

Demonstrating Sustainability through Certification

WPAC 2017 AGM & Conference 19th September 2017



Sustainability Past

1713: The idea of sustainability emerges in times of crisis & scarcity:
=> Lack of timber for the mining industry

Carl von Carlowitz invents the concept of sustainable forestry



Sustainability Present

- Sustainability has become a global “Movement”
- Sustainability has a roll in every society and company
- No clear definition for “Sustainability”, leads to confusion and intended & unintended misuse – “Greenwashing”
- Governments have incorporated Sustainability into national regulations
- Consumers and retailers expect / demand proof of Sustainability



Focusing on sustainable sourcing solutions.

Expectations on sustainability

- Super market chains, Ikea etc. => extreme change in advertising in the past years to more green and social
- Fashion, style, color & price - Less expensive, look good and burn well
- Consumers expect:
 - No child labor
 - No deforestation
 - Fair payment for loggers and their families
 - No illegal wood
 - No GMOs, No clear cutting, No tropical wood, only sourced locally, etc.



Sustainability is complex & difficult to verify.....

- | | | | |
|----|--------------------------------|--------------------------------|---|
| 1. | I do my own Due Diligence | 1 st Party Auditing | e.g. EUTR, Lacey Act, less credible |
| 2. | My client checks me | 2 nd Party Auditing | e.g. utilities, more credible |
| 3. | A certification body audits me | 3 rd Party Auditing | e.g. SFI, FSC, SBP preferred by consumers, regulators => as most credible |



=> Demonstrate sustainability through a certification **claim** has proven to work.



Focusing on sustainable sourcing solutions.

Market reaction (retailers, regulators)



76% of the public believe independent third-party certification is the best way to verify a product's social or environmental claims.



Challenges of Sustainability Biomass Certification

- No “one size” definition for “Sustainability”;
- => Different criteria for sustainability by e.g. regulators (producing and end-user countries), certification systems (FSC, SFI, PEFC, SBP, etc.) and expectations of stakeholders incl. NGOs are a moving target;
- Administrative burden to document objective evidence => cost and time consuming for ALL actors;
- Today approximately 10 – 12% of the world’s forest area management is certified according to FSC, PEFC and SFI standards. => Globally the demand for sustainably sourced wood / biomass feedstock can not be met;
- FSC and PEFC/SFI certified material can not be physically mixed without losing its certified status. => This limits global available volumes of sustainable sourced woody biomass feedstock.



Focusing on sustainable sourcing solutions.

Biomass Sustainability Certification Systems

Certification System	CoC Certificates	Certificates (pellets & chips)	Feedstock	GHG
FSC (Forest Stewardship Council) – www.fsc.org	33.117	766	wood & ntfp	No
PEFC (Program for the Endorsement of Forest Certification Schemes) – www.pefc.org	19.822	392	wood & ntfp	No
RSB (Round table on Sustainable Biomaterials) – www.rsb.org	20	1	biomass	Yes
GGL (Green Gold Lable) - www.greengoldcertified.org	12	12	wood	Yes
BetterBiomass - www.betterbiomass.com	77	22	biomass	Yes
ISCC - www.iscc-system.org	1.600	0	biomass*	Yes
SBP (Sustainable Biomas Program) - www.sbp-cert.org	115	115	wood	Yes
Red Cert www.redcert.org	1900	0	biomass*	Yes



RSB
Roundtable on
Sustainable Biomaterials
www.rsb.org



Sustainable Biomass Program (SBP)

- Founded 2013, not-for profit org by 7 European Utilities
- 3rd party sustainability Certification system
- 6 Standards published 2015
- Demonstrate regulatory compliance, DK, UK, NL, B
- Designed for woody biomass (wood pellets and wood chips)
- Ability to mix FSC & PEFC/SFI
- 6 Certification Bodies - offer SBP Certification in 40 countries
- 115 certified companies in 16 countries (North America, Europe, Russia), & list is growing
- Established by end users => there is a demand
- 2017 launched governance transition process => Multi stakeholder organisation in 2019 -> website



Sustainability in the Woody Biomass Sector

What are the options for the sector?

- Ignore?
- Argue?
- Just do it...
- Do it really well!
- Many systems for many...
- One system for all...

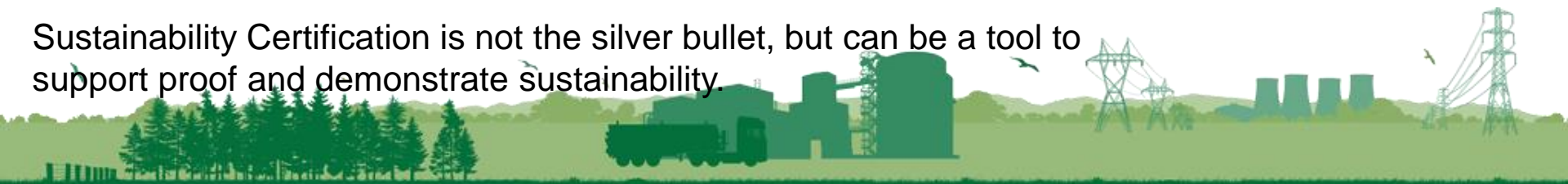


Development of Sustainability Certification

- Sustainability is not a fashion style that will disappear in the future;
- We live in a world where consumers have become very detached from the reality of using natural resources;
- In many branches (palm oil, soy, sugar, fish, etc.) Sustainability Certification is status quo, part of risk management and a license to trade with specific markets;
- Sustainability should be a must, not a maybe;

We foresters and wood working people rely on laws and traditions of managing forest sustainable. That's cool, but we need to understand that this is not sufficient or credible for/to stakeholders, EU regulators etc. to accept and understand there is need to take action and prove it!

Sustainability Certification is not the silver bullet, but can be a tool to support proof and demonstrate sustainability.



Focusing on sustainable sourcing solutions.



Carsten Huljus
Chief Executive Officer
e: chuljus@sbp-cert.org
m: +49 172 420 6442
Skype: carsten.huljus
w: www.sbp-cert.org

