

# SBP

Sustainable Biomass Partnership

## NEPCon Evaluation of SBE Latvia Compliance with the SBP Framework: Public Summary Report

[www.sustainablebiomasspartnership.org](http://www.sustainablebiomasspartnership.org)



## Completed in accordance with the CB Public Summary Report Template Version 1.0

*For further information on the SBP Framework and to view the full set of documentation see  
[www.sustainablebiomasspartnership.org](http://www.sustainablebiomasspartnership.org)*

*Template document history*

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# Contents

<b>1 Overview</b>	<b>1</b>
<b>2 Scope of the evaluation and SBP certificate</b>	<b>2</b>
<b>3 Specific objective</b>	<b>4</b>
<b>4 SBP Standards utilised</b>	<b>5</b>
4.1 SBP Standards utilised	5
4.2 SBP-endorsed Regional Risk Assessment	5
<b>5 Description of Biomass Producer, Supply Base and Forest Management</b>	<b>6</b>
5.1 Description of Biomass Producer	6
5.2 Description of Biomass Producer's Supply Base	6
5.3 Detailed description of Supply Base	10
5.4 Chain of Custody system	10
<b>6 Evaluation process</b>	<b>11</b>
6.1 Timing of evaluation activities	11
6.2 Description of evaluation activities	11
6.3 Process for consultation with stakeholders	12
<b>7 Results</b>	<b>13</b>
7.1 Main strengths and weaknesses	13
7.2 Rigour of Supply Base Evaluation	13
7.3 Compilation of data on Greenhouse Gas emissions	13
7.4 Competency of involved personnel	13
7.5 Stakeholder feedback	13
7.6 Preconditions	13
<b>8 Review of Biomass Producer's Risk Assessments</b>	<b>14</b>
<b>9 Review of Biomass Producer's mitigation measures</b>	<b>15</b>
<b>10 Non-conformities and observations</b>	<b>16</b>
<b>11 Certification decision</b>	<b>21</b>
<b>12 Surveillance updates</b>	<b>22</b>

# 1 Overview

CB Name and contact: NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia

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Report completion date: 07/Sep/2015

Report authors: Olesja Puiso

Certificate Holder: SBE Latvia Ltd SIA, "Griķi", Laucienes pagasts, Talsu novads, LV-3285, Latvia

Producer contact for SBP: Ilze Ļutjanska, Quality Manager, [ilze@sbe.lv](mailto:ilze@sbe.lv), +371 2915 8241

Certified Supply Base: Sourcing from Republic of Latvia, Lithuania and Norway

SBP Certificate Code: SBP-01-01

Date of certificate issue: 23/Sep/2015

Date of certificate expiry: 22/Sep/2020

Indicate where the current audit fits within the certification cycle				
Main (Initial) Audit	First Surveillance Audit	Second Surveillance Audit	Third Surveillance Audit	Fourth Surveillance Audit
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 2 Scope of the evaluation and SBP certificate

The certificate scope covers a production site in Talsu region and storage facilities in Mersrags harbour.

The Organisation holds valid FSC COC certificate, covering both FSC transfer and FSC credit system. FSC Credit system is implemented in case FSC certified and FSC Controlled wood inputs are used, other materials are segregated. Controlled wood verification system is not included into the FSC certification scope of the company.

Wood pellets are produced from sawdust. Other types of feedstock: chips, bark as well as some parts of pellets are used in dryer.

The company is sourcing feedstock from primary/secondary producers as well as from the sawdust brokers (information about primary supplier is available in the delivery documentation).

The company is implementing new procurement policy. As a result proportion of FSC mix credit and FSC Controlled wood material volume had reached 80% of all input material volume during the last few months.

All inputs are FSC certified, FSC controlled or non-controlled (segregated from certified input).

