

# NEPCon Evaluation of Biosilva Agroforestal S.L. Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

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## Completed in accordance with the CB Public Summary Report Template Version 1.4

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

### *Document history*

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# 1 Overview

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Current report completion date:	22/Aug/2018
Report authors:	Ondrej Tarabus
Name of the Company:	Biosilva Agroforestal S.L., Calle Oro 55Colmenar Viejo, Madrid 28770 Spain
Company contact for SBP:	David Holgado +34 (606) 302791, cert@keltica.com
Certified Supply Base:	Spain – region of Andalucía, Valencia, Castilla la Mancha and Murcia
SBP Certificate Code:	SBP-07-03
Date of certificate issue:	29/Aug/2018
Date of certificate expiry:	28/Aug/2023

This report relates to the First Surveillance Audit

## 2 Scope of the evaluation and SBP certificate

Biosilva Agroforestal S.L., hereafter referred as BP (Biomass Producer) is a chips producer based in Spain and holds valid PEFC Chain of Custody certificate, covering production of chips. The BP purchases all of its feedstock from Spanish regions - Andalucía, Valencia and Murcia. During this annual audit Castilla la Mancha region was added to the scope – the same risk designation as the other regions was defined. Major share of incoming feedstock is sourced directly by the BP from forest and minor part of the material is sourced from external suppliers in form of chips or roundwood. All the feedstock is purchased at the forest stand (roundwood) or at the harbor (in case the chips are provided directly from the supplier). BP can buy wood as FSC or PEFC certified, but mainly relies on sourcing feedstock as SBP-compliant from its own Supply Base Evaluation.

BP is supplying the wood chips produced to eight harbours where are either directly sold FOB Incoterms or transported to any European harbour and sold CIF.

Description of the scope: Production of wood chips, for use in energy production, at Spain (region Andalucía, Valencia, Castilla la Mancha and Murcia), transportation to different harbours in Spain (Castellon, Sagunto, Alicante, Cartagena, Almería, Sevilla, Huelva and Cadiz) and additional transport to any European harbour. The scope of the certificate includes Supply Base Evaluation for primary feedstock, pine not coming from clear cuts from Spain - region Andalucía, Valencia, Castilla la Mancha and Murcia and eucalyptus from Andalusia region.

### 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 this evaluation also covered the Supply Base Evaluation, and the mitigation measures describing herein.

The scope of the evaluation covered:

- Review of the BP's management procedures, including requirements designated in SBP standard #1 V1.0
- Review of the updated Supply Base Report;
- Review of the risk assessment results;
- Review of PEFC system control points, analysis of the existing PEFC CoC system;
- Evaluation of mitigation measures implemented for primary feedstocks (including inspection of primary feedstock suppliers);
- Review of the records, calculations and conversion coefficients;
- Interviews with responsible staff;

Review of the records

## 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

N/A

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

### 5.1 Description of Company

BP is a chips producer operating in various regions (Autonomous Communities) in Spain (Andalucía, Murcia, Castilla la Mancha and Valencia). Biosilva Agroforestal S.L. is a privately-owned organization which is producing chips directly in the forest and partly also purchasing them from external suppliers.

The BP purchases all its feedstock from Spain. Major share of incoming feedstock is sourced directly by the BP from forest where the BP is doing the harvesting and chipping itself, and minor part of the material is sourced from external supplier in form of chips or roundwood. The input material comes from public as well as private forests and are in form of branches, tree tops, stem wood as well as roundwood from thinning and from final harvest. The BP is extracting the whole trees from the forest stand which also serves as an anti-fire measure as less fuel is left in the stands.

The input material is mostly delivered from Pine stands (*Pinus halepensis*, *Pinus pinea*, *Pinus pinaster*, *Pinus nigra*, *Pinus silvestris*, *Pinus radiata*) and some minor amount of material is from Eucalyptus stands (*Eucalyptus globulus*, *Eucalyptus nitens*, *Eucalyptus camaldulensis*) from Andalucía. The pine wood consists mostly of low quality stemwood from final harvest (not from clear cuts) or thinnings and the Eucalyptus is coming from final harvest (clear cuts).

All Feedstock types are delivered to the harbours by trucks. The transport is organized in majority of the cases by the BP and only in case BP is sourcing chips from external supplier the transport might be organized by the supplier who is providing all documents needed with the material.

The BP is implementing PEFC physical separation system. However, the amount of PEFC feedstock is insignificant and the BP has implemented SBP supply base evaluation of the feedstock which is considered then as SBP-compliant. All the feedstock sourced by the BP from the regions mentioned above is included in the scope of the SBE. Additionally, the BP is considering to source feedstock also from northern regions of Spain in the future but this material is not included in the scope of the certificate yet.

BP is implementing Supply Base Evaluation (SBE) limited to four regions in Spain and to pine and Eucalyptus (Andalucía only). The BP has developed its own risk assessment with one indicator classified as specified risk for which a mitigation measure was implemented in order to reach low risk for all these indicators.

After the production, the chips are transported to the harbour (Castellon, Sagunto, Alicante, Cartagena, Almería, Sevilla, Huelva and Cadiz) where they are stored until they are loaded to the vessel and transported to the client. The end point is either the harbour in Spain or any harbour in Europe.

