

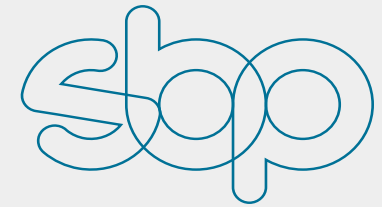
Sustainable Biomass Program

Introduction to SBP

August 2021

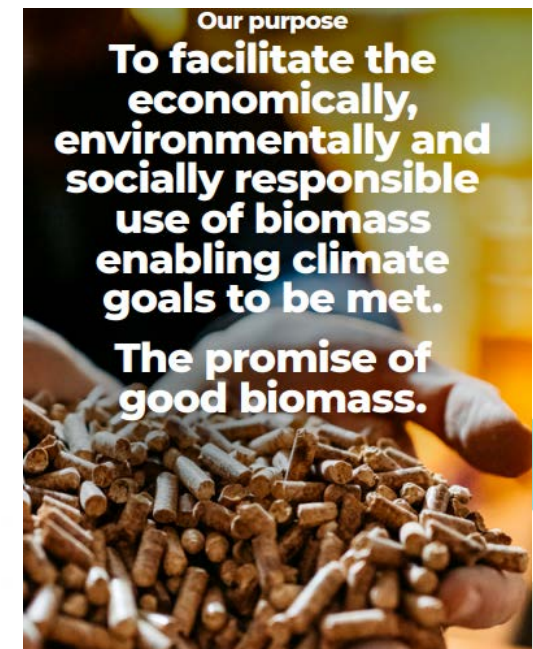


SBP: Sustainable Biomass Program



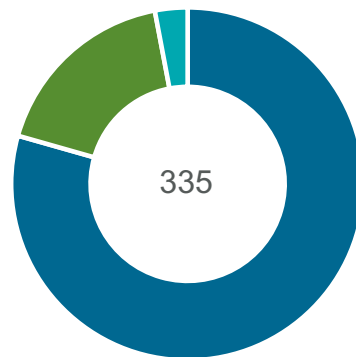
About SBP

- SBP is a non-profit, independent certification scheme
- Specifically developed for woody biomass used in large-scale industrial heat and power production
- The SBP system can be used to ensure that feedstock is sourced from legal and sustainable sources
- Heat and power producers (End-users) use SBP certification to demonstrate compliance with national legality and sustainability requirements for woody biomass
- Biomass Producers and Traders use SBP certification to comply with purchasing policies / supplier agreements of End-users
- Independent auditing :



