



# **NEPCon OÜ Evaluation of Reginacork, SA Compliance with the SBP Framework: Public Summary Report**

Third Surveillance Audit

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**The promise of good biomass**



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# 1 Overview

Certification Body (CB) Name:	NEPCon OÜ
Primary CB contact for SBP:	Ondrej Tarabus
Primary CB contact email:	otarabus@preferredbynature.org
Audit team leader:	Rui Simoes
Audit team members:	Rui Simoes
Name of the Company:	Reginacork, SA
Company legal address:	Herdade Monte Novo, 75, 2959-909 Pinhal Novo, Portugal
Company contact for SBP:	Ondrej Tarabus
Company contact email:	otarabus@preferredbynature.org
Company website:	N/A
SBP Certificate Code:	SBP-07-01
Date of certificate issue:	26 Jun 2018
Date of certificate expiry:	25 Jun 2023
Audit closing meeting date:	17 Mar 2021
Audit cycle:	Third Surveillance Audit

## 2 Scope of the evaluation and SBP certificate

Scope Item	Check all that apply to the Certificate Scope	Change in scope (N/A for Assessments)
<b>Primary Activity:</b>	Biomass Producer	<input type="checkbox"/>
<b>Approved Standards:</b>	SBP Standard 1: Feedstock Compliance Standard; SBP Standard 2: Verification of SBP-compliant Feedstock; SBP Standard 4: Chain of Custody; SBP Standard 5: Collection and Communication of Data Instruction; Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3	<input type="checkbox"/>
<b>Includes Supply Base Evaluation (SBE):</b>	Yes	<input type="checkbox"/>
<b>Includes communication of Dynamic Batch Sustainability Data (DBSD)</b>	No	<input type="checkbox"/>
<b>Includes Group Scheme</b>	No	<input type="checkbox"/>
<b>Products</b>	Pellets	<input type="checkbox"/>

<b>Feedstock types:</b>	Primary	<input type="checkbox"/>
<b>Feedstock origin (countries):</b>	Portugal	<input type="checkbox"/>
<b>SBP-endorsed Regional Risk Assessments used:</b>	Not applicable	<input type="checkbox"/>
<b>Public link:</b> <a href="https://sbp-cert.org/documents/standards-documents/risk-assessments/">https://sbp-cert.org/documents/standards-documents/risk-assessments/</a>		<input type="checkbox"/>
<b>Chain of custody system implemented:</b>	FSC: NC-COC-030108	<input type="checkbox"/>
	Credit	<input type="checkbox"/>

## 2.1 Description of the company

The Biomass Producer is a company located in Pinhal Novo in the centre-south of Portugal. Reginacork has started production in 1994, only at cork sector, and in 2017 an integrated pellet unit was commissioned. 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 trucks to harbours under FOB Incoterms delivery conditions. Pellet plant design capacity is 28 000 metric tons of pellets per year. In 2021 the company has included in the scope the option to purchase also SBP certified pellets and trade this biomass together with its own production.

## 2.2 Detailed description of the Chain of Custody system

The Organisation holds valid FSC Chain of Custody with FSC Controlled Wood (controlled material) supplies in the scope of the certificate. 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 material 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 (non-certified secondary feedstock) purchased from sawmills is out of SBP and FSC scope; this feedstock is physically separated and not used in FSC and SBP production. 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. Cork powder is always at least FSC Controlled Wood. Reginacork's has included the pellets trading with SBP compliant claim from SBP certified suppliers. The objective of this material is to complete shipments when the availability of their own production is not enough. Pellets are received and managed under their credit system

### **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 (limited to COVID 19 Pandemic restrictions)
- Review of the records, calculations and conversion coefficients;
- SAR and relevant energy use data review

## 4 Evaluation process

### 4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
<b>Activity</b>	<b>Auditors</b>	<b>Auditor hours</b>
1. Preparation	Rui Simões	4,0
2. On-site (excl. travel time)	Rui Simões /remote & onsite	20,0
3. Report writing	Rui Simões	16,0
4. Other	N/A	N/A

<b>Audit Schedule</b>			
<b>Activity</b>	<b>Location</b>	<b>Auditor name</b>	<b>Date/time</b>
<i>Opening meeting</i>	Remote/Reginacork	Rui Simoes	16 Mar 2021/09:00
<i>Documents and procedures review for changes and any open NCR's;</i>	Remote/Reginacork	Rui Simoes	16 Mar 2021/09:30
<i>Standard #1</i>	Remote/Reginacork	Rui Simoes	16 Mar 2021/10:00



