Compliance with the SBP Framework: Public Summary Report

SCS Global Services
Evaluation of Varn Wood Products LLC

First Surveillance Audit

Sustainable Biomass Program
sbp-cert.org



Completed in accordance with the CB Public Summary Report Template Version 2.1 and SBP Bridging Requirements for Meeting the Directive EU/2023/2413 (REDIII)

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

Document history

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1 Overview

Certification Body (CB) Name:	SCS Global Services
Primary CB contact for SBP:	Maggie Schwartz
Primary CB contact email:	mschwartz@scsglobalservices.com
Audit team leader:	Jose Del Castillo
Audit team members:	Not applicable
Name of the Company:	Varn Wood Products LLC
Company legal address:	11873 Brantley Ave N., 31542 Hoboken, United States
Company contact for SBP:	Matt Stephens
Company contact email:	matt.varncompanies@gmail.com
Company website:	http://varnwood.com/
Date of installation:	
SBP Certificate Code:	SBP-04-20
Date of certificate issue:	14 Apr 2026
Date of certificate expiry:	13 Apr 2031
Audit closing meeting date:	04 Aug 2026
Audit cycle:	First Surveillance Audit

2 Audit conclusions

2.1 Certification decision

Based on the auditor's recommendation and the Certification Body's technical review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Kresimir Colic
Date of decision:	06 Oct 2026
Other comments:	N/A

2.2 Open non-conformities and observations

2.2 Closed non-conformities

NC number 9668	NC Grading: Minor
Standard:	SBP Standard 2: Feedstock Verification v2.0
Requirement:	7.1 The Organisation shall develop a Risk Management Plan (RMP) which includes Risk Management Measures (RMMs) for each Indicator rated as specified risk within its SBE per the Organisation's Risk Assessment or an SBP-endorsed RRA with the objective to mitigate the risk and reduce the risk rating to low risk. N/A N/A
Description of Non-conformance and Related Evidence:	
The organization cites all possible mitigation measures for specified risk indicators in the US SE Private Lands RRA. However, in practice it only uses a subset of those as described in the monitoring and outcomes section. Since this is the first year of implementation, monitoring and outcomes should be reported on next year based on the results of the mitigation measure monitoring variables	
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:	VWP-DOC-008 SBP Supply Base Risk Assessment VWP-PROC-003 SBP Procedures
Findings for Evaluation of Evidence:	The company has updated its procedures and uses the applicable SBP Risk Assessment to assess the risk of non-conformance with the indicators of Standard 1. Mitigation measures have been defined and implemented for all indicators categorized as specified risk. The results of the monitoring activities were reviewed to evaluate the implementation and effectiveness of the mitigation measures. The auditor evaluated the implementation and effectiveness of the mitigation measures through a review of relevant company documentation and supplier records, interviews with company personnel and processing residue suppliers, and field visits to selected forest management units. Based on the evidence sampled, the mitigation measures established for the applicable specified-risk indicators were found to be implemented and operating effectively.
NC Status:	Closed
Original Due Date:	2027-10-06
Closing Date:	2026-10-06
Upgrade Date:	N/A
Update Date:	N/A

NC number 9669	NC Grading: Minor
Standard:	SBP Standard 2: Feedstock Verification v2.0
Requirement:	Annex 1; 3.6 The Organisation shall consider a declaration from the supplier, even if part of the contractual agreement, as not sufficient proof of origin and feedstock category. N/A

	N/A
Description of Non-conformance and Related Evidence:	
A broker-hauler does not have a contract or self-declaration; however, it delivers from a feedstock supplier that have a signed contract and self-declaration, as well as a completed supplier questionnaire. The broker-hauler delivers directly from the feedstock producing mill to the organization's pellet mill per scale tickets reviewed that have the producing mill's information. Hence, this is graded 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:	Signed agreement VWP-DOC-018 Supplier List
Findings for Evaluation of Evidence:	The company has a signed agreement with the hauler, dated July 17, 2025, and conducted an internal audit on the same day the agreement was signed.
NC Status:	Closed
Original Due Date:	2027-10-06
Closing Date:	2026-10-06
Upgrade Date:	N/A
Update Date:	N/A

2.3 Actions taken by Organisation Prior to Report Finalisation

None

2.4 Notes for the next Audit

The next audit should be conducted against Version 2.1 of the SBP Standards and should take place three to four months before the end of the transition period.

