

Sustainable Biomass Program
Annual Report

2018



Welcome to SBP

About SBP

The Sustainable Biomass Program (SBP) is a not-for-profit, voluntary certification system designed for woody biomass used in energy production.

Woody biomass is a valuable natural resource, which when sourced both legally and sustainably is widely recognised as a renewable energy source for electricity and heat production. Today, sustainable biomass is making a meaningful contribution to the energy sector.

SBP exists to promote responsible practice throughout the biomass supply chain. It is unique amongst certification systems through facilitating the collection and verification of energy and carbon data from feedstock origin to the end-user. The data may be used to calculate carbon emissions using carbon accounting methodologies.

Our objective

To promote and maintain internationally, an economically, environmentally and socially sustainable biomass supply chain through the development and operation of an independent, third-party certification system.

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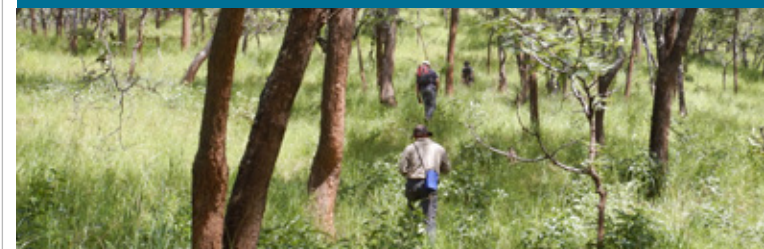
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In this section:

We are striving to deliver best practice throughout our operations and position SBP as a leading sustainability standard. Hear from those who have been instrumental in delivering change to date...

Overview

Introduction by the Chair



We ended 2018 as intended, with a new multi-stakeholder organisational structure in place.

An eventful year

A very warm welcome to SBP's annual report for the calendar year 2018. With a focus on consolidating the important changes we had introduced to our procedures and processes, and finalising our new governance arrangements to start 2019 as a multi-stakeholder governed organisation, 2018 always promised to be an interesting year. And in that regard it did not disappoint.

I was delighted to take up the position of SBP's first independent Chair on 1 July 2018. Prior to assuming the role, and since, I have had the honour of meeting many of SBP's key stakeholders in Canada, the USA and across Europe. Whether biomass producer, trader or end-user, NGO, policy maker or trade association, I have been left with a lasting impression of the sense of passion that those within the sector feel for what they are doing. The energy and commitment that I observed convinced me more than ever that the transition to multi-stakeholder governance was precisely the right move for SBP and one that would receive all the support it needed from all the right quarters.

Recognising the contributions made to date

We ended 2018 as intended, with a new multi-stakeholder organisational structure in place. There are many people to thank for getting us this far. My first thanks go to all previous Board members. Without their vision and commitment we would not be where we are today. I follow in the footsteps of two excellent Chairs of the Board, Dorothy Thompson and Thomas Dalsgaard. Under their careful and attentive stewardship, and with the support of our other Board members, SBP achieved much in a short period of time allowing us to take this next important step.

Our independent Advisory Board, that served from 2015 to the end of 2018, provided valuable oversight of our actions. The Advisory Board was skillfully chaired by Julia Marton-Lefèvre and populated by members possessing diverse and relevant expert knowledge. In a comprehensive final report, the Advisory Board made concluding recommendations on important topics, including strategic positioning and public policy. I am extremely grateful for that legacy and congratulate Julia and members of the Advisory Board on a conscientious job well done.

Our Stakeholder Committee, which served from 2016 to 2018, tapped into the huge pool of experience held by the practitioners that are the mainstay of SBP. Their untiring efforts to progress the work of SBP are testimony to the strength of feeling they have for their sector and their solutions-driven approach. We were fortunate to have harnessed that energy and trust that we will find equal strength of support from our new Stakeholder Advisory Group.

Finally, our Technical Committee has served us well since our inception, providing vital independent scrutiny of technical decisions and matters. My thanks go to all members of the Technical Committee.

Introduction by the Chair (continued)

A new beginning

And so, 2019 marks the next step in the evolution of SBP. With a new Board, Standards Committee, Technical Committee and Stakeholder Advisory Group in place we will be exploring a number of new working relationships. I am indebted to those who have accepted positions within the new governance set-up and I look forward to working with all of you.

We have some sizeable topics for discussion during the year, many of which will be initiated at Board level. High priority is being given to a review of our strategy to ensure that we are appropriately positioned in line with leading sustainability standards. We commit to working with our stakeholders in charting our future path.

Together we are taking the bold step to balance civil society and commercial interests across all aspects of our governance arrangements. We aspire to integrating best practice in governance into our operations, and we have a solid foundation from which to work. This year will, I am sure, be remembered as a defining one for SBP.

Maintaining a credible certification system

As we embed the new arrangements into our organisation we will not lose sight of the need to maintain a credible certification system. Our future depends equally on the day-to-day operations and striving for excellence in our standards, processes and procedures.

We will still need to navigate our way through new regulatory regimes, for example, in the Netherlands and the EU. Our goal is to make SBP fit-for-purpose across all relevant jurisdictions.

Our Secretariat may only be few in number, but they are dedicated and take a personal pride in contributing to the success of SBP. My final thanks go to them for their continued commitment.



Francis Sullivan
Chair

29 March 2019

Our journey so far

From 2010, many biomass end-users had been working together as the Initiative of Wood Pellet Buyers (IWPB) to develop a standard biomass trading agreement with a focus on wood pellet specifications, trading terms and sustainability criteria.

It was agreed to continue the work of IWPB and develop a single solution, in the form of a voluntary certification system, to enable users of biomass for energy production to demonstrate regulatory compliance.

As a result, SBP was created in 2013 as a not-for-profit organisation. At inception, a member-based funding model provided a secure financial footing allowing us to focus on two priorities: establishing a fully operational set of standards for woody biomass used in energy production; and securing sufficient income from its activities to make it self-funding.

From 2015, SBP benefited from the independent oversight of the Advisory Board and Technical Committee. In August 2016, an extra level of independent scrutiny was introduced through the SBP accreditation program, which was outsourced to Assurance Services International to manage.

At the end of October 2016, the two priorities above having been sufficiently satisfied, we took the decision to commence work on developing a long-term ownership and governance structure for the organisation.

Initially named the Sustainable Biomass Partnership, our full name was changed to Sustainable Biomass Program in December 2016 to better reflect the nature of our business.

SBP moved to a predominantly self-funded certification system in 2018 through the introduction of fees for Certificate Holders.

After a little over two years of reviewing, consulting and deciding on the future shape of SBP, the new, multi-stakeholder governance arrangements were in place by the end of 2018.

The SBP certification system provides a practical approach to support the work of European policy makers and regulators through enabling demonstration of legal and sustainable sourcing of biomass and compliance with regulatory requirements for biomass used in energy production.

The system facilitates the trade of woody biomass across international markets, and enables the calculation of the full energy and carbon footprint of biomass from its origin to its end use.

Key priorities past and present

Looking back

Key priorities for 2018

Following the introduction of important changes to our assurance program, 2018 was a year of consolidation as we, our Certification Bodies and Certificate Holders embedded the practice and processes that were introduced with the move to accreditation. In addition, at the start of the year we identified three key priorities:

Introducing multi-stakeholder governance

Significant progress was made on the new governance arrangements ensuring their implementation at the end of 2018, ready for the start of 2019.



More details are given on pages 19–21

Working towards realising best practice in our operations

Hand-in-hand with the introduction of new governance arrangements was our quest to realise best practice throughout our operations. During 2018, we identified those processes and procedures that could be further developed in line with leading and credible sustainability standards.

Improving quality monitoring

We worked hard to enhance our customer relationship management system and have improved the management of our interactions with those parties involved in the certification process, as well as the quality monitoring and control of all our processes and procedures.

Implementation of the new governance arrangements will be critical to the ongoing success of SBP.

Looking ahead

Key priorities for 2019

Implementation of the new governance arrangements will be critical to the ongoing success of SBP and represents a step change for the organisation and its certification system. Working within new parameters will foster changes that we intend to embrace to the full. With that in mind we have identified three key priorities for 2019:

Strategic positioning

The stated near-term strategy of SBP was developed in 2016 and updated in 2017. In 2018, the independent Advisory Board recommended options to be considered as part of the future strategic positioning of SBP. Consequently, the Board decided to embark on a review of the strategy for the organisation. During 2019, the new, multi-stakeholder Board will review all strategic options with the aim of evolving the strategy and the operations of SBP.

Standards revision process

During 2019, a procedure for standards revision will be formalised. Importantly, we will ensure that our standard-setting procedure is in line with best practice for setting social and environmental standards.

Further our work to deliver best practice

Having identified those processes and procedures that could be further developed in line with leading and credible sustainability standards, we will focus our efforts on consulting our stakeholders and implementing change to align with best practice.



Carsten Huljus
Chief Executive Officer

Our market footprint

During 2018, our number of Certificate Holders increased as did the volume of SBP-certified biomass produced, traded and consumed. Here we provide a snapshot of our market footprint.

Number of Certificate Holders at the end of 2018

(2017: 127)

154

Number of transactions recorded in the Data Transfer System (DTS) in 2018

(2017: 2,930)

3,662

Total SBP-certified biomass produced and sold in 2018 of which 8.40Mt pellets and 0.75Mt chips
(2017: 5.05Mt)

9.15Mt

Total SBP-compliant biomass produced and sold in 2018 of which 7.75Mt pellets and 0.75Mt chips
(2017: 4.75Mt)

8.50Mt

Total SBP-controlled biomass produced and sold in 2018 of which 630kt pellets and 20kt chips
(2017: 300kt)

0.65Mt

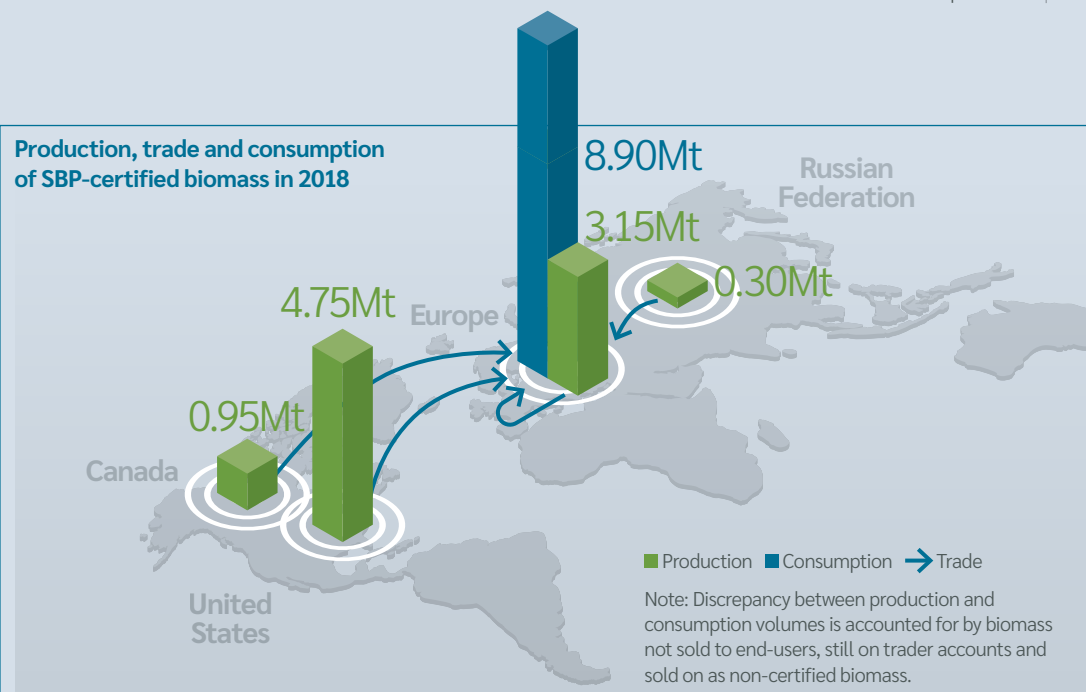
Total SBP-certified biomass consumed in 2018
of which 8.15Mt pellets and 0.75Mt chips