Scope of evaluation is indicated in the table below:

Scope Item	Check all that apply to the Certificate Scope	Change in Scope (N/A for Assessments)
<b>Certificate Type</b>	<input checked="" type="checkbox"/> Single <input type="checkbox"/> Multi-site	<input type="checkbox"/>
<b>Approved Standards</b>	SBP Standard #2 V1.0, SBP Standard #4 V1.0, SBP Standard #5 V1.0 <a href="http://www.sustainablebiomasspartnership.org/documents">http://www.sustainablebiomasspartnership.org/documents</a>	<input type="checkbox"/>
<b>Primary Activity</b>	Pellet Producer	<input type="checkbox"/>
<b>Input Material Categories</b>	<input type="checkbox"/> SBP-Compliant Primary Feedstock <input checked="" type="checkbox"/> SBP-Compliant Secondary Feedstock	<input type="checkbox"/>
	<input type="checkbox"/> Controlled Feedstock <input type="checkbox"/> SBP non-Compliant Feedstock	
	<input type="checkbox"/> SBP-Compliant Tertiary biomass <input type="checkbox"/> Pre-consumer Tertiary Feedstock	
	<input type="checkbox"/> Post-consumer Tertiary Feedstock <input type="checkbox"/> SBP-approved Recycled Claim	
<b>Chain of Custody system implemented</b>	<input checked="" type="checkbox"/> FSC <input type="checkbox"/> PEFC <input type="checkbox"/> SFI <input type="checkbox"/> GGL	<input type="checkbox"/>
	<input checked="" type="checkbox"/> Transfer <input type="checkbox"/> Percentage <input checked="" type="checkbox"/> Credit	<input type="checkbox"/>
<b>Use of SBP Claim</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/>

<b>SBP Verification Program</b>	<input type="checkbox"/> Low risk sources only	<input type="checkbox"/> Sources with unspecified/ specified risk	<input type="checkbox"/>
	New districts approved for SBP-Compliant inputs:		
<b>Sub-scopes</b>			<input type="checkbox"/>
Specify SBP Product Groups added or removed:			
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 the production processes, production site visit;
- 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; and
- GHG data collection analysis.

## 4 SBP Standards utilised

### 4.1 SBP Standards utilised

Standard 2 Verification of SBP-compliant Feedstock, Version 1.0, 26 March 2015

Standard 4 Chain of Custody, Version 1.0, 26 March 2015

Standard 5 Collection and Communication of Data, Version 1.0, 26 March 2015

Instruction document 5A Collection and Communication of Data version 1.0. March 2015 was used for the evaluation as well.

<http://www.sustainablebiomasspartnership.org/documents/standards-documents/standards>

### 4.2 SBP-endorsed Regional Risk Assessment

Not applicable. Supply Base Evaluation is not included in the scope of the evaluation.



## 5 Description of Biomass Producer, Supply Base and Forest Management

### 5.1 Description of Biomass Producer

BP is a biomass producer with a production site situated in Talsu region, Latvia.

The Company employs appr. 20 employees.

BP sources only secondary feedstock for its production. Sawdust is used as a feedstock type for pellet production. Other feedstock types: forest residues and other types of wood industry residues are used for biomass drying.

BP sources feedstock originating from Latvia, Lithuania and Norway. Feedstock is delivered to the pellet plant by road transport. All incoming loads are weighed.

Incoming material is either FSC certified, FSC Controlled or non-controlled (segregated). Origin information and origin information access agreement is signed with every supplier. The BP also conducts suppliers' audits.

The BP implements the credit system for feedstock for FSC certified and FSC Controlled wood incoming feedstock. The amount of the biomass produced according to FSC credit system might be sold as SBP-compliant or SBP-controlled.

After the production pellets are stored in BP's production storage or transported into the Mersrags harbour storage place.

### 5.2 Description of Biomass Producer's Supply Base

BP sources secondary feedstock only for its production, and secondary feedstock and forest residues for biomass drying. The feedstock is delivered by Latvia Registered companies, however, feedstock originates from Latvia, Lithuania and Norway.

Forests within the Supply Base are boreal and temperate. The dominating species are pine and spruce.

