



Standards Document

SBP Standard 4: Chain of Custody

Sustainable Biomass Program

sbp-cert.org



Version 2.1

Formal status of document: approved by the Standards Committee

Approval date:	25 February 2026
Publication date:	29 April 2026
Effective date:	29 July 2026
Transition period:	29 July 2026 to 28 October 2027
Review date:	16 March 2028

Document history

Version 1.0:	Published 26 March 2015
Version 2.0:	Published 10 May 2023
Version 2.1:	Published 29 April 2026

In the case of inconsistency between translations, the official English language version shall always take precedence.

SBP welcomes comments and suggestions for changes, revisions and/or clarifications on all of its Standards documentation. Please contact: info@sbp-cert.org

© Copyright Sustainable Biomass Program Limited 2026

Contents

A	Introduction	1
B	Purpose	1
C	Scope	2
D	How to use this document	2
E	Normative references	3
F	Glossary of terms and definitions	3
G	Summary of changes	3
1	Management System requirements	8
2	Feedstock Sourcing Requirements	12
3	Material handling	13
4	Traceability Requirements	13

A Introduction

The Sustainable Biomass Program (SBP) is a certification scheme designed for biomass, mostly in the form of wood pellets and chips.

The SBP certification scheme provides assurance to stakeholders that biomass is sourced both legally and sustainably, and it provides a means to collect and communicate reliable and verified data throughout the supply chain, including energy data, allowing companies in the biomass sector to demonstrate their responsible sourcing achievement and compliance with regulatory requirements, and to calculate their Greenhouse Gas (GHG) footprint.

There are six SBP Standards, which collectively represent the SBP certification scheme, against which Organisations can be assessed for certification by independent third-party accredited Certification Bodies (CBs). The Standards were developed and revised following a rigorous process aligned with ISEAL Standard-Setting Code of Good Practice, considering and building on existing regulatory requirements, peer voluntary certification standards and stakeholders' input.

An Organisation that satisfactorily demonstrates conformance with the SBP Standards receives a certificate and may be entitled to make use of the SBP Data Transfer System (DTS) and SBP claims in relation to the biomass it produces, sells, buys and/or uses.

B Purpose

The SBP certification scheme provides assurance to End-users that the biomass is sourced from legal and sustainable feedstock as defined in SBP Standard 1. SBP certification relies on a third-party, independent certification process carried out by accredited CBs.

SBP Standard 4 sets out the requirements that Organisations along the supply chain must follow to trace and account for the purchases of SBP-compliant and SBP-controlled feedstock and biomass.

SBP Standard 4 is used by Organisations in the biomass supply chain to have confidence that the biomass purchased with an SBP claim has originated from sourcing areas where the risk of non-conformance with SBP Standard 1 is low. SBP has adopted the traceability concept of mass balance, which accounts for certified volumes purchased and sold. It is used to ensure that certified Organisations do not sell more certified biomass than the volumes of eligible input purchased.

Used in conjunction with SBP Standard 5, the certified Organisations collect and transfer robust data, including energy-related data for GHG emissions calculations, to their customers.

The application of SBP Standard 4 along the supply chain provides End-users with the confidence that the biomass purchased is supported by verified data and is linked to low risk sourcing.

Once granted a certificate, an Organisation is entitled to use the SBP-compliant and/or SBP-controlled claims, provided the SBP-certified management system is implemented during production. Organisations must use the DTS to pass those claims down the supply chain in conformance with the requirements set in SBP Standard 4. The Organisation will also collect the data required by SBP Standards 5 and 6 and use the DTS to communicate all data to their customers.

C Scope

SBP Standard 4 applies to any Organisation taking legal ownership of certified biomass and wishing to make use of an SBP-compliant or SBP-controlled claim. The Organisation shall also be certified against SBP Standard 5 and the Instruction Document EU RED.

Parties that are not certified against SBP Standard 4 cannot make use of an SBP claim. Service providers that are part of the SBP supply chain but do not take legal ownership of the biomass (e.g., transport companies, storage platforms) may choose whether or not they wish to be certified against SBP Standard 4.

Each Biomass Producer (BP) site shall be certified individually.

D How to use this document

SBP Standard 4 specifies the requirements that Organisations along the supply chain shall implement in terms of management systems and management of input. It defines the rules for mixing feedstock and biomass and the eligibility to make SBP claims. SBP Standard 4 also indicates how Organisations shall organise their accounting methodology to manage incoming and outgoing volumes of certified material.

