

Sustainable Biomass Program

Advances in EUDR - Traceability & Geolocation

September 2024



Sustainable Biomass Program

Promise of good biomass



- **Non-profit, independent, multi-peoples, voluntary certification scheme**
- **Sourcing standard = feedstock is sourced from legal and sustainable sources**
- **Specifically developed for woody biomass – pellets & wood chips**
- **Global one stop shop - Covering all existing regulation recognised: EC - REDII, UK, NL, Japan**
- **Independent auditing and certification: ISO 17011 / 17065**
- **Member of the ISEAL Alliance – seeks to strengthen sustainability standards via Codes of Best Practise**
- **Ca 360 Companies / 36 countries / ca. 16mt in 2023 / 80% EU consumption / 30% global pellet production**



Data Transfer System - DTS

The Data Transfer System is a cloud-based digital tool for the transfer of SBP claims, production and sustainability data along the supply chain!

- Facebook/LinkedIn connect producers and buyers
- 360 Certificate Holders = 3,000+ Business Relationships = Access to data
- Mandatory use / No trade of SBP certified material allowed outside of the DTS
- Every transaction is tracked
- Eliminates fraud in the supply chain
- Users utilise data for GHG calculations

=> Transfer of EUDR relevant data





GHG emission platform

- Connect DTS data to calculation engine
- Reporting
- *Under development*

EU Deforestation Regulation

Traceability solution for SBP-certified biomass in the market



- **The EU Deforestation Regulation (EUDR), adopted in 2023, is designed to prevent products linked to deforestation from entering the European Union market.**
- **EUDR targets palm oil, soy, coffee, cocoa, beef, rubber and wood, along with their derived products.**
- **Under the EUDR, companies (based in the EU) must prove that their supply chains are deforestation-free.**
- **The EUDR emphasises due diligence, requiring companies in the EU to trace the origin of products and provide evidence of their sustainability.**

=> Approximately 50,000 companies in the EU are directly impacted by the EUDR.



EC - Recognition of Voluntary Certification Schemes



EU REDII



EUDR



- EUDR is not intended to be complied with via a Voluntary Certification Scheme.
- EU based companies must establish and maintain a due diligence system to prove deforestation-free supply chains themselves.
- Certification Schemes including SBP will not provide the Green lane for EUDR.
- Overlap SBP Certification ⇔ Company EUDR Due Diligence

EUDR compliance versus the SBP framework



Does the SBP certification cover the information required for compliance with EUDR?

EUDR Article 3 Relevant products shall not be placed on the market or exported, unless:

SBP Standard 1 & SBP Standard 2

(a) The products are deforestation-free

Deforestation after 31 December 2020

SBP ST 1: 2.2.1

Forest degradation after 31 December 2020

- (a) primary forests or naturally regenerating forests into plantation forests or into other wooded land; or
- (b) primary forests into planted forests;

Not covered

(b) Have been produced in accordance with the relevant legislation of the country of production

(a) land use rights;

SBP ST 1: 1.1.2

(b) environmental protection;

SBP ST 1: principle 2

(c) forest-related rules, including forest management and biodiversity conservation, where directly related to wood harvesting;

SBP ST 1: 1.1.3, criteria 2.1

(d) third parties' rights;

SBP ST 1: criteria 4.2

(e) labour rights;

SBP ST 1: 4.1.1, 4.1.4, 4.1.5, 4.1.6, 4.1.7, 4.1.8, 4.1.9, 4.1.10

(f) human rights protected under international law;

SBP ST 1: 4.1.2, 4.1.3,

(g) the principle of free, prior and informed consent (FPIC), including as set out in the UN Declaration on the Rights of Indigenous Peoples;

SBP ST 1: 4.2.4, 4.2.6

(h) tax, anti-corruption, trade and customs regulations.

Anti-corruption not covered

(c) Are covered by a due diligence statement

Collection of information, data and documents (Art. 9)

The geolocation of all plots of land and date or time range of production (d)

Geolocation and time range of production not covered

Risk assessment measures (Art. 10)

Level of corruption, data falsification, armed conflict, sanctions imposed (h)

Level of corruption, data falsification, armed conflict, sanctions imposed not covered

Risk mitigation measures (Art. 11)

SBP ST 2: section 7

Voluntary EUDR module in the DTS

Overview of functionality – expected to go live in October -



1. Supply Chain Map Builder
2. EUDR Transaction
3. EUDR Governance Report
 - a) Risk assessment
 - b) Risk mitigation measures
4. Due Diligence Statement
5. Connection with EU IT



RADIX Tree is the cloud platform for tracking your products along your supply chain. It is an **end-to-end, flexible solution** that can be used in any industry by large and small companies.

Connect with your supply chain partners via RADIX Tree, collect the **relevant information** from each level of your supply chain and generate the **reports** and additional documents you need to fulfil compliance obligations, especially the **EUDR**.

- Not a SBP EUDR standard
- Not a mandatory part of the SBP Certification process
- Not a tool to collect data in the field

Sustainable Biomass Program

Data Transfer System(DTS) SBP EUDR module

DEMO



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