#### **Latvia**

3.2 million ha of forest, agricultural lands 1,87 million ha. Woodenness in Latvia accounts for 51%.

The area covered by forests is increasing. The expansion happens due to both natural afforestation of unused agricultural lands afforest and by afforestation of low fertility agriculture land.

Forests lands consists of forests 91.3%, marshes 5.3%, open areas 1.1%, flooded areas 0.5% and objects of infrastructure 1.8%.

The main wood species are pine 34.3%, birch 30.8% and spruce 18.0%. Other wood species are aspen 7.4%, aspen 5.4%, black alder 3%, ash 0.5% and oak 0.3%.

51.8% of whole forest area is owned by state, 1.4% is in municipal ownership, but other 46.8% are private forests and other forest ownership types (data: State Forest Service statistics, 2014). Management of the state-owned forests is performed by the public joint stock company, AS Latvijas Valsts Meži, which was 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.

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 high nature conservation values such as rare and endangered species and habitats that are located outside designated protected nature areas, micro reserves are established. According to data of the State Forest Service (2015), the total area of micro reserves constitute 40,595 ha. Identification and protection planning of biologically valuable forest stands is carried out continuously primarily in state forests.

On the other hand, there are general nature protection requirements binding to all forest managers established in forestry and nature protection legislation aimed at preservation of biological diversity during forest management activities. They stipulate a number of requirements, for instance, preserving old and large trees, dead wood, undergrowth trees and shrubs, land cover around micro-depressions thus providing habitat for many organisms, including rare and/or endangered species.

Latvia has been a signatory of the CITES Convention since 1997. CITES requirements are respected in forest management, although none of local Latvian tree and shrub species are included in the CITES annexes.

Areas where recreation is one of the main forest management objectives add up to 8% of the total forest area or 293,000 ha (2012). 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, and 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 Protection Board under the Ministry for Environmental Protection and Regional Development.

5% of Latvian inhabitants are employed in forestry, wood-working industry, furniture production Industry.

The share of forestry, wood-working industry and furniture production amounted to 6% GDP in 2012, while export yielded 1,7 billion euro (17% of the total volume of export).

State forests are FSC/PEFC certified. In addition to state forest enterprise, six private forest managers are managing forests in accordance with FSC standard requirements. The FSC certified are in the country

amounts to a total of 1,743,157 ha, including 248,021 ha of private forest land. A total of 1,683, 641 ha forests are also PEFC certified. The figures are correct as of April, 2015.

### **Lithuania**

Agricultural land covers more than 50% of Lithuania. Forested land consists of about 28%, with 2,17 million ha, while land classified as forest corresponds to about 30% of the total land area. The southeastern part of the country is most heavily forested, and here forests cover about 45% 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. According to the ownership forests are divided into state and private forests.

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 thinning and sanitary cuttings are allowed. Clear cutting is permitted, however, with certain restrictions, in protected forests; and thinning as well. In commercial forests, there are almost no restrictions as to harvesting methods.

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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% of the forest area. Spruce and birch account for about 24 and 20% respectively. Other forests make up about 12% 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% of the forest area. The area occupied by aspen stands is close to 3%.

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

All state owned forests are FSC certified.

### **Norway**

About 38% of the surface area in Norway is covered by forest. The total forested area amounts to 12 million ha, including more than 7 million ha of productive forest. 15% of the productive forest has been estimated as non-economic operational areas due to difficult terrain and long distance transport, which means that economical forestry may only be operated in about 50% of the forested area. The most important species are Norway spruce (47%), Scots pine (33%) and birch (18%).

From the forest area: Privately owned forests 80%; State and municipalities 12%

Industrial private 4%; Local common land 4%

All productive forests in Norway are certified, i.e. 7,397,000 ha (both FSC and PEFC). The number of certified forest owners is approximately 43,000 (private, municipalities, state).