The following terms are used by SBP in its normative documents to indicate requirements, recommendations, permissions, and possibilities or capabilities:

“shall” indicates a requirement,

“should” indicates a recommendation,

“may” indicates a permission, and

“can” indicates a possibility or a capability.

SBP Standard 4 may be accompanied by guidance published from time-to-time by SBP to support the implementation of the requirements.

The Organisation shall also refer to the SBP Instruction Documents and/or Normative Interpretations related to Standard 4 as published by SBP.

The CB will evaluate conformance of the Organisation against SBP Standard 4 using the general certification rules set in SBP Standard 3.

E Normative references

SBP Standard 1: Feedstock Compliance

SBP Standard 2: Feedstock Verification

SBP Standard 3: Requirements for Certification Bodies

SBP Standard 5: Collection and Communication of Data

SBP Standard 6: Energy and Carbon Balance Calculation

F Glossary of terms and definitions

Please refer to the separate SBP Glossary of Terms and Definitions document.

G Summary of changes

SBP Standard 4 v2.0	SBP Standard 4 v2.1	Comments
<p>Scope</p> <p>SBP Standard 4 applies to any Organisation taking legal ownership of certified biomass and wishing to make use of an SBP-compliant or SBP-controlled claim. The Organisation shall also be certified against SBP Standard 5.</p>	<p>Scope</p> <p>SBP Standard 4 applies to any Organisation taking legal ownership of certified biomass and wishing to make use of an SBP-compliant or SBP-controlled claim. The Organisation shall also be certified against SBP Standard 5 and the Instruction Document EU RED.</p>	<p>Instruction Document EU RED has been added.</p>
<p>1.4 The scope of the Organisation's CoC certification shall define the product types, the processes applied to these products (including subcontracting), the accounting methodology, and applicable SBP Standards.</p>	<p>1.4 The scope of the Organisation's CoC certification shall define the product types (see ID 5E 1.2.1 Product Type nomenclature), the processes applied to these products (including subcontracting), the accounting methodology, and applicable SBP Standards.</p>	<p>SBP has extended the list of product types, and it is now referenced in this indicator.</p>
<p>1.26 In cases where an Organisation outsources activities to independent third parties, hereafter referred to as 'subcontractors', the Organisation shall ensure that they comply with applicable requirements of the SBP Standards within the scope of the certificate.</p>	<p>1.26 In cases where an organisation uses third parties, the organisation shall ensure that these third parties follow the Organisation's documented procedures to the extent necessary to ensure compliance with all applicable SBP Standard requirements within the scope of the certificate.</p>	<p>Clarification on the procedure needed when outsourcing.</p>

SBP Standard 4 v2.0	SBP Standard 4 v2.1	Comments
<p>3.1 The Organisation shall ensure the accuracy of SBP claims made for biomass produced from a mixture of feedstock types as per the table [...].</p>	<p>3.1 The Organisation shall ensure the accuracy of SBP claims made for biomass produced from a mixture of feedstock types as per the table [...].</p>	<p>Including a downgrading option for the SBP claim, allowing SBP-compliant to become SBP-controlled.</p>
<p>New</p>	<p>3.5 Where a non-woody component is used for technical purpose (e.g., binder or additive) and it is less than 2% of the total weight of the biomass, then this may be included in the SBP claim. The non-woody component shall not be of fossil origin.</p>	<p>Following stakeholder discussions, SBP agreed to allow a small proportion of binders and additives to be included under an SBP claim, as separating such minimal quantities on invoices is not feasible.</p>
<p>4.10 For Organisations opting to use a mass balance system for material accounting, the Organisation shall set up and maintain a mass balance account to which additions and deductions of eligible input for a single physical site shall be recorded.</p> <p>Note 1: A mass balance system allows consignments of feedstock or biomass with differing sustainability and greenhouse gas emissions savings characteristics to be mixed for instance in a container, processing or logistical facility, transmission and distribution infrastructure or site.</p> <p>Note 2: Site is a single functional unit of an Organisation situated at one physical location, which is geographically distinct from other units of the same Organisation. An Organisation's units with distinct physical locations may, however, be regarded as part of a site if they are an extension of it with no purchasing, processing, or sales functions of their own (e.g., a remote stockholding). A site can never include more than one legal entity. Subcontractors that are used within the terms of outsourcing agreements (e.g., outsourced warehouse) are not considered sites. Typical examples for sites are processing or trading facilities such as manufacturing sites, sales offices, or company-owned warehouse.</p>	<p>4.10 For Organisations opting to use a mass balance system for material accounting, the Organisation shall set up and maintain a mass balance account to which additions and deductions of eligible input for a single physical site shall be recorded.</p> <p>Note: A mass balance system allows consignments of feedstock or biomass with differing sustainability and greenhouse gas emissions savings characteristics to be mixed for instance in a container, processing or logistical facility, transmission and distribution infrastructure or site.</p>	<p>Note 2 (definition of site) moved to the Glossary.</p>