3 Scope of the audit and SBP certificate

Scope item	Check all that apply to the Certificate scope
Primary activity	Biomass Producer
Secondary activity	
Approved Standards	SBP Standard 1: Feedstock Compliance v2.0; SBP Standard 2: Feedstock Verification v2.0; SBP Standard 4: Chain of Custody v2.0; SBP Standard 5: Collection and Communication of Data v2.0; Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1; Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413
Product Group IDs	☐ Forest feedstock (1A) ☐ Trees outside forest (TOF) - Urban and landscape feedstock (2A) ☒ Trees outside forest (TOF) - Agricultural land feedstock (3A) ☐ Processing residues feedstock (4A) ☐ Post-consumer feedstock (5A) ☐ Other (please specify) 1234
SBP Feedstock types	☐ SBP Compliant; ☐ SBP Controlled
Includes Supply Base Evaluation (SBE)	Yes
Includes EU RED Scheme	Yes
Includes EU RED Supply Base Evaluation (SBE)	Yes
Products	WB 1.1 Wood pellets
Feedstock origin (countries):	United States
SBP-endorsed Regional Risk Assessments used: **Public link:** https://sbp-cert.org/documents/standards-documents/risk-assessments/	SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim, SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim
Chain of custody system	☐ Physical separation ☒ Mass balance
Outsourcing	PL_YN_NO
Changes in the scope	No

3.1 Description of the company

Guidance: Please describe the type, structure and operations of the company including its role in the supply chain, its inputs and outputs as they related to SBP Standards.

The suppli base updated to one hundred fifty-nine (159) counties (22,775,565 hectares) in Alabama (6 counties), Georgia (92 counties), Florida (48 counties) and South Carolina (13 counties) within the United States.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
Varn Wood Products LLC	11873 Brantley Ave N, 31542 Hoboken, United States	Biomass Producer	☒

3.3 Detailed description of the Chain of Custody system and Product Groups

Guidance: Please describe the operation of the CoC system including details of the mass balance management and a list of established Product Groups.

Varn Wood Products LLC is a pellet mill located in Hoboken, GA. This facility purchases processing residues feedstock from its sister pine sawmill located adjacent to the wood pellet mill and six other pine sawmills. The supply base includes hundred fifty-nine (159) counties (22,775,565 hectares) in Alabama (6 counties), Georgia (92 counties), Florida (48 counties) and South Carolina (13 counties) within the United States.

4 Specific objective of the audit

Varn Wood Products LLC is a pellet mill located in Hoboken, GA. This facility purchases processing residues feedstock from its sister pine sawmill located adjacent to the wood pellet mill and six other pine sawmills. The supply base includes hundred fifty-nine (159) counties (22,775,565 hectares) in Alabama (6 counties), Georgia (92 counties), Florida (48 counties) and South Carolina (13 counties) within the United States.The company achieves upstream traceability using the ERP system and the load ticket number. This information allows each delivery to be traced back to the supplier. Downstream traceability is achieved through the DTS and the invoice number for each transaction. These records demonstrated that all feedstock and biomass can be traced upstream to suppliers and downstream to customers while under the organization's legal ownership

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	Jose del Castillo	8.0
2. On-site (excl. travel time)	Jose del Castillo	16.0
3. Report writing	Jose del CAstillo	8.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Jose del Castillo	Lead Auditor	Forester with 10 years of experience in forest management and the lumber industry, specializing in certification for over five years. As a qualified lead auditor, the auditor holds credentials in ISO 9001:2015, FSC Chain of Custody (COC), FSC Forest Management (FM), PEFC, Sustainable Biomass Program (SBP), RSPO, 4C, and Fair-Trade USA. Auditor's expertise spans auditing, compliance, and quality assurance, ensuring organizations meet rigorous industry standards and best practices.

5.3 Description of evaluation activities

5.4 List of forest management units and feedstock suppliers visited

☐ N/A – No forest sites or suppliers visited during this evaluation
0

Site name
Tract 3886
Site location
Georgia
Site description
FMU
Rationale and focus of visit

The FMU visits were conducted at forest management units that supply roundwood to the company's processing residue suppliers. The visits were used to verify that the roundwood originated from within the defined Supply Base and to confirm the effective implementation of applicable field verification, risk management measures, and environmental and legal requirements
Description of audit activity
The audit activities included visits to selected forest management units (FMUs) within the defined Supply Base that supply roundwood to the company's processing residue suppliers. The evaluation consisted of field observations of harvesting operations and site conditions, verification of the origin and traceability of the roundwood supplied to the processing residue suppliers, and assessment of the implementation of applicable risk mitigation measures. Interviews were conducted with field personnel, and supporting documentation, including harvest records, maps, and load tickets, was reviewed to verify conformance with the applicable SBP requirements.

