Supply Base Report: Sustainable biomass Skovdyrkerforeningen Midt A.M.B.A.

Main (Initial) Audit

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Completed in accordance with the Supply Base Report Template Version 1.3 (with inspiration from Skovdyrkerneforeningen Vestjylland A.M.B.A version 1.3)

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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Contents

1 Overview

Producer name:	Skovdyrkerforeningen Midt A.M.B.A.
Producer location:	Parallelvej 9a, 8680 Ry. DK.
Geographic position:	Lat N 56 degrees 5.415 minutes, Lon E 9 degrees 46.866 minutes
Primary contact:	Peter Sejr, Parallelvej 9a, 8680 Ry, +45 23483545, pse@skovdyrkerne.dk
Company website:	www.skovdyrkerne.dk/midt/
Date report finalised:	
Close of last CB audit:	
Name of CB:	Preferred by Nature
Translations from English:	No
SBP Standard(s) used:	Standard 1 version 1.0, Standard 2 version 1.0 Standard 4 version 1.0 Standard 5 version 1.0
Weblink to Standard(s) used:	https://sbp-cert.org/documents/standards-documents/standards

SBP Endorsed Regional Risk Assessment: https://sbp-cert.org/wp-content/uploads/2018/12/SBP-endorsed-RRA-for-Denmark-RRA_Jun-17.pdf

Weblink to SBE on Company website: https://www.skovdyrkerne.dk/midt/skovdrift/flis/

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations				
Main (Initial) Evaluation	**First Surveillance**	**Second Surveillance**	**Third Surveillance**	**Fourth Surveillance**
X	☐	☐	☐	☐

2 Description of the Supply Base

The scope of this description is to provide the necessary background information to read and understand this Supply Base Report - which constitutes a central part of the preparations for documenting the procedures involved in sustainable harvesting of forest biomass at Skovdyrkerne Midt.

2.1 General description

Skovdyrkerne Midtjylland (SMI) is a service organisation owned and controlled by local forest owners. The purpose of the organisation is to provide all services related to forest management - delivered in a way that takes the conditions and outlook of each forest owner as the starting point.

Skovdyrkerne Midt is one of five local branches that constitute 'De Danske Skovdyrkerforeninger' - together forming a nationwide network providing services to the forest owners.

SMI has, per 1st of April 2021, 792 members owning a total of 12.088,5 ha forest land (including christmastree plantations and open nature types related to forests). The members control the management of their organisation through a board of directors - elected on an annual general assembly.

The service and the operations of the organisation are carried out by a staff of foresters (all educated with a M.Sc. or B.Sc. in forestry) under the leadership of a forest supervisor (CEO). Per 1st of April 2021 the staff included 13 foresters.

The services of SMI comprise all aspects of forest management:

- Advisory services (on site, written reports, green forest management plans, project plans for afforestation etc.).
- Harvest operations in forest - timber and biomass (from tree to industry).
- Harvest operations in christmastrees and decoration foliage (from tree to end user).
- All types of manual and mechanical operations in relation to silviculture, christmastrees, foliage and management of nature in the open range.

Most of the activity and operations takes place in forests owned by the members of SMI - who has also certain advantages compared with other forest owners (non-members). But buying / selling forest products and services from / to other forest owners also takes place, as well as buying and selling forest products on a gross basis (acting as a trader).

2.1.1 Baseline definitions and scope

In this context the following baseline definition about SMI as a biomass producer (BP) can be made:

- Biomass from all harvest operations where SMI is responsible for the whole supply chain (from planning, felling and all the way to the customer) can be considered as 'within the production facility' - and all procedures in the Supply Base Evaluation, including risk assessment and mitigation measures, are carried out by SMI own forest educated and trained staff.
- Biomass sourced from third party has to undergo the procedures in the Supplier Verification Programme to determine whether it can be considered sustainable according to the SBP standard.

The scope of this Supply Base Report is mainly regarding *primary feedstock*. But we also work with *secondary feedstock* from a local sawmill.

As an operator closely connected to the forests, SMI primarily work with *primary feedstock*. Please find sustainability characteristics in the SAR which will be uploaded in the DTS (Radix) as soon as this report is through its last evaluation.

The definition of forest land - where SBP is applicable - is the FAO standard: *Tree covered area of no less than 0.5 ha where the trees becomes higher than 5 m. - With the extension from the Danish department of Nature that the width is at least 20 m* [1)].

2.1.2 Defining the Supply Base Area

SMI is mainly harvesting biomass in the eastern part of Jutland with occasional operations in the neighbouring areas to the north, west and south. By far the largest proportions originate from the regions "Midtjylland", within the thick red line.

Figure 1: The supply base is from the region "Midtjylland", occasionally "Sydjylland" and "Nordjylland". The main area of forest activities (approx. 90%) is harvested in the eastern/center part of Jutland (area within the thick red line).

[1] See FAO definition of forest land in full **link** or Danish version **link**.

2.1.3 Denmark - forest resources

Where no other source or reference is given, this section - giving a description of the forest resources in Denmark - is based on the similar description in 'SBP Regional Risk Assessment for Denmark' [2].

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 - please press this link for further information.*
- *The stakeholder involvement secures that the description is made in consensus with other stakeholders*

The terrestrial environment of Denmark is divided between two EU biogeographical regions by means of a north-south divide through the middle of the Jutland Peninsula: 1) the Atlantic region, covering the western part of Jutland and the Continental region, and 2) the Continental region covering the eastern part of Jutland and Denmark's islands. These regions are used by the Danish Nature Agency under the Danish Ministry of the Environment and Food to the EU Commission to report on the status and management results of Natura 2000 conservation areas.

In the early 1800's, the forest cover in Denmark is estimated to have been as low as 3-4% of the total land area. Deforestation was caused by logging for timber and firewood and for animal grazing areas. Denmark's first forest legislation came into force in 1805. Its main objective - as wells as following Danish forest acts - has been to maintain the forest covered area and to protect the existing forest from overexploitation, premature felling and grazing by farm animals. In the mid nineteenth century, intensive forest management became widespread and large afforestation projects were carried out. Today approximately 14,7% (633,000 hectares) of Denmark's land area is covered by various types of forest.

According to the Danish National Forest Inventory, conducted by the Danish Nature Agency, 44% of Denmark's forest area is dominated by broadleaved trees, 36% by coniferous tree species, 10% by a mixed coniferous and broadleaved tree species, 5% are christmastree plantation (located within all the above forest types) and 5% of the area is unstocked, e.g., log loading and landing yards, fire prevention areas etc. Furthermore, 67% of the Danish forest area is covered with even-aged planted stands with 7% being even-aged stands from natural regeneration and 10% of the forest area is uneven-aged natural forest. The latter represent pockets forests that would be closest to what is considered of natural forest stands having retained or regained natural forest characteristics; which can be found in forests both under private and public ownership and they are predominantly located in the Continental region (east Jutland and the isles). The location of these natural forest stands is generally well-known, but some may still be unidentified.

