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

Second Surveillance Audit

www.sbp-cert.org

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

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

Document history

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1 Overview

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Current report completion date:	07/Dec/2020
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Name of the Company:	Biosilva Agroforestal S.L., Calle Oro 55 Colmenar 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 Muricia
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 Second 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 and Castilla la Mancha – 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 thirteen 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, Valencia, Cartagena, Almería, Sevilla, Huelva, Algeseeras, Carboneras, Malaga, Motril 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 Andalucia 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 five indicators 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, Valencia, Cartagena, Almería, Sevilla, Huelva, Algeseeras, Carboneras, Malaga, Motril 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 m3 of wood. The autonomous community felled a total of 406,000 m3 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 m3 of wood. The autonomous community felled a total of 248,000 m3 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 m3 of wood. The autonomous community felled a total of 1,368 m3 of wood in 2012.

Castilla La Mancha:

- Castila La Mancha cuenta con 2.708.000 has de superficie forestal arbolada sobre un total 3.598.000 has de superficie forestal.
- En el régimen de propiedad predomina claramente el monte privado que representa el 76% de la superficie forestal castellano manchega. Del 24% de monte público, un 55% pertenece a entidades locales y un 45% a la administración autonómica o central.
- Según los datos del Anuario de Estadística Forestal 2016 las existencias medias de los montes castellano manchegos son de 84.000.000 m3 de volumen maderable con corteza (IFN3). En 2016 se cortaron 776.804 m3 de madera con corteza en la comunidad.¡

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 663.793 ha (Andalucía 286.720 ha; Comunidad Valenciana 1.212 ha; Murcia 0 ha; Castilla La Mancha 51.444 ha)
- ✓ FSC 432.136 ha (Andalucía 145.412 ha; Comunidad Valenciana 0 ha; Murcia 0 ha; Castilla La Mancha 0 ha)

Quantitative description of the Supply Base can be found in the Biomass Producer's Supply Base Report https://www.biosilva.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=a02f300000iIO6qAAG&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 July 29th and September 18th remote office audit and August 14th and 21st 2020 onsite field visits .

Total of 4 man days days were used for this audit excluding documentation review and report writing. Please see more details in the table below.

Activity	Location	Auditor(s)	Date/time
Opening meeting*	Skype	OT	29/07/2020 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.	Skype	OT	09.30-12.00
Break			12:00-12:30
Interview with Purchasing department representative	Skype, Purchasing department	OT	12:30-13:15
GHG calculation review collection and communication of energy and carbon data	Skype	OT	13:15-15:00
Sampling of production sites	Skype	OT	15:00 – 16:00

Interview with Sales department representative	Skype, Sales department	OT	16:00 - 16:30
Internal team meeting	Skype	OT	16:30-17:00
Closing meeting*		OT	16:30 – 17:00
Evaluation of storage facilities in the harbour	Port of Alicante, Spain	OT	14.08.2020 09:00 – 11:30
Evaluation of storage facilities in the harbour	Port of Cartagena, Spain	OT	14.08.2020 14:00 – 15:30
Evaluation of mitigation measures of primary feedstock: Evaluation of performance of Biosilva Agroforestal S.L. own harvesting workers	Biar, Finca Vieja Casa Luna Supplier audit: Biosilva Agroforestal S.L., primary feedstock, evaluation of HCV risk mitigation measures in completed harvesting sites, fire protection arrangements, protection of biodiversity in private land	OT	21/08/2020 08:00 – 11:00
Evaluation of suppliers of primary feedstock: Evaluation of supplier of primary feedstock (harvesting company) forestales ALMA. Forest owner: Argentua Costa Herreros	Finca Fraquas Supplier audit:, primary feedstock, evaluation of HCV risk mitigation measures in completed harvesting sites, evaluation of Health and Safety risk mitigation measures, fire protection arrangements, protection of biodiversity in public land	OT	13:00 – 15:30
Evaluation of mitigation measures of primary feedstock: Evaluation of performance of Biosilva Agroforestal S.L. own harvesting workers	Finca Casa Molina 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	OT	16:00 – 18:00

	protection arrangements, protection of biodiversity in private land		
Review of documents Contracts, harvesting permits, supplier audit reports, BMP, emergency plans	Skype	OT	18/09/2020 09:00 – 16:00
Presentation of the results of the first day of assessment	Skype	OT	16:00-16:30
End of the audit	Skype	OT	16:30

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.