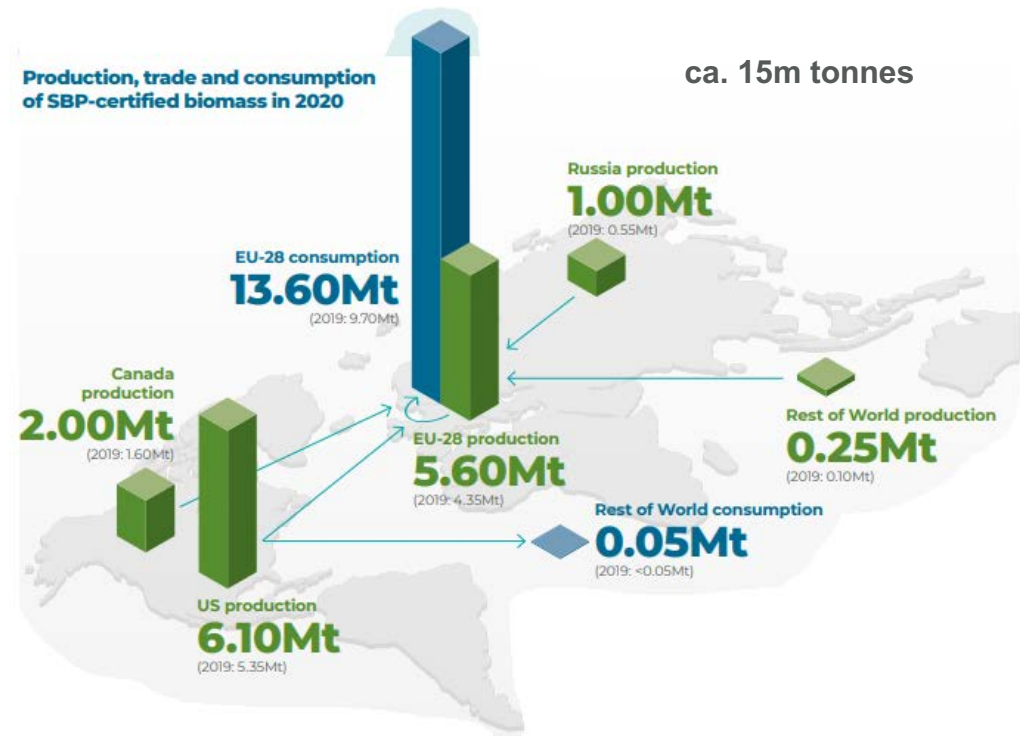
SBP: Certificate Holders

Certificate Holders by type*



● Biomass Producers	266
● Traders	59
● End-users	10

335 Certificate Holders across 33 countries
40 Applicants



- ca. 77% of the EU industrial pellet market
- 1/4 of the worldwide pellet production (2019)

SBP: Leading in biomass certification

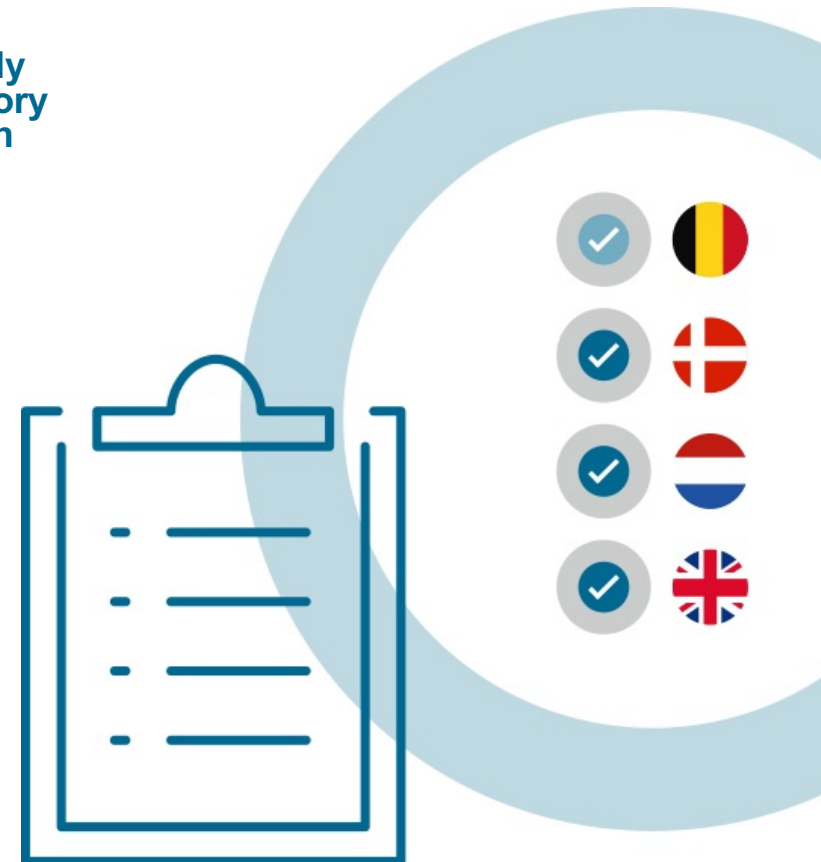


SBP is the world's leading independent multi-stakeholder certification system for woody biomass

Benefits

- One size fits all
- Meta-standard to include different regulatory requirements
- Replaces multiple supplier audits
- Enables international trade
- Recognises FSC and PEFC certification
- Collects and transfers energy data enabling calculation of GHG emissions

FSC and PEFC do not fully meet the existing regulatory requirements in European Countries