Of Denmark's 633,000 hectares of forest, 440,000 hectares are managed as forest reserves (called 'fredskov' in Danish) governed under the Danish Forest Act. The Forest Act permits forest management activities within these areas; however, Article 8 requires the managed area shall regain forest cover within 10 years from felling, that a maximum of 10% of the forest area can be used for short rotation Christmas trees or greenery production (e.g., cuttings typically from *Abies procera*), and another maximum of 10% of the area can be used for coppicing or for animal forest grazing. The Forest Act also protects streams and wetlands in forests that are not covered by the Nature Protection Act or under the Ministry of Environment or

[2] 'THE REGIONAL RISK ASSESSMENT FOR DENMARK´ is endorsed by SBP in June 2017.

local authorities. It stipulates that lakes, bogs, heathlands, species-rich grasslands, coastal grasslands and bogs and fens located in “fredskov” forest reserve may not be planted or cultivated, drained or in other way changed. It is also important to note the Forest Act does not include many regulations regarding, e.g. harvesting, planting or thinning.

There are 75,000 hectares of forests designated as Natura 2000 areas (12% of the Danish forest area) which have some overlap with the 74,600 hectares forests and other natural areas designated under the EU Habitat Directive, 48,600 hectares under the EU Birds Directive and 8,400 hectares as Ramsar sites. A harvest permit must be obtained from the Danish Nature Agency to conduct any timber harvesting activities within Natura 2000 forests; permits are given provided that the forest ecosystem will not be degraded. Issuing such permit is to be regarded more as an exception than common practice.

In relation to HCV category 3, it is worth noting that although the Forest Act §25 sets standards for registering *‘especially valuable forest*s’ i.e., valuable in terms of their biodiversity and conservation value, and accompanying appropriate conservation management activities for these areas, these areas have not yet been registered by the Danish Nature Agency. Danish forests biodiversity and conservation values have been surveyed by Department of Geosciences and Natural Resource Management at Copenhagen University through a sampling methodological approach. Therefore, not all forest areas have been systematically surveyed, particularly small privately forests area. The task of systematically surveying ‘especially valuable forests’ will be carried out by the Danish Nature Agency in the years 2016 - 2019.

Forest ownership in Denmark is divided by private forests owners, (71%), State and Municipal owners (23%), trust funds or foundations (4%) and unknown owners (2%).

Biodiversity in Danish forests

In general the biodiversity in the Danish forests are affected by the historical development. In the beginning of the 18th century the forest cover was reduced to a few percent of the land coverage. In 1805 the forest act was implemented for all most all the forests at that time. This shifted focus to the production on timber and over the next 200 years exotic tree species and especially coniferous tree species were increasing. The immediate consequence of the Forest Act was that the forest cover became denser because the trees and the regeneration was protected from the grazing livestock, the open areas within the forest was planted. The actions initiated 200 years ago have had a great impact on the biodiversity in the forests and we are now obligated to stop the reduction of biodiversity in the forest.

Since the 1990’s forestry practices in Denmark, especially in State and Municipality owned forest, have shifted from traditional, production oriented forest management towards management regimes with a wider set of goals for conservation, biodiversity, recreation and addressing other social needs such as preserving cultural heritage sites.

Danish forest have been surveyed by Department of Geosciences and Natural Resource Management at Copenhagen University by means of a sample methodology and their biodiversity and conservation values have been documented under the Danish National Forest Inventory (NFI) hosted by the Danish Nature Agency.

Denmark ratified the Convention on Biological Diversity in 1994. Today more than 11% of Denmark’s terrestrial lands are protected, one third of which are classified as IUCN Categories I and II; of which a large number are protected under the Nature Protection Act and the Natura 2000 EU Directive. These areas have been designated specifically to protect species, landscapes, cultural heritage and/or for scientific research and/or education purposes.

Approximately, over 6,300 species in 8 major species groups in Denmark have been assessed according to IUCN Red List criteria, and just over 1,500 or 24% of these have been red-listed. Forests constitute 52% of the habitat affiliations for red-listed species. Furthermore, areas enjoying protection under the Forest Act, Natura 2000 and/or the Nature Protection Act are also mapped and available online via the Danish Nature Agency's digital nature map. Biodiversity data is updated regularly by the Danish Nature Agency and, as mentioned above, it will be completing the registry of "especially valuable forest" over 2016 - 2019. There is one forest area in North Zealand which is listed as UNESCO world heritage due to its historical significance as royal 'Parforce' hunting grounds landscape as, the site demonstrates the application of Baroque landscaping principles to forested areas.

2.1.4 Proportions of SBP feedstock product groups

In Denmark:

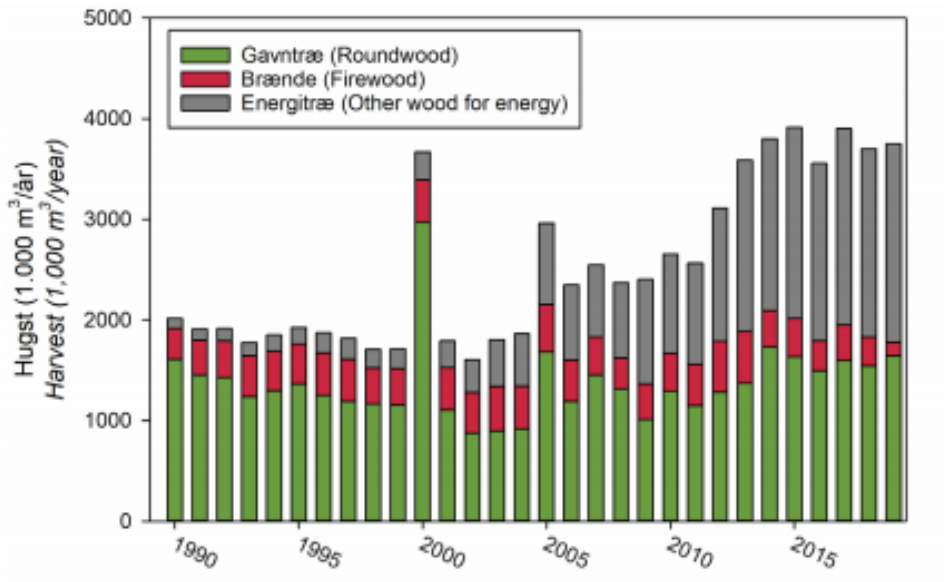

Table 1: Harvested volume according to assortments in Denmark[3]

In Skovdyrkerne Midt:

Type of feedstock	**Percentage of content in total supplies for the reporting period**
SBP-compliant Primary Feedstock	95%
SBP-compliant Secondary Feedstock	5%

Total volume of feedstock: 0 - 200.000 tonnes pr. year (specific nummer is reported to the CB – and it is commercially sensitive information. Skovdyrkerne has no dominant position in the market place)

2.2 Actions taken to promote certification amongst feedstock supplier

SMI have since 2007 been approved to hold a PEFC group certificate. SMI is also approved to assist forest owners to be certified under the FSC group certificate.

