

Sustainable Biomass Program

# Theory of Change

Delivering on the promise  
of good biomass



# Foreword

**At SBP we strive to be the certification system of choice for woody biomass used in energy production – it is the only certification system that can be used to demonstrate compliance in the four key biomass markets of geographic Europe (Belgium, Denmark, the Netherlands and the UK). We see ourselves as an honest broker between policy makers/regulators and the practitioners in the woody biomass to energy sector.**

SBP is in the beneficial position of being able to look from one side to the other and comment on what works and what does not as policy intent is transposed from the written word of legislation and regulations through certification standards to practical implementation by supply chain actors.

With energy policy focused on reducing carbon emissions the uptake of renewable energy has significantly increased over the last decade or so. Respected scientific advisory bodies and policy makers worldwide recognise biomass to energy as a renewable technology with a significant role to play in reducing greenhouse gas emissions and meeting challenging climate goals.

As a certification system, we do not set public policy or the framework that regulates large-scale energy production, nor are we responsible for the commercial enterprises that operate within that framework and deliver on climate goals.

We are, however, an enabler that allows organisations to demonstrate compliance with regulatory requirements and beyond, the all-important proof point that the biomass to energy sector is delivering against regulatory change and societal expectations.

As with most things in life there is good and bad, right and wrong. Only sustainably sourced biomass is good biomass and the right and only way to contribute to achieving climate goals. Through our robust certification system, assuring responsible practice throughout the biomass supply chain, SBP is the promise of good biomass and is an integral part of the solution for tackling climate change.



**Carsten Huljus**  
Chief Executive Officer



# Background

**Alongside a review of our strategy, business model and values, our purpose was agreed by our Board in 2019. Work on our Theory of Change started soon after, including hosting a workshop for the members of our Stakeholder Advisory Group and Standards Committee in the last quarter of the same year.**

**In May 2020, we published our draft Theory of Change to coincide with the launch of the Standards Development Process thereby identifying aspects for consideration and framing the development of our Standards.**

Our draft Theory of Change began the process of mapping out the impact pathways for delivering on our purpose, enabling us to identify short, medium and long term outcomes and our intended impact. In February 2021, we hosted a workshop which was open to our Stakeholder Advisory Group, Standards Committee and Technical Committee, as well as all stakeholders engaged in the Standards Development Process through membership of the various Working Groups and Sub-groups.

The workshop informed the final drafting of our Theory of Change. All comments and observations were considered, key amongst them being the perception of focus on end use rather than supply of biomass, whether specific climate goals should be identified, whether the word credible was sufficiently meaningful in the context of our Theory of Change and consideration of SBP in the context of the wider bioeconomy.

That input has been reflected in this final version, either as new considerations or clarifications of meaning and intent. In addition, this version has been re-focused to be more closely relevant to SBP and its strategic objectives and activities, thereby clearly articulating the impact pathways that SBP can influence.

The February workshop also fostered useful discussion on the content of the Standards, those comments and observations have been fed into the Standards Development Process work stream.

# Introduction

**SBP is an independent, multi-stakeholder certification system designed for woody biomass used in the large-scale production of energy. SBP exists to promote sustainable woody biomass supply chains and facilitate trade in an emerging global market.**

**We give assurances on the legality and sustainability of woody biomass used in energy production and provide verified data along the supply chain.**

SBP was set up to meet a clear need in an emerging market, namely the provision of a tool for demonstrating compliance with, but not limited to, regulatory requirements, including sustainability criteria. Aside from that primary role, SBP delivers efficiency benefits to its Certificate Holders and the biomass market. As a normalised unit on a global scale, the SBP claim negates the need for End-users to conduct multiple audits of their suppliers and facilitates trade across international markets. SBP's robust Data Transfer System significantly decreases the risk of fraudulent claims and the risk of data error. And data management, in general, delivers added value to SBP Certificate Holders. In all, SBP makes an important contribution to the biomass sector.

We not only serve the needs of supply chain actors, from Biomass Producers, through Traders to End-users, but equally important we serve the needs of wider society. Regular reviews of our Standards allows us to keep up-to-date with the latest developments, not just in terms of best practice but also the latest thinking on key concepts, such as forest carbon, biodiversity and social issues.

