SBP

Sustainable Biomass Partnership

NEPCon Evaluation of IKEA Wielbark Compliance with the SBP Framework: Public Summary Report

www.sustainablebiomasspartnership.org

Completed in accordance with the CB Public Summary Report Template Version 1.0

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

Template document history

CB Public Summary Report Template Version 1.0: published 26 March 2015

Contents

1 Overview

CB Name and contact:	NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia
Primary contact for SBP:	Ondrej Tarabus, ot@nepcon.net, +420 606 730 382
Report completion date:	22/Oct/2015
Report authors:	Ondřej Tarabus
Certificate Holder:	IKEA Industry Wielbark Poland
Producer contact for SBP:	Tomasz Karczewski, Lean and Quality Manager, tomasz.karczewski@ikea.com, +792 1855 1855,
Certified Supply Base:	Sourcing from Polish state forests (only the FSC certified part)
SBP Certificate Code:	SBP-01-03
Date of certificate issue:	20/Jan/2016
Date of certificate expiry:	19/Jan/2021

Indicate where the current audit fits within the certification cycle				
Main (Initial) Audit	**First Surveillance Audit**	**Second Surveillance Audit**	**Third Surveillance Audit**	**Fourth Surveillance Audit**
☑	☐	☐	☐	☐

2 Scope of the evaluation and SBP certificate

The organization is a furniture producer. The production steps include the saw mill, glue board production and furniture production. All the input material is at least FSC Controlled wood. There are two materials leaving the production as a residue - wet wood chips from the saw mill (which are sold to other customers) and dry wood chips and sawdust from the glue board production and furniture production which is used of biomass production and is in the scope of this certification.

The organization holds valid FSC CoC certificate with FSC credit system and wood pellets are in the scope of the certificate.

The input to the biomass production is coming only from the internal production. Most of the material comes from Poland but there are some external suppliers who delivery semi-finished product which is used in the furniture production, but this material is physically separated and does not enter to the pellet production and is not under the scope of this certification.

Supply Base Evaluation is not included into the scope of the evaluation.

Wood pellets are sold at the organization gate and transport is arranged by the customer.

Scope of evaluation is indicated in the table below:

Scope Item	**Check all that apply to the Certificate Scope**				**Change in Scope** (N/A for Assessments)
Certificate Type	☑ Single	☐Multi-site			☐
Approved Standards	SBP Standard #2 V1.0, SBP Standard #4 V1.0, SBP Standard #5 V1.0 http://www.sustainablebiomasspartnership.org/documents				☐
Primary Activity	Pellet Producer				☐
Input Material Categories	☐ SBP-Compliant Primary Feedstock	☐ SBP-Compliant Secondary Feedstock			☐
	☐ Controlled Feedstock	☐ SBP non-Compliant Feedstock			
	☑ SBP-Compliant Tertiary biomass	☐ Pre-consumer Tertiary Feedstock			
		☐ Post-consumer Tertiary Feedstock			
		☐ SBP-approved Recycled Claim			
Chain of Custody system implemented	☑ FSC	☐ PEFC	☐ SFI	☐ GGL	☐
	☐ Transfer	☐ Percentage	☑ Credit		☐
Use of SBP Claim	☑ Yes	☐ No			☐

SBP Verification Program	☐ Low risk sources only	☐ Sources with unspecified/ specified risk	☐
	New districts approved for SBP-Compliant inputs:		
Sub-scopes			☐
Specify SBP Product Groups added or removed:			
Comments:			

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 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 system control points, analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients; and
- GHG data collection analysis.

4 SBP Standards utilised

4.1 SBP Standards utilised

Standard 2 Verification of SBP-compliant Feedstock, Version 1.0, 26 March 2015

Standard 4 Chain of Custody, Version 1.0, 26 March 2015

Standard 5 Collection and Communication of Data, Version 1.0, 26 March 2015

http://www.sustainablebiomasspartnership.org/documents/standards-documents/standards

4.2 SBP-endorsed Regional Risk Assessment

Not applicable. Supply Base Evaluation is not included in the scope of the evaluation.

5 Description of Biomass Producer, Supply Base and Forest Management

5.1 Description of Biomass Producer

The organization is a furniture producer. The production steps include the saw mill, glue board production and furniture production. The absolute majority of the material is received with FSC 100% claim and the internal procurement policy specification for input material is that all material must be at least FSC Controlled wood. There are two materials leaving the production as a residue - wet wood chips from the saw mill (which are sold to other customers) and dry wood chips and sawdust from the glue board production and furniture production, which is used of biomass production. The biomass production itself therefore does not contain any drying process. Pellets are then directly transported to the customer. The point of sale is when the material is leaving the production site.

