

# Control Union Certifications B.V. Evaluation of FLAME S.A. Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

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## Completed in accordance with the CB Public Summary 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](http://www.sbp-cert.org)*

### *Document history*

*Version 1.0: published 26 March 2015*

*Version 1.1: published 30 January 2018*

*Version 1.2: published 4 April 2018*

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# 1 Overview

CB Name and contact:	Control Union Certifications B.V.
Primary contact for SBP:	Andrea Ferrazzo
Current report completion date:	05/Aug/2019
Report authors:	Ing. Koen Jongste (auditor), Andrea Ferrazzo (certifier)
Name of the Company:	FLAME S.A., Mantegazza Building, 5th Floor, Riva Paradiso, 2CH-6900 Lugano-Paradiso, Switzerland
Company contact for SBP:	Valerio Borgia
Certified Supply Base:	Not applicable
SBP Certificate Code:	SBP-06-21
Date of certificate issue:	01/Oct/2018
Date of certificate expiry:	30/Sep/2023

This report relates to the First Surveillance Audit

## 2 Scope of the evaluation and SBP certificate

The scope of this evaluation includes trading of wood pellets and wood chips. The scope is matching with the application form and only includes SBP standards 4 and 5. No discrepancies were found

### 3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Trader's management system is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification

## 4 SBP Standards utilised

### 4.1 SBP Standards utilised

Please select all SBP Standards used during this evaluation. All Standards can be accessed and downloaded from <https://sbp-cert.org/documents/standards-documents/standards>

- SBP Framework Standard 1: Feedstock Compliance Standard (Version 1.0, 26 March 2015)
- SBP Framework Standard 2: Verification of SBP-compliant Feedstock (Version 1.0, 26 March 2015)
- SBP Framework Standard 4: Chain of Custody (Version 1.0, 26 March 2015)
- SBP Framework Standard 5: Collection and Communication of Data (Version 1.0, 26 March 2015)

### 4.2 SBP-endorsed Regional Risk Assessment

Not applicable

## 5 Description of Company, Supply Base and Forest Management

### 5.1 Description of Company

Flame is an international trading and shipping company engaged in the sourcing of thermal coal, petroleum coke and metallurgical coal for delivery to customers worldwide. The company was founded in 2003. Some of Flame's customers are requesting Flame to supply biomass alongside their usual supply of fossil fuels products (coal). These (potential) customers are mostly located in Northern Europe and require biomass to be supplied to them that meets national regulatory requirements. Through the delivery of FSC and SBP certified biomass Flame's customers intend to meet these requirements.

Flame will act as a back to back trader, buying and selling wood pellets and wood chips in vessels. They will not store or mix the material and be using the transfer system. People from the different departments involved in the process like trading, registration, execution and invoicing were included in the audit and confirmed to have received relevant training.

No material has been traded under the SBP system.

### 5.2 Description of Company's Supply Base

Not applicable, The company is a Biomass Trader

### 5.3 Detailed description of Supply Base

Not applicable, The company is a Biomass Trader

### 5.4 Chain of Custody system

FLAME holds a valid FSC Chain of Custody (COC) certificate. For SBP they use their FSC CoC (CU--COC--859849, CU--CW--859849 and License Code FSC--C143286) as the basis for their SBP CoC system. They will trade back to back. The sustainability characteristics will stay linked to the shipment and are noted in their transfer system registration balance. The outgoing sustainability declaration will be the same as the incoming declaration, having the same sustainability characteristics (or without SBP claim in case the buyer is not SBP certified and part of DTS). The GHG for handling and shipping while the material is in their possession will be noted in their SREG. Communication and passing information in the chain will be done with the use of the DTS system.



## 6 Evaluation process

### 6.1 Timing of evaluation activities

Preparation 22-07-2019 by ing Koen Jongste (lead auditor), Office audit 05-08-2019 by ing Koen Jongste (lead auditor), GHG paper audit and evidence review 05-08-2019 ing Koen Jongste (lead auditor), reporting 06-08-2019 ing Koen Jongste (lead auditor)

### 6.2 Description of evaluation activities

Preparation audit and review of last year's audit report, main audit Office visit, in depth review of procedures, documents and templates, random check suppliers documentation, Visual inspection, checking knowledge level, Interview, documents, records, Reporting and review

### 6.3 Process for consultation with stakeholders

Not applicable, The company is a Biomass Trader

## 7 Results

### 7.1 Main strengths and weaknesses

The audit was conducted in an open and positive environment. Company was well prepared for the audit both in knowledge as in manual and management system. No issues were found that could be raised as non-compliance to the requirement of the standard. The depth procedures and record keeping are thought to be more than sufficient for the size and complexity of the company. No SBP material was traded yet.

### 7.2 Rigour of Supply Base Evaluation

Not applicable, FLAME is a Biomass Trader

### 7.3 Collection and Communication of Data

The company has in depth procedures for this. Understand DTS system, though no actual SBP trades have yet been done. The company will be doing FOB and CIF trades including vessel transport. Example documents and calculations were prepared. They also confirmed that they have to assure completeness of incoming documentation to be forwarded to their buyers.

