

NEPCon Evaluation of Graanul Invest AS - Imavere factory Compliance with the SBP Framework: Public Summary Report

Third Surveillance Audit

www.sbp-cert.org



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*

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1 Overview

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Certified Supply Base:	Estonia
SBP Certificate Code:	SBP-01-77
Date of certificate issue:	01/Jun/2017
Date of certificate expiry:	31/May/2022

This report relates to the Third Surveillance Audit

2 Scope of the evaluation and SBP certificate

Scope of this evaluation is based on SBP standards 1; 2; 4; and 5. Graanul Invest AS undertakes a supply base evaluation for primary and secondary feedstock that is originating from Estonia.

Organization holds valid FSC COC certificate NC-COC-009116, covering FSC credit system. Controlled wood verification system for round wood originating from Estonia is included into the FSC certification scope of the company. Company has also PEFC certificate nr TT-PEFC- COC44.

PEFC CoC system is used to control SBP claims.

Wood pellets might be produced from roundwood, sawdust, chips or wood shavings. Other types of feedstock: chips from forest residues, sawmill residues and bark, are used in the drier. Inputs that are used for pellet production and inputs for the drier go through the same control system upon receipt. Company is sourcing feedstock from logging companies and from primary and secondary producers.

All inputs for SBP-Compliant biomass production are FSC or PEFC certified and FSC or PEFC controlled.

All incoming wood materials are weighted by weighbridge or measured by log receiver in case of logs, and measurement data is recorded.

Wood pellets are sold through Bekkeri and Muuga port in Tallinn but due to fact that there is no active contract for selling SBP material the incoterm conditions are not yet agreed (usually CIF or FOB, see also SAR for the records of last period). SREG document will be created for each destination that is not covered by current SAR.

Description of the scope: Production of wood pellets, for use in energy production and transportation through Bekkeri and Muuga ports in Tallinn to clients. The scope of the certificate includes Supply Base Evaluation for primary and secondary feedstock from Estonia. Dynamic Batch Sustainability Data are included in the scope of the certificate.

Scope Item	Check all that apply to the Certificate Scope		Change in Scope (N/A for Assessments)
Approved Standards:	SBP Standard #1 V1.0; SBP Standard #2 V1.0; SBP Standard #4 V1.0; SBP Standard #5 V1.0 https://sbp-cert.org/documents/standards-documents/standards		<input type="checkbox"/>
Primary Activity:	Pellet producer		<input type="checkbox"/>
Input Material Categories:	<input checked="" type="checkbox"/> SBP-Compliant Primary Feedstock	<input checked="" type="checkbox"/> SBP-Compliant Secondary Feedstock	<input type="checkbox"/>
	<input checked="" type="checkbox"/> Controlled Feedstock	<input type="checkbox"/> SBP non-Compliant Feedstock	

	<input checked="" type="checkbox"/> SBP-Compliant Tertiary biomass	<input type="checkbox"/> Pre-consumer Tertiary Feedstock			
	<input type="checkbox"/> SBP-approved Recycled Claim	<input type="checkbox"/> Post-consumer Tertiary Feedstock			
Chain of custody system implemented:	<input checked="" type="checkbox"/> FSC	<input checked="" type="checkbox"/> PEFC	<input type="checkbox"/> SFI	<input type="checkbox"/> GGL	<input type="checkbox"/>
	<input type="checkbox"/> Transfer	<input type="checkbox"/> Percentage	<input checked="" type="checkbox"/> Credit		<input type="checkbox"/>
Points of sales	<input type="checkbox"/> Harbour (including own handling of material)	<input checked="" type="checkbox"/> Harbour (e.g. FOB incoterms) legal owner is not responsible for handling of material at the harbour	<input checked="" type="checkbox"/> Other point of sale (e.g. gate of the BP, boarder, railway station etc.)		<input type="checkbox"/>
Provide name of all points of sales		-Tallinn Bekkeri port - Muuga port (incoterm conditions will be set when SBP sales will be agreed with customers - usually CIF or FOB)	Gate of the BP		
Use of SBP claim:	<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No		<input type="checkbox"/>
SBE Verification Program:	<input type="checkbox"/> Low risk sources only		<input checked="" type="checkbox"/> Sources with unspecified/ specified risk		<input type="checkbox"/>
	New districts approved for SBP-Compliant inputs: Estonia				
Sub-scopes	Only one sub-scope: Estonia				<input type="checkbox"/>
Specify SBP Product Groups added or removed: N/A					
Comments:					

3 Specific objective

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

The scope of the evaluation covered:

- Review of the BP's management procedures;
- Review of FSC system control points, analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients;
- GHG data collection analysis
- Evaluation of mitigation measures implemented for SBE
- Evaluation of BP-s supplier audits (under SBE)
- Evaluation against Instruction Document 5E (v1.1)

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

SBP-endorsed Regional Risk Assessment for Estonia (Published 22 April 2016)

<https://sbp-cert.org/documents/standards-documents/risk-assessments/estonia/>

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

AS Graanul Invest is a private company, established in 2003, which operates in the fields of forestry, development of bioenergy and production of renewable energy. The company owns 11 wood pellet plants, Imavere plant being one of the largest.

All of the used primary and secondary feedstock originates from Estonia and Latvia, tertiary material may come from other countries mentioned in SBR.

Graanul Invest AS purchases only following raw materials to be used in pellet production: FSC certified and controlled primary feedstock, PEFC certified primary feedstock, FSC Controlled secondary feedstock, PEFC controlled secondary feedstock. Starting from 01.01.2017 only FSC or PEFC certified inputs are sourced but option to supply FSC Controlled Wood is left for cases suppliers don't have enough certified material.

More detailed description is provided in SBR (<https://www.graanulinvest.com/eng/environment/sbr>).

5.2 Description of Company's Supply Base

Graanul Invest sources all its raw materials for pellet production through various suppliers from Estonia. The suppliers include forest harvesting companies, sawmills, planing mills, secondary producers and traders. According to the EUTR Regulation No. 995/2010 Graanul Invest AS acts as "trader" and not as "operator" as the feedstock is purchased from other organizations within EU. However, the supply base may extend beyond the borders of Estonia as some of the suppliers may source their raw material partially from the neighbouring countries. As such Graanul Invest AS defines its supply base as the countries and regions in the following list to cover all current and potential future suppliers:

- Estonia
- Latvia
- Finland
- Sweden
- Russia
- Belarus
- Poland
- Norway
- Lithuania

All of the used primary and secondary feedstock originates from Estonia and Latvia. The possible impact of Imavere plant's operations on the forest resources of Russia, Belarus, Finland, Latvia, Poland, Norway, Lithuania and Sweden is negligible. This type of material can not be excluded but it is possible to make sure that it is 100% certified.

