

The Sustainable Biomass Program (SBP) is a not-for-profit, voluntary certification system designed for woody biomass used in energy production.

SBP exists to promote sustainable woody biomass supply chains and facilitate trade in an emerging global market. It gives assurances on the legality and sustainability of woody biomass used in energy production and provides verified data along the supply chain.

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7. Ofgem has identified a number of certification schemes that it considers appropriate for demonstrating compliance with the 'Land Criteria' under the Renewable Obligation sustainability standards. Are these certification schemes adequate? Why/why not? How could they be improved?

Certification schemes offer a market-based mechanism and are not uncommon. They have gained in popularity over recent years, particularly in relation to demonstrating the sustainable sourcing and production of a range of commodities.

The SBP certification system exists as a tool for demonstrating compliance with regulatory, including legality and sustainability, requirements for woody biomass used in energy production. Its comprehensive social and environmental criteria, including biodiversity impacts, are compliant with the relevant legislation.

Use of a common certification system by operators in the woody biomass to energy sector brings efficiency benefits and facilitates consistency across the supply chain, replacing the need for individual end-users to implement their own verification systems.

In 2015, Ofgem conducted a thorough benchmarking exercise of voluntary schemes against the land criteria for woody biomass. The outcome of that exercise should be considered sufficient to demonstrate the adequacy of those schemes reviewed.

8. What certification schemes currently represent 'best practice'? Why?

There are a number of attributes that characterise best practice in certification schemes. Key amongst those attributes are that the scheme:

- is fit for purpose – its scope is clearly defined and it is applicable and compliant with legislation and/or agreements within its geographic scope;
- is robust, rigorous and reliable – certificate holders may be accurately assessed for compliance with the requirements of the scheme, process-based requirements;

- allows for stakeholder engagement and consultation – including directly and indirectly affected stakeholders who have an interest in the application of the standard;
- is transparent – information on the scheme is freely and publicly available, including standards, processes and procedures;
- is accessible – available information on how to meet the standards, provision of relevant training, equally accessible to all;
- incorporates adequate assurance systems – accredited, certification bodies with rigorous and transparent systems and processes conducting independent audit and field verification of certificate holders' systems and processes, competent personnel.

Measured against the attributes listed above, the Forest Stewardship Council (FSC), the Programme for Endorsement of Forest Certification (PEFC), the Sustainable Forestry Initiative (SFI) and the Sustainable Biomass Program (SBP) currently represent best practice.

Existing and well-proven forest certification schemes, such as FSC, PEFC and SFI, have together certified 429 million hectares of forest. There is, however, limited uptake of forest certification in some key biomass feedstock source areas. Moreover, those schemes were designed for retail wood products and do not cover all the regulatory requirements facing end-users of biomass for energy production, such as the collection, carriage and calculation of energy and carbon data throughout the supply chain.

SBP has been designed to specifically address that situation, but it is not a stand-alone system. SBP can be applied only in combination with one of the existing forest certification schemes – it does not replace them.

9. Ofgem has set out approaches to calculating bioenergy GHG emissions for demonstrating compliance with the 'GHG Criteria' under the Renewable Obligation sustainability standards. Are these approaches adequate? Why/why not? How could they be improved?

The Ofgem approach to calculating GHG emissions entails the collection and carriage of data throughout the biomass supply chain.

The implementation of such an approach has been proven by SBP. SBP first implemented its Data Transfer System (DTS) in October 2016, in the third quarter of 2017 a more sophisticated DTS was delivered. The DTS facilitates the collection, collation and transmission of verified data, including sustainability characteristics, throughout the biomass supply chain from feedstock origin to end-user.

The DTS is unique in its capability to track woody biomass transactions along the supply chain. Importantly, it demonstrates the value and applicability of the collection and carriage of energy and carbon data approach.

11. Some large UK users of imported biomass use a risk-based approach to assess the sustainability risks associated with importing biomass from specific jurisdictions. What is the role for these approaches?

A risk-based approach is a robust and credible approach for determining compliance with defined standards.

Taking SBP as an example, the SBP certification system is designed to provide assurance that all feedstock is sourced legally and sustainably. Feedstock certified at the forest level through the Forest Stewardship Council (FSC), the Programme for Endorsement of Forest Certification (PEFC) schemes or PEFC-endorsed schemes, such as the Sustainable Forestry Initiative (SFI), is automatically SBP-compliant. All other feedstock must be evaluated using a risk-based approach.

SBP Standard 1 is broken down into principles, criteria and indicators. The biomass producer (a pellet mill or woodchip producer) must carry out a risk assessment to identify the risk of compliance with each of the 38 indicators detailed in the standard.

Each indicator is rated as either 'low risk'

or 'specified risk'. For any indicator rated as 'specified risk,' the biomass producer must put in place mitigation measures to manage the risk such that it can be considered to be effectively controlled or excluded. The mitigation measures must be monitored.

In conducting the risk assessment, the biomass producer must consult with a range of stakeholders and provide a public summary of the assessment for transparency purposes. The role of the independent, third-party Certification Body is to check that the evaluation of the feedstock has been undertaken and that the biomass producer may make claims for the biomass produced in compliance with the SBP standard.

SBP's Regional Risk Assessments (RRAs) are an important development and a key part of its focus on identifying and mitigating risks associated with sourcing feedstock for biomass pellet and woodchip production. The purpose of an RRA is to evaluate an entire geographic region and determine the risks associated with sourcing feedstock for biomass production from that region. Thus, the need for individual biomass producers to conduct risk assessments is avoided. The SBP RRA procedure also ensures active engagement with a diverse range of stakeholders in the region.