SBP Standard 4 v2.0	SBP Standard 4 v2.1	Comments
<p>4.12 When the Organisation is a BP, the Organisation shall categorise product type (e.g., woodchips, pellets) into product groups for the purpose of mass balancing and controlling claims. Each product group may include one or more feedstock groups. As a minimum, the BP shall create separate product groups for each product type (e.g., pellets, wood chips) and assign a unique two-digit product group ID under the following feedstock classifications' rules:</p> <ul style="list-style-type: none"> – Forest feedstock (1A) – Trees Outside the Forest (TOF) – Urban and landscape feedstock (2A) – Trees Outside the Forest (TOF) – Agricultural land feedstock (3A) – Processing residues feedstock (4A) – Post-consumer feedstock (5A) 	<p>4.12 When the Organisation is a BP, the Organisation shall categorise product type (e.g., woodchips, pellets) into product groups for the purpose of mass balancing and controlling claims. Each product group may include one or more feedstock groups. As a minimum, the BP shall create separate product groups for each product type (e.g., pellets, wood chips) and assign a unique two-digit product group ID under the following feedstock classifications' rules:</p> <ul style="list-style-type: none"> – Forest feedstock (1A) – Trees Outside the Forest (TOF) – Urban and landscape feedstock (2A) – Trees Outside the Forest (TOF) – Agricultural land feedstock (3A) – Processing residues feedstock (4A) – Post-consumer feedstock (5A) <p>When assigning a Product Group ID, the BP may use three digits once A=9 has been reached, e.g., 101, 102, 103 etc.</p>	<p>Allowing the use of three digits for Product Group ID, instead of just two.</p>
<p>4.13 The Organisation shall set up and maintain a separate mass balance account for each product group.</p>	<p>4.13 The Organisation shall set up and maintain separate mass balance accounts for:</p> <ol style="list-style-type: none"> a. product type b. product group c. SBP claim (SBP-compliant and SBP-controlled). 	<p>Clarification on when the mass balance account must be created.</p>

SBP Standard 4 v2.0	SBP Standard 4 v2.1	Comments
<p>4.14 The Organisation shall define a fixed balancing period and it shall not exceed 12 months.</p>	<p>4.14 The organisation shall define a fixed balancing period at the organisation level.</p> <ul style="list-style-type: none"> – For Biomass Producers using only primary feedstock (forest and TOF), the fixed balancing period shall be a maximum of 12 months. – For Biomass Producers using only processing residues or post-consumer feedstock, the fixed balancing period shall be a maximum of three (3) months. – For Biomass Producers using primary feedstock and processing residues or post-consumer feedstock, the fixed balancing period shall be a maximum of three (3) months. – For Biomass Traders, the fixed balancing period shall be a maximum of three (3) months. 	<p>Complete alignment with EU RED mass balance requirements.</p>
<p>4.15 By the end of the balancing period, the account balance shall always be neutral or positive. If a negative balance occurs at the end of a balancing period, the certified company must immediately and proactively inform the CB.</p> <p>Note: In case regulatory requirements for specific markets require different mass balance requirements (e.g., REDII), and SBP provides a related ID, the requirements in the ID supersede the requirements in this Standard.</p>	<p>4.15 By the end of the balancing period, the account balance shall always be neutral or positive. If a negative balance occurs at the end of a balancing period, the Organisation must immediately and proactively inform the CB.</p>	<p>REDII reference updated, “Note” removed.</p>
<p>4.20 The Organisation shall register each transaction of SBP-certified biomass in the DTS. See SBP Guidance document: Data Transfer System 2.0 User Guide for Certificate Holders.</p>	<p>4.20 The Organisation shall register each transaction of SBP-certified biomass in the DTS as described in the SBP Guidance document: Data Transfer System User Guide for Certificate Holders.</p>	<p>Enforcing the SBP Guidance document: Data Transfer System User Guide for Certificate Holders requirements.</p>