Description of the evaluation:

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

The audit started with an opening meeting, where the lead auditor introduced himselve, 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. This first section of the audit took place remotely due to the COVID-19 pandemic situation.

In the continuation, one full day was needed to visit the harbour of Alicante and Cartagena with the aim to evaluate the CoC elements of the SBP system. 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 in the third day of the audit. The auditor 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, all private and both managed by external supplier and by the BP employees.

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 14 FMUs in the reporting period. The sampling was taken from the total number of FMUs. To determine the number of the FMUs for inspection, auditor 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. $X = 0.6\sqrt{14} = 3$. 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, as the risk is associated only with private FMUs as these have lower level of control from the authorities it was assured that private FMUs are sampled.

There are 13 storage sites in the scope of the certificate (for details see above) but only 4 of them were used during the audit period and therefore the auditor used 4 as basis for sampling as the the BP currently does not have any contract with the other pots. 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=0.6vx to define the number of site visits to be conducted. This has resulted in 2 ports to be visited. Port of Alicante and Cartagena 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.

After the onsite section of the audit, additional documentation part of the audit was conducted remotely focusing mostly on supplier management, implementation of mitigation measures and identification of origin. At the end of this final day, closing meeting where findings were summarised and conclusions based on use of 3 angle evaluation method were provided to SBP responsible person, during the closing meeting.

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: https://preferredbynature.org/impartiality-policy

6.3 Process for consultation with stakeholders

No stakeholder consultation was carried out before this annual audit.

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). The situation in the period of COVID-19 pandemic cause difficutlites to implement the mitigation measures as it often required visit of forest workers in the field which was not allowed by the law.

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.

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 Francisco Sierras, 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. During a call with ex-employee concerning other topics than activities of the BP, it was mentioned that the BP might not comply with the payment obligations of their suppliers and employees. This topic was investigated further and it was realized that there are not delayes in payments or social security and the interview with the employees confirmed that the payments are received in time and there are no issues with payment to suppliers either. It was concluded by the auditor that the stakeholder comment is not based on evidence and there are no problems with tpayment obligations.

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.

Table 1. Final risk ratings of Indicators as determined BEFORE the SVP and any mitigation measures.

Indicator	Risk rating (Low or Specified)	
	Producer	CB
1.1.1	Low	Low
1.1.2	Low	Low
1.1.3	Low	Low
1.2.1	Low	Low
1.3.1	Low	Low
1.4.1	Low	Low
1.5.1	Low	Low
1.6.1	Low	Low
2.1.1	Low	Low
2.1.2	Low	Low
2.1.3	Low	Low
2.2.1	Low	Low
2.2.2	Specified	Specified
2.2.3	Low	Low
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	Low	Low

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

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

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

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

9 Review of Company's mitigation measures

2.8.1. The BP has implemented appropriate control systems and procedures for verifying that safeguard appropriates are put in place to protect the health and safety of forest workers (CPET S12).

Risk related to this indicator is classified as:

1. low in works in public forest, and
2. specified in private forest

Mitigation measure:

Biosilva Forestal has an implemented system that covers all aspects to be taken into account to ensure that PRL and Occupational Safety and Health legislation is complied with. This system covers both its own workers and their subcontractors and suppliers.

1. In all jobs that are done directly by Biosilva through their own staff, workers have the appropriate training and information to their job, are given the appropriate Individual Protective Equipment to their position, and are regularly checked by the doctor.
2. For forest harvests that are executed by sub-contractor, it is required that all personnel who enter the work, are discharged from Social Security, with their training and information appropriate to their job, delivery of Individual Protection Equipment, as well as having passed the corresponding Medical Recognition. For machinery, CE Marking or Conformity is required and if registered, have the corresponding Circulation Permit and have passed the corresponding ITV.
3. For companies that provide only material, they will be required to make a written commitment, specifying, that in the execution of the use object of the purchase of the material, it has been carried out in compliance with the corresponding regulations on Occupational Safety and Health, both workers and machinery used.

