

NEPCon Evaluation of Statkraft Markets GmbH Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

www.sbp-cert.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.sbp-cert.org*

Document history

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1 Overview

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Report completion date: 27/Oct/2017

Report authors: Ondřej Tarabus

Certificate Holder: Statkraft GmbH, Derendorfer Allee 2a 40476, Düsseldorf, Germany

Producer contact for SBP: Elizabeth Warren, Commercial Operations Manager, +44 (0) 7825 642163, elizabeth.warren@statkraft.com

Certified Supply Base: Norway

SBP Certificate Code: SBP-01-45

Date of certificate issue: 14/Oct/2016

Date of certificate expiry: 13/Oct/2021

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 type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2 Scope of the evaluation and SBP certificate

The certificate scope covers the chip producer registered in Germany (where no activity connected with biomass is taking place) with office in London (where only sales of biomass is taking place) and chipping site located in Tofte, Norway (where all the production is taking place).

The Organisation holds valid FSC (TT-COC-004832) covering the sales which are done from UK office and PEFC (BMT-PEFC-1311) Chain of Custody covering the production site in Norway. The organizations FSC CoC scope of certificate does not contain verification program according FSC. All material is sourced with certified claim.

The input material used by the organisation for chips production is primary feedstock only. All input material is Roundwood.

All inputs materials chipped are PEFC certified sourced from Norway.

The BP is procuring the material at their chipping site in Norway, the material is stored for some period of time and then is chipped and transported to the clients.

The BP is selling the chips at the different ports in Europe.

Supply Base Evaluation is not included into the scope of the evaluation as the biomass producer is sourcing all the material as FSC or PEFC certified and therefore can be sourced as SBP compliant.

Scope description:

Production of wood chips, for use in energy production, at Statkraft Tofte and transportation by vessel to Skaerbaek, Copenhagen, Randers, Gothenburg, Verberg, Emden, Bremen, Amsterdam, Hull and Thames Estuary harbours. The scope of the certificate does not include Supply Base Evaluation.

Scope Item	Check all that apply to the Certificate Scope		Change in Scope (N/A for Assessments)
Approved Standards:	<i>SBP Standard #2 V1.0 SBP Standard #4 V1.0 SBP Standard #5 V1.0</i> http://www.sustainablebiomasspartnership.org/documents		<input type="checkbox"/>
Primary Activity:	Producer of wood chips		<input type="checkbox"/>
Input Material Categories:	<input checked="" type="checkbox"/> SBP-Compliant Primary Feedstock	<input 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"/> Post-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 checked="" type="checkbox"/> Transfer	<input type="checkbox"/> Percentage		<input 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 type="checkbox"/> Other point of sale (e.g. gate of the BP, boarder, railway station etc.)	
Provide name of all points of sales		<ul style="list-style-type: none"> - Skaerbaek, - Copenhagen - Randers - Gothenburg - Verberg - Emden - Bremen - Amsterdam - Hull - Thames Estuary (tilbury) All CIF incoterms			<input type="checkbox"/>
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 type="checkbox"/> Sources with unspecified/ specified risk		<input type="checkbox"/>
	New districts approved for SBP-Compliant inputs:				
Sub-scopes					<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 and storage site visits;
- 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;

4 SBP Standards utilised

4.1 SBP Standards utilised

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

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

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

Instruction-Document-5A-Collection-and-Communication-of-Data-v1-1-Oct16

Instruction-Document-5B-Energy-and-GHG-Data-v1-1-Oct16

Instruction-Document-5C-Static-Biomass-Profiling-v1-1-Oct16

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

4.2 SBP-endorsed Regional Risk Assessment

Not applicable. Supply Base Evaluation is not covered by the Scope of the Evaluation.

5 Description of Biomass Producer, Supply Base and Forest Management

5.1 Description of Biomass Producer

Statkraft GmbH is a wood chips producer chipping material at Tofte, Norway, with administration office in London and headquarter office in Dusseldorf, Germany.