<i>Standard #2</i>	Remote/Reginacork	Rui Simoes	16 Mar 2021/10:30
<i>Standard #4</i>	Remote/Reginacork	Rui Simoes	16 Mar 2021/11:30
<i>Standard #5</i>	Remote/Reginacork	Rui Simoes	16 Mar 2021/14.30
<i>Field Visits logistics</i>	Remote/Reginacork	Rui Simoes	16 Mar 2021/16:30
<i>Field Visits</i>	Herd. Secos e Sesmarias	Rui Simoes	17 Mar 2021/10:00
<i>Field Visits</i>	Vale Camarinhas	Rui Simoes	17 Mar 2021/11:30
<i>Field Visits</i>	Herd. Apostiça	Rui Simoes	17 Mar 2021/14:00
<i>Plant woodyard</i>	Reginacork Plant	Rui Simoes	17 Mar 2021/16:00
<i>Auditor preparation</i>	Reginacork office	Rui Simoes	17 Mar 2021/16:30
<i>Closing meeting of the evaluation*</i>	Reginacork office	Rui Simoes	17 Mar 2021/18:30

<i>Field Visits</i>	Monte dos Matos	Rui Simoes	18 Mar 2021/10:00
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Auditor qualification		
Auditor name	Role	Qualification
Rui Simões	Leader 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.

## 4.2 Description of evaluation activities

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

The audit was made on hybrid mode due to COVID 19 pandemic restrictions. Documented part was on remote mode and a field visit was done to FMU's and external parts of the Plant (woodyard). The audit started with an opening meeting, where the lead auditor introduced himself, 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 audit team 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 coordinating the system were interviewed.

Chain of Custody implementation was reviewed focusing in the Critical Control Points, in particular it was verified reception of the material and its classification, identification of feedstock origin, production process with the conversion factors associated, mass balance, final product storage and sales

At the end of the first day, the sampling of the suppliers took place.

During the next day of the evaluation, audits of individual suppliers at the FMU level took place.

In the audit period BP was sourcing the feedstock from 20 FMUs included into SBE, and all FMUs have been inspected by BP. It was decided by audit team, that witnessing of BP's field audits of 3 FMUs was sufficient for NEPCon audit (using the following approach  $0.6 \times \text{square root}(\text{number of FMUs})$ ). The main purpose was not to inspect as much FMUs as possible, but to evaluate how risk mitigation measures are implemented by BP for ALL indicators concluded as specified risk in BP's risk assessment within SBE. Implementation of mitigation measures for all specified risk indicators were evaluated during visiting the 3 FMUs. Preference was given to the FMUs where timber harvesting was on-going at the moment of inspection, which was only one. Please see detailed description of risk mitigation measures implemented by BP below in Section 9 of this report.

An extra half day was needed to visit another FMU Monte dos Matos, because a mistake was made in the access of it, and another FMU was visited instead.

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.

### **4.3 Sampling methodology**

Using the applicable formulation it was fixed the number to 3 FMUs to visit ( $0.6 \times \text{square root}(\text{number of FMUs}) = 2.6$ ), 3 FMUs were sampled. The priority was given to the only one with active works Vale das Camarinhas. Then other one was chosen for the conservation issues (Natura2000 network) pointing to Herdade da Apostiça, and the last one it was a thinning of pine (*Pinus pinea*) included in a mixed stand with cork oak (*Quercus suber*).

### **4.4 CB stakeholder engagement**

No stakeholder consultations conducted prior to, during and after this annual audit. No comments from stakeholders over Reginacork SBP system by any means.

### **4.5 Stakeholder feedback**

No comments from stakeholders over Reginacork SBP system by any means.

## 5 Results

### 5.1 Main strengths and weaknesses

Main strengths:

Control of the feedstock origin and category by an efficient system of field visit previously to acquisition, complemented by subcontracting harvesting entities.

Use of effective FSC credit system and recordkeeping system.

Weaknesses: see OBS and NCRs

### 5.2 Rigour of Supply Base Evaluation

An old version of the draft regional risk assessment is available at the SBP webpage [https://sbp-cert.org/wp-content/uploads/2020/02/Regional\\_Risk\\_Assessment\\_for\\_Portugal\\_v9\\_PUBLIC\\_CONSULTATION\\_180220.pdf](https://sbp-cert.org/wp-content/uploads/2020/02/Regional_Risk_Assessment_for_Portugal_v9_PUBLIC_CONSULTATION_180220.pdf) and includes the Continental Portugal as a Supply Base.

