



Supply Base Report: Moelven Pellets AS

Third Surveillance Audit

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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: Moelven Pellets AS

Producer address: Nordmoveien 60, 3534 Sokna, Norway

SBP Certificate Code: SBP-06-38

Geographic position: 60.242400, 9.955600

Primary contact: Margot Øverbø,+47 470 20 417,Margot.Overbo@moelven.no

Company website: <https://www.moelven.com/no/om-moelven/moelven-pellets/>

Date report finalised: 11 Nov 2022

Close of last CB audit: 22 Nov 2022

Name of CB: Control Union Certifications BV

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

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.moelven.com/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
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2 Description of the Supply Base

2.1 General description

Feedstock types: Secondary

Includes Supply Base evaluation (SBE): No

Feedstock origin (countries): Norway

2.2 Description of countries included in the Supply Base

Country:Norway

Area/Region: 12 million hectares

Exclusions: No

General description

Moelven Pellets AS produces wooden pellets from woodworking residues of nine sawmills. The annual production volume is 80 000 tons wood pellets. These residues for pellet production consist of sawdust, shavings and chips of Norway spruce (*Picea abies*) and Scots pine (*Pinus sylvestris*). All volumes are procured with an FSC and/or PEFC certification claim (SBP Compliant).

Moelven Pellets AS uses residues from the following sawmill within the Moelven Group: Moelven Soknabruket AS, Moelven Numedal AS, Moelven Van Severen AS, Moelven Granvin Bruk AS and Moelven Mjøsbruken AS. In addition Moelven Pellets AS uses residues from the group-external sawmills Begna Bruk AS, Telemarksbruken AS, Bergene Holm Haslestad and Bergene Holm Larvik.

All sawmill within the Moelven Pellets supply base uses locally harvested sawlogs. The residues from the production of a saw log (100%) in Norway is typically 25% pulp chips and 20% sawdust & shavings.

Total Supply Base area (ha): Total Supply Base area (ha): Predominately conifer closed-forest mainly within Innlandet, Viken, Oslo, Vestfold og Telemark, Agder, Rogaland, Vestlandet and Møre og Romsdal. Comprising 7,4 million hectares. The Total Supply Base includes all of Norway and 12 million hectares.

The Norwegian forest

In total 37% of Norway's land area, or about 122000 km² is covered by forests or wooded land. There is approximately 75 000 km² of productive forest area in Norway.

Standing volume has been double since 1925 and the harvesting is less than the increment every year. One fourth of Norwegian land area is productive forest. In 2016, the total stock in Norwegian forests is 952 million cubic meters, and over the last ten years the volume has grown 25 per cent. The annual increment was almost 26 million cubic meters. In productive forest, the annual increment amounted to 23.8 million cubic meters; of which 18.5 million cubic meters are in conifer forest. In 2015, the forest owners cut 10.2 million cubic meters industrial roundwood for sale. In addition, 2.5 million cubic meters fire wood was used by the households. In total, forest owners invested NOK 372 million in silviculture and forest roads. In 2014, almost 16 000 persons were employed in Norwegian paper mills, sawmills and woodworking industry.

In 2020 there was harvesting 10.7 million cubic meters industrial roundwood for sale. About 4,5 % was bioenergy, 44,5 % was pulpwood and 51 % was Saw wood.

Norway spruce (44 per cent) and Scots pine (31 per cent) are the most common tree species in Norwegian forests, representing 75% of the total standing stock. Broad-leaved (25 per cent) is increasing the most, and over the last ten years the volume of broad-leaved species has increased by 40 per cent.

Almost all Norwegian forests are part of a certification scheme. PEFC certification covers 98 % of all industrial roundwood (73 million hectares forest area). About 100 forest properties has a double certification FSC/PEFC (4,4 million hectares forest area)

Annually, Norwegian forests absorb 25 million tons of CO₂. (about 50% of the Norwegian annual emissions of climate gases).

Forest Property

The tenure rights of ownership is 79% private and 21% public in Norway. Less than 10 per cent is owned by the government and the remainder is owned by companies, forest-commons and municipalities. The average property size in 2017 is 55 hectares of productive forest area. The total registered productive forest area amounted to 7 million hectares. In 2016, timber was cut for sale on 14 000 forest properties. The average commercial roundwood removal per property was 724 cubic meters.

80% of the timber for industrial use comes from family owned forests connected to forest owners' cooperatives. The timber cooperatives were formed about a hundred years ago by family forest owners. There are four regional forest owners' cooperatives in Norway with around 35000 members.