Statkraft is producing green wood chips only.

BP is sourcing primary feedstock for its chips production – low quality Roundwood from some few Norwegian suppliers.

All feedstock chipped is PEFC certified. There might be also situation that non-certified material could be sourced (which is not foreseen) in that case physical separation would be applied and such material would not be sold as SBP-compliant. The biomass producer does not plan to source SBP-controlled material.

The BP is implementing PEFC transfer system. The physical separation would apply only in case the suppliers would deliver non-certified material but the supplier contracts clearly states that only PEFC certified material will be accepted.

After the production, chips are loaded from the chipping site to the vessel and transported to the client by sea. The material will be sold at different harbours in Europe with CIF incoterms conditions.

5.2 Description of Biomass Producer's Supply Base

The supply base is the whole Norway, primarily consists of small closed-forest family-owned holdings in south-east Norway. A limited proportion (approximately 15% +/- 5%) of forest owners/family members are actively engaged in their forest through felling and/or transport operations and some family holdings carry out their own reforestation and silvicultural work too. The remaining 85% are managed by co-operatives or other external professional companies. The tenure rights of ownership is 80% private and 20% public in Norway.

Harvesting rates are low in Norway and Scandinavia are low compared to other EU countries as rated by the Food and Agricultural Organization of the United Nations (FAO) with harvesting being less than 1 t/ha in instances. Forest resources within the supply base are within < 150km to enable sourcing to be economically viable by truck and approximately < 200km via barge.

Historically, the Sodra mill at Tofte provided a market for pulpwood and non-saw or non-joinery-grade wood. This mill has now been closed. The wood now is received at Statkraft's biomass production site in Tofte. The site at Tofte adds value to the supply chain as the biomass supplied to Tofte is co-harvested with higher-grade wood and the low-grade wood has a market outlet opposed to being a waste.

Saw or joinery-grade wood is not sourced as a feedstock, and timber from local sawmill markets is not diverted to biomass. Sawlogs or joinery-grade wood harvested under comparatively long rotation does enter the sawmill industry. There are more than 200 industrial-size sawmills in the country making this side of the wood industry far more significant to the economy than biomass.

The sawmill industry accounts for 40% of commercial wood removals and commercial biomass approximately 8% (2013) Therefore sourcing and processing of fuel-grade or pulpwood is not deemed to have a negative effect and replaces a market for local suppliers whom formerly supplied such pulpwood or low-economic-value wood to Sodra at Tofte.

Forest Cover, Land Use, Economics and Wood-Based Policy

Approximately 37% of the surface area in Norway is covered by forest. Twenty-five percent of Norwegian land area is productive forest. Latest available figures (2011) state that the growing stock of timber was 878 million cubic metres. The annual increment was almost 25 million cubic metres. In 2011, the forest owners cut 8.5 million cubic metres industrial roundwood for sale, 2.5 million cubic metres for household logs. The total forested area amounts to 12 million hectares, including 7.4 million hectares of productive forest. An estimated 15% of the productive forest area has been designated as non-economic due to difficult terrain and long distance transport, which means that economical forestry may be operated in only 50% of the forested area. The most important species are Norway spruce (47%), Scots pine (33%) and birch (18%). Standing volume of forest is nearly 900 million cubic metres, compared with 300 million when the first national forest survey was carried out in 1919. The tremendous increase is a result of a forest policy with the main objective of restoring the forest resources. Each year the standing forest volume increases by approximately 20 million cubic metres through tree growth. The total annual harvest is less than 50% of this growth, which again means that the forest volume increases every year. The variety of small-scale forestry creates good conditions for environmental biodiversity. Felling areas are 1.4 hectares on average, with long rotation between harvesting.