Imavere plant also monitors and makes sure that the suppliers who source material outside of Estonia and Latvia would not sell them material which, on mass-balance basis, is not covered by wood that originates from Estonia. Physical segregation is not possible and not required.

The plant has around 20 stable suppliers out of which 4 are primary feedstock suppliers, 11 are secondary and the rest are tertiary suppliers.

Controlled Feedstock 00,00%

SBP-compliant Primary Feedstock 72,19%

SBP-compliant Secondary Feedstock 25,28%

SBP-compliant Tertiary Feedstock 2,53%

SBP non-compliant Feedstock 0%

Species: Picea abies; Pinus sylvestris; Alnus glutinosa; Alnus incana; Populus tremula; Betula pendula; Betula pubescens; Fraxinus excelsior; Tilia cordata; Salix spp.

More detailed description is provided in SBR (<https://www.graanulinvest.com/eng/environment/sbr>).

5.3 Detailed description of Supply Base

Estonia:

Estonia is a member of the European Union since 2004. The Estonian legislation is in compliance with the EU's legislative framework and directives. National legislative acts make references to the international framework. All legislation is drawn up within a democratic system, subject to free comment by all stakeholders¹. The Estonian legislation provides strict outlines in respect to the usage of forestry land and the

Estonian Forestry Development Plan 2020² has clear objectives and strategies in place to ensure the forestland is protected up to the standards of sustainable forest management techniques. The Ministry of the Environment coordinates the fulfilment of state duties in forestry. The implementation of environmental policies and its supervision are carried out by two separate entities operating under its governance. The Estonian Environmental Board monitors all of the work carried out in Estonia's forests whereas the Environmental Inspectorate exercises supervision in all areas of environmental protection.

The forest is defined in the Forest Act. There are three main forest categories described in this legislation: commercial forests, protection forests and protected forests. According to the ownership, forests are also divided into private forests, municipality forests and state owned forests. The state owned forest represent approximately 40% of the total forest area³ and are certified according to FSC and PEFC forest management

and chain of custody standards in which the indicators related to forest management planning, maps and availability of forest inventory records are being constantly evaluated and addressed⁴. The state forest is managed by State Forest Management Centre (RMK) which is a profit-making state agency founded on the basis of the Forest Act and its main duty lies in a sustainable and efficient management of state forest. Currently more than 2 230 000 ha, equal to 51% of the Estonian land territory, is covered by forest as indicated in Figure 1 and the share of forest land is growing. According to FAO data, during 2000 - 2005, average annual change in the forest cover was +0.4 %⁵. Forestry Development Plan 2012-2020 and Yearbook Forest 2014, that gives annual reports and facts about the forest in Estonia, state that during last decade the cutting rate in Estonian forests is from 7 to 11 mill m³ per year⁶. The amount is in line with sustainable development principle when the cutting rate doesn't exceed the annual increment and gives the potential to meet the long-term economic, social and environmental needs. According to the Forestry

Development Plan 2012-2020 the sustainable cutting rate is 12-15 mil ha per year.¹

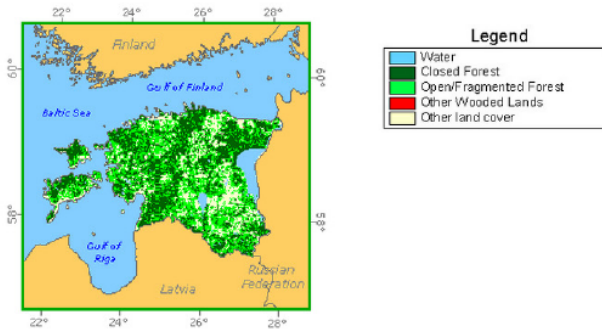
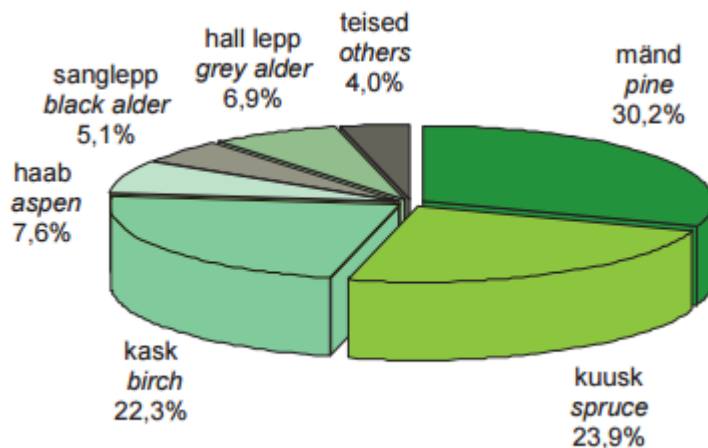


Figure 1. Forest cover of Estonia (FAO: <http://www.fao.org/forestry/country/en/est/>).²

Figure 2. The distribution of growing stock by tree species (Yearbook Forest 2014).



¹ http://europa.eu/about-eu/countries/member-countries/estonia/index_en.htm

² Original title: „Eesti metsanduse arengukava aastani 2020“; approved by Estonians parliament decision nr 909 OE 15. February 2011. a

³ http://www.envir.ee/sites/default/files/elfinder/article_files/mak2020vastuvoetud.pdf

⁴ <http://www.rmk.ee/organisation/operating-areas>

⁵ <http://www.rmk.ee/organisation/environmental-policy-of-rmk/certificates>

⁶ <http://www.fao.org/forestry/country/32185/en/est/>

⁶ Yearbook Forest 2014 (all key figures, graphs and tables are bilingual)

⁷ <http://register.metsad.ee/avalik/>

⁸ <https://www.riigiteataja.ee/en/eli/517062015004/consolide>

⁹ <http://www.envir.ee/et/cites>

¹⁰ <http://www.envir.ee/et/iucn>

For logging in any type of forest, it is required that a valid forest inventory or forest management plan, along with a felling permit issued by the Environmental Board, is available. All issued felling permits and forest inventory data is available in the public forest registry online database⁷.

Area of protected forests accounts for 25.3% of the total forest area whereas 10% is considered to be under strict protection. The majority of protected forests are located on state property. The main regulation governing the preservation of biodiversity and the sustainable use of natural resources is the Nature Conservation Act⁸. Estonia has signed the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in 1992⁹ and joined the International Union for Conservation of Nature (IUCN) in 2007¹⁰. There are no CITES or IUCN protected tree species naturally growing in Estonia.

According to the Forestry Yearbook 2014 the wood, paper and furniture industry (646,4 million euro) contributed 23.7% to the total sector providing 3.8% of the total value added. Forestry accounted for 1.5% of the value added.