5.2 Description of Biomass Producer's Supply Base

In general, the sawmill procurements can be categorized as follows:

- Polish State Forests FSC certified stemwood (FSC 100%) is procured for furniture production.
- Industrial wood residues are used for pellet production, the sawmill is integrated with the pellet production facility (same location).
- Only Scots pine is used (*Pinus sylvestris*, L.)

Polish State Forest

There is a constant increase of the forest area in Poland. According to 2013 data from the Central Statistical Office, forest area covers app. 9,3 million ha, which is 29.4% of the country's territory. Forestry and the related industrial branches are important elements of the national economy. The State Forest Service gives employment to many people. It is the main supplier of wood processing plants. It cooperates closely with local communities and non-governmental organizations. In recent years, Polish State Forestry has achieved excellent economic results, because of the relatively good price for wood on the international market.

Buying timber from the Polish State Forests, our company is sure that the raw material is being procured in a legal manner, not prejudicial nature.

Forest planning and forest operations in Poland

For foresters and most other stakeholders in Poland the non-production forest functions have become the most important. The Polish State Forest implements sustainable forest management. Foresters acquire wood within the limits set by 10-year forest management plans, approved by the Minister of the Environment.

The Polish timber resources have grown from year to year and doubled in half a century. Wood stocks in the forests managed by the State Forests continue to grow. In 1991, it was 190 m^3/ha; 20 years later, in 2011 – 254 m^3/ha. According to international statistics, Polish forests belong in this respect to European leaders. Not only considering wood stock, but also the forest area increase. In the mid-twentieth century, they occupied slightly over one-fifth of Poland; nowadays nearly than one-third.

In terms of spatial structure by species, coniferous species dominate in Polish forests, occupying 72.8% of the total forest area. Among coniferous species, pine covers the largest area.

http://www.ikea.com/ms/pl_PL/img/D3_Supply_Base_Report_IKEA.PDF

5.3 Detailed description of Supply Base

Total Supply Base area (ha):	6,306,239 ha. State Polish Forests that are FSC certified (claim FSC 100%), and from which timber may be harvested
Tenure by type (ha):	100% public ownership (State Polish Forest Service)
The total Supply Base:	6,306,239 ha
Forest by type (ha):	Temperate forests
The total Supply Base:	6,306,239 ha
Forest by management type (ha):	Managed Natural forests
The total Supply Base:	6,306,239 ha
Certified forest by scheme (ha):	6,306,239 ha FSC certified (100%)

Quantitative description of the Supply Base can be found in the Biomass Producer's Public Summary Report http://www.ikea.com/ms/pl_PL/img/D3_Supply_Base_Report_IKEA.PDF

5.4 Chain of Custody system

The organizaiton hold valid FSC CoC certificate with FSC credit system and wood pellets are in the scope of the certificate.

The input to the biomass production is 100% coming from the internal production. Most of the material comes from Poland but there are some external suppliers who delivery semi-finished product which cannot be traced back to the forest (however this material is still at least FSC CW) and therefore it is physically separated. Physical separation is based on using of second silo where is stored input material which is not used for biomass production but rather is sold as sawdust or wood chips directly from that silo. The material used for biomass production can be taken only from the silo number one. The physical separation is a simple process based on changing the flow of the material from the conveyor belt to individual silos. The responsible workers are aware about this procedures and the same system is already implemented for material containing some chemical substances.

The biomass production use already dry material as a residue from the secondary production. The material is delivered by the conveyor belt to the silo and from there by another conveyor belt from the silo to the production.

Wood pellets are sold at the organization gate and transport is arranged by the customer.

6 Evaluation process

6.1 Timing of evaluation activities

The pre-assessment took place on 30/Jun/15.

The assessment was carried out on 15 and 16 July 2015. One and half days were needed for the onsite audit and two additional days for the documentation review.

Activity	Location	Auditor(s)*	Date/time
Opening meeting	Office	OT, MW	15/07/2015 09.00-09.30
Documents and procedures review. Inputs review	Office	OT, MW	15/07/2015 10.00-11.30
Interview with Purchasing department representative	Purchasing department	OT, MW	15/07/2015 11:30-12:15
Break			15/07/2015 12:15-13:00
Interview with Purchasing department representative	Sales department	OT, MW	15/07/2015 13:00-14:00
GHG calculation review	Office	OT, MW	15/07/2015 14:00-16:30
Internal team meeting	Office	OT, MW	15/07/2015 16:30-17:00

* OT: Ondrej Tarabus; MW: Michal Wajnberger

6.2 Description of evaluation activities

Auditor team was welcomed in IKEA Industry head office site. Audit started with an opening meeting attended by Lean & Quality Manager, purchasing manager and biomass production responsible person.