### 5.2 Description of Company's Supply Base

Andalusia:

- Andalusia has 2,920,000 hectares of forest cover on a total of 4,467,000 hectares of forest area.



- In terms of ownership, private forests represent 73.4% of the total, while public forests represent 26.6%. The public area is divided practically in half, with one part belonging to the Government of Andalusia or the State and the other to local entities.
- In terms of species, Quercus oak stands are dominant (35%). Pine trees, genus Pinus, account for 19% of the forest, and eucalyptus, genus Eucalyptus, 4.6%.
- According to IFN3 data, the average standing stock of Andalusian forests is 75,000,000 m<sup>3</sup> of wood. The autonomous community felled a total of 406,000 m<sup>3</sup> of wood in 2012.

### Valencian Community:

- The Valencian Community has 748,000 hectares of forest cover on a total of 1,267,000 hectares of forest area.
- In terms of the ownership scheme, private forest clearly predominates, except in the province of Valencia:
- In terms of species, pines are the dominant species in the Community's wooded area, as can be seen in the following graphs that represent the area each species (Aleppo pine = Pinus halepensis, Black pine = Pinus nigra, Scots pine = Pinus sylvestris) covers in each of the provinces:
- According to IFN3 data, the average standing stock of Valencian forests is 20,000,000 m<sup>3</sup> of wood. The autonomous community felled a total of 248,000 m<sup>3</sup> of wood in 2012.

### Region of Murcia:

- The Region of Murcia has 302,000 hectares of forest cover on a total of 487,000 hectares of forest area.
- In terms of the ownership scheme, private forests represent represents 70% of Murcia's forest area. Of the 30% of public forests, 60% are owned by local entities and 40% to the regional or central administration.
- In terms of species, pines, both in natural and repopulated stands, clearly dominate the community's forests:
- According to IFN3 data, the average standing stock in Murcia's forests is 9,116,000 m<sup>3</sup> of wood. The autonomous community felled a total of 1,368 m<sup>3</sup> of wood in 2012.

Regarding the defined Supply Base, various species of the genus Pinus are found in three Autonomous Communities, while various species of genus Eucalyptus are only found in Andalusia.

In the case of public forests managed by the administration (public property), internal approval of the Autonomous Community's Forest Service is required.

Each Autonomous Community (AC) develops its own legislation and models for both public tenders and permits and authorisations for forestry work and harvesting. There are three relevant documents required to verify the legality of the harvesting and compliance with the requirements of the EUTR:

- Notification of work/harvesting (in private forests for works included in the planification of approved Management Plans where the legislation of AC allows)
- Authorisation of work/harvesting (in private forests with no management plan or other extenuating circumstances, according to the legislation of the AC)
- Adjudication of works (in public forests)

Land tenure and land use rights are covered by Spanish legislation and the authorities have implemented tools to register and monitor these rights. These rights have had significant social and economic relevance for centuries, and as a result are widely developed and recognised. Spain scores higher than 50 in Transparency International's corruption perception index, with a score of 57 in 2017, and although the value has fallen since 2012 (value of 65), there are no reports that significantly link corruption with the forestry sector. The level of governance can be categorised as robust. There are no reports of significant conflicts related to the ownership of the forest lands or the legitimacy of their use. In turn, there is legislation that protects land use. Forest lands are classified as rural within the Urban Plans and there is legislation that protects them from different uses.

In Spain there is a systematic legal framework for the protection of natural areas and areas with high conservation values: "According to Law 42/2007 on Natural Heritage and Biodiversity, those spaces in the national territory, including protected areas, including inland and marine waters under sovereign or national jurisdiction, including the exclusive economic zone and the continental shelf, that meet at least one of the following requirements and are declared as such:

- Contain natural systems or elements that are representative, fragile, threatened or of special ecological, scientific, scenic, geological or educational interest.
- Be devoted specifically to the protection and maintenance of biological diversity, geodiversity and the associated natural and cultural resources".

There is no forest plant species produced or cultivated in Spain on the list of CITES species. Neither pine nor eucalyptus are within the list of CITES species, Appendices I, II, and III.

There are several figures and denominations, since the majority of the Autonomous Communities have implemented legislation on this issue: National Parks, Natural Parks, Nature Reserves, Natura 2000 Network Areas, Biosphere Reserves. The protected area in Spain is 13% for natural spaces and reaches 28% when including the Natura 2000 Network, with Spain being the country that contributes most to the Natura 2000 Network, the main instrument of Europe's conservation policy. The protected areas cover both public and private forests.

In turn, there are high conservation values linked to cultural property and prehistoric discoveries. The Iberian Peninsula is an area with a large amount of archaeological and prehistoric remains. There is both State and Autonomous Community legislation that protects and catalogues property of historical and cultural value.