8.90Mt

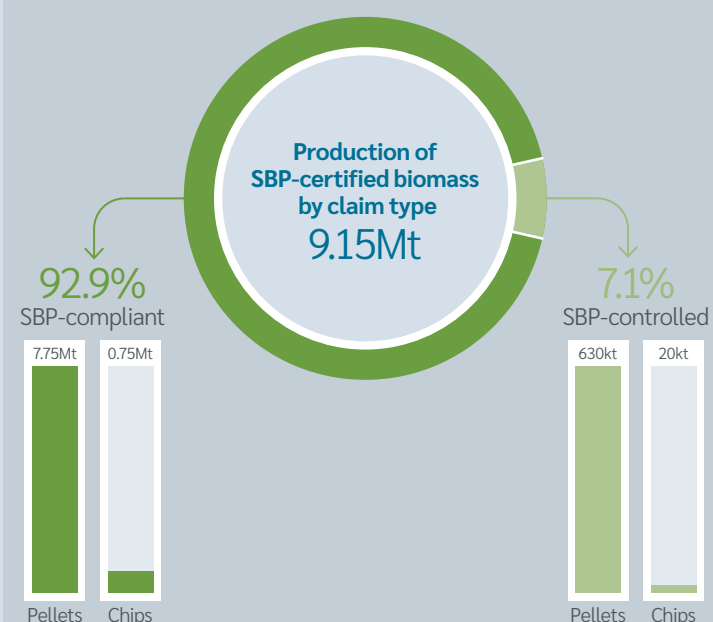
SBP-certified pellets consumed in 2018 account for 65% of the EU-28 pellet consumption*

65%

Production, trade and consumption of SBP-certified biomass in 2018



EU-28 pellet consumption in 2018



Notes:

Figures are derived from unaudited Data Transfer System (DTS) data. Tonnages are rounded to the nearest 0.05Mt.

*Hawkins Wright, 2018 consumption data for combined heat and power and dedicated power.

Comment by the Chair of the Advisory Board



A new set-up

The independent Advisory Board to SBP ceased its operations at the end of 2018 coincident with the implementation of a multi-stakeholder governance set-up. I am pleased to provide these concluding notes on the work of the Advisory Board.

In total, the Advisory Board met seven times since its inception in 2015. Following each meeting, a report with recommendations was produced and submitted to the SBP Board for consideration. In turn, the Advisory Board received a response to its recommendations. Such accountability proved to be an important element of a well-functioning Advisory Board mechanism and we have encouraged SBP to continue this practise, especially when engaging with stakeholders for specific advice.

Advisory Board meetings in 2018

Our first meeting of the year, was held in April in 's-Hertogenbosch, Netherlands, hosted by the SBP member company, RWE. The meeting discussed how SBP should tackle carbon accounting as part of its certification system. It also allowed for a second round of discussions with representatives of civil society organisations on the use of woody biomass for large-scale energy production.

Continued efforts in strategic communication, transparency and accountability are central to a successful SBP.

To understand recent regulatory developments we heard from a representative of an SBP member company on the implications of the EU's re-cast Renewable Energy Directive (RED II) and we were informed by officials of regulatory requirements in the Netherlands related to the use of woody biomass for energy.

Our second meeting was held in September in Växjö, Sweden, hosted by Södra and Linnaeus University, and organised by two members of the Advisory Board. Having the final meeting in a forest nation like Sweden was the perfect setting for providing concluding remarks to SBP.

During our final meeting, we discussed the role of SBP in current and future markets, as well as the notion of 'beyond certification' and the use of new technologies in view of the SBP certification system and its objective of enhancing sustainable sourcing. Furthermore, the SBP Regional Risk Assessments and the continued engagement of stakeholders and consultations, like those hosted by the Advisory Board on several occasions, were specifically discussed.

Reflections on an independent Advisory Board mechanism

In addition to our final recommendations, we handed over our reflections of the experience of the independent Advisory Board to SBP. This included our view on the Advisory Board's key achievements, lessons learned, as well as performance measures.

For me, the three most material decisions made by the SBP Board following the advice of the Advisory Board, and areas where continued effort is important, are as follows:

- The transition to the new governance model is considered to be essential for SBP's viability and credibility;
- Continued proactive engagement with international and national stakeholders and being responsive to external parties is critical to the SBP's integrity and reputational management; and
- Continued efforts in strategic communication, transparency and accountability are central to a successful SBP.

Final note

I wish to extend my gratitude to the ten members of the Advisory Board for their wisdom, experience and energy, which led us to form a cohesive and productive independent advisory mechanism. On behalf of the Advisory Board, we also express our appreciation to the former SBP Chairs, Dorothy Thompson and Thomas Dalsgaard, for their leadership and constant and open engagement with us.

I am hopeful for the future of SBP and look forward to seeing further progress on our societal transition to a low carbon economy.

Julia Marton-Lefèvre

Chair of the Advisory Board (2015–2018)

29 March 2019

Statement by the Chief Executive Officer



Delivering against our stated priorities

I am pleased to report on the achievements of 2018. We delivered against our stated priorities for the year, whilst continuing to grow our Certificate Holder base and geographic spread. In particular, I am delighted with the timely and successful implementation of our new governance arrangements, meaning that we started the new year afresh. I am also proud of what we have achieved with our Data Transfer System.

Below I give an account of our activities during 2018, as well as identifying key priorities for 2019. It is important that amongst the change we will be experiencing during 2019, we continue to deliver our core business, both effectively and efficiently.

Key priorities for 2018

Introducing multi-stakeholder governance

Having spent over two years reviewing, consulting and deciding on the future shape of SBP, the new governance arrangements were in place by the end of the year. The transformation of SBP into a multi-stakeholder governed organisation is a key development in the history of SBP, bringing us in line with best practice as demonstrated by leading sustainability standards.

Towards the end of 2018, we named the new members of the Board of Directors and Standards Committee. At the start of 2019, we invited SBP stakeholders to register their interest in joining our new Stakeholder Advisory Group, and in March we named the members of the Technical Committee. A full account of the appointments and the roles of each of the Board, Standards Committee, Technical Committee and Stakeholder Advisory Group is given on pages 19 to 21.

Working towards realising best practice in our operations

Realising best practice in all our operations is closely linked to the introduction of multi-stakeholder governance. A review of all our processes and procedures identified areas where further developments can be made to ensure we align ourselves with best practice, for example, in monitoring and evaluation, and risk evaluation.

Improving quality monitoring

With a focus on our customer relationship management system, we have improved the management of all our relationships, whether with Certificate Holders, Certification Bodies or other stakeholders.

With a comprehensive system in place our quality monitoring and control of all our processes and procedures has been improved significantly. Our weekly dashboard allows us to identify any potential issues as soon as they arise. Meaning our responsiveness is much improved.

Additional highlights

Becoming a self-funded certification system

During 2018, the majority (80%) of our funding came from Certificate Holder fees, the remainder coming from membership fees. In 2019, all our funding will come from Certificate Holder fees.

Realising best practice in all our operations is closely linked to the introduction of multi-stakeholder governance.

Statement by the Chief Executive Officer (continued)

Through developing a workable certification system, becoming self-funded and implementing multi-stakeholder governance, we have realised the ambition of our founding members. Our not-for-profit status remains, with the intention to break even over the financial year. In the event that any profit is generated, it will be re-invested into the organisation.

A unique Data Transfer System

The SBP Data Transfer System (DTS) is unique in its capability to track woody biomass transactions along the supply chain. During 2018, we made several improvements to the system's functionality, all enhancing the user experience.

In the third quarter of the year, we launched a major programme of works to significantly update the system with, amongst other things, a new user interface, enhanced security protocols and new features, such as integrating energy and carbon data reporting templates. The roll-out of DTS v2.0 will begin in the second quarter of 2019.

Stakeholder engagement is fundamental to the success of our certification system.

New recognition for SBP

Much of 2018 was devoted to achieving recognition under the Netherlands' SDE+ subsidy regime. In September 2018, we received approval for secondary feedstock (biomass category 5) and chain of custody. In January 2019, we received approval for primary feedstock (biomass categories 1 to 4). Consequently, SBP is now a pre-requisite for trading biomass internationally.

Looking ahead, with the revised EU Renewable Energy Directive (RED II) now in force, we will focus our efforts on gaining recognition of SBP as a scheme for demonstrating compliance with the Directive's solid biomass sustainability criteria.

Increase in Certificate Holders

Our Certificate Holder base continued to grow during the year. At the end of 2018 we had 154 Certificate Holders – an increase of just over 20% since the end of 2017. Our geographic spread increased to 22 countries, with the addition of five countries during 2018.

Responsible for the production and trade of 9.15 million tonnes of biomass during 2018, our Certificate Holders have helped to strengthen our place in the biomass market.

Meeting our stakeholders

As always, I have valued the time spent meeting face-to-face with so many of our stakeholders. During 2018, SBP participated in a number of the sector's key events across the globe, providing the platform to promote the work we do.

Stakeholder engagement is fundamental to the success of our certification system. Under our new governance arrangements, we trust that stakeholder involvement will be more readily facilitated through the introduction of our Stakeholder Advisory Group. We have been very pleased with the interest shown in the Group so far, and I believe it promises to be a great asset to SBP.

Key priorities for 2019*Strategic positioning*

In line with the final recommendations of the independent Advisory Board, our new Board will conduct a detailed strategic review during 2019. Our near-term strategy, developed in 2016 and updated in 2017, has served us well, but it is now time to review all strategic options in the context of our new, multi-stakeholder setting.

Standards revision

During 2019, we will work on formalising a procedure for standards revision. In conducting that work we will be heavily guided by recognised best practice for setting social and environmental standards.

Further our work to deliver best practice

Having identified areas for improvement, our efforts will be focused on furthering the development of our processes and procedures to bring them in line with best practice.

