



Preferred by Nature OÜ Evaluation of Skovdyrkerforeningen Syd A.M.B.A. Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

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The promise of good biomass



Completed in accordance with the CB Public Summary Report Template Version 1.7.1

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

Document history

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1 Overview

Certification Body (CB) Name:	Preferred by Nature OÜ
Primary CB contact for SBP:	Ondrej Tarabus
Primary CB contact email:	otarabus@preferredbynature.org
Audit team leader:	Christian Jürgensen
Audit team members:	Christian Jürgensen
Name of the Company:	Skovdyrkerforeningen Syd A.M.B.A.
Company legal address:	Brejning Søndergade 26, 7080 Børkop, Denmark
Company contact for SBP:	Henrik Fredslund
Company contact email:	hfr@skovdyrkerne.dk
Company website:	www.skovdyrkerne.dk
Installation date:	N/A
(production of heat, cooling or electricity from biomass has started)	
SBP Certificate Code:	SBP-01-73
Date of certificate issue:	12 May 2022
Date of certificate expiry:	11 May 2027
Audit closing meeting date:	01 Mar 2023
Audit cycle:	First 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 1.5	<input type="checkbox"/>
Includes Supply Base Evaluation (SBE):	Yes	<input type="checkbox"/>
Includes REDII SBE	No	<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/		<input type="checkbox"/>
Chain of custody system implemented:	PEFC: NC-PEFC/COC-000070	<input type="checkbox"/>
	Transfer	<input type="checkbox"/>

2.1 Description of the company

Skovdyrkerforeningen Syd a.m.b.a. is a cooperative owned by forest owners in Southern Jutland, Denmark. The business 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, cultivation of Christmas trees and greenery. Skovdyrkerforeningen Syd a.m.b.a. is itself a part of the umbrella organisation "De Danske Skovdyrkerforeninger", which retains a Preferred by Nature issued PEFC CoC certificate (NC-PEFC/COC-000070) and FSC CoC certificate (NC-COC-011844). Skovdyrkerforeningen Syd a.m.b.a. also offers its members the opportunity of participating in a FSC and/or PEFC Forest management group certification in collaboration with the parent organisation "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 by contractors in the forests of origin, in the Danish regions Syddanmark and Midtjylland. 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. The BP does not produce wood chips from secondary or tertiary feedstock, and thus this is not included in the scope of the certification. The BP supplies the material via truck, occasionally using outdoor storage facilities, to the endpoints at customers which are combined heat and power plants or district heating plants.

2.2 Detailed description of the Chain of Custody system

Skovdyrkerforeningen Syd a.m.b.a. is a part of the umbrella organisation "De Danske Skovdyrkerforeninger", which retains a Preferred by Nature issued PEFC CoC certificate (NC-PEFC/COC-000070) and FSC CoC certificate (NC-COC-011844). Skovdyrkerforeningen Syd a.m.b.a. also offers its members the opportunity of participating in a FSC and/or PEFC Forest management group certification in collaboration with the parent organisation "De Danske Skovdyrkerforeninger". The organization implements PEFC CoC systems based on physical segregation and a volume credit system, but only physical segregation has been used for SBP

biomass. Therefore, SBP claims can only be made for material that is delivered directly from the wood chipper in the forest, or alternatively, when stacks of wood chips consist only of material meeting certification requirement, and no uncontrolled material has been added. The BP delivers most of the produced biomass directly from the forest to the powerplant, but also uses an open-air storage site at four locations. These are open-air storage sites, which has no facilities or staff, and loading of wood chips here is done by a contracted wheel loader. The BP has established clear documented procedures in the management system for only storing SBP Compliant Biomass at these storage facilities, and for ensuring that any “other biomass” is not put into storage, but only delivered directly to the customer/powerplant. 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 Jürgensen	7,0
2. On-site (excl. travel time)	Christian Jürgensen	24,0
3. Report writing	Christian Jürgensen	8,0
4. Other	N/A	N/A