Approximately 6.4% of mainland Norway has protected area status. In addition, 15,000 square km of Spitsbergen is designated as conservation area - national parks, nature reserves or other kinds of protected area cover 10-12% of the area of the remote islands.

The total number of species in Norway is estimated to be 45,000, of which approximately 33,000 are known and described. It exists information enough to estimate whether a species is threatened or not for only 10,000 species. Of these, 150 are threatened by extinction, 279 are deemed vulnerable, 800 are categorized as rare (the last number also includes species which are rare of natural causes, and not only because of human intervention). 359 are deemed species of special concern, 36 species are indeterminate, while 169 species are classified as insufficiently known.

Species "Red lists" can be used to point out the habitats containing an especially rich variety of endangered species. Red list species have often proved to be the red warning lights of nature to tell us that a biotope is threatened or something else is wrong in nature. The red lists also give us a picture of the condition of our flora and fauna, and may contribute to the efforts of securing and improve the ecosystem for these species.  
[http://www.borealforest.org/world/world\\_norway.htm](http://www.borealforest.org/world/world_norway.htm)

In the country there are areas of endangered high conservation value forests. More specifically there are Global200 and IFL areas in the northern mountain regions.

Norway has been a signatory of the CITES Convention since 1976. CITES requirements are respected in forest management, although there are no local tree and brush species included in the CITES lists annexes.

Those regions identified by Conservation International as a Biodiversity Hotspot. Those forest, woodland, or mangrove ecoregions identified by World Wildlife Fund as a Global 200 Ecoregion and assessed by WWF as having a conservation status of endangered or critical. Those regions identified by the World Resources Institute as a Frontier Forest Intact Forests Landscapes, as identified by Greenpeace ([www.intactforests.org](http://www.intactforests.org)).

In 2006 forestry and the forest industries accounted for about 0.8% of the Gross National Product in Norway. Of the total employment of 2,443,000 persons in Norway approximately 40,000 people receive their income from forestry and from the forest industry. 6,700 persons (0.3%) are directly employed in forestry. About 50% of the Norwegian round wood harvested is used by sawmills. There are 225 sawmills in Norway operating on an industrial scale.

Detailed information about the supply base region (general description of the forest resources and forest management practices within the Supply Base) is publically available at the BP's homepage:

[http://www.sbe.lv/SBR\\_LV.pdf](http://www.sbe.lv/SBR_LV.pdf)

[http://www.sbe.lv/SBR\\_ENG.pdf](http://www.sbe.lv/SBR_ENG.pdf)

## 5.3 Detailed description of Supply Base

Total Supply Base area (ha):	12,2 million ha
Tenure by type (ha):	8,2 million ha State ownership, 2.2 million ha other ownership types
Forest by type (ha):	5,2 million ha Boreal forests, 7 million ha Temperate forests
Forest by management type (ha):	12,2 million ha Managed Natural
Certified forest by scheme (ha):	FSC, total certified area 2,53 million ha
Total volume of Feedstock:	524,252 m <sup>3</sup>

Quantitative description of the Supply Base can be found in the Biomass Producer's Public Summary Report:

[http://www.sbe.lv/SBR\\_LV.pdf](http://www.sbe.lv/SBR_LV.pdf)

[http://www.sbe.lv/SBR\\_ENG.pdf](http://www.sbe.lv/SBR_ENG.pdf)

## 5.4 Chain of Custody system

The Organisation is holding active FCS COC certificate. Valid FSC system description and other documents exist.

FSC system of the organisation foresees both transfer and credit system. Credit system is used for FSC certified and FSC Controlled wood feedstock. Transfer system is used for segregation of non-controlled material.

Incoming material is weighted by weighbridge and unloaded in piles according to certification status. Incoming feedstock as well as supplier list organised according to certification FSC status exist. Non-certified material is properly segregated during the raw material storage, production entry and final product storage. All lines and silos are cleaned in case of the FSC production and special record is done into the production recordkeeping system.

