

NEPCon Evaluation of Reginacork, SA 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*

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1 Overview

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Current report completion date:	05/Apr/2019
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Certified Supply Base:	Portugal (mainland)
SBP Certificate Code:	SBP-07-01
Date of certificate issue:	26/Jun/2018
Date of certificate expiry:	25/Jun/2023

This report relates to the First Surveillance Audit

2 Scope of the evaluation and SBP certificate

Production of wood pellets and chips (for energy production), at Reginacork's plant at Pinhal Novo and transportation to the Setúbal, or Lisbon harbours. The scope of the certificate includes the Supply Base Evaluation of primary feedstock from Continental Portugal.

3 Specific objective

The specific objective of this evaluation was to confirm if 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 the BP's Supply Base Evaluation and its Mitigation Measures;
- Field visits to verify the Mitigation Measures in forests being exploited;
- Review of the production processes, production site visit;
- Review of FSC system control points, analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients;
- SAR and profiling 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)

All Standards can be accessed and downloaded from <https://sbp-cert.org/documents/standards-documents/standards>

4.2 SBP-endorsed Regional Risk Assessment

Not applicable.

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

The Biomass Producer Reginacork, SA is a company located in Pinhal Novo in the centre-south of Portugal.

Reginacork has started production in 1994, only at cork sector, but only on 2017 an integrated pellet unit was installed.

Reginacork produces wood pellets and wood chips (besides cork products out of SBP scope).

Inputs are mainly from pines (*Pinus pinea* and *Pinus pinaster*), being the roundwood sorted at the plant and saw logs sold to sawmills.

For the drying process the BP uses cork powder an output from the integrated cork plant, derived from cork oak (*Quercus suber*).

All incoming feedstock is either FSC certified, FSC Controlled or input material supplied without an FSC claim which has been assessed to be in conformity to the requirements of the standard FSC-STD-40-005 applicable for feedstock originating from Portugal continental.

Origin information at FMU level (forestry) is available on the delivery documents and also sanitary manifest is used as origin declaration for softwood.

The BP has implemented FSC credit system. Biomass is transported by truck and is sold at Setubal or Lisbon harbours. Sea transport responsibility is hold by the customer from Setubal or Lisbon Port under incoterms conditions FOB.

5.2 Description of Company's Supply Base

According to preliminary data from the latest National Forest Inventory, 2013 (IFN6 - Areas of land use and forest species in mainland Portugal in 2010), the forest land use is the dominant use of the mainland. The Portuguese forest occupies 3.2 million hectares, which corresponds to 35.4% of the country, one of the largest proportions of forested areas of Europe. Main forest distribution corresponds to Eucalyptus forest (26%) followed by cork oak (23%). The pine forest is distributed throughout the with Maritime Pine (*Pinus pinaster*) occupying 23% of the forest area of the mainland, mostly located in small areas and Umbrella Pine (*Pinus pinea*) occupying 6% of the total forest area of continental Portugal, with its main distribution at the south of the country.

Although the supply base consists of continental Portugal as a whole, in the reporting period, the BP has sourced wood and cork mainly from the following districts in the centre-south of the country – Lisboa, Setúbal, Santarém, Évora, Beja and Portalegre.

Following forest authorities private property in Portugal represents 97% of forest including communitarian areas (8%) and pulp & paper companies (4%) correspond to 3,1 million ha of forests (97% of total forest land). Public forest areas are up to 3% (around 94 000 ha).

In Portugal there are more than half a million forest owners, and most of them own only one or two ha of land dispersed by several plots.

However, in the South regions the average size of the properties is larger. In the region of Alentejo (which includes Évora, and Beja) the average size of the wood land plots is 22,6 ha (Coelho Inocência).

Forestry raw materials sustain an important and integrated industrial chain based on natural resources supporting a strong exporting sector. The forest sector has a significant impact on its GDP - higher than the European average. The forest sector represents almost 10% of the national export trade and 2% of the Gross Value Added. Forests are also the base of an economic sector which generates around 100 000 direct jobs (4% of the active population).

Portuguese population therefore, views forests and forestry products as an area of crucial importance to its economy. Although this fact, forest management is relatively poor in the major forest territories and every year a substantive part of forest is burnt in increasing forest fires. Also in recent years, more than one hundred people were killed (110 dead in 2017) in forest fires.

The use of forest biomass for energy is being promoted by governments since the last decade has a component of fire prevention planning but effective and substantive results are still missing. Also sanitary harvesting operations against Wood Pine Nematode (WPN) since 1999, is resulting in important feedstock for energy use of forest biomass.

Reginacork is located in a centre-south of Portugal and adjacent woodlands are relatively large, and pines and cork oak mixed stands are the most common. These factors are helping Reginacork to source from a small distance ratio and also to most of harvesting operations through subcontracted loggers and keeping the chipping operations with own structure.

Feedstock supply covers the following tree species for low grade tree stems or fuel wood:

- Maritime pine (*Pinus pinaster*);
- Umbrella pine (*Pinus pinea*);
- Eucalyptus (*Eucalyptus spp.*);
- Poplar (*Populus spp.*);
- Acacia (*Acacia spp.*);
- Narrow-leafed ash (*Fraxinus angustifolia*);

Harvesting residues and twigs are also coming from maritime pine and umbrella pine.

Approximately 60 primary wood suppliers are supplying wood to Reginacork, which includes some land owners (6 a year) with a standing timber contract. In this case BP subcontracts one of the selected harvesting teams which apply maintenance and selective cuttings and the chipping operations are performed by Reginacork who does this with its own chipper and personnel.