Audit Schedule			
Activity	Location	Auditor name	Date/time
<i>Preparation</i>	Home based	Christian Jürgensen	24 Feb 2023/NA
<i>Opening meeting</i>	Skovdyrkerne Syd, Main Office	Christian Jürgensen	27 Feb 2023/9:00
<i>STD 2 SBE, risk assessment update and mitigation measures</i>	Skovdyrkerne Syd, Main Office	Christian Jürgensen	27 Feb 2023/9:30

<i>Implementation, records and mitigation and education measures in last period</i>	Skovdyrkerne Syd, Main Office	Christian Jürgensen	27 Feb 2023/10:00
<i>Planning of field visits</i>	Skovdyrkerne Syd, Main Office	Christian Jürgensen	27 Feb 2023/10:40
<i>STD 4, DTS and CoC management system</i>	Skovdyrkerne Syd, Main Office	Christian Jürgensen	27 Feb 2023/11:15
<i>STD 5, Energy and transport data</i>	Skovdyrkerne Syd, Main Office	Christian Jürgensen	27 Feb 2023/12:30
<i>Field visits</i>	FMU's, storage site and non-forest areas	Christian Jürgensen	27 Feb 2023/14:15
<i>Field visits</i>	Selected sites (FMU's and non-forest areas)	Christian Jürgensen	28 Feb 2023/8:00
<i>Preliminary closing meeting</i>	Sejrup Krat	Christian Jürgensen	28 Feb 2023/18:00
<i>Closing meeting (SAR)</i>	Remote	Christian Jürgensen	20 Apr 2023/10:30

Auditor qualification

Auditor name	Role	Qualification
Christian Jürgensen	Team Leader	Christian holds a master's degree in Forestry and Nature Management from Copenhagen University and has more than 12 years of experience within state administration, the UN system and the NGO field. He joined Preferred by Nature in February 2022 as a senior biomass auditor and coordinates and conducts

		<p>evaluations in relation to SBP and RBP biomass certification, Danish biomass legislation, PEFC and FSC forest certification and PEFC and FSC traceability certification (CoC), while providing customer service for both new and existing certificate holders.</p>
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4.2 Description of evaluation activities

The audit began with an opening meeting during which the auditor introduced himself and conveyed the audit plan, the aim of the audit, the methodology, auditor qualification and clarified the scope of the audit. It also detailed the CB's approval process of the audit report and that the audit is covered by confidentiality outside of the topics that are being disclosed in the SBP related reporting.

The BP introduced the team, new changes and differences from the previous audit. After that the audit team went through all applicable requirements of the SBP standards no. 1, 2, 4 and 5 covering input clarification, existing chain of custody system, management system, recordkeeping, SBP risk assessment results and their justification, energy data and input and output of feedstock in the last period.

The SBE and mitigation measures were evaluated by interviewing the responsible staff members during both days of the audit and by reviewing procedures and records of the company's site inspections and online screenings. On site verification of supplier sites was conducted by visiting different sites where the material was sourced from and where work was being conducted. Risk assessment evaluation was focused on the indicators classified as specified and the mitigation measures proposed.

CoC implementation was reviewed focusing on the critical control points and all purchasing and logistics functions, in particular origin of material from project sites or through purchase, feedstock categorization, production and transportation process and process for intermediate storage and mass balance was verified. Sample deliveries for the customers Ørsted, Uldum varmeværk, Haderslev Fjernvarme and HedeDanmark from the audit period was audited

After this review the Organization's methodologies for collecting and communicating GHG data were audited and all transport distances data was verified.

The auditor subsequently conducted 13 field visits and concluded the audit with a preliminary closing meeting in the evening of 28 February 2023. The actual closing meeting was held on 20 April 2022 online via Teams without any additional comments being raised.

