



Supply Base Report: Statkraft Tofte AS

Re-assessment

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Completed in accordance with the Supply Base 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

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1 Overview

Producer name: Statkraft Tofte AS

Producer address: Lilleakerveien 6, 0283 Oslo, Norway

SBP Certificate Code: SBP-01-45

Geographic position: 59.546100, 10.564300

Primary contact: Tassnime Douieb, +47 476 882 16,tassnime.douieb@statkraft.com

Company website: <https://www.statkraft.com/>

Date report finalised: 24 Aug 2021

Close of last CB audit: 27 Sep 2021

Name of CB: NEPCon OÜ

SBP Standard(s) used: SBP Standard 2: Verification of SBP-compliant Feedstock, SBP Standard 4: Chain of Custody, SBP Standard 5: Collection and Communication of Data Instruction, Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.4

Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>

SBP Endorsed Regional Risk Assessment: Not applicable

Weblink to SBR on Company website: <https://www.statkraft.com/what-we-offer/biomass-products/biomass-sustainability/>

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations

Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance	Re-assessment
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

2 Description of the Supply Base

2.1 General description

Feedstock types: Primary

Includes Supply Base evaluation (SBE): No

Feedstock origin (countries): Norway

2.2 Description of countries included in the Supply Base

Country:Norway

Area/Region: Mainland Norway (excluding territories)

Exclusions: Yes

Overview

The supply base primarily consists of small closed-forest family-owned holdings in south-east Norway though for general purposes this is classed for SBP as all Norway. A limited proportion (approximately 15% +/- 5%) of forest owners/family members are actively engaged in their forest through felling and/or transport operations and some family holdings carry out their own reforestation and silvicultural work too. The remaining 85% are managed by co-operatives or other external professional companies. The tenure rights of ownership is 80% private and 20% public in Norway[1].

Harvesting rates are low in Norway[2] and Scandinavia are low compared to other EU countries as rated by the Food and Agricultural Organization of the United Nations (FAO) with harvesting being less than 1 t/ha in instances.[3] Forest resources within the supply base are within < 150km to enable sourcing to be economically viable by truck and approximately < 200km via barge.

Historically, the Sodra mill at Tofte provided a market for pulpwood and non-saw or non-joinery-grade wood. This mill has now been closed. The wood now is received at Statkraft's biomass production site in Tofte. The site at Tofte add values to the supply chain as the biomass supplied to Tofte is co-harvested with higher-grade wood and the low-grade wood has a market outlet opposed to being a waste.

Saw or joinery-grade wood is not sourced as a feedstock, and timber from local sawmill markets is not diverted to biomass. Sawlogs or joinery-grade wood harvested under comparatively long rotation does enter the sawmill industry. There are more than 200 industrial-size sawmills in the country making this side of the wood industry far more significant to the economy than biomass.[4] The sawmill industry accounts for 40% of commercial wood removals[5] and commercial biomass approximately 8% (2013)[6] Therefore sourcing and processing of fuel-grade or pulpwood is not deemed to have a negative effect and replaces a market for local suppliers whom formerly supplied such pulpwood or low-economic-value wood to Sodra at Tofte.

Forest Cover, Land Use, Economics and Wood-Based Policy

Approximately 37% of the surface area in Norway is covered by forest. Twenty-five percent of Norwegian land area is productive forest. Latest available figures (2011) state that the growing stock of timber was 878 million cubic metres. The annual increment was almost 25 million cubic metres. In 2011, the forest owners cut 8.5 million cubic metres industrial roundwood for sale, 2.5 million cubic metres for household logs[7]. The total forested area amounts to 12 million hectares, including 7.4 million hectares of productive forest[8]. An estimated 15% of the productive forest area has been designated as non-economic due to difficult terrain and long distance transport, which means that economical forestry may be operated in only 50% of the forested area. The most important species are Norway spruce (47%), Scots pine (33%) and birch (18%). Standing volume of forest is nearly 900 million cubic metres, compared with 300 million when the first national forest survey was carried out in 1919. The tremendous increase is a result of a forest policy with the main objective of restoring the forest resources. Each year the standing forest volume increases by approximately 20 million cubic metres through tree growth. The total annual harvest is less than 50% of this growth, which again means that the forest volume increases every year. The variety of small-scale forestry creates good conditions for environmental biodiversity. Felling areas are 1.4 hectares on average, with long-rotation between harvesting[9].

Nationally in Norway forest resource policies are based on principles of maintaining the long-term stability and resilience of the resource base. The goal of Norwegian forest management policies is to meet social, economic, ecological and cultural needs for present and future generations. Norway has ratified the Rio convention on biological diversity and the climate and signed resolutions on sustainable management of Europe's forests. The principles expressed in these documents are also incorporated into Norwegian forest policy.

