CANADA'S WOOD PELLETS

REGIONAL RISK ASSESSMENTS

A Framework to Verify the Legality and Responsibility of Fibre

Biomass bush grinding outside Vanderhoof. Photo: Trey Hurst courtesy of naturallywood.com

WHAT IS A REGIONAL RISK ASSESSMENT?

Regional Risk Assessments (RRA) evaluate an entire geographic region and determine the risks associated with sourcing fibre (feedstock) from that region. This guarantees consistency between Biomass Producers' (BP) risk assessments and eliminates the need for the producers to conduct individual risk assessments.

Sustainable Biomass Program (SBP) endorsed RRAs are a key part of the SBP's focus on identifying and mitigating risks associated with sourcing fibre for biomass pellet and woodchip production.

RRAs have been completed for a few European countries as well as the Canadian provinces of Quebec and British Columbia, and RRAs are also underway for New Brunswick and Nova Scotia and planned for Alberta and Saskatchewan. The development of the British Columbia and Maritime RRAs received financial support from the Canadian Forest Service, Government of Canada, Export Market Opportunities program.

The Sustainable Biomass Program (SBP) was established in 2013 to provide assurance that woody biomass — mainly wood pellets and wood chips used for large-scale energy production — is sourced from legal and responsible sources. While the significant proportion of Canadian fibre comes from certified forests, any uncertified fibre must be evaluated against SBP criteria, and the wood pellet manufacturer must carry out a risk assessment to identify the risk of compliance against 38 SBP indicators covering 16 criteria for legality and sustainability.

> "RRAs get you to focus on both the probability of the risk and the severity. Once you have that then you can put management practices in place that help you control the probability."
>
> – **Brenda Hopkin,**
> Registered Professional Forester who led the assessment for British Columbia

WOOD PELLET ASSOCIATION OF CANADA

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REGIONAL RISK ASSESSMENTS IN CANADA

Regional Risk Assessments provide Biomass Producers with a mechanism to identify and manage potential risks in the supply chain. Key areas include biodiversity, water, and soils.

In forest management certification schemes like FSC, PEFC and SFI, the forest manager has direct control over what happens on the ground, but biomass producers don't have that level of control.

In British Columbia, the RRA was guided by the Risk Evaluation Framework (REF) approach that starts with confirming that there is a regulatory framework and oversight to manage the risk; that there are implementation mechanisms to ensure compliance; and that there is a means to verify results on the ground through publicly available and current information via a stepwise evaluation.

Specified risks are those values that, through the development of the RRA, have been identified as requiring additional management or avoidance in the supply chain. In Canada, the RRAs focus on the uncertified landbase and provide BPs with the process to identify, manage, and communicate to ensure expectations are understood and verified.

Photo: naturally:wood.com

A RIGOROUS PROCESS

In British Columbia, an independent working body facilitated the RRA to ensure that relevant laws, policies, and practices—as well as practical knowledge of forestry in British Columbia— were accurately captured in the RRA. Important information included: interviews with experts, the experience and knowledge of consultants, applicable legislation, reports from provincial authorities and other stakeholders, various databases and statistical data sources.

Stakeholders were consulted in the process and information was obtained verbally and from written public and private sources. BPs must use the results of the RRA to complete a Supply Base Evaluation (SBE). The SBE is used to demonstrate the BP's compliance with its findings and implement mitigation measures to manage any specified risks such that the risks can be controlled. It is the role of an independent, accredited third-party certification body, to verify that the SBE has been correctly undertaken and that any mitigation measures are being effectively implemented.

The RRA provides BPs with guidance for determining appropriate mitigation measures:

1. Specify the 'gap' that has been identified by the risk evaluation framework criteria that resulted in a 'specified risk' within the RRA.
2. Provide evidence relative to the 'threat' that supports that the 'gap' does not exist in the BPs supply base area.
3. Provide evidence, relative to the 'gap' that indicates how the mitigation measures relative to the 'threat' implemented in the BPs supply base area has reduced the risk of nonconformance to acceptable levels.

Where the BP cannot close the 'gap' with evidence and the indicator/sub-scope remains 'specified risk', the feedstock is ineligible to be sourced as SBP-compliant and evidence to verify 'avoidance' is provided as the risk control.

Addressing fibre from uncertified forests will become increasingly important in the context of Canada's forests, as more forest activities move to local community groups, small private landowners and First Nations, which may not have the resources to undertake third party certification but want to more actively participate in the sector and sell fibre to pellet producers.

It should be noted that, although the RRA identifies 'specified risk', it does not mean that the risk exists for a BP. To rationalize low risk, all four components of the risk evaluation framework must verify evidence that the threat is managed. Specified risk occurs when there is a 'gap' in verifiable evidence for one or any of the components (see table).

The RRA sets a critical path forward for WPAC members as they advance responsible practices across the entire supply chain and support domestic and global customers to meet important climate change targets. You can read more about the Regional Risk Assessments at www.sbp-cert.org/documents/ standards-documents/

UNCERTIFIED LAND

	PROVINCE	CROWN	PMFL (Private Managed Forest Lands)	OTHER/ PRIVATE
LEGISLATION FRAMEWORK?	MET	MET	MET	**GAP**
MECHANISM OF IMPLEMENTATION?	MET	MET	**GAP**	**GAP**
COMPLIANCE & ENFORCEMENT AND/OR MONITORING FRAMEWORK?	MET	**GAP**	**GAP**	**GAP**
CURRENT CONDITION /SITUATION?	MET	**GAP**	**GAP**	**GAP**
RISK DESIGNATION	**LOW**	**SPECIFIED**	**SPECIFIED**	**SPECIFIED**