4.3 Sampling methodology

The field visit included sites from which SBP-feedstock had been or was planned to be sourced from. These sites have been, are or will be used for production of wood chips to be sold with SBP claim. Sites which was not yet chipped but felled was included among the sites in order to be able to examine log-piles and the raw material. A balance between clear-cut and thinning sites and whole tree, energy logs and forest residue sites was sought. 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. This results in a minimum sample of ($\sqrt{346} \times 0.6 =$) 12 sites. As the BP was also audited according to the Preferred by Nature Responsible Biomass Producer Standard during the audit the 12 sites needed to encompass a minimum of ($\sqrt{37} \times 0.6 =$) 4 non-forest sites. The se were selected so they represented both clear-cut (with re-planting), coppice and thinning operations.

4.4 CB stakeholder engagement

The Certification Body carried out a stakeholder consultation prior to the 2022 re-assessment. This did not yield any comments from the public.

No comments from the stakeholders were received prior to this audit.

4.5 Stakeholder feedback

No comments from the stakeholders were received. Interviews were conducted with several staff members at different levels within the organisation.

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 or land owners, where the wood chips are produced. All interviewed staff had a strong engagement in implementation of SBP system and positive approach.

Weaknesses: See the NCR section of this report

5.2 Rigour of Supply Base Evaluation

Skovdyrkerforeningen Syd A.m.b.a. implements an SBE for primary feedstock (forest products) originating from Denmark and is sold without SBP-approved Forest Management Scheme claim, SBP-approved Forest Management partial claim, SBP-approved Chain-of-Custody (CoC) System claim. Risk mitigation measures are implemented for material coming from both forest land and from other origin, e.g. landscape maintenance, or residential areas.

The BP has used the SBP-endorsed Regional Risk Assessment for Denmark June 2017, which has been widely circulated for stakeholder consultation during its development. Based on the “specified risks” in this risk assessment the organization has suggested some mitigation measures which were consulted with relevant stakeholders during a meeting held on March 20th, 2022, and calls/emails which took place prior the assessment.

For the time being has the Organisation only implemented its Supply Base Evaluation for primary feedstock sourced from two administrative regions of Denmark.

5.3 Collection and communication of data

The BP has opted to use the accepted default values from BioGrace II for reporting fuel consumed in its forestry operations and for chipping. The information on transport distances was corroborated with data in the wood chip management program and app 'Nigra' and with invoices and bills from haulage companies used by the Organisation.

There is a automatic integration between data from truck drivers (origin, transport distance) and powerplants (chip data) in the App and which is available through the ERP system (invoice and settlement system) of the organization.

5.4 Competency of involved personnel

The Organisation retains a number of employees who all hold relevant forestry degrees and have multiple years of experience with the SBP certification process. The responsible employee for the SBE is the Wood Chip Production Manager, who is a forester with main responsibility for wood chip production with a M.Sc.

degree in forestry. He can additionally draw support from personnel attached to the umbrella organization De Danske Skovdyrkerforeninger.

All involved personnel provided adequate understanding and competency in SBP-relevant matters such as project management, recognition of HCV sites and implementation of relevant mitigating measures. This was confirmed through interviews and during the field 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

Denmark

The BP utilizes the 'SBP Regional Risk Assessment for Denmark' (RRA) in its risk assessment. This choice is made for several reasons: The RRA gives an updated overview of the relevant information, the RRA contains the necessary and relevant references to sources of information and the stakeholder involvement that occurred during its creation secured that the descriptions in it was made in consensus with other stakeholders. The BP in this manner believe they include the precautionary principle in their approach.

Skovdyrkerforeningen Syd, as the Biomass Producer (BP), has implemented mitigation measures to address the specified risks in the RRA according to the below standard operation procedure (SOP):

Basics - level of expertise:

All harvest operations are planned and supervised by own forest staff (B.Sc. or M.Sc. in forestry).

- a. All staff is trained in the below procedures.
- b. All staff is trained in identifying areas of high conservation value according to the catalogue of key biotopes within the supply base.