In addition, Biosilva Forestal has a BMP Manual describing all forestry work, how these shall be conducted, the necessary preventive safety measures and action in case of accident or emergency. Biosilva Forestal conducts the training of its workers in this regard. Outsourced companies and suppliers must have a BMP manual and prove their implementation or use that of Forest Biosilva.

Also, Biosilva Forestal collects information about occupational accidents that occurred in the work under its responsibility as under that of its suppliers, analyzes the causes and takes the necessary measures to prevent their recurrence. The system includes the need for field inspection in the event of a systematic increase in work accidents within the scope of certification.

Finally, in order to mitigate risk, Biosilva Forestal has designed an approval system for companies working for them to assess their performance with respect to health and safety. It establishes a system of audits conducted by staff of Biosilva Forestal (either the forest manager or those in charge of the areas) with an evaluation through a checklist of how work and measures are being carried out to prevent accidents or impacts. A system of communication of non-compliances to companies and a scale with an associated score is also established, so that the worst-rated companies will be inspected more often than the best valued ones.

A supplier follow-up audit program is established according to their category:

- ✓ Category A and B Supplier. It is integrated into the system as an approved supplier and is completed annually by the head of the Integrated Management System, through information collected in the field by the Technical Manager of the work or by the Managers of the execution area, of the checklists: IM-19-PPI "List of Inspection Points" and M-02 SBP Part PAHO.

- ✓ Category C Supplier. It is integrated into the system as an approved vendor and a follow-up visit is planned within 6 months. At that visit, the provider should show the measures taken to resolve mild open faults. If the open faults are not properly resolved on the follow-up visit, Category D is passed and the supplier must demonstrate the resolution of these before continuing to work for Biosilva.
- ✓ Category D supplier. It must resolve serious issues to be approved or maintain approval. Once resolved it is integrated as approved in category C.

The system developed is considered complete and sufficient to ensure the use of safety measures and equipment during forestry work and mitigate risks related to occupational accidents.

During the period from July 2019 to June 2020, various follow-up and control visits have been made to the different use of biomass carried out directly by Biosilva Agroforestal, S.L., as well as to suppliers of supply of splinter material. It is worth noting that, due to the pandemic of COVID-19 and the prohibition of movements in the State of Alarm decreed by the Governmentof Spain and which lasted from mid-March 2020 to the end of May 2020, these visits have been significantly reduced.

In this period two suppliers were visited since the rest of the material has been produced by Biosilva Agroforestal, S.L., through its own use.

For each supplier and inspection, an Excel file of the inspection point program has been completed, as well as an OPS (Security Point Order) has been prepared.

In view of this data, the system implemented is considered effective and it is advisable to keep it with the modification that has been made when scheduling follow-up visits:

2.2.2. 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).

Risk related to this indicator is classified as specified for:

1. for forestry work/use in pine forests, and in eucalyptus forests in Andalusia with slopes below 30%
2. specified in shorts made of eucalyptus in Andalusia with slopes greater than 30%

Mitigation measure:

In the use of eucalyptus in Andalusia, usually, the Junta de Andalucía limits in the license of cutting the works to avoid any risk to the quality and structure of the soils. In particular, one of the measures that are usually established in slope areas is the impossibility of destoconar in order to ensure the grip of the earth.

In any case, in biomass from shorts made of eucalypttars with more than 30% slope, Biosilva will ensure, through field visits, that all specifications/limitations set out in the cutting license have been followed and that the soil has not been damaged.

In case the work is not carried out under Biosilva responsibility, where Biosilva buys wood or chips, the site is always checked prio prior to the purchase of the material.

Biosilva has a implemented supplier evaluation system to validate the site and the supplier prior the work can start. Once this phase has been completed and validated by the supplier to ensure that it complies with the general procedures, the documentation for each use from which to extract wood from the feedstock that will reach Biosilva.

During this supplier and site audit Biosilva necessary checks to ensure that in areas with slopes of more than 30% is conducted.

In turn, Biosilva has a Manual of Good Practices in forestry work, which affects aspects such as ecosystem preservation, soil care, reduced fire risk, waste management, etc. Biosilva transmits this Manual to its supplier companies prior to the start of forestry work and then monitors the degree of compliance with the expected good practices.