In 2017, BiomassConsult studied the draft RRA made by NEPCon and by a Portuguese Pellet association, and has followed and participated to the development of the draft RRA since then. However BiomassConsult and ReginaCork do not consider the latest draft RRA to be strict enough on certain legal, environmental, and social aspects. ReginaCork's SBE builds on this experience and identifies several more Specified Risk Indicators than the latest draft RRA. All indicators with specified risks designated by the draft RRA are also considered specified risk by the BP. As no unspecified risks were found (only specified), no Supplier Verification Program required to be implemented.

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

### 5.3 Collection and communication of data

The BP has provided good overview of the requirements for energy data collection. Diesel is used for feedstock delivery and handling, and biomass transportation to customer. Electricity is used for pellet production. Cork powder is used for drying of the feedstock, moisture measurement is taking place continuously.

### 5.4 Competency of involved personnel

BP staff involved into SBP certification showed good understanding of SBP applicable requirements. The company management forestry responsible is a full time Forestry Engineer holding a PhD degree in forestry. She is mandated to manage and develop the SBP management system and to take appropriate measures to improve the system, whenever needed and also the SBE process. Furthermore, she is continuously supported by international expert having solid experience in SBP/SBE. Another pellet experienced Industrial Engineer is helping on the industrial forestry interface, which was also participating at the audit.

## 6 Review of company's risk assessments

### 6.1 Overview of company's risk assessments and mitigation measures

No changes in BP's risk assessment since the previous audit. Mitigation measures taken by BP to address specified risks have the following development:

#### **Step 1: Desk assessment**

All plots for the SBE program are inspected prior harvesting by the forest engineer. Evaluation of risks and possible impacts of harvesting operations is done before the field visit by the forestry specialist. The results are registered in the Check List "Harvesting Plot assessment" in chapter "Desk Assessment of harvesting plot".

#### **Step 2: Field assessment before harvesting**

The outcomes from the "Desk Assessment of harvesting plot" are checked on site by the forest engineer. Forest engineer assesses the future harvesting area for the presence of any HCV and other aspects related to specified risks, identified during the Supply Base Evaluation. After the assessments, the conclusions and recommendations for mitigation measures are provided in relevant chapter of Check List "Harvesting Plot assessment".

#### **Step 3: Communication of the plot assessment results to harvesting teams**

The conclusions and recommendations provided by the forest engineer are communicated to the harvesting teams before harvesting. The suppliers are instructed if any kind of sustainability issues, including HCVs, were identified, or if there are potential threats to existing ecosystem from the harvesting operations.

If necessary, some marks are made in the field, for example, identifying the trees that need to be preserved or the buffer zones. If there is a proposal of changing a harvesting method, it is communicated to the forest owner and a decision is taken by him.

#### **Step 4: Field assessment during harvesting**

Forest engineer is visiting the harvesting plot at least once during harvesting. During the field visit, she assesses how the provided instructions and recommendations for implementing the mitigation measures are fulfilled by the harvesting team. Forest engineer fills in the checklist "Field assessment during harvesting". Besides that, she verifies whether health and safety requirements are fulfilled by the harvesting team during forestry operations and during operations of loading and transportation of raw material. For checking this, forest engineer fills in relevant check lists: "Present safety situation at the plot" and "Present safety situation of loading and transporting raw material".

#### **Step 5: Results of the harvesting plot assessment.**

The conclusion is taken after the fulfillment of steps 1-4, whether the wood coming from assessed plot can comply with all SBP requirements and all specified risks were successfully mitigated. If so, the wood coming from the plot can be obtained in SBP-compliant feedstock. If some mitigation measures were not possible to implement, for any reasons, or the harvesting operations and loading and transportation operations were not fulfilling the health and safety rules, the wood can be obtained as SBP-controlled wood.

During the audit, all the chosen FMU "Harvesting Plot assessment" checklists were carefully reviewed, discussed and verified with forest engineer at the field. Every doubts raised about each of relevant indicators were discussed with her to deeply understand the mechanisms of mitigation measures. After that it could be concluded, that mitigation measures were effective to low the identified specified risks.