Nationally in Norway forest resource policies are based on principles of maintaining the long-term stability and resilience of the resource base. The goal of Norwegian forest management policies is to meet social, economic, ecological and cultural needs for present and future generations. Norway has ratified the Rio convention on biological diversity and the climate and signed resolutions on sustainable management of Europe's forests. The principles expressed in these documents are also incorporated into Norwegian forest policy.

More details are in the SBR: <http://www.statkraftbiomasstrading.com/news.php>

5.3 Detailed description of Supply Base

Total Supply Base area (ha): 12 million ha

Tenure by type (ha): public 9,6 million ha private, 2,4 million ha public

Forest by type (ha): 12 million ha boreal

Forest by management type (ha): 12 million ha managed natural

Certified forest by scheme (ha): 9,142,702 ha is PEFC certified
417,900 ha is FSC certified

5.4 Chain of Custody system

The Organisation holds valid FSC (TT-COC-004832) and PEFC (BMT-PEFC-1311) Chain of Custody covering FSC/PEFC certified material. The organizations FSC CoC scope of certificate does not contain verification program according FSC. All material is sourced with certified claim. As the dominant CoC system used in the organization is PEFC, it was also decided to use PEFC CoC as the basis for SBP evaluation.

The Organisation is implementing PEFC physical separation method and this system is used for making SBP claims. The BP has signed contracts with suppliers ensuring that only PEFC certified material will be sourced. In case any non-certified material would be delivered and accepted it would be physically separated – stored at separated storage area, marked and the total amount of chips would be sold as non-certified.

Supplier list is maintained.

After the reception, incoming feedstock is unloaded in specially designated places according to individual deliveries and is registered into the recordkeeping system.

The purchasing documents are stored at Tofte site and are checked by receptionist and double checked by PEFC responsible person together with purchasing invoice. The invoices are recorded also in the system which means that can be reached in London office as well.

The sales invoices are issued from London office with close cooperation with operators in Tofte.

6 Evaluation process

6.1 Timing of evaluation activities

The audit was carried out on 5th September 2017. One day was needed for the onsite audit (one day x two auditors = 2 man/days).

Activity	Location	Auditor(s)	Date/time
Opening meeting*	Main Office	OT + MK	05th September 2017 8.00
Interviews with the certification responsible person; review of SBP procedures, SBR, determination of material origin	Main office	OT + MK	08:30
Evaluation of purchasing activities, evaluationon of incoming material,	Purchasing department	OT + MK	10:30
GHG calculation review	Main office, accounting, energy department	OT + MK	11:00
Evaluation of sales process, evaluationon of outcoming material, communication of GHG and profiling data	Sales department	OT + MK	14:00
Chain of custody review (site tour); interview with roundwood acceptance department	Production and storage	OT + MK	15:00
Internal team meeting	Main office	OT + MK	16:30
Closing meeting*	Main office	OT + MK	17:00
Estimated end of the evaluation		OT + MK	17:30

6.2 Description of evaluation activities

The audit 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 audit evaluation:

All SBP related documentation connected to the SBP as well as FSC/PEFC CoC system of the organisation, including SBP Procedures, GHG data calculations/ data sheet, Supply Base Reports, Biomass profiling data, Batch specific data, and FSC system description were provided by the company in advance.

The audit took place in Tofte office Norway, part of the responsible staff travelled from London and part is located in Tofte. All the documents were available in the Tofte office via shared drive (including invoices). Audit started with opening meeting where the auditor team was welcomed in Statkraft office in Tofte. Auditor introduced the audit team, provided information about audit plan, methodology, auditor qualification, confidentiality issues, and audit methodology and clarified verification scope.

After that auditor went through all applicable requirements of the SBP standards nr.2, 4, 5 and instruction documents 5A, 5B and 5C, covering input clarification, existing chain of custody and controlled wood system, management system, CoC, recordkeeping/mass balance requirements, emission and energy data and categorisation of input and verification of SBP compliant and SBP Controlled feedstock/ biomass. During the process overall responsible person for SBP system and over responsible staff having key responsibilities within the system were interviewed. The second part of the audit was focused on onsite tour through the production facility, reception of the material, measurements of energy values and shipping of material.