During reporting period BP bought only a small amount of sawdust as FSC certified secondary feedstock from a few sawmills in the neighbourhood (around 3 companies), but this kind of material is not used on SBP scope.

Cork powder is a residue from Reginacork's own cork production used only for the heater.

Supply Base Evaluation performed by Biomass Producer can be found on the following link:

http://www.reginacork.pt/certification/SBE_ENG.pdf

5.3 Detailed description of Supply Base

Supply Base

Continental Portugal

- | | |
|-------------------------------------|--|
| a. Total Supply Base area (ha): | 3,15 million ha |
| b. Tenure by type (ha): | Private: 3,05 million ha (97%, including 8% community managed)
Public: 0,1 million ha |
| c. Forest by type (ha): | Temperate Forest: 3,15 million ha |
| d. Forest by management type (ha): | Plantations: 0,81 million ha;
Managed natural: 2,34 million ha |
| e. Certified forest by scheme (ha): | FSC: 423 580 ha
PEFC: 268 824 ha |

A quantitative description of the Supply Base can be found in the Biomass Producer's Public Summary Report.

http://www.reginacork.pt/certification/SBR_ENG.pdf

5.4 Chain of Custody system

The Organisation holds valid FSC Chain of Custody with FSC Controlled wood in the scope of the certificate. Critical control points of the FSC CoC system were evaluated also during SBP audit.

The Organisation has implemented FSC credit system. All the input materials are received either with FSC certified claim, FSC Controlled wood claim or the material is covered by organisation's own Controlled wood verification system to be in conformity to the requirements of the standard FSC-STD-40-005 applicable for feedstock originating from Portugal continental. 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.

FSC CoC system of BP has the following characteristics:

- A credit account management is applied and the proportion of the SBP-compliant and SBP-controlled biomass is calculated and all records are kept.
- Physical separation is applied to roundwood product group which is sorted (and sold) to sawmills;
- Sawdust bought to sawmills is out of SBP scope;

Reginacork's cork plant has another credit account management for cork products (cork granules and cork powder) being the co-product cork powder used at pellet plant only for the dryer, not included in process.

6 Evaluation process

6.1 Timing of evaluation activities

The annual and NCR CVA audit was carried out on the 29th of January 2019, and on 1st of February 2019 was needed to FMU field visits for Standard 1. Two days were needed for the onsite audit and two additional days for the documentation review prior the audit.

Activity SBP	Location	Auditor(s)	Date/time
Opening meeting of the evaluation*	Office,	RS	29/01/2019 09.00-09.30
Documents and procedures review for changes and open NCR's; staff interview.	Office,	RS	29/01/2019 09.30-10.00
Inputs and outputs	Office,	RS	29/01/2019 10.00-11.00
Credit of inputs in the credit account	Office, reception	RS	29/01/2019 11.00-13.00
	Lunch break		13:00-14:00
Record verification		RS	29/01/2019 14.00-15.00
Providers/FMU selection planning for the following day (field visit records)		RS	29/01/2019 15.00-17.00
End of audit first day	Office,	RS	29/01/2019 17:15
Activity	Location	Auditor(s)	Date/time
Field Visits meeting point	Office,	RS	01/02/2019 09:00

Field Visits	FMU's Herdade da Comporta Mata do Duque	RS	01/02/2019 09:30-16:30
Auditor preparation	Office,	RS	01/02/2019 16:30-17:00
Closing meeting of the evaluation*	Office,	RS	01/02/2019 17:00-17:30

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 CoC system and FSC CoC system control points as well as the collection of the energy and emission data.

Description of the audit evaluation:

The SBP related documentation connected to the SBP as well as FSC CoC/Controlled sources system of the organisation, including SBP Procedures, Energy related data, Supply Base Report, were evaluated during the assessment.

Auditor was welcomed in Reginacork. Audit started with an opening meeting attended by the Quality Manager, the Chief Officer and an external consultant that supported the company in the SBP implementation.

Auditor provided information about audit plan, methodology, auditor qualification, confidentiality issues, and assessment methodology and clarified verification scope. During the opening meeting the auditor explained CB's approval related issues.

After that auditor went through all applicable requirements of the SBP standards nr.1, 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, 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 as well as other persons having key responsibilities within the system were interviewed.

Open NCR's were evaluated to understand the management modifications and other BP development addressed to close them.

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

After the first round another field day was needed to complete de SBP Standard #1 assessment, regarding mitigation measures applied by BP at FMU’s level. The visited FMU’s were all of the ones which have been included by BP to the SBE scope, meaning a sampling of 100% of proposed FMU’s.

At the end of the audit findings were summarised and audit conclusion based on use of 3 angle evaluation method were provided to the all the Reginacork team.

Composition of audit team:

Auditor(s), roles	Qualifications
Rui Simões Lead Auditor	Forestry engineer > 20 year experience in forest project, management and works. Author of several fluvial and desertic restoration projects and field works. FSC, PEFC in SBP and COC auditor for NEPCon. EU nature conservacy projects evaluator. PhD Climate Change student. International experience working on english, spanish and french language, besides mother portuguese. International experience working on English, Spanish and French language, besides mother Portuguese.

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

Not applicable for this audit.

7 Results

7.1 Main strengths and weaknesses

Strengths:

The BP kept its own Portugal Risk Analysis based at Regional Risk Assessment being consulted at SBP webpage: https://sbp-cert.org/docs/Final-Draft-RRA-for-Portugal_public-consultation_Jan18.pdf

BP has expanded its expertise capacities contracting another external specialist to go on to the field and developed the feedstock classification process over the Risk Analysis to find SBP Low Risk inputs.