SBP: Certification system



➤ There are three types of Certificate Holder

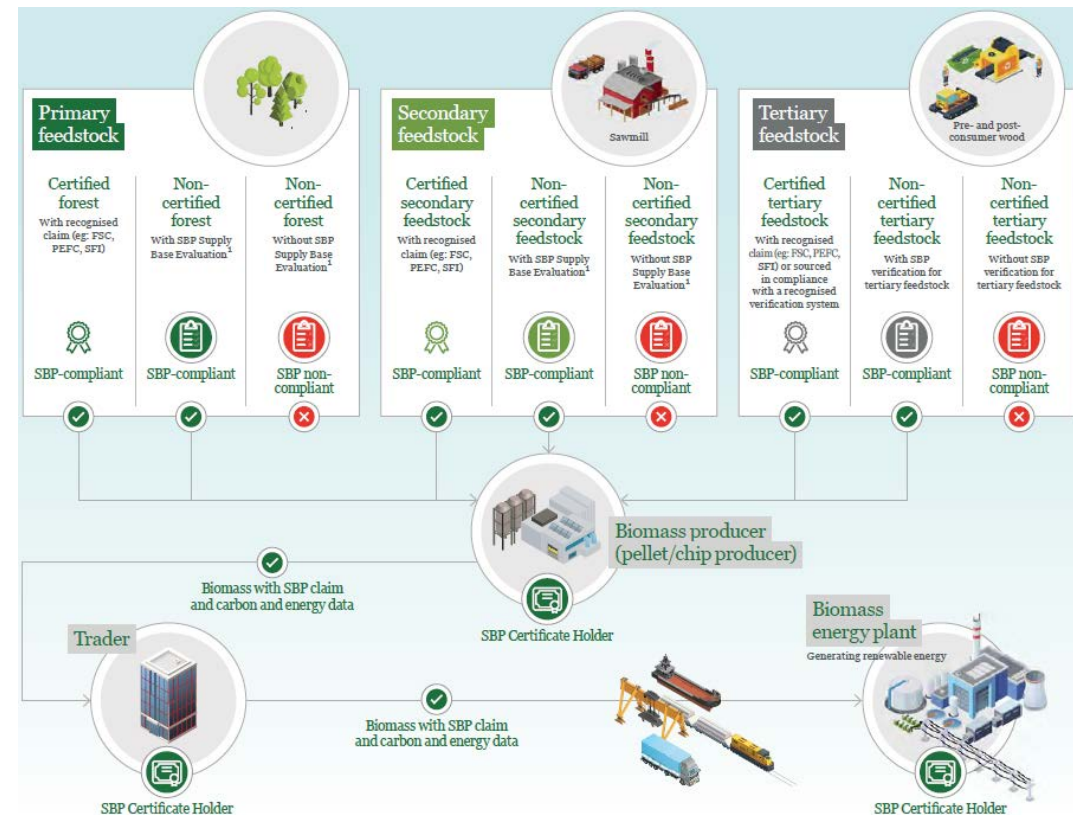
- Biomass Producer (BP)
- Trader
- End-user

➤ Each step of the supply chain must be certified if the biomass produced and sold is to carry an SBP claim

➤ BPs undertake a Supply Base Evaluation (SBE) of feedstock sources

➤ BPs determine and mitigate risks of using unsustainable feedstock

➤ Certified volumes and energy data transferred through the SBP Data Transfer System (DTS)