Lead auditor introduced the audit team, provided information about audit plan, methodology and aim of the assessment. CB's accreditation related issues and confidentiality issues were covered as well.

After that auditor went trough all applicable requirements of the standard covering management system, CoC, recordkeeping/mass balance requirements, emission and energy data and verification of SBP compliant and SBP Controlled feedstock. During the process overall responsible person for SBP system and over responsible staff having key responsibilities within the system was interviewed.

As a part of the assessment the auditor visited raw material storage and production sites. During the site tour reception process were observed, applicable records were reviewed, pellet factory staff was interviewed and FSC system critical control points were analysed.

During the closing meeting auditor explained the results of the audit and further actions were discussed.

6.3 Process for consultation with stakeholders

The stakeholder consultation was carried out on 3/Jun/2015 by sending direct email to different stakeholder categories: state institutions, local NGOs, authorities, government bodies, forest owners associations, academic and research institutions. No comments from the stakeholders were received.

7 Results

7.1 Main strengths and weaknesses

Strengths: SBP system elements are implemented at the time of the assessment. The SBP responsible person as well as the whole team who participated on the implementation of the system have proved very good understanding of the SBP requirements. The organization purchasing policy put pressure on purchasing mostly only FSC 100% certified material and for the pellet production, only waste from the primary production is used.

Weaknesses: The recording of some of the energy data is of poor quality and the responsible person find difficult to collect them. See also the NCR report (Section 10).

7.2 Rigour of Supply Base Evaluation

Not applicable.

7.3 Compilation of data on Greenhouse Gas emissions

The organization does not have many data to collect as only tertiary feedstock is used and the only supplier share the same location with the pellet production. However, collection of the required data was the main challenge for the company while getting ready for the assessment. There have to be implemented some new record keeping measures to improve the quality of the data. The data at the end of the assessment were complete and accurate; however, there are some minor non-conformities still to be addressed.

7.4 Competency of involved personnel

Auditor(s), roles	Qualifications
Ondrej Tarabus, Lead auditor, evaluation against all applicable requirements	Czech citizen, graduated in University of Life Sciences Prague, The Faculty of Forestry. He has participated in several FSC assessments in Czech Republic, Slovakia, Italy, Germany, Vietnam, Egypt, Spain, Romania, Bosnia and Herzegovina, Austria, etc. and FSC FM audits in Czech Republic and Lithuania. Ondřej Tarabus successfully completed SBP training course and he has practical experience with carbon footprint certification as well as biofuels certification.
Michael Wajnber Trainee auditor	Michał's main duties in NEPCon are auditing of FM and CoC certificate holders against FSC and PEFC standards, quality review of the reports from FSC FM and CoC audits, FM and CoC clients support. He is also responsible for preparation of cost proposals and service agreements for FM clients. Michał is a contact person for FM clients from Poland and foreign countries, who possess FSC FM certificate. His previous experience include work for State Forest Enterprise as Forest Officer.

	Michał's educational background is Forest Management and Administration of Computer Networks. He has passed NEPCon's courses for FSC, PEFC and LegalSource auditor as well as the SBP lead auditor training.

7.5 Stakeholder feedback

No stakeholder comments were received.

7.6 Preconditions

No preconditions to this certification were identified at the time of the main assessment.

8 Review of Biomass Producer's Risk Assessments

Not applicable.

9 Review of Biomass Producer's mitigation measures

Not applicable.

10 Non-conformities and observations

NCR: 01/15	**NC Classification: Minor**
Standard & Requirement:	SBP Standard # 2 requirement 6.2
Description of Non-conformance and Related Evidence:	
Absolut majority of material comes from the furniture factory located at the same area and owned by the same owner. The furniture factory receives the material in form of roundwood together with harvesting permit where the place of harvesting is stated. As the furniture company is the same organization as the pellet producer, all the information is available. There are only three additional suppliers whose are not forest owners and deliver some material as well. This trade is based on exchange of material as for the furniture material can´t use large logs and therefore these are exchanged for thin wood. The volume is very low (less than 1%) but there is no record of harvesting place for this material nor it is proved that the material comes from the area within supply base. The material is also received with FSC claim FSC 100%. The organization has implemented a plan of how the place of harvesting is checked (internal audit at the supplier level to verify that the supplier do not purchase from other suppliers than State forest) for this kind of material, however it is ongoing process and at the time of the assessment it was not fully implemented and the records from the supplier audits were missing.	
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.
Timeline for Conformance:	12 months from the report closing.
Evidence Provided by Organisation:	PENDING
Findings for Evaluation of Evidence:	PENDING
NCR Status:	**OPEN**
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?	Yes ☐ No ☒