In Estonia, it is permitted to access natural and cultural landscapes on foot, by bicycle, skis, boat or on horseback. Unmarked and unrestricted private property may be accessed any time to pick berries, mushrooms, medicinal plants, fallen or dried branches, unless the owner forbids it. On unmarked and unrestricted private property camping is allowed for 24 hours. RMK creates exercising and recreational opportunities in nature and in recreational and protection zones and also provides education about the nature.

Latvia:

In Latvia, forests cover an area of 3 056 578 hectares. According to the data of the State Forest Service (concerning the surveyed area allocated to management activities regulated by the Forest Law), forest Land amounts to 51.8 % (ratio of the 3 347 409 hectares covered by forest to the entire territory of the country). The Latvian State owns 1 495 616 ha of forest (48.97% of the total forest area), the other 1 560 961 ha (51.68 % of the total forest area) belongs to private sector owners. Private forest owners in Latvia amount to approximately 144 thousand.

The area covered by forest is increasing. The expansion happens both naturally and by afforestation of infertile land unsuitable for agriculture. Within the last decade, the timber production in Latvia has fluctuated between 9 and 13 million cubic meters (State Forest Services: vmd.gov.lv, 2015).

Forest land consists of:

- forests 3 056 578 ha (91.3%);
- marshes 175 111.8 ha (5.3%);
- glades (forest meadows) 35 446.7 ha (1.1%);
- flooded areas 18 453.2 ha (0,5%);
- objects of infrastructure 61 813.4 ha (1.8%).

State Forest Services: vmd.gov.lv, 2015.

Distribution of forests by the dominant species:

- pine 34.3 %;
- spruce 18.0 %;
- birch 30.8 %;
- black alder 3.0 %;
- grey alder 7.4 %;
- aspen 5.4 %;
- oak 0.3 %;
- ash 0.5 %;
- other species 0.3 %.

State Forest Services: vmd.gov.lv, 2015.

Share of species used in reforestation, by planting area (2014):

- pine 20 %;
- spruce 17 %;
- birch 28 %;
- grey alder 12 %;
- aspen 20 %;
- other species 3 %.

State Forest Services: vmd.gov.lv, 2015.

Timber production by types of cuts, by volume produced (2014):

- final cuts 81.00 %;
- thinning 12.57 %;
- sanitary clear-cuts 3.63 %;
- sanitary selective cuts 1.43 %;
- deforestation cuts 0.76 %;
- other types of cuts 0.06 %.

State Forest Services: vmd.gov.lv, 2015.

In Latvia, the field of forestry is supervised by the Ministry of Agriculture, which in cooperation with stakeholders of the sphere develops forest policy, development strategy of the field, as well as drafts of legislative acts concerning forest management, use of forest resources, nature protection and hunting (www.zm.gov.lv). Implementation of requirements of the national law and regulations notwithstanding the type of tenure is carried out by the State Forest Service under the Ministry of Agriculture (State Forest Services: www.vmd.gov.lv). Management of the state-owned forests is performed by the Joint Stock Company "Latvia's State Forests", established in 1999. The enterprise ensures implementation of the best interests of the state by preserving value of the forest and increasing the share of forest in the national economy (www.lvm.lv). Export yielded 1.978 billion euro (approx. 20 % of the total amount in 2014). Historically, extensive use of forests as a source of profit began later than in many other European countries, therefore a greater biological diversity has been preserved in Latvia. For the sake of conservation of natural values, a total number of 674 protected areas have been established. Part of the areas have been included in the European network of protected areas Natura 2000. Most of the protected areas are state-owned. In order to protect highly endangered species and biotopes located without the designated protected areas, if a functional zone does not provide that, micro-reserves are established. According to data of the State Forest Service (2015), the total area of micro reserves is 40 595 ha. Identification and protection planning of biologically valuable forest stands is carried out continuously. Latvia has been a signatory of the CITES Convention since 1997. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Latvia.

Areas where recreation is one of the main forest management objectives add up to 8 % of the total forest area or 293 000 ha (2012y). Observation towers, educational trails, natural objects of culture history value, picnic venues: they are just a few of recreational infrastructure objects available to everyone free of charge. Special attention is devoted to creation of such areas in state-owned forests. Recreational forest areas include national parks (excluding strictly protected areas), nature parks, protected landscape areas, protected dendrological objects, protected geological and geomorphologic objects, nature parks of local significance, the Baltic Sea dune protection zone, protective zones around cities and towns, forests within administrative territory of cities and towns. Management and governance of specially protected natural areas in Latvia is co-ordinated by the Nature Conservation Agency under the Ministry for Environmental Protection and Regional Development.

Finland:

Finland is Europe's most heavily forested country, with over 3/4 of the land area representing 23 million hectares, under forest cover. Altogether forestry land accounts for 86% of the land area.

There are four coniferous species native to Finland, and over twenty species of deciduous trees. The most common species, which are also economically most significant, are Scots pine (*Pinus sylvestris*), Norway spruce (*Picea abies*), and silver and downy birch (*Betula pendula* and *Betula pubescens*).

Despite the 13% reduction in forest area in 1944 due to the losses of land in the war, Finland's wood resources are currently more plentiful than in the pre-war years. According to the 1st national forest inventory (1921–1924), the total growing stock volume was 1 588 million m³. The latest estimate, based on the 11th inventory, is 2 332 million m³ (103 m³/ha) with annual growth of 105 million m³ (4,6 m³/ha).

As in the majority of Western European countries, non-industrial forest ownership dominates in Finland. Private persons, ordinary Finnish citizens, own about 60% of all the forestry land. The Government owns 25%, forest industries 10%, and municipalities and parishes 5% of the Finnish forested area.

Finnish forestry is based on the management of native tree species. The management of forests seeks to respect their natural growth and mimic the natural cycle of boreal forests. The objective is to secure the production of high-quality timber, and to preserve the biological diversity of forests as well as the preconditions for the multiple use of forest. Currently, about 120 000 hectares of forest land are planted or seeded annually favouring almost exclusively native tree species.

Today forestry and the forest industry make up about 5% of Finland's gross domestic product, and approximately 20% of Finnish exports. High-quality printing and writing paper make up over 40% of the total export value of forest industry products, while sawn goods and wood-based panels account for some 20% of export value.

<http://www.metla.fi/metla/finland/finland-forest-resources.htm>

Sweden:

Sweden is the third largest country by area in Europe, and 70% of it is forest. The total area of forest land is 28 million hectares.

Swedish forests are primarily boreal. The total standing volume is about 3 000 million m³, of which 41% is spruce/whitewood (*Picea abies*), also called Norwegian spruce, and 40% pine/redwood (*Pinus sylvestris*), also called Scots pine. 18% is birch and 6% consists of other deciduous trees.

50% of Sweden's forests are owned by private individuals, 25% by large forest companies and 25% by the state and other public organizations. A major part of the mountain forest is state-owned. The average size of a privately owned forest is roughly 50 hectares. In total, there are about 350 000 private forest owners in Sweden, of whom 70% live on their properties.