Biosilva Agroforestal has not sourced any Eucalyptus material during the audit period.

2.2.4. The Biomass Producer has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).

Risk related to this indicator is classified as:

1. 1. low for forestry work/harvesting carried out in public contracts.
2. 2. low for forestry work/harvesting on private properties that requires prior authorisation for the work from the competent authority.
3. 3. specified for forestry harvesting on private property with clearcutting of eucalyptus plantations with a continuous felling area of over 50 hectares

4. specified for forestry work/harvesting on private properties in Galicia and Cantabria.

Mitigation measure:

In the case of harvesting made in eucalyptus stands with area exceeding 50 ha, which can mostly happen in Andalusia, the following working methodology is established:

1. Study of the cutting license to determine the limitations established with respect to biodiversity elements.

2. Identify the biodiversity elements to be protected, if any, by conducting field visit prior the harvesting work starts

   Biodiversity elements can be: banks, microhabitat, spots with native vegetation, scrub spots, unique species in the environment, protected species, ecotonos...

3. In case of positive identification, work is limited by establishing the necessary measures to protect the elements present

4. On the final visit to the work, corroborate respect for the elements to be protected, which will be appropriately documented in the work file

In addition, and in order to avoid the associated impacts, it will always be checked if these stands are not larger than 50 ha managed as continuous clear cut (areas where there are no elements of discontinuity: banks, vegetation stains / scrub...). If positive, in addition to the methodology set out above, the stand will be compartmentalized so as not to perform in the same year short on surfaces greater than 50 years, so that the stand will be cut in successive years until the end of the use.

Biosilva Agroforestal has not worked in the audit period in eucalyptus.

2.2.6. 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).

Risk related to this indicator is classified as:

1. 1. low for forestry biomass with the exception of the following points
2. 2. specified for forestry biomass coming from clearcutting of eucalyptus plantations with a continuous felling area of over 50 hectares

3. specified for forestry biomass com

Mitigation measure:

In the use of eucalyptus in Andalusia, usually, the Junta de Andalucía limits in the license of cutting the works to avoid negative impacts. In particular, one of the measures that are established is the respect of the banks and watercourses, as well as the impossibility of destoconar in order to ensure the grip of theland and possible impacts on the waters.

In any case, in biomass from short to eucalypttars with more sites over 50 ha or in areas with more than 30% slope, Biosilva will ensure that all specifications/limitations set out in the cutting license have been followed and that the watercourses have not been damaged.

To do this, the following steps are established in these cases:

1. Study of the short leave to determine the limitations established with respect to water involvement
2. Identify the items to be protected, if any, on the previous field visit

Elements to be protected can be: watercourses, riverbanks, stains native vegetation, scrub stains, touches...

3. In case of positive identification, work is limited by establishing the necessary measures to protect the elements present
4. On the final visit to the work, corroborate respect for the elements to be protected, which will be appropriately documented in the work file

Biosilva Forestal has the appropriate technical means to identify elements to be protected in the right areas of work and procedures to address its protection, including the training of both its own workers and the workers of its subcontractors.

In turn, Biosilva Forestal has adequate procedures (FSC CoC certification) to ensure that this information reaches its chip suppliers (primary feedstock) to be accounted for in the work to be carried out.

Biosilva Agroforestal has not worked in the audit period in eucalyptus.

2.4.2. 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).

Risk related to this indicator is classified as:

1. low for pest and disease management
2. low for forest fire management in publicly run mountains
3. specified for forest fire management in privately run mountains

Mitigation measure:

Biosilva Forestal has implemented a Manual of Good Practice, known to all its workers, which indicates the measures to be taken to prevent forest fires derived from its work.

In order to mitigate the defined risk, it is necessary that, in work on private properties, Forest Biosilva:

1. Verify that the property meets its obligations with regard to fire prevention and defense: Prevention Plans.
2. If positive, the work is carried out, while ensuring that the company implementing the work complies with the obligations established by the State Legislation and the Provincial Councils, as established in resolution of the Directorate General of the Natural Environment and Protected Spaces of 21 June 2018 of the Junta de Andalucía
3. If not:
   - ✓ material is rejected within the SBP risk analysis or
   - ✓ legality (Prevention Plan...) is enforced before the work is executed. In this case, ensuring in turn that the company that executes the works complies with the obligations established by the State Legislation and the Provincial Councils.