Planning and risk management:

- a. Operations are planned and described in the company database (Pinus) with a corresponding geographic location (GIS) showing a map of the forest with a clear demarcation of ownership, the planned harvest area and eventual areas of high conservation value, that needs to be taken into consideration.
- b. The database holds information about the forest owner and the basic risk class of the sourcing area. If the feedstock is sourced from thinning in coniferous stands or first generation afforestation – and legality (EUTR) is ok, - the operation is low risk and status is set to 'Green light'. The conclusion is described in the work instructions.

Work instructions

The work instruction is emailed to the sub-contractor, who is instructed to respond if there is a SBP status without a corresponding conclusion and description of the mitigation measures.

The local BP forester subsequently follow up on their implementation in field.

Additionally, each quarter the SBP management responsible person and internal auditor of the BP conducts an internal audit during which at least 10 or 5% of all projects in Pinus (i.e., of ALL chipping and logging projects) are desk audited. Of these 20% are further controlled in field.

Harvest operations

All harvest operations (cutting, wood chipping, transport etc.) are conducted by trained subcontractors with long term relationships and contracts to the BP.

- d. All contractors and staff are trained in understanding the work instructions set of documents.
- e. All contractors work under the instruction of a SOP for harvesting operations.
- f. All contractors and staff have basic training in identifying areas of high conservation value.

In case that biologically valuable dead or decaying wood (especially such as large dimensioned domestic species, standing or laying trunks inhabited by woodpeckers or characterized by fungus fruitbodies) is present in the harvest area, measures care taken to assure that it is left in the stand.

- g. Forest staff will address this issue in relevant projects.
- h. Contractors shall ask whenever in doubt.

6.2 Specified risk indicators and mitigation measures

Country:
Denmark

Indicator:

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).

Specific risk description:

Based on the existing protection through the Forest Act and designation of Natura 2000 areas and individual protected areas, it is concluded that larger scale key ecosystems and habitats are sufficiently protected, and that sourcing of feedstock for biomass does not pose a threat towards these areas. As mentioned in the findings for criteria 2.1.1 it is likely that a large number of smaller areas or biotopes of local or regional importance to biodiversity or as species habitats, in a Danish context called Key Biotopes ("nøglebiotoper"), which are not systematically identified and mapped. Based on a precautionary approach the risk assessment conclude that for these areas the risk is specified based on the same findings as for Indicators 2.1.1 and 2.1.2.

Mitigation measure:

Skovdyrkerforeningen Syd, as the Biomass Producer (BP), has implemented mitigation measures according to the below standard operation procedure (SOP):

Basics - level of expertise:

All harvest operations are planned and supervised by own forest staff (B.Sc. or M.Sc. in forestry).

- a. All staff is trained in the below procedures.
- b. All staff is trained in identifying areas of high conservation value according to the catalogue of key biotopes within the supply base.

Planning and risk management:

- a. Operations are planned and described in the company database (Pinus) with a corresponding geographic location (GIS) showing a map of the forest with a clear demarcation of ownership, the planned harvest area and eventual areas of high conservation value, that needs to be taken into consideration.
- b. The database holds information about the forest owner and the basic risk class of the sourcing area. If the feedstock is sourced from thinning in coniferous stands or 1. Generation afforestation – and legality (EUTR) is ok, - the operation is low risk and status is changed to 'Green light'. The conclusion is described in the work instructions.

Work instructions

The work instruction is emailed to the sub-contractor, who is instructed to respond if there is a SBP status without a corresponding conclusion and description of the mitigation measures.

The local BP forester subsequently follow up on their implementation in field.

Additionally, each quarter the SBP management responsible person and internal auditor of the BP conducts an internal audit during which at least 10 or 5% of all projects in Pinus (i.e., of ALL chipping and logging projects) are desk audited. Of these 20% are further controlled in field.

Harvest operations

All harvest operations (cutting, wood chipping, transport etc.) are conducted by trained subcontractors with long term relationships and contracts to the BP.

- d. All contractors and staff are trained in understanding the work instructions set of documents.
- e. All contractors work under the instruction of a SOP for harvesting operations.
- f. All contractors and staff have basic training in identifying areas of high conservation value.