Protected Areas

CITES[10] species are present in Norway but do not include softwood or deciduous (broadleaf species) trees which are threatened. Norway has a high proportion of IUCN Categories. Protected Areas Categories and locations are indicated in the European Environment Agency Map:

Lands protected under The Forestry Act 2005[11]

Areas of special environmental or recreational value – areas in which forest operation is subject to severe restrictions. Applied to approximately 170,000 ha.

Protection forest – forestland that must be treated with special care due to their location or characteristics. Applied to approximately 20% of Norway's forestland[12].

Statistics on protected areas under Norway's The Nature Conservation Act 1970:[13]

National parks: 29. Total area: 27,756,000 ha.

Landscape protection areas: 174. Total area: 15,093,000 ha.

Nature reserves: 1,790. Total area: 4,193,000 ha.

[1] <http://www.unece.org/fileadmin/DAM/timber/publications/SP-26.pdf>

Nature monuments: 103. Total area: 2,000 ha.

Other protection areas: 118. Total area: 126,000 ha.

Total: 47,170,000 ha ~ 10.5% protected under the Nature Conservation Act.

(as of January 1, 2007. Mainland excl. Svalbard)

Norway has formally adopted a Red List classification of species in accordance with criteria from the International Union for Conservation of Nature (IUCN)[1]. A large proportion of the Red List species found in forests are associated with rich broad-leaved forest, however this makes up only 1% of Norway's productive forest area.[2] Feedstocks are from conifer-dominated habitats, thus the risk of feedstocks affecting Red List species is inherently low and Norway's adoption of protected areas classifications provides further protection.

Reported threats to any Red List species is not from forestry or farming practices. Land Use Change (LUC) provides the greatest threat[3], an example being construction activities.[4] Norway is party to several international agreements that deal with the protection of threatened species and cover forestry and land management practices. The most important of these are the Convention on Biological Diversity, the Bern Convention, the CITES Convention and the Ramsar Convention.

Feedstock

Statkraft has one feedstock product group – stemwood from less than 10 suppliers. All feedstock is 100% PEFC Certified and from naturally regenerated forests in biomass profiling information (clearly visible signs of human activity) and not primary forest as defined by SBP.

[1] <http://www.biodiversity.no/Pages/135380>

[2] <http://www.biodiversity.no/Pages/135380>

[3] <http://www.environment.no/topics/biodiversity/species-in-norway/threatened-species/>

[4] <http://www.biodiversity.no/Pages/135380>

[2] <http://www.ssb.no/en/jord-skog-jakt-og-fiskeri/statistikker/stskog>

[3] Internal analysis of FM reports and analyses using the potential available wood supply productive area

[4] <http://www.fao.org/forestry/country/57025/en/nor/>

[5] <https://www.ssb.no/en/jord-skog-jakt-og-fiskeri/statistikker/skogav/aar-endelige>

[6] http://ec.europa.eu/eurostat/statisticsexplained/index.php/File:F3_Wood_as_a_source_of_energy,_2013.png

[7] <https://www.ssb.no/en/jord-skog-jakt-og-fiskeri/artikler-og-publikasjoner/landbruket-i-norge-2011>

[8] https://www.borealforest.org/world/world_norway.htm

[9] Soil Association FSC FM Reports

[10] <https://cites.org/eng/cms/index.php/component/cp/country/NO>

[11] <http://www.lexadin.nl/wlg/legis/nofr/eur/lxwenoo.htm>

[12] <http://www.pefc.org/component/pefcnationalmembers/?view=pefcnationalmembers&Itemid=48/16-Norway>

[13] Soil Association FSC FM Reports

2.3 Actions taken to promote certification amongst feedstock supplier

None required. All suppliers are PEFC certified.

2.4 Quantification of the Supply Base

Supply Base

- a. **Total Supply Base area (million ha):** 11,90
- b. **Tenure by type (million ha):**9.52 (Privately owned), 2.38 (Public)
- c. **Forest by type (million ha):**11.90 (Boreal)
- d. **Forest by management type (million ha):**11.90 (Managed natural)
- e. **Certified forest by scheme (million ha):**0.68 (FSC), 7.38 (PEFC)

Describe the harvesting type which best describes how your material is sourced: Clearcutting

Explanation: Best description is clearcutting. However, some thinnings cannot be excluded as this cannot be accurately quantified in % terms of thinnings / clear cutting. The 'best description' is clear cutting. Harvesting is entirely mechanised for the sourcing of the timber from suppliers using mechanised harvesting equipment. Large volumes of wood are received annually and this is not feasible as a manual operation and specialist contract harvesters are employed by the concession owners. The maximum allowable cut depends on the forest management plan as defined under Norwegian Law on local conditions taken into account.