Site name
Tract 3867
Site location
Georgia
Site description
FMU
Rationale and focus of visit
The FMU visits were conducted at forest management units that supply roundwood to the company's processing residue suppliers. The visits were used to verify that the roundwood originated from within the defined Supply Base and to confirm the effective implementation of applicable field verification, risk management measures, and environmental and legal requirements
Description of audit activity
The audit activities included visits to selected forest management units (FMUs) within the defined Supply Base that supply roundwood to the company's processing residue suppliers. The evaluation consisted of field observations of harvesting operations and site conditions, verification of the origin and traceability of the roundwood supplied to the processing residue suppliers, and assessment of the implementation of applicable risk mitigation measures. Interviews were conducted with field personnel, and supporting documentation, including harvest records, maps, and load tickets, was reviewed to verify conformance with the applicable SBP requirements

Site name
Tract 19088
Site location
Georgia
Site description
FMU
Rationale and focus of visit
The FMU visits were conducted at forest management units that supply roundwood to the company's processing residue suppliers. The visits were used to verify that the roundwood originated from within the defined Supply Base and to confirm the effective implementation of applicable field verification, risk management measures, and environmental and legal requirements
Description of audit activity

The audit activities included visits to selected forest management units (FMUs) within the defined Supply Base that supply roundwood to the company's processing residue suppliers. The evaluation consisted of field observations of harvesting operations and site conditions, verification of the origin and traceability of the roundwood supplied to the processing residue suppliers, and assessment of the implementation of applicable risk mitigation measures. Interviews were conducted with field personnel, and supporting documentation, including harvest records, maps, and load tickets, was reviewed to verify conformance with the applicable SBP requirements

Site name
Tract 19063
Site location
Georgia
Site description
FMU
Rationale and focus of visit
The FMU visits were conducted at forest management units that supply roundwood to the company's processing residue suppliers. The visits were used to verify that the roundwood originated from within the defined Supply Base and to confirm the effective implementation of applicable field verification, risk management measures, and environmental and legal requirements
Description of audit activity
The audit activities included visits to selected forest management units (FMUs) within the defined Supply Base that supply roundwood to the company's processing residue suppliers. The evaluation consisted of field observations of harvesting operations and site conditions, verification of the origin and traceability of the roundwood supplied to the processing residue suppliers, and assessment of the implementation of applicable risk mitigation measures. Interviews were conducted with field personnel, and supporting documentation, including harvest records, maps, and load tickets, was reviewed to verify conformance with the applicable SBP requirements.

Site name
Tract 19049
Site location
Georgia
Site description
FMU
Rationale and focus of visit
The FMU visits were conducted at forest management units that supply roundwood to the company's processing residue suppliers. The visits were used to verify that the roundwood originated from within the defined Supply Base and to confirm the effective implementation of applicable field verification, risk management measures, and environmental and legal requirements
Description of audit activity
The audit activities included visits to selected forest management units (FMUs) within the defined Supply Base that supply roundwood to the company's processing residue suppliers. The evaluation consisted of field observations of harvesting operations and site conditions, verification of the origin and traceability of the roundwood supplied to the processing residue suppliers, and assessment of the implementation of applicable risk mitigation measures. Interviews were conducted with field personnel, and supporting documentation, including harvest records, maps, and load tickets, was reviewed to verify conformance with the applicable SBP requirements.

Site name
Tract 3873
Site location
Georgia
Site description
FMU state owned
Rationale and focus of visit
The FMU visits were conducted at forest management units that supply roundwood to the company's processing residue suppliers. The visits were used to verify that the roundwood originated from within the defined Supply Base and to confirm the effective implementation of applicable field verification, risk management measures, and environmental and legal requirements
Description of audit activity
The audit activities included visits to selected forest management units (FMUs) within the defined Supply Base that supply roundwood to the company's processing residue suppliers. The evaluation consisted of field observations of harvesting operations and site conditions, verification of the origin and traceability of the roundwood supplied to the processing residue suppliers, and assessment of the implementation of applicable risk mitigation measures. Interviews were conducted with field personnel, and supporting documentation, including harvest records, maps, and load tickets, was reviewed to verify conformance with the applicable SBP requirements.