SMI has embraced the SBP standard as a mean to ensure the procurement of sustainable biomass in a scheme that is affordable for small scale forestry. Skovdyrkerne have been a strong driver and stakeholder in the process towards a Regional Risk Assessment on a national level in Denmark.

SMI implements SBP risk assessment and mitigation measures in procurement of all primary feedstock - both biomass and timber - and through our Supplier Verification Programme we reach out to further increase the level of sustainability within our geographical work range.

2.3 Final harvest sampling programme

The scope of this description is to quantify how large a proportion of the round wood, which has a potential for value-added use in the woodworking industry, which ends up as biomass.

Due to the price relations in the market, this proportion is insignificant small. There is no substitution between i.e. timber logs and wood chips – if a part of a log, that has reached timber dimension or high value end use, is used for biomass, it is usually because of:

- Damages
- Rot
- Inferior quality

SMI approach to forest management and harvesting operations is to optimize the overall economic output for the forest owner. There is a strong economic driver for choosing any other assortment than round wood for energy – as shown in the below sample plot.

Assortment	End use	Volume (m3s)	Proportion (%)	Price relation	Value (%)
2,43 m. KTM|EMB - MIX (60/40) T14R100	High-Value	295	19%	136	16%
2,43 m. KTM|EMB - MIX (60/40) T14R100	High-Value	90	6%	139	5%
4,25 m. Korttømmer T20R60	High-Value	142	9%	167	10%
4,85 m. Korttømmer T14R40	High-Value	473	30%	167	32%
3,65 m. Korttømmer T15R40	High-Value	10	1%	167	1%
3,05 m. Troldhedetræ T14R35	High-Value	254	16%	186	19%
4,85 m. Korttømmer T14R40	High-Value	143	9%	167	10%
3 m. Energitræ T5R60	Biomass	168	11%	100	7%
Total		**1.574**	**100%**		**100%**

Table 2: Final Harvest Sampling. Data from one representative sample plot indicating, that round wood end use as biomass only constitutes 11% of volume and 7% of value in final harvesting in mature stands (over 40 year rotation age). Please remark that the forest owner has at least 36% gain from any other end use than biomass.

The minimum quantity threshold for making High-Value timber in smaller projects is normally one truckload (40 kfm).

2.4 Flow diagram of feedstock inputs showing feedstock type [optional]

2.5 Quantification of the Supply Base

Supply Base

Data is collected from the National Forest Inventory (2019) [3)]

Skovdyrkerne Midt is defining the Supply Base as the regions: 'Midtjylland', 'Syddanmark' and 'Nordjylland' – which correspond to the map on page 2.

a. Total Supply Base area (ha): 485.472 ha
b. Tenure by type (ha): 372.200 ha privately owned, 105.336 ha public owned, 0 ha community concession (7.936 other)
c. Forest by type (ha): 0 ha boreal, 485.472 ha temperate, 0 ha tropical
d. Forest by management type (ha): 403.545 ha plantation, 81.927 ha managed natural forest
e. Certified forest by scheme (ha): ca. 160.000 ha FSC-certified forest and ca. 218.000 ha PEFC forest. Note that many forests hold both FSC and PEFC certificates. The numbers are based on an estimate for the regions 'Midtjylland', 'Syddanmark' and 'Nordjylland'.

Feedstock

f. Total volume of Feedstock: 0 – 200.000 tonnes pr. year (specific number varies – and is considered to be commercially sensitive information. Skovdyrkerne has no dominant position in the market place).
g. Primary feedstock: 0-200.000 tonnes pr. year.
Secondary feedstock: 0-200.000 tonnes pr. year.
h. List percentage of primary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
    - 10% Certified to an SBP-approved Forest Management Scheme
    - 90% Not certified to an SBP-approved Forest Management Scheme

    List percentage of secondary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
    - 100% Certified to an SBP-approved Forest Management Scheme
i. List all species in primary and secondary feedstock, including scientific name

Danish	English	Latin
Ahorn	Sycamore	*Acer pseudoplatanus*
Ask	Ash	*Fraxinus excelsior*
Avnbøg	Hornbeam	*Carpinus betulus*
Dunbirk	White birch	*Betula pubescens*
Vortebirk	Silver birch	*Betula pendula*
Bjergfyr	Mountain pine	*Pinus mugo*
Bævreasp	Aspen	*Populus tremula*
Bøg	Beech	*Fagus sylvatica*
Contortafyr	Lodgepole pine	*Pinus contorta*

[3] National Forest Inventory 2019 is available here: **link**

Cypres	Lawson cypress	*Chamaecyparis lawsoniana*
Douglas	Douglas fir	*Pseudotsuga menziesii*
Stilkeg	Common Oak	*Quercus robur*
Vintereg	Sessile Oak	*Quercus petraea*
Elm	Mountain elm	*Ulmus glabra*
Ene	Juniper	*Juniperus communis*
Fuglekirsebær	Wild Cherry/Gean	*Prunus avium*
Grandis	Grand fir	*Abies grandis*
Hassel	Hazel	*Corylus avellana*
Hestekastanie	Horse chestnut	*Aesculus hippocastanum*
Hvidgran	White spruce	*Picea glauca*
Hvidtjørn, almindelig	Hawthorn	*Crataegus laevigata*
Hvidtjørn, engriflet	Hawthorn	*Crataegus monogyna*
Lind	Common lime	*Tilia cordata*
Lærk	European larch	*Larix decidua*
Lærk	Japanese larch	*Larix kaempferi*
Hybridlærk	Dunkeld larch	*Larix eurolepis*
Navr	Field maple	*Acer campestre*
Nobilis	Noble fir	*Abies procera*
Nordmannsgran	Nordmann fir	*Abies normanniana*
Omorika	Serbian spruce	*Picea omorica*
Pil	Willow	*Salix sp.*
Poppel	Poplar	*Populus sp.*
Rødeg	Northern red oak	*Quercus rubra*
Rødel	Common alder	*Alnus glutinosa*
Rødgran	Norway spruce	*Picea abies*
Røn, almindelig	Rowan tree	*Sorbus aucuparia*
Seljerøn	Sewdish whitebeam	*Sorbus intermedia*
Sitkagran	Sitka spruce	*Picea sitchensis*
Skovfyr	Scots pine	*Pinus sylvestris*
Spidsløn	Maple	*Acer platanoides*
Taks	Yew	*Taxus baccata*
Thuja	Western red cedar	*Thuja plicata*
Tsuga	Hemlock	*Tsuga heterophylla*
Valnød	Walnut	*Juglans nigra*
Ædelgran	Silver fir	*Abies alba*
Østrigsk fyr	Austrian pine	*Pinus nigra*

j. Volume of primary feedstock from primary forest: 0 tonnes (no harvest operations takes place in virgin forest).