Weaknesses:

See NCR for weaknesses.

BP has some difficulties on finding certified feedstock. This limitation has contributed to the SBE and to invest on actual clients because they have good relationship. However an effort could be done to find certified raw material. This is not a case to issue NCR or OBS.

7.2 Rigour of Supply Base Evaluation

The main component of BP's Supply Base Evaluation is the organization risk assessment which was based on Risk Analysis based at Regional Risk Assessment being consulted at SBP webpage: https://sbp-cert.org/docs/Final-Draft-RRA-for-Portugal_public-consultation_Jan18.pdf and includes the Continental Portugal as a Regional Risk Assessment. Organization Risk Assessment has a precautionary approach, so it identifies more Specified Risk Indicators than the RRA being consulted. All indicators with specified risks designated by RRA are also considered specified risk by Reginacork. Reginacork has identified some few additional indicators with specified risk

As no unspecified risks were found (only specified), no Supplier Verification Program was performed by BP.

After the risk assessment was completed, mitigation measures were proposed and consulted with stakeholders. As no comments were received, the organization has implemented the mitigation measures for the specified risk indicators as initially proposed.

7.3 Collection and Communication of Data

SAR completion has been done according to the standard and all data provided by the BP were verified for their consistency and accuracy.

7.4 Competency of involved personnel

The key personnel involved directly in the audit and the SBP implementation are the 4 listed below. During the audit it was revealed that their competences, expertise and capacities were suitable to maintain SBP certification requirements:

- Rogério Esteves, Mechanical Eng, -who as a large wood pellets experience instaling and managing pellets Plants;
- Tatiana Savelyeva, Forest Engineer , External Consultant who developed all the SBP (and FSC) system, including procedures and records;
- João Garcia, CEO and wood procurement senior experience.
- Rita Calca, local forest consultant responsible for implementing the field visits and reports for SBP Std.#1. Rita has forest certification experience and holds an agronomist diploma;
- Maria João Canhenha, Administrative
- Maria João Neto, Quality Resp.
- Ovidiu Put Operational
- Denys Pilat controller of pellet IT and mechanical systems
- Paulo Marques, Operational
- David Heitor, H&S responsible

7.5 Stakeholder feedback

Any comments were reported by BP form stakeholders.

7.6 Preconditions

NA

8 Review of Company’s Risk Assessments

Company Risk Assessment was not changed since previous audit.

No Supplier Verification Program has been performed as no Unspecified Risks were identified. Mitigation Measures were applied to avoid feedstock with Specified Risks and exclude it from SBP-Compliant Biomass.

Table 1. Final risk ratings of Indicators before mitigation measures.

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	Specified	Specified
1.1.3	Low	Low
1.2.1	Specified	Specified
1.3.1	Low	Low
1.4.1	Low	Low
1.5.1	Low	Low
1.6.1	Low	Low
2.1.1	Specified	Specified
2.1.2	Specified	Specified
2.1.3	Specified	Specified
2.2.1	Specified	Specified
2.2.2	Specified	Specified
2.2.3	Specified	Specified
2.2.4	Specified	Specified
2.2.5	Low	Low
2.2.6	Specified	Specified
2.2.7	Low	Low
2.2.8	Low	Low
2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Specified	Specified

Indicator	Risk rating (Low or Specified)	
	Producer	CB
2.3.3	Low	Low
2.4.1	Specified	Specified
2.4.2	Specified	Specified
2.4.3	Low	Low
2.5.1	Specified	Specified
2.5.2	Low	Low
2.6.1	Specified	Specified
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	Specified	Specified
2.9.2	Low	Low
2.10.1	Low	Low

Table 2. Final risk ratings of Indicators as determined AFTER the 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

Mitigation measures taken by BP to address specified risks have the following development:

a) Suppliers evaluation and selection- to assure they i) comply with relevant legal requirements;1ii)the delivered raw material is from Continental Portugal and can at least be accepted as Controlled Feedstock; and iii)raw material supply complies with the requirements of the RGC clients. This measure is accomplish mostly by the documental checks (PSBP 01 Exhibit 1.1), but also a visit program in case of doubts arisen. During this process, all the specified risk indicators related with suppliers are checked.

b) Harvesting Plot – All the FMU’s for the SBE process are inspected prior to harvesting by the forest specialist, passing through a desk assessment and field assessment process (PSBP 04-Exhibit 1.4). During the harvesting plot assessment all the specified risk indicators related with FMU’s and harvesting process are checked.

Indicator	Description
1.1.2	<i>Feedstock can be traced back to the defined Supply Base.</i>
Mitigation measure	Reginacork does not buy any wood from wood suppliers without a valid company registration and delivery documentation indicating the place of harvest. The Due Diligence System and the ‘Procedure on the legality and origin of raw material’ state appropriate control systems. See also indicator 1.2.1 below.
1.2.1	<i>The Biomass Producer has implemented appropriate control systems and procedures to ensure that legality of ownership and land use can be demonstrated for the Supply Base</i>
Mitigation measure	Reginacork does not buy any wood from wood suppliers without a valid company registration, nor from wood lands, of which the owner rights are disputed. Any dispute discovered during interviews concerning the ownership of the feedstock needs to be solved first. Additional investigations are conducted by means of legal document research and extends to, for example, interviewing local stakeholders (owners of neighbouring wood lands) and local authorities, whenever: <ul style="list-style-type: none"> ☒ Cadastral data are unavailable; ☒ The land will be impounded by the government; ☒ There are complaints about the land owner, or the harvest operation. In these cases, the internal procedure ‘Procedure on the legality and origin of raw material’ is activated. Additionally, all suppliers must have an ‘Economic operator registration’. Reginacork only accepts feedstock which is of clear origin, as stated on the delivery documents.
2.1.1	<i>The Biomass Producer has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation values are identified and mapped.</i>

