

Summary of the revision process of SBP Standard 1 – Principle 3 Biomass sourcing contributes to climate change mitigation

At the request of the Standards Committee the Secretariat has launched an additional public consultation focusing on Principle 3 of SBP Standard 1 - Feedstock Compliance. The public consultation was launched on 2 June 2022 for a 30-day period. An online platform was used to collect feedback on the draft criteria and indicators of the principle.

A total of 43 respondents accessed the online platform and one response was received via email. Out of the 43 respondents who accessed the online platform, 18 full submissions were received. Consequently, the Secretariat recorded a total of 19 responses. Most of the responses were received from Biomass Producers, followed by Academia. End-users, Trade Associations, Consultants and Research Bodies made an equal number of submissions.

This document provides an overview of the comments received, an explanation on the process followed to address the comments, and the subsequent steps taken by the Secretariat and Technical Committee (TC) in arriving at a final draft of Principle 3. The pilot testing conducted in association with 10 Biomass Producers across six countries also informed the development of the final draft.

Summary of the stakeholder feedback

General comments

Four respondents expressed their support for the draft version of Principle 3, with no or only minor comments raised. Several respondents commented that the practicality of the indicators will largely depend on the geographical scale and time period adopted for the calculations. One respondent suggested the use of GIS tools to facilitate the implementation of the requirements. One respondent commented that biodiversity should be protected, including the use of native trees and shrubs. One respondent commented that the title of the Principle should include a condition stating that biomass is only climate beneficial if it replaces fossil fuels.

Three respondents expressed concern regarding the significant changes made to Principle 3 compared to the version proposed by the Forest Carbon Sub-group. Those respondents requested additional stakeholder engagement, including workshops and pilot testing. And one questioned the process of updating the text of the Principle, commenting that the version consulted on did not meet the intent of the Sub-group.

3.1 Biomass feedstock sourcing maintains or enhances carbon stocks in the supply base

3.1.1 Forest carbon stocks in the supply base shall be maintained or enhanced over a determined time period

One respondent commented that the indicator was vague and did not consider carbon stocks changes due to natural disturbances such as fires and pests. Further, that the Standard should support the use of such sources of feedstocks. One respondent commented that the “time period” was not defined and was, therefore, open to interpretation. Another respondent commented that “natural” variations of forest carbon stock over time due to climate change and pests required a meaningful reference period (e.g., 10-year history) and at least a 5-year period over which changes should be reported. Further, those periods may need to be adjusted for forest biomes (boreal, temperate etc.). Also, the respondent commented that the

Standard should clarify what “happens” if carbon stocks were reduced, suggesting that, as a minimum safeguard, annual harvest levels should be well below annual increment.

3.1.2 Up-to-date data and justification for the time period used to carry out the carbon stock assessment shall be available

One respondent commented that there was no definition provided for “up-to-date” and that the assessments were not conducted by Biomass Producers. The respondent also requested guidance for how to audit “justification”. Another respondent commented that US data was not always refreshed every five years. Further, that forestry was characterised by long production cycles.

3.1.3 Justification shall be available for sourcing feedstocks from Supply Bases including lower-than-average annual growth

Three respondents raised concerns with regards to this indicator, including one who suggested deletion of the indicator. The main concerns related to the definition of “lower-than-average”, including the timescale and geographic scope. It was suggested that the indicator potentially contradicted proposed indicator 3.1.5, which aimed to prioritise low value wood. Another respondent commented that the indicator as a whole was unclear.

3.1.4 Stumps shall not be used as biomass feedstock unless there are demonstrable forest management benefits

One respondent commented that stumps should not be allowed at all. Another commented that stumps might not be allowed by future EU legislation. One respondent commented that the “benefits” should relate to climate change mitigation rather than forest management in general.

3.1.5 Low quality wood products shall be prioritised for feedstock sourcing

One respondent questioned why this indicator was under a carbon-related Principle, as it referred to the cascading principle. The respondent suggested that the topic should be dealt with in the introductory section of the Standard. Another respondent commented that Certificate Holders already complied with the indicator. Further, that the wording was not correct as Biomass Producers source feedstocks not “wood products”. And the indicator failed to capture an important aspect which was the diversion of long lived wood products. Another respondent commented that “low value” was not defined.

3.1.6 Carbon stocks in supply bases where trees outside forests are sourced shall be maintained or enhanced over a determined time period

One respondent suggested that this requirement should not apply for trees outside forests (TOF) sources if those sources were a negligible part of the feedstock portfolio. One respondent commented that “time period” was not defined. One respondent commented that the indicator duplicated indicator 3.1.1 and questioned the need for a separate indicator for TOF sources. Another respondent commented that TOF sources were unlikely to have long term management plans and as such should not be certified.

3.1.7 Up-to-date data and justification for the time period used to carry out the carbon stock assessment for trees outside forests shall be available

One respondent commented that this requirement should not apply for TOF sources if those sources were a negligible part of the feedstock portfolio.

3.2 The Biomass Producer shall not source from Supply Bases where Land Use, Land Use Change and Forestry (LULUCF) sector greenhouse gas emissions exceeds greenhouse gas removals

3.2.1 Feedstocks shall not be sourced from areas where LULUCF sector greenhouse gas emissions exceed greenhouse gas removals over a determined period of time, by one or more of the following three routes:

Route A

Feedstocks shall be sourced from a country of origin which is party to the Paris Agreement, and which has submitted a nationally determined contribution to the United Nations Framework Convention on Climate Change (UNFCCC) covering carbon emissions and removals from agriculture, forestry and land use which ensure the changes in carbon stock associated with biomass harvest are counted towards the country's commitment to reduce or limit greenhouse gas emissions, or

Route B

Feedstocks shall be sourced from a country of origin which is party to the Paris Agreement and has national or sub-national laws in place, in accordance with Article 5 of the Paris Agreement, applicable in the area of harvest, to conserve and enhance carbon stocks and sinks, and providing evidence that reported LULUCF-sector emissions do not exceed removals, or

Route C

An assessment shall be available at the Supply Base level to demonstrate that LULUCF emissions do not exceed greenhouse gas removals over the long term.