Site name
tract 3874
Site location
Georgia
Site description
FMU state owned
Rationale and focus of visit
The FMU visits were conducted at forest management units that supply roundwood to the company's processing residue suppliers. The visits were used to verify that the roundwood originated from within the defined Supply Base and to confirm the effective implementation of applicable field verification, risk management measures, and environmental and legal requirements
Description of audit activity
The audit activities included visits to selected forest management units (FMUs) within the defined Supply Base that supply roundwood to the company's processing residue suppliers. The evaluation consisted of field observations of harvesting operations and site conditions, verification of the origin and traceability of the roundwood supplied to the processing residue suppliers, and assessment of the implementation of applicable risk mitigation measures. Interviews were conducted with field personnel, and supporting documentation, including harvest records, maps, and load tickets, was reviewed to verify conformance with the applicable SBP requirements.

5.5 Describe audit sampling methodology used

5.6 CB stakeholder engagement

☐ N/A – Certification Body stakeholder consultation not applicable for this evaluation

Guidance: Please specify the number and types of stakeholders engaged, method of engagement and its outcomes.

1

5.7 Stakeholder feedback and response

☐ N/A – Certification Body stakeholder consultation not applicable for this evaluation

1

5.8 Main strengths and weaknesses of the management system and operations

5.9 Summary of evaluation activities for robustness of the Supply Base Evaluation

☐ N/A – Standard 1 not in the scope of the evaluation

0

5.10 Summary of evaluation activities for Processing residues and/or Post-consumer feedstock requirements per Standard 2 and EU RED

☐ N/A – processing residues and/or post-consumer feedstock not used.

5.11 Summary of evaluation activities for chain of custody system per Standard 4

0

5.12 Summary of evaluation activities for collection and communication of data per Standard 5

The evaluation of the processing residues supply chain included a review of documented procedures, supplier records, purchase agreements, receiving records, and supporting documentation, as well as interviews with selected processing residue suppliers. The evaluation verified that the feedstock supplied is a by-product of the suppliers' manufacturing processes and is not generated through the intentional processing of roundwood solely to produce chips, sawdust, or shavings.

The evaluation also included field visits to selected forest management units (FMUs) that supply roundwood to the processing residue suppliers. These visits, together with records and interviews, were used to confirm that the roundwood originates from within the Supply Base defined in the organization's Supply Base Evaluation (SBE) and to evaluate the implementation of applicable risk mitigation requirements.

Additionally, it was verified that the organization has communicated the applicable policies, procedures, and risk mitigation requirements to its suppliers to support the effective implementation of the SBE and the applicable SBP Standard 2 and EU RED requirements.

5.13 Summary of audit findings for competency of involved personnel

5.14 Summary of audit findings for GHG methodology per Standard 6 (if applicable)

The evaluation of the Chain of Custody system included a review of documented procedures, records, and supporting documentation to verify the implementation of the organization's traceability and material control processes. The audit included verification of feedstock receiving records, production records, inventory controls, sales documentation, SBP Data Transfer System (DTS) transactions, and product claims. Mass balance records and accounting reports were reviewed to verify the accurate reconciliation of material inputs and outputs, maintenance of positive balances, and the correct application of SBP claims. Interviews with relevant personnel and observations during the site visit confirmed the effective implementation of the Chain of Custody system in accordance with the applicable requirements of SBP Standard 4.

6 Detailed evaluation of BP's Supply Base Evaluation (if applicable)

☐ N/A – Supply Base Evaluation not in the scope of the evaluation

6.1 Overview of BP's risk assessments and mitigation measures including EU RED scope

The evaluation of the organization's data collection and communication processes included a review of documented procedures, records, calculations, and supporting documentation related to the Sustainability Audit Report (SAR) and the applicable SBP data requirements. Information reported in the SAR was cross-checked against supporting records to verify its accuracy, completeness, and consistency, and the calculations supporting the reported data were reviewed and found to be justified. During the site visit, the audit team verified how key operational data are collected, recorded, and transferred into the SAR. The evaluation also included a review of the SBP Data Transfer System (DTS), supporting transaction records, and other relevant documentation to confirm the effective implementation of the data collection, reporting, and communication processes in accordance with the applicable requirements of SBP Standard 5

