Preferred by Nature OÜ Evaluation of Van Leer Energy BV Compliance with the SBP Framework: Public Summary Report

Third Surveillance Audit

www.sbp-cert.org

The promise of good biomass

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:	Preferred by Nature OÜ
Primary CB contact for SBP:	Ondrej Tarabus
Primary CB contact email:	otarabus@preferredbynature.org
Audit team leader:	Pilar Gorria Serrano
Audit team members:	Pilar Gorría
Name of the Company:	Van Leer Energy BV
Company legal address:	Jodenbreestraat 152-154, 1011 NS Amsterdam, Netherlands
Company contact for SBP:	Cris Mul
Company contact email:	cris.mul@vanleer.energy
Company website:	N/A
SBP Certificate Code:	SBP-07-73
Date of certificate issue:	24 Mar 2020
Date of certificate expiry:	23 Mar 2025

Audit closing meeting date:	18 Oct 2022
Audit cycle:	Third 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:	Trader	☐
Approved Standards:	SBP Standard 4: Chain of Custody; SBP Standard 5: Collection and Communication of Data Instruction	☐
Includes Supply Base Evaluation (SBE):	No	☐
Includes communication of Dynamic Batch Sustainability Data (DBSD)	No	☐
Includes Group Scheme	No	☐
Products	Pellets	☐
Feedstock types:	Secondary	☐
Feedstock origin (countries):	Russia	☐
SBP-endorsed Regional Risk Assessments used: **Public link:** https://sbp-cert.org/documents/standards-documents/risk-assessments/	Not applicable	☐
Chain of custody system implemented:	FSC: NC-COC-056154	☐
	Transfer	☐

2.1 Description of the company

Van Leer Energy BV (VLE) is a marketing and sales company and supplier of sustainable biomass as a substitute to fossil fuels to the European consumer and industrial markets. The companies trading activities includes both domestic and industrial pellets equally shared. The biomass is purchased in Russia, but might be purchased elsewhere, and going to be delivered to several destinations and customers in Denmark, Belgium, Sweden or Nederland, for use in heat and power plants for production of sustainable and renewable heat and electricity. The traded woody biomass will be sourced from various ports in Europe and possibly also other parts of the world. The point of purchase will, in general, be the same as the point of sale. This means that VLE is not responsible for compilation of GHG data in case of any GHG emissions. However, there are cases where the material will be transported under the ownership of the organization. In such a situation, the organization is responsible for collecting and reporting the GHG data for the transport.

2.2 Detailed description of the Chain of Custody system

The organization is a holder of valid FSC CoC certificate (NC-COC-056154). The CoC system is based on the FSC transfer system without physical possession. Until now all material purchased has been claimed as FSC Mix Credit and SBP Compliant biomass or FSC Controlled Wood and SBP Controlled Biomass. The sales can be made in harbours (exporting and importing) with or without sea transportation. Each purchase of material is recorded including the certification status of the material and the sales always contain the same type and quantity of material as purchased. The SBP claim will be stated on the sales invoices together with the SBP Production Batch ID code. These carries the GHG profiling and batch specific data from the Biomass Producer and GHG data relating to the transport, which is the responsibility of the Biomass Producer, given the INCOTERM used (FOB or CIF).

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Trader's management system is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification.

The scope of the evaluation covered:

- Review of the Biomass Trader's management procedures;
- Review of control points in the FSC CoC system that affects the SBP certificate;
- Interviews with responsible staff; and
- Review of the records, including DTS database, procurement/ sales balance

4 Evaluation process

4.1 Timing of evaluation activities

Audit Level of Effort (LoE)		
Activity	***Auditors***	**Auditor hours**
1. Preparation	Pilar Gorría	2,0
2. On-site (excl. travel time)	Pilar Gorría	4,0
3. Report writing	Pilar Gorría	3,0
4. Other	N/A	N/A