As with the standards revision work, we will aspire to attain the qualities characterised by leading sustainability standards.

Final thanks

Finally, I should like to echo the thanks already expressed by our Chair to those who served in some capacity under the former governance arrangements, whether on the Board, the independent Advisory Board or as a Committee member. We owe much to those who had the vision and energy to guide us to where we are now. We have been left in good stead as the next chapter in SBP's development unfolds.



Carsten Huljus
Chief Executive Officer

29 March 2019

Promoting sustainable sourcing solutions

Certification systems have gained in popularity over recent years, particularly in relation to demonstrating the sustainable sourcing and production of a range of commodities. There is a clear role for SBP in the international biomass market. This section explains the essentials of our certification system and how it works.

The role for SBP

In many countries, energy policy is becoming increasingly focused on reducing carbon emissions. As a consequence, the uptake of renewable energy has substantially increased over recent years. Sustainable biomass is recognised worldwide as having a significant contribution to make in meeting the renewable energy needs today and in years to come.

Across Europe, some countries have already implemented regulatory requirements that demand biomass feedstock to be sourced responsibly, that is, both legally and sustainably. At the end of 2018, the EU adopted the revised Renewable Energy Directive (RED II), one of the most ambitious renewable energy policies in the world. Member states will need to transpose the new elements of the Directive into national law by mid-2020, key amongst which are sustainability criteria for solid biomass.

The SBP certification system enables those in the biomass supply chain to demonstrate compliance with legality and sustainability definitions for woody biomass used in energy production.

Use of a certification system that bridges international markets brings efficiency benefits and facilitates consistency between producers, traders and end-users. And for countries that have not yet implemented their own regulatory requirements, SBP can be used to set a benchmark and demonstrate responsible practice.

SBP essentials

The SBP certification system is founded on the two principles of legality and sustainability. Those principles are broken down into criteria and again into indicators, of which there are 38 in total covering a range of requirements, including ensuring compliance with local laws, ensuring features and species of outstanding or exceptional value are identified and protected, and ensuring regional carbon stocks are maintained or increased over the medium- to long-term.

All the indicators are given in SBP Standard 1: Feedstock Compliance Standard, and each has specific guidelines and reporting requirements. SBP Standard 1 sets SBP's definition of legality and sustainability.

SBP's definition maps on to similar systems, such as the Forest Stewardship Council (FSC®), the Programme for the Endorsement of Forest Certification (PEFC™), and those schemes recognised by PEFC, such as the Sustainable Forestry Initiative (SFI®), and is based on the biomass sustainability criteria of European countries, in particular, Belgium, Denmark, the Netherlands and the United Kingdom.

There are five other SBP standards which cover how to evaluate the sustainability of the feedstock material, including requirements for stakeholder consultation and public reporting, how third-party verification is to be undertaken, the requirements for chain of custody, and energy and carbon data transfer. The certification system also includes other processes, such as those for dealing with appeals from Certificate Holders and complaints from any interested party.

The role of the independent, third-party Certification Body is to verify conformance, assure quality and consistency across biomass producers and ensure stakeholders' views have been taken into account.

The certification system

Today, SBP offers a certification system for woody biomass used in energy production.

The first point of certification

The first point of certification in the SBP certification system is the biomass producer (usually a wood pellet/chip producer). The biomass producer is assessed for compliance with the SBP standards, specifically that the feedstock it uses is sourced both legally and sustainably.

Independent assessment

That assessment must be carried out by an independent, third-party Certification Body. SBP has certain requirements in place to avoid potential conflicts of interest between the Certification Body and its client seeking certification.

Entitlement to make an SBP claim

A biomass producer that satisfactorily demonstrates compliance receives a certificate and is entitled to produce and sell biomass with an SBP claim, provided the feedstock meets SBP requirements and the SBP-certified management system is implemented during production (see diagram on page 12).

Evaluating feedstock

FSC or PEFC-certified feedstock, including feedstock with a certification claim from PEFC-endorsed schemes, such as SFI, is considered SBP-compliant. All other feedstock must be evaluated.

Promoting sustainable sourcing solutions (continued)

The process of evaluating feedstock is undertaken through a Supply Base Evaluation. The biomass producer must carry out a risk assessment to identify the risk of compliance with each of the 38 indicators detailed in SBP Standard 1.

Each indicator is rated as either 'low risk' or 'specified risk'. For any indicator rated as 'specified risk,' the biomass producer must put in place mitigation measures to manage the risk such that it is effectively controlled or excluded. The mitigation measures must be monitored.

In conducting the risk assessment, the biomass producer must consult with a range of stakeholders and provide a public summary of the assessment for transparency purposes.

The role of the independent, third-party Certification Body is to verify conformance, assure quality and consistency across biomass producers and ensure stakeholders' views have been taken into account. Finally, the Certification Body provides assurance that the biomass producer makes accurate claims on biomass produced.

Regional Risk Assessments (RRAs) are a key part of SBP's focus on identifying and mitigating risks associated with sourcing feedstock. With an RRA covering an entire geographic region, and determining the risks associated with sourcing feedstock from that region, the need for individual biomass producers to conduct risk assessments is avoided. RRAs also ensure active engagement with a diverse range of stakeholders in the region.

Transfer of data along the supply chain

SBP requires information relating to the sustainability characteristics, including energy and carbon data, of the biomass to be passed along the supply chain.

Certificate Holders submit energy and carbon data to their relevant Certification Body for verification. That same data is then submitted to SGS Belgium, a leading inspection, verification, testing and certification company, for final verification before it can be entered into the SBP Data Transfer System. SGS ensures quality and consistency across the Certification Bodies.

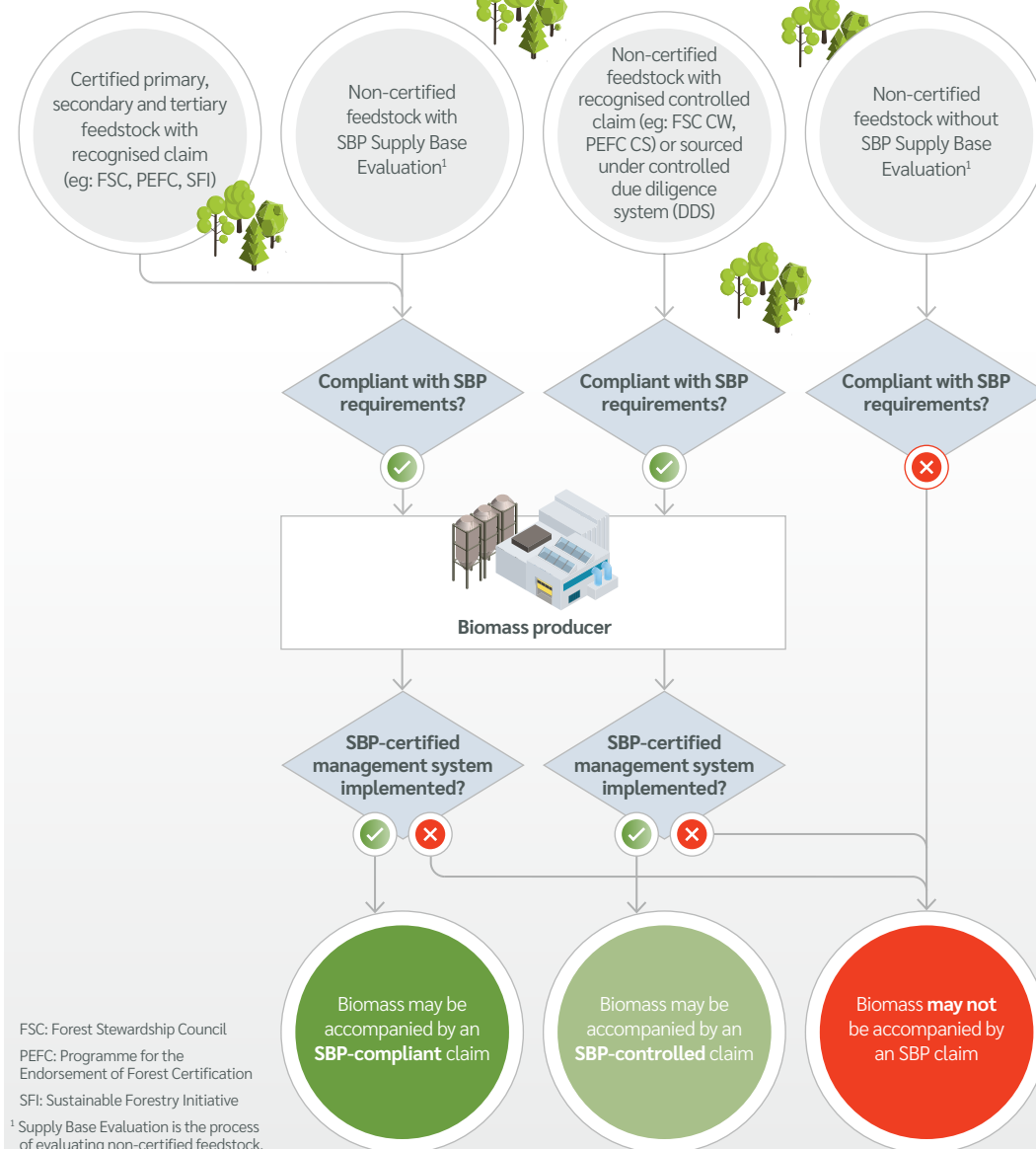
Independent scrutiny

Assurance Services International (ASI), an international assurance and accreditation body, manages the SBP accreditation program, under which Certification Bodies must become accredited if they wish to offer SBP certification services.

Once accredited, Certification Bodies are subject to regular assessment, based on the ASI Surveillance and Sampling Procedure. With accreditation in place, certification decisions are the sole responsibility of the Certification Body.

The SBP Certification Body Peer Review Process is an external third-party mechanism to ensure the quality and consistency of audit reports and certification decisions within and across Certification Bodies.

Entitlement to make an SBP claim





Making a difference

In this section:

Monitoring and evaluating the impact SBP is having in the biomass market helps us to track our progress against our stated objective and, over time, improve our standards and their effectiveness...

Key impacts

Six key impacts have been identified that define the desired and intended outcomes from implementation of the SBP certification system. They are:

1

Unlocking the potential of biomass in a sustainable way

Evidenced through actions taken to deliver against the sustainability indicators of SBP Standard 1: Feedstock Compliance Standard.

2

Providing assurance of legal and sustainable practice

Evidenced through independent scrutiny of certification decisions.

3

Realising best practice

Evidenced through appropriate governance arrangements, decision-making procedures and stakeholder engagement.

4

Achieving recognition by regulatory authorities

Evidenced through formal recognition by regulatory authorities and/or national governments of the SBP certification system as compliant with national agreements and/or regulations and legislation.

5

Providing greater visibility on biomass supply chains

Evidenced through greater transparency on all activities throughout the supply chain, allowing informed choices leading to responsible behaviour and efficient resource allocation.