In case that biologically valuable dead or decaying wood (especially such as large dimensioned domestic species, standing or laying trunks inhabited by woodpeckers or characterized by fungus fruitbodies) is present in the harvest area, measures should be taken to assure that it is left in the stand.

- g. Forest staff should address this issue in relevant projects.
- h. Contractors shall ask whenever in doubt.

SBP compliance - conclusion

Skovdyrkerforeningen Syd assesses that:

Feedstock sourced from harvest operations conducted under the above SOP with:

- 'Green light' – feedstock is low risk.
- 'Orange light' – the harvest operation contains specified risk, but feedstock is delivered through a mitigation process, that ensures that the biomass is non-controversial in relation to SBP.
- Primary feedstock sourced from coniferous thinning operations is low risk.
- Primary feedstock sourced from areas of first generation afforestation is low risk.

Feedstock sourced from areas outside the forest (farmland) according to FAO definition of forest.

All is non-controversial according to the SBP scope and is hence SBP-compliant, whereas ...

Feedstock sourced from harvest operations conducted under the above SOP with:

- 'Red light' – the harvest operation contains specified risk, and the resulting biomass is SBP-non-compliant (but still legal according to EUTR). Can be considered as legally sourced and hence non-controversial (SBP Controlled) – but not passed on as SBP Compliant.

Country:

Denmark

Indicator:

2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).

Specific risk description:

As this Indicator is seen as being partially covered by Indicators 2.1.1 and 2.1.2, for which low risk must be demonstrated or reached through mitigating measures. The risk for this Indicator is also assessed as Specified. Required risk mitigation measures are the same as outlined for Indicators 2.1.1 and 2.1.2.

Mitigation measure:

Denmark

Skovdyrkerforeningen Syd, as the Biomass Producer (BP), has implemented mitigation measures according to the below standard operation procedure (SOP):

Basics - level of expertise:

All harvest operations are planned and supervised by own forest staff (B.Sc. or M.Sc. in forestry).

- a. All staff is trained in the below procedures.
- b. All staff is trained in identifying areas of high conservation value according to the catalogue of key

biotopes within the supply base.

Planning and risk management:

- a. Operations are planned and described in the company database (Pinus) with a corresponding geographic location (GIS) showing a map of the forest with a clear demarcation of ownership, the planned harvest area and eventual areas of high conservation value, that needs to be taken into consideration.
- b. The database holds information about the forest owner and the basic risk class of the sourcing area. If the feedstock is sourced from thinning in coniferous stands or 1. Generation afforestation – and legality (EUTR) is ok, - the operation is low risk and status is changed to 'Green light'. The conclusion is described in the work instructions.

Work instructions

The work instruction is emailed to the sub-contractor, who is instructed to respond if there is a SBP status without a corresponding conclusion and description of the mitigation measures.

The local BP forester subsequently follow up on their implementation in field.

Additionally, each quarter the SBP management responsible person and internal auditor of the BP conducts an internal audit during which at least 10 or 5% of all projects in Pinus (i.e., of ALL chipping and logging projects) are desk audited. Of these 20% are further are controlled in field.

Harvest operations

All harvest operations (cutting, wood chipping, transport etc.) are conducted by trained subcontractors with long term relationships and contracts to the BP.

- d. All contractors and staff are trained in understanding the work instructions set of documents.
- e. All contractors work under the instruction of a SOP for harvesting operations.
- f. All contractors and staff have basic training in identifying areas of high conservation value.

In case that biologically valuable dead or decaying wood (especially such as large dimensioned domestic species, standing or laying trunks inhabited by woodpeckers or characterized by fungus fruitbodies) is present in the harvest area, measures should be taken to assure that it is left in the stand.

- g. Forest staff should address this issue in relevant projects.
- h. Contractors shall ask whenever in doubt.

SBP compliance - conclusion

Skovdyrkerforeningen Syd assesses that:

Feedstock sourced from harvest operations conducted under the above SOP with:

- 'Green light' – feedstock is low risk.
- 'Orange light' – the harvest operation contains specified risk, but feedstock is delivered through a mitigation process, that ensures that the biomass is non-controversial in relation to SBP.
- Primary feedstock sourced from coniferous thinning operations is low risk.
- Primary feedstock sourced from areas of first generation afforestation is low risk.