Annual growth is about 120 million m³ and annual felling is around 80 million m³. Each year the volume of standing timber increases by around 40 million m³ (net annual increment).

The forest products industry plays a major role in the Swedish economy, and accounts for between nine and 12 percent of Swedish industry's total employment, exports, sales and added value. It includes companies within the pulp and paper industry, as well as the wood-mechanical industry. Close to 90 percent of paper and pulp production is exported, and the corresponding figure for sawn-wood products is almost 75 percent.

<http://www.svensktra.se/siteassets/6-om-oss/publikationer/pdfer/swedish-forestry.pdf>

Russia:

Twenty two percent of all forest land mass and 25 % of the world's wood reserves belong to Russia. Forests take up 69% of all land and the area occupied with forests amounts to 1,183.3 million ha. 1,144 million ha of

which 97% is under federal ownership.

Most Russian forests are boreal. Predominant forest tree species are the larch, pine, spruce, Siberian pine, oak, beech, birch, and aspen. According to the 2010 forest account, the total growing stock of the forest estate is 80 billion m³. The country average growing stock of mature and overmature stands (without shrubs) is 132 m³ /ha. The mean annual increment in volume is rather low in Russia: it is no more than 1.23 m³ per hectare of forested land.

The annual allowable cut for 2010 was 634 million m³, including 61 million m³ for protection forests and 573 million m³ for production forests. The greatest allowable cut is set for coniferous forests (128 million m³).

The actual cut is below 28% of the allowable cut.

In 45 Russian regions, the shares of timber and paper outputs range from 10% to 50% in their total industrial outputs. Forest enterprises and organisations employ over one million people

<http://www.profor.info/sites/profor.info/files/Background-ForestGovernance-Russia-English.pdf>

Belarus forest resources

In Belarus forests cover area of 9,5 milj hectares. According to the data of the State Forest Ministry Woodness amounts to 39,3 % Forest industry input into IKP is 1,1%; The area covered by forest is increasing. The expansion happens both naturally and by afforestation of infertile land unsuitable for agriculture. Within the last decade, the timber production in Belarus has fluctuated aprox., 11 million cubic metres (<http://www.mlh.by> , 2015.)

Total land area 20,748; Inland water bodies 12; Total area of country 20,76

Source: <http://www.mlh.by> , 2015.

Distribution of forests by the dominant species: • pine 50,4%; • spruce 9,2%; • birch 23,1%; • black alder 3,3%; • grey alder 3,3 %; • aspen 2,1%; • other species 3,3%.

Source: <http://www.mlh.by> , 2015.

Timber production by types of cuts, by volume produced (2013): • final cuts 34,5 %; • thinning 45,79 %; • other types of cuts 19,62 %. Source: <http://www.mlh.by>,

Biological diversity

Belarus has been a signatory of the CITES Convention since 1995. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Belarus. Forest regeneration is carried out annually over an area of 32,000 ha, including 81% of the forest planting and seeding and 19% by natural regeneration. <http://belstat.gov.by/> (2015.y.) There are 2 strictly protected Nation reserves and 4 National parks present in Belarus at the moment. Area of National reserves accounts 2,98 milj ha and area of National parks is 3,98 milj ha.

Forest and community

In 2014 in all kinds of felling there were harvested 12,5 million m³ marketable timber. Foreign trade surplus made USD 104 million. 1.9 million cubic meter round timber and 191.8 thousand cubic meter sawn timber were sold abroad. Forest products and services were exported to 25 states, including 95,3% to the near abroad and 4,7% to the remote countries. Among the main forest export directions are Poland (47,9% of the total export volume in value terms), Germany (11,4%), Lithuania (10%), Latvia (8,62%), the Netherlands (3,3%), Belgium (3,46%), Sweden (3,25%).

All forest area is certified by PEFC certification scheme..

Poland forest resources

Poland's forests cover 9.2 million hectares, 30.6 percent of the country's territory making it one of the countries with the largest forest area in Europe. 81 percent of forest land belongs to public institutions and 19 percent to private owners. 77 percent of total forest land is administrated by the State Forests National Forest Holding. The rest of the State forests are national parks (2 percent). Other publicly owned land constitutes 2 percent of total forest area.

69 percent of all trees in Polish forests are coniferous trees, and they dominate stock volume for the wood industry. Coniferous stands are dominated by pine and larch (58.5 % of total forest stands). Other coniferous species in Polish forests include spruce (6.3 %), and fir (3.1 %). Broadleaved trees occupy 31 percent of total forest land. The predominant deciduous forest species in Poland are: oak (7.5% of total forest stands), birch (7.4%), beech (5.8%), alder (5.5%), hornbeam (1.5%), aspen (0.7%) and poplar (0.1%). Stands aged from 40 to 80 years dominate Poland's forests, and the average age of forest stands is 60 years. According to the State Forests, stands aged 41–80 years, representing age classes III and IV, prevail in the forest age structure and cover 26 percent and 19.0 percent of the forest area respectively. Stands aged 41–60 years, class III, prevail in most ownership categories, while in private forests they occupy 35.5 percent of the area. Stands older than 100 years, account for 12.3 percent of the forest area managed by the State Forests. Private forests account for only 2.8 percent. Non-forested land in privately-owned forests accounts for 6.8 percent of their total area, and in the State Forests for 3.2 percent.

According to the country forest inventory, published by Poland's Statistical Office, growing stock of woods stands amounts to 2,491 million m³ of barked timber, of which in forests managed by the State Forests accounts for 79% of total timber, and in private forests for 16.4%. Resources, i.e. the average growing stock of standing wood calculated per 1 ha of forest area, amounts to 271 m³, of which in forests managed by the State Forests is 277 m³, and in private forests is 234 m³.

Soft sawn wood production accounts for 90 percent of total sawn wood production in Poland. In 2014 sawn softwood production amounted to 4.2 million m³. The majority of sawn hardwood was destined for the domestic market and only 18 percent of production was exported. According to Poland's statistics published in the United Nations Economic Commission for Europe (UNECE) report, imports of sawn hardwood by Poland accounted for 50 percent of its domestic production and amounted to 0.25 million m³ (compared to 0.22 million m³ in 2013).

Poland is a big producer of wood-based panels in the EU. In 2014 9.2 million m³ of this product was produced in Poland. Among high value added wood products furniture is of special importance. According to Poland's Ministry of Environment, the value of furniture production (including furniture elements) amounted to PLN 32.3 billion (U.S. \$ 10.2 billion). The wooden packaging (mainly pallets) sector had high development dynamics during the last few years. The value of production amounted to PLN 1.9 billion (U.S. \$ 0.6 billion).