6

Increasing the volume of certified material in the biomass market

Evidenced through increasing production and sales of SBP-certified biomass and driving the uptake of certification, whether at forest level or elsewhere in the supply chain.

Monitoring these impacts will assist in tracking the progress made by SBP towards achieving its objective to promote and maintain internationally, an economically, environmentally and socially sustainable biomass supply chain through the development and operation of an independent, third-party certification system.

In addition to reporting on the activities of SBP in achieving intended outcomes, the activities, actions and behaviours of a number of supply chain actors and stakeholder perspectives have been also evaluated against the six key impacts.

Such monitoring and evaluation is the starting point for a much wider exercise that, over time, will help to improve our standards and their effectiveness.

Key impacts (continued)

1

Unlocking the potential of biomass in a sustainable way

NewFuels

Witold Dura

Plant General Manager

NewFuels, a biomass producer located in Latvia, has been an SBP Certificate Holder since 2016. In June 2017, NewFuels extended the scope of its certification to include Standard 1, which required a Supply Base Evaluation to be carried out assessing the risk of compliance with all the indicators within the standard and, where necessary, implementing risk mitigation measures.

Once certified to Standard 1, NewFuels was able to extend its supply base, which initially had been limited to feedstock from certified, state-owned Latvian forests. Through fully implementing its Supply Base Evaluation controls and procedures, NewFuels was able to source feedstock from non-certified private Latvian forests with every confidence that areas of high conservation value (or woodland key habitats) were properly identified and protected.

Since the publication of the SBP-endorsed Regional Risk Assessment (RRA) for Latvia in September 2017, NewFuels has adopted the RRA for the purposes of assessing the risks to compliance within its supply base. The risks identified in the company's own risk assessment matched those of the RRA, meaning that in its 2018 surveillance audit NewFuels' risk mitigation measures were found to meet SBP's requirements.

Through extending its certification scope to include Supply Base Evaluation, NewFuels has successfully increased its supply base for legal and sustainable feedstock for biomass production.



Stakeholder perspective

“Discussions on management of private forested land in Latvia have been reinitiated through SBP certification. SBP has driven biomass producers to look carefully at aspects such as protection of biodiversity, preservation of socially valuable sites and safety at work. And through the need to better understand their supply chains, biomass producers have established direct working relationships with those working in the forest leading to better control and risk mitigation.”

Jānis Rozītis

CEO and Forest Programme Manager,
Pasaules Dabas Fonds (WWF associated partner)

Stakeholder perspective

“SBP is a vital part of our sustainable biomass sourcing. By working together with industry, government and civil society, SBP enables new markets to flourish while providing assurance that the biomass we source is sustainable. Importantly, SBP ensures uniformity of sustainability standards across different geographies giving us confidence in our supply bases.”

Rebecca Heaton

Group Head of Sustainability and Policy, Drax

Key impacts (continued)

1. Unlocking the potential of biomass in a sustainable way (continued)

**RL Skovservice****René Løvborg**

Owner and Manager

RL Skovservice (in English RL Forest Service) is a medium-sized (approximately 20 employees) forestry service provider of contractor works and services to forest owners and managers. The company is also a producer of biomass in the form of woodchips and has been an SBP Certificate Holder since 2017.

The majority of feedstock used by RL Skovservice in the production of biomass is non-certified, coming from windbreaks, small plantations, nature projects and clearing of trees and shrubs in connection with infrastructure development.

The demand for biomass has created a market for such low quality and small dimension wood, which would previously have been used as firewood, burned on site, or delivered to municipal waste handling facilities. The market for biomass has the added benefit of encouraging maintenance and management of, for example, windbreaks and production stands, thereby contributing to the overall health of the forest.

Due to the size of the company, the SBP Regional Risk Assessment for Denmark was instrumental in making SBP certification accessible to RL Skovservice. The company makes use of the web-based tool developed for Danske Maskinstation og Entreprenører (DM&E) specifically to meet SBP requirements for the identification and mapping of habitats. By pulling data from several databases, maps of habitats are built up complete with information on legislation protecting those areas. This has proved useful in discussions with forest owners when planning harvesting and the implementation of the different protection mechanisms required for, amongst other things, swamps, heathlands, and along streams.

Through SBP, RL Skovservice has accessed a new market and contributed to good forest management.

**Stakeholder perspective**

“SBP certification is a practical way to assure legal and sustainable sourcing and production of biomass used in energy production. The demand for biomass has opened up the market for forest residuals that otherwise would have no commercial value, thus maximising value and efficient use of resources for forest owners. Certification, whether at forest (FSC/PEFC) or biomass producer (SBP) level, brings the added benefit of documenting sustainable forest management.”

Tanja Blindbæk OlsenHead of Political Department,
Danish Forest Association

Key impacts (continued)

1. Unlocking the potential of biomass in a sustainable way (continued)

Stakeholder perspective

“The Danish Society for Nature Conservation recognises the important role SBP plays in providing a set-up with criteria for legal and sustainable sourcing of biomass feedstock. We see SBP as an important supplement to the FSC and PEFC certification schemes, and we work to improve the practical implementation of SBP, as well as the risk assessments.”

Nora Skjerna Hansen

Forest Politics,
Danish Society for Nature Conservation



Danske Maskinstation og Entreprenører

Claus Danefeldt Clemmensen

Consultant

Danske Maskinstation og Entreprenører or DM&E (in English, Danish Agricultural, Rural and Forestry Contractors) is an industrial association representing agricultural contractors, rural contractors and forestry contractors. Forestry contractors account for around 100 of DM&E's total of 720 members.

When the Danish Industry Agreement to Ensure Sustainable Biomass was implemented in 2016, forestry contractors turned to DM&E for help with ensuring that the woodchips they produce and sell to heat and power plants are compliant with the industry agreement. As an approved certification system under the industry agreement, SBP provides a solution for forestry contractors to demonstrate compliance. For many small- and medium-sized businesses, certification can often appear daunting, so DM&E stepped in to help.

DM&E has taken on the role of understanding the SBP certification system, including risk mitigation, and training administrative staff. Through analysing the working practices of forestry contractors, DM&E prepares a management system that meets the requirements of SBP and also helps with data collection.

A web-based portal is available to DM&E's members allowing forested land to be screened for, amongst other things, protected areas and ancient monuments.

Through managing a PEFC chain of custody group scheme, DM&E has made it cheaper and easier for its members to be chain of custody certified, which is an SBP requirement for any organisation that takes legal ownership of biomass in the supply chain.

Further, the SBP Regional Risk Assessment for Denmark has been found to make the process of attaining certification much easier and less burdensome than requiring individual biomass producers to conduct their own risk assessments.

The forestry contractors themselves are responsible for training the forestry workers. Many have undertaken a forest school training course to assist with this aspect.

Through its proactive involvement, DM&E has successfully helped five companies to become SBP certified, and is currently working with a sixth.



Key impacts (continued)

2 Providing assurance of legal and sustainable practice

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

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

We require independent Certification Bodies to become accredited before they can offer SBP certification services to prospective Certificate Holders. The SBP accreditation program is outsourced to our assurance partner, Assurance Services International (ASI), a specialist assurance and accreditation body in the field of voluntary social and environmental standards.

As the manager of the accreditation program, ASI is responsible for accreditation of Certification Bodies and technical review of certification decisions made by those Certification Bodies.

ASI monitors all Certification Bodies through regular assessment, based on the ASI Surveillance and Sampling Procedure, to ensure that the auditing processes

and procedures meet expectations, are consistent across all accredited Certification Bodies and that quality thresholds are met.

Since managing the SBP assurance program, ASI has accredited four Certification Bodies, with a fifth currently in the application process.

During 2018, with a focus on the performance of Certification Bodies, the team of ASI assessors conducted 11 assessments as part of the SBP accreditation program. ASI also assessed and reported on its own performance against agreed key performance indicators.

Once accredited, Certification Bodies carry out conformity assessments of biomass producers', traders' and end-users' management systems through audit and field verification.

Such assessment assures that all Certificate Holders meet the requirements of our standards. Certification Bodies also ensure that stakeholders' views are taken into account.

Through the delivery of independent accreditation and conformity assessment, with quality and consistency across Certificate Holders assured, all stakeholders can have confidence in the integrity of our certification system.

Stakeholder perspective

“Good intentions are not enough. At ASI, we check the checkers by providing impartial oversight of how sustainability standards are implemented on the ground. With our global team of experts, we monitor the performance of the accredited Certification Bodies at all stages of their operations. We have found the Certification Bodies and SBP to be responsive to our findings, which has led to constructive discussion and action. An example of such was the work devoted to improving clarity around the requirements for risk assessments in the South East USA. SBP has made tremendous progress, enhancing the credibility and robustness of its certification system and increasing confidence in the assurances provided.”

Ana Dahlin

Supply Chain Manager,
Assurance Services International

Stakeholder perspective

“Over the last year, Control Union Certifications has continued to build its client base for SBP certification services. With Certificate Holders in over 12 countries across Europe and the Americas, we have found SBP’s processes and procedures work well to ensure a consistent approach across all Certification Bodies and clients, whilst importantly upholding the independence of certification decision-making. We recognise the growing role of SBP within our diverse portfolio of forestry and biomass certification programs, and therefore look forward to strengthening our global client base in the coming years.”

Andrea Ferrazzo

Program Manager, Control Union Certifications

Stakeholder perspective

“During 2018, NEPCon continued to provide assurance of sustainable sourcing of biomass. Through expanding our geographic spread into new countries, we have been able to raise awareness amongst biomass producers of issues including fire protection, conversion and biodiversity protection. Interestingly, we have seen more active involvement of stakeholders in the stakeholder consultation aspect of the audit process. That is an encouraging development, which helps us to focus on the key issues of local forest management.”

Ondrej Tarabus

Biomass Programme Manager, NEPCon

Key impacts (continued)

3 Realising best practice

SBP aspires to introduce best practice across all our operations. We aim to learn from global, leading sustainability standards and to that end there is no better starting point than the ISEAL credibility principles.

ISEAL is the global membership association for credible sustainability standards. The ISEAL Credibility Principles represent the values and concepts that are most likely to bring about positive social, environmental and economic impacts, while decreasing negative impacts.

As we further our work on realising best practice, we will be mindful of how we can incorporate the ISEAL Credibility Principles to deliver an effective and efficient certification system that is accessible to our users. Attaining full membership of ISEAL remains a goal.

Establishing multi-stakeholder governance

SBP is a relative newcomer to the certification scene, but less than five years from our inception we have made a truly transformational step by becoming a multi-stakeholder governed organisation.

Moving to a multi-stakeholder governed certification system was always the shared vision of SBP's founding members. Towards the end of 2016, it was clear that SBP was ready to make that bold move.

A fully operational set of standards was in place and the organisation was in a position to secure sufficient income from its activities to cover its running costs.