Feedstock sourced from areas outside the forest (farmland) according to FAO definition of forest.

All is non-controversial according to the SBP scope and is hence SBP-compliant, whereas ...

Feedstock sourced from harvest operations conducted under the above SOP with:

- 'Red light' – the harvest operation contains specified risk, and the resulting biomass is SBP-non-compliant (but still legal according to EUTR). Can be considered as legally sourced and hence non-controversial (SBP Controlled) – but not passed on as SBP Compliant.

Country:
Denmark

Indicator:

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.

Specific risk description:

Based on the existing protection through the Forest Act and designation of Natura 2000 areas and individual protected areas, it is concluded that larger scale key ecosystems and habitats are sufficiently protected, and that sourcing of feedstock for biomass does not pose a threat towards these areas. It is likely that a large number of smaller areas or biotopes of local or regional importance to biodiversity or as species habitats, in a Danish context called Key Biotopes ("nøglebiotoper"), which are not systematically identified and mapped. Based on a precautionary approach the risk assessment conclude that for these areas the risk is specified.

Mitigation measure:

Skovdyrkerforeningen Syd, as the Biomass Producer (BP), has implemented mitigation measures according to the below standard operation procedure (SOP):

Basics - level of expertise:

All harvest operations are planned and supervised by own forest staff (B.Sc. or M.Sc. in forestry).

- a. All staff is trained in the below procedures.
- b. All staff is trained in identifying areas of high conservation value according to the catalogue of key biotopes within the supply base.

Planning and risk management:

- a. Operations are planned and described in the company database (Pinus) with a corresponding geographic location (GIS) showing a map of the forest with a clear demarcation of ownership, the planned harvest area and eventual areas of high conservation value, that needs to be taken into consideration.
- b. The database holds information about the forest owner and the basic risk class of the sourcing area.

If the feedstock is sourced from thinning in coniferous stands or 1. Generation afforestation – and legality (EUTR) is ok, - the operation is low risk and status is changed to 'Green light'. The conclusion is described in the work instructions.

Work instructions

The work instruction is emailed to the sub-contractor, who is instructed to respond if there is a SBP status without a corresponding conclusion and description of the mitigation measures.

The local BP forester subsequently follow up on their implementation in field.

Additionally, each quarter the SBP management responsible person and internal auditor of the BP conducts an internal audit during which at least 10 or 5% of all projects in Pinus (i.e., of ALL chipping and logging projects) are desk audited. Off these 20% are further controlled in field.

Harvest operations

All harvest operations (cutting, wood chipping, transport etc.) are conducted by trained subcontractors with long term relationships and contracts to the BP.

- d. All contractors and staff are trained in understanding the work instructions set of documents.

- e. All contractors work under the instruction of a SOP for harvesting operations.
- f. All contractors and staff have basic training in identifying areas of high conservation value.

In case that biologically valuable dead or decaying wood (especially such as large dimensioned domestic species, standing or laying trunks inhabited by woodpeckers or characterized by fungus fruitbodies) is present in the harvest area, measures should be taken to assure that it is left in the stand.

- g. Forest staff should address this issue in relevant projects.
- h. Contractors shall ask whenever in doubt.

SBP compliance - conclusion

Skovdyrkerforeningen Syd assesses that:

Feedstock sourced from harvest operations conducted under the above SOP with:

- 'Green light' – feedstock is low risk.
- 'Orange light' – the harvest operation contains specified risk, but feedstock is delivered through a mitigation process, that ensures that the biomass is non-controversial in relation to SBP.
- Primary feedstock sourced from coniferous thinning operations is low risk.
- Primary feedstock sourced from areas of first generation afforestation is low risk.

Feedstock sourced from areas outside the forest (farmland) according to FAO definition of forest.