In order to implement this mitigation measure on private FMUs, following process takes place:

1. Biosilva contacts the property or its representative and asks for the available documentation: management plan, prevention plan (according to CCAA)

2. Documentation is studied and verified at the field visit that adequate fire defense infrastructures exist and that there is a plan programmed to implement those that are planned unruned.

Once this is done, as set out in the mitigation measure, if the result is positive the work is carried out; and if it is negative the work is rejected.

The implementation of the mitigation measure was verfied at 3 FMUs onsite as well as by checking of the documentation (supplier audit report, prevention plans).

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.*

Open Non-Conformity Reports (NCRs)

NCR number: 36391	**NC grading:**	**Major** ☒	**Minor** ☐
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 16.1		
Description of Non-conformance:			
Surveillance audit 2019 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. 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. Surveillance audit 2020 Specified risk was designated to this indicator about health and safety for private forests and low risk is established for work in public forests. The risk designation is well justified. For details please see the BP risk assessment in Exhibit 1. The mitigation measures consist of: For both own workers and from sub-contractors it is required that they have Social Security registration, training and information appropriate to their job, are provided by individual protection equipment, as well as having passed the corresponding medical evaluation. For machinery, CE Marking or Conformity will be required and if registered, have the corresponding driving permit. For companies that provide only material, they will be required to make a written commitment, specifying health and safety requirements will be followed. Finally, in order to mitigate risk, Biosilva Forestal has designed an approval system for companies working for them to assess their performance with respect to H/S in the forestry work they carry out. It establishes a system of visits by staff of Biosilva Forestal (either the forest manager or those in charge of the areas) with an evaluation through a checklist of how work and measures are being carried out. A		

system of communication of non-compliances to companies and a scale with an associated score is also established, so that the worst-rated companies will be inspected more often than the best valued ones or not accepted in the system.
The evaluation of the implementation of the mitigation measures was done on sample of 3 FMUs which were visited and the records about the implementation of the mitigation measure were reviewed.
Following issues were identified which lead to non-conformity:

1) Due to a summer period works were ongoing only in one FMU (Masegoso, Albacete – finca Casa Molina) and the interview with the personnel was conducted. The BP audit report did not find any non-conformities during their visit. The worker had all individual protective equipment and understood well the H/S instructions. However, when the auditor did the compliance audit, the first aid kit was not with the worker and he was working alone. Additionally, there was no phone signal in the spot he was working, this was only some 80 meters up in the hill.
2) Alatoz Higueruela Albacete - Finca Fraguas – work done by supplier Forestales Alma. Audit report from supplier evaluation provided by the BP, however the health and safety aspects could not be evaluated as there were no workers or machines presented during the evaluation. Still, the material was accepted as SBP compliant.
3) Finally, the BP was also asked to provide supplier audit report for the material received from FMU Lolleria – Moixent but this was not send.

Even though it is clear that due to COVID-19 pandemic situation in Spain, not all supplier audits could be conducted in time, it is evident that BP was accepting material from areas where the mitigation measure defined and approved was not conducted at all or was done without presence of workers, which therefore could not lead to mitigation of the specified risk.

Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
NCR conformance deadline:	3 montsh
Client evidence:	
Evaluation of Evidence:	
NCR Status:	**Open**
Comments (optional):	

NCR number: 48297	**NC grading:**	**Major** ☒	**Minor** ☐
Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 2.4.2		
Description of Non-conformance:			
Low risk was designated to this indicator for public forests as there are controlled and regulated by the authorities, but specified risk was defined for private forest for fire prevention. There are two basic elements which constitutes to the specified risk: 1) Forest management carried out in a way to prevent forest fires – leaving firewall areas (lines), develop read infrastructure to provide access to forest, reduction			

surface fuels, prune trees and eliminate ladder fuels, thin the stand to minimize the probability of fire transmission
2) Forest operations carried out to limit the risk that the forest fire would occur due to activities connected with the harvesting work or presence of employees at the forest stand.