In 2015 FSC certificates were held by 16 out of 17 State Forests Regional Directorates and 2 Forest Experimental Stations. According to the Ministry of Environment, FSC certification covers 6.9 million hectares of forests, or 75 percent of total forested area. In 2015 almost 3,000 FSC-CoC certificates were registered in Poland. Approximately 17 percent of certified companies (313) are certified also in other systems, such as FSC-CW (FSC Controlled Wood). Additionally, 136 companies, or 7 percent, held FSC-RA (FSC Controlled Wood Risk Assessment) certificates, confirming implementation of a risk assessment system for wood supplies. Approximately 70 percent certificates were issued for production companies. These were mainly certificates for the producers of sawn wood, wooden garden products, builder's carpentry and joinery, furniture and its elements, wooden accessories, wood-based panels, wood pulp, and paper and secondary paper products.

<https://gain.fas.usda.gov/Recent%20GAIN%20Publications/The%20Forestry%20and%20Wood%20Products%20in%20Poland%20Warsaw%20Poland%203-23-2017.pdf>

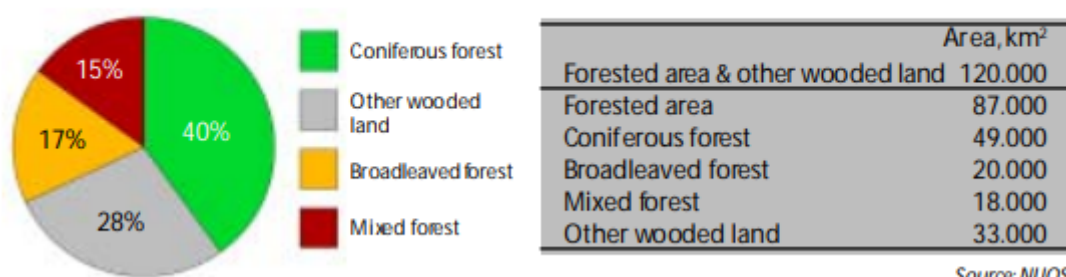
Norway forest resources

NEPCon Evaluation of Graanul Invest AS - Imavere factory:
Public Summary Report, Third Surveillance Audit

Norway has long traditions in forestry and forest management, and for using wood in constructions and houses and as a source for energy. International trade has been a major element in the Norwegian forest sector since the first sawmills were established more than 400 years ago.

Approximately 88 per cent of the forest area is in private ownership, divided among about 120 000 properties. The majority of the forest holdings are farm- and family forests. Due to the ownership structure and specific terrain conditions, Norwegian forestry is diversified and characterised by small-scale operations/activities. The average size of clear-cuttings are estimated to be 1.4 hectares. Approximately 80 per cent of the harvesting is fully mechanised.

The forested area of Norway



Source: NIJOS

Source: https://www.regjeringen.no/globalassets/kilde/ld/bro/2003/0001/ddd/pdfv/177177-norw_forests-brosj-eng.pdf

Due to a high demand for forest products, the annual removals exceeded the annual increment by the end of the 19th century. Once this situation was analysed, measures were introduced to restore the forest resources. At present, there is about twice as much standing volume in Norwegian forests as there was 80 years ago. The annual removal is less than 50 per cent of the total annual increment.

Forest and other wooded land cover a total of 12 million hectares. 226 000 hectares, approximately 2 per cent of the total area, is protected through a network of strictly protected areas. Forest protection is high on the political agenda, and it is expected that the area of protected forest land will be expanded the coming years.

https://www.regjeringen.no/globalassets/kilde/ld/bro/2003/0001/ddd/pdfv/177177-norw_forests-brosj-eng.pdf

Agricultural land covers more than 50 percent of Lithuania. Forested land consists of about 28 percent, with 2,18 million ha, while land classified as forest corresponds to about 30 percent of the total land area. The south-eastern part of the country is most heavily forested, and here forests cover about 45 percent of the land. The total land area under the state Forest Enterprises is divided into forest and non-forest land. Forest land is divided into forested and non-forested land. The total value added in the forest sector (including manufacture of furniture) reached LTL 4.9 billion in 2013 and was 10% higher than in 2012.

Forest land is divided into four protection classes: reserves (2 %); ecological (5.8 %): protected (14.9 %); and commercial (77.3 %). In reserves all types of cuttings are prohibited. In national parks, clear cuttings are prohibited while thinnings and sanitary cuttings are allowed. Clear cutting is permitted, however, with certain restrictions, in protected forests; and thinnings as well. In commercial forests, there are almost no restrictions as to harvesting methods.

Lithuania has been a signatory of the CITES Convention since 2001. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Lithuania.

Lithuania is situated within the so-called mixed forest belt with a high percentage of broadleaves and mixed conifer-broadleaved stands. Most of the forests - especially spruce and birch - often grow in mixed stands. Pine forest is the most common forest type, covering about 38 percent of the forest area. Spruce and birch account for about 24 and 20 percent respectively. Alder forests make up about 12 percent of the forest area, which is fairly high, and indicates the moisture quantity of the sites. Oak and ash can each be found on about 2 percent of the forest area. The area occupied by aspen stands is close to 3 percent.

The growing stock given as standing volume per hectare is on the average of 180 m³ in Lithuania. In nature stands, the average growing stock in all Lithuanian forests is about 244 m³ per hectare. Total annual growth comes to 11 900 000 m³ and the mean timber increment has reached 6.3 m³ per year and per hectare.

Current harvest has reached some 3.0 million m³ u.b. per year. The consumption of industrial wood in the domestic forest industry, including export of industrial wood, is estimated to be less than 2.0 million m³. The remainder is used for fuel or stored in the forests, with a deteriorating quality as a result.

The potential future annual cut is calculated at 5.2 million m³, of which 2.4 million m³ is made up of sawn timber and the remaining 2.8 million m³ of small dimension wood for pulp or board production, or for fuel. The figures refer to the nearest 10-year period. Thereafter a successive increase should be possible if more intensive and efficient forest management systems are introduced.

Certification of all state forests in Lithuania is done according to the strictest certification in the world – the FSC (Forest Stewardship Council) certificate. The audit of this certificate testifies to the fact that Lithuanian state forests are managed especially well – following the principles of the requirements set to protection of and an increase in biological diversity.

<http://www.fao.org/docrep/w3722E/w3722e22.htm>

5.4 Chain of Custody system

Graanul Invest AS holds valid FSC CoC (NC-COC-009116) and PEFC (TT-PEFC- COC44) CoC certificate. FSC certificate also covers controlled wood verification program for Estonia. Graanul Invest AS is using FSC credit system, volume credit system is also used in PEFC system. Company has enforced procedures and system update that they will buy only FSC certified material from 01.12.2016. All material is minimum PEFC Controlled Sources. FSC Controlled Wood verification program is used only for primary feedstock originating from Estonia. Primary feedstock is purchased only from Estonia. Roundwood can come minimum with FSC or PEFC CW with exception of the daughter companies that can supply Roundwood without claims and the material come through PEFC Controlled Sources and SBP SBE system.