6.2 CB evaluation of specified risk indicators and mitigation measures

Country
United States
Area/Sub-Scope
N/A
Indicator
2.1.3 Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be maintained or enhanced.
Specified risk description
The Endangered Species Act is a highly efficient system for the maintenance and enhancement of Federally listed threatened and endangered animal species. However, there is specified risk for the following due to lack of regulatory safeguards and/or resources/incentives for maintenance and enhancement of the following: Nature Serve Network identified G1-G2 animal species not on the ESA threatened or endangered list, G1-G2 plant species (Figure 2.1.3.-1); and FSC US NRA identified species, ecosystems, and HCVs (Figure 2.1.3.-2).
Detailed description of a mitigation measure
For Nature Serve Network identified G1-G2 animal species not on the ESA threatened or endangered list, G1-G2 plant species: Control measures including the following, which may be implemented in concert with SFI Fiber Sourcing certification: • Assessment of G1 and G2 plant and animal species and ecosystems by forest type within a biomass producer's supply basin, including primary and processing residue feedstocks: • Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of identified G1 and G2 species and ecosystems associated with forest types within the supply basin.

• Results of the summary, including forest type-based management recommendations, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.
• Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance G1 and G2 species. This applies to both primary and processing residue suppliers.
For FSC US NRA identified species, ecosystems, and HCVs:
Control measures including the following, which may be implemented in concert with FSC Controlled Wood programs under the FSC US NRA (2019) nexus:
• Assessment of FSC-specified HCVs and areas of specified risk within a biomass producer's supply basin, including primary and processing residue feedstocks:
• Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of HCVs associated with forest types within the supply basin.
• Results of the summary, including forest type-based management recommendations to support maintenance or enhancement of HCVs, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.
• Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance HCVs. This applies to both primary and processing residue suppliers.
• Procurement Policy (for organizations that purchase directly from the source forest): Develop/adapt a procurement policy that reflects the communications themes specified in individual mitigation options and clearly states the requirement that the landowner/forester/logger at the source forest will not supply materials from forests where the HCV is threatened as a result of the forest management activities that produced the forest materials.
• Conservation Initiatives: Engage with, and/or provide monetary or in kind resources to, conservation organizations or similar entities (as specified in individual mitigation options) that are supporting or promoting programs or projects to develop new or augment existing programs within the specified risk area and the organization's supply area that will result in: a) increased and improved implementation of forest management practices for conservation of HCVs, and/or b) increased access to incentive programs for landowners who conserve an HCV.

Detailed description of CB evaluation of mitigation measure and its conclusions

The certification body evaluated the implementation and effectiveness of the organization's risk mitigation measures through the review of documented procedures, supporting records, supplier verification activities, interviews with relevant personnel and suppliers. Based on the evidence reviewed, the mitigation measures were found to be effectively implemented and maintained, providing confidence that the specified risks identified in the Supply Base Evaluation are appropriately controlled in accordance with the applicable SBP requirements

Country

United States
Area/Sub-Scope
N/A
Indicator
2.2.1 Feedstock shall not be sourced from land that had one of the following statuses in January 2008 and no longer has that status due to land conversion: a. Forests b. Wetlands c. Peatlands d. Highly biodiverse grasslands.
Specified risk description
Forests: While there is consensus that deforestation rates are quite low in the US and for the RRA geography, analysis of FIA for the given time period indicates net loss of timberland for the RRA geography of less than 1% (0.75%) with localized losses and gains. Similarly, using methodology based on population growth and issuance of housing permits, which is not based on change detection analysis of the forest itself, the FSC US NRA specified risk for a set of counties within the RRA's geography. Despite relatively low rates of forest loss, with recognition to the precedence of the FSC US NRA and the results of original analysis for the RRA's geography, risk is specified as it relates to forests in this Indicator (See Figure 2.2.1.-1 and Table 2.2.1.-1).
Detailed description of a mitigation measure
Development and implementation of binding written agreements with suppliers that prohibit the delivery of material originating from known conversions of forest to non-forest use.
Detailed description of CB evaluation of mitigation measure and its conclusions
The certification body evaluated the implementation and effectiveness of the organization's risk mitigation measures through the review of documented procedures, supporting records, supplier verification activities, interviews with relevant personnel and suppliers. Based on the evidence reviewed, the mitigation measures were found to be effectively implemented and maintained, providing confidence that the specified risks identified in the Supply Base Evaluation are appropriately controlled in accordance with the applicable SBP requirements