## 6.2 Specified risk indicators and mitigation measures

Country/Area	Indicator	Specified risk description	Mitigation measure
Portugal	1.1.2 Feedstock can be traced back to the defined Supply Base.	<p>The pellets are at least FSC CW and SBP controlled biomass. Inspections from government are in place and operators must apply DDS to justify legality of timber. Reginacork executes an FSC CW Due Diligence system. Reginacork receives the document 'Manifesto' (a felling manifest is obligatory for all common commercial harvesting activities and shall be submitted to forest authorities (ICNF) up to 30 days after the felling operation) for all pine deliveries. We check the validity of these documents. The felling manifest, as well as the NMP (Pine Wood Nematode) manifest contain the following information:</p> <ul style="list-style-type: none"> <li>• Operator or service provider information</li> <li>• Localization of the feedstock until the freguesia (small village) level</li> <li>• Quantities harvested</li> <li>• Others</li> </ul> <p>In Portugal operators take steps to ensure the legality of their suppliers, which allow compliance with the requirements of forest legislation. For harvesting operations, law No. 174/88 of 17 May is followed. To start any operations in the forest, the document named Manifest is filled and submitted to Direcção Geral dos Recursos Florestais (General Management of Forest Resources). Legal requirements include having the right and valid invoice or transport documentation are in place:</p> <ul style="list-style-type: none"> <li>• Regular invoice for trading operation or transport documentation or waybill, or devolution note</li> <li>• In case of pine or conifers timber the transporter must have an Economic Operator Registry and a phytosanitary Manifest for each feeling (if one feelings is transported several times it is mandatory to copy the manifest for all the transportations). Information obtained from Centro Pinus (non-profit association for key</li> </ul>	<p>Reginacork selects areas within the Supply Base relevant for its SBE program, which are relatively convenient to assess, because of a clear management situation, for example the availability of management plans.</p> <p>Reginacork does not buy any wood from wood suppliers without a valid company registration and delivery documentation indicating the place of harvest.</p> <p>The Due Diligence System (within FSC certification) and the 'Procedure on the legality and origin of raw material' state appropriate control systems.</p> <p>See also indicator 1.2.1 below.</p>

players of Pine based industry), INE and others shows that pine wood consumption of timber industry in 2014 was 4,360,000 m<sup>3</sup> (1,300,000 m<sup>3</sup> saw mill industry, 30%; 300,000 m<sup>3</sup> biomass, 7% and 1,400,000 m<sup>3</sup> pellets, 32% and 1.360.000 other uses not relevant for pellets industry). However, in 2014 there was available only 2,247,000 m<sup>3</sup> of pine wood from Mainland Portugal (*Pinus pinaster*). As an obvious conclusion a lot of imported pine comes into Portuguese timber industry in 2014, mostly from Spain. Similar situation occurs for Eucalyptus in pulp and paper industry, which low quality parts may be also used in biomass industry. Information from Annual Bulletin of CELPA (Paper Industry Association) states that in 2014 it was imported 45% of total eucalyptus wood procured by paper industry (2,415,000 m<sup>3</sup> imported), in its vast majority round wood from Spain and at minor extent, chips from South America or Africa (usually FSC/PEFC certified or controlled). SBP Framework Supply Base Report Template for BPs Annex 1 Page 4 Based on the fact that relevant volumes of imported material come into Portugal annually it is noted that imported material it is not covered by this RRA. A felling manifest is obligatory for all common commercial harvesting activities and shall be submitted to forest authorities (ICNF) up to 30 days after the felling operation. A National Action Plan for Control of Pinus Wilt Disease/Nemátodo-da-madeira-do-pinheiro (NMP) (*Bursaphelenchus xylophilus*) and its vector insect *Monochamus galloprovincialis* is in place and there is an obligation of previous communication of any felling and/or transportation of wood affected by this disease. The document (phytosanitary manifest) must accompany material until the arrival to industrial processing facilities. This is mostly focused on *Pinus pinaster* (23% of forest area) main source for BP.

