

Control Union Certifications B.V. Evaluation of Blue Point Pellets Denmark ApS Compliance with the SBP Framework: Public Summary Report

Third Surveillance Audit

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Completed in accordance with the CB Public Summary Report Template Version 1.4

*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

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Table of Contents

1	Overview
2	Scope of the evaluation and SBP certificate
3	Specific objective
4	SBP Standards utilised
4.1	SBP Standards utilised
4.2	SBP-endorsed Regional Risk Assessment
5	Description of Company, Supply Base and Forest Management
5.1	Description of Company
5.2	Description of Company's Supply Base
5.3	Detailed description of Supply Base
5.4	Chain of Custody system
6	Evaluation process
6.1	Timing of evaluation activities
6.2	Description of evaluation activities
6.3	Process for consultation with stakeholders
7	Results
7.1	Main strengths and weaknesses
7.2	Rigour of Supply Base Evaluation
7.3	Compilation of data on Greenhouse Gas emissions
7.4	Competency of involved personnel
7.5	Stakeholder feedback
7.6	Preconditions
8	Review of Company's Risk Assessments
9	Review of Company's mitigation measures
10	Non-conformities and observations
11	Certification recommendation

1 Overview

CB Name and contact:	Control Union Certifications; Meeuwenlaan 4-6; P.O.Box 161, 8000AD Zwolle, Netherlands.
Primary contact for SBP:	Andrea Ferrazzo, +31 (0)657312287
Current report completion date:	11/May/2019
Report authors:	Mr. L. Holm (Lead Auditor)
Name of the Company:	Blue Point Pellets Denmark ApS
Company contact for SBP:	Sherry Allen, Managert, +45 22 36 03 91,sherry.allen@bluepointpellets.com
Certified Supply Base:	Norway, Sweden, Finland, Spain, Denmark, Germany, Poland, Belarus
SBP Certificate Code:	SBP-06-17
Date of certificate issue:	15/Jun/2018
Date of certificate expiry:	17/Nov/2021

This report relates to the Third Surveillance Audit

2 Scope of the evaluation and SBP certificate

Scope of evaluation: Surveillance audit to assess the CH's conformance to SBP standards 2, 4, and 5 and respective Instruction Notes and Documents. The evaluation included on-site visits to the pellet plant in Køge, Denmark and the port facility in Køge. The Organisation has been audited against FSC and PEFC Chain of Custody certificate, the certificate was issued on 15/06/2018.

Scope of certificate: The following SBP standards are applicable and form the scope of the evaluation and thus, the SBP certificate: Standard 2, Standard 4 and Standard 5. This certificate covers production and distribution of wood pellets, for use in energy production, at Blue Point Pellets pellet plant in Køge, Denmark, where pellets are also stored and loaded onto vessels for the shipping of pellets. The scope of the certificate does not include a Supply Base Evaluation

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 the specified SBP Standards are implemented across the entire scope of certification.

The scope of the evaluation covered:

- Review of the BP's management procedures;
- Review of the production processes, production site visit;
- Review of FSC/PEFC system control points and an analysis of the existing FSC/PEFC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients;
- GHG data collection analysis;
- SAR and profiling data collection analysis.

4 SBP Standards utilised

4.1 SBP Standards utilised

Please select all SBP Standards used during this evaluation. All Standards can be accessed and downloaded from <https://sbp-cert.org/documents/standards-documents/standards>

- ☐ SBP Framework Standard 1: Feedstock Compliance Standard (Version 1.0, 26 March 2015)
- ☒ SBP Framework Standard 2: Verification of SBP-compliant Feedstock (Version 1.0, 26 March 2015)
- ☒ SBP Framework Standard 4: Chain of Custody (Version 1.0, 26 March 2015)
- ☒ SBP Framework Standard 5: Collection and Communication of Data (Version 1.0, 26 March 2015)