Following the recommendation of the Advisory Board, an independent forum chaired by Julia Marton-Lefèvre, SBP undertook the task of determining an appropriate long term, multi-stakeholder governance structure and transitioning towards it. That new structure was in place at the end of 2018.

The transition is in line with best practice as demonstrated by leading sustainability standards and aligns with the principles of ISEAL.

The new governance arrangements bring together stakeholder groups representing civil society interests, biomass producer interests and those of biomass end-users. The involvement of a range of interest groups at Board and Committee level fosters dialogue, decision-making and implementation of solutions to common goals.

Through the involvement of a wide range of stakeholders, decisions gain more legitimacy and better reflect a set of perspectives rather than a narrow view.

ISEAL Credibility Principles

- 1 Sustainability
- 2 Improvement
- 3 Relevance
- 4 Rigour
- 5 Engagement
- 6 Impartiality
- 7 Transparency
- 8 Accessibility
- 9 Truthfulness
- 10 Efficiency

Stakeholder perspective

"ISEAL's Credibility Principles represent the core values on which effective sustainability standards are built. Membership is open to organisations that are committed to our Credibility Principles and follow our Codes of Good Practice in setting standards, assuring compliance and monitoring impacts. ISEAL welcomes SBP to apply for membership."

Caitlin Peeling

Senior Manager, Membership and Services, ISEAL

Stakeholder perspective

"All evidence suggests that SBP Certificate Holders are committed to the sustainability of forests, the responsible replacement of fossil fuels with renewable energy sources, accountability and transparency in the supply chain and a governance model that is democratic."

Gary Q Bull

Professor and Department Head, Forest Resources Management, University of British Columbia

Stakeholder perspective

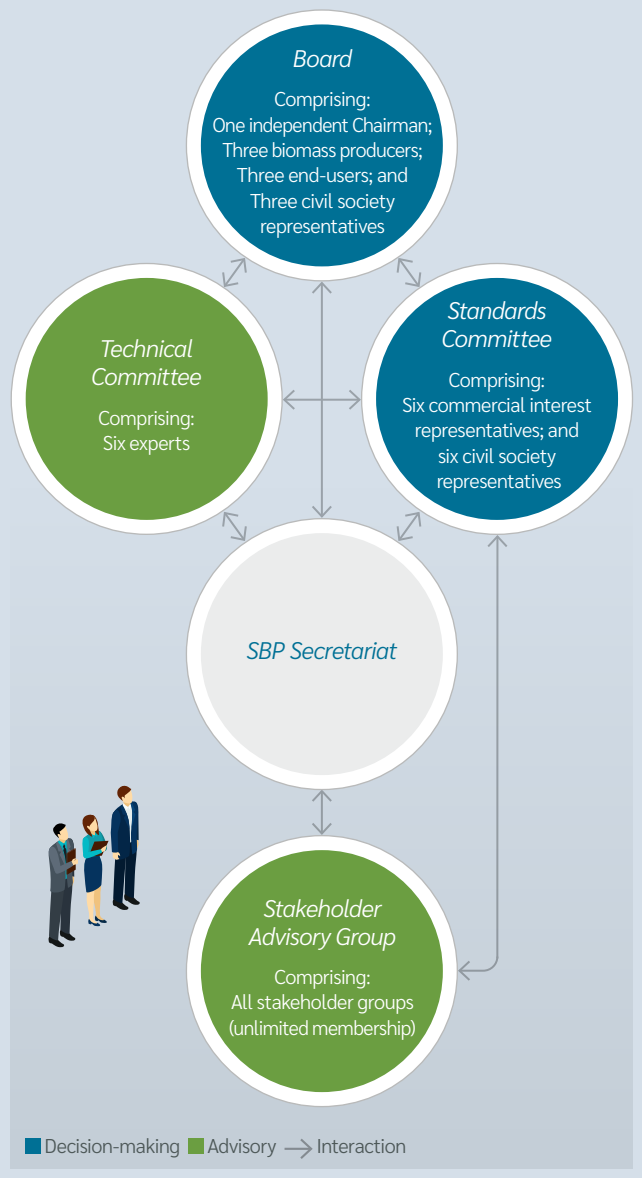
"WPAC is a strong advocate of multi-stakeholder governance. Importantly for SBP, the transition has introduced a balance of interests throughout the governance structure, with biomass producers and civil society now having a voice at Board level. As a multi-stakeholder organisation, SBP's credibility with governments, NGOs and the public will be enhanced. SBP has WPAC's full support, we look forward to contributing to its long term success and that of the biomass to energy sector."

Gordon Murray

Executive Director, WPAC

Key impacts (continued)
3. Realising best practice (continued)

Our new governance structure



Stakeholder perspective

“We see SBP’s move to a multi-stakeholder governance structure as a positive step toward developing SBP as a truly independent, third party standard.”

Seth Ginther

Executive Director, US Industrial Pellet Association (USIPA)

Introducing the Board

At the head of our new structure sits the Board. Collectively, the Board members will steer the future course of SBP through providing good governance, with a mixture of oversight, insight and foresight.

The Board is responsible for overseeing the implementation of SBP’s objective as well as setting the overall strategy, direction and budget for the organisation. Decisions on standard-setting are delegated to the SBP Standards Committee, and decisions on certifications remain with the independent, accredited Certification Bodies.

Our Board members serve in a personal capacity representing their particular stakeholder interest group, and not their affiliated organisations. Each member was chosen for his or her knowledge, integrity, expertise and support for SBP’s objective.

Independent Chair:

Francis Sullivan
SBP Chair since 1 July 2018.

Representing civil society:

Arnie Bercov
Recently retired President of a Canadian pulp and forestry union.

Martin Porter
Recently appointed Executive Chair of CISL Brussels.

Kathy Willis
Professor of Biodiversity at the University of Oxford, UK.

Representing biomass producers:

Vaughan Bassett
Senior Vice President Sales & Logistics at one of the world’s leading pellet producers, Pinnacle Renewable Energy.

Arnold Dale
Vice President Bioenergy at Ekman & Co, a leading sales and marketing organisation in the forestry industry.

John Keppler
Chairman and Chief Executive Officer of Enviva, the world’s largest producer of wood biomass fuels.

Representing biomass end-users:

Thomas Lyse
Director and Head of the Fuel and Logistics teams at Ørsted Bioenergy.

Peter-Paul Schouwenberg
Head of Environment, New Energy, Regulatory Affairs and Stakeholder Management at RWE.

Will Gardiner
Chief Executive Officer of Drax Group, the UK’s largest renewable energy company.

Key impacts (continued)

3. Realising best practice (continued)

Introducing the Standards Committee

The Standards Committee is a representation of SBP stakeholders, with the membership split 50:50 between those representing civil society and those representing commercial interests.

The role of the Committee is to make decisions concerning certification system standard-setting and to provide views, advice and recommendations on the operation of SBP to the Board, other SBP Committees and the SBP Secretariat.

The members of the Committee have been chosen to reflect diverse experiences, geographies and interests in relation to the work of SBP.

Representing civil society:

**Gary Q Bull**

Professor and Department Head, Forest Resources Management at the University of British Columbia.

**Richard Z Donovan**

A senior forestry specialist and advisor.

**Pedro Faria**

Strategic advisor at CDP, the global disclosure system for managing environmental impacts.

**Nina Haase**

An experienced certification practitioner and Board member of the Rainforest Alliance.

**Martin Junginger**

Professor of Bio-based Economy at the Copernicus Institute of Utrecht University.

**Dave Tenny**

Founding President and CEO of the National Alliance of Forest Owners (NAFO).

Representing commercial interests:

**Sune Balle Hansen**

Biomass Sustainability Lead at HOFOR, Greater Copenhagen Utility.

**Mihkel Jugaste**

Head of Quality and Certification Systems at Graanul Invest, one of the biggest pellet producers in Europe.

**Gordon Murray**

Executive Director of the Wood Pellet Association of Canada (WPAC).

**Gabriele Rahn**

Manager Biomass Business Development at Vattenfall Energy Trading, one of the leading energy trading companies in the European energy industry.

**Yves Ryckmans**

Chief Technology Officer, Biomass at ENGIE Laborelec, a leading expertise and research centre in electrical power technology.

**Mike Williams**

Project Director for The Westervelt Company, a land resource company and forest owner in the South East USA.

Introducing the Technical Committee

The Technical Committee is a representation of specialist expertise across the disciplines encompassed by the SBP standards, including forest management, feedstock processing, biomass distribution, as well as knowledge of auditing, certification and/or accreditation processes and procedures.

The role of the Committee is, amongst other things, to provide advice to the Board on SBP's technical and scientific functions, including but not limited to SBP's certification and accreditation criteria and methodologies. The members of the Committee have been chosen to reflect the necessary specialist knowledge and to ensure balance across regional geographies.

**Kim Cesafsky**

Manager of Sustainability at Enviva, the world's largest producer of wood biomass fuels.

**Anders Hildeman**

Independent consultant with several years' experience in forestry and certification.

**Brenda Hopkin**

Independent consultant with several years' experience in forestry and certification.

**Peter Kofod Kristensen**

Senior Lead Sustainability Advisor at Ørsted, a global renewable energy company.

**Rob Shaw**

Technical Manager at Soil Association Certification Limited, a Certification Body for organic and sustainable certification schemes.

**Martin Walter**

Independent consultant and Professor in timber trade, wood manufacturing and certification at the Weihenstephan-Triesdorf University of Applied Sciences.

Introducing the Stakeholder Advisory Group

Engagement with our many and diverse stakeholders is an essential part of our operations. The Stakeholder Advisory Group will allow us to maintain a formal link with our stakeholders and harness their views and support. The role of the Group is to provide a platform for stakeholder input and advice to support the work of the SBP Standards Committee in the development, implementation and maintenance of SBP standards and related documents. As well as other relevant activities towards furthering SBP's development as a biomass certification system and making SBP an efficient and effective organisation.

The number of members of the Stakeholder Advisory Group is unlimited, although only one representative from each organisation/institution is permitted. Stakeholders are invited to register their interest in becoming members at:



www.sbp-cert.org/about-us/governance-transition-process/sadg

Key impacts (continued)

4

Achieving recognition by regulatory authorities

During 2018, significant progress was made in gaining recognition for SBP in the Netherlands.

The SDE+ (in Dutch: Stimulerend Duurzame Energieproductie) operating grant is a subsidy regime for renewable energy. For energy from biomass, the regime includes comprehensive sustainability criteria that must be met by energy producers if they are to receive subsidies.

Certification systems were invited to apply for approval under SDE+. Once approved the systems may be used by energy producers to demonstrate compliance with regulatory requirements.

SBP's certification system is purposefully designed to be flexible allowing it to adapt to changing and new regulatory requirements. Bespoke solutions to address the specific needs of the SDE+ regime were needed. For example, a way to allocate the sustainability characteristics of feedstock to the biomass produced as dynamic batch sustainability data, which would then accompany the biomass throughout the supply chain.