SBP: Data Transfer System

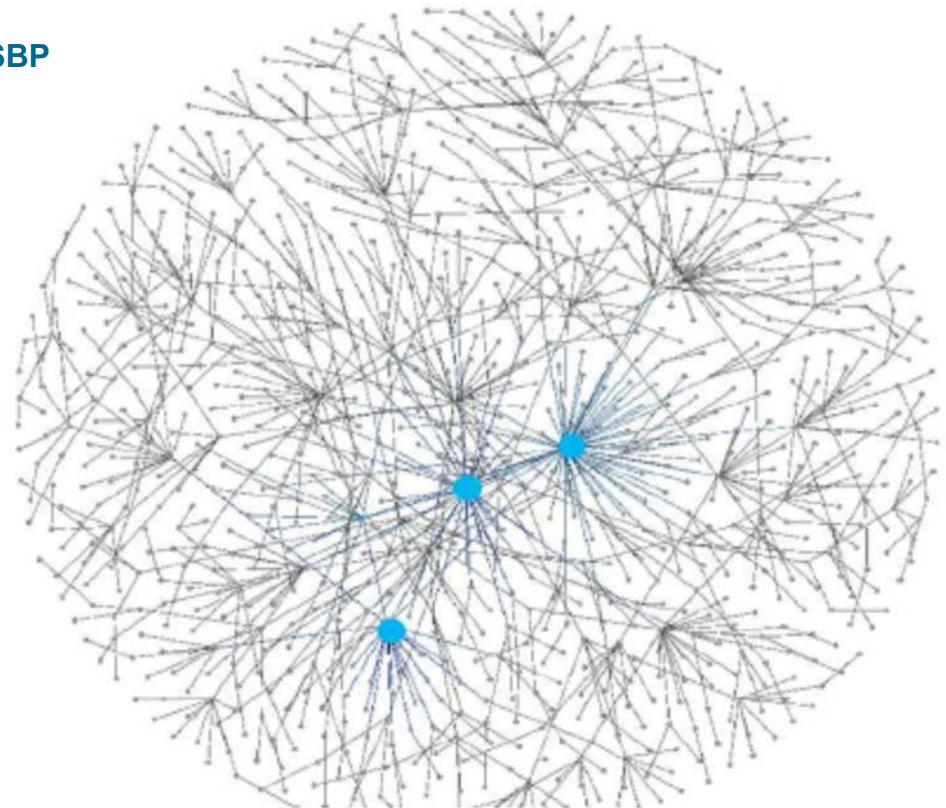


The Data Transfer System is a cloud-based digital tool for the transfer of SBP claims and production and sustainability data along the supply chain

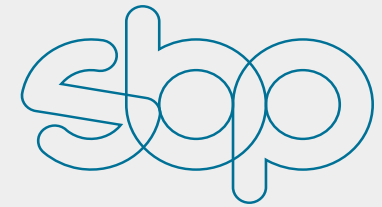
- **324 Certificate Holders = 2,000+ Business Relationships**
- **Business Relationships = Access to data**

Welcome to
RADIX Tree
Your traceability tool

Connect with your business partners on the Radix Tree platform for traceability, verification and due diligence throughout your supply chain.



REDII implementation



- **SBP applied for REDII approval in October 2020, process is still pending**
- **REDII implementing acts delayed**
- **Voluntary scheme approval delayed**
- **Only a few EU Member States have transposed REDII into national law as of July 2021**
- **REDIII being consulted on!**
- **SBP recognises the importance of being ambitious in order to achieve climate goals BUT making regulatory and policy changes just as new markets and revised sustainability requirements emerge creates uncertainty for investors and supply chain actors, and presents implementation issues and barriers to trade**

Fit for 55 package



➤ REDIII sustainability criteria for forest biomass

- Applying existing land criteria (no-go areas) for agricultural biomass to forest biomass (including primary, highly diverse forests and peatlands) [Recommend to develop forest specific criteria](#)
- Adding further elements to Article 29(6) to minimise negative impact of harvesting on soil quality and biodiversity [Need to be auditable using a risk-based approach](#)
- Applying existing greenhouse gas saving thresholds for electricity, heating and cooling production from biomass fuels to existing installations (not only new installations) [Outside scope of SBP](#)

➤ LULUCF regulation

- SBP would wish to see all proposals evidenced
- Increasing afforestation of the EU by incentivising farmers and forest managers to retain forests for the purposes of carbon removal [Recommend supporting ecosystem services](#)

Sustainably sourced biomass helps to preserve continuous and sustainable forest management practices

Fit for 55 package



➤ Forest strategy

- Biomass sustainably sourced and used efficiently – cascading principle **Good intention, SBP addresses sourcing, market forces apply, challenging/impossible to audit**
- All primary and old growth forests to be strictly protected **Overall good**
- Common definition for primary and old-growth forests and the strict protection regime to be agreed **SBP could provide expertise**
- Ecosystem restoration **Overall good, but consensus with forest owners required**
- EU-wide integrated forest monitoring framework **Support fact/evidence-based and data-driven discussions**

Bad biomass practice must be eliminated - it can have a detrimental impact on forest health, on long term sustainability of wood products markets and on achieving our climate goals

SBP: Sources



- SBP Video: <https://www.youtube.com/watch?v=V6YxUToXjmk&t=3s>
- SBP Annual Review 2020: <https://sbp-cert.org/documents/annual-reviews/>
- SBP Facts & Figures: <https://sbp-cert.org/about-us/facts-figures>
- SBP Standards: <https://sbp-cert.org/documents/standards-documents/>
- Better certification and regulation for biomass: a certification scheme's perspective