NCR: 02/15	NC Classification: Minor	
Standard & Requirement:	SBP Standard # 2 requirement 19.3	
Description of Non-conformance and Related Evidence:		
The Supply Base Report was reviewed by organization Biomass Consult, the comments are available and the organization took this comment into account while composing the final draft of the document. However, the independency of the peer reviewer was not proved as the preer review was done by one of the team member of the SBR process.		
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.	
Timeline for Conformance:	12 months from the report closing.	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	**OPEN**	
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?		Yes ☐ No ☒

NCR: 03/15	NC Classification: Minor	
Standard & Requirement:	SBP Standard # 4 requirement 5.2.2	
Description of Non-conformance and Related Evidence:		
The organization is sourcing only FSC 100% material. During the evaluation of the purchasing invoices and delivery notes it was revealed that in one of the delivery document reviewed was missing the FSC claim and even though it was received as FSC 100% certified.		
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.	
Timeline for Conformance:	12 months from the report closing.	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN	
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?		Yes ☐ No ☒

NCR: 04/15	NC Classification: Minor	
Standard & Requirement:	SBP Standard # 5 requirement 7.2	
Description of Non-conformance and Related Evidence:		
The organization procedure includes description of how the information relevant to each batch of pellets will be passed to the next legal owner. The system at the moment of the assessment was set up for one customer only. In case there would be more customers in the future (which is not foreseen) the responsible person was not fully aware how the information would change.		
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.	
Timeline for Conformance:	12 months from the report closing.	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	**OPEN**	
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?		Yes ☐ No ☒

NCR: 05/15	NC Classification: Minor	
Standard & Requirement:	SBP instruction document # 5a requirement 4.14.1	
Description of Non-conformance and Related Evidence:		
The pellet production is clearly recorded and the organization has provided documents to justify the amount reported. However during the evaluation of the individual figures the data of the total pellet production did not match– reported, invoiced and profiling information did contain slightly different figures. The difference was less than 1%.		
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.	
Timeline for Conformance:	12 months from the report closing.	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	**OPEN**	
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?		Yes ☐ No ☒

NCR: 06/15	NC Classification: Minor	
Standard & Requirement:	SBP instruction document # 5a requirement 8.1 a	
Description of Non-conformance and Related Evidence:		
The sustainability characteristics in the batch specific information does not include the specification of that the gross definition of the feedstock input type.		
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.	
Timeline for Conformance:	12 months from the report closing.	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	**OPEN**	
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?		Yes ☐ No ☒

OBS: 01/15	Standard & Requirement:	SBP Instruction document 5a requirement 4.1.1
Description of findings leading to observation:	The organization has only one feedstock class according the EC type but two according the UK type. Both these feedstock classes share the same values in terms of energy needed for the production of these feedstock. These two product classes data can´t be provided per each class of feedstock as they come together by conveyor belt from the furniture production.	
Observation:	The organization should focus on implementing a system to record both these feedstock classes separately.	

OBS: 02/15	Standard & Requirement:	SBP Instruction document 5a requirement 4.1.3
Description of findings leading to observation:	The material is transported by the conveyor belt. There is no in-line measuring but the mother company (supplier of the feedstock) do provide sale invoices. These invoices contain all information needed to get the total figure of purchased material. Then the material goes to silos. There are two silos but only one of them is used for SBP biomass production. The second one is used for storing of material which is further sold as the quality of the material is not good enough (some of the input material might contain some chemical substances from the furniture production).	
Observation:	The organization should implement system to improve the quality of the data at the input of the material.	

11 Certification decision

Based on Organisation's conformance with SBP requirements, the auditor makes the following recommendation:	
☒	Certification approved: Upon acceptance of NCR(s) issued above
☐	Certification not approved:
Based on auditor's recommendation and NEPCon quality review following certification decision is taken:	
NEPCon certification decision: **The Biomass Producer has been certified by NEPCon as meeting the requirements of the specified SBP Standard, the certificate can be issued on after approval by SBP Technical Committee. The expiration of the certificate will be then 5 years.**	
Certification decision by: **Olesja Puiso**	
Date of decision: **03/Nov/2015**	

Post Script:

IKEA Wielbark has been certified by NEPCon as of 20 January 2016 as meeting the requirements of Sustainable Biomass Partnership (SBP) v1.0, 26 March 2015 Standards 2, 4 and 5.

The expiration date of the certificate is 19 January 2021.

12 Surveillance updates

Note: Surveillance updates shall be provided to SBP as specified in SBP Standard 3: Certification Systems: Requirements for Certification Bodies.