All secondary and tertiary (pre-consumer reclaimed) input comes with FSC claims.

BP is using FSC credit system for controlling the SBP volumes. PEFC Controlled Sources verification program is used only for primary feedstock originating from Estonia. Primary feedstock is purchased only from Estonia. All secondary and tertiary (pre-consumer reclaimed) input comes with FSC claims.

Their product groups for the FSC CoC certification include wood pellets only.

PEFC CoC system was used for this SBP evaluation.

6 Evaluation process

6.1 Timing of evaluation activities

Audit was carried out on 11.11.2019 - 13.11.2019 and 15.11.2019 and it included Graanul Invest HQ and Graanul Invest AS Imavere production site. SBE supplier audits were carried out on same dates.

Total of 4.5 days were used for this evaluation – 1 day of preparations, 3 days for on-site auditing and 0.5 day supplier audits (supplier audits was conducted together with Graanul Invest’s plants audits) and 1 day for reporting.

11.11.2019 – 12.11.2019 HQ

Activity	Location	Auditor(s)	Date/Time
Opening meeting*	Office – Humala 2, Tallinn	EP, TTA, GSA	11.11.2019 10:00-10:15
Interview with SBP responsible person; other responsible staff <i>Overview of procedures, SBP Risk Assessment, implementaiton of mitigation measures, review of documentation, review of GHG data, interviews with responsible personnell.</i>	Office – Humala 2, Tallinn	EP, GSA	11.11.2019 10:15-12:00
Visiting Ports in Tallinn	Port of Muuga, port of Bekkeri	TTA, EP, GSA	11.11.2019 09:15-12:00
Lunch break			11.11.2019 12:00-13:00
Interview with SBP responsible person; other responsible staff <i>Overview of procedures, SBP Risk Assessment, implementaiton of mitigation measures, review of documentation, review of</i>	Office – Humala 2, Tallinn	EP, TTA, GSA	11.11.2019 13:00-16:30

<i>GHG data, interviews with responsible personell.</i>			
Closing meeting – day 1	Office	EP, TTA, GSA	11.11.2019 16:30-17:00
Overview of ID2E procedures, Risk Assessment, implementaiton of mitigation measures	Office – Humala 2, Tallinn	EP, TTA, GSA	12.11.2019 9:00 – 12:00
Lunch break		EP, TTA, GSA	12.11.2019 12:00 – 13:00
Interview with SBP responsible person; other responsible staff Overview of procedures, SBP Risk Assessment, implementaiton of mitigation measures, review of documentation, review of GHG data, interviews with responsible personell.	Office – Humala 2, Tallinn	EP, TTA, GSA	12.11.2019 13:00 – 16:30

13.11.2019 Supplier audit

Activity	Location	Auditor(s)	Time
Supplier audit (primary processor)	Viru-Nigula Saeveski AS	EP, TTA, GSA	10:00–11:00

15.11.2019 Supplier audit + Graanul Invest AS Imavere pellet factory

Activity	Location	Auditor(s)	Time
Supplier audit (primary processor) + travel	Textuur AS	EP, TTA, GSA	9:00 – 10:45

Supplier audit (primary processor)+ travel to Imavere pellet factory	Sawmill of Sadala OÜ	EP, TTA, GSA	10:45 – 11:45
Travel to Imavere pellet factory + lunch		EP, TTA, GSA	11:45 – 12:30
Opening meeting	Office – Imavere pellet factory	EP, TTA, GSA	12:30 - 12:45
Interview with factory responsible staff; review of management system	Office – Imavere pellet factory	EP, TTA, GSA	12:45 – 14:00
Roundtrip in production facilities, interviews with responsible staff, reception of the material, evaluation of incoming feedstock	Production facilities/Office	EP, TTA, GSA	14:00–15:00
Audit team internal discussions	Office – Imavere pellet factory	EP, TTA, GSA	15:00 – 15:30
Closing meeting*	Office – Imavere pellet factory	EP, TTA, GSA	15:30 – 16:15

6.2 Description of evaluation activities

Third surveillance was carried out as an onsite audit in Graanul Invest AS HQ, Imavere production site. Separate supplier audits were conducted by the BP – Viru-Nigula Saeveski AS was witnessed by CB on 13.11.2019 and Sawmill Of Sadala OÜ and Textuur AS supplier audits were witnessed by CB on 15.11.2019. Supplier audits focused on WKH mitigation measures. The BP has in total 7 secondary feedstock suppliers which gives 3 suppliers to be visited Also review of procedures and other preparations were done prior to onsite audit.

During the onsite audit in HQ (11.11.2019 – 12.11.2019), all applicable indicators of applicable SBP standards were evaluated: review of procedures, SBP Risk Assessment, implementation of mitigation measures, interviews with responsible personnel, review of energy data, review of invoices, review of mass balance.

Audit was conducted by one lead auditor and one auditor.

Auditors reviewed Supply Base Report and company’s SBP and FSC procedures. During the review, company demonstrated IT solutions, which is used to collect, store and report on all data. Also, data represented in the Supply Base Report was compared with data entered into the program.

Next, review of implementation of Supply Base Evaluation was evaluated, including review of supplier audit protocols, monitoring results and review of updated supplier declarations.

Review of SAR documents that were prepared by the BP together with standard 5 check-list was evaluated next. This included review of data presented and evaluating the sources of information for this.

Bekkeri port and Muuga port and warehouses in Bekkeri port and Muuga port were visited.

On 15.11.2019 auditors moved to Imavere pellet mill where purchase and sales documentation was reviewed and evaluated. Random sampling was implemented for purchase documentation and origin documents.

Review of SAR documents that were prepared by the BP together with standard 5 check-list was evaluated next. This included review of data presented and evaluating the sources of information for this.

Requirements regarding ID 5E were also evaluated.

This was followed by roundtrip in production and storage areas and facilities. Interviews during the round-tour were conducted with responsible staff, also pictures of main processing units were taken. More detail interview was held material receiver who demonstrated what they control and demonstrated the origin control process.

The audit ended with the closing meeting at the Imavere pellet plant where final results of the evaluation were presented.