4.2 SBP-endorsed Regional Risk Assessment

Not applicable - No SBP endorsed Regional Risk Assessment was used for this

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

Blue Point Pellets (BPP) is a wood pellet producer with office and production facilities located at the same place in Køge, Denmark. The BP was SBP certified in 2016. The current owner of the pellet mill took ownership in 2015. From October 2015, the production started again but until December 2015. BP is sourcing feedstock - sawdust from primary processors, forest chips and chips from primary production such as sawmills and sawdust from sawmilling of planks. Natural gas is used in drying process. Total annual production capacity of pellet plant is between 250 000 and 300 000 tons of pellets. The BP has implemented FSC and PEFC certification systems and all incoming feedstock is received with either FSC or PEFC claim. The organization sells material with SBP compliant claim and using their volume credit system to calculate the material suitable for this claim.

5.2 Description of Company's Supply Base

Blue Point Pellets course from variety of sawmills and the origin can therefore contain different countries. In order to make sure that the supply base contain all possible countries the organization has decided to include into their SB not only the countries where the supplier is from but also neighbouring countries of the suppliers. Full description of the Supply Base is included in the Supply Base Report which is to be found in Blue Point Pellets Denmark ApS webpage : <http://bluepointpellets.com/uploads/images/default/Supply-Base-Report-Blue-Point-Pellets-English.pdf>

5.3 Detailed description of Supply Base

A quantitative description of the Supply Base can be found in the Biomass Producer's Supply Base Report at: <http://bluepointpellets.com/uploads/images/default/Supply-Base-Report-Blue-Point-Pellets-English.pdf>.

5.4 Chain of Custody system

The Organisation is holding valid FSC and PEFC Chain of Custody certificate system. Valid Chain of Custody system description and other documents exist. All wood fiber is tracked through the process from the district of origin through the mill to the final bill of sale. Blue Point Pellets considers only the following feedstock inputs to be SBP-compliant feedstock:

- Feedstock received with an SBP-approved Forest Management Scheme claim
- Feedstock received with an SBP-approved Chain of Custody (CoC) System claim.

A database is used to gather and control information related to the feedstock such as supplier name, scale tickets, fibre type, certification, and district of origin. Blue Point Pellets has appropriate control mechanisms to calculate output volumes and claims. Additionally, Blue Point Pellets conducts an annual management

review of the commitments, programs and procedures to evaluate the overall effectiveness of the SBP management system. The SBP claim is stated on the sales invoices and recorded in the DTS.

The organization has detailed and comprehensive procedures and databases to cover the necessary requirements regarding the SBP-approved Chain of Custody system.

6 Evaluation process

6.1 Timing of evaluation activities

The audit occurred on May 09-10 2019 by the above mentioned audit team. This report is the result of the findings of a certification evaluation carried out by an independent lead auditor representing Control Union Certifications. The purpose of the assessment was to evaluate the compliance of the client with respect to the standards used within the scope of the certificate.

Activity	Date/time	Location	Executed by (role)
Preparation (telephone/email on scope and planning)	30/01/2019 0,5 hours	Remote	Hubert Jurczyszyn (certifier)
Audit			
Opening meeting	09/05/2019 09:00-09:15	Blue Point Pellets	Lennart Holm (lead auditor)
Review of documents and records, Supply Base Report	09:15 – 12:00	Blue Point Pellets	Lennart Holm
Review of COC system/procedures, interview responsible personnel	13:00 – 15:00	Blue Point Pellets	Lennart Holm
Interviews key personnel purchase and sales	15:00 – 18:00	Blue Point Pellets	Lennart Holm
GHG paper audit and evidence review, including visit of facilities and the port	10/05/2019 09:00 – 10:00	Blue Point Pellets	Lennart Holm
Business integrity, social, health and safety requirements. Logo/Trademark use	10:00 – 12:00	Blue Point Pellets	Lennart Holm
Closing Meeting	12:00 – 13:00	Blue Point Pellets	Lennart Holm
Report writing	11/05/2019	Remote	Lennart Holm

6.2 Description of evaluation activities

The audit consisted of an opening meeting, during which the scope was confirmed. The auditor also explained the methods to be employed during the audit.