All is non-controversial according to the SBP scope and is hence SBP-compliant, whereas ...

Feedstock sourced from harvest operations conducted under the above SOP with:

- 'Red light' – the harvest operation contains specified risk, and the resulting biomass is SBP-non-compliant (but still legal according to EUTR). Can be considered as legally sourced and hence non-controversial (SBP Controlled) – but not passed on as SBP Compliant.

Country:
Denmark

Indicator:

2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.

Specific risk description:

Based on the existing protection through the Forest Act and designation of Natura 2000 areas and individual protected areas, it is concluded that larger scale key ecosystems and habitats are sufficiently protected, and that sourcing of feedstock for biomass does not pose a threat towards these areas. As mentioned in the findings for criteria 2.1.1 it is likely that a large number of smaller areas or biotopes of local or regional importance to biodiversity or as species habitats, in a Danish context called Key Biotopes ("nøglebiotoper"), which are not systematically identified and mapped. Based on a precautionary approach the risk assessment conclude that for these areas the risk is specified.

Mitigation measure:

Skovdyrkerforeningen Syd, as the Biomass Producer (BP), has implemented mitigation measures according to the below standard operation procedure (SOP):

Basics - level of expertise:

All harvest operations are planned and supervised by own forest staff (B.Sc. or M.Sc. in forestry).

- a. All staff is trained in the below procedures.
- b. All staff is trained in identifying areas of high conservation value according to the catalogue of key biotopes within the supply base.

Planning and risk management:

- a. Operations are planned and described in the company database (Pinus) with a corresponding geographic location (GIS) showing a map of the forest with a clear demarcation of ownership, the planned harvest area and eventual areas of high conservation value, that needs to be taken into consideration.
- b. The database holds information about the forest owner and the basic risk class of the sourcing area.

If the feedstock is sourced from thinning in coniferous stands or 1. Generation afforestation – and legality (EUTR) is ok, - the operation is low risk and status is changed to 'Green light'. The conclusion is described in the work instructions.

Work instructions

The work instruction is emailed to the sub-contractor, who is instructed to respond if there is a SBP status without a corresponding conclusion and description of the mitigation measures.

The local BP forester subsequently follow up on their implementation in field.

Additionally, each quarter the SBP management responsible person and internal auditor of the BP conducts an internal audit during which at least 10 or 5% of all projects in Pinus (i.e., of ALL chipping and logging projects) are desk audited. Of these 20% are further controlled in field.

Harvest operations

All harvest operations (cutting, wood chipping, transport etc.) are conducted by trained subcontractors with long term relationships and contracts to the BP.

- d. All contractors and staff are trained in understanding the work instructions set of documents.
- e. All contractors work under the instruction of a SOP for harvesting operations.
- f. All contractors and staff have basic training in identifying areas of high conservation value.

In case that biologically valuable dead or decaying wood (especially such as large dimensioned domestic species, standing or laying trunks inhabited by woodpeckers or characterized by fungus fruitbodies) is present in the harvest area, measures should be taken to assure that it is left in the stand.

- g. Forest staff should address this issue in relevant projects.
- h. Contractors shall ask whenever in doubt.

SBP compliance - conclusion

Skovdyrkerforeningen Syd assesses that:

Feedstock sourced from harvest operations conducted under the above SOP with:

- 'Green light' – feedstock is low risk.
- 'Orange light' – the harvest operation contains specified risk, but feedstock is delivered through a mitigation process, that ensures that the biomass is non-controversial in relation to SBP.
- Primary feedstock sourced from coniferous thinning operations is low risk.
- Primary feedstock sourced from areas of first generation afforestation is low risk.

Feedstock sourced from areas outside the forest (farmland) according to FAO definition of forest.

All is non-controversial according to the SBP scope and is hence SBP-compliant, whereas ...

Feedstock sourced from harvest operations conducted under the above SOP with:

- 'Red light' – the harvest operation contains specified risk, and the resulting biomass is SBP-non-compliant (but still legal according to EUTR). Can be considered as legally sourced and hence non-controversial (SBP Controlled) – but not passed on as SBP Compliant.