	<p>The felling manifest, as well as the NMP manifest contain the following information: - Operator or service provider information - Localization of the feedstock until the freguesia (small village) level - Quantities harvested - Others Simultaneously, approval documentation is required for specific operations on cork and holm Oak including cutting and pruning, Holly cutting, and also premature cuttings of Eucalyptus, Pinus pinaster or riparian vegetation. Since 2013 and the introduction of the EUTR laws, operators are required to register their activities on a Digital Platform managed by forest authorities (ICNF). Inspections from government are in place and operators must apply DDS to justify legality of timber. Regarding transportation, legal requirements include having the right and valid invoice or transport documentation are in place: • Regular invoice for trading operation or transport documentation or waybill, or devolution note; • CRM on international transportation • In the case of pine or conifers timber the transporter must have an Economic Operator Registry and a phytosanitary Manifest for each feeling (if one feeling is transported several times it is mandatory to copy the manifest for all the transportations). The issuance of required transport and sales documents is well understood and regulations are largely adhered to. Inspections are common at Portuguese roads and enforcement of regulations is considered adequate. Felling phytosanitary manifest (NMP manifest) includes identification of the origin of the felling. Also documentation for transportation identifies the origin of the transport which could be useful in case of direct transport to BP facilities and in any case is useful in the traceability of material. Both are the most common ways to trace back to origin even if the origin area is not the forest land itself but the freguesia (minimum administrative division) where</p>	
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	<p>forest land is included. Several public authorities, such as SEPNA (Department of National Guard responsible for environment surveillance), ASAE (National Authority for the Food and Economic Safety) and ICNF, organize regular surveillance activities to verify the compliance of forest operators and wood transportation companies with the dispositions of SBP Framework Supply Base Report Template for BPs Annex 1 Page 5 the National Action Plan for Control of Pinus Wilt Disease. In 2016, SEPNA inspected 24'535 vehicles carrying wood logs and pallets and identified 424 infractions (1,7%) from which 295 refer to the lack of NMP manifest (1,2%) [Activity Report 2016]. There are systems in place to trace the feedstock primary origin back to the forest stand but it is possible to do so if there are elements in the manifests or transportation documents, which could be used in the cadastral system (as the article number and section) or geographic coordinates in areas without cadastral system. As evidenced by the low Corruption Perception Index of Portugal (63) and the high level of law enforcement documents such as invoices and transport documents are considered reliable sources of information. On the above background, the risk related to the traceability of feedstock back to the supply base is evaluated to be specified due to the lack of compliance of forest operators in delivering all the mandatory documents for every type of raw material delivered, specially, the felling manifest for species other than coniferous. The felling manifest plays an important role for hardwood raw material. In the case of coniferous raw material, the implementation of the phytosanitary felling manifest is widely spread and verified regularly by SEPNA and ASAE. Procedures to ensure the delivery of all mandatory documents shall be put in place.</p>	
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<p>Portugal</p>	<p>1.2.1 The BP has implemented appropriate control systems and procedures to ensure that legality of ownership and land use can be demonstrated for the Supply Base.</p>	<p>The Wood Supply Manager knows all plots to be harvested or to be managed and knows in which regions there are no cadastral data / land records. In Portugal, around 97% of forest land is private (including land owned by individuals, communities and corporations). This proportion means that the most part of protected and classified areas are also private lands. Forest land tenure is based on one document (Description of the Land Registry) but several documents are used on the ground level as transitory or incomplete evidence, as the Description on the Land Registry is not updated for all lands. There are, however, regions (53% of territory) where there is a geometric cadastral survey of rural lands (Cadastró Geométrico da Propriedade Rústica) and so there is consistency between spatial and numeric information (DL 172/95). held by tax offices (matriz e secção da Caderneta Predial Rústica da repartição das finanças). In regions where there is no rural geometric cadastre (47% of the territory), the land tenure documents are based only on descriptions of boundaries and communications with neighbors. In case of failures or maintenance, the means are put on the ground in order to solve the situation. These means can be from the company itself or from the company representative of the equipment. In case of Complaint related to court, the person in charge of the company meets at the place of court with all parties involved (seller / claimant or other). When the facts are proven and all parties are heard, the responsible person decides to adjust the business according to what happened. The closing of the complaint can be done in two ways: • If the claimant understands the purchase, the