Our Theory of Change is results-oriented and articulates logical and causal relationships between inputs, activities and strategies, outputs and outcomes in the short to medium term and longer term, which ultimately deliver our intended impact and purpose. Our short to medium term focus is on the woody biomass to energy sector. In the longer term, non-woody biomass and other uses of biomass in the wider bioeconomy are explored as extensions to our current certification scope.

As a guide to measuring the effectiveness of our activities, our Theory of Change underpins the development of our Monitoring and Evaluation System. Monitoring and evaluating our progress through the use of indicators will provide a measure of success in achieving our desired impact, as well as identifying areas for improvement and innovation.

Our Theory of Change will be reviewed on an annual basis and subject to continual change and improvement, with inputs from our various stakeholders. Stakeholders are welcome to comment on our Theory of Change at any time. We will maintain a registry of comments to assist in the annual reviews.



# Our purpose

**Our purpose is to facilitate the economically, environmentally and socially responsible use of biomass enabling climate goals to be met.**

## Our specific aims:

Assure responsible practice

Verify energy data



Our purpose is our vision of success or, in other words, our long term goal. Although explicitly referencing the responsible use of biomass, implicit in that high level statement is the entire biomass supply chain from responsible growth, harvest, production and transport to final end use.

Our Standards are built on the principles of legality and sustainability, which are broken down into criteria and indicators covering, amongst other things, forest carbon, biodiversity and social impacts. Our indicators are of equal importance and together define good biomass and facilitate the economically, environmentally and socially responsible use of that biomass.

Ultimately, we seek to enable climate goals to be met, the measure for which is the greenhouse gas savings delivered by using good biomass in place of fossil fuels and other carbon-intensive materials, hence our explicit mention of 'responsible use'. In terms of energy production, governments worldwide recognise that if biomass is managed on a sustainable basis, then over its entire life cycle biomass can deliver reductions in greenhouse gas emissions relative to the use of fossil fuels.

Our robust certification system assures responsible practice throughout the biomass supply chain.

And throughout that supply chain, our Data Transfer System collects and communicates verified energy data enabling greenhouse gas emissions calculations to be made.

It is important to understand that the SBP claim accompanying biomass produced in compliance with our Standards is not a guarantee of greenhouse gas savings, nor should it be associated with claims of carbon neutrality. SBP is a tool for demonstrating compliance with sustainability requirements (where regulatory compliance is considered to be the minimum) and verifying the energy data used in greenhouse gas calculation methodologies.

An understanding of the greenhouse gas emissions associated with the full life cycle, from the forest to energy production, including, cultivation, harvesting, processing, transport, and combustion, allows smart energy choices to be made, which in turn enable climate goals to be met.

Within the biomass to energy sector, assuring responsible practice and verifying energy data are specific to SBP and define our role in ensuring that biomass makes a net positive contribution to climate goals, which may be national or international ambitions, quantified reductions or net zero commitments.

# Pre-conditions

**To fulfil our role in ensuring that biomass makes a net positive contribution to climate goals, our certification system must meet a number of pre-conditions.**

## Pre-conditions:

Brand awareness

Robust certification system

Market relevant

Recognition by regulatory authorities

Enabling better and informed choices

Credible scientific and evidence-based methodologies

Brand awareness of SBP and a reputation for being a robust biomass certification system underpin our desire to be the biomass certification system of choice. Hand-in-hand with that is global market penetration. Our share of the global market for biomass used in large-scale industrial energy production, in terms of volume and geographic reach, needs to position us so that we can make a meaningful contribution to the sector and ultimately climate goals.

In order for us to deliver a tool for demonstrating compliance and verifying data, we must remain market relevant and be recognised by the relevant regulatory authorities.

Supply chain actors need to make better and informed choices. Biomass Producers need to be confident that their sourcing strategies and production processes will deliver good biomass, with positive economic, environmental and social impacts and with a carbon intensity that meets the demands of their ultimate customers, the End-users.

End-users need to be confident that the biomass they source has positive economic, environmental and social impacts and delivers the greenhouse gas savings thresholds they have committed to, which may be a stated ambition or set by legislation/regulation. The ability to determine carbon intensity of the biomass product and the greenhouse gas savings potential for the End-user is critical to enabling better and informed choices.

Stakeholder consensus that SBP's scientific and evidence-based methodologies for monitoring and evaluating outcomes (specifically, a greenhouse gas savings calculation methodology) are credible is a pre-requisite to enabling better and informed choices.