## 5.3 Detailed description of Supply Base

Total Supply Base area (ha):

3.970.000 ha wooded forested area; 6.221.000 ha forested area

Tenure by type (ha):

2.888.752 ha forested area privately owned / 1.081.248 ha forested area public owned

Forest by type (ha):

3.970.000 ha wooded forested area temperate; 6.221.000 ha forested area temperate

Forest by management type (ha):

202.100 ha plantation (Eucalyptus Andalucía) / 3.767.900 ha managed natural or natural

Certified forest by scheme (ha):

PEFC Spain: 2.170.441 ha (Andalusia 273.614 ha; Valencian Community 1.212 ha; Murcia 0 ha)

FSC Spain 271.697 ha (Andalusia 145.412 ha; Valencian Community 0 ha; Murcia 0 ha)

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

<https://integra-fuels.com/certification>

## 5.4 Chain of Custody system

The Organisation is holding both PEFC (<https://pefc.org/find-certified?mode=simple&search=integra+fuel&page=1>) and FSC (<https://info.fsc.org/details.php?id=a02f300000ilO6qAAG&type=certificate>) Chain of Custody certificates. The BP has implemented both physical separation and credit account method. The PEFC physical separation method was chosen as a relevant CoC system for SBP as the BP is not sourcing any FSC material at the moment and credit account is implemented only theoretically and is not planned to be used for SBP material.

The organization is implementing the SBE system for all the material sourced. In case there would be any non-compliant material it would be kept physically separated in the harbour. The chips are stored in different harbours in Spain in open yards and is kept in different piles. The chipping is always done in the forest and transported by the trucks to the harbour. Each truck comes with a delivery note where the forest stand is indicated. The material is received by the BP responsible person, the delivery documents are checked and hand over to the office where these are paired with the supplier invoices.

Physical separation is carried out by using different piles for different material. The storage area in the harbours allows the BP to stack the material separately (due to quality, type of chips or different certification claim). The responsible person is keeping a record about the storage area, individual deliveries and the volumes and this is communicated to the responsible person on daily basis.

## 6 Evaluation process

### 6.1 Timing of evaluation activities

The SBP annual audit was carried out on June 3-4, 2019 and it included visit of the Biosilva Agroforestal S.L. Office in Madrid, Spain, harbour storage facilities in Cadiz and Sevilla (Spain), the field inspection of three forest properties (both private and public), evaluation of one supplier and also the BP harvesting operations.

Total of 2 days were used for this audit, please see more details in the table below.

Activity	Location	Auditor(s)	Date/time
Opening meeting*	Office	OT, PGS	04/06/2019 09.00-09.30
Interview with SBP responsible person  Review of procedures, documents and interviews with responsible staff (review of the CoC system control point, mass balance, management system, verification of SBP compliant feedstock). Implementation of mitigation measures, SBP Risk Assessment, Supplier verification program.	Office	OT, PGS	09.30-12.00
Break			12:00-12:30
Interview with Purchasing department representative	Purchasing department	OT, PGS	12:30-13:15
GHG calculation review  collection and communication of energy and carbon data	Office	OT	13:15-15:00

Sampling of production sites	Office	OT, PGS	15:00 – 16:00
Interview with Sales department representative	Sales department	OT, PGS	16:00 - 16:30
Internal team meeting	Office	OT, PGS	16:30-17:00
Closing meeting*		PGS, OT	16:30 – 17:00
Estimated end of the evaluation			17:00
<p>Evaluation of mitigation measures of primary feedstock:</p> <p>Evaluation of performance of Biosilva Agroforestal S.L. own harvesting workers</p> <p>Witness audit of BP:</p>	<p>Los Barios</p> <p>Supplier audit: Biosilva Agroforestal S.L., primary feedstock, evaluation of HCV risk mitigation measures in completed harvesting sites, evaluation of Health and Safety risk mitigation measures in on-going manual harvesting works, interview to supplier responsible person, fire protection arrangements, protection of biodiversity in private land</p>	PGS	<p>03/06/2018</p> <p>09:00 – 11:00</p>
Evaluation of storage facilities in the harbour	Port of Cadiz, Spain	PGS	12:00:13:00
<p>Evaluation of suppliers of primary feedstock:</p> <p>Evaluation of supplier of primary feedstock (harvesting company)</p> <ul style="list-style-type: none"> <li>• Witness audit of BP supplier audit:</li> </ul>	<p>Fuente de la Zarza</p> <p>Supplier audit:, primary feedstock, evaluation of HCV risk mitigation measures in completed harvesting sites, evaluation of Health and Safety risk mitigation measures in on-going manual harvesting works, interview to supplier responsible person, fire protection arrangements, protection of biodiversity in public land</p>	PGS	14:00 – 15:30

<p>Evaluation of mitigation measures of primary feedstock:</p> <p>Evaluation of performance of Biosilva Agroforestal S.L. own harvesting workers</p> <ul style="list-style-type: none"> <li>• Witness audit of BP supplier audit:</li> </ul>	<p>Aqua Dulce</p> <p>Supplier audit., primary feedstock, evaluation of HCV risk mitigation measures in completed harvesting sites, evaluation of Health and Safety risk mitigation measures in on-going manual harvesting works, interview to supplier responsible person, fire protection arrangements, protection of biodiversity in private land</p>	<p>PGS</p>	<p>16:00 – 18:00</p>
<p>Evaluation of storage facilities in the harbour</p>	<p>Port of Huelva, Spain</p>	<p>PGS</p>	<p>29.05.2019</p> <p>14:00 – 15:30</p>
<p>Presentation of the results of the first day of assessment</p>	<p>Office</p>	<p>PGS</p>	<p>18:00-18:30</p>
<p>End of the audit</p>	<p>Office</p>	<p>PGS, OT</p>	<p>4.6.2019</p> <p>17:00</p>