One respondent questioned who had responsibility for developing LULUCF emissions accounting under Route C. Further, the respondent inquired about the baseline for the calculations. Another respondent questioned the expectations of the EU on RED compliance. Further, that there continued to be a lack of clarity on whether RED would be a core requirement of the Standards or not. One respondent commented that the emissions calculations should only refer to the emissions associated with forestry. One respondent commented that Route A would rely heavily on efficacy of the Paris Agreement Nationally Determined Contributions. One respondent commented that Route C would require significant guidance. One respondent requested that the carbon balance assessment be broadened to a climate effect balance to better capture the climate mitigation potential of biomass use. One respondent suggested changing the criteria to "The Biomass Producer shall not source from Supply Bases where carbon stocks are decreasing". Another respondent questioned how GHG emissions would be measured in the Supply Base. One respondent requested the inclusion of all emissions associated with outsourced activities, such as transport, historic treatments and chemical use.

3.2.2 Justification shall be available for the time period used in assessment for Routes B or C

One respondent questioned how the "time period" was defined, what constituted adequate "justification" and whether third-party independent verification would be required or not. Further, how long term was defined and what would happen if assessments were not updated every five years. Another respondent requested guidance on "justification".

3.2.3 The data used to demonstrate compliance with 3.2.1 shall be updated at least once every five years

One respondent commented that the risk assessment/Supply Base Evaluation and the audit relied upon publicly-available data sets, and noted that Certificate Holders do not have control over when these data sets are updated. The respondent recommended revising 3.2.3 to either: “The assessment used to demonstrate compliance with 3.2.1 shall be updated at least once every five years”, or the following (taken in part from the Forest Carbon Sub-group) be used for indicators 3.2.2 and 3.2.3: “Where the Organisation relies on Route B or C to demonstrate conformance with the indicator, it shall: provide justification for the time period used; undertake such an assessment at least every five years to update assumptions, data, and where appropriate, calculation methodologies”.

Feedback from pilot testing and Technical Committee revision of Principle 3

In addition to the feedback received during the public consultation, the Secretariat collected input on the draft version of Principle 3 during pilot testing. The comments from pilot testing echo the comments received from the public consultation. In the light of the input received, Principle 3 was reviewed and, where necessary, revised with the support of the TC. In accordance with the SBP Standard Development Process, the TC was required to evaluate several criteria in its assessment of the draft Standards, namely, implementability, auditability, and commercial viability of the proposed indicators.

The TC reinforced the central objective of the Principle to ensure that feedstock sourcing does not deplete carbon stocks and carbon forest stocks are stable or enhanced. The TC made several recommendations, including swapping the order of criteria 3.1 and 3.2. It was considered that the indicator relating to stumps would be covered by indicators relating to soil protection in Principle 2. The proposed indicator relating to growth and drain will be incorporated in an indicator relating to harvest levels under Principle 2. The TC also maintained and clarified the approach relating to time periods for carbon assessment, recognising that enforcing a single time period would not account for the diversity of production areas.

Based on the feedback collected during the public consultation, the pilot testing and feedback from the TC, the Secretariat has reformulated Principle 3 as presented below. This proposal was approved by the TC at its August meeting and will now be submitted to the Standards Committee for review and approval.

Draft Principle 3

Principle 3 – Feedstock sourcing does not negatively impact the ability of the forest to act as a carbon sink

3.1 Feedstock sourcing considers LULUCF sector emissions

3.1.1 LULUCF emissions shall be accounted for through one of the following routes:

Route A

Feedstocks shall be sourced from a country of origin which is party to the Paris Agreement, and which has submitted a Nationally Determined Contribution to the United Nations Framework Convention on Climate Change (UNFCCC) covering carbon emissions and removals from agriculture, forestry and land use which ensure the changes in carbon stock associated with biomass harvest are counted towards the country’s commitment to reduce or limit greenhouse gas emissions, or

Route B

Feedstocks shall be sourced from a country of origin which is party to the Paris Agreement and has national or sub-national laws in place, in accordance with Article 5 of the Paris Agreement, applicable in the area of harvest, to conserve and enhance carbon stocks and sinks, and providing evidence that reported LULUCF-sector emissions do not exceed removals, or

Route C

An assessment and management system shall be in place at the Supply Base level to demonstrate that carbon stocks and sink levels in the forests are maintained or strengthened over the long term.

3.2 Feedstock sourcing does not cause depletion of carbon stocks in the Supply Base

3.2.1 Forest carbon stocks and changes over time in the Supply Base shall be assessed, using justified and locally relevant methodology and time periods, based on current data.

3.2.2 Feedstocks shall be sourced from Supply Bases where the assessment shows that the forest carbon stocks are maintained or enhanced.

3.2.3 If the assessment shows that the forest carbon stocks are decreasing in the Supply Base, feedstocks shall only be sourced if the decrease is due to natural processes, preventive management or the affected area is certified under an SBP-recognised forest certification scheme.

3.2.4 Feedstock sourcing (including where trees outside the forest are harvested) shall not be the root cause of a decrease in carbon stocks in the Supply Base.