



SCS Global Services Evaluation of Fuelwood Group Sweden AB Compliance with the SBP Framework: Public Summary Report

Second Surveillance Audit

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Completed in accordance with the CB Public Summary Report Template Version 1.5

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

Document history

Version 1.0: published 26 March 2015

Version 1.1: published 30 January 2018

Version 1.2: published 4 April 2018

Version 1.3: published 10 May 2018

Version 1.4: published 16 August 2018

Version 1.5: published 22 October 2020

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1 Overview

Certification Body (CB) Name:	SCS Global Services
Primary CB contact for SBP:	Maggie Shwartz
Primary CB contact email:	mschwartz@scsglobalservices.com
Audit team leader:	Modris Okmanis
Audit team members:	Modris Okmanis
Name of the Company:	Fuelwood Group Sweden AB
Company legal address:	Wallingatan 34, 11124 Stockholm, Sweden
Company contact for SBP:	Tanel Teimann
Company contact email:	tanel@fuelwood.se
Company website:	N/A
SBP Certificate Code:	SBP-04-68
Date of certificate issue:	18 Mar 2020
Date of certificate expiry:	17 Mar 2025
Audit closing meeting date:	18 Jan 2022
Audit cycle:	Second Surveillance Audit

2 Scope of the evaluation and SBP certificate

Scope Item	Check all that apply to the Certificate Scope	Change in scope (N/A for Assessments)
Primary Activity:	Biomass Producer	☐
Approved Standards:	SBP Standard 2: Verification of SBP-compliant Feedstock; SBP Standard 4: Chain of Custody; SBP Standard 5: Collection and Communication of Data Instruction; Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.5	☐
Includes Supply Base Evaluation (SBE):	No	☐
Includes communication of Dynamic Batch Sustainability Data (DBSD)	Yes	☐
Includes Group Scheme	No	☐
Products	Pellets	☐

Feedstock types:	Primary, Secondary	☐
Feedstock origin (countries):	Sweden, Norway, Finland	☐
SBP-endorsed Regional Risk Assessments used:	Not applicable	☐
Public link: https://sbp-cert.org/documents/standards-documents/risk-assessments/		☐
Chain of custody system implemented:	FSC: SCS-COC-008761	☐
	Credit	☐

2.1 Description of the company

Fuelwood Group Sweden AB is a pellet production and sales company with a pellet plant located in the Mid-Eastern side of Sweden in Söderhamn. The company was founded in 2017 by a group of Estonian entrepreneurs. Pellet production started in 2019. By now Fuelwood Group Sweden produces wood pellets from processing residues (sawdust, shavings, chips). Relatively small company. Pellet production capacity is around 50 000 tons a year. The production plant is run by a small team of 5 employees. As well the processing steps are quite simple. The production mainly is ran by external electricity (conveyor, hammermill, pellet press) and heat (for feedstock drying) provided by local suppliers, also 2 wheel loaders used for feedstock handling. By now there is only one feedstock supplier, which is also wood processor located in Sweden, FSC certified organization. The feedstock is delivered by trucks. Pellets are delivered by trucks to closest port (Stangskärvägen 10, Sandarne, 82022, Sweden) and sold at closest port Stangskärvägen10, Sandarne, 82022 on FOB incoterms, by now single client in Denmark.

2.2 Detailed description of the Chain of Custody system

Organization holds valid FSC COC certificate. All feedstock used for biomass production is FSC certified. By now source only pine and spruce sawdust and shavings from single supplier in Sweden. Receive feedstock by trucks according to agreement with supplier. During production of biomass there is no risk of mixing with non-eligible input. Maintain credit system for control of biomass/pellets volumes. All feedstock is also eligible for NL category 5, for which credit account maintained. Sell pellets on FOB incoterms, by now to single costumer in Denmark.

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of SBP Standards 2, 4, & 5 are implemented across the entire scope of certification.

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Modris Okmanis	2,0
2. On-site (excl. travel time)	Modris Okmanis	12,0
3. Report writing	Modris Okmanis	8,0
4. Other	N/A	N/A

<i>Audit Schedule</i>			
Activity	Location	Auditor name	Date/time
<i>Opening meetng</i>	Flygstaden, Byggnad 34 Söderhamn 826 70 Sweden	Modris Okmanis	17 Jan 2022/09:00
<i>Review of CoC/SBP procedures, products and material accounting</i>	Flygstaden, Byggnad 34 Söderhamn 826 70 Sweden	Modris Okmanis	17 Jan 2022/09:30
<i>Walkthrough of facility</i>	Flygstaden, Byggnad 34 Söderhamn 826 70 Sweden	Modris Okmanis	17 Jan 2022/11:00

<i>Review of material balances and records</i>	Flygstaden, Byggnad 34 Söderhamn 826 70 Sweden	Modris Okmanis	17 Jan 2022/12:00
<i>Verification of calculations (conversion factors, credit accounts)</i>	Flygstaden, Byggnad 34 Söderhamn 826 70 Sweden	Modris Okmanis	17 Jan 2022/13:30
<i>Review of GHG data collection</i>	Flygstaden, Byggnad 34 Söderhamn 826 70 Sweden	Modris Okmanis	18 Jan 2022/09:00
<i>Review of SBR</i>	Flygstaden, Byggnad 34 Söderhamn 826 70 Sweden	Modris Okmanis	18 Jan 2022/13:00
<i>Evaluation of trademarks</i>	Flygstaden, Byggnad 34 Söderhamn 826 70 Sweden	Modris Okmanis	18 Jan 2022/14:00
<i>Closing meeting and review of findings</i>	Flygstaden, Byggnad 34 Söderhamn 826 70 Sweden	Modris Okmanis	18 Jan 2022/14:30

Auditor qualification		
Auditor name	Role	Qualification
Modris Okmanis	Lead auditor	Master's degree in Forest science, more than 5 year experience in Forestry. ISO9001, FSC and PEFC COC and FM lead auditor qualification.

