitigate the identified risk.</p>
Denmark	2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).	Biodiversity is not sufficiently protected	<p>The BP has used the SBP-endorsed Regional Risk Assessment for Denmark (June 2017) for the SBE. Specified risk was designated to this indicator. For details and mitigating measures please see the BP risk assessment in exhibit 2.</p> <p>The BP has implemented procedures (Exh 1) and control systems where the local forester makes a screening for each forest activity, to ensure that key ecosystems and habitats are</p>

			<p>identified, and the appropriate risk mitigating measures are described and implemented. The BP has implemented procedure to protect biologically valuable trees and dead wood in the forest.</p> <p>Auditor reviewed the mitigation measures implementation through records review, staff interviews and onsite FMUs verification. It was found that the BP performance are effective enough to mitigate the identified risk.</p>
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7 Non-conformities and observations

NC number NC-000042	NC Grading: Observation
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock
Requirement:	17.1 The SBE shall be undertaken at least every five years and the SBR reviewed for accuracy and completeness prior to each annual audit.
Description of Non-conformance and Related Evidence:	
The BP is aware of this requirement, but the BP is reminded that the SBR shall be reviewed for accuracy and completeness prior to next years SBP reassessment.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	N/A

8 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
Certification decision:	N/A
Certification decision by (name of the person):	Pilar Gorriá
Date of decision:	N/A
Other comments:	N/A