After this introduction, all relevant requirements of the applicable SBP standard(s) were verified on compliance through the use of a report template and checklists.

The audit was completed by filling in the audit report and discussing the audit results. During this closing

meeting it was also discussed how evidence can be submitted of corrective action with respect to non-conformities that were identified during the audit.

1. Names and affiliations of people interviewed	
Name:	Affiliation:
Sherry Allen	Blue Point Pellets
Siri Rasmussen	Blue Point Pellets
Asia Szulia	Blue Point Pellets
Diana Røjkaer	Blue Point Pellets
Mikael Mølgaard	Blue Point Pellets
Stefan Petersen	Blue Point Pellets
Thomas Trebien	Blue Point Pellets
Robin Askey	Envirosense
Astrid Wodschow	Control Union

2. Critical control points, summary	
<i>Identified CCP</i>	<i>Evaluation CCP</i>
Biomass production	The company provided CU with an annual overview of the quantity of biomass handled at the different storage and locations within the scope of its certification. This overview include data on biomass inputs and outputs, and was evidenced verbally and with production spreadsheets and engineering examples.

6.3 Process for consultation with stakeholders

The stakeholder consultation was carried out prior to the 2016 main assessment on 14th of April, 2016 by sending direct email to different stakeholder categories: state institutions, local NGOs, authorities, government bodies, forest owners associations, academic and research institutions. Only one comment was received from environmental inspectorate from Køge (dated 21st April 2016) with general statement that the don't have any concern about the organization under evaluation. No further stakeholder consultation was carried out neither as a part for the 2017 annual audit nor 2018 surveillance evaluation.

7 Results

7.1 Main strengths and weaknesses

The assessment results of Blue Point Pellets Denmark ApS demonstrated a good level of compliance with the required criteria of Standard 2, 4 and 5. There was reasonable evidence provided to support compliance with the applicable SBP standards. The existence of a Chain of Custody system such as FSC and PEFC COC are considered a main strength with respect to BPP overall conformity with the relevant SBP standards.

7.2 Rigour of Supply Base Evaluation

N/A, no SBE in the scope of the certificate.

7.3 Collection and Communication of Data

The organization has in depth procedures for this in depth procedures for this. The auditor confirmed the Greenhouse Gas (GHG) sources for feedstock inputs, production, storage and handling at the facility and loading of vessels at the port. A review of how the input data was measured. Findings were substantiated by on-site staff interviews with operations personnel on the overview of the operations at the facility, historical operations, changes to operations, procedures and processes used to maintain the facility, and procedures and processes used to ensure data quality. Blue Point Pellets demonstrated full competency to analyse and report the required data on Greenhouse Gas emissions

7.4 Competency of involved personnel

The company has one person who has the main responsibility related to the SBP system. All personnel that is involved with SBP have received appropriate training whereby all relevant procedures and requirements have been covered. All training and instructions are based on the procedures as identified in company manuals, and training is provided by internal resources and recorded accordingly. Key personnel showed good knowledge of SBP requirements.

7.5 Stakeholder feedback

See 6.3 above

7.6 Preconditions

N/A, no preconditions.

8 Review of Company's Risk Assessments

Describe how the Certification Body assessed risk for the Indicators. Summarise the CB's final risk ratings in Table 1, together with the Company's final risk ratings. Default for each indicator is 'Low', click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.

Not applicable

9 Review of Company's mitigation measures

Not applicable. No SBE in the scope of the certificate.

10 Non-conformities and observations

Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. For each, give details to include at least the following:

- *applicable requirement(s)*
- *grading of the non-conformity (major or minor) or observation with supporting rationale*
- *timeframe for resolution of the non-conformity*
- *a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.*

Organization is following SBP standards in their scope of the certification in sufficient way. No non-conformities or observations were raised during 2019 SBP surveillance assessment. No open Non-conformities exist.

11 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):	Hubert Jurczyszyn
Date of decision:	08/Aug/2019
Other comments:	<i>Click or tap here to enter text.</i>