k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
   - (N/A) Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme
   - (N/A) Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme

l. Volume of secondary feedstock: 0-19%

m. Volume of tertiary feedstock: N/A

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
X	☐

Skovdyrkerne Midt as BP is mainly sourcing uncertified primary feedstock. A SBE is required.

4 Supply Base Evaluation

4.1 Scope

The scope of this Supply Base Evaluation is primary and secondary feedstock harvested in Jutland, Denmark. The majority of the primary feedstock is harvested by trained professionals at Skovdyrkerne Midt according to the procedures described in “Management System for biomass production at Skovdyrkerne Midt”. The rest of the feedstock is sourced from suppliers approved by the Supplier Verification Strategy SMI (section 9.3.1).

The feedstock is divided in following sub-scopes:

- Primary feedstock sourced from coniferous thinning operations
- Primary feedstock sourced from areas of first generation afforestation
- Primary feedstock sourced from a forest holding with a FM certificate (FSC/PEFC)
- Primary feedstock sourced from a forest holding without a FM certificate (FSC/PEFC)
- Primary feedstock sourced from non-forest areas
- Secondary feedstock sourced from supplier with a valid certificate

4.2 Justification

Skovdyrkerne Midt adopts the ‘The Regional Risk Assessment for Denmark’. The RRA is prepared according to SBP Regional Risk Assessment Procedure Version 1.0 and is a thorough investigation of relevant risks in a Danish forest management context.

The RRA concludes that there is a specified risk for 4 indicators; all related to mapping and protection of areas of high conservation values (HCV) in the supply base. When an area of high conservation value is mapped and defined, it is possible to identify and address potential threats from forest harvest operations, and hence conserve and protect key ecosystems and the adjacent biodiversity.

However, in a Danish context coniferous species are all imported and therefore not a part of a natural forest type. The biodiversity is sparse and in case of thinning operations there is no negative impact on the biodiversity. This justifies making a sub-scope including all feedstock sourced from coniferous thinning operations.

In the same way, first generation afforestation holds no high conservation value that can be negatively affected by a harvest operation. Therefore harvesting operations in forests established as first generation afforestation are all low risk.

A forestholding with a forest management certificate has a detailed description of the forest including a detailed map with areas in the forest that have a high conservation value (specific HCV map). All risks are low when consulting the map prior to sourcing biomass from broadleaved stands or clear cuts.

For the group in the scope that contains areas without a forest management certificate, there is a specified risk that areas of high conservation value have not been mapped. A further consultation of the HNV forest map is needed prior to sourcing biomass from thinning in broadleaved stands or clear cuts from areas that are not first generation afforestation.

SMI has implemented a procedure where all harvesting areas of primary feedstock are assessed according to the above sub-scopes prior to biomass production. The procedure is described in the management system and all staff is educated in the procedures.

The last group in the scope that contains secondary feedstock from a local sawmill has a PEFC-claim and is therefor 100% SBP-compliant and low risk.

4.3 Results of Risk Assessment

The Regional Risk Assessment (RRA) states that there is a 'specified risk' in 4 indicators listed below (see appendix).

2.1.1	Forests and other areas with high conservation values in the Supply Base are identified and mapped.
2.1.2	Potential threats to forests and other areas with high conservation values from forest management activities are identified and addressed.
2.2.3	Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).
2.2.4	Biodiversity is protected (CPET S5b).

There is a coherency between identifying areas with high conservation values and being able to conserve habitats and protect the biodiversity. There is also a coherency between threats to high conservation value and the type of forest operation and forest type.

The HCV are identified and mapped in some forestholdings (FSC/PEFC certified forestholdings) and in other areas there is a specified risk that there may be unidentified areas with high conservation values.

Thinning operations in coniferous stands and in first generation afforestation is always low risk.

The supply base is therefore divided in the following sub-scopes:

- Primary feedstock sourced from coniferous thinning operations – all low risk
- Primary feedstock sourced from areas of first generation afforestation – all low risk
- Primary feedstock sourced from a forest holding with a FM certificate (FSC/PEFC) – all low risk
- Primary feedstock sourced from a forest holding without a FM certificate (FSC/PEFC) – specified risk
- Primary feedstock sourced from non-forest areas – all low risk
- Secondary feedstock sourced from supplier with a valid certificate – all low risk

4.4 Results of Supplier Verification Programme

The RRA has low risk or specified risk in all indicators. Therefore SVP is not applicaple in this SBR. See section 9 for discription of mitigation measures.

4.5 Conclusion

The organisation meets SBP requirement due to a concise approach to risk assessment, where the supply base is divided in 8 different sub-scopes. The competent staff at Skovdyrkerne Midt all have a degree as B.sc or M.sc in forestry and they are able to identify the registered HCV areas within the supply base and determine in which operation a field assessment is demanded. Mitigation methods are described in the plan and also the screening that is handed to the contractor prior to harvest.

External suppliers can provide FSC/PEFC certified feedstock as SBP-compliant feedstock if they hold a valid PEFC CoC or FSC CoC certificate – or if the feedstock can be determined as 'low risk' according to the same criteria's as included in the SBE.

The strength of this approach is:

- It provides the necessary protection of biodiversity in harvesting areas.
- It is integrated in the workflow at Skovdyrkerne Midt and thus feasible and controllable.

5 Supply Base Evaluation Process

The Supply Base evaluation process was initiated by the Regional Risk Assessment for Denmark. Skovdyrkerne Midt has by the representation of Skovdyrkerne Vestjylland been an indirect stakeholder in the process leading to the decision of making an RRA for Denmark. Through Skovdyrkerne Vestjylland has De Danske Skovdyrkerneforeninger also played an active role in the RRA stakeholder consultation meeting on May 20th 2016, where the stakeholders were invited to see how Skovdyrkerne in Vestjylland asses risks and implement mitigation measure in two different harvest operations:

- thinning operation in coniferous stands
- thinning operation in an old broadleaved stand

After the stakeholder meeting Skovdyrkerne Vestjylland has submitted stakeholder comments to the RRA. The comments were submitted on June 26th 2016.