The mitigation measure defined contains development of best management practices, verification that FMU complies with the obligations in respect to prevention of fires (especially presence of Prevention Plans developed for the FMU containing information how the forest shall be managed in order to prevent forest fires).
Therefore, the first step of the mitigation measure is to find out if the FMU has a Prevention plan in place. If yes, the FMU is considered as low risk and BP focus on assurance that the employees or the supplier is following the best management practices defined.
In case the Prevention Plan is not provided, the material is either not accepted or such plan is developed prior the work and acceptance of the material.
During the audit, 3 different FMUs were visited to verify the implementation of the mitigation measure.
Biar in Alicante – finca casa vieja – the Plan de Prevention was not presented and instead Forest Management Plan was delivered. This plan contained several sections which specified how the forest operation shall be carried to minimalize the risk of forest fires. However, the BP procedure (description of the mitigation measure) does not provide the option to use FMP instead of Prevention Plan and not all FMP contains such detailed information about forest fire prevention. Additionally, the FMP recommended to create firewalls of 18 m wide which was not followed by the owner. The BP conducted follow up supplier audit on 1.07.2020 but this issue was not mentioned in the report and therefore not evaluated and justified. Material from this FMU was received as SBP compliant.
Alatoz Higueruela Albacete - Finca Fraguas – work done by supplier Forestales Alma. It was explained by the BP that in Albacete region the system is different and there are no Prevention Plans for each FMU but only regional Prevention Plans (Plan Comarcal de Defensa contra Incendios Forestales) and this is done only for zones with high risk (zonas de alto riesgo de incendios forestales (ZAR). Therefore, the BP has not presented prevention plan nor forest management plan for the FMU which shall be part of the mitigation measure. The material from this FMU was accepted as SBP compliant but the BP did not provide any evidence based on what this conclusion was taken. The supplier audit checklist does not contain any information about the forest management activities to reduce the risk of forest fires and the definition of the approved mitigation measure does not allow to accept material from FMU without Prevention Plan.
Masegoso, Albacete – finca Casa Molina. The same case as above with the difference that the FMU under consideration has regional prevention plan covering 100ha (out of 957 ha of total size). This plan was not presented to the auditor even it was requested. Additionally, this FMU does not have a general forest management plan (FMP). The BP claims that the risk was mitigated based on the fact that there is infrastructure to avoid forest fires in place (which was confirmed during the site visit) and that the authorities oversee the forest operation. However, the is not in line with the proposed and approved mitigation measures.

Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well

	as the root cause to eliminate and prevent recurrence of the non-conformance.
NCR conformance deadline:	3 months
Client evidence:	
Evaluation of Evidence:	
NCR Status:	**Open**
Comments (optional):	

NCR number: 48299	**NC grading:**	**Major** ☐	**Minor** ☒
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 6.1		
Description of Non-conformance:			
The organization keeps records of each forest stand where the harvesting is taking place and they visit the forest stand and keep the FMP (in case there is one) and harvesting permit in both cases when they are doing the harvesting themselves as well as in case they purchase the feedstock from external supplier. Each truck which arrives to the harbor comes with the delivery note, which contains the information about the place of origin. This information is checked with the list of the forest stands approved by the BP by the receptionist and doublechecked in the office later on. However, the BP has accepted material from 2 sub-suppliers (Ertasa, Mercapellets Renovables) where the origin at the FMU level was not known by the BP as these sub-suppliers are primary processors and were selling low quality material accumulated at their production. The BP was able to present contracts with the suppliers where the origin of material was mentioned but as the individual deliveries did not contain the specification about the origin there is no evidence that the material comes from the defined origin as per supplier contract.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:			
Evaluation of Evidence:			
NCR Status:	**Open**		
Comments (optional):			

NCR number: 48300	**NC grading:**	**Major** ☒	**Minor** ☐
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 16.1		
Description of Non-conformance:			
The organization has implemented mitigation measures for indicators 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 workers/suppliers prior sourcing the material, this was not done in all cases. Additionally, some audits were not conducted with presence of worker.			