Composition of audit team:

Auditor(s), roles	Qualifications
Eveli Pind Lead auditor/audit team leader. Verification of SBP-compliant feedstock, Chain of Custody, SBP-compliant feedstock. Lead auditor, responsible for all aspects	M.Sc in Environmental Engineering and Management from Tallinn University of Technology. Previous work experience from wooden window manufacturing. She has passed NEPCons forest management and chain of custody lead auditors training and passed also SBP training. Working in NEPCon as auditor since 2017.
Toomas Tammeleht Audit team member. Verification of SBP-compliant feedstock, Chain of Custody, SBP-compliant feedstock.	BSc in forestry and MSc in industrial ecology. Toomas has been working in NEPCon as an auditor since 2016. He has passed NEPCons forest management and chain of custody lead auditors training. Has participated in over 10 FSC forest management audits and has conducted over 100 Chain of Custody audits. He has previously worked for Environmental Inspectorate. Toomas successfully completed SBP training course and he has practical experience with carbon footprint certification.
Georg Sten Andrejev, Auditor in training	BSc in Forest Industry. Works for NEPCon since august 2019. Has working experience in timber industry.

6.3 Process for consultation with stakeholders

According to standard 2 p13 stakeholder consultation is not required for annual audits. Stakeholder consultation was conducted prior first assessment.

SBR is publicly available on company`s web page but no stakeholders have sent company any comments regarding to that.

7 Results

7.1 Main strengths and weaknesses

Main strengths: all processes have been well documented; main database for material balances is well maintained and all relevant information can be reported.

Weaknesses: See NCRs below.

7.2 Rigour of Supply Base Evaluation

The SBE scope was decided based on Imavere plant's feedstock profile. After assessing the existing controlled feedstock suppliers and SBP-compliant material demand the preliminary suppliers list was put together. These suppliers were approached and informed about SBP and the WKH risk mitigation requirements. The suppliers who expressed readiness to implement the mitigation measures were further consulted and provided with guidelines on how to move forward with the WKH risk mitigation measures and documentation requirements. The suppliers who rejected the changes were removed from the GI suppliers' list and no longer supplied feedstock to Imavere pellet plant.

BP is using approved risk assessment and mitigation measures described in their SBR.

Based on the SBP endorsed regional risk assessment for Estonia, there is only one specified risk area in Estonia – indicator 2.1.2 referring to potential threats from forest management activities to areas with high conservation value. In case of Estonia the potential threats to Woodland Key Habitats (WKHs).

Controlled feedstock within Imavere plant's SBE is only considered to be low risk and SBP-compliant IF the mitigation measures have been applied. Once a feedstock supplier is listed in the GI suppliers' list they have proven that their wood origin documentation is maintained throughout the supply chain from the felling site to the biomass producer. Their WKH risk mitigation procedures are in place within the supply chain with credible evidence. All suppliers who are going to supply secondary feedstock via SBE must be audited before they will be accepted as supplier of SBP compliant feedstock Primary feedstock that goes through SBE will be controlled each time material is received. This is done by material receiver at the gate who will control if the material is coming from WKH or not.

7.3 Collection and Communication of Data

BP has a system to gather and record Greenhouse Gas emissions. During the audit, BP made detailed overview of the systems and databases to gather and record such data.

Data is gathered from suppliers about the distances from where material is transported, all production data is recorded in BP production database, information about fossil fuels used is based on invoices and production logs. During the reporting period electricity was bought from grit, evidence based on invoices and meters. Transportation distances from pellet factories to harbours and pellet volumes are recorded in database. Information about energy and fuels used during the loading of the material in ports was asked from port operators and this information was available during the audit.

All the GHG information is indicated in SAR document. All evidence was provided to auditors, auditors considered it sufficient enough to fulfil the requirements.

7.4 Competency of involved personnel

Overall responsible person for implementing SBP together with SBE is Head of Quality and Certification Systems. Supply Base Evaluation was performed by internal personnel only. SBR was reviewed by central office's top management: CEO, COO, Head of Quality and Certification Systems, Biomass Purchasing Manager and the Head of Forestry.

Overall responsible person has all required competences, education and work experience from timber and industry sector and these are also described in procedures.

According to interviews, review of biomass producer quality manager's CV and set of procedures and documents that were composed for the SBP system, auditors evaluated the competency of main responsible staff to be sufficient.

7.5 Stakeholder feedback

No comments or concerns were received during the Biomass Producer's and CB-s stakeholder notification period that was conducted before assessment.

7.6 Preconditions

No open preconditions.

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.

SBP-endorsed Regional Risk Assessment for Estonia was used by the Biomass Producer. Risk ratings in table 1 are taken from the approved risk assessment, where one indicator has been evaluated as specified risk (indicator 2.1.2)

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	Specified	Specified	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

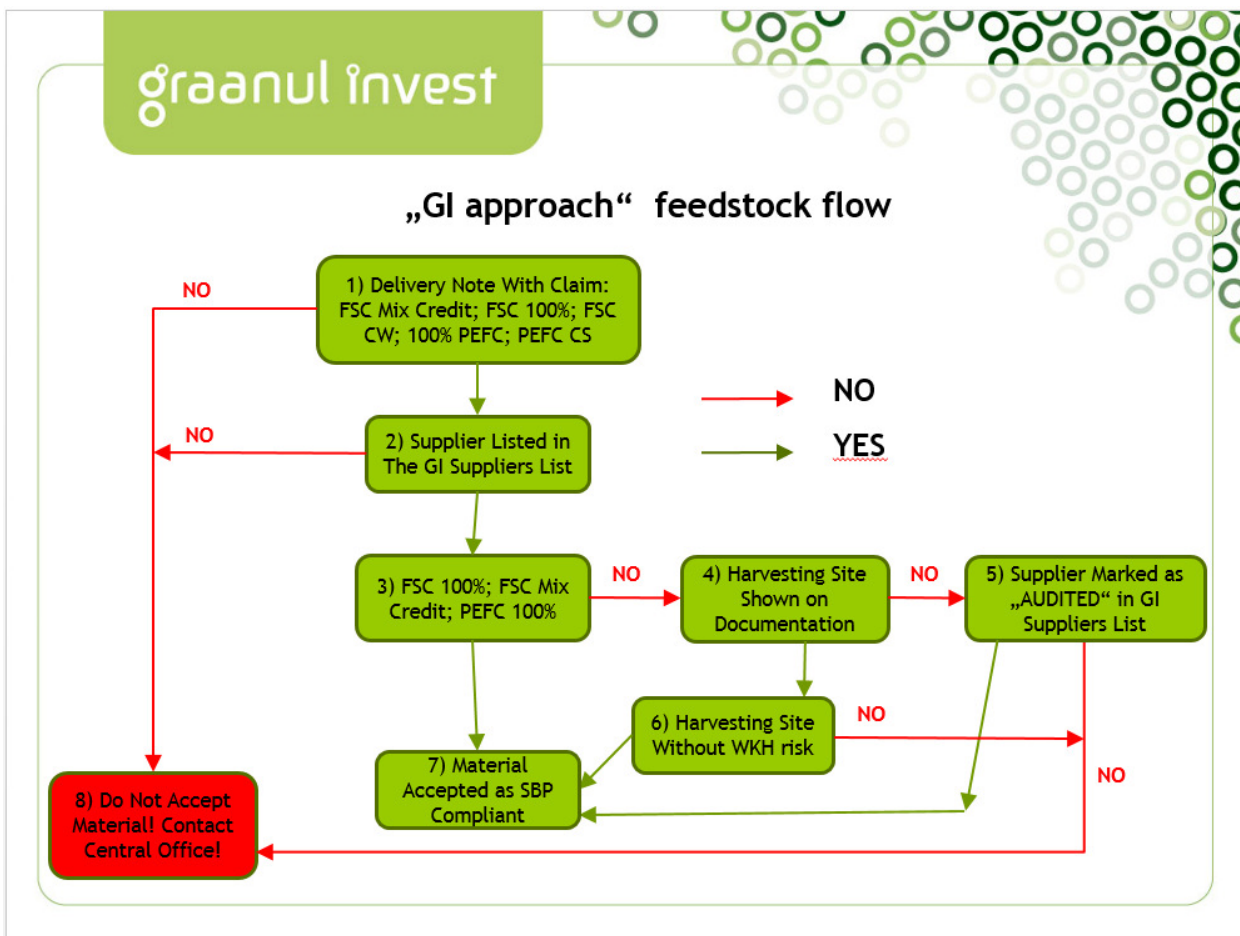
Table 2. Final risk ratings of Indicators as determined AFTER the SVP and any mitigation measures.