<p>Mitigation measures</p>	<p>Approved supplier identifies and maps of areas to be harvested. HCV 1, 3, 4, and 6 are assessed by RGC forestry specialist to have a specified risk. Extra effort is needed to identify and map these values. Internet sources, as well as the local situation is assessed.</p> <p>The main sources of information, used to prepare the identification of these values for RGC are listed at SBE. Reginacork inspects the suppliers and harvesting areas.</p> <p><i>Applicable sources of information concerns to the following groups.</i></p> <p><i>HCV 1 – Species diversity</i></p> <p><i>HCV 3 – Ecosystems and habitats</i></p> <p><i>HCV 4 – Critical ecosystem services & HCV 5 – Community needs</i></p> <p>General sources of information</p>
<p>2.1.2</p>	<p><i>The Biomass Producer has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.</i></p>
<p>Mitigation measures</p>	<p><i>HCV 1 – Species diversity</i></p> <p>There is a specified risk that forest operations on private and communitarian grounds and public areas not managed by ICNF could harm species diversity. Species diversity is evaluated and recorded before harvesting operations commence. Caution and best practises are applied. Special attention is given to the National System of Classified Areas (SNAC) and to the Important Bird and Biodiversity Areas (IBAs).</p> <p>See also below, indicator 2.2.4</p> <p><i>HCV 3 – Ecosystems and habitats</i></p> <p>There is a specified risk that forest operations on private and communitarian grounds and public areas not managed by ICNF could harm ecosystems and habitats. Caution and best practises are applied. The forest specialist of Reginacork checks the environmental assessment and does field inspections for every FMU where the SBP compliant feedstock is sourced from, before the beginning of harvesting. The inspections are recorded.</p> <p>See also below, indicator 2.2.3</p> <p><i>HCV 4 – Critical ecosystem services & HCV 5 – Community needs</i></p> <p>This is a specified the risk on private, communitarian, and public forest areas not managed by ICNF, subject to clear cutting at dimensions above to the maximum area indicated for each region by the Regional Forestry Management Plan (PROF). This point is evaluated and recorded before the forest operations commence. Clear cuts are reduced to the maximum size indicated in the PROFs, or even further, if the environmental aspects, such as hillslopes, require special attention.</p> <p>There are no indigenous people in Portugal, but it is important to evaluate the interests of the (local) population and social-economic functions of the forests and woodlands (including agricultural or municipal functions). Building fences around forests is most of the time undesirable.</p> <p>See below, indicators 2.2.2, 2.2.3, 2.2.6, 2.4.1 and 2.5.1 (and 2.6.1 as 'safety net').</p>
<p>2.1.3</p>	<p><i>The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not sourced from forests converted to production plantation forest or non-forest lands after January 2008.</i></p>
<p>Mitigation measures</p>	<p>Reginacork considers all pine stands as forests and eucalyptus and Poplar stands as plantations. Reginacork checks if forests have been changed to (eucalyptus) or Poplar plantations after 2008.</p> <p>When a eucalyptus or and Poplar plantation is cutted, the history of the plantation is investigated. First the age of the plantation is determined. If could be from after Jan.</p>

	<p>2008, the land owner and/or residents are questioned, and the plot is searched for old tree stumps.</p> <p>Reginacork always demands a field study assessment by the suppliers. The fulfilment is fixed in the Feedstock Supplier Declaration and is contractually binding.</p>
2.2.1	<i>The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is sourced from forests where there is appropriate assessment of impacts, and planning, implementation and monitoring to minimise them.</i>
Mitigation measures	<p>There is a specified risk on this point, mainly in case no forest plan is available (no PROF, PGF ZIF, PUB, SNAC, as well as no PEFC or FSC certification).</p> <p>Reginacork always makes an Evaluation of the risks and possible impacts of harvesting operations (EoR) and a field study of FMU. The field study evaluates:</p> <ul style="list-style-type: none"> a. The possible economical, ecological and social impact of the forest operations including its surroundings. Harvesting operations can be changed to avoid negative impacts. b. The quality of the management (by the land owner) prior to harvesting and regeneration plan. <p>Indicators 2.2.2, 2.2.3, 2.2.4, 2.2.6, and 2.4.2 include relevant management measures which are checked during the field study.</p> <p>Reginacork monitors the plots to be harvested intensively and checks the field study of its feedstock suppliers and the performed Risk Mitigation Measures (RMM).. Reginacork does not classify all feedstock coming from the 'SBE approved suppliers' as 'SBP-compliant feedstock'. For example, if an estate has been poorly managed by a forest owner in the past, or does not comply with the SBE requirements on forest regeneration. Reginacork does not upgrade feedstock to 'SBP-compliant feedstock'.</p>
2.2.2	<i>The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is sourced from forests where management maintains or improves soil quality (CPET S5b).</i>
Mitigation measures	<p>Before harvesting operations commence the plot is evaluated on this point and records are kept. Best forestry practises are applied. Maps can be obtained from 'Reserva Ecológica Nacional' (REN).</p> <p>Reginacork makes an Evaluation of the risks and possible impacts of harvesting operations (EoR). The assessments address the specified risk on soil degradation: Best practices regarding harvesting operations have to be applied.</p> <ul style="list-style-type: none"> a. Low intensity of forestry, selective cuttings and small clear cuts of maximally 5 ha. were needed considering the soil and groundwater level. b. Regeneration focusses on tree species that maintain or improve soil quality c. Leave nutrients in the forests, mainly the green fraction of forest residues (on the other hand other forest residues need to be cleared to prevent forest fires. d. Do not operate near-water areas. <p>For example, on dry locations (elevated grounds or on slopes) selective cuttings are required, because the ground gets less direct impact of the sun and the forest and (natural) regeneration can maintain soil quality. On other locations (small) clear cuts can sometimes have the advantage that several kinds of broadleaved trees regenerate naturally.</p> <p>Poor soil quality can lead to erosion, etc; this indicator is related to indicator 2.2.6.</p>
2.2.3	<i>The Biomass Producer has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).</i>