At the end of the audit finding were summarised and audit conclusion based on use of 3 angle evaluation method were provided to the Organisation. Composition of audit team:

Auditor(s), roles	Qualifications
Ondrej Tarabus, Lead auditor, evaluation against all applicable requirements	Czech citizen, graduated in University of Life Sciences Prague, The Faculty of Forestry. He has participated in several FSC assessments in Czech Republic, Slovakia, Italy, Germany, Vietnam, Egypt, Spain, Romania, Bosnia and Herzegovina, Austria, etc. and FSC FM audits in Czech Republic and Lithuania. Ondřej Tarabus successfully completed SBP training course and he has practical experience with carbon footprint certification as well as biofuels certification.
Michael Kutschke Local expert for Norway, trainee auditor for SBP	Michael is FSC / PEFC / Legal source lead auditor. He has a professional background in forestry and speaks German, English and Norwegian.

6.3 Process for consultation with stakeholders

No consultation was conducted for this surveillance audit and no comments were received from any stakeholder during the period between audits.

7 Results

7.1 Main strengths and weaknesses

Strength: SBP system elements are implemented at the time of this audit. Sourcing only certified material from small number of suppliers. Small number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: Quite complex record keeping system – transition from one system to another. The responsible staff is not located at the site. See also in NCR section of the report

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 for purposes of the SBP certification. There were some non-conformities identified during the certification audit which all were closed. Also, the system was updated for the new ID 5A, B and C. The BP has implemented the collection of the energy and emission data into their internal record keeping system and at the time of this surveillance audit all data were in place.

7.4 Competency of involved personnel

The supply base evaluation was not included into this evaluation.

During the audit it was identified that number of staff members are involved into the SBP system management and implementation, including chip production responsible person, commercial operation officer and one external consultant who helped with implementation of the system and will continue supporting the maintenance of the system in the future. Interviewed staff demonstrated awareness of their responsibilities within SBP system.

7.5 Stakeholder feedback

No comments were received.

7.6 Preconditions

No open preconditions to this certification exist.

8 Review of Biomass Producer's Risk Assessments

N/A

9 Review of Biomass Producer's mitigation measures

N/A

10 Non-conformities and observations

10.1 Open Non-Conformity Reports (NCRs)

NCR number: 17422 NCR 04/17	NC grading:	Major <input type="checkbox"/>	Minor <input checked="" type="checkbox"/>
Standard & Requirement:	Instruction Document 5A - Collection and Communication of Data - 2.1.3		
Description of Non-conformance:			
The BP has documented procedures that GHG and energy data must be recorded as specified in the SBP standard No. 5. However, the specific requirements in the Instruction Document 5A, 5B and 5C for collection and reporting of energy data are not covered in the management system of the organization.			
Corrective action request:	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.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:			
Evaluation of Evidence:			
NCR Status:	Open		
Comments (optional):			

10.2 Closed Non-Conformity Reports (NCRs)

NCR number: 11734 NCR 01/16	NC grading:	Major <input type="checkbox"/>	Minor <input checked="" type="checkbox"/>
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 6.1		
Description of Non-conformance:			
<p>The biomass producer is sourcing only primary feedstock. At the moment of the assessment there are 3 suppliers (e.g. Viken Skog, NEG/AT Skog, SB Skog). The contract with the suppliers includes section where the supplier declares what is the material origin – all contracts has an exhibit with sustainability requirements to be filled by the supplier including the specification of the origin on a regional level.</p> <p>All sourced material is 100% PEFC certified. On the to of that the suppliers Viken Skog and SB Skog provides information of the origin through access to the database where each deliver is registered and can be traced back to the forest.</p> <p>However, the supplier NEG/AT Skog has provided only signed annex to the contract where the origin declaration is provided but no additional access to information of the origin is provided on delivery basis. Considering the very low risk that material could come outside the SB this is considered as minor non-conformity.</p>			
Corrective action request:	<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>		
NCR conformance deadline:	12 months		
Client evidence:	The organization has eliminated the supplier who did not allow to trace material back to the forest. There is only one supplier who provide the access to the internal tracking system where the material can be easily traced back to the FMU.		
Evaluation of Evidence:	The system for tracing material back to the FMU was checked. The contracts where the information about origin is provided was checked as well.		
NCR Status:	Closed		
Comments (optional):			