SBP Standard 4 v2.0	SBP Standard 4 v2.1	Comments
New	4.24 When an SBP-compliant or SBP-controlled claim is used on sales transactions, the SBP EU RED-compliant claim shall also be included.	Clarification for using the SBP EU RED-compliant claim.
New	4.25 The Organisation shall use SBP trademarks in accordance with the SBP Trade Mark Licence Agreement (TMLA) and the SBP Mark Use: Guidance for Certificate Holders, including any approval requirements set out therein.	Standard 4 v2.0 did not include a requirement to audit the use of the SBP trademark during surveillance audits. This gap was identified by auditors in 2025 and has been addressed through the introduction of a clear requirement.

1 Management System requirements

General requirements

- 1.1** There shall be demonstrated and documented commitment from senior management for maintaining certification and meeting all applicable requirements. The commitment of the Organisation shall be made available to its personnel, suppliers and customers, and to other stakeholders upon request.
- 1.2** The Organisation shall have all necessary infrastructure and operating procedures in place to effectively operate the Chain of Custody (CoC) system and ensure that feedstock / biomass can be tracked continuously without interruption through all internal processing steps from acquisition to transfer of material (or release for sale).
- 1.3** The Organisation shall appoint a management representative who has overall responsibility and authority for the Organisation's conformance with all applicable certification requirements. The management representative shall have the required qualifications (competences, knowledge and experience) and/or training and sufficient resources to be effective.
- 1.4** The scope of the Organisation's CoC certification shall define the product types (see ID 5E 1.2.1 Product Type nomenclature), the processes applied to these products (including subcontracting), the accounting methodology, and applicable SBP Standards.

Documented procedures

- 1.5** The Organisation shall maintain documented procedures (i.e., work instructions or equivalent documentation), covering all relevant requirements within the scope of the certificate and reflecting current Organisational activities.

Documented procedures shall include at a minimum:

- training,
- internal audits,
- record-keeping,
- stakeholder engagement, including management of comments and complaints,
- handling non-conforming products and non-appropriate documentation,
- material receipt: input/purchasing,
- material accounting,
- sales transactions: output/sales,
- claims,
- business integrity, social, and health and safety requirements,
- subcontracting activities/subcontractors (where applicable), and
- collection and communication of data for energy and carbon balance calculations.

1.6 Documented procedures shall be reviewed at least annually for completeness and effectiveness.

Training and qualifications

1.7 The Organisation shall have a training plan which is reviewed at least annually to ensure its effectiveness.

1.8 The Organisation shall provide appropriate training for personnel carrying out tasks critical to the effective implementation of applicable requirements. Training shall be specific and relevant to the task(s) performed.

1.9 Records of training participants and content shall be maintained.

Internal audits

1.10 The Organisation shall conduct an internal audit, not later than 12 months after the preceding audit (internal or external) for the purpose of evaluating the Organisation's conformance with SBP requirements, considering the size and scope of the Organisation and certificate.

Note: An internal audit is not required to be conducted before the external initial certification audit by the CB.

1.11 The Organisation shall ensure that:

- a. internal audits are conducted by personnel knowledgeable of the requirements of the Standard(s);
- b. internal auditors do not audit their own work;
- c. internal audit documentation includes at minimum the scope of the internal audit; names of the internal auditor(s), date, conclusion of the evaluation of the Organisation's conformance with SBP requirements, and any corrective actions and associated deadlines; and
- d. any non-conformances found during internal audits are recorded as corrective actions, and actions are taken in a timely and appropriate manner.

Record keeping

1.12 The Organisation shall maintain accurate, complete, up to date and accessible records and reports covering all applicable SBP requirements applicable to the certificate scope, including at least the following:

- training records,
- subcontractors,
- suppliers,
- purchases,

- determination of conversion rates,
- sales,
- material accounting including an annual summary,
- stakeholder comments, feedback and complaints,
- handling of non-conforming products,
- record to support Standard 5 requirements, and
- internal audit reports.

Note: the DTS can be referenced for available records where applicable.