## 6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Ondrej Tarabus, SBP Audit team leader	Czech citizen, graduated in University of Life Sciences Prague, The Faculty of Forestry. He has participated in several FSC FM, FSC CoC, PEFC CoC, ISCC certification assessments in Czech Republic, Slovakia, Italy, Germany, Vietnam, Egypt, Spain, Romania, Bosnia and Herzegovina, Austria, etc. Ondřej Tarabus has been through lead assessor SBP training course and is experienced with carbon calculation using standards such as ISO 14 064, Carbon Footprint management or ISCC.
Pilar Gorriá, SBP Audit team member	Forestry engineer graduated in Polytechnic University of Madrid. She has participated in several FSC&PEFC and SBP assessments in different countries. Pilar Gorriá successfully completed SBP training course and he

	has practical experience with carbon footprint certification as well as biofuels certification.
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#### Description of the evaluation:

All SBP related documentation connected to the SBP as well as FSC CoC/ CW system of the organisation, including SBP risk assessment, SBP Procedures, Supply Base Reports and FSC system description were provided by the company in advance.

The audit started with an opening meeting, where the lead auditor introduced the audit team, provided information about audit plan, methodology, auditor qualification, confidentiality issues, and assessment methodology and clarified verification scope. Auditor explained the aim and objectives of the audit, informed about the evaluation process, underlined the need to collect objective evidence through a combination of document review, site visits, interviews and discussions, explained the essence and importance of sampling aspect of the auditing. Special attention has been paid to explanation of the differences in minor and major nonconformity reports (NCRs) and that NCRs are an expected part of the process designed to help the organization strengthen its procedures and processes.

After that auditor went through all applicable requirements of the SBP standards nr. 1, 2, 4 and 5 covering input clarification, existing chain of custody and controlled wood system, management system, CoC, recordkeeping/mass balance requirements, SBP risk assessment results and their justification, stakeholder consultation process, energy data and inputs and outputs of feedstock in the last period. During the process overall responsible person for SBP system and responsible staff having key responsibilities within the system were interviewed.

Before the onsite visit, the sampling of the suppliers took place. Based on this sampling the field visits were scheduled. The audits at the FMU level took place. CB was doing audits for the supplier and evaluating their compliance with the SBP standards and how mitigation methods from the risk assessment are implemented on the ground. Three FMUs were visited, both private and public and managed by external supplier and by the BP employees. In the second half of the day, the harbour of Cadiz and Sevilla was visited with the aim to evaluate the CoC elements of the SBP system.

Sampling for inspection of the feedstock suppliers included into Supply Base Evaluation: Since the audit was conducted based on PEFC system the sampling according the PEFC system was used. In total, the BP has sourced from 12 FMUs in the reporting period. The sampling was taken from the total number of FMUs. In order to conduct proper selection of FMUs the auditor needed to split the FMUs into groups of sites harvested by the BP (6) and sites harvested by the suppliers (6). Additionally, the auditor was considering public ownership (4) and private ownership (8). To determine the number of the FMUs for inspection, audit team used the formula  $X = 0.6\sqrt{Y}$ , where X is the number of the FMUs to be inspected, and Y is the total number of the FMUs in the set of FMUs.  $X = 0.6\sqrt{12} = 3$ . Thus, during this annual audit, NEPCon auditor inspected 3 forest management units, which were selected randomly, but it was assured that both, sites harvested by the BP and by suppliers are visited and preference was given to the FMUs where timber harvesting was on-going at the moment of inspection. This gave the opportunity for audit team to interview the forest workers and evaluate H&S issues. Additionally, both private and public FMUs were visited but preference was given to private FMUs as these have lower level of control from the authorities.

There are 8 storage sites (at ports of Castellón, Sagunto, Alicante, Cartagena, Almería, Sevilla, Huelva and Cádiz) where the material can be stored in case the harvesting is taking place somewhere close. Biomass is transported by trucks directly from the forest and stored in the port for some time to dry the material.

The auditor used sampling of  $y=0.6\sqrt{x}$  to define the number of site visits to be conducted. This has resulted in 2 ports to be visited. Port of Cadiz and Huelva were visited. At the end of the audit finding were summarised and audit conclusion based on use of 3 angle evaluation method were provided to the company representatives.

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 stakeholder consultation was carried out before this annual audit. Even though the scope of the evaluation was extended to Castilla la Mancha (Albacete region) it was concluded by the audit team that the risk designation nor mitigation measures are changing for this region and therefore there is no change in the SBE. During the communication with the stakeholders back in 2018, the whole territory of Spain was included and issues such as protection of HCV or biodiversity, health and safety, carbon storage or fire protection were discussed in detail. It was concluded that in all southern regions of Spain the risks are fully homogenous while in the northern regions there might be differences in the risk designation.



