

SBP

Sustainable Biomass Program

NEPCon Evaluation of BIOMASA FORESTAL, S.L. Compliance with the SBP Framework: Public Summary Report

Second Surveillance Audit

www.sbp-cert.org



Completed in accordance with the CB Public Summary Report Template Version 1.2

*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

CB Name and contact:	NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia
Primary contact for SBP:	Ondrej Tarabus, Programme Manager ot@nepcon.net
Current report completion date:	02/May/2018
Report authors:	Ondrej Tarabus, Lead auditor
Name of the Company:	BIOMASA FORESTAL S.L. Polígono Industrial de Penapurreira. Parcela C3 □AAs Pontes, 15320. Spain
Company contact for SBP:	María Vázquez, Plan Manager and product certification responsible, maria.vazquez@grupogestan.net
Certified Supply Base:	Galicia, Asturias and León
SBP Certificate Code:	SBP-01-17
Date of certificate issue:	10/May/2016
Date of certificate expiry:	09/May/2021

This report relates to the Second Surveillance Audit

2 Scope of the evaluation and SBP certificate

The certificate scope covers the production site in As Pontes, Galicia – Spain.

Scope description: Production of wood pellets, for use in energy production, at BIOMASA FORESTAL S.L. and transportation to Puerto de Ferrol and different ports in UK. The scope of the certificate does not include Supply Base Evaluation.

Scope of the evaluation is indicated in the table below:

Scope Item	Check all that apply to the Certificate Scope			Change in Scope (N/A for Assessments)	
Approved Standards:	SBP Standard #2 V1.0 SBP Standard #4 V1.0 SBP Standard #5 V1.0 https://sbp-cert.org/documents			<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 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 checked="" 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 – Permanent storage (Storage site)	<input checked="" type="checkbox"/> Harbour – Temporally storage (Logistic site)	<input type="checkbox"/> Other point of sale (e.g. gate of the BP, boarder, railway station etc.)	
	-	- Ferrol Harbour.	-	
Provide name of all points of sales	-	-	-	
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: In 2016 the BP has been FSC COC certified.				

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 PEFC&FSC system control points, analysis of the existing PEFC&FSC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients;

Energy data collection analysis;

4 SBP Standards utilised

4.1 SBP Standards utilised

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

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

4.2 SBP-endorsed Regional Risk Assessment

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

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

The organization is included in a group of companies GRUPO GESTAN that groups entities with different activities such as waste management, water management, environment and energy consultancy.

Until 2015 the Organisation was sourcing logs from different suppliers, from 2016 the organisation has used only one supplier that is supplying all the material used for pellets production. In the purchase agreement, the supplier agrees to source 70 - 80% of the material as “100% PEFC Certified” or “FSC 100%”.

The BP has stopped using secondary feedstock on March 2016 due to difficulties to prove the sustainability and origin of such material. During the 2017 the BP has implemented strong supplier verification program and started to use the secondary feedstock again. The BP has used pallets, bark and other residues in the dryer.

Biomasa Forestal has one production line for pellets production, the production can produce both domestic and industrial pellets. The organization is certified in carbon footprint and EPlus as well.

In the dryer, Biomasa Forestal use 63% of bark from internal and external sources and recycled material (37%) from pallets, forest residues and other residues.

Pellets are sold in Galicia, “Puerto de Ferrol” under FOB conditions.

5.2 Description of Company’s Supply Base

Supply Base of Biomasa Forestal is the region of Galicia, Asturias and León in the north west of Spain.

The raw material used by Biomasa Forestal for the production of pellets comes only from Spain. Around 80% of the raw material comes from the Autonomous Community of Galicia, around 20% comes from Asturias and around 0.5% comes from Leon.

Forest area in Spain occupies 54.8% of its territory, 27.7 M ha. Spain has the third largest extension of wooded area in the EU, with 18.4 M is equivalent to 36.3% of its national territory and forest an area of 0.4 hectares per capita. Furthermore, the surface is treeless in Spain 9.3 M ha, covering 18.5% of the national area.

According to the Fourth National Forest Inventory, published by the Ministerio de Agricultura, Alimentación y Medio Ambiente (Department of Agriculture and Environment), the Galician forest area has barely suffered any changes in the last thirteen years. The region has over 2 million hectares of forest area, 70 % of which is tree-covered. In addition, there are 600,000 hectares susceptible of becoming productive. If we look into land ownership, the following graph shows that 66% of Galician forests are Private and belong to individuals, 33% are Private and belong to neighbourhoods and the remaining 1% is Public. According to last year’s data,

forest certification is significantly growing (16%) in privately managed forests in Galicia: PEFC (87,532 ha) and FSC (27,505 ha).

Forest area in Asturias according to the Fourth National Forest Inventory (MAGRAMA 2011) is 770.000 has with around 60% of woodland. Around 38% correspond to public land and 61% is private and 0.2 community land. The main species distribution according to the same national inventory is: 18% *Castanea sativa*, 15 % *Fagus sylvatica*, 10% different *Quercus* species and 10% different *Pinus* species.