Audit Schedule			
Activity	**Location**	**Auditor name**	**Date/time**
Opening meeting	PbN Office. Desk	PGS	18 Oct 2022/9:30
Quality requirement, general responsibilites	PbN Office. Desk	PGS	18 Oct 2022/10.15
Purchase, sales, logistics & DTS management	PbN Office. Desk	PGS	18 Oct 2022/11:00
Energy data collection and calculations,	PbN Office. Desk	PGS	18 Oct 2022/13.00

DTS			
Closing meeting	PbN Office. Desk	PGS	18 Oct 2022/13.00

Auditor qualification		
Auditor name	**Role**	**Qualification**
Pilar Gorria	Audit team leader	Forest engineer (Pplitecnic Univ. Of Madrid). Has successfully completed SBP training course and the NEPCon Lead auditor training for FSC/PEFC CoC and FM certification. Has experience from forest certification (FSC / PEFC FM), traceability (FSC / PEFC CoC) and biomass certification (SBP - Sustainable Biomass Program) for more than 10 years.

4.2 Description of evaluation activities

The audit started with an opening meeting attended by overall responsible and company director and logistic manager.

Auditor introduced herself, provided information about audit plan, methodology and aim of the audit. CB's approval related issues and confidentiality issues were covered as well.

After, the auditor went through all applicable requirements of the applicable SBP requirements covering management system, recordkeeping requirements and verification of SBP compliant biomass. Chain of Custody implementation was reviewed focusing in the Critical Control Points, in particular it was verified reception of the material and it's classification, identification of feedstock origin, production process with the conversion factors associated, mass balance, final product storage and sales. Furthermore, the purchasing and logistics functions were audited. During the process overall responsible person for the SBP system and staff having key responsibilities within the system was interviewed.

During the closing meeting auditor explained the results of the audit to director and logistic manager further actions were discussed.

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4.3 Sampling methodology

Sampling methodology was applicable to the SBP DTS transaction verification. Different claims, different vessels, customers and amounts were sampled for random verification.

4.4 CB stakeholder engagement

Not applicable for this surveillance audit

4.5 Stakeholder feedback

Not applicable for this surveillance audit

5 Results

5.1 Main strengths and weaknesses

Strengths: VLE is involved in biofuels trading activities since 1998 and materialize this long lasting experience. It is only a small group of people that will work with SBP related activities and the responsible staff showed good knowledge about the SBP system and how it will be implemented in the organization.

Weaknesses: See NCR section

5.2 Rigour of Supply Base Evaluation

Not applicable

5.3 Collection and communication of data

The organization is collecting and communicating GHG and energy data when they are involved in transport. The organization has competence for this and will communicate the results via SREG to the customer. During this reporting period no SREG has been applicable.

5.4 Competency of involved personnel

The involved personnel were found competent in implementing the SBP CoC system, making correct claims, managind DTS system and forwarding GHG/Transport data in SREG documents when required.

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

Not applicable

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-001745 (01/23)	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody
Requirement:	5.1.2 The legal owner shall implement all aspects of the SBP-approved CoC system requirements for the SBP feedstock and biomass. Where there is a conflict between the requirements in the SBP-approved CoC system requirements and those specified in the SBP standards, the SBP standards shall have precedence. Note: SBP feedstock or biomass will not necessarily enter into the scope of the SBP-approved CoC system certification, but the SBP-approved CoC system CoC processes and requirements shall extend to SBP feedstock and biomass.
Description of Non-conformance and Related Evidence:	
During DTS transactions review it was verified that in one vessel the CH mixed physically SBP Complient claim with non certified material. Note: Only the shared of certified material was claimed as SBP complient in the DTS. The CH applies their Due Diligence System to the non certified material and concluded that the biomass comes from a FSC Certified forest but sold without claim due to the forest owner only have FM certificate (without approved scope of CoC). The NCR is classified as minor	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

8 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Olesja Puiso
Date of decision:	28 Oct 2022
Other comments:	N/A