Forest management

The use of Norwegian forest is regulated under the Forest Act. The Forestry Act was renewed in 2005. Forestry has relatively few regulations in Norway. Harvesting is regulated by the Ministry of Agriculture and Food. The purpose of the Forest Act is to promote sustainable management of forest resources in Norway with a view to promotion of local and national economic development, and to secure biological diversity, consideration for the landscape, outdoor recreation and the cultural values associated with the forest.

Protected areas

In 2016, the Parliament decided goal of protecting 10 per cent of the Norwegian forested areas, partly through voluntary protection, partly through conserving public forests.

Species

CITES species are present in Norway, but do not include any tree species.

Norway has formally adopted a Red List classification of species in accordance with criteria from the International Union for Conservation of Nature (IUCN). The most recent edition of the Norwegian Red List

(2015) includes 4438 species, 2355 of which are considered to be threatened (critically endangered, endangered or vulnerable), while 1235 are listed as near threatened. In Norway, land-use change is considered to be a threat to 90 % of all critically endangered, endangered and vulnerable species (threatened species). Commercial forestry is a threat to 41% of these vulnerable species. More species are associated with forests than with any other main habitat in Norway (26,000 known species of plants and

animals). Almost half (48 %) of all threatened species are found in forest, either exclusively or both in forest and in other habitats. The largest numbers of threatened species in forest habitats are in the species groups fungi (353 species), beetles (230 species), true flies or Diptera (128 species) and lichens (124 species). Many of the threatened species in forest are specialists, for example found on dead wood, large deciduous broad-leaved trees, burnt areas left by forest fires, or calcareous soils. A large proportion of the red-listed species found in forests are associated with rich broad-leaved forest, even though this only makes up 1 % of Norway's productive forest area.

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 Conven

2.3 Actions taken to promote certification amongst feedstock supplier

Almost all Norwegian forests are part of a certification scheme. PEFC certification covers 98 % of all industrial roundwood (73 million decares forest area). About 100 forest properties has a double certification FSC/PEFC (4,4 million decares forest area)

2.4 Quantification of the Supply Base

Supply Base

- a. **Total Supply Base area (million ha):** 12,00
- b. **Tenure by type (million ha):**9.48 (Privately owned), 2.52 (Public)
- c. **Forest by type (million ha):**12.00 (Boreal)
- d. **Forest by management type (million ha):**12.00 (Managed natural)
- e. **Certified forest by scheme (million ha):**0.44 (FSC), 7.30 (PEFC)

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

Explanation: Approximately 85 % of harvesting is clearcutting in Norway

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

Explanation: Saw logs and pulpwood

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: The use of Norwegian forest is regulated under the Forest Act. Section 6. Regeneration and silviculture of forest The forest owner shall ensure satisfactory regeneration after felling, and ensure that there is a correlation between the logging method and the method of regeneration. Necessary measures for providing for regeneration shall be initiated within three years after felling. The time limit for regeneration may be postponed to five years when justifiable on the basis of climatic and local conditions.

<https://www.regjeringen.no/en/dokumenter/Act-relating-to-forestry-Forestry-Act/id87139/>

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 saw logs and pulpwood

Feedstock

Reporting period from: 01 Oct 2021

Reporting period to: 30 Sep 2022

- a. **Total volume of Feedstock:** 1-200,000 tonnes
- b. **Volume of primary feedstock:** 0 N/A
- c. **List percentage of primary feedstock, by the following categories.**
 - Certified to an SBP-approved Forest Management Scheme: N/A
 - Not certified to an SBP-approved Forest Management Scheme: N/A
- d. **List of all the species in primary feedstock, including scientific name:** N/A
- e. **Is any of the feedstock used likely to have come from protected or threatened species?** N/A
 - 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 (%):** N/A
- i. **Specify the local regulations or industry standards that define saw logs:** N/A
- j. **Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** N/A
- k. **Volume of primary feedstock from primary forest:** N/A N/A
- 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: N/A
 - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: N/A
- m. **Volume of secondary feedstock:** 1-200,000 tonnes
 - Physical form of the feedstock: Chips, Sawdust, Other (specify)
- 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	0,00	0,00
Secondary	0,00	0,00	100,00	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:	Inge Hanstad	Virkesingeniør	11 Nov 2022
	Name	Title	Date
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.			
Report approved by:	Lars Storslett	Direktør Virke	11 Nov 2022
	Name	Title	Date

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A