This Supply Base Report (SBR) describes how Skovdyrkerne Midt will assure that sourcing of biomass is SBP-compliant. The original SBR will be submitted for public consultation after its 'Main (initial) Evaluation'.

6 Stakeholder Consultation

The stakeholder consultation took place in a 30 day period from March 31th 2021 to April 30th 2021
The SBR were submitted by e-mail to:

Danmarks Naturfredningsforening	Lars Midtiby	lars@dn.dk
FSC Danmark	Kristian Jørgensen	k.jorgensen@dk.fsc.org
Verdens Skove	Jens Holm Kanstrup	jhk@verdensskove.org
WWF (Verdensnaturfonden)	Sofie Tind Nielsen	s.tind@wwf.dk
PEFC Danmark	Morten Thorøe	mt@pefc.dk
Dansk Fjernvarme	Maria Hedegaard	mh@danskfjernvarme.dk
Dansk Skovforening	Marie-Louise Bretner	mlb@skovforeningen.dk
Skanderborg Hørning Fjernvarme	Peter Jensen	pj@skfj.dk
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Favrskov Kommune	Carsten Monsrud	cmon@favrskov.dk
Dansk Ornitologisk Forening	Henrik Wejdling	henrik@wejdling.dk
Horsens Kommune	Bo Karlshøj Riis	bri@horsens.dk
Viborg Kommune	Rune Rauff Schultz	rus@viborg.dk
Vedvarende Energi	Bjarke Rambøll	br@ve.dk

6.1 Response to stakeholder comments

Dansk Fjernvarme (Maria Hedegaard), PEFC Danmark (Morten Thorøe), Skanderborg Kommune (Søren Peder Knudsen) has reported back with no comments.

Verdens Skove (Jens Holm Kanstrup) has reported back with this comment (in Danish):

"Som jeg ganske rigtig husker det så er den problematik jeg nævner godt nok nævnt under 2.2.4 [i RRA]men *der henvises til indikator 2.1.1* [i RRA] *der godt nok har til formål at sikre at der ikke kommer HCV ind i jeres feedstock, men til gengæld slet ikke adresserer den problematik der rejses under 2.2.4* [i RRA] *ang. veterantræer og dødt ved i skove uden FSC certificering (kan ikke huske hvordan det ser ud i seneste PEFC standard - men muligvis på nogenlunde samme niveau som FSC i forhold til at sikre veterantræer til naturlig henfald og død).*

Aller helst ville vi foreslå at især hjemmehørende træer over en vis stammediameter slet ikke må indgå i kategorien energitræ. Så vidt vi har fået forklaret fra Bla. NEPCon (Prefered by Nature) og Ørsted så er det en meget lille del af det energitræ der hives ud, så det burde ikke være et stort problem i forhold til den mængde flis i får igennem jeres system - men som du sikkert ved har det MEGET stor betydning for biodiversiteten at enkelte gamle træer, vindfælder osv. får lov til at blive i skoven.

Så jeg ville anbefale (hvilket jeg allerede også har gjort til SBP, Ørsted og andre i sketoren) at der udvikles en indikator til 2.2.4 der specifikt adresserer værdifulde veterantræer så vi ikke fortsat ser dem i flisstakkene hvor jeg tror de fleste er enige om at de ikke hører hjemme. Jeg ved godt at det ikke er en garanti for at de bliver stående, men så bliver det ikke Skovdyrkerne og energisektoren der får skylden for at de fældes."

Comment translated to english:

"As I rightfully remember it, the problem I mention is addressed in section 2.2.4. [in the RRA] *but is referred to section 2.1.1.* [from the RRA] *which purpose is no High Conservation Values will be found in your feedstock but it does not address the problem raised in section 2.2.4.* [in the RRA] *regarding veteran trees and dead wood in forests without FSC certificate (I don't remember the legislation in the latest PEFC standard – but it is possibly on the same level as FSC in regards to keeping veteran trees for natural death).*

At best we would propose especially non-indigenious trees above a specific diameter could not be found in the category for biomass. Though we have been explained by NEPcon (Preferred by Nature) and Ørsted, that these mentioned trees only hold a very small part of the biomass that is produced in general, therefore it should not be a problem in regards to the produced feedstock in your system – but as you probably know, it has a BIG significance for the biodiversity that few old trees, fallen trees etc stays in the forest.

Therefore I would recommend (which I already have to SBP, Ørsted and others in the sector) that there will be developed an indicator to section 2.2.4. [in the RRA] *which addresses valuable veterantrees so these won't end up in the production of biomass where, as I believe most will agree on, these trees do not belong. I know this is not a guarantee for these trees to be left standing but then it won't be Skovdyrkerne og the energy sector who gets blamed for the felling of them."*

In respons to the comment from Verdens Skove (Jens Holm Kanstrup), section 9.1. has been expanded.

7 Overview of Initial Assessment of Risk

Skovdyrkerne Midt is adopting the 'SBP-endorsed Regional Risk Assessment for Denmark - submitted 29 June 2017' which contains a thorough investigation of relevant risks in a Danish context. See also the annex 1 to this Supply Base Report.

