

Green Gold Label Program

Introduction & scope

The principles and criteria in this instruction document are required for voluntary certification of

- Woody biomass from forest management units (FMU's) in category 1 (FMUs > 500ha),
- Woody biomass in category 2 (FMU's <500 ha),
- Residue from nature and landscape management in category 3,
- Agricultural residues in category 4, and
- Biogenic residues and waste flows in category 5.

These are an extension to the existing GGL normative framework. The GGL Foundation will evaluate these principles and criteria annually, and thus reserves the right to make changes as it considers appropriate.

A verification based on the principles in this standard with a positive result will lead to the entity being accepted as a source of biomass under the GGL scheme requirements for the Japanese market. This document is to ensure that biomass delivered to the Japanese market is in compliance with the METI (Ministry of Economy, Trade and Industry) FIT (Feed-in Tariff) and FIP (Feed-in Premium) scheme. Requirements for verification against this standard are described in Principle 2 of this document and replace the requirements from Principle 4 (4.11 – 4.14) of the GGL chain of custody standard (GGLS1).

The verification programme according to this instruction document is applicable in case a GGL Participant –as producer– is not independently certified against this instruction document as an individual producer, nor against any of the endorsed schemes as indicated in GGL 1c document. Assurance on compliance of producer against the mentioned criteria is the liability of the collector. All collectors shall comply with the criteria of the current document.

If the source is certified against any of the endorsed schemes, as listed in document GGL 1c - Endorsed Schemes, an additional verification to this standard is not required. GGL 1c may be updated if schemes are added or removed.

For material to be accepted into a GGL supply chain, the participant needs to provide a Raw Material Statement to the buyer with all relevant information, including the certificate number, as received upon successful certification against this standard.

Appendix A illustrates the applicability of GGL 1d standard and required documentations for participants within the GGL chain of custody.

All GGL standards and supporting documents are considered normative unless stated otherwise.

Principle 1 General requirements

- 1.1 The collector shall have a plan, including clear targets and evaluation of Best Available Technology (BAT) in order to reduce GHG emissions and this plan shall be implemented. Emissions gathering and calculation shall be based on GGLS1 – COC criteria and GGL1a. Instruction document GHG calculation requirements.
- 1.2 The collector shall have a plan aimed at achieving and increasing sourcing of certified biomass on an annual basis. The plan shall be updated annually and at minimum include a 5-year targeted forecast including an annual increase of endorsed certified inputs (see GGL 1c. Endorsed schemes). The plan should exceed average annual industry percentages on a national level of the same endorsed certification scheme.

GGL 1d. Instruction document for supplying the Japanese market

Note 1. This requirement only applies where GGL has approved certification schemes for the particular biomass type. See GGL 1c. Endorsed schemes.

Note 2. Within the framework of this document, and GGL 1c, GGL can only endorse schemes that are also approved by the Japanese Ministry of Economy, Trade and Industry (METI) within the FIT framework.

- 1.3 All plans shall be approved at the highest management level of the collector.

Principle 2 Supplier verification programme

2.1 The Raw Material Statement for biomass (GGL 1e) shall be used to verify compliance against the relevant requirements from this instruction document by both the participant and the Certification Body. Any legal owners (including sub-suppliers) of the material shall sign the Raw Material Statement (or separate statements) in order to identify the full supply chain and to prove/ensure that materials covered by the Raw Material Statement meet the GGL criteria. In case a GGL transaction certificate is provided by the participant, the raw material statement is not necessarily required. In any case, all relevant evidences shall be requested from suppliers if there is any doubt whether the material meets the applicable GGL criteria.

2.2 Verification against the requirements from this instruction document by the participant shall take place prior to selling the material as GGL certified and must meet the following requirements:

- a) Shall cover all producer Principles (3 – 10) and criteria with a verification report per producer.
- b) Shall be carried out at producer level for each producer included in the scope.
- c) Shall be reported and documented adequately with findings and evidence per criteria in order to allow its results to be reproduced by third parties.
- d) Its scope shall be clearly defined as relevant to the applicable deliveries and origin (e.g. which producer, origin of the biomass at FMU/plantation/farm level, other suppliers, etc.)
- e) Its results and evidence shall be available to the Certification Body upon request.
- f) Shall be carried out by qualified and experienced personnel, relevant to the scope of the verification. This also applies if any part of the verification against the GGL standards is outsourced to a third party. Evidence of relevant qualifications and experience by either the participants personnel or a sub-contractor shall be documented and be available upon request.
- g) Relevant stakeholders and experts shall be consulted at least 6 weeks prior to the verification taking place.
- h) Locally adapted verifiers shall be developed for each criteria assessed. Specific evidence based on country, region or other locally specific conditions shall be included.
- i) Special care shall be taken to verify the mass balance and material accounting records of the producer in order to assess that input and output volumes are corresponding and originate from the recorded plantations. This shall be clearly included in the report.