Company is also implementing credit system calculation for FSC certified and FSC Controlled incoming feedstock. The volume of the feedstock is recalculated into the volume of pellets based on conversion coefficient and volume into tone coefficient.

In case of the FSC and/ or SBP sales the volume of sold pellets is withdrawn from the credit account.

## 6 Evaluation process

### 6.1 Timing of evaluation activities

The pre-assessment took place on 21/May/2015:

2 days: 1 full day onsite + 1 day document review prior to the pre-assessment.

Assessment was conducted on 20/Jul/2015:

2,5 days: 1 full day onsite + 1,5 day documented evidence review prior to the assessment.

### 6.2 Description of evaluation activities

The pre-assessment visit was focused on management system evaluation: division of the responsibilities, document and system, input material classification (reception and registration), analysis of the existing FSC system and FSC system control points as well as GHG data availability.

Description of the assessment evaluation:

Auditor was welcomed in SBE Latvia LTD SIA head office site. Assessment started with an opening/introductory meeting.

After that auditor went through the changes in SBP system taking place from the re-assessment, went through applicable requirements covering management system, CoC, recordkeeping/mass balance requirements, emission and energy data and verification of SBP compliant and SBP Controlled feedstock. During the process the overall responsible person for SBP system and over responsible staff having key responsibilities within the system was interviewed.

As a part of the assessment auditor visited the raw material storage and production site. During the site tour responsible staff were interviewed, FSC Control points were verified (reception, storage, segregation- line cleaning, segregated storage, personal competence, recordkeeping, storage, sales and departure); production/ storage/ fuel use records were reviewed.

No FSC production was taking place at the assessment date, separate production and segregation starting from material reception and followed by production process stages and final product segregation was discussed.

“Punti”, Talsu novads raw material yard (legal address of SBE Latvia site) was not visited during the assessment due to the fact that loading of raw material at the site is responsibility of the supplier and no SBP/ FSC system risks exist at this point.

During the assessment the storage site in Mersrags harbour was visited. Storage site and equipment/ machines used in the harbour were inspected and interview with contractor providing storage and boat loading operation conducted.

After that, 2 SBE Latvia suppliers (randomly selected by the auditor) were visited. The auditor has chosen one supplier already evaluated by the BP and one additional supplier which was not yet evaluated. During the audit SBE Latvia supplier audit methodology was observed. NEPCOn auditor used FSC Controlled wood sampling for calculating the auditor attended suppliers (supplier audits) equal to  $0.8 * \sqrt{\text{number of suppliers audited by the BP}}$ .

At the end of the day, closing meeting was conducted by the auditor. During the meeting attended by current director of the factory, quality manager and director's assistant explained the results of the assessment.

### 6.3 Process for consultation with stakeholders

The stakeholder consultation was carried out on 2/Jun/2015 by sending direct mail to different stakeholder categories: state institutions, local NGOs, authorities, government bodies, forest owners associations, academic and research institutions. No comments from the stakeholders were received.

## 7 Results

### 7.1 Main strengths and weaknesses

Strengths: SBP system elements are implemented at the time of the assessment. The emissions data are collected based on actual data, no default values are used. Efficient recordkeeping system. Small number of the management staff.

Weaknesses: use of the joined FSC transfer and credit system. See NCR report (Section 10).

### 7.2 Rigour of Supply Base Evaluation

Not applicable.

### 7.3 Compilation of data on Greenhouse Gas emissions

Prior the assessment the organization has not recorded data on greenhouse gas emissions and has only started it for purposes of the SBP certification, however, the company made a proper and detailed data entry into their production and recordkeeping system. This included the most part of the work spent on the preparation for the certification. The data at the end of the assessment were complete and accurate, however there are some minor non-conformities to be addressed. For details see below.