## 7 Results

### 7.1 Main strengths and weaknesses

Main strengths: Majority of the material is harvested by the organization and the works are controlled continuously. The organization focus on prevention of fires in the forest (the trees extracted from the stand includes also branches which leave less combustible material in the stand while still enough biomass is left in the stand). Effective recordkeeping system and good communication process between workers. Small number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: please see NCRs raised after this audit (Section 10 of this report).

### 7.2 Rigour of Supply Base Evaluation

The Supply Base Evaluation was implemented only for primary feedstock sourced from 4 regions of Spain (Murcia, Valencia, Castilla la Mancha and Andalucía). The BP has carried out the SBE for primary feedstock (forest products) that are sourced either directly by the BP or through some suppliers who are doing the harvesting work. The SBE is implemented on pine stands (excluding clear cuts) and on eucalyptus stands in Andalucía.

The BP has implemented some measures to control several aspects for the forest operations before engaging with SBP. There is a continuous control of the onsite works while different aspects such as fire protection, health and safety, biodiversity protection, HCVs or biomass quality are evaluated. The risk assessment took into consideration the scope of the operation and type of harvesting practices implemented by the BP which allowed them to designate low risk for some of the indicators which might be otherwise evaluated as specified (especially fire protection and erosion). It is also important to mention, that sourcing areas selected by the BP might have a lower risk than other regions in Spain (especially north of the country) due to higher level of control from the authorities. Additionally, due to type of work conducted by the BP and the level of control by the authorities some of the indicators such as fire protection, HCVs and biodiversity protection, protection of key ecosystems or soil quality are defined as low even though they might be considered as specified for other type of forest management activities or organizations working in these regions.

The BP has identified 1 indicator with specified risk in their risk assessment for whose mitigation measures is implemented to decrease the risk to low:

*2.8.1 Appropriate safeguards are put in place to protect the health and safety of forest workers (CPET S12).*

The BP is implementing the mitigation measure in several steps. Before the work can start, the BP first collects records about each FMU where the harvesting work is conducted and in case the work is done by the suppliers the BP requires to get full set of documentation about the site and worker conducting the on-site work. These documents are then verified in the forest stand and there are continuous checks during the harvesting works as well.

The mitigation measure is implemented for each supplier and each FMU where the work is conducted. No sampling is applied by the BP.

## 7.3 Collection and Communication of Data

The BP has provided good overview of the requirements for energy data collection. The responsible person has benefited from previous experience with other certification schemes and the system for collection of energy data was partly developed already before the SBP certification.

## 7.4 Competency of involved personnel

Staff members involved into the SBP system management and implementation, include the external consultant, quality manager, supply raw materials responsible and industrial director as well as administrative staff. Interviewed staff demonstrated awareness of their responsibilities within SBP system.

To conduct the risk analysis and implement the SBP-certification process, Biosilva Agroforestal S.L. assigned Pablo Gómez-Reino Pérez as well as the company's technical team, particularly Juan Manuel Canelo, Licensed in Employee Relations and an Advanced Prevention of Occupational Risks Technician with a specialty in Safety, Hygiene in the Workplace, and Ergonomics and Psychosociology in the Workplace, Director of Quality at Biosilva Agroforestal S.L., and Juan Manuel Camacho, Forestry Engineer and Technical Director of Production at Biosilva Agroforestal S.L..

Pablo Gómez-Reino Pérez is a Forestry Engineer with extensive experience (18 years) in forest planning, management, and certification. He has worked on processes related to forest certification in the Iberian Peninsula since 2009. He is FSC forest management auditor and FSC and PEFC Chain of Custody auditor as well.

## 7.5 Stakeholder feedback

No comments were received during the audit period.

## 7.6 Preconditions

N/A

## 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.*

The BP has developed the risk assessment with evaluation of each individual indicator. The risk assessment outlines "specified risk" for indicator 2.8.1.

The BP has provided information about the level of control already implemented and the details about type of their forest operations in the risk assessment and this served as justification to determine low risk for several indicators. During the onsite audit, this specific justification was evaluated in the sampled forest stands and as additional evidence the meeting with the local authorities was used where performance of the BP was discussed as well as different details from the risk assessment presented by the BP.

Based on the information gathered during this evaluation, it was concluded by the auditor that the risk designations for each indicator was correct and has a solid ground.

**Table 1. Final risk ratings of Indicators as determined BEFORE 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	Specified
2.1.2	Low	Specified
2.1.3	Low	Low
2.2.1	Low	Low
2.2.2	Low	Low
2.2.3	Low	Low
2.2.4	Low	Specified
2.2.5	Low	Low

Indicator	Risk rating (Low or Specified)	
	Producer	CB
2.3.3	Low	Low
2.4.1	Low	Low
2.4.2	Low	Specified
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	Specified	Specified
2.9.1	Low	Low
2.9.2	Low	Low
2.10.1	Low	Low

2.2.6	Low	Low
2.2.7	Low	Low
2.2.8	Low	Low
2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Low	Low

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

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

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

## 9 Review of Company's mitigation measures

Biosilva Agroforestal S.L. has implemented a system that covers all the aspects to be taken into consideration to ensure compliance with legislation on Preventing Occupational Risks as well as on Health and Safety at Work. The system covers its own workers as well as its subcontractors and suppliers.