Castilla y Leon, with less representation in the Supply Base of Biomasa Forestal. The total tree-covered area in the region has increased by 40% in recent years. The forest area in this region amounts to 4,815,357 hectares, 1,000,000 of which are in the province of León. The tree-covered area represents 61% of it (almost 3,000,000 hectares). If we look into ownership, 35% of the forest is Public and 65% is Private
<http://www.bioforestal.es/wp-content/uploads/2017/02/supply-base-report-template-REV-4.pdf>

5.3 Detailed description of Supply Base

- Total Supply Base area (ha): 2,400,000 hectares (80% Galicia, 19,5% Asturias, 0,5% León)
- Tenure by type (ha): 99% Privately owned and 1% Public owned
- Forest by type (ha): 100% Temperate
- Forest by management type (ha): 2,000,000 ha Plantation/ 400,000 ha Managed Natural
- Certified forest by scheme (ha): 45,000 hectares of FSC and 192,666 ha of PEFC-certified forest

Quantitative description of the Supply Base can be found in the Supply Base Report of the Biomass Producer.

<https://www.bioforestal.es/wp-content/uploads/2018/04/SUPPLY-BASE-REPORT-2017.pdf>

5.4 Chain of Custody system

Origination holds a valid PEFC and FSC Chain of Custody with PEFC Controlled sources and FSC Controlled wood in the scope of the certificate. Critical control points of the PEFC and FSC CoC system were evaluated also during this SBP audit.

Organisation has implemented credit system with 3 different credit accounts. All the input material is received either with PEFC Certified, FSC Certified or FSC&PEFC Certified claims or the material is covered by organisation's own controlled sources verification system. The organization does not use any imported material. Incoming wood reception register and supplier list are maintained. All material is checked during the arrival and correctly recorded in the internal system. No physical separation is needed. Based on the proportion of certified and controlled wood material the proportion of the SBP-compliant and SBP-controlled biomass is calculated.

6 Evaluation process

6.1 Timing of evaluation activities

The annual audit was carried out on 7th February 2018. One full day was needed for the onsite audit and one and half additional days for the documentation review prior and after the onsite audit.

Activity	Location	Auditor(es)	Date/time
Opening meeting*	Office	OT	7/02/2018 9:00
Documents and procedures revision. Feedstock revision. (Supply Base Report, Quality management, training, internal audits, Comments and complains, etc.)	Office	OT	9:30 – 11:00
CoC – STD 4 (on site visit to facilities); Interviews with staff - material entrance point	Production facilities Office	OT	11:00 – 13:00
Interviews with purchase responsible staff. SD2 + feedstock groups in SAR	Purchase department	OT	13:00 – 14:00
Sustainability data and calculations – SAR	Office	OT	14:00 – 15:30
Profiling information – Sales	Office	OT	15:00 - 16:00
Auditor sum up	Office	OT	16:00 – 16:30
Closing meeting	Office	OT	16:30 – 17:00
End of the audit	Office	OT	17:00

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&PEFC system and FSC&PEFC system control points as well as GHG data availability, efforts to meet issued NCRs.

Description of the audit:

Audit started with an opening meeting attended by the SBP responsible person/Production manager of the organization.

Auditor introduced himself, provided information about audit plan, methodology, confidentiality issues, and audit methodology and clarified certification scope.

After that auditor went through all applicable requirements of the SBP standards nr.2, 4, 5 and instruction document 5a, b and c covering input clarification, existing chain of custody system, management system,

CoC, recordkeeping/mass balance requirements, emission and energy data and categorisation of input and verification of SBP compliant biomass.

After a roundtrip around BP's pellet production was undertaken. During the site tour, reception process was observed, applicable records were reviewed and FSC system critical control points were analysed.

At the end of the audit finding were summarised and audit conclusion based on use of 3 angle evaluation method were provided to the Production manager & SBP responsible person.

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.

Impartiality commitment: NEPCon commits to using impartial auditors and our clients are encouraged to inform NEPCon management if violations of this are noted. Please see our Impartiality Policy here: <http://www.nepcon.org/impartiality-policy>

6.3 Process for consultation with stakeholders

No Consultation was conducted for this surveillance audit.

7 Results

7.1 Main strengths and weaknesses

Strengths: The BP has implemented a robust system in collaboration with its supplier to obtain information about the origin and the harvesting practices used in the forest that is considered as a substantial difference from the previous audits. Currently, the BP has evidences/tools at the forest level that allows them to take management decision about the harvesting practices that they want to source from.

One of the main strengths of the BP is that in the second annual audit 67% of the feedstock comes with a Forest Certification Claim and is considered as SBP compliant.

Weaknesses: See NCRs and OBSs.

7.2 Rigour of Supply Base Evaluation

Not applicable.

7.3 Collection and Communication of Data

SAR completion has been done according to the standard and no NCR have been issued.

7.4 Competency of involved personnel

During the annual audit, it was identified that number of staff members are involved into the SBP system management and implementation. Interviewed staff demonstrated awareness of their responsibilities within SBP system. Overall responsible staff was familiar with the SBP requirements.

7.5 Stakeholder feedback

No stakeholder comments are received.

7.6 Preconditions

No preconditions to this certification were identified at the time of this surveillance audit.

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.

Risk assessment is not applicable for this evaluation.

Table 1. Final risk ratings of Indicators as determined BEFORE 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

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

n/a

10 Non-conformities and observations

Identify all non-conformities and observations raised during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. Click on the  symbol on the right bottom corner of the table to repeat the table. 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 01/18	NC Grading: Minor
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 15.6
Description of Non-conformance and Related Evidence:	
The organisation has a system implemented to review the internal system. There are also periodical meetings with the management board and the responsible staff to cover all the relevant aspects. There is also a record for these meetings called "System revision by direction". There is an annual management review for FSC and PEFC as well as internal audit and the records is available however SBP system was not yet included there.	
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

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):	Nikolai Tochilov
Date of decision:	04 May 2018
Other comments:	-