Note. Material included under this document and sold as GGL certified shall be produced, transported and sold in a way in which it is segregated from other non-certified material. Material compliant with this document shall not be mixed with material that is not fully compliant until the last and final inventory immediately before end-user.

- j) Must be carried out covering the full supply chain starting with the producer and any traders or processors between the producer and collector/participant.

- k) Identified non-conformities, risk mitigation and corrective actions resulting from the verifications shall be clearly recorded and documented.

Note. The producer in the context of this document refers to the first collection point of the biomass. These producers receive the biomass from its original point of origin (e.g. a plantation) and process the biomass into the product that is ultimately traded as GGL certified. A sawmill would be the first collection point and therefore producer for sawdust. A CPO mill would be the first collection point and therefore producer for PKS etc.

- 2.3 Verification against the requirements from this instruction document shall be repeated every 12 months upon continued or repeated deliveries from the same producer.
- 2.4 Any non-conformities or well-funded complaints/allegations regarding the producer or any part of the supply chain shall be investigated within 2 months of identifying the non-conformity or receiving the complaint/allegation. The Certification Body shall be informed within this deadline.
- 2.5. Suppliers and mills that supply biomass from endorsed and approved certification schemes (see GGL 1c document; with corresponding evidence) are excluded from the supplier verification programme.

Note. Within the framework of this document, and GGL 1c, GGL can only endorse schemes that are also approved by the Japanese Ministry of Economy, Trade and Industry (METI) within the FIT framework.

- 2.6 Suppliers and producers that have (or will be) visited and audited by the Certification Body during a 12-month period are excluded from the supplier verification programme.

Producer requirements

Principle 3. All volumes origination from the producer shall be traceable

- 3.1 The producer shall record all incoming and outgoing volumes relevant to the biomass based on the material categories and quantities.
- 3.2 All inputs and outputs shall correspond, taking the relevant conversion factors into account:
- Conversion factors for the biomass
 - Weight
 - Internal use
 - Electricity

e.g. A mill processing on average 30 mt of FFB (raw material) per hour, will produce:

- Ca. 12% of biomass per hour (conversion factor)
 - Ca. 7% are used internally (internal use)
 - Ca. 5% can be sold for energy production (available amount for the traders)
- 3.3 All necessary material shall be available including: purchase records, production records (daily and monthly records), sales and delivery documents and waybills

GGL 1d. Instruction document for supplying the Japanese market

tickets. The maximum deviation in volumes during transportation shall be between 0,3% and 1%.

Principle 4. The producer does not deliberately produce any waste or residues or expand the operation in order to produce more waste or residues. ^[OBJ]

- 4.1 Producers with big capacity shall provide on request, an official Environmental Monitoring document.
- 4.2. Producers with smaller capacity shall monitor at least the basic list of toxic compounds in ISO-17025 laboratories.

Principle 5. A management system is in place for all operations at the processing site.

- 5.1. The management of the processing unit shall define and document its commitment to the requirements laid out in this standard and overall ethical business conduct. A publicly available statement on its commitment shall be available.
- 5.2. The management system covers or references all commitments and procedures regarding compliance to this standard.
- 5.3. The management system contains the participants commitment and policy to respecting human rights and preventing any form of discrimination.
- 5.4. The management system contains an overview of the relevant stakeholders of the operation, including, where applicable, the contact information of a representative.
- 5.5. The management system contains a section outlining the environmental ambitions and measures of the operator, including but not limited to the reduction of GHG emissions, the improvement of operating efficiency and the protection of resources, such as air and water. Additionally, for GHG, other emissions and pollution, plans shall be developed and implemented to achieve minimizing these emission and pollutions.

Principle 6. Relevant international, national, regional and local laws and regulations are complied with in all operations and transactions. ^[OBJ]

- 6.1. The operator of the processing unit holds the legal right to use the land on which it is set up.
- 6.2. The operator of the processing unit shall meet all the applicable legal requirements in order to source, produce and sell the product included in the scope of the verification
- 6.3. The operator complies with all obligations to pay taxes and royalties.
- 6.4. All applicable anti-corruption legislation is followed. If no anti-corruption legislation exists, the operator shall take alternative anti-corruption measures proportionate to the scale and intensity of the management activities and the risk of corruption.

- 6.5. The operator has established a policy on ethical business conduct as well as a monitoring system to ensure legal and ethical business conduct.

Principle 7. Labour rights of workers and staff are safeguarded.

- 7.1. A procedure for HR processes, such as recruitment, trainings, retirement and contract termination is in place.
- 7.2. Wages shall meet or exceed minimum industry or national standards or other recognized wage agreements, such as agreed by the local community.
- 7.3. It shall be ensured that the principles and rights at work as defined in the ILO “Declaration on Fundamental Principles and Rights at Work” (1998) are maintained and complied with.