### 7.4 Competency of involved personnel

Auditor(s), roles	Qualifications
Olesja Puišo Lead auditor Evaluation against all applicable requirements	Auditor, evaluation against all applicable requirements. MSc in Logistics and has been working in NEPCon since 2005. She has participated in CoC and FM audits in Latvia and other countries. Olesja has passed FSC CoC/ FM and PEFC CoC lead auditor training course, Legal Source, SAN, ISO 14001 and SBP training course. Previous experience in woodworking industry and SBP pre-assessment and assessments in Latvia, Lithuania and Russia.

### 7.5 Stakeholder feedback

No stakeholder comments were received.

### 7.6 Preconditions

No preconditions to this certification were identified at the time of the main assessment.



## 8 Review of Biomass Producer's Risk Assessments

Not applicable.

## 9 Review of Biomass Producer's mitigation measures

Not applicable.

## 10 Non-conformities and observations

During the assessment no non-conformances influencing system integrity were been identified.

<b>NCR: 01/15</b>	<b>NC Classification: Minor</b>	
<b>Standard &amp; Requirement:</b>	SBP Standard 2 (v1.0), requirement 2C, 4.1.	
<b>Description of Non-conformance and Related Evidence:</b>		
The Supply Base Report meets the requirements of SBP. Section 2.5. Quantification of the Supply Base covers information for just one Supply base region Latvia. The volume of input materials coming from other SB regions (Lithuania and Norway) is considered to be very small, and thus has not been reported in this section of SBR.		
<b>Corrective action request:</b>	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.	
<b>Timeline for Conformance:</b>	Not applicable	
<b>Evidence Provided by Organisation:</b>	Updated SBR report.	
<b>Findings for Evaluation of Evidence:</b>	The BP provided an updated SBR covering section 2.5. Quantification of the Supply Base	
<b>NCR Status:</b>	<b>CLOSED</b>	
<b>Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?</b>	Yes	<input type="checkbox"/>
	No	<input checked="" type="checkbox"/>

<b>NCR: 02/15</b>	<b>NC Classification: Minor</b>	
<b>Standard &amp; Requirement:</b>	SBP Standard 4 (v1.0), requirement 5.1.2	
<b>Description of Non-conformance and Related Evidence:</b>		
<p>During the assessment a conflict between FSC and SBP system was identified in relation to SBP sales and withdrawal of FSC credit from the FSC credit account in case of SBP-compliant biomass sales. There is no mechanism of withdrawal of FSC credit from FSC credit account in case of SBP-compliant material sales described in the BP's procedures. During the assessment the BP's representatives explained that BP will use double FSC certification claims and cert. Number and SBP claim and cert./ batch Number in case of SBP-compliant Biomass sales.</p>		
<b>Corrective action request:</b>	<p>Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.                  Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p>	
<b>Timeline for Conformance:</b>	Not applicable	
<b>Evidence Provided by Organisation:</b>	PENDING	
<b>Findings for Evaluation of Evidence:</b>	PENDING	
<b>NCR Status:</b>	<b>OPEN</b>	
<b>Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?</b>	Yes	<input type="checkbox"/>
	No	<input checked="" type="checkbox"/>

<b>NCR: 03/15</b>	<b>NC Classification: Minor</b>	
<b>Standard &amp; Requirement:</b>	SBP Advice Note 5A(ver. 1.0), requirement 7.1.	
<b>Description of Non-conformance and Related Evidence:</b>		
<p>BP had classified its feedstock into product groups designated in SBP standard 5 and advice note 5Aa: groups 4 and 6:</p> <p>4. Secondary Feedstock supplied under a claim under an SBP approved controlled feedstock claim (specifically FSC)</p> <p>6.SBP-compliant secondary feedstock (excluding anything in Product Groups 4 and 5 above) And other feedstock (segregated from SBP Production)</p> <p>However, product groups designated in BP's Product group schedule does not cover full name of the product groups designated in SBP standard.</p>		
<b>Corrective action request:</b>	<p>Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p>	
<b>Timeline for Conformance:</b>	Not applicable	
<b>Evidence Provided by Organisation:</b>	PENDING	
<b>Findings for Evaluation of Evidence:</b>	PENDING	
<b>NCR Status:</b>	<b>OPEN</b>	
<b>Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?</b>	Yes	<input type="checkbox"/>
	No	<input checked="" type="checkbox"/>