Importantly, it was necessary to follow the mass balance approach when allocating the feedstock characteristics, which meant the implementation of a system of record keeping to ensure full traceability of the balance of quantities at all stages from biomass production and the subsequent supply chain to end use.

To address that particular requirement, a tailor-made module was developed for the SBP Data Transfer System (DTS) to allow the input of dynamic batch sustainability data alongside other transaction data associated with each batch of biomass entered into the DTS.

Following a rigorous benchmarking exercise SBP was found to meet the relevant sustainability and management criteria. The latter evaluating SBP's processes and procedures against requirements on transparency and openness, decision-making, stakeholder engagement and expert knowledge.

In September 2018, we received approval from the Dutch Minister of Economic Affairs and Climate Policy for secondary feedstock (biomass category 5) and chain of custody. Later, in January 2019, we received approval for primary feedstock (biomass categories 1 to 4).

Alongside full recognition of SBP in Denmark and in the UK, SBP is now a pre-requisite for trading biomass internationally.

SBP continues to be positioned well in Belgium to demonstrate compliance with sustainability requirements and the provision of audited energy and carbon data.

Stakeholder perspective

“RWE Generation NL is making a significant contribution to the Netherlands' decarbonisation goals through the use of sustainable biomass in place of coal. Our Amer co-generation plant has been co-firing biomass for 17 years, and we have plans to use biomass in our state-of-the-art Eemshaven power plant in the future. The Netherlands has introduced stringent biomass sustainability requirements, effective from 1 January 2019, as part of its SDE+ operating grant. Recognition of SBP by the Dutch authorities allows us demonstrate compliance with the sustainability requirements and importantly continue to support the decarbonisation efforts of the energy sector.”

Taco Douma
Director, RWE Generation NL

Stakeholder perspective

“Vattenfall Energy Trading (VET) is a leading energy trading company in the European energy market, with sustainable biomass representing one of the key physical commodities traded. Biomass is a global commodity, therefore, VET looks for fungibility across different jurisdictions, which often have differing regulatory, including sustainability, requirements. A certification system, such as SBP, that is approved by the regulatory authorities of countries with active biomass markets, enables market participants to trade, which facilitates an optimal allocation of resources. Recognition by the Dutch authorities is another accomplishment that identifies SBP as the 'go to' biomass certification system. Vattenfall wants to enable a fossil free living within one generation and access to certified sustainable biomass is a step in this direction.”

Gabriele Rahn
Manager Biomass Business Development,
Vattenfall Energy Trading

Key impacts (continued)

5

Providing greater visibility on biomass supply chains

The SBP Data Transfer System (DTS) is unique in its capability to track woody biomass transactions along the supply chain. Combined with our customer relationship management platform, we and our assurance partners have complete visibility on all biomass produced and sold with an SBP claim, as well as audit reports detailing Certificate Holders' conformance with our standards and the schedule of upcoming audits.

Data transfer

The DTS facilitates the collection, collation and transmission of verified data, including sustainability characteristics, throughout the biomass supply chain from feedstock origin to end-user. Alongside biomass seller and buyer information, tonnages of wood pellets and chips are recorded and linked to energy and carbon data allowing greenhouse gas emissions calculations to be made.

Integrity

Supporting the integrity of our certification system, our Certificate Holders must use the DTS if they wish to attach an SBP claim to the biomass they produce and/or sell. By tracing biomass in that way, the opportunity to make inaccurate claims is minimised. We and our assurance partners can readily match production volumes with sales volumes, such that sales of biomass with an SBP claim cannot exceed that produced.

Efficiency

Since its introduction in 2016, the DTS has evolved in response to users' feedback. We have designed and implemented new transaction workflows, layouts and reports, all with improved user experience in mind.

We have integrated reporting templates providing a single, accessible platform through which to manage transactions, communications and reporting.

Certification Bodies verify transaction data, and energy and carbon data, using the same tool as Certificate Holders.

These efficiency improvements have reduced duplication of effort, misallocation of data and assisted in the audit process.

Flexibility

We have proved that the DTS can match our standards when it comes to rigour and flexibility.

When it came to providing a solution for our Certificate Holders to meet the Netherlands' biomass sustainability requirements, we were able to adapt our standards and our DTS without causing disruption to the rest of the system.

If the market demands it, we pride ourselves on having the ability to transfer any information needs throughout the supply chain.

Looking ahead

During 2018, we embarked on major upgrade works to the DTS, which will deliver a new user interface, in-system dashboards, enhanced security protocols and other new functionalities. DTS v2.0 will be rolled out during the second quarter of 2019.

Stakeholder perspective

"To date, SBP remains the only certification system providing a unique state-of-the-art opportunity for the electronic verification of data at all links in the supply chain. Further development of the Data Transfer System looks outstandingly promising."

Vera Basharina

Sustainability Specialist, CM Biomass

Stakeholder perspective

"NEPCon is a strong supporter of SBP's Data Transfer System. It makes chain of custody very transparent and easy to audit, and it is a great way to track certified volumes of biomass and communicate information, such as energy and carbon data. SBP has been very responsive to user feedback and we have seen the DTS go from strength-to-strength, giving a high level of credibility to the SBP certification system. It is an instrument that should be used in all supply chains certifications."

Ondřej Tarabus

Biomass Programme Manager, NEPCon

Stakeholder perspective

"At MSC we were keen to learn more about what SBP had achieved through its Data Transfer System. A system for collecting and transmitting information throughout supply chains has the potential to be a valuable tool for users and certification systems to validate and verify provenance of a product. We continue to explore methods that can deliver enhanced supply chain assurance, like those used by SBP."

Peter Hair

Standards Digital Projects Manager,
Marine Stewardship Council

Key impacts (continued)

6

Increasing the volume of certified material in the biomass market

The Westervelt Company

Mike Williams
Project Director

The Westervelt Company (Westervelt) is a land resource and forest owner in the South East USA, owning approximately 200,000 hectares of certified forests in several states. The company owns and operates one sawmill in Alabama, with a second sawmill currently under construction.

In 2014, the company completed construction of Westervelt Pellets I, a wood pellet production facility in Alabama, which in the following year was the first ever biomass producer to achieve SBP certification. Pinnacle Renewable Energy acquired majority ownership in the facility in 2018.

Westervelt is a keen advocate of forest certification and actively encourages its suppliers who are forest owners to pursue forest-level certification and suppliers who are sawmills to purchase certified timber. A 'Landowner Packet' is provided to the owner of every tract of primary wood purchased by Westervelt and to all secondary suppliers annually.

The packet heavily promotes certification in the form of American Tree Farm System and SFI certification.

Outside of actions with its feedstock suppliers, the company is involved in many initiatives focused on promoting forest certification and sustainability. Through financial support and active participation in SFI implementation committees, Westervelt promotes responsible forestry practice and forest level certification.

Financial support is provided to the Teachers Conservation Workshop in Alabama, which promotes responsible forest management and certification to educators in the state. Company employees at all levels get involved in educational events each year aimed at schools and civic organisations, which provides the opportunity to promote the benefits of sustainable forestry and certification.

There are many more examples of collaborative efforts with conservation groups, including a planned working forest



demonstration with the Alabama Wildlife Federation, which will help to get the messages about responsible forest and habitat management, sustainability, and certification to thousands of people.

Through advocacy efforts with the National Alliance of Forest Owners (NAFO), Westervelt engages and educates state and federal agencies, regulators, and elected officials on the practice of sustainable forest management and the benefits of forest certification.

Over the last few years, the company has hosted Conservation Stakeholder Workshops to highlight management activities and the role of forest certification. The workshops have successfully attracted federal and state agencies, The Nature Conservancy, National Wild Turkey Foundation, Quality Deer Management Association, Freshwater Land Trust, Wildlife Mississippi, Mississippi Wildlife Federation, and others.

Westervelt is a firm believer that sustainability is one of its greatest responsibilities to uphold.



Key impacts (continued)

6. Increasing the volume of certified material in the biomass market (continued)

Pinnacle Renewable Energy

Joseph Aquino

Head of Sustainability

Pinnacle Renewable Energy (Pinnacle) is one of the world's leading manufacturers and distributors of industrial wood pellets, which are used by large-scale energy producers. Pinnacle operates eight pellet production facilities in Western Canada and one in Alabama, USA, all of which have SBP certification.

Pinnacle prides itself on operating in areas with inherent social, economic and environmental balances related to natural resource management. Many of the raw material sources are considered waste products to the larger primary forest industry and typically would be disposed of through burning or landfill. Pinnacle provides a route for the utilisation of natural resources that have no other market potential.

As a leading advocate for sustainable forest management practices, Pinnacle chooses to partner with companies that share the same values. Many of Pinnacle's business partners are large, well established forest companies with a great deal of expertise in sustainable forest management. Through partnering with Pinnacle, valuable forest resources are utilised efficiently.

Further, Pinnacle's business helps shape the many forest dependent communities through providing additional jobs, both directly at the pellet mill facilities and indirectly through increasing capacity of forest workers.

Pinnacle works with its suppliers to encourage the uptake of forest-level certification. Year-on-year, Pinnacle has increased the volume of certified feedstock it receives, providing greater transparency and assurance of sustainable wood pellet production. SBP has been a critical component to this increase in certified feedstock. Through the recognition SBP affords existing forest certification schemes, Pinnacle is able to promote familiar certification schemes to suppliers.

Non-certified feedstock makes up a small proportion of Pinnacle's supply base. For such feedstock, the SBP Supply Base Evaluation is utilised.

Through aligning with EU regulatory regimes, SBP has helped shape the culture around allowable feedstock types.

The vast majority of feedstock sourced by Pinnacle is secondary feedstock. This fits well in Western Canada, one of the world's largest wood producing regions. Over the next five to ten years, growing the utilisation of forest residuals will become increasingly important as the region adjusts to the effects of the pine beetle epidemic.

As an industry leader, the company's core values are built upon innovation, integrity and teamwork, central to which is sustainability and the desire to better the planet for future generations and replace fossil fuel energy sources with a sustainable wood product.



Stakeholder perspective

"SBP certification is particularly critical for filling gaps in existing forest-based and chain of custody certification systems given the recognition, in national governments' energy policies, of wood to energy as sustainable, modern and efficient."

Gary Q Bull

Professor and Department Head, Forest Resources Management, University of British Columbia



Key impacts (continued)

6. Increasing the volume of certified material in the biomass market (continued)

Stakeholder perspective

“Emerging markets for sustainably sourced biomass help forest owners provide clean air and water, wildlife habitat and jobs – benefits we all value. The SBP standard uses modern risk assessment tools and other measures to help forest owners verify that these benefits continue as they provide a sustainable source of renewable, low carbon energy.”

Dave Tenny

President and CEO,
National Alliance of Forest Owners (NAFO)

Curran Renewable Energy

Patrick Curran

Owner/President

Wood pellet producer, Curran Renewable Energy (CRE) was certified in 2018. Located in the north of the state of New York, USA, its feedstock is sourced from within 100 miles of the pellet mill. The supply base includes New York state, USA, and Quebec and Ontario, both in Canada, with the forested land a mixture of private and state-owned.