<p>Mitigation measures</p>	<p>Reginacork prepares (publicly available) data on ecosystems and habitats (see above 2.1.1 on mapping and 2.1.2 on identifying and addressing potential threats). The relevant information is given to all feedstock suppliers before they start to harvest in the field visit by the external specialist.</p> <p>Key ecosystems and habitats are indicated on the harvesting maps. Best practises are used to protect the high ecological values. The harvesting operations conserve these objects, mainly by not cutting the woodland or forest directly around them.</p> <p>Reginacork makes an Evaluation of the risks and possible impacts of harvesting operations (EoR) and checks the field study from every FMU's. Reginacork monitors the harvesting operations of its feedstock suppliers (see also chapter 5 on 'SBE program approved feedstock suppliers').</p>
<p>2.2.4</p>	<p><i>The Biomass Producer has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).</i></p>
<p>Mitigation measures</p>	<ol style="list-style-type: none"> 1) Reginacork prepares (publicly available) data on biodiversity researches and programs, red lists of Portugal, CITES, etc (see above 2.1.1 on mapping and 2.1.2 on identifying and addressing potential threats, HCV 1 – Species diversity). This information is given to all feedstock suppliers in the field visit by the external specialist. 2) Feedstock suppliers are informed to recognise the protected biodiversity values and how to conserve them. These species are often related (it can be indicator species) to key ecosystems which need conserved (previous indicator). 3) The forestry expert inspect visually the plot, make photos and report on the results. Endangered flora and fauna are indicated on the harvesting maps. 4) Best practises are used, to keep a buffer around conservation values. 5) Reginacork monitors the harvesting operations of its feedstock suppliers (see also chapter 5 on 'SBE program approved feedstock suppliers').
<p>2.2.6</p>	<p><i>The Biomass Producer has implemented appropriate control systems and procedures to verify that negative impacts on ground water, surface water and water downstream from forest management are minimised (CPET S5b).</i></p>
<p>Mitigation measures</p>	<ol style="list-style-type: none"> 1) Reginacork studies data (from publicly available information, researches and programs) for its harvesting teams on ground water, surface water and steams (see above 2.1.1 on mapping and 2.1.2 on identifying and addressing potential threats, HCV 1 – Species diversity). This information is given to all feedstock suppliers in the field visit by the external specialist. 2) Feedstock suppliers are informed not to contaminate ground water and to plan forest management operations that protect the soil, forest and surroundings from surface water. 3) The forestry expert inspects visually the plot and the hill slopes and streams in the surroundings and report on the results. 4) Best practises are used, including forest management measures that protect the plot against erosion. Related to a too quick runoff of surface water, streams in the surroundings are considered. The landscape where the harvest operations are executed is considered, including hill slopes and streams that can overflow. In areas vulnerable to water damage, the maximal contiguous clear-cut area is 5 ha. 5) Reginacork monitors the harvesting operations of its feedstock suppliers. These best practises are required to comply with the SBE program requirements. <p>The best practices follow the 'ICNF Handbook for forest best practices': 'In areas surrounding the water lines the risk of erosion is often very high, since these are areas of concentration of rainwater runoff. In these bands (with a minimum width of 10 meters for each side, as stated in the legal definitions and conditions of legal limits (Decree-Law</p>

	no. 468/71) a strict prevention of erosion phenomena shall be performed, and it is therefore essential to adopt measures to protect it, such as maintaining all or a significant part of the natural vegetation and not inflict harm to the soil.'
2.3.2	<i>Adequate training is provided for all personnel, including employees and contractors (CPET S6d).</i>
Mitigation measures	<p>Reginacork trains its personnel on all relevant aspects and demands the same from its feedstock suppliers.</p> <p>During the feedstock supplier’s office inspections by Reginacork, are checked: the training records, (new) workforce, and the hiring of specialists.</p> <ul style="list-style-type: none"> • Be able to prove that the raw material is sourced only from Continental Portugal; • Sign the ‘Declaration of primary and secondary raw material suppliers’ (if needed, DFSC.05.08.01). <ul style="list-style-type: none"> • Declaration contributory to Social Security • Social Security Remuneration Statement • Payment to Social Security • Declaration Non-Debt Statement Tax authority transport code (government online system) • Work accident insurance receipt • Receipt of the General Civil Liability Insurance Operation • Annex D, obligatory report on incidents at work • Medical Aptitude Sheet, stamped and signed HR, and signed by the worker • MIRR (waste utilization) • Training records • Integrated Waste Log Map (MIRR) <p>The level of knowledge of personnel is inspected during site visits.</p>
2.4.1	<i>The Biomass Producer has implemented appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPET S7a).</i>
Mitigation measures	<p>1) Forestry expert is trained to recognise health, vitality and other services provided by forest ecosystems and to inform the harvesting teams.</p> <p>2) The harvesting teams inspect visually the plot and the surroundings and keep away from those cases.</p> <p>Best practises are used. Many of the relevant risks are addressed by other indicators (with specified risk), such as indicators 2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.6, and 2.4.2.</p> <p>3) The possible impacts of the harvest operations on the forest and its surroundings are assessed (before the harvesting operations commence), not only in relation to the environment, but also in relation to the interests of the local population, farmers, and people interested in recreation. Reginacork underlines that these services can be of importance to the local population. Forests can be of importance to the environment around the forests, they can reduce the impact of extreme weather, and reduce the impact of air and ‘visual’ pollution, as well as noise.</p> <p>Forest services that need to be considered:</p> <ol style="list-style-type: none"> a. Breaking hard winds and rainfall (regarding roads and houses); b. Recreation in and around the forests; c. Hunting, fishing and gathering of berries and mushrooms; d. Agriculture near the forests (this is of importance in Portugal).