# Strategy and work plan

**Our strategy sets out our approach. It is informed by our review of risks and opportunities, enabled by the right stakeholder balance and skill set, and underpinned by our values.**

**Our day-to-day activities support the delivery of our four strategic objectives. In addition to our day-to-day activities, our three-year work plan for 2020-22 identifies specific projects to further each of the strategic objectives.**

Our four strategic objectives are:

## Assurance

Ensuring our certification system meets our promise of good biomass.

## Certification scope

Maintaining our robust, credible and consistently applied certification of woody biomass, whilst challenging ourselves to reach a higher level of excellence.

## Communications

Informing and educating, reinforcing and reassuring our stakeholders that SBP-certified biomass equals good biomass.

## Organisational development and resource

Achieving the right stakeholder balance and skill set to strengthen our brand and pursue growth responsibly.

## Assurance

Assurance is critical to the rigour and credibility of our certification system. There are two levels to providing assurance of legal and sustainable practice – accreditation and conformity assessment – that together give confidence in the product, management systems and people.

We use independent providers to deliver assurance, which means that SBP has no direct involvement in the certification decision-making process. Our approach increases both the impartiality and robustness of the SBP certification system.

The day-to-day aspects of the assurance activities ensure the Standards are robust, credible and applied consistently across all Certificate Holders. The day-to-day activities include managing the Data Transfer System, which is vital to facilitate the smooth and credible operation of the assurance activity.

In addition to the day-to-day assurance activities, specific projects further the strategic positioning of SBP through bringing the SBP certification system up-to-date in terms of its Standards and current legislation in the relevant target markets, aligning SBP with best practice in sustainability standards and improving analytics in relation to compliance monitoring and effectiveness of our Standards.

Those projects include our Standards Development Process, launched in May 2020 to review and, where necessary, revise our suite of Standards, our application for approval of our Standards under the re-cast Renewable Energy Directive (REDII), our application for ISEAL Community Membership and the development of a comprehensive Monitoring and Evaluation System.

## Strategy and work plan (continued)

### Certification scope

To date, the current scope of SBP has served us well. Over the last decade, the biomass market has grown and new opportunities have emerged. It is essential that SBP maintains its current offering by remaining compliant in the markets that we already serve, which is considered to be business-as-usual.

In addition to the business-as-usual offering, specific projects are designed to explore how the strategic positioning of SBP may be bettered through exploiting market opportunities, with a view to strengthening the SBP brand and reach, and promoting our certification system as a working solution.

Those projects include consideration of expanding our geographic scope through supporting market development in countries with and without national definitions for biomass sustainability in the energy sector and beyond, consideration of new feedstock, for example, non-woody feedstock such as agricultural residues and processing residues, and new uses for biomass in the wider bioeconomy.

### Communications

The principles of our communications activity are to inform and educate, reinforce and reassure. For those stakeholders who are new to SBP or who are not fully aligned with what SBP stands for, the emphasis is on informing and educating. For those stakeholders who are already supportive, we aim to reinforce their beliefs thereby reassuring them that SBP is fit-for-purpose.

In addition to the day-to-day communications activities, specific projects provide necessary support to all efforts that aim to further the strategic positioning of SBP. Those projects include advancing the case for SBP. Our effort in that regard is limited to areas that have an impact on our certification system and the way that we operate.

Importantly, we aim to inform the biomass debate. Our role in the biomass to energy sector affords us valuable insights into the workings of the market and the data we collect gives visibility on key topics of interest, including feedstock origin and type, energy data throughout the supply chain, etc. Such data is invaluable in informing the biomass debate and policy making, and promoting the role of biomass in the bioeconomy.

### Organisational development and resource

We are mindful of the need for the right resource to deliver our strategy and ultimately our purpose. Our resourcing needs are focused not only on the in-house Secretariat but extend to our governing bodies to ensure effective multi-stakeholder governance of our organisation, and further afield to external consultants who provide specialist skills and services.

By putting effort into capacity building, we aim to develop and strengthen the skills, processes and resources that we need to thrive. Ensuring that our stakeholders have a correct understanding of our certification system is a key component of capacity building.