As a family owned business, sustainability is at the heart of everything CRE does, with a focus on the efficient management of resources and prolonged local employment opportunities.

Initially founded to supply the paper and board sector, the company sought new opportunities as the market demand for paper declined. Biomass provided a new market that was an important lifeline for local employees, but it also meant that the good practices for sourcing sustainably that had been built up in the early years of the business could continue. With a few additions to existing policies and procedures, SBP's requirements were satisfied and now CRE has a route to the industrial wood for energy market.

CRE's attention to detail underpins the assurance it can provide when it comes to sustainable sourcing and practice. Feedstock is sourced solely from CRE's sister company, Seaway Timber Harvesting, a business relationship that allows close control of the supply, wood species, and the tree parts that end up in the pellets.



Some of the feedstock is FSC-certified, the rest is sourced in compliance with SBP's Supply Base Evaluation, which has revealed a low risk of non-compliance against all indicators.

One of the company's owners, job-site managers or a forester is present on all logging jobs daily to ensure contracts and Best Management Practices are being followed.

A tracking system traces wood from the forest to the mill giving a guarantee of its origin.

CRE is proud of the local roots of its products. Stewardship of the land is what drives all parts of the business to be innovative leaders in harvesting and manufacturing of forest products.





In this section:

Aside from our key priorities and impacts, we report here on SBP's other main achievements of 2018 that have contributed to the continued success of our certification system, from maintaining up-to-date standards, through delivering training, to delivering practical solutions for use in the field...

Performance

Performance review

Our key priorities and impacts for 2018 have been reported on in full on pages 09 and 10. In this section we report on other main achievements of the year.

Accreditations and certifications

At the end of 2018, there were four accredited Certification Bodies – Control Union Certifications, DNV GL Business Assurance Finland, NEPCo and SCS Global Services. An increase of one during the year.

On 15 October 2018, Certification Body, DNV GL Business Assurance Finland Oy Ab (DNV GL Finland), was suspended by Assurance Services International (ASI) for SBP certification. DNV GL Finland was given a period of six months within in which to clear the suspension.

ASI lifted the suspension on 8 March 2019.

Certificate Holders totalled 154 at the end of 2018. Making up the 154 were 123 biomass producers, 26 traders and five end-users. SBP's geographic spread increased by five countries during the year taking it to 22 with the addition of Belgium, Brazil, France, Italy and Switzerland.

Also, by the end of the year, around a further 20 organisations had made applications for SBP certification through Certification Bodies.

Around 80 auditors worldwide have successfully completed the SBP auditor training programme.

Maintaining up-to-date standards

The suite of SBP documentation was updated throughout the year to provide additional guidance and, where necessary, clarification and interpretation of certain standards, processes and procedures.

Considerable work was undertaken by SBP working groups to review, revise and where necessary produce new documents, guidance and templates – see SBP working groups, page 29.

The introduction and implementation of new documents to support our application for recognition and approval under the Netherlands' SDE+ subsidy regime was necessary during the course of the year – see Achieving recognition by regulatory bodies, page 22.

All matters for interpretation and clarification raised by users of the SBP certification system are recorded on the website to assist with implementation of the standards. The interpretations and clarifications were maintained during 2018.

The full set of interpretations and clarifications is available as a download at:

 www.sbp-cert.org/sbp-framework/normative-interpretations

Training and events

Throughout 2018, we continued to actively engage with all our stakeholders. From training auditors, through hosting information days, to participating in the biomass sector's key conferences, we have strived to increase awareness and understanding of the SBP certification system.

Such stakeholder engagement is critical to the success of SBP. It is important that a two-way communication channel is established with all our stakeholders and we welcome the opportunity to engage with all interested parties.

Auditor training

In keeping with SBP's aim to uphold a robust certification system, we have exacting requirements when it comes to the quality of the audits undertaken by independent Certification Bodies of applicant, or existing, Certificate Holders. Demonstrating auditor competence is a critical part of the certification process.

We require that the auditors not only demonstrate existing competence, but attend training sessions and be examined on the SBP standards, specifically on the three subject areas of supply base evaluation, chain of custody, and energy and carbon data.

Three training sessions were delivered in 2018, one in Europe and two in the USA. As a result of those and previous years' training sessions, around 80 auditors worldwide have successfully completed the SBP auditor training programme.

Data Transfer System training

Throughout the year bespoke training on use of the Data Transfer System (DTS) was delivered to Certification Bodies and Certificate Holders. The DTS user guide, which is available on our website, has been kept up-to-date and offers a comprehensive guide to all aspects of the DTS.

Accredited Certification Bodies

(2017: 3)

4

Certificate Holders – 123 biomass producers;
26 biomass traders; and five end-users (2017: 127)

154

Additional organisations who have made applications
for SBP certification (2017: 60)

20

SBP-certified biomass (wood pellets and chips) produced
and sold by biomass producers in 2018 (2017: 5.05Mt)

9.15Mt

Countries making up the geographic spread of
Certificate Holders (2017: 17)

22

Performance review (continued)

Events

We took the opportunity to participate in the sector's key annual conferences and events, including the Argus Biomass conference in the UK, the CMT Biomass conference and IEA Workshop in Japan, the ENPEB (Portuguese Pellet Association) Workshop on Regional Risk Assessments in Portugal, and the International Biomass Congress & Expo in Germany, as well as the annual conferences organised by the trade associations, USIPA and WPAC, and the forest certification scheme, SFI.

Alongside several of the conferences we held our own side events to update stakeholders on the work of SBP and facilitate debate on key topics of interest.

Following on from the success of our first Certification Body Forum in 2017, we hosted a second Forum in the UK in the last quarter of 2018.

A field trip to Drax Power Station was followed by a two-day conference comprising organisational and technical updates, workshops and feedback sessions from Certification Bodies and our assurance partner, Assurance Services International (ASI).

New for 2018, we convened a Certification Forum in the UK to bring together Certificate Holders, Certification Bodies and ASI. The Forum allowed those involved in the certification process to engage on issues of common interest and openly share lessons learned.

The working groups allow SBP to tap into a wealth of experience and expertise held by our stakeholders.

SBP working groups

The working groups play an important role in addressing specific, technical challenges. Membership of the working groups is drawn from a pool of technical experts, which may include individual expert advisers or representatives of organisations with a specific interest in the biomass sector.

During 2018, there were five working groups in existence. By the end of the year, three of the five had been stood down, their objectives having been met.

Working groups that have been stood down are considered to be dormant, not disbanded, and may be reactivated if issues of relevance arise. The Secondary Feedstock and Woodchip working groups were both dormant throughout 2018.

*Data Transfer System (DTS)***Objective:**

To support and enhance the integrity of SBP claims, and improve efficiency of data transfer through facilitating simple and secure transmission of relevant, required data between actors in the biomass supply chain.

Outcome:

The working group continued to monitor user experiences throughout the year, with system improvements being incorporated in response to feedback received. Preparations were made during the first half of the year for a major system update, which was initiated in the third quarter. The working group has worked closely with the Instruction Document 5 working group on inter-related matters.

*European Union (EU)***Objective:**

To ensure that the SBP certification system is compliant with emerging EU legislation (RED II) concerning sustainability criteria for biomass used in large-scale energy production. Further, that the certification system itself is recognised by the relevant authorities, such that SBP is fit-for-purpose to demonstrate regulatory compliance.

Outcome:

The working group monitored the passage of the legislation through its various stages. Advocacy effort continued through the trilogue negotiations. On adoption of the revised text, the working group was stood down.

*High conservation values***Objective:**

To develop guidance to support biomass producers in fulfilling SBP requirements relating to high conservation values in relation to biomass feedstock in the South East USA.

Outcome:

Following the submission of the working group's guidance to SBP, the SBP guidance document 'Meeting SBP criteria in relation to protecting exceptional conservation values in the South East USA' was published in March 2018. The document provides guidance on the identification of exceptional values and places, and best practices for protecting them.

Following publication of the guidance, the working group was stood down.

*Instruction Document 5***Objective:**

To review and revise documents related to Standard 5, collection and communication of data.

Outcome:

The working group spent considerable time during the year reviewing and revising the suite of Instruction Document 5 documents and templates with the aim of improving the user experience. Moving into 2019, the focus of the working group was on engaging with interested parties, finalising the content and rolling-out the new documents and templates, and addressing any consequences for auditing requirements.

*South East USA***Objective:**

To develop a guidance document on primary and secondary feedstocks, focusing on high conservation values and conversions in the South East USA, to identify evidence for low-risk or mitigation of specified risk.

Outcome:

In November, following the submission of guidance from the working group, the SBP guidance document 'Assessment of risk, means of verification and mitigation measures in the South East USA' was published. The document provides practical guidance to biomass producers in the South East USA seeking to achieve and maintain SBP certification.

Following publication of the guidance, the working group was stood down.

Financial information

SBP is a not-for-profit organisation, with the intention to break even over the financial year. Should any profit be generated, those monies will be reinvested into the organisation.

Becoming self-funding

Representing an important step in the development of SBP, the introduction of fees for Certificate Holders became effective from 1 October 2017. Fees are invoiced quarterly in arrears, meaning that the first round of invoices was sent to Certificate Holders in January 2018.

During 2018, SBP was funded in majority by Certificate Holder fees, representing a significant departure from the membership funding arrangements in place between 2013 and 2017.

Income and expenditure

Total income in 2018 amounted to €1,835,467 with €1,460,467 collected through Certificate Holder fees and €375,000 from membership fees.

Total expenditure in 2018 amounted to €1,453,841 (2017: €1,403,834), including €36,800 (2017: €60,931) invested in capital projects (principally, the development of the Data Transfer System). The small increase in overall expenditure principally reflects the costs and professional fees associated with the day-to-day management of the organisation, including accountancy, payroll and secretarial services.

The pie chart (right) shows each key category of spend as a proportion of total spend in the year.

The figures have been extracted from the Company's statutory financial statements, which are subject to an annual audit. The audited financial statements of the Company for the year ended 31 December 2018 will be approved and published separately in due course.

Secretariat

Just over half of the expenditure is invested in the people who carry out the day-to-day running of SBP (see page 32).

Advisory Board

The role and composition of the Advisory Board is described on page 33.

Other consultants

SBP engages other consultants to carry out specific project work.

Travel and subsistence

Travel costs include those costs that arise from the day-to-day running and governance of SBP, running working groups, attending industry events and engaging with stakeholders.