NCR number: 11735 NCR 02/16	NC grading:	Major <input type="checkbox"/>	Minor <input checked="" type="checkbox"/>
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 15.7		
Description of Non-conformance:			
<p>The interviewed personnel has proved good knowledge of the system. The training is planned for next year when the system is implemented (so far only 3 people are involved in the SBP system and these have got a training from external consultant). Training process is implemented only partly at the moment of the assessment and there was not prepared proper training plan so far.</p>			
Corrective action request:	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.		
NCR conformance deadline:	12 months		
Client evidence:	The training presentation together with the training record was presented.		
Evaluation of Evidence:	Based on the training record the training took place on 1.6.2016. The trained personnel was Crhris Moore, Kjellage Nielsen, Trond Svaeran. All the workers who are responsible for reception, production and storage were trained.		
NCR Status:	Closed		
Comments (optional):			

NCR number: 11736 NCR 03/16	NC grading:	Major <input type="checkbox"/>	Minor <input checked="" type="checkbox"/>
Standard & Requirement:	Standard #4 V1.0 - Chain of Custody - 6.2.1		
Description of Non-conformance:			
The organization has provided good knowledge of the SBP procedures. The SBP procedure requires to follow the applicable and latest version of the SBP standard. However, it is not described what would be the follow up process after the SBP standard 5 would change.			
Corrective action request:	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.		
NCR conformance deadline:	12 months		
Client evidence:	The updated procedure was provided.		
Evaluation of Evidence:	The updated procedure was evaluated, the updated section (Quality management system Requirements) contains the requirement to check the SBP updates regularly and if there will be any change the system will be updated accordingly.		
NCR Status:	Closed		
Comments (optional):			

NCR number: 11737 NCR 04/16	NC grading:	Major <input type="checkbox"/>	Minor <input checked="" type="checkbox"/>
Standard & Requirement:	Instruction Document 5A - Collection and Communication of Data - 2.01		
Description of Non-conformance:			
The organization has prepared set of documents but these are not linked anyhow to the invoice as the set of documents does not contain any code.			
Corrective action request:	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.		
NCR conformance deadline:	12 months		
Client evidence:	SAR was presented by the organization.		
Evaluation of Evidence:	The new ID 5 ABC was followed and the last SBP templates were presented.		
NCR Status:	Closed		
Comments (optional):			

NCR number: 11739 NCR 05/16	NC grading:	Major <input type="checkbox"/>	Minor <input checked="" type="checkbox"/>
Standard & Requirement:	Instruction Document 5A - Collection and Communication of Data - 3.7.1		
Description of Non-conformance:			
The organization has recorded the data based on the information provided by the supplier in the contact. However, one supplier (out of 3) did not provided any information about the km travelled. It is not expected that there would be big variation between the 3 suppliers and therefor the data from 2 suppliers only could sufficiently reflect the reality thus this NCR is considered as minor.			
Corrective action request:	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.		
NCR conformance deadline:	12 months		
Client evidence:	The organization has stopped to purchase the material from the supplier who did not provide the information about the distance traveled.		
Evaluation of Evidence:	The verification of the data about distance traveled revealed that the information is available for each delivery of material		
NCR Status:	Closed		
Comments (optional):			