	<p>4) Reginacork monitors the harvesting operations of its feedstock suppliers. It checks with stakeholders if there are any complaints (see also below 2.6.1).</p>
2.4.2	<p><i>The Biomass Producer has implemented appropriate control systems and procedures for verifying that natural processes, such as fires, pests and diseases are managed appropriately (CPET S7b).</i></p>
Mitigation measures	<p>1) Reginacork studies data (from publicly available information, researches and programs) for harvesting teams on risks and regulations regarding fires, pests and diseases. This information is given to all feedstock suppliers in the field visit by the external specialist. .</p> <p>2) Feedstock suppliers are informed to recognise poor forest management and on mitigation measures.</p> <p>3) The forest expert inspects visually the plot and make photos.</p> <p>4) Best practises are evaluated by the harvesting teams regarding management of fires, pests and diseases. These include:</p> <ul style="list-style-type: none"> a. Keeping the traps for NMP (Pine Wood Nematode Bursaphelenchus xylophilus, and its vector the insect Monochamus galloprovincialis); b. Use of net (cover) during transport of wood in the period insect vector NMP; c. Phytopharmaceutical application on the ground; d. Crushing of the same wood with no lead time of 2, 3 days (wood with symptoms); e. Ensure that all suppliers have an economic operator registration; f. Reginacork only accepts the raw material with the manifest; g. Cleaning of all utensils and machinery used in the handling of woody material; h. Application of good forest practices to avoid a spread of this pest. <p>5) Reginacork monitors the harvesting operations of its feedstock suppliers. Sufficient management by the forest owner, and best practises by the harvesting teams are required to comply with the SBE program requirements.</p>
2.5.1	<p><i>Legal, customary and traditional tenure and use rights of indigenous people and local communities related to the forest are identified, documented and respected (CPET S9).</i></p>
Mitigation measures	<p>1) Forest expert is trained to recognise possible issues with legal, customary and traditional tenure and use rights.</p> <p>2) Forest expert inspects visually the plot, make photos and report on the results. If the land area to be harvested is fenced, moreover, if it has been fenced recently, the opinion of residents is assessed. Abuse of fences, blocked roads, and inadequate signs makes the feedstock non-compliant the SBE program.</p> <p>3) Reginacork monitors the harvesting operations of its feedstock suppliers.</p> <p>By addressing sustainable forest management and making an extra effort on indicators 1.2.1 and 2.6.1, Reginacork integrates respecting the interests of local people into its main procedures.</p> <p>There are no indigenous people in Portugal nor minorities dependant on forests for their livelihood.</p>
2.6.1	<p><i>Appropriate mechanisms are in place for resolving grievances and disputes, including those relating to tenure and use rights, to forest management practices and to work conditions.</i></p>
Mitigation measures	<p>1) Reginacork actively prevents grievances and disputes to arise. The aim is to track down and solve grievances and disputes before the harvesting operations commence (or not to buy from the disputed plots).</p>

	<p>2) Reginacork makes clear to the local population that any complaint or comment related to feedstock supply is taken very seriously (via website and other communications). Reginacork takes seriously any complaint of any person or organisation considering harvesting operations. This also ensures sufficient performance on respecting local interests (HCV 5) and cultural values (HCV 6).</p> <p>3) Reginacork has a complaint procedure and keep records.</p> <p>4) Reginacork monitors the harvesting operations of its feedstock suppliers and checks if there are complaints and comments from neighbours or communities. Also checks with relevant stakeholders, such as land owners, if no comments or complaints arise because of harvesting operations.</p> <p>5) The results of the inspections of Reginacork have direct influence on the ‘SBE program approved’ status of feedstock suppliers.</p>
<p>2.8.1</p>	<p><i>The Biomass Producer has implemented appropriate control systems and procedures for verifying that appropriate safeguards are put in place to protect the health and safety of forest workers (CPET S12).</i></p>
<p>Mitigation measures</p>	<p>Reginacork has a rigorous control system and adequate procedures on the health and safety of forest workers. Reginacork (contractually) demands the same from its feedstock suppliers and checks the health safety of harvesting personnel during its monitoring inspections.</p>
<p>2.9.1</p>	<p><i>Feedstock is not sourced from areas that had high carbon stocks in January 2008 and no longer have those high carbon stocks.</i></p>
<p>Mitigation measures</p>	<p>1) Reginacork studies data (from publicly available information, researches and programs) on aspects that can decrease the carbon stock.</p> <p>2) Forestry expert collect data to recognise areas where carbon stocks have decreased and on the field inspecta visually the plot and make photos.</p> <p>4) Reginacork checks plots and harvesting operations.</p> <p>This risk is partly covered by the mitigation measures mentioned in the following indicators:</p> <p>a. 2.1.3 (land conversion),</p> <p>b. 2.2.2 (degradation of grounds).</p>