Accreditation and assurance costs

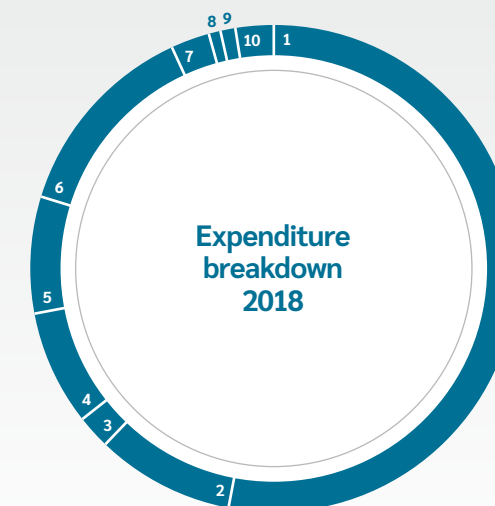
Accreditation and assurance costs include all costs associated with the SBP accreditation program, outsourced to Assurance Services International (see page 12), and the costs of the independent Technical Committee (see page 33).

IT, legal and professional fees

The necessary professional fees associated with running the Company's affairs make up a small proportion of total overheads. During 2018, SBP also incurred costs associated with professional advice regarding the governance transition process and provision of accountancy, payroll and secretarial services.

Capital projects

During 2018, SBP continued to invest in the development of the Data Transfer System.



	2018	% of operating costs	% total	2017 comparison
1 Secretariat	€770,271	54%	53%	€578,417
2 Advisory Board	€133,447	9%	9%	€114,528
3 Other consultants	€32,395	2%	2%	€109,632
4 Travel and subsistence	€111,026	8%	8%	€164,792
5 Accreditation and assurance costs	€112,566	8%	8%	€192,932
6 IT, legal and professional fees	€194,247	14%	13%	€145,812
7 Depreciation	€37,398	3%	3%	€13,464
8 Foreign currency losses	€11,352	1%	1%	€710
9 Other	€14,339	1%	1%	€22,616
Total operating costs	€1,417,041	100%		€1,342,903
10 Capital projects	€36,800		3%	€60,931
Total expenditure	€1,453,841		100%	€1,403,834

* Percentages may not add up due to rounding.



Organisational structure

In this section:

Balancing good governance with independent oversight was critical to SBP during its formative years. Our old organisational structure, reported on here, served us well as we planned for the future. That structure was in place up until the end of 2018, and has now been superseded by a multi-stakeholder governance model...

Governance

During 2018, as in previous years, we balanced good governance with independent oversight. The structure served us well as together we worked on the detail of the new governance arrangements. The organisational structure described below has now been replaced as detailed on pages 19 to 21. This account serves as a record of the arrangements that were in place for 2018, until new appointments were made.

Board of Directors

The Board of Directors was, and continues to be, the key governing body of SBP, determining SBP's strategy and objectives, and approving the annual business plan and budget. Until mid-December 2018, the Board of Directors was made up of representatives from each member company and SBP's Chief Executive Officer.

During 2018, the Board of Directors met eight times.

Membership

On 13 December 2018, the following Board members stood down:

Maarten Gnoth

Jane Egebjerg Andersen

Carsten Huljus

Thomas Lyse

Matthew Rivers

Anju Sanehi

Peter-Paul Schouwenberg

Steven Verbeek

Alf van Weereld

Secretariat

The day-to-day running of SBP was, and continues to be, carried out by the Secretariat. In fulfilling the Secretariat function, as at the end of December 2018, SBP employed four full-time employees and procured the services of GE Public Relations Ltd, Simon Armstrong & Associates Limited, and independent consultants.

SBP is a virtual organisation registered in England and Wales.

People

As at the end of December 2018, the full-time employees and service providers were as follows:

Carsten Huljus
Chief Executive Officer

Rafal Andruszkiewicz
Technical Manager

Lauri Kärmas
Data Manager and Analyst

Agita Nagle
Office Manager

Simon Armstrong
(Simon Armstrong & Associates)
Technical

Melanie Wedgbury
(GE Public Relations)
Communications and Information

The structure served us well as together we worked on the detail of the new governance arrangements.

Committee and working group structure

Stakeholder Committee

The Stakeholder Committee operated from 2016 to 2018. Members of the committee were drawn from pellet and woodchip producers, biomass traders, Certification Bodies, relevant trade associations and SBP member companies. Two seats were kept available for relevant international non-governmental organisations, should any wished to have joined.

The Stakeholder Committee's role was to provide stakeholder advice to support the Secretariat in the development, implementation and maintenance of the certification system for woody biomass and all the activities necessary to make SBP an efficient and effective organisation.

The Chief Executive Officer, Carsten Huljus, chaired the Stakeholder Committee. The committee met four times in 2018.

Prior to ceasing its operations at the end of December 2018, the membership of the Stakeholder Committee was as follows:

Carsten Huljus <i>Chairman</i>	Joseph Aquino
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Sune Balle Hansen	Todd Bush
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Seth Ginther	Rebecca Heaton
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Jennifer Jenkins	Peter Kofod Kristensen
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Anna Martin	Gordon Murray
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Anna-Liisa Myllynen	Didzis Palejs
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Barry Parrish	Gabriele Rahn
---------------	---------------

Yves Ryckmans	Ondřej Tarabus
---------------	----------------

Elizabeth Warren	Mike Williams
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Working groups

Membership of the working groups was, and will continue to be, drawn from a pool of technical experts, which may include individual expert advisers or representatives of organisations with a specific interest in the biomass sector.

During 2018, working groups met on an as-needed basis consistent with the demands of their objectives. Reports were made directly to the Stakeholder Committee for review before being presented to the Board of Directors.

Independent oversight

Advisory Board

The Advisory Board served from 2015 to 2018 as an independent forum providing advice to the Board of Directors on the strategic direction of SBP, the credibility of the SBP certification system, and technical and public policy issues.

Julia Marton-Lefèvre, Chair of the Advisory Board, was invited to attend the meetings of the Board of Directors, as an ex-officio participant, to report on the advice of the Advisory Board.

Advisory Board members were invited to join as individual expert advisers. Specifically, members were chosen on the basis of holding senior level positions and possessing relevant expert knowledge and extensive networks.

During 2018, the Advisory Board met twice.

Membership

Prior to ceasing its operations at the end of December 2018 to make way for the new governance arrangements, the membership of the Advisory Board was as follows:

Julia Marton-Lefèvre
Chairman

Jørgen Bo Larsen

Gary Q Bull

Jeroen Douglas

Leif Gustavsson

Martin Junginger

Diana Mangalagiu

Göran Örlander

Mohammad Rafiq

David Tenny

Katherine Willis

Pernille Risgaard
Provided support to the Advisory Board

During 2018, as in previous years, we balanced good governance with independent oversight.

Technical Committee

During 2018, the independent Technical Committee made recommendations on technical matters and decisions.

The Technical Committee conducted all of its work remotely.

Membership

Prior to ceasing its operations at the end of December 2018 to make way for the new governance arrangements, the membership of the Technical Committee was as follows:

Kathryn Fernholz

Erik Lammerts van Bueren

Martin Walter

Peter Wilson



New appointments to the Technical Committee are given on page 21

Glossary

Every industry has its own jargon, our glossary of terms and definitions attempts to cut through it.

Assurance Services International (ASI)

An independent third-party accreditation body. ASI manages the SBP assurance program.

Advisory commission on sustainability of biomass for energy applications (ADBE)

The Commission, ADBE (in Dutch, Adviescommissie Duurzaamheid Biomassa voor Energietoepassingen) advises the Dutch Minister of Economic Affairs on the extent to which certification schemes guarantee the sustainability of solid biomass.

Bioenergy Europe

The European Biomass Association.

Biomass

Typically, wood pellets and woodchips.

Biomass producer

A producer of wood pellets and/or woodchips.

Certificate Holder

An SBP-certified organisation in the biomass supply chain, such as a biomass producer, trader or end-user.

Certification Body

An independent body recognised for its competence to audit and issue certificates confirming that an organisation conforms to the requirements of a standard or standards.

Chain of custody

A mechanism for tracking certified material throughout the supply chain.

Data Transfer System (DTS)

A tool facilitating the collection, collation and transmission of data throughout the supply chain.

EU Renewable Energy Directive II (RED II)

A directive of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (recast).

Feedstock

Woody material used to produce biomass.

Forest Stewardship Council (FSC)

A global forest certification system.

Greenhouse gas (GHG) data

Data related to the calculation of energy and carbon savings.

IEA

International Energy Agency.

International Organisation for Standardisation (ISO)

A non-governmental international organisation responsible for developing standards covering almost every industry.

ISEAL Alliance

The global membership association for credible sustainability standards.

ISEAL Codes of Good Practice

ISEAL Codes of Good Practice provide a globally recognised framework used by leading sustainability standards. The three Codes of Good Practice focus on the core elements of a sustainability standard: standard-setting, assurance and impacts.

Legality

The term legality is defined by SBP Standard 1, Feedstock Compliance Standard, version 1.0.

Non-governmental organisation (NGO)

An organisation that is independent from states and international government organisations.

Primary feedstock

Roundwood and forest residues direct from the forest.

Programme for the Endorsement of Forest Certification (PEFC)

A global forest certification system.

Regional Risk Assessment (RRA)

An evaluation of an entire geographical region to determine the risks associated with sourcing feedstock for biomass production.

SDE+ subsidy regime

SDE+ (in Dutch: Stimulerend Duurzame Energieproductie) is an operating grant, which aims to encourage the production of renewable energy in the Netherlands.

Secondary feedstock

Residues from sawmills and other primary processing.

Supply Base Evaluation (SBE)

The process of evaluating non-certified feedstock.

Supply chain actors

All organisations operating within the biomass supply chain, including feedstock suppliers, biomass producers, biomass traders and biomass end-users.

Sustainable Biomass Program (SBP)

A certification system designed for woody biomass used in industrial, large-scale energy production.

SBP certification system

The standards, processes and procedures that together define the certification system.

SBP claim

There are two SBP claims – SBP-compliant biomass and SBP-controlled biomass.

SBP-compliant biomass

Any biomass that comes with a claim that the feedstock used to produce it originates from certified forest (that is, FSC or PEFC-certified feedstock, including feedstock with a certification claim from PEFC-endorsed schemes, such as SFI), or feedstock sourced from areas that are deemed to be 'low risk' following a Supply Base Evaluation.

SBP-controlled biomass

Any biomass that is produced from feedstock with an FSC or PEFC-controlled claim, or feedstock sourced within the scope of the SBP-approved controlled feedstock system.

Sustainability

The term sustainability is defined by SBP Standard 1, Feedstock Compliance Standard, version 1.0.

Sustainable Forestry Initiative (SFI)

A forest certification system used widely across North America.

Tertiary feedstock

Residues from secondary processing (pre-consumer) and recycled (post-consumer) feedstock.

USIPA

US Industrial Pellet Association.

WPAC

Wood Pellet Association of Canada.

Photography provided by:

Curran Renewable Energy; Danske Maskinstation og Entreprenører; NEPCo; NewFuels; Pinnacle Renewable Energy; RL Skovservice; SCS Global Services; and The Westervelt Company.

Contact SBP

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

For all technical, media and general information enquiries, please contact:

info@sbp-cert.org

Keep up-to-date and find more information online:

www.sbp-cert.org