1.13 Records shall be retained for a minimum of five (5) years and comply with legal and regulatory requirements.

Stakeholder engagement

1.14 The Organisation shall identify stakeholders, develop, implement, monitor, evaluate and adapt as necessary, a Stakeholder Engagement Plan (SEP) appropriate for their business operations and scope of certification.

1.15 The Organisation shall implement a documented complaint procedure, which is available upon request and part of its SEP. The procedure shall clarify that the complaints must be applicable to the scope of the Organisation's certificate, and include at least the following:

- the person(s) or position(s) responsible for managing complaints;
- a timeline for confirming receipt, not to exceed 10 calendar days;
- provision for reviewing the complaint, determining the appropriate actions and responding to the complainant; and
- provision for monitoring the effectiveness of actions taken.

1.16 Evidence of effective implementation of the SEP shall be available for verification, such as meeting notes, email communications, records of participation in regional multi-stakeholder processes, responses to comments/feedback/complaints, etc.

1.17 The SEP shall be evaluated at least every five (5) years and adapted as necessary to ensure its effectiveness.

1.18 The SEP shall be available upon request in a language(s) that is/are accessible for the identified affected stakeholders.

Non-conforming products

- 1.19** The Organisation shall have documented procedures for identifying and ensuring that non-conforming products and/or associated claims are identified and controlled, and shall implement them as necessary.
- 1.20** Where non-conforming products and/or associated claims are detected after they have been delivered, the Organisation shall undertake the following activities:
- a. notify its CB and all affected direct customers in writing within five (5) business days of the non-conforming product claim and maintain records of that notice;
 - b. analysis of causes of the occurrence of non-conforming products claims, and implement measures to prevent their re-occurrence; and
 - c. cooperate with its CB in order to allow them to confirm that appropriate actions were taken to correct the non-conformance.

Business integrity

- 1.21** The Organisation shall determine and implement effective measures to comply with all applicable laws, rules and regulations in countries where it conducts business activities.
- 1.22** The Organisation shall determine and implement effective arrangements against corruption proportionate to the nature and the scale of the Organisation.
- 1.23** The Organisation shall implement effective Occupational Health And Safety (OHAS) measures, including at minimum:
- an OHAS responsible person (representative),
 - OHAS procedures and processes which are appropriate to the complexity and operations of the Organisation, and
 - training of staff.
- 1.24** The Organisation shall maintain an up-to-date self-assessment covering the implementation of 1.21, 1.22 and 1.23.
- 1.25** The Organisation shall maintain an up-to-date self-assessment and create a statement that is available to its staff in which it describes how it applies SBP Standard 1 – Feedstock Sourcing, Criterion 4.1 “Decent working conditions are provided, and labour rights are safeguarded” to its operations.

Note: Level of effort required for documentation of conformance with criteria 1.21-1.25 should be proportionate to the activities and the scale of the Organisation.

Outsourcing

- 1.26** In cases where an organisation uses third parties, the organisation shall ensure that these third parties follow the Organisation’s documented procedures to the extent necessary to ensure compliance with all applicable SBP Standard requirements within the scope of the certificate.
- 1.27** Outsourcing shall be included in the scope of the certificate.

1.28	The Organisation shall retain legal ownership of material while in physical possession/under control of subcontractors.
1.29	A signed and enforceable agreement shall exist between Organisation and subcontractors.
1.30	The agreement shall be established prior to the actual starting of the outsourced activities.
1.31	<p>The agreement shall include at minimum:</p> <ul style="list-style-type: none"> – Name, business identity, and contact details of the subcontractor, outsourced activities; – Confirmation of the subcontractor that the subcontractor shall: <ul style="list-style-type: none"> – comply with the relevant requirements of the SBP Standards within the scope of the certificate; – not make unauthorised claims and use of SBP trademarks; – not further outsource the activities; – allow the CB to audit the subcontractor; and – allow access of the CB to the subcontractor’s operations, systems, documents and records as deemed necessary by CB.
1.32	The Organisation and subcontractor shall have documented procedures for all outsourced activities.
1.33	Record of names and contact details of subcontractors with scope of activities shall be maintained and kept up to date by the Organisation.

2 Feedstock Sourcing Requirements

2.1	The Organisation shall maintain up to date records about all suppliers who are supplying materials used for SBP product groups, including names, materials supplied, and certificate code where relevant.
2.2	<p>Feedstock inputs for production of SBP-certified biomass shall be categorised as follows:</p> <ol style="list-style-type: none"> a. SBP-compliant: feedstock sourced in conformance with SBP Standard 1 and/or 2, and b. SBP-controlled: feedstock is sourced under an SBP-recognised controlled claim.