10 Non-conformities and observations

Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. For each, give details to include at least the following:

- applicable requirement(s)*
- grading of the non-conformity (major or minor) or observation with supporting rationale*
- timeframe for resolution of the non-conformity*
- a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.*

NC number 01/19	NC Grading: Minor
Standard & Requirement:	SBP Standard #4: 5.4.1
Description of Non-conformance and Related Evidence:	
The SBP claims use is written on BP procedures. However the implementation did not start very well, because the invoices issuing included some errors in the description: Invoice #274 FSC controlled wood /SBP controlled wood 3960,31 tons of pellets-04/06/2018, using wrong claim for SBP material and also wrong code for FSC controlled wood. NCR is minor because the transaction report was accepted in DTS Exhibit n°9 RGC invoices	
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:	<i>Click or tap here to enter description provided by Company to close the NC.</i>
Findings for Evaluation of Evidence:	<i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i>
NC Status:	Open

NCR: 01/18	NC Classification: minor
Standard & Requirement:	SBP Standard # 1 requirement 1A-6.1
Description of Non-conformance and Related Evidence:	
BP has included some national forest laws and environment agreements and ILO Conventions in its SBE and also some indications are provided in "Procedure 02 Procedure on the legality and origin	

of raw material” (Exhibit 1.2) but during audit it was not found any appropriate lists concerning the subjects. A comment to CITES species is included in BP SBR mentioning only to tree species, but it doesn't contain any official list or available reference.	
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.
Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalisation date
Evidence Provided by Organisation:	SBR_Jan19_Final Exhibit 4
Findings for Evaluation of Evidence:	SBR of BP already includes the CITES species list
NCR Status:	Closed

NCR: 02/18	NC Classification: MAJOR
Standard & Requirement:	SBP Standard #1 requirement 2.5
Description of Non-conformance and Related Evidence:	
<p>BP has developed an approach of the SBE with several steps, which include 1) supplier selection and then 2) Sampling and monitoring forest plots; then 3) Risk evaluation and 4) information collection and 5) onsite evaluation on selected sites.</p> <p>Also, a training session of suppliers was included as a piece of the system and a Declaration is provided by suppliers to compromise with SBE.</p> <p>The list of approved suppliers contains only 3 suppliers, and two of them were visited during the audit.</p> <p>The implemented procedures include all relevant elements and provides assurance that all indicators are properly mitigated, however there were some gaps identified during the onsite audit.</p> <p>For example, it wasn't found during the audit a mechanism to rank performance and development of a list of “approved suppliers”. As the written procedures, the supplier selection is a role of the Plant Manager and approval by Administrator, but as they don't have expertise in the forestry there might be a potential weakness in the system during the selection of the suppliers s all 17 indicators identified with specified risk shall be considered.</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.
Timeline for Conformance:	By the next annual surveillance audit, but not later than 6 months from report finalisation date

Evidence Provided by Organisation:	01 Procedure on approving raw material suppliers (/Exhibit 1.1) 04 SBE Monitoring procedure (Exhibit 1.4) Forestry Expert contracted. FMU assessment (Exhibit 10)
Findings for Evaluation of Evidence:	During audit, field visits were made to two FMU's to understand the difference of the new procedures. The reports were assessed and several people were interviewed from the feedstock supplier's side but also from the FMU management side. All indicators classified as specified risk were checked and conveniently addressed by the BP staff. Modification made at written and implemented procedures, including expert allocation and list of suppliers verified are enough to correct the problem, and so the non-conformity is closed.
NCR Status:	Closed

NCR: 03/18	NC Classification: minor
Standard & Requirement:	SBP Standard # 2 requirement 6.2
Description of Non-conformance and Related Evidence:	
BP has bought a small amount of inputs to classify as SBP compliant secondary feedstock but during the audit it was not found the place of harvesting of this amount (0,44% of Reporting Period). The system of determination of origin is in place but as the BP has purchased only very limited amount of secondary feedstock and has decided to stop purchasing it in the future it was not implemented.	
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.
Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalisation date
Evidence Provided by Organisation:	BP took out of the scope all sawdust because it is only used to feed pellets for ENPlus production.
Findings for Evaluation of Evidence:	Verified the processes to segregate and keep segregated the sawdust and final product during the audit. They were considered justified and strong enough.
NCR Status:	Closed

NCR: 04/18	NC Classification: minor
Standard & Requirement:	SBP Standard # 2 requirement 6.5
Description of Non-conformance and Related Evidence:	
During the audit it was found that procedures did not cover the recording the origin of any feedstock supplied with certification claims from either an SBP-approved Forest Management Scheme or an SBP-approved Controlled Feedstock System. The system written procedures are only prepared and written procedures to cover non-certified material. As the system for recording of the origin is implemented for both certified and non-certified feedstock, this non-conformity is classified 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.
Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalisation date
Evidence Provided by Organisation:	02 Procedure on the legality and origin of raw material Exhibit 1.2
Findings for Evaluation of Evidence:	Modified written and implemented procedures were verified during audit, including the site recording for all feedstock received. This was made with the only FSC certified raw material received which was cork (out of the SBP scope), because the procedure is the same.
NCR Status:	Closed

NCR: 06/18	NC Classification: Minor
Standard & Requirement:	SBP Standard # 2 requirement 15.2
Description of Non-conformance and Related Evidence:	
The management system has personal and technologic resources dedicated to the most important areas. For the audit field visits an external forest engineer is doing the assessment the FMU's, however as the forester is not permanent employee of the BP, this is seen as gap in the system and it is considered that the system misses a dedicated forest engineer responsible for the type, range and volume of work and selecting suppliers and monitoring them. Due to the fact that at the moment of the assessment the BP presented sufficient knowledge to conduct the mitigation measures in required quality, this non-conformity is classified 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.