Contact SBP:



www.sbp-cert.org



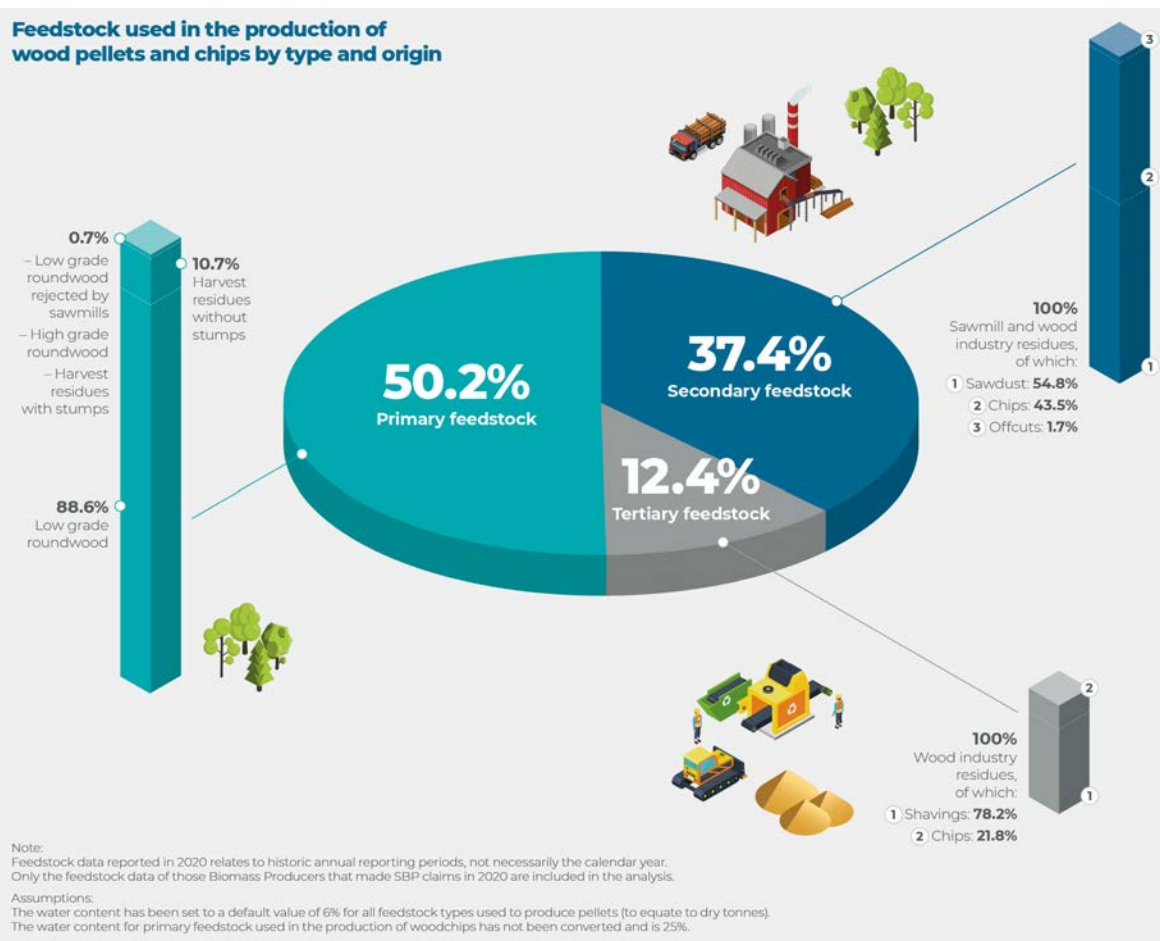
Sign up and become a member
of the SBP Stakeholder
Advisory Group - SADG

Feedstock by type and origin

2020 data



Feedstock used in the production of wood pellets and chips by type and origin



Primary feedstock Roundwood and residues direct from the forest. Examples include:

- Low grade roundwood – wood from the stem of a tree (excludes branches, stumps and roots) that is not merchantable as sawtimber.
- Harvest residues without stumps – tops, limbs, branches, leaves, bark excluding stumps.
- Low grade roundwood rejected by sawmills – wood from the stem of a tree that is unfit for processing.
- High grade roundwood – wood from the stem of a tree (excludes branches, stumps and roots) that is merchantable as sawtimber.
- Harvest residues with stumps – tops, limbs, branches, leaves, bark including stumps.

Secondary feedstock Residues from sawmills and other primary processing. Examples include:

- Sawmill and wood industry residues – residues produced during the primary processing of wood (sawdust, chips and small offcuts).

Tertiary feedstock Residues from secondary processing (pre-consumer) and recycling (post-consumer). Examples include:

- Wood industry residues – residues produced during the secondary processing of wood (shavings and chips).