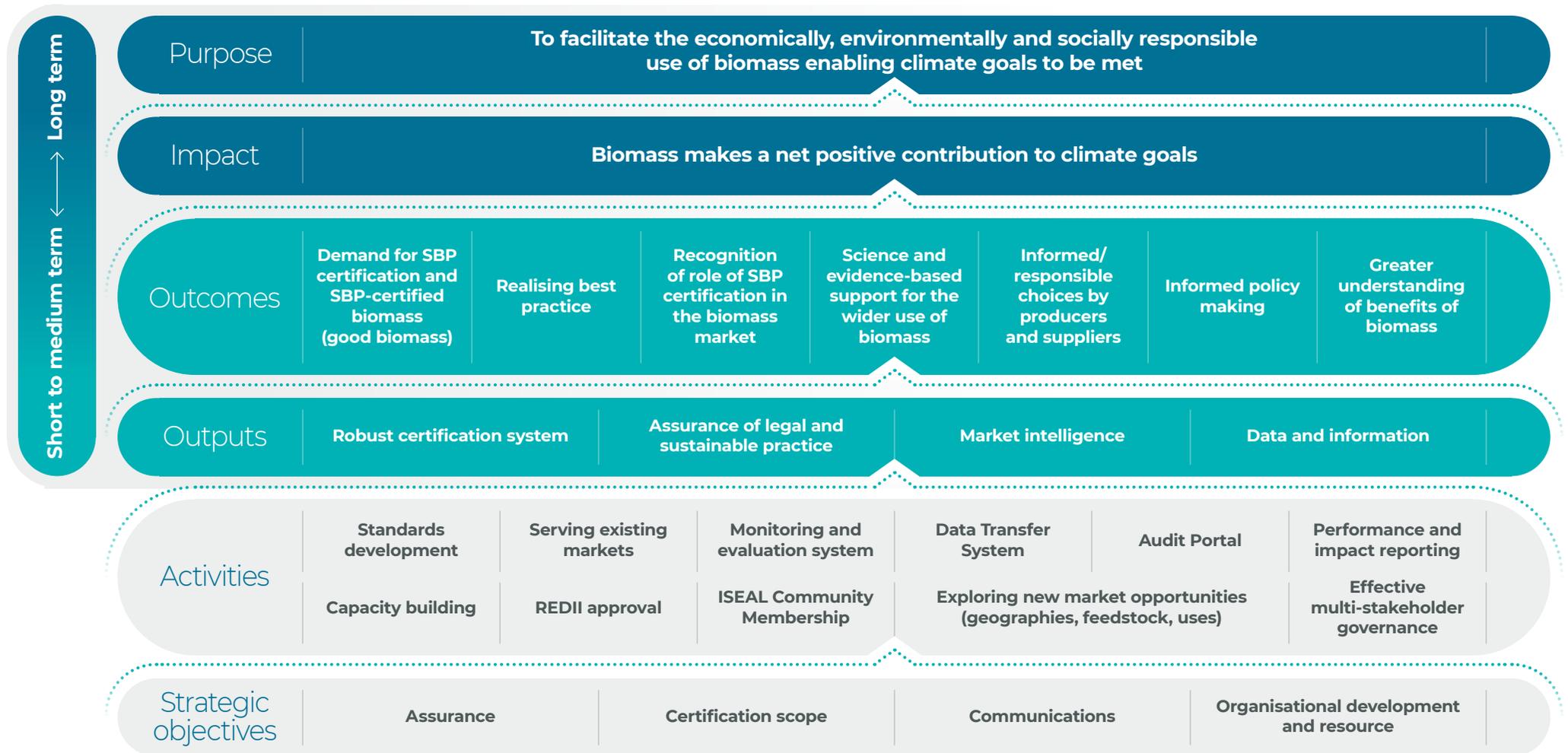
Through supporting our key stakeholders, such as Certificate Holders, Certification Bodies and external consultants, we ensure that they are fully up-to-date and aligned with our requirements and delivering high quality SBP certification services.

Training Certification Body auditors and Certificate Holders ultimately contributes towards better informed audits, improved reporting, fewer non-conformities, complaints and misunderstandings.

# Impact pathways

**The diagram below depicts the various components of the impact pathways that we anticipate will take us from our strategic objectives to our intended impact, which ultimately delivers on our purpose.**

The impact pathways articulate the causal relationships between our strategic objectives, activities directly aligned with those objectives, the resultant outputs, and intended outcomes and impact. The activities, outputs and outcomes identified below are highly interrelated with some feeding into one or more of the impact pathways.