Timeline for Conformance:	By the next annual surveillance audit, but not later than 6 months from report finalisation date
Evidence Provided by Organisation:	An external forestry expert has been contracted.
Findings for Evaluation of Evidence:	During audit it was checked if the contracted person was expert on the required subjects. Although the person is not a Forest Engineer she has Agronomist background and a forest experience in the local forest. During the field visits it was possible to see that the person is able to implement the procedures of the BP.
NCR Status:	Closed

NCR: 07/18	NC Classification: minor
Standard & Requirement:	SBP Standard # 4 requirement 6.3.1;
Description of Non-conformance and Related Evidence:	
Health and Safety services are outsourced by BP to an external company. The BP team keeps a training plan developed, risk assessment for each job and Individual & Collective Protect Equipment. During the audit some health and safety deficiencies were observed related to pellet plant trucks sourcing during the plant installation process without properly safeguards and individual protection equipment.	
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.
Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalisation date
Evidence Provided by Organisation:	H&S responsible contracted H&S measures implemented Exhibit 11 – H&S_Risks evaluation
Findings for Evaluation of Evidence:	During audit it was possible to see all the modifications on the factory, truck and forklifts circulation, and Individual & Collective Protect Equipment use. David Heitor (H&S responsible) was interviewed and could answer and show all the results achieved.
NCR Status:	Closed

NCR: 8/18	NC Classification: minor
Standard & Requirement:	SBP Standard # 5 requirement ID5b 6.1.5;
Description of Non-conformance and Related Evidence:	
Biofuel share is not included on SAR document by BP.	
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.
Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalisation date
Evidence Provided by Organisation:	SAR Wood pellets Exhibit 3a SAR Woodchips Exhibit 3b
Findings for Evaluation of Evidence:	Biofuel share is properly included on SAR provided documents.
NCR Status:	Closed

NCR: 9/18	NC Classification: minor
Standard & Requirement:	SBP Standard # 5 requirement ID5a 4.3.1;
Description of Non-conformance and Related Evidence:	
<p>The BP team is purchasing roundwood mostly from pines - Maritime pine (<i>Pinus pinaster</i>) and Umbrella pine (<i>Pinus pinea</i>). Maritime pine is usually harvested after 40 years, and in Reginacork process all sawn wood is sold for better value to neighbours sawmills, not entering at biomass production. Umbrella pine final fellings are usually done at two cases, namely when the pine cones are not productive anymore or at clearing mixed stands with cork oak tree.</p> <p>BP states at Static Biomass Profiling Data that Average volume of final fellings delivered to BP is less than 50%, but no explanation is included to demonstrate the figures. Also the SBR "Final Sample Harvest Program" section doesn't address this issue.</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.
Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalisation date
Evidence Provided by Organisation:	Organization has presented the calculations of roundwood to justify the amount indicated at ID5CSBP Datasheet Exhibit 5

Findings for Evaluation of Evidence:	During audit verifications were made on the calculations and proportions to understand the process and BP results. These verifications included the roundwood volume movements, because some of roundwood is entering inside each load, but they are then segregated and sold to sawmills. This process was considered consistent with the presented figures.
NCR Status:	Closed

NCR: 10/18	NC Classification: Minor
Standard & Requirement:	SBP Standard #5 requirement ID 5b, 5.4.2
Description of Non-conformance and Related Evidence:	
At the audit time some of the measurements were done with estimation methodology, namely the pellets moisture was estimated by BP on a sampling basis with no continuous calculation procedure. Also no records of cork powder the volume were available at the audit time. BP staff was only estimating its volume as the only biofuel used.	
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.
Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalisation date
Evidence Provided by Organisation:	Exhibit 12-Cork powder volume record Exhibit 13-Assay Report CCJ 183096-3716 (RCK 15.12.2018)
Findings for Evaluation of Evidence:	Modified procedures on measurements and calculations of pellets moisture (external entities BV and AVE) and cork powder volumes were considered enough to close the non-conformity.
NCR Status:	Closed

NCR: 13/18	NC Classification: Minor
Standard & Requirement:	SBP Standard #2 requirement ID 2C.4.1
Description of Non-conformance and Related Evidence:	
Supply Base Quantification still misses precision and consistency on lines b)c)d)e) of 2.5 at SBR (Version7)	
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.

Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalisation date
Evidence Provided by Organisation:	SBR Jan 2019-Exhibit 4
Findings for Evaluation of Evidence:	Inconsistencies addressed in updated SBR.
NCR Status:	Closed

NCR: 14/18 21383	NC Classification: Minor
Standard & Requirement:	SBP Standard #4 requirement 5.2.4
Description of Non-conformance and Related Evidence:	
At the audit time 8 wood loads entered which were not correctly classified in terms of material type at the accounting system.	
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>
Timeline for Conformance:	By the next annual surveillance audit, but not later than 12 months from report finalisation date
Evidence Provided by Organisation:	Organization had implemented in a stronger way the data collection related to inputs.
Findings for Evaluation of Evidence:	All searches (#6) done about including all sort of inputs during audit about inputs record in the system were correct and so it is confirmed that the system is strong enough to comply with the indicator.
NCR Status:	Closed

11 Certification decision

Based on the auditor’s recommendation and the Certification Body’s quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Ondrej Tarabus
Date of decision:	05/Apr/2019
Other comments:	N/A