2.1.1	Forests and other areas with high conservation values in the Supply Base are identified and mapped.	The goal of the mitigation measure is to ensure that any HCV in the area within the supply base is identified and sufficiently mapped before sourcing of feedstock for biomass production begins, so that the information about any HCV can be securely passed on to staff carrying out the felling and chipping operation. For non-FSC or PEFC certified forests and forests without a green management plan, identification and mapping of HCVs must be carried out. It is suggested that the HNV forest online map (available at http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk) is consulted for a calculated indication of the potential for HCVs prior to a field survey of HCVs, and that the catalog of key biotopes or similar is used. The effectiveness of the application of the catalog of key biotopes is reliant upon sufficient skill and training of the personnel carrying out the survey. For a skilled professional the identification and mapping of HCVs would be possible with an acceptable level of effort compared to the size of the area where sourcing of feedstock will take place.
2.1.2	Potential threats to forests and other areas with high conservation values from forest management activities are identified and addressed.	For forests with a green management plan, HCVs have been identified and mapped, but since there is no requirement for independent evaluation of adherence to limitations in the green management plan, the plan including the maps, must be consulted and planned activities must be compared to limitations in the management plan. For forests without at least a green management plan, HCVs in the area where feedstock for biomass production is sourced must first be identified and mapped (see indicator 2.1.1), and sufficient maps and instruction be prepared for personnel in charge for the felling or other activities, so that it is ensured that HCV will not be threatened for FM activities.
2.2.3	Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).	The goal of the mitigation measure is to ensure that any HCV in the area within the supply base is identified and sufficiently mapped before sourcing of feedstock for biomass production begins, so that the information about any HCV can be securely passed on to staff carrying out the felling and chipping operation. For non-FSC or PEFC certified forests and forests without a green management plan, identification and mapping of HCVs must be carried out. It is suggested that the HNV forest online map (available at http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk) is consulted for a calculated indication of the potential for HCVs prior to a field survey of HCVs, and that the catalog of key biotopes or similar is used. The effectiveness of the application of the catalog of key biotopes is reliant upon sufficient skill and training of the personnel carrying out the survey. For a skilled professional the identification and mapping of HCVs would be possible with an acceptable level of effort compared to the size of the area where sourcing of feedstock will take place.
2.2.4	Biodiversity is protected (CPET S5b).	The goal of the mitigation measure is to ensure that any HCV in the area within the supply base is identified and sufficiently mapped before sourcing of feedstock for biomass production begins, so that the information about any HCV can be securely passed on to staff carrying out the felling and chipping operation. For non-FSC or PEFC certified forests and forests without a green management plan, identification and mapping of HCVs must be carried out. It is suggested that the HNV forest online map (available at http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk) is consulted for a calculated indication of the potential for HCVs prior to a field survey of HCVs, and that the catalog of key biotopes or similar is used. The effectiveness of the application of the catalog of key biotopes is reliant upon sufficient skill and training of the personnel carrying out the survey. For a skilled professional the identification and mapping of HCVs would be possible with an acceptable level of effort compared to the size of the area where sourcing of feedstock will take place. This would allow for expert and stakeholder review and comments. It must be ensured that **biologically valuable** dead and decaying and deadwood on the forest floor is not chipped or removed in connection with production and extraction of biomass.

Table 3: The Regional Risk Assessment for Denmark has found 4 Indicators with specified risk. In the draft versions corresponding mitigation methods were suggested. In the process of endorsement a concern about the risk, that biologically valuable dead and decaying and deadwood on the forest floor to a large extent would be chipped or removed in connection with production and extraction of biomass was taken in to consideration. Also in the endorsed version the mitigation measures was left out. In this updated SBR, Skovdyrkerne Midt has maintained the original perspective on the mitigation measures **and** included the considerations on dead and decaying wood**.**

In the following section the risk related to the sub-scopes defined in 4.1:

- Primary feedstock sourced from coniferous thinning operations
- Primary feedstock sourced from areas of first generation afforestation
- Primary feedstock sourced from a forest holding with a FM certificate (FSC/PEFC)
- Primary feedstock sourced from a forest holding without a FM certificate (FSC/PEFC)
- Primary feedstock sourced from non-forest areas
- Secondary feedstock sourced from supplier with a valid certificate

… will be assessed – with an overview table per low risk sub-scopes and specified risk sub-scopes – before and after BP's own risk assessment.

Table 1: **All low risk sub-scopes:**
Primary feedstock sourced from coniferous thinning operations.
Primary feedstock sourced from areas of first generation afforestation.
Primary feedstock sourced from a forest holding with a FM certificate (FSC/PEFC).
Primary feedstock sourced from non-forest areas.
Secondary feedstock sourced from supplier with a valid certificate.
Overview of results from the risk assessment of all Indicators

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		X	
1.1.2		X	
1.1.3		X	
1.2.1		X	
1.3.1		X	
1.4.1		X	
1.5.1		X	
1.6.1		X	
2.1.1		X	
2.1.2		X	
2.1.3		X	
2.2.1		X	
2.2.2		X	
2.2.3		X	
2.2.4		X	
2.2.5		X	
2.2.6		X	
2.2.7		X	
2.2.8		X	
2.2.9		X	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		X	
2.3.2		X	
2.3.3		X	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

Table 2: **All specified risk sub-scopes:**
Primary feedstock sourced from a forest holding without a FM certificate (FSC/PEFC)

Overview of results from the risk assessment of all Indicators

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		X	
1.1.2		X	
1.1.3		X	
1.2.1		X	
1.3.1		X	
1.4.1		X	
1.5.1		X	
1.6.1		X	
2.1.1	X		
2.1.2	X		
2.1.3		X	
2.2.1		X	
2.2.2		X	
2.2.3	X		
2.2.4	X		
2.2.5		X	
2.2.6		X	
2.2.7		X	
2.2.8		X	
2.2.9		X	

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1		X	
2.3.2		X	
2.3.3		X	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

7.1.1 SBP compliance – conclusion on initial risk

Skovdyrkerne Midt assesses that:

- Primary feedstock sourced from coniferous thinning operations is low risk.
- Primary feedstock sourced from areas of first generation afforestation is low risk.
- Primary feedstock sourced from a forest holding with a FM certificate (FSC/PEFC) is low risk.
- Primary feedstock sourced from a forest holding without a FM certificate (FSC/PEFC) is specified risk
- Primary feedstock sourced from non-forest areas is low risk
- Secondary feedstock sourced from supplier with a valid certificate is low risk

Feedstock sourced from areas outside the forest (farmland) according to FAO definition of forest is non-controversial according to the SBP scope and is hence SBP-compliant on the condition, that compliance with all legislation is undertaken during the harvest process.

In order to move risks from specified risk to low risk, Skovdyrkerne Midt, as the Biomass Producer (BP), will adapt and implement the mitigation measures according to the standard operation procedure (SOP). See section 9.1 for at full review of the mitigation measures. Feedstock from suppliers must pass the Supplier Verification Programme. See section 8.

8 Supplier Verification Programme

8.1 Description of the Supplier Verification Programme

The RRA has either low risk or specified risks in all indicators. See section 9 for details and description of mitigation measures. Therefor SVP is nor applicaple in this SBR.

8.2 Site visits

The RRA has either low risk or specified risks in all indicators. See section 9 for details and description of mitigation measures. Therefor SVP is nor applicaple in this SBR.

8.3 Conclusions from the Supplier Verification Programme

The RRA has either low risk or specified risks in all indicators. See section 9 for details and description of mitigation measures. Therefor SVP is nor applicaple in this SBR.