NCR number: 11740 NCR 06/17	NC grading:	Major <input type="checkbox"/>	Minor <input checked="" type="checkbox"/>
Standard & Requirement:	Instruction Document 5A - Collection and Communication of Data - 4.1.2		
Description of Non-conformance:			
The PB has a weighbridge at the site but is not measuring the weight as all material received is in form of Roundwood and therefore m3 are measured. This is later on recalculated to tones.			
Corrective action request:	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.		
NCR conformance deadline:	12 months		
Client evidence:	The organization has presented new ID 3B where the requirement is changed.		
Evaluation of Evidence:	The requirement was changed in the new ID 5B. The delivery documents does not include weight as the material comes in form of Roundwood however as SAR does not require to mention the volume in weight but in % it is considered not necessary to have the weight of the feedstock but m3 instead.		
NCR Status:	Closed		
Comments (optional):			

NCR number: 17419 NCR 07/17	NC grading:	Major <input checked="" type="checkbox"/>	Minor <input type="checkbox"/>
Standard & Requirement:	Instruction Document 5B - Energy and GHG Data V-1.1 - 6.1.2		
Description of Non-conformance:			
<p>The BP provides transport distances of the biomass for each SDIs in SAR. These are based on actual transport distances from the production site to each end-point. All required data are recorded in SAR. Exhibit 1</p> <p>The transport distance of the feedstock is also recorded but the data are only taken from supplier declaration (which is part of the supplier contract) and not calculated for each delivery.</p>			
Corrective action request:	<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>		
NCR conformance deadline:	3 months		
Client evidence:	The organization has provided list of all deliveries with the transport distance and weight.		
Evaluation of Evidence:	The list of all deliveries with the transport distance and weight was evaluated and the distance checked via google maps. The weighted average as well as maximum distance and were evaluated.		
NCR Status:	Closed		
Comments (optional):			

NCR number: 17421 NCR 05/17	NC grading:	Major <input type="checkbox"/>	Minor <input checked="" type="checkbox"/>
Standard & Requirement:	Instruction Document 5B - Energy and GHG Data V-1.1 - 5.2.1		
Description of Non-conformance:			
The BP is measuring the moisture after the wood is chipped. However, the BP has indicated in the SAR that the moisture is between 20-30% and the exact average value was not provided.			
Corrective action request:	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.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	The organization has submitted the updated SAR document after the audit with updated values for average moisture.		
Evaluation of Evidence:	The auditor has evaluated the updated SAR and the average moisture values are in line with the values verified during the onsite audit.		
NCR Status:	Closed		
Comments (optional):			

NCR number: 17423 NCR 03/17	NC grading:	Major <input checked="" type="checkbox"/>	Minor <input type="checkbox"/>
Standard & Requirement:	Instruction Document 5C - Static Biomass Profiling Data V 1:1 - 4.1.1		
Description of Non-conformance:			
The BP has not used the last version of the SBR template (Exhibit 4) but updated the version 1.1 instead. Additionally, there is not mentioned the close of last CB audit, wrong evaluation is marked in the section No. 1 “Overview”, the section 13.4 and 13.5 did not include all the categories from the section 2.5 and the use of banding was not justified in the SBR.			
Corrective action request:	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.		
NCR conformance deadline:	3 months		
Client evidence:	The BP has submitted the updated version of the SBR just after the audit.		
Evaluation of Evidence:	The SBR was reviewed by the auditor, last template (V2.1) was used.		
NCR Status:	Closed		
Comments (optional):			

NCR number: 17424 NCR 02/17	NC grading:	Major <input checked="" type="checkbox"/>	Minor <input type="checkbox"/>
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 7.5		
Description of Non-conformance:			
The SBR was not updated at the date of the audit.			
Corrective action request:	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.		
NCR conformance deadline:	3 months		
Client evidence:	The organization has updated the SBR just after the audit and send it to the auditor.		
Evaluation of Evidence:	Updated SBR.		
NCR Status:	Closed		
Comments (optional):			