## Impact pathways (continued)

### Impact pathway 1: Our Standards

Our Standards are at the heart of our **assurance** strategic objective. Our current Standards Development Process is a comprehensive piece of work to ensure that our Standards are fit-for-purpose, which means that we can continue to serve existing markets through remaining market relevant and, as a minimum, compliant with regulatory requirements. Our Standards are reviewed every five years.

Together with complementary activities, such as REDII approval and capacity building, a robust certification system is maintained providing assurance of legal and sustainable practice throughout the biomass supply chain.

In the short to medium term the market demand for SBP certification and SBP-certified biomass (good biomass) continues, eliminating demand for bad biomass, which in turn strengthens the proposition of SBP certification in the market place and underpins its recognition, reputation and need. Other activities, such as ISEAL Community Membership, Monitoring and Evaluation etc, support the certification system in delivering robustness and realising best practice. In turn, supply and use of good biomass has the intended impact of making a net positive contribution to climate goals and delivering on our stated purpose.

### Impact pathway 2: Data and information

Critical to our **communications** strategic objective is the wealth of data and information that we collect from our Certificate Holders and which is verified by accredited Certification Bodies. Analysis of data collected through our Data Transfer System and Audit Portal is communicated through our performance and impact reporting. In the short to medium term, our Monitoring and Evaluation System will enhance the range and quality of indicators reported, providing evidence-based support for the use of biomass.

The data collected and communicated today is already enabling informed and responsible choices by Biomass Producers and End-users. In the short to medium term, that evidence-based support will build and inform the biomass debate allowing a greater understanding of biomass science and, in turn, inform policy making. Specifically, we aim to extend the reach of our data and information from supply chain actors to policy makers and civil society.

A key element of demonstrating our impact is the reporting of greenhouse gas savings. Our ambition is to report annually on greenhouse gas savings, which over the longer term will allow a meaningful quantification of our contribution to climate goals. That ambition is dependent on the development of specific requirements in our Standards, and therefore the output and outcome of our Standards revision cycles over time.

With the aim of informing and educating, reinforcing and reassuring, informed choices by industry and policy makers alike are facilitated and our intended impact of a net positive contribution to climate goals realised and our purpose met.

### Impact pathway 3: The bioeconomy

In the long term, our **certification scope** strategic objective aims to explore new markets. Those new markets are not limited to new geographies, but go beyond to consider new feedstocks and new uses for biomass. For example, new feedstocks that have the potential to improve the use of natural capital, and use of biomass as a substitute for fossil fuels and other carbon-intensive materials in sectors other than the energy sector. Such new markets are of strategic importance to the development of SBP and will champion the wider use of good biomass.

Through analysing new market opportunities and capacity building, market intelligence coupled with our own data and information will equip us with science and evidence-based support for the wider use of biomass. That, in turn, will build the recognition of SBP certification and demand for SBP-certified biomass presenting opportunities for SBP to deliver on its purpose in the wider bioeconomy.

# Assumptions

**For SBP to meet its purpose, there are a number of underlying assumptions, as follows:**

Biomass maintains its place in the climate smart energy mix through national/international energy policies recognising the greenhouse gas savings potential of biomass and governments' continued commitment to ambitious climate goals.

Biomass sustainability requirements are practicable and do not disrupt the market. For example, international trade of biomass is not thwarted by overly stringent greenhouse gas savings thresholds, costs or complexity of meeting requirements does not become overly burdensome and foreclose the market to some supply chain actors.

Supply chain actors and policy makers alike continue to be informed by evidence-based climate science.

Biomass Producers' continue to supply only good biomass to markets, both regulated and un-regulated.

End-users' continue to source only good biomass, with or without the incentive of subsidy regimes.

Demand for and supply of good biomass maintains market equilibrium.

Un-regulated markets recognise the benefits of good biomass and voluntarily commit to the economically, environmentally and socially responsible use of biomass.

SBP remains the biomass certification system of choice and remains market relevant and recognised by regulatory authorities as an effective tool for delivering good biomass.

# Contact us

## If you have any information needs do not hesitate to get in touch...

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SBP welcomes comments and suggestions for  
changes, revisions and/or clarifications on all of its  
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