9 Mitigation Measures

9.1 Mitigation measures

2.1.1	Forests and other areas with high conservation values in the Supply Base are identified and mapped.	The goal of the mitigation measure is to ensure that any HCV in the area within the supply base is identified and sufficiently mapped before sourcing of feedstock for biomass production begins, so that the information about any HCV can be securely passed on to staff carrying out the felling and chipping operation. For non-FSC or PEFC certified forests and forests without a green management plan, identification and mapping of HCVs must be carried out. It is suggested that the HNV forest online map (available at http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk) is consulted for a calculated indication of the potential for HCVs prior to a field survey of HCVs, and that the catalog of key biotopes or similar is used. The effectiveness of the application of the catalog of key biotopes is reliant upon sufficient skill and training of the personnel carrying out the survey. For a skilled professional the identification and mapping of HCVs would be possible with an acceptable level of effort compared to the size of the area where sourcing of feedstock will take place.
2.1.2	Potential threats to forests and other areas with high conservation values from forest management activities are identified and addressed.	For forests with a green management plan, HCVs have been identified and mapped, but since there is no requirement for independent evaluation of adherence to limitations in the green management plan, the plan including the maps, must be consulted and planned activities must be compared to limitations in the management plan. For forests without at least a green management plan, HCVs in the area where feedstock for biomass production is sourced must first be identified and mapped (see indicator 2.1.1), and sufficient maps and instruction be prepared for personnel in charge for the felling or other activities, so that it is ensured that HCV will not be threatened for FM activities.
2.2.3	Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).	The goal of the mitigation measure is to ensure that any HCV in the area within the supply base is identified and sufficiently mapped before sourcing of feedstock for biomass production begins, so that the information about any HCV can be securely passed on to staff carrying out the felling and chipping operation. For non-FSC or PEFC certified forests and forests without a green management plan, identification and mapping of HCVs must be carried out. It is suggested that the HNV forest online map (available at http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk) is consulted for a calculated indication of the potential for HCVs prior to a field survey of HCVs, and that the catalog of key biotopes or similar is used. The effectiveness of the application of the catalog of key biotopes is reliant upon sufficient skill and training of the personnel carrying out the survey. For a skilled professional the identification and mapping of HCVs would be possible with an acceptable level of effort compared to the size of the area where sourcing of feedstock will take place.
2.2.4	Biodiversity is protected (CPET S5b).	The goal of the mitigation measure is to ensure that any HCV in the area within the supply base is identified and sufficiently mapped before sourcing of feedstock for biomass production begins, so that the information about any HCV can be securely passed on to staff carrying out the felling and chipping operation. For non-FSC or PEFC certified forests and forests without a green management plan, identification and mapping of HCVs must be carried out. It is suggested that the HNV forest online map (available at http://miljoegis.mim.dk/cbkort?profile=miljoegis-plangroendk) is consulted for a calculated indication of the potential for HCVs prior to a field survey of HCVs, and that the catalog of key biotopes or similar is used. The effectiveness of the application of the catalog of key biotopes is reliant upon sufficient skill and training of the personnel carrying out the survey. For a skilled professional the identification and mapping of HCVs would be possible with an acceptable level of effort compared to the size of the area where sourcing of feedstock will take place. This would allow for expert and stakeholder review and comments. It must be ensured that **biologically valuable** dead and decaying and deadwood on the forest floor is not chipped or removed in connection with production and extraction of biomass.

Figure 4.4: From the RRA: Indicators with specified risk and proposals for corresponding mitigation methods.

The indicators are defined in the RRA https://sbp-cert.org/wp-content/uploads/2018/12/SBP-endorsed-RRA-for-Denmark-RRA_Jun-17.pdf.

Skovdyrkerne Midt as the Biomass Producer (BP) will adapt and implement the mitigation measures suggested in the RRA - except the suggestion of publishing HCV maps - according to the below standard operation procedure (SOP).

Furthermore we have received a comment during the stakeholder consultation, which can be found in section 6.1. The comment is mostly regarding the RRA, indicator 2.2.4.

Skovdyrkerne Midt will however express the importantcy in following the legislation in the RRA. There is a required focus for biological valuable dead wood (standing or laying) not to be included in the production of biomass or to be destroyed during the production. This topic has also been discussed in the RRA, p. 15-16. Section 9.1.3 in this report also addresses the importance in leaving biologically valuable dead or decaying wood in the stand during harvest operations.

There will be a chance for larger non-indigenious tress to be part of the produced feedstock, where these have been selected as high valued timber first. This is also mentioned in this SBR table 2, section 2.3.

If BP develops an indicator for such trees, as suggested in the comment, this will have consequences for the timberproduction in Skovdyrkerne Midt and this is not a desirable outcome.

Additionally Skovdyrkerne Midt has a responsibility to the private forestowner for their wishes/visions and economy, which is upheld within the legislations of SBP and general Danish laws.

During the process of being SBP certified BP has reevaluated the procedures of biomassproduction. The reqierements during production have been tightened, the focus have been reinforced and BP has an ongoing inhouse education-course.

BP will stay informed in regards to changes in the RRA.

9.1.1 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.

9.1.2 Planning and risk management:

a. Operations are planned and described in the company database with a corresponding document ('Screening') showing the geographic location of the forest with a clear demarcation of ownership, the planned harvest area and any nearby 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.
c. In the screening all operations are categorised with a category and number 1-4 accordingly:

   1: forest origin
   2: open land
   3. energy production in short rotation
   4. forest origin without documentation for SBP-compliancy

Biomasscategori	Biomassvalue
PEFC/FSC	1
Thinning in coniferous stands	1
1. generation afforestation	1
Other type forest/broad leaved sp. (documented)	1
Open land – hedge row	2
Open land – other	2
Poplar/willow in short rotation (energy production)	3
Forest origin without documentation for SBP-compliancy	4

A screening assesses the operationareas HCV values, compliance with danish laws and EUTR with:

i. Nature Protection Law §3
ii. Natura 2000-areas
iii. Protected areas or monuments
iv. HNV forest online map

The conclusion is described in the screening.

The screening is made for all operations.

The screening is e-mailed to the sub-contractors who is instructed to respond if there is a SBP status without a corresponding conclusion and description of the mitigation measures.

Secondary feedstock will not undergo a traditional screening. Peter Sejr, Biomass Production Manager in Skovdyrkerne Midt, is the only forester that works with and controls incoming secondary feedstock. This is to upkeep a low risk for incoming secondary feedstock.

9.1.3 Harvest operations

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

a. All contractors and staff are trained in understanding the *work instructions* set of documents.
b. All contractors work under the instruction of a SOP for harvesting operations.
c. All contractors and staff have a basic training in identifying areas of high conservation value.
d. All contractors have completed a 2 days course in Denmark: “Maskinfærdsel på naturnære arealer”.

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

e. Forest staff should address this issue in relevant projects.
f. Contractors shall ask whenever in doubt.