3 Material handling

3.1 The Organisation shall ensure the accuracy of SBP claims made for biomass produced from a mixture of feedstock types per the table below.

Feedstock input combinations	SBP-compliant	SBP-controlled	Non-eligible input
SBP-compliant	SBP-compliant or SBP-controlled	SBP-compliant and SBP-controlled (proportionate to the share of input)	no SBP claim
SBP-controlled	SBP-compliant and SBP-controlled (proportionate to the share of input)	SBP-controlled	no SBP claim
Non-eligible input	no SBP claim	no SBP claim	no SBP claim

3.2 In cases where there is a risk of mixing SBP-compliant and/or SBP-controlled feedstock with non-eligible input, the Organisation shall segregate the SBP-certified feedstock physically and/or temporally to maintain eligibility for an SBP claim.

3.3 SBP-certified biomass (SBP-compliant or SBP-controlled) shall not be mixed with non-SBP-certified woody biomass at any point after the biomass production (e.g., by Traders at the wood pellet storage facilities). Mixing of SBP-compliant and/or SBP-controlled biomass with woody biomass that is not SBP-certified (e.g., physically mixing of SBP-compliant and FSC certified biomass in a harbour storage) shall result in losing SBP claim for the whole mix.

3.4 SBP-compliant and/or SBP-controlled biomass may be mixed with non-woody biomass. In this case the amount of SBP-certified biomass shall be proportionate to eligible input.

3.5 Where a non-woody component is used for technical purpose (e.g., binder or additive) and it is less than 2% of the total weight of the biomass, then this may be included in the SBP claim. The non-woody component shall not be of fossil origin.

3.6 SBP-compliant biomass may be downgraded to SBP-controlled.

4 Traceability Requirements

Input/purchasing

4.1 The SBP-certified Organisation shall ensure that all transactions of material included in its SBP product group schedule can be traced at least one step upstream and one step downstream from itself, and that all material is accounted for whilst under its legal ownership.

- 4.2** The Organisation shall ensure that the following minimum information is provided by the supplier in relation to the product received:
- a. a unique identification number for the document,
 - b. date the document(s) is(are) issued,
 - c. name and address of the buyer,
 - d. name and address of the seller,
 - e. CoC certificate code and claim of the seller, if relevant,
 - f. loading or shipment delivery date,
 - g. description of product,
 - h. quantity of product delivered, and
 - i. reference to any related transport documentation.

- 4.3** The Organisation shall be responsible for verifying conformance of all feedstock categories with all relevant SBP requirements, including the requirements specific to sourcing.

- 4.4** When receiving biomass with an SBP claim the Organisation shall ensure that documentation exchanged between itself and the seller, in particular reference sales and delivery documentation, includes a number which enables the delivery to be linked to the corresponding transaction in the DTS.

Material accounting

- 4.5** The Organisation shall ensure that the quantity of physical inputs and outputs are tracked and documented and that only eligible inputs are used in products sold with an SBP claim and within the scope of the certificate.

- 4.6** The Organisation shall have a justified and consistent methodology for calculating conversion factors, based on the actual output of a specific product group, and shall keep its conversion factor up-to-date.

- 4.7** Organisations that are certified to additional certification schemes and that have inputs and outputs that simultaneously carry claims from these schemes shall demonstrate that the quantities of inputs/outputs are not counted multiple times.

- 4.8** Organisations not using a mass balance system shall keep feedstock and/or biomass with different material statuses physically separate and identifiable at all stages of the production and trading process.

- 4.9** An Organisation trading biomass without physical possession and without mixing shall not utilise mass balance material accounting.

Mass balance system

4.10 For Organisations opting to use a mass balance system for material accounting, the Organisation shall set up and maintain a mass balance account to which additions and deductions of eligible input for a single physical site shall be recorded.

Note: A mass balance system allows consignments of feedstock or biomass with differing sustainability and greenhouse gas emissions savings characteristics to be mixed for instance in a container, processing or logistical facility, transmission and distribution infrastructure or site.

4.11 The Organisation shall ensure for each site that the quantity of biomass sold with SBP claims does not exceed the quantity of inputs received that qualifies for said claims, within the defined balancing period.