The system ensures that the following minimum information is available for verification:

- External Prevention-Service Contract and receipt for payment thereof (COMPANY)
- Civil-liability policy and update receipt for payment thereof (COMPANY AND SELF-EMPLOYED)
- Accident-insurance policy and updated receipt for payment thereof (COMPANY)
- Designation of Preventive Resource, in case of need (COMPANY)
- Photocopies of forms TC1 and TC2, or of registration with Social Security for workers (SELF-EMPLOYED)
- Photocopy of receipt for Social Security payments (SELF-EMPLOYED)
- Certificate of fitness following Medical Examination (COMPANY AND SELF-EMPLOYED)
- Certificates relating to Training and Information needed in relation to Preventing Occupational Risks (COMPANY)
- Certificates of requisite personal protective equipment having been issued to workers (COMPANY)
- CE mark certificate or bringing machinery into compliance pursuant to Royal Decree 1215 / 97 (COMPANY AND SELF-EMPLOYED)
- Record of updated machinery maintenance (COMPANY AND SELF-EMPLOYED)
- ITV (Inspección Técnica de Vehículos – Technical Inspection of Vehicles) sheet (COMPANY AND SELF-EMPLOYED)
- Registration certificate (registered machinery) (COMPANY AND SELF-EMPLOYED)
- Compulsory receipt for vehicle insurance (registered machinery) (COMPANY AND SELF-EMPLOYED)
- Photocopy of driving licence of authorised persons (registered machinery) (COMPANY AND SELF-EMPLOYED)
- In case of accident, BIOSILVA AGROFORESTAL S.L., S.L., must be informed immediately.

In addition, Biosilva Agroforestal S.L. has a Manual of Best Practices in Forestry that has been developed and implemented. The manual describes all types of forestry work, how to approach it, the necessary preventive safety measures, and action to be taken in case of accident or emergency. Biosilva Agroforestal S.L. certifies its workers' training in that respect. Subcontracted companies and suppliers must have a Manual of Best Practices in Forestry and certify its implementation or use Biosilva Agroforestal S.L.' manual.

Biosilva Agroforestal S.L. also collects information on accidents at work that occur during work for which it and its suppliers are liable, analyses the causes, and takes the measures needed to avoid recurrence. The system includes the need for field inspections in the event of a systematic increase in accidents at work that occur during work covered by the scope of the certification.

Finally, and in order to mitigate risk, Biosilva Agroforestal S.L. has designed an approval system for both internal employees and external suppliers, in order to assess their performance in terms of Health and Safety in the forestry work that they carry out. The approval system consists of a system of visits by Biosilva Agroforestal S.L. staff (whether the head of forestry or individual area managers), with a checklist-based assessment of how work is being done and of the measures for avoiding accidents or impacts. A system is

also set up to inform companies of non-compliance and to set a scale with an associated ranking, so that companies with the lowest scores will be inspected more frequently than companies with the best scores.

The system that has been rolled out is considered complete and sufficient to ensure the use of safety measures and equipment during forestry work, and to mitigate risks relating to accidents at work.

## 10 Non-conformities and observations

### 10.1 Open Non-Conformity Reports (NCRs)

<b>NCR number:</b> 34865 NCR 01/19	<b>NC grading:</b>	<b>Major</b> <input checked="" type="checkbox"/>	<b>Minor</b> <input type="checkbox"/>
<b>Standard &amp; Requirement:</b>	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 11		
<b>Description of Non-conformance:</b>			
<p>The BP approach and methodology follows SBP standards. Different sources of information and evidences have been used depending on the indicator and the availability of independent reports or public information. The following evidences have been used: maps available, research available, statistics, expert opinions etc. For more details see BP risk assessment where the documentary evidence is mentioned below each indicator.</p> <p>During the audit it was revealed that the biomass is extracted also from Eucalyptus plantations, which might conducted in form of large clear cuts (hundreds of ha). The forest management of this specie is significantly different compared to pine stands, where the forest management focus mostly on thinning activities and harvesting operations with the purpose to improve the forest quality took place.</p> <p>During the review of the forestry work carried out in previous years, it was revealed that clear cut operations have been done only in Eucalyptus stands in Andalucía region. During the documentation review and the field visits, the implementation of specific practices for the management of monospecific plantations in order to limit their impact has not been observed. As an example, there are no limitations on the size for clear cuts and simultaneous cuttings of more than 500 ha can be found, no practices were identified for the maintenance of natural vegetation in non-permanent water courses, a diversity of age classes or structures is not considered, etc. In conclusion it has not been evidenced that a proper assessment of impacts is implemented for Eucalyptus forest management nor appropriate control measures implemented.</p>			
<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>NCR conformance deadline:</b>	3 months (22/11/2019)		
<b>Client evidence:</b>			
<b>Evaluation of Evidence:</b>			
<b>NCR Status:</b>	Open		

<b>Comments (optional):</b>	
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<b>NCR number:</b> 36389 NCR 02/19	<b>NC grading:</b>	<b>Major</b> <input checked="" type="checkbox"/>	<b>Minor</b> <input type="checkbox"/>
<b>Standard &amp; Requirement:</b>	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 7.1		
<b>Description of Non-conformance:</b>			
The organization has prepared the updated SBR but at the time of the audit it was only in Spanish and the updated version was not yet published on BP's website as the BP was waiting for the approval of the auditor.			
<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>NCR conformance deadline:</b>	3 months (22/11/2019)		
<b>Client evidence:</b>			
<b>Evaluation of Evidence:</b>			
<b>NCR Status:</b>	Open		
<b>Comments (optional):</b>			