9.1.4 SBP compliance - conclusion

All operations regarding primary feedstock go through a screening-process and is therefor evaluated by a forester.

Skovdyrkerne Midt assesses all:

- 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 is low risk.
- Feedstock sourced from harvest operations conducted under the above SOP with
    - Value 1-3 is non-controversial according to the SBP scope and is hence SBP-compliant
    - All operations go through a risk evaluation (results in a screening) and are therefore low risk
- Feedstock sourced from harvest operations conducted under the above SOP with
    - Value 4 – the harvest operation 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.
- Secondary feedstock sourced from supplier with a valid certificate as low risk

9.2 Monitoring and outcomes

With respect to the precautionary principle it is decided, that:

- When harvesting in 'Value 4' areas - work instructions must be emailed cc. to the internal auditor (pse@skovdyrkerne.dk). The screening will be reviewed and mitigation measures evaluated prior to felling.
- Secondary feedstock suppliers will be assessed by the primary biomass manager and internal auditor Peter Sejr (pse@skovdyrkerne.dk). The following chapter also describes this process.

9.3 Feedstock from other suppliers

9.3.1 Description of the Supplier Verification Strategy SMI

Skovdyrkerne Midt procures biomass from a small group of external suppliers in Denmark. Feedstock from these suppliers must be approved by our Supplier Verification Strategy before it can enter into the supply chain as SBP-compliant.

Feedstock can be divided in the following biomass categories:

1. Feedstock from FM certified (PEFC/FSC) forest
2. Feedstock from thinning in coniferous stands
3. Feedstock from thinning in first generation afforestation
4. Feedstock from non-forest areas
5. Other feedstock – non-compliant
6. Feedstock from a "kontrolleret biomasseleverandør"
7. Feedstock from a SBP approved supplier
8. Feedstock from areas with a unspecified risk. This is only possible if the full mitigation measures (according to section 9) are implemented by the primary biomass manager Peter Sejr (pse@skovdyrkerne.dk) and records of the instructions are kept.

Categories 1-4 and 6-8 can be passed on as SBP-compliant biomass.

Biomass from FSC/PEFC certified forest holdings is recognised by SBP as low risk. This leads to a division in to two supplier groups:

- Suppliers with a valid PEFC CoC or FSC CoC certificate – able to pass on biomass for forest holdings with a FM certificate as low risk.
- Suppliers without a valid PEFC CoC or FSC CoC certificate – not able to pass on biomass for forest holdings with a FM certificate as low risk.

9.3.2 Site visits

Skovdyrkerne Midt ensures that all biomass with a SBP-claim is sourced in compliance with the SBP standards. For the square root of biomass project sites SMI is conducting an unannounced paper tracking and visits to the sourcing areas.

If SMI deliver secondary feedstock the following procedures will occur:

- a yearly internal control to asses the PEFC-claim is valid

- Delivery only includes ‘fuelwood’ (incl. chips)
- Routinely follow-up through the year of delivery

The internal auditor must in general control that:

- The origin of the biomass is with-in the supply base
- The biomass category and the distance from the forest to the end-user is correctly recorded/reported.
- If the biomass originates from a forest with a PEFC or FSC FM-certificate, the auditor must control the validity of the certificate.
- If the biomass is marked with category 8, - there must be a corresponding screening made by SMI own forest staff.

9.3.3 Conclusions from the Supplier Verification Strategy

The Supplier Strategy is designed to ensure that sourcing biomass from external suppliers in Denmark can be approved as SBP-compliant if it meets certain criteria’s. The Supplier Strategy concludes 8 possibilities for meeting the criteria’s:

1. Primary feedstock purchased with a valid FSC or PEFC claim
2. Primary feedstock from other stands that are subject to Supplier Strategy, where the stand of origin can be verified and where it can be verified that the stand is within a low risk sub-scopes; these subscopes are:
    a. Feedstock from thinning in coniferous stands
    b. Feedstock from thinning in first-generation afforestation projects
    c. Feedstock from legally compliant non-forest origin
    d. Feedstock from a supplier holding a valid SBP certificate or a valid ‘Kontrolleret Biomasseleverandør’ certificate.
    e. Feedstock screened by SMI as implemented in section 9.1.2. and 9.1.4. of mitigation measures.
3. Secondary feedstock purchased with a valid certificate

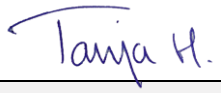
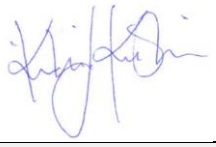
10 Detailed Findings for Indicators

Detailed findings for each Indicator are given in Annex 1 in the RRA.

11 Review of Report

No peer review has been conducted.

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	***Tanja S. Hansen*** 	***M.sc in Forestry***	***July 02th 2021***
	Name	**Title**	**Date**
The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.			
Report approved by:	***Kristian Løkke Kristensen*** 	***Forest manager (CEO)***	***July 02th 2021***
	Name	**Title**	**Date**
Report approved by:	***[name]***	***[title]***	***[date]***
	Name	**Title**	**Date**
Report approved by:	***[name]***	***[title]***	***[date]***
	Name	**Title**	**Date**

13 Updates

Note: Updates will be provided in the form of additional pages, - published separately.

13.1 Significant changes in the Supply Base

Provide a description of any significant changes to the supply base.

13.2 Effectiveness of previous mitigation measures

For each mitigation measure identified during the evaluation, give a detailed account of whether the measures were shown to be effective or not.

13.3 New risk ratings and mitigation measures

Provide an update of risk ratings for all relevant Indicators.

13.4 Actual figures for feedstock over the previous 12 months

*Using the categories in Section 2.5 'Quantification of the Supply Base' (above), give an update on the actual figures for the previous 12 month period. Volume may be shown in a banding between XXX,000 to YYY,000 tonnes or m^3 if a compelling justification is provided**

13.5 Projected figures for feedstock over the next 12 months

*Using the categories in Section 2.5 'Quantification of the Supply Base' (above), give an updated projection for the coming 12 month period. Volume may be shown in a banding between XXX,000 to YYY,000 tonnes or m^3 if a compelling justification is provided**

* Compelling justification would be specific evidence that, for example, disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage. State the reasons why the information is commercially sensitive, for example, what competitors would be able to do or determine with knowledge of the information.

Bands are:

1. 0 – 200,000 tonnes or m^3
2. 200,000 – 400,000 tonnes or m^3
3. 400,000 – 600,000 tonnes or m^3
4. 600,000 – 800,000 tonnes or m^3

5. 800,000 – 1,000,000 tonnes or m^3

6. >1,000, 000 tonnes or m^3