During the audit the feedstock receipt, storage, biomass production process, storage and realization was verified. Checked the actual inputs (physical inspection and supplier documentation) received and used for biomass production. Verified production process/scheme of pellets. Verified GHG data provided in SAR and supporting documentation (registers invoices, measurements), inspected production facility. DTS checked and compared with actual sales invoices, checked SREG data credibility. Relevant staff interviewed. All feedstock used for biomass production eligible for DBSD NL cat. 5, checked credit account and actual inputs and outputs.

4.3 Sampling methodology

During audit relevant staff interviewed. Visited production site and port storage. Single feedstock supplier and single client, sampled invoices, checked all relevant records and single credit account. Verified credibility of all data provided in SBR, SAR and SREG.

4.4 CB stakeholder engagement

No specific stakeholder engagement as this is surveillance evaluation. Staff interviewed.

4.5 Stakeholder feedback

No stakeholder feedback or concerns received.

5 Results

5.1 Main strengths and weaknesses

Organization is compact, with 5 employees, all processes are simple and easy to manage by single person. All feedstock sourced is FSC certified, by now from Sweden. Staff aware of relevant provisions.

For the weaknesses see non-conformity section.

5.2 Rigour of Supply Base Evaluation

N/A

5.3 Collection and communication of data

Additional registers and processes implemented to collect relevant GHG data on daily bases and adequate calculations made to provide data to client through DTS and SAR.

5.4 Competency of involved personnel

Relevant staff expressed awareness of relevant requirements. SBE not applicable.

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

N/A

6.2 Specified risk indicators and mitigation measures

Country/Area	Indicator	Specified risk description	Mitigation measure
N/A	N/A	N/A	N/A

7 Non-conformities and observations

NC number NC-000957 (01.2022) NC Grading: Minor	
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock
Requirement:	6.3 The BP shall ensure that the place of harvesting is within the defined SB.
Description of Non-conformance and Related Evidence:	
By now single supplier, which is also processor - Setra Trävaror AB inv. No. 121861 from 22.10.2021. sawdust 56 734,47 MWh for the period 01.03.2021-03.08.2021. SGSCH-COC- 002085 FSC Mix Credit, obtained procurement policy from supplier to confirm legality and sustainability of feedstock but not the origin of the material. No documents confirming that feedstock originates from supply base available, only verbal information.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

NC number NC-000958 (02.2022) NC Grading: Major	
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock
Requirement:	IN2C; 2.1 The SBR shall be made available in English, and at least one official language of the country in which the BP is located.
Description of Non-conformance and Related Evidence:	
SBR completed in SBP audit portal only English version available in portal and previous version in SBP web-site.	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	N/A

Findings for Evaluation of Evidence:	N/A
NC Status:	Open

NC number NC-001006 (03.2022) NC Grading: Major	
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.5
Requirement:	6.1.1 BPs shall record data in an "SBP Audit Report (SAR) for Energy and Carbon data" using the latest version of the SAR appropriate to the production process.
Description of Non-conformance and Related Evidence:	
BP completed SAR 2.0 for pellets, which is the old version. Evident MS Word file "SBP-Audit-Report-SAR-on-Energy-and-Carbon-Data-for-Pellets-v2.0 2022".	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	New version SAR 2-1 completed
Findings for Evaluation of Evidence:	Evident 'SBP-Audit-Report-SAR-on-Energy-and-Carbon-Data-for-Pellets-v2.1'" - all data provided.
NC Status:	Closed

NC number NC-001118 (04.2022) NC Grading: Major	
Standard:	SBP Standard 5: Collection and Communication of Data Instruction
Requirement:	6.2 The BP is not responsible for calculating the energy and carbon balance of the supply chain. All legal owners shall provide all necessary data to the accuracy necessary to enable those calculations.
Description of Non-conformance and Related Evidence:	
Weighted average load of received shavings not recorded in the SAR, however data available from accounting system; not correct electricity use calculation per metric ton; not recorded information on	

biomass fuel use for heat production from conventional boiler for drying.	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	Updated SAR for pellet producer - recorded weighted average load of shavings, calculated electricity use, biomass fuel use for drying.
Findings for Evaluation of Evidence:	Evident 'SBP-Audit-Report-SAR-on-Energy-and-Carbon-Data-for-Pellets-v2.1"' - all data provided. Recorded weighted average truck load of received shavings (22 mt), correctly calculated electricity use per metric ton of pellet production ($3738219\text{kWh} / 20066\text{mt} = 186,3\text{ kWh/mt}$); recorded total biomass fuel use (7925,46 mt) calculated from total heat produced by conventional boiler (16801,97 MWh) and average net calorific value (2,12 MWh/mt according to AEOBIUM Wood fuels handbook) of wood at 52% moisture content ($16801,97 / 2,12 = 7925,46\text{ mt}$).
NC Status:	Closed

8 Certification decision

Based on the auditor’s recommendation and the Certification Body’s quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Theodore Brauer
Date of decision:	20 May 2022
Other comments:	N/A