The mitigation measure for fire prevention requires to obtain and evaluate Prevention plans, however, in some cases the Prevention plans were not produced for some FMUs. Finally, there was material received from 2 suppliers (Ertasa, Mercapellets Renovables) without implementation of the mitigation measures for the material received and such material was classified as SBP compliant.	
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
NCR conformance deadline:	3 months
Client evidence:	
Evaluation of Evidence:	
NCR Status:	**Open**
Comments (optional):	

NCR number: 48301	**NC grading:**	**Major** ☐	**Minor** ☒
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 16.2		
Description of Non-conformance:			
The mitigation measures are justified in the SBR and the records from the field as well as documents provided by the suppliers are kept by the BP. No person conducting the audit is mentioned in the supplier audit reports.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:			
Evaluation of Evidence:			
NCR Status:	**Open**		
Comments (optional):			

NCR number: 48302	**NC grading:**	**Major** ☒	**Minor** ☐
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 16.3		
Description of Non-conformance:			
The organization is having the process of monitoring of effectiveness of mitigation measures implemented in the SBR and SBP procedure (exhibit 3 section 5). The evaluation took place before the CB audit (evaluation of the field visits results and follow up action) with the conclusion that the mitigation measure is effective. However, as mentioned in previous NCRs there were number of deficiencies identified and this was not mentioned in the effectiveness evaluation by the BP. The			

evaluation focus on health and safety but not on fire prevention and in respect to health and safety the conclusion was taken on audits which did not cover the evaluation of the workers as prescribed by the mitigation measure	
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
NCR conformance deadline:	3 months
Client evidence:	
Evaluation of Evidence:	
NCR Status:	**Open**
Comments (optional):	

NCR number: 48303	**NC grading:**	**Major** ☐	**Minor** ☒
Standard & Requirement:	Standard #4 V1.0 - Chain of Custody - 5.1.2		
Description of Non-conformance:			
The BP does not have the calculation of the conversion factor nor the points of conversion clearly specified in the procedure. The auditor evaluated the calculation of the conversion factor and concluded conformity with the standard. Also, the responsible person showed good understanding of the conversion factor calculation. As both ther understanding of the requirement by the certificaticate holder and actual calclulation of the conversion factor were in compliance with the standard and the issues is only connected with documentation, this NCR 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.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:			
Evaluation of Evidence:			
NCR Status:	**Open**		
Comments (optional):			

NCR number: 48304	**NC grading:**	**Major** ☐	**Minor** ☒
Standard & Requirement:	Instruction Doc. 5E: Collection and Communication of Energy and Carbon Data v1.1 - 6.4.3		
Description of Non-conformance:			
The BP has classified all feedstock as thinning while some minor share of the material shall be classified as roundwood as the harvesting is taking place in mature forest stands and the trees harvested are at the end of the rotation period. Also, material from 3 suppliers was accepted without information about feedstock type.			

Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date
Client evidence:	
Evaluation of Evidence:	
NCR Status:	**Open**
Comments (optional):	

Closed Non-Conformity Reports (NCRs)

NCR number: 36394	**NC grading:**	**Major** ☐	**Minor** ☒
Standard & Requirement:	Standard #4 V1.0 - Chain of Custody - 5.2.1		
Description of Non-conformance:			
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. 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. .			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		

Client evidence:	The BP has updated their system and keep records of all the inputs and outputs as well as actual stock, applying appropriate conversion factor.
Evaluation of Evidence:	The updated recording system of the BP was reviewed in detail and it was revealed that the BP keep appropriate details about current stocks which can be reported in any moment.
NCR Status:	**Closed**
Comments (optional):	

NCR number: 36401	**NC grading:**	**Major** ☐	**Minor** ☒
Standard & Requirement:	Instruction Document 5B - Energy and GHG Data V-1.1 - 5.6.2		
Description of Non-conformance:			
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.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	The BP has updated their system and keep records of all the inputs and outputs as well as actual stock, applying appropriate conversion factor.		
Evaluation of Evidence:	The updated recording system of the BP was reviewed in detail and it was revealed that the BP keep appropriate details about current stocks which can be reported in any moment.		
NCR Status:	**Closed**		
Comments (optional):			

11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Nikolai Tochilov
Date of decision:	07/Dec/2020
Other comments:	*Click or tap here to enter text.*