<b>NCR number:</b> 36391 NCR 03/19	<b>NC grading:</b>	<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>
<b>Standard &amp; Requirement:</b>	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 16.1		
<b>Description of Non-conformance:</b>			
<p>The organization has implemented mitigation measures for indicator identified as specified risk. During the evaluation of internal procedures and the records kept from the supplier evaluation it was revealed that while the procedure requires to evaluate many different documents providing evidence that health and safety reequipments are followed, not all these documents are actually received.</p> <p>Considering the fact that several of the missing document are actually irrelevant and the most important aspect of the mitigation measure is the onsite verification of the workers, the audit team concluded that this non-conformity is classified as minor.</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>NCR conformance deadline:</b>	By next audit, but not later than 12 months after report finalisation date (22/08/2020)		



<b>Client evidence:</b>	
<b>Evaluation of Evidence:</b>	
<b>NCR Status:</b>	<b>Open</b>
<b>Comments (optional):</b>	

<b>NCR number:</b> 36394 NCR 04/19	<b>NC grading:</b>	<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>
<b>Standard &amp; Requirement:</b>	Standard #4 V1.0 - Chain of Custody - 5.2.1		
<b>Description of Non-conformance:</b>			
<p>BP has implemented all necessary procedures and no conflicts between standards have been identified. The BP is operating physical separation system. Each incoming material is registered in the internal system where between others the certified claim is recorded. The certification status of the material is agreed before the material is purchased and the individual certification claim is checked for each delivery as it is sent via email to the responsible person on the delivery note. The claim is double checked in the harbour as the original delivery note comes with the material. Afterwards, the responsible person records the claims in the internal record system. When there is an order from the customer, the responsible person evaluates whether there is sufficient amount of material in the port and if yes, issue the sales document. During the audit period only PEFC material was received.</p> <p>The of the volume summary data were provided to the auditor per vessel, which was difficult to verify as there was some material left after the sale of the material in the storage which amount was unclear. Also, the volume of material at the beginning and end of audit period was not known. Finally, the conversion factor value per each vessel traded was provided however, it was unclear if the methodology includes also the loses during the loading of the material. Considering that the conversion volume during loading of the material will be very small, this non-conformity is considered to be minor..</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>NCR conformance deadline:</b>	By next audit, but not later than 12 months after report finalisation date (22/08/2020)		
<b>Client evidence:</b>			
<b>Evaluation of Evidence:</b>			
<b>NCR Status:</b>	Open		
<b>Comments (optional):</b>			

<b>NCR number:</b> 36395 NCR 05/19	<b>NC grading:</b>	<b>Major</b> <input checked="" type="checkbox"/>	<b>Minor</b> <input type="checkbox"/>
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<b>Standard &amp; Requirement:</b>	Instruction Document 5A - Collection and Communication of Data V-1.1 - 2.2.4
<b>Description of Non-conformance:</b>	
BP has not updated the SDI for the new reporting period and has submitted updates SAR with the same SDIs as last year. Additionally, the moisture content of the biomass was not mentioned in the SAR.	
<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>NCR conformance deadline:</b>	3 months (22/11/2019)
<b>Client evidence:</b>	
<b>Evaluation of Evidence:</b>	
<b>NCR Status:</b>	<b>Open</b>
<b>Comments (optional):</b>	

<b>NCR number:</b> 36397 NCR 06/19	<b>NC grading:</b>	<b>Major</b> <input checked="" type="checkbox"/>	<b>Minor</b> <input type="checkbox"/>
<b>Standard &amp; Requirement:</b>	Instruction Document 5B - Energy and GHG Data V-1.1 - 3.2.1		
<b>Description of Non-conformance:</b>			
Reporting period selected by the BP was shorter than 12 months and no justification was provided. During the interview with the responsible person, it turned out that it was misunderstanding of the SBP requirements.			
<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>NCR conformance deadline:</b>	3 months (22/11/2019)		
<b>Client evidence:</b>			
<b>Evaluation of Evidence:</b>			
<b>NCR Status:</b>	Open		
<b>Comments (optional):</b>			

<b>NCR number:</b> 36401 NCR 07/19	<b>NC grading:</b>	<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>
<b>Standard &amp; Requirement:</b>	Instruction Document 5B - Energy and GHG Data V-1.1 - 5.6.2		
<b>Description of Non-conformance:</b>			

BP monitors the amount of biomass at the gate of the harbour and after the biomass is sold. There were no records about the stock variations between the beginning and end of production period – BP does not keep this information. Considering that these variations could potentially influence the final energy data only in very insignificant level (due to the fact that the stock between the periods compared to the total sold volume is diminutive), this non-conformity is considered as minor.	
<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>NCR conformance deadline:</b>	By next audit, but not later than 12 months after report finalisation date (22/08/2020)
<b>Client evidence:</b>	
<b>Evaluation of Evidence:</b>	
<b>NCR Status:</b>	<b>Open</b>
<b>Comments (optional):</b>	