Country
United States
Area/Sub-Scope
N/A
Indicator
2.2.2 Ecosystems, their health, vitality, functions and services in the Supply Base shall be maintained or enhanced.
Specified risk description
Ecosystems enjoy protections under a range of laws, including the CWA and ESA, which are consistently implemented and enforced. However, ecosystems identified via species ranking of G1 and G2 under the NatureServe Global Ranking system or the FSC NRA are not protected by law within the RRA's geography. Thus, there is specified risk for: Nature Serve Network identified G1-G2 animal species not on the ESA threatened or endangered list, G1-G2 plant species (Figure 2.1.3.-1 FSC US NRA identified ecosystems (HCV3) (Figure 2.1.3.-2)

Detailed description of a mitigation measure

For Nature Serve Network identified G1-G2 animal species not on the ESA threatened or endangered list, G1-G2 plant species:
Control measures including the following, which may be implemented in concert with SFI Fiber Sourcing certification:
• Assessment of G1 and G2 plant and animal species and ecosystems by forest type within a biomass producer's supply basin, including primary and processing residue feedstocks:
• Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of identified G1 and G2 species and ecosystems associated with forest types within the supply basin.
• Results of the summary, including forest type-based management recommendations, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.
• Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance G1 and G2 species. This applies to both primary and processing residue suppliers.
For FSC US NRA identified species, ecosystems, and HCVs:
Control measures including the following, which may be implemented in concert with FSC Controlled Wood programs under the FSC US NRA (2019) nexus:
• Assessment of FSC-specified HCVs and areas of specified risk within a biomass producer's supply basin, including primary and processing residue feedstocks:
• Results of the assessment shall be integrated into a summary of management recommendations to support maintenance or enhancement of HCVs associated with forest types within the supply basin.
• Results of the summary, including forest type-based management recommendations to support maintenance or enhancement of HCVs, shall be integrated into logger training curricula for company level or coordinated delivery to loggers within the supply region.
• Requirement that suppliers enter binding written agreements that specify logger training inclusive of forest type-based management recommendations to maintain or enhance HCVs. This applies to both primary and processing residue suppliers.
• Procurement Policy (for organizations that purchase directly from the source forest): Develop/adapt a procurement policy that reflects the communications themes specified in individual mitigation options and clearly states the requirement that the landowner/forester/logger at the source forest will not supply materials from forests where the HCV is threatened as a result of the forest management activities that produced the forest materials.
• Conservation Initiatives: Engage with, and/or provide monetary or in kind resources to, conservation organizations or similar entities (as specified in individual mitigation options) that are supporting or promoting programs or projects to develop new or augment existing programs within the specified risk area and the organization's supply area that will result in: a) increased and improved implementation of forest management practices for conservation of HCVs, and/or b) increased access to incentive programs for landowners who conserve an HCV.

Detailed description of CB evaluation of mitigation measure and its conclusions
The certification body evaluated the implementation and effectiveness of the organization's risk mitigation measures through the review of documented procedures, supporting records, supplier verification activities, interviews with relevant personnel and suppliers. Based on the evidence reviewed, the mitigation measures were found to be effectively implemented and maintained, providing confidence that the specified risks identified in the Supply Base Evaluation are appropriately controlled in accordance with the applicable SBP requirements