This includes:

- a) Freedom of association and the right to collective bargaining are respected for all workers of the operation;
- b) All forms of forced or compulsory labour are eliminated;
- c) All forms of child labour are eliminated; and
- d) All forms of discrimination in respect of employment and occupation are eliminated.

Principle 8. Health and Safety of workers and staff are protected.

- 8.1. The health and safety of all staff and workers shall be protected through risk identification, safety programs to mitigate risks, training and the provision of personal protection equipment.
- 8.2. The recommendations in the “Safety and Health in Agriculture Convention” (2001) and the “Working Environment (Air Pollution, Noise and Vibration) Convention” (1977) of the ILO shall be followed.

Principle 9. Transparency and a grievance mechanism are established.

- 9.1. The management commitment and all relevant documentation and procedures as required by this standard are made available to stakeholders upon request in an appropriate format and language and workers and staff are informed about labor rights and health and safety requirements.
- 9.2. A grievance mechanism for stakeholders to file complaints or requests is in place and complaints are documented and followed up.

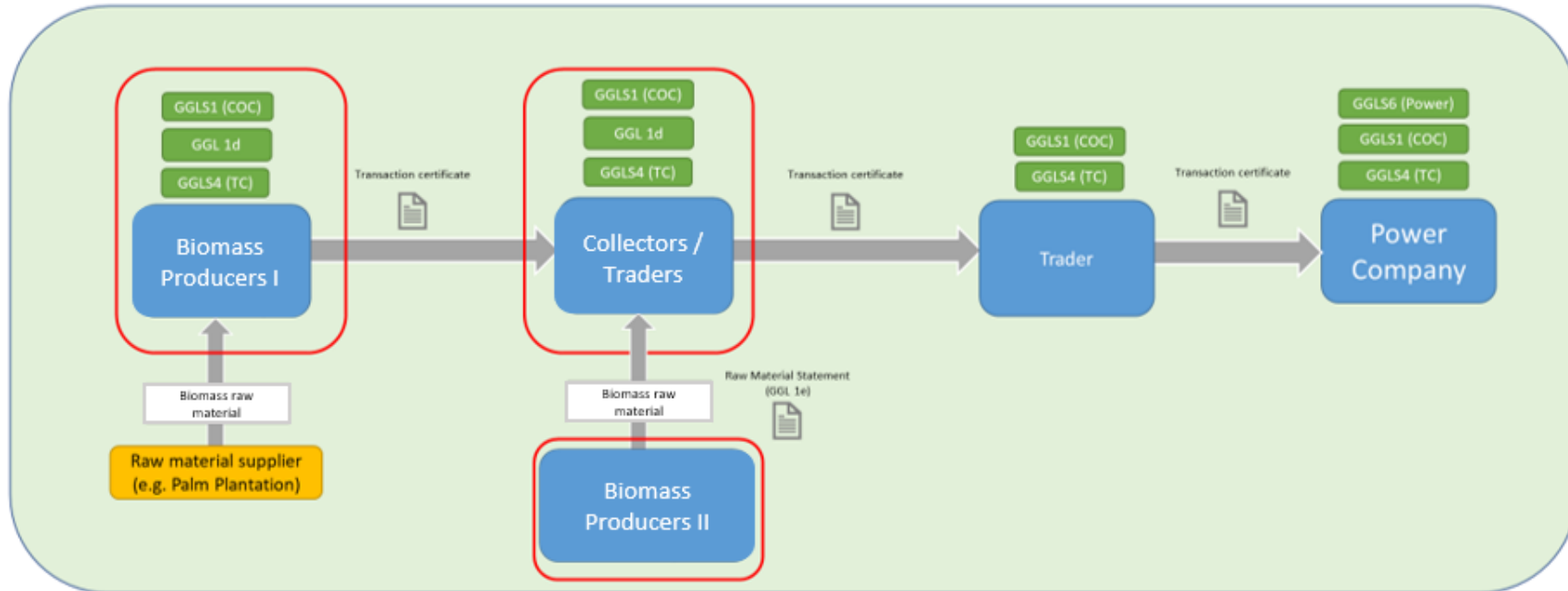
Principle 10. Relevant documents and yearly summaries are stored for at least 5 years.

- 10.1. The operator shall keep records of the nature, quantities, dates and destinations of material sold as waste or residues, such as invoices for a minimum of 3 years.

- 10.2. Yearly summaries are created and targets for the upcoming year set and signed off by management, covering at least but not exclusively:
- a) The total output of residues;
 - b) The changes in the number of workers and staff;
 - c) The number and kind of work-related accidents;
 - d) The amount and kind of complaints filed and their resolution;
 - e) A review of the environmental ambitions and performance as well as related incidents;
and;
 - f) A review of the efficiency of the policy for ethical business conduct.



Appendix A. applicability of GGL standards & criteria in context of GGL 1d document



Biomass Producer I: GGL-certified

Biomass Producer II: Either not certified at all, or against other METI-endorsed schemes