4.12 When the Organisation is a BP, the Organisation shall categorise product type (e.g., woodchips, pellets) into product groups for the purpose of mass balancing and controlling claims. Each product group may include one or more feedstock groups. As a minimum, the BP shall create separate product groups for each product type (e.g., pellets, wood chips) and assign a unique two-digit product group ID under the following feedstock classifications' rules:

- Forest feedstock (1A)
- Trees Outside the Forest (TOF) – Urban and landscape feedstock (2A)
- Trees Outside the Forest (TOF) – Agricultural land feedstock (3A)
- Processing residues feedstock (4A)
- Post-consumer feedstock (5A)

When assigning a Product Group ID, the BP may use three digits once A=9 has been reached, e.g., 101, 102, 103, etc.

4.12.1 The BP might categorise product type into additional product groups based on the following voluntary characteristics:

- Feedstock from different countries
- Feedstock of different descriptions or origins (e.g., thinning, final harvest, forest residues, etc.)
- Feedstock with different GHG characteristics (e.g., moisture content, transportation distance, transportation type etc.)
- Feedstock with different exclusions (e.g., forestry residues without stumps)

4.12.2 When categorising the product type, the BP shall follow the instructions defined in the Product Group ID section of SBP Instruction Document 5E.

Note: Feedstock data is collected in a SBP Audit Report on Energy and Carbon Data (SAR) (Section 2 Feedstock Data). In the DTS, GHG data (not GHG intensity values) is transferred through the supply chain and GHG emissions calculations are carried out in the end by biomass End-users.

-
- 4.13** The Organisation shall set up and maintain separate mass balance accounts for:
- a. product type
 - b. product group
 - c. SBP claim (SBP-compliant and SBP-controlled).
-
- 4.14** The organisation shall define a fixed balancing period at the organisation level.
- For Biomass Producers using only primary feedstock (forest and TOF), the fixed balancing period shall be a maximum of 12 months.
 - For Biomass Producers using only processing residues or post-consumer feedstock, the fixed balancing period shall be a maximum of three months.
 - For Biomass Producers using primary feedstock and processing residues or post-consumer feedstock, the fixed balancing period shall be a maximum of three months.
 - For Biomass Traders, the fixed balancing period shall be a maximum of three months.
-
- 4.15** By the end of the balancing period, the account balance shall always be neutral or positive. If a negative balance occurs at the end of a balancing period, the Organisation must immediately and proactively inform the CB.
-
- 4.16** The transfer of sustainability characteristics shall always be accompanied by a physical transfer of material.
-
- 4.17** If more than one legal entity is operating at a single site (for example at a port), each legal entity shall operate its own mass balance system at the site covering the material that they own.
-
- 4.18** A positive balance may be carried over in the account (into the next fixed balancing period) up to the total corresponding amount of physical material that is in stock at the end of the balancing period.
-
- 4.19** The Organisation shall make available to the CB all mass balance data in advance of the planned audit.

Output/sales

-
- 4.20** The Organisation shall register each transaction of SBP-certified biomass in the DTS as described in the SBP Guidance document: Data Transfer System User Guide for Certificate Holders.
-
- 4.21** The supplying site of the Organisation shall ensure that sales and delivery documentation exchanged between itself and its customer includes a unique identification number which enables the delivery to be linked to the corresponding DTS transaction.

Note: Each DTS transaction has a unique ID. This is to ensure, that each sales invoice or delivery document could be linked to a DTS transaction. To ensure this, each DTS transaction must include an identification number that allows linking this to the sales invoice/delivery document.

Claims

-
- 4.22** The claim 'SBP-compliant' may be used on sales transactions related to biomass, only where it refers to products which are included in the Organisation's certificate scope and that meet the eligibility requirements for SBP-compliant claims.
-
- 4.23** The claim 'SBP-controlled' may be used on sales transactions related to biomass produced from the feedstock category conforming with SBP-controlled or SBP-compliant definitions.
-
- 4.24** When an SBP-compliant or SBP-controlled claim is used on sales transactions, the SBP EU RED-compliant claim shall also be included.
-
- 4.25** The Organisation shall use SBP trademarks in accordance with the SBP Trade Mark Licence Agreement (TMLA) and the SBP Mark Use: Guidance for Certificate Holders, including any approval requirements set out therein.