Was the forest in the Supply Base managed for a purpose other than for energy markets? Yes - Majority

Explanation: The majority of the wood is harvested for sawmills and is high grade timber destined for sawmilling markets that is a much greater value per m3 than the energy wood received.

For the forests in the Supply Base, is there an intention to retain, restock or encourage natural regeneration within 5 years of felling? Yes - Majority

Explanation: This is a condition of the Norwegian Forest Code. Replanting must occur as part of the Forest Management plan and harvesting. Additionally this is a condition of PEFC and all material is 100% PEFC certified.

Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation? No

Explanation: The wood is supplied with the description of 'bioenergy'. No wood received with descriptions of diseased and diseased wood is not stated in contracts, only low grade / bioenergy

Feedstock

Reporting period from: 01 Jul 2020

Reporting period to: 30 Jun 2021

- a. **Total volume of Feedstock:** 1-200,000 m3
- b. **Volume of primary feedstock:** 1-200,000 m3
- c. **List percentage of primary feedstock, by the following categories.**
 - Certified to an SBP-approved Forest Management Scheme: 80% - 100%
 - Not certified to an SBP-approved Forest Management Scheme: 0%
- d. **List of all the species in primary feedstock, including scientific name:** Pinus sylvestris (Pine); Picea abies (Norwegian Spruce); Populus spp (Poplar); Betula spp (Birch); Fraxinus spp (Ash); Quercus spp (Oak);
- e. **Is any of the feedstock used likely to have come from protected or threatened species?** No
 - Name of species: N/A
 - Biomass proportion, by weight, that is likely to be composed of that species (%): N/A
- f. **Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%):** N/A
- g. **Softwood (i.e. coniferous trees): specify proportion of biomass from (%):** N/A
- h. **Proportion of biomass composed of or derived from saw logs (%):** 0,00
- i. **Specify the local regulations or industry standards that define saw logs:** There are no known local standards that provide an accurate definition (e.g. diameter). This is pulp wood / energy wood.
- j. **Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** 100,00
- k. **Volume of primary feedstock from primary forest:** 0 %
- l. **List percentage of primary feedstock from primary forest, by the following categories. Subdivide by SBP-approved Forest Management Schemes:**
 - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: 80% - 100%
 - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: N/A
- m. **Volume of secondary feedstock:** 0 N/A
 - Physical form of the feedstock: N/A
- n. **Volume of tertiary feedstock:** 0 N/A
 - Physical form of the feedstock: N/A

Proportion of feedstock sourced per type of claim during the reporting period

Feedstock type	Sourced by using Supply Base Evaluation (SBE) %	FSC %	PEFC %	SFI %
Primary	0,00	0,00	100,00	0,00
Secondary	0,00	0,00	0,00	0,00
Tertiary	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00

3 Requirement for a Supply Base Evaluation

Is Supply Base Evaluation (SBE) is completed? No

N/A

4 Supply Base Evaluation

4.1 Scope

Feedstock types included in SBE: N/A

SBP-endorsed Regional Risk Assessments used: Not applicable

List of countries and regions included in the SBE:

Country: N/A

Indicator with specified risk in the risk assessment used:

N/A

Specific risk description:

4.2 Justification

N/A

4.3 Results of risk assessment and Supplier Verification Programme

N/A

4.4 Conclusion

N/A

5 Supply Base Evaluation process

N/A

6 Stakeholder consultation

N/A

6.1 Response to stakeholder comments

N/A

7 Mitigation measures

7.1 Mitigation measures

N/A

7.2 Monitoring and outcomes

N/A

8 Detailed findings for indicators

Detailed findings for each Indicator are given in Annex 1 in case the Regional Risk Assessment (RRA) is not used.

Is RRA used? N/A

9 Review of report

9.1 Peer review

N/A

9.2 Public or additional reviews

N/A

10 Approval of report

Approval of Supply Base Report by senior management			
Report Prepared by:	Tassnime Douieb	Commercial Operator	12 Aug 2021
	Name	Title	Date
Report Prepared by:	Robin Askey	Advisor	12 Aug 2021
	Name	Title	Date
<p>The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.</p>			
Report approved by:	Trude Fjeldstad	MD Statkraft Tofte AS	24 Aug 2021
	Name	Title	Date

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A