NCR number: 17425 NCR 01/17	NC grading:	Major <input checked="" type="checkbox"/>	Minor <input type="checkbox"/>
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 7.3		
Description of Non-conformance:			
The BP has not used the last version of the SBR template (Exhibit 4) but updated the version 1.1 instead.			
Corrective action request:	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.		
NCR conformance deadline:	3 months		
Client evidence:	The BP has submitted the updated version of the SBR just after the audit		
Evaluation of Evidence:	The SBR was reviewed by the auditor, last template (V2.1) was used.		
NCR Status:	Closed		
Comments (optional):			

NCR number: 17420 NCR 06/17	NC grading:	Major <input checked="" type="checkbox"/>	Minor <input type="checkbox"/>
Standard & Requirement:	Instruction Document 5B - Energy and GHG Data V-1.1 - 5.5.1		
Description of Non-conformance:			
The BP has presented SAR document where it is mentioned that electricity consumption is based on invoices from the power providers. However, when auditor requested these invoices they were not available. Additionally, the recorded amount of electricity consumed was extremely high considering that there is only chips production.			
Corrective action request:	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.		
NCR conformance deadline:	3 months		
Client evidence:	The organization has submitted the invoices from the power supplier and updated SAR just after the audit.		
Evaluation of Evidence:	The invoices submitted by the organization were checked together with the updated SAR and the reported value is in line with the total consumption provided during the audit.		
NCR Status:	Closed		
Comments (optional):			

10.3 Observations

OBS number: 17475 OBS 01/17	Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 15.7
Description of findings leading to observation:	The interviewed personnel have proved good knowledge of the system. The training was provided to all involved personnel. The training record with the names of the participants available. The participants however, didn't sign the training record and the template does not have a space for signature. It might be beneficial for the company to have a signed documents where the employee would take over the responsibility and confirm by signing that the training content is understood.	
Observation:	The BP should implement training records with signatures.	

<p>OBS number: 17476 OBS 02/17</p>	<p>Standard & Requirement:</p>	<p>Instruction Document 5B - Energy and GHG Data V-1.1 - 5.1.1</p>
<p>Description of findings leading to observation:</p>	<p>The BP is operating diesel tank at the production with electronic card system and the total diesel consumption is recorded there. Due to the fact that some machinery comes with the tank full and is refilling during the work and might leave with empty tank (or the other way around) the organization has decided to calculation the consumption based on working hours instead. However, it is considered that the diesel tank readings are more accurate.</p>	
<p>Observation:</p>	<p>The BP should base their calculation of diesel consumption on meter readings.</p>	

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:	
NEPCon certification decision: Certificate can be maintained	
Certification decision by: Pilar Gorria Serrano	
Date of decision: 27.10.2017.	

12 Surveillance updates

12.1 Evaluation details

Please see in a section: p.6.2. Description of evaluation activities

12.2 Significant changes

Please see in a section: p.6.2. Description of evaluation activities

12.3 Follow-up on outstanding non-conformities

See section 10.2 closed non-conformities

12.4 New non-conformities

See section 10.1 open non-conformities and 10.3 observations

12.5 Stakeholder feedback

No comments were received from stakeholders during the audit period

12.6 Conditions for continuing certification

Biomass Producer is required to correct any identified non-conformities within the specified deadline.

12.7 Certification recommendation

It is recommended to maintain the certificate.

13 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Elizabeth Warren - Commercial Operations Manager
Auditor(s):	Ondřej Tarabus – lead auditor Michel Kutske – local expert, auditor in training
People Interviewed, Titles:	Elizabeth Warren – SBP responsible person Robin Askey – external consultant Trond Sværen – operator Kjell Åge Nilsen – chipping operator
Brief Overview of Audit Process for this Location:	See in section 6.2 - Description of evaluation activities in the main part of the report.
Comments:	N/A