7 Non-conformities and observations

NC number NC-003089 (03/22)	NC Grading: Minor
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock
Requirement:	IN2C; 4.1 The report shall be concise, covering the most important features, and shall be completed using the latest version of the SBR template for Biomass Producers downloaded from the SBP website.
Description of Non-conformance and Related Evidence:	
<p>Section 2.2 within the SBR clearly requires a description of the following 'Provide a general description of the supply base within the regional context including country of harvest and include a comparison of the scale of harvesting compared to other forest based industries in the region (describe what share of the harvested timber in the region is used in bioenergy sector). - Provide a general description of the forest resources (land use and ownership status, socio-economic conditions, forest composition, profile of adjacent lands). The description must include a description of the forestry management practices or land management practices used and the presence of any CITES or IUCN species. Include an overview of the proportions of SBP feedstock product groups (Controlled Feedstock, SBP-compliant Primary Feedstock, SBP-compliant Secondary Feedstock, SBP-compliant Tertiary Feedstock, SBP non-compliant Feedstock) showing the proportions of each which are certified and uncertified. - Provide an indication of the number of suppliers for each SBP feedstock product group. Include species mix'. The one sentence description provided by the organisation does not address the above. Additional section 2.4 has discrepancies regarding areas of feedstock. Section 9.1 describes a peer review process that was not described during the audit.</p>	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	The Organization has updated section 2.2 within the SBR to fulfill the requirements.
Findings for Evaluation of Evidence:	Auditor finds that the requirements has been fulfilled.
NC Status:	Closed

NC number NC-003243 (02/23)	NC Grading: Minor
Standard:	SBP Standard 5: Collection and Communication of Data Instruction
Requirement:	6.4 The mechanism for recording data in the SBP database of GHG and profiling data is defined in the SBP Instruction Document 5A: Collection and Communication of Data.

Description of Non-conformance and Related Evidence:	
The organisation has implemented control systems and procedures to identify, map and list biomass feedstock categories generated from each harvest project. However, during field sampling and inspections auditor noted that maps and work instructions produced by the organization in some cases listed the wrong output categories. For instance, wood chip output from interventions in smaller forests were in some cases listed as arising from 'Other trees from parks or landscape' (non-forest)	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

NC number NC-003244 (03/23)	NC Grading: Observation
Standard:	SBP Standard 1: Feedstock Compliance Standard
Requirement:	2.1 General Principles
Description of Non-conformance and Related Evidence:	
The organization has within its management system for biomass production established written guidelines for the planning and risk-mitigation of biomass projects. However, during field sampling it was found that not all foresters follow these established guidelines completely. In several cases individual forester had not used the most up to date and suitable software program (Plankat) to produce relevant screening maps conservation values. At current this still allows for successful identification and mitigation for all risk but to avoid risk for the future it is advised that the most up to date software is consistently used.	
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

NC number NC-003312 (01/23)	NC Grading: Minor
Standard:	SBP Standard 1: Feedstock Compliance Standard
Requirement:	2.2 Normative elements in this Standard
Description of Non-conformance and Related Evidence:	
<p>The organisation has implemented control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities. This includes maps, guidance and work instructions provided by the organization to suppliers/forest contractors, regarding identified forest plots and areas with high conservation values that needs consideration, non-intervention and a buffer zone, and verification of conformance through field inspections. However, during field sampling and inspections auditor noted that the work instructions produced by the organization to forest contractors often contained broad phrases like “removal of all dead wood” or “removal of all decaying ash trees”. In the context of the actual work assignments and supplementary/associated verbal work instructions these phrases could be justified (e.g., where the work revolved around the removal of road-side risk trees). However, nevertheless their use should be avoided in written instruction documents to avoid accidental and wrongful removal of all standing deadwood trees (including high conservation value deadwood trees and non-risk trees).</p>	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

8 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Pilar Gorria
Date of decision:	26 May 2023
Other comments:	N/A