### 7.4 Competency of involved personnel

The company has a biomass trading desk for which one has the main responsibility related to the SBP system. During the audit the auditee showed clear and in-depth understanding of SBP, its procedures and the proper execution of those. Considering the size of the company, there were no risks detected related to the competency of involved personnel. SBP training has been received by the staff.

### 7.5 Stakeholder feedback

Not applicable, FLAME is a Biomass Trader so no stakeholder consultation is executed by the CB.

### 7.6 Preconditions

There were no non-conformities detected during this audit or were still open from the previous audit, and therefore also no pre-conditions for certification.

## 8 Review of Company’s Risk Assessments

*Describe how the Certification Body assessed risk for the Indicators. Summarise the CB’s final risk ratings in Table 1, together with the Company’s final risk ratings. Default for each indicator is ‘Low’, click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.*

Not applicable, FLAME is a Biomass Trader.

**Table 1. Final risk ratings of Indicators as determined BEFORE the SVP and any mitigation measures.**

Indicator	Risk rating (Low or Specified)		Indicator	Risk rating (Low or Specified)	
	Producer	CB		Producer	CB
1.1.1	Low	Low	2.3.3	Low	Low
1.1.2	Low	Low	2.4.1	Low	Low
1.1.3	Low	Low	2.4.2	Low	Low
1.2.1	Low	Low	2.4.3	Low	Low
1.3.1	Low	Low	2.5.1	Low	Low
1.4.1	Low	Low	2.5.2	Low	Low
1.5.1	Low	Low	2.6.1	Low	Low
1.6.1	Low	Low	2.7.1	Low	Low
2.1.1	Low	Low	2.7.2	Low	Low
2.1.2	Low	Low	2.7.3	Low	Low
2.1.3	Low	Low	2.7.4	Low	Low
2.2.1	Low	Low	2.7.5	Low	Low
2.2.2	Low	Low	2.8.1	Low	Low
2.2.3	Low	Low	2.9.1	Low	Low
2.2.4	Low	Low	2.9.2	Low	Low
2.2.5	Low	Low	2.10.1	Low	Low
2.2.6	Low	Low			
2.2.7	Low	Low			
2.2.8	Low	Low			

2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Low	Low

**Table 2. Final risk ratings of Indicators as determined AFTER the SVP and any mitigation measures.**

Indicator	Risk rating (Low or Specified)	
	Producer	CB
1.1.1	Low	Low
1.1.2	Low	Low
1.1.3	Low	Low
1.2.1	Low	Low
1.3.1	Low	Low
1.4.1	Low	Low
1.5.1	Low	Low
1.6.1	Low	Low
2.1.1	Low	Low
2.1.2	Low	Low
2.1.3	Low	Low
2.2.1	Low	Low
2.2.2	Low	Low
2.2.3	Low	Low
2.2.4	Low	Low
2.2.5	Low	Low
2.2.6	Low	Low
2.2.7	Low	Low
2.2.8	Low	Low
2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Low	Low

Indicator	Risk rating (Low or Specified)	
	Producer	CB
2.3.3	Low	Low
2.4.1	Low	Low
2.4.2	Low	Low
2.4.3	Low	Low
2.5.1	Low	Low
2.5.2	Low	Low
2.6.1	Low	Low
2.7.1	Low	Low
2.7.2	Low	Low
2.7.3	Low	Low
2.7.4	Low	Low
2.7.5	Low	Low
2.8.1	Low	Low
2.9.1	Low	Low
2.9.2	Low	Low
2.10.1	Low	Low

## 9 Review of Company's mitigation measures

Not applicable, The company is a Biomass Trader

## 10 Non-conformities and observations

Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. For each, give details to include at least the following:

- applicable requirement(s)
- grading of the non-conformity (major or minor) or observation with supporting rationale
- timeframe for resolution of the non-conformity
- a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.

<b>NC number</b> <i>Enter number</i>	<b>NC Grading:</b> <i>Choose grading.</i>
<b>Standard &amp; Requirement:</b>	There were no non-conformities detected during this audit.
<b>Description of Non-conformance and Related Evidence:</b>	
<i>Click or tap here to enter NC description.</i>	
<b>Timeline for Conformance:</b>	<i>Choose NC timeline.</i>
<b>Evidence Provided by Company to close NC:</b>	<i>Click or tap here to enter description provided by Company to close the NC.</i>
<b>Findings for Evaluation of Evidence:</b>	<i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i>
<b>NC Status:</b>	<i>Choose status.</i>

## 11 Certification decision

**Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:**

<b>Certification decision:</b>	Certification approved
<b>Certification decision by (name of the person):</b>	Andrea Ferrazzo
<b>Date of decision:</b>	23/Aug/2019
<b>Other comments:</b>	<i>Click or tap here to enter text.</i>