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

Below is explained the whole cycle of feedstock flow through AS Graanul Invest direct and indirect mitigation measures “GI approach”. Mother company Graanul Invest AS has compiled common procedures for all Estonian sites including Graanul Invest AS – Imavere factory pellet plant.



- 1) Every feedstock delivery has to have a delivery note with feedstock type, weight/volume, certification claim and code. The format and content have to be according to FSC and PEFC standards. This is examined by pellet plant personnel before the delivery is allowed through the gate.
- 2) The GI Suppliers List consist of the companies who are approved by central office and are allowed to deliver feedstock to Graanul Invest AS – Imavere factory pellet plant. The list is updated every 3 months and a supplier only qualifies for the list if:
 - a.They have a valid certificate visible in the certification scheme’s online database.
 - b.The certificate includes the feedstock types they supply.
 - c.They source their controlled feedstock from inside Estonia’s borders, inside the SBE (information from waybills).
 - d.They have expressed readiness to implement the mitigation measures and provide evidence.

e. They have signed a contract with AS Graanul Invest which included the WKH risk mitigation measures appendix (WKH information comes from public forest registry).

f. In case they are not a contractual supplier they must have received the WKH risk mitigation measures' guidelines from AS Graanul Invest.

g. They must have attended the AS Graanul Invest suppliers training seminar (registration was recorded).

If one of the conditions from “d”, “e”, “f” or “g” is not met then the supplier only qualifies for the GI Suppliers List if they have been audited by AS Graanul Invest central office and approved. The conditions “a”, “b” and “c” have zero tolerance and not meeting them automatically disqualifies the supplier.

3) If the feedstock is forest management certified then it is SBP-compliant. The accepted certification claims are FSC 100%, FSC Mix Credit, FSC Mix 100% or 100% PEFC Certified Material.

4) If the feedstock is controlled feedstock then the harvesting site information has to be shown on the documentation. Controlled feedstock is defined as feedstock with certification claims “FSC Controlled Wood” and “FSC Controlled Sources”.

5) If controlled feedstock does not have the harvesting site information in the delivery documentation then the feedstock can only be accepted if the supplier has been audited by AS Graanul Invest central office and approved. Approved suppliers are marked as “AUDITED” in the suppliers list. This possibility exists because some feedstock suppliers have a WKH risk mitigation measure in place but do not segregate material for their clients. Therefore the risk is low but the exact harvesting site is not known. This system is accepted but has to be audited before.

6) If the controlled feedstock documentation includes the harvesting site information then the site is checked, by Graanul Invest AS – Imavere factory pellet plant pellet plant personnel, from the Environmental Agency's WKH database or Forest Registry's WKH map. If the harvesting site does not have a WKH on it the material can be accepted as SBP-compliant.

7) SBP-compliant material is allowed to enter the pellet plant territory and is stored according to the storage plan. The compliant material is recorded according to its' quality and sustainability characteristics.

8) Whatever the reason for feedstock rejection the pellet plant has to register and report the case to central office. Each case will be reviewed individually and measures will be taken to avoid similar issues in the future.

Suppliers supplying secondary material via SBE will be audited first by BP to ensure the material is not originating from WKH. During the supplier audit BP is controlling following aspects:

- demonstration of the control procedure carried out by the supplier's responsible person(s);
- demonstration of recorded monitoring data;
- random selection of a sample of primary feedstock deliveries and the verification of the recorded monitoring results;
- demonstration of the supplier's WKH register and corrective actions taken;
- feedstock storage conditions;

All audit findings and results are documented and these were reviewed by BP.

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.

NC number 01/20	NC Grading: Minor
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock; p 7.3
Description of Non-conformance and Related Evidence:	
During the review of SBR it came out, that company is not using the latest version of SBRs, instead they are using version 1.2. While there haven't been major changes in version 1.3 auditor decided to raise Minor NCR 01/20.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Updated SBR, interview with overall responsible.
Findings for Evaluation of Evidence:	SBR was updated with a new version 1.3. Auditor decided to close the NCR before closing the report.
NC Status:	Closed

NC number 02/20	NC Grading: Minor
Standard & Requirement:	Standard #4 V1.0 - Chain of Custody; p 5.1.2
Description of Non-conformance and Related Evidence:	
Supplier list is verified once per quarter by overall responsible or Biomass Purchasing Manager. BP has one automatic supplier list in gate database and other in Excel. In gate database, if anything differs in	

<p>waybill and in database, then there is notification. Before onsite audit, BP sent supplier list to auditor. During audit it came out that one supplier has new FSC and PEFC certificate number and one supplier has new PEFC certificate number. Auditor decided to raise Minor NCR 02/20.</p>	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	PENDING
Findings for Evaluation of Evidence:	PENDING
NC Status:	Open

NC number 03/20	NC Grading: Minor
Standard & Requirement:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data; p 6.9.5
Description of Non-conformance and Related Evidence:	
<p>In SAR document in point 3.3d total heat output from CHP was incorrect. BP has new database and therefore in old tables some errors occurred. While there was only one number incorrect, auditor decided to raise Minor NCR 03/20.</p>	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Updated SAR documents, production logs, declaration from energy company, interview with responsible person
Findings for Evaluation of Evidence:	BP sent updated SAR document and corrected declaration from energy company. Overall responsible person was aware of the requirements.
NC Status:	Closed

11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Asko Lust
Date of decision:	12/Dec/2019
Other comments:	<i>Click or tap here to enter text.</i>