<b>NCR: 04/15</b>	<b>NC Classification: Minor</b>	
<b>Standard &amp; Requirement:</b>	SBP Advice Note 5A(1.0), requirement 3.6.1.	
<b>Description of Non-conformance and Related Evidence:</b>		
<p>The BP is using chips coming from chipping of different sort of forest residues. The data was provided based on evidences provided by chips suppliers by phone and therefore there is no record available and the evidence is quite weak.</p> <p>It was also confirmed that in-forest chipping data recorded into the GHG table 0.7l/t is very close the values used in the region and are not understated.</p>		
<b>Corrective action request:</b>	<p>Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.</p> <p>Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p>	
<b>Timeline for Conformance:</b>	Not applicable	
<b>Evidence Provided by Organisation:</b>	PENDING	
<b>Findings for Evaluation of Evidence:</b>	PENDING	
<b>NCR Status:</b>	<b>OPEN</b>	
<b>Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?</b>	Yes	<input type="checkbox"/>
	No	<input checked="" type="checkbox"/>

<b>OBS: 01/15</b>	<b>Standard &amp; Requirement:</b>	SBP standard nr.2 requirement section 5
<b>Description of findings leading to observation:</b>	During the assessment it was identified that co-product origin agreement template provided to the suppliers does already contain the information about the supplied material origin. That might potentially be confusing for suppliers sourcing for more than one supply base region.	
<b>Observation:</b>	It is recommended by the auditor to let each supplier enter information about the Supply Base itself, to make sure information about all supply regions is mentioned by a supplier	

<b>OBS: 02/15</b>	<b>Standard &amp; Requirement:</b>	SBP standard nr.2 requirement 7.3.
<b>Description of findings leading to observation:</b>	The organization procedures (Section 6) specify that the SBR shall be completed using the latest version of the SBR template. The SBR provided by the BP is the last version downloaded from SBP website however the organization has removed some parts (title page and table of content are excluded). Furthermore, in the chapter 2,5 l) is missing the specification of the concrete volume and in chapter 2,5 e) it is not specified the certified forest by scheme (only FSC and PEFC together).	
<b>Observation:</b>	<p>The BP should make full version of the latest version of the SBR template is used.</p> <p>After the assessment BP submitted updated version of the Supply Base Report, however, the following data was still missing:</p> <ul style="list-style-type: none"> <li>a) in the chapter 2,5 l) is missing the specification of the concrete volume and;</li> <li>b) in chapter 2,5 e) it is not specified the certified forest by scheme (only FSC and PEFC together).</li> </ul>	

## 11 Certification decision

Based on Organisation's conformance with SBP requirements, the auditor makes the following recommendation:	
<input checked="" type="checkbox"/>	Certification approved: Upon acceptance of NCR(s) issued above
<input type="checkbox"/>	Certification not approved:
Based on auditor's recommendation and NEPCon quality review following certification decision is taken:	
<b>NEPCon certification decision:</b>	
<b>The Biomass Producer has been certified by NEPCon as meeting the requirements of the specified SBP Standard, the certificate can be issued immediately after NEPCon will obtain the recognition as SBP certification body. The expiration of the certificate will be then 5 years.</b>	
Certification decision by: <b>Ondřej Tarabus</b>	
Date of decision: <b>07/Sep/2015</b>	

*Post Script:*

SBE Latvia has been certified by NEPCon as of 23 September 2015 as meeting the requirements of Sustainable Biomass Partnership (SBP) v1.0, 26 March 2015 Standards 2, 4 and 5.

The expiration date of the certificate is 22 September 2020.



## 12 Surveillance updates

Note: Surveillance updates shall be provided to SBP as specified in SBP Standard 3: Certification Systems: Requirements for Certification Bodies.