## 10.2 Closed Non-Conformity Reports (NCRs)

<b>NCR number:</b> 22217 NCR 03/18	<b>NC grading:</b>	<b>Major</b> <input checked="" type="checkbox"/>	<b>Minor</b> <input type="checkbox"/>
<b>Standard &amp; Requirement:</b>	Standard #1 V1.0 - Feedstock Compliance Standard - 2.4.1		
<b>Description of Non-conformance:</b>			
<p>Low risk was designated to indicator 2.4.2 (vitality and health of forest stands). The BP risk assessment contains statistic (based on data from whole country) which shows significant increase of defoliated canopy in the past 2 years. No information is provided for the three regions under evaluation. Additionally, the justification of the low risk is based on the fact that there was implemented legal framework with action plans to improve the vitality and health of the forests stand. However, it is not clear from the risk assessment when this action plan was implemented and thus can not be verified whether it is functional or not. Other argument for low risk is that forestry operations normally have a positive impact on the control of forest diseases such as pine wood nematode, since one of the control measures is to reduce the plants that show signs of deterioration. However, this is action which is taking place only when the disturbance appears and does not decrease the risk.</p> <p>Considering the fact that the auditor agrees with the final risk designation of the BP and only requires to improve the justification of the low risk better this is considered as minor non-conformity.</p> <p>Annual Audit 2019</p> <p>The risk assessment was not changed accordingly to address the minor NCR from last audit and therefore the non-conformity is upgraded to major.</p>			
<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>NCR conformance deadline:</b>	3 months		
<b>Client evidence:</b>	Risk assessment updated. Annex 1		
<b>Evaluation of Evidence:</b>	The risk assessment includes a description of the main pest and diseases that affect the Spanish forest by different regions. Regarding the action plan implemented at the government level it is detailed with some examples for the main species included in the scope how the action plan is implemented in each region and the specific measures to mitigate and monitor the pest/diseases. Considering that the action plans implementation and results are medium/long term defined, auditor consider justification for low risk enough, but this indicator should be review and updated with the upcoming results.		
<b>NCR Status:</b>	<b>Closed</b>		
<b>Comments (optional):</b>			

<b>NCR number:</b> 22219 NCR 05/18	<b>NC grading:</b>	<b>Major</b> <input checked="" type="checkbox"/>	<b>Minor</b> <input type="checkbox"/>
<b>Standard &amp; Requirement:</b>	Standard #2 V1.0 - Verification of SBP-compliant feedstock – 2C, 4.1		
<b>Description of Non-conformance:</b>			
<p>SBR is concise and includes all required information. However, during the onsite visit of the forest stands and storage areas it was revealed that the biomass contains also other species than pine and eucalyptus. As the volume of other species (such as <i>Quercus Illex</i>) is negligible this non-conformity is considered as minor.</p> <p>Annual Audit 2019 The risk assessment was not changed accordingly to address the minor NCR from last audit and therefore the non-conformity is upgraded to major.</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>NCR conformance deadline:</b>	3 months		
<b>Client evidence:</b>	Updated SBR		
<b>Evaluation of Evidence:</b>	In section 2.1. organization includes a detailed description of forest species used for biomass production. The main species of Eucalyptus and Pinus are described but also other species that may appear occasionally in the biomass and that approximately account for 3 to 5%. This species are from the following gender <i>Acacia</i> , <i>Populus</i> , <i>Quercus</i> and <i>Tamarix</i>		
<b>NCR Status:</b>	<b>CLOSED</b>		
<b>Comments (optional):</b>			

<b>NCR number:</b> 22276	<b>NC grading:</b>	<b>Major</b> <input type="checkbox"/>	<b>Minor</b> <input checked="" type="checkbox"/>
<b>Standard &amp; Requirement:</b>	Instruction Document 5B - Energy and GHG Data V-1.1 - 3.3.1		
<b>Description of Non-conformance:</b>			
<p>The BP will be using the SREG for the deliveries CIF in different harbours in Europe. The procedure describes the system of the issuance of this document. The organization has not submitted a dummy version of the SREG document during the audit however, it was identified that the energy data for storage was included there (although it was already included in SAR and is linked with SDI) which might cause double counting. As this results to insignificant values in the total energy consumed it is considered as minor non-conformity.</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>NCR conformance deadline:</b>	By next audit, but not later than 12 months after report finalisation date
<b>Client evidence:</b>	The organization has provided updated SAR and clarified in the SBP procedure that the energy used for storage will be in SAR only.
<b>Evaluation of Evidence:</b>	The auditor reviewed the updated SAR and SBP procedure and together with the interview of the responsible person for energy data, it was concluded that the good understanding of the process. All the SBP sales were done FOB and therefore no SREG was issued during the audit period.
<b>NCR Status:</b>	<b>Closed</b>
<b>Comments (optional):</b>	

## 10.3 Observations

N/A

## 11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
<b>Certification decision:</b>	Certification approved
<b>Certification decision by (name of the person):</b>	Nikolai Tochilov
<b>Date of decision:</b>	30/Aug/2019
<b>Other comments:</b>	Upon acceptance of Major NCRs