Country
United States
Area/Sub-Scope
N/A
Indicator
3.1.1 LULUCF emissions shall be accounted for through one of the following routes: Route A Feedstock may be sourced from a country of origin which is party to the Paris Agreement, and which has submitted a Nationally Determined Contribution to the United Nations Framework Convention on Climate Change (UNFCCC) covering carbon emissions and removals from agriculture, forestry and land use which ensure the changes in carbon stock associated with biomass harvest are counted towards the country's commitment to reduce or limit greenhouse gas emissions, or Route B Feedstock may be sourced from a country of origin which is party to the Paris Agreement and has national or sub-national laws in place (developed in accordance with Article 5 of the Paris Agreement and applicable in the area of harvest), to conserve and enhance carbon stocks and sinks, and provided there is evidence that reported LULUCF-sector emissions do not exceed removals, or Route C Feedstock may be sourced from a Supply Base where an assessment demonstrates that both the carbon stock is stable, and the forests' capacity to act as a carbon sink is stable or increasing over the long term.
Specified risk description
On January 26, 2025, the United States (US) notified the United Nations of its withdrawal from the Paris Agreement, effective January 26, 2026. As a result, the risk classification for Indicator 3.1.1 on Land Use Land Use Change and Forestry (LULUCF) within the Sustainable Biomass Program (SBP) RRA for US Private Forest and RRA for US National Forest have been updated from low to specified risk. Simultaneously, the Level A conclusion from the Article 29(7) from the EU Renewable Energy Directive 2023 (REDIII) Risk Assessment prepared by SBP, has been revised from Level A to Level B. These changes are effective from January 27, 2026. This change requires Varn Wood Products (VWP) to take action to ensure compliance with Route C of Indicator 3.1.1 and Level B of Article 29(7)(b) of REDIII, meaning additional work is required to determine the historical and future carbon stocks in a sourcing area within its Supply Base Evaluation (SBE). On January 21, 2026, SBP published "SBP Guidance for US REDIII Level B LULUCF v1.0 – Guidance for Biomass Producers undertaking the Level B risk assessment for RED Article 29(7) and indicator 3.1.1 of SBP Standard 1" which lays out the additional steps as guidance which can also be used for compliance with Route C and Level B. This guidance document was developed by the SBP Secretariat working on an expert assessment of the carbon stocks and stock change across the lower 48 States (that is, excluding Alaska and Hawaii), which includes historical carbon stocks within the above and below ground living biomass, soil, litter and deadwood, and is intended to produce limited future projections for estimated carbon stock change in line with Level B of Article 29(7)(b) of REDIII and indicator 3.1.1 of SBP Standard 1. VWP, using guidance document "SBP Guidance for US REDIII Level B LULUCF v1.0 – Guidance for Biomass Producers undertaking the Level B risk assessment for RED Article 29(7) and indicator 3.1.1 of SBP Standard 1" and "US REDIII Level B LULUCF" Microsoft Excel file, has completed the recommended eight-step process

described in Annex D of the SBP EU RED Instruction Document “Bridging Requirements for Meeting the Renewable Energy Directive” (EU/2023/2413) and the REDIIBIO Final Report. This process is documented in VWP-DOC-021 Level B Risk Assessment for REDIII Article 29(7) and Indicator 3.1.1 of SBP Standard 1. Data applied for conducting the risk assessment were sourced from the USDA Forest Service’s Forest Inventory and Analysis (FIA) Program’s Nationwide Forest Inventory, a sample-based forest inventory that provides consistent information on forest extent, composition, growth, removals, mortality, and carbon stocks across all ownerships in the United States. The inventory is based on a permanent network of field plots that are measured on a rotating basis, with standardised methods applied nationwide to ensure comparability across states and regions. Because FIA estimates are derived from a statistical sample rather than a complete census, reported values represent population-level estimates and are accompanied by measures of sampling error to support appropriate interpretation of uncertainty.

Detailed description of a mitigation measure

VWP, using guidance document “SBP Guidance for US REDIII Level B LULUCF v1.0 – Guidance for Biomass Producers undertaking the Level B risk assessment for RED Article 29(7) and indicator 3.1.1 of SBP Standard 1” and “US REDIII Level B LULUCF” Microsoft Excel file, has completed the recommended eight-step process described in Annex D of the SBP EU RED Instruction Document “Bridging Requirements for Meeting the Renewable Energy Directive” (EU/2023/2413) and the REDIIBIO Final Report.

VWP-DOC-021 Level B Risk Assessment for REDIII Article 29(7) and Indicator 3.1.1 of SBP Standard 1 was created to describe the 8-step process, in detail, VWP used in completing this assessment.

Detailed description of CB evaluation of mitigation measure and its conclusions

The certification body evaluated the implementation and effectiveness of the organization's risk mitigation measures through the review of documented procedures, supporting records, supplier verification activities, interviews with relevant personnel and suppliers. Based on the evidence reviewed, the mitigation measures were found to be effectively implemented and maintained, providing confidence that the specified risks identified in the Supply Base Evaluation are appropriately controlled in accordance with the applicable SBP requirements