remaining portion. That is, a new buying process is opened where one makes the acquisition of what was cut by lapse together with what is standing; • The</p>	<p>Suppliers must have an 'Economic operator registration. Reginacork only accepts feedstock delivered with 'Manifest'. Reginacork also checks if the feedstock suppliers fulfil all fiscal and legal obligations. Document of Reginacork 'Procedure on the legality and origin of raw material'. Description on the Land Registry (Descrição na Conservatória do Registo Predial) SBP Framework Supply Base Report Template for BPs Annex 1 Page 9 Content certificate matrix article of tax office (Certidão de teor do artigo de Matriz da repartição de finanças) &amp; land notebook (Caderneta predial) is the fiscal document which confirms taxes payment. Judicial final and unappealable decision (Sentença judicial transitada em julgado). Notarial deed (Escritura notarial). Forest Renting/leasing contract (Contrato de Arrendamento Florestal) For Collective or Comercial entities the extract from the commercial register (Certidão do Registo Comercial) to prove the specific responsibilities of owners/managers/presidents Purchase documents. <a href="http://elearning.ipca.pt/1213/pluginfile.php/82971/mod_resource/content/1/sumarios_reais_11_12.pdf">http://elearning.ipca.pt/1213/pluginfile.php/82971/mod_resource/content/1/sumarios_reais_11_12.pdf</a>.</p>
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		<p>claimant does not accept to sell the remaining portion. The wood cut is evaluated and paid to the owner considering the occurrence as a payment of damages to the owner; Land use rights and management practices are covered and need to be deemed low risk before the Manifest document is issued to allow forest harvesting. Reginacork does not get involved in issues that must be settled by the suppliers (loggers and forest owners) when they have to ask to the Portuguese Forestry Authorities the permission to harvest, i.e., when it is harvested such type of issues must be resolved. Despite the difficulties and complexities concerning land tenure and management rights (mainly due to the absence of geometric information), there is no significant evidence in Reginacork of disputes or disputes about the issue.</p>	
Portugal	<p>2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with</p>	<p>The important HCV areas critical to conservation are designated as protected and classified areas at national or EU level (Natura 2000), there are very likely a large number of smaller areas or biotopes important to biodiversity or as classified priority species and habitats could be unidentified. HCV 1 – Species diversity: concentrations of biological diversity including endemic species, and rare, threatened, or endangered species that are significant at global, regional, or national levels. i) Classified areas: The total classified area protected by the Rede Nacional de Áreas Protegidas (RNAP) and the Rede Natura2000 covers around 20 per cent of Portugal's continental territory. Classified areas comprise RNAP protected areas, sites from the national list [which includes sites of community importance (SICs)] and the Zonas de Protecção Especial para Aves (ZPE) of the Natura 2000 network. Municipal protection areas must also be considered. Other classified areas are also protected by international</p>	<p>The control system for feedstock, which also includes regular inspections of suppliers, is duly implemented. All suppliers have to comply with the laws in force, which are supervised by the Tax Authority and the ICNF (Please see the file 'Plano Regional de Ordenamento Florestal' 'Documentation point 4 'cartografia síntese' (ICNF) for each region). Some HCV areas are designated as protected and classified areas at the national or EU level (Natura 2000). There are also smaller areas or biotopes important to biodiversity, or classified as priority species' habitats. Reginacork identifies and maps of areas with high conservation values (HCVs). HCV 1, 3, 4, and 5 were assessed to have a specified risk. Extra effort is needed to identify and map these values. Internet sources, as well as the local situation needs to be studied. Below the main sources of information, used to prepare the identification of these values for our harvesting teams. The feedstock suppliers evaluate every plot before the harvesting operations begin. Reginacork inspects the suppliers and harvesting</p>

<p>high conservation value in the Supply Base are identified and mapped.</p>	<p>commitments agreed upon by the Portuguese state (e.g. Ramsar Convention sites, biogenetic reserves, biosphere reserves). Although not included in this umbrella, such as Important Bird Areas (IBAs), sites of international importance for the conservation of birds on a global scale. (<a href="http://www.icnf.pt/portal/naturaclas/cart">http://www.icnf.pt/portal/naturaclas/cart</a>). ii) Endangered species according to the classification adopted by the International Union for the Conservation of Nature (IUCN) to endangered species: • Critically endangered (CR) • Endangered (EN) • Vulnerable (VU). • Protected species within the legal conservation instruments in force in Portugal Relevant information: • Habitat and Birds Directives; • CITES • Bern Convention • Bonn Convention • Red Book of Vertebrates from Portugal • Red book and Atlas of Bryophytes • <a href="http://www.icnf.pt/portal/naturaclas/patrinatur/especies">http://www.icnf.pt/portal/naturaclas/patrinatur/especies</a> iii) Endemic species: The Mediterranean basin, in which Portugal is found, contains around 25,000 species of plants, of which 50 per cent are endemic to the region. Of almost 4,000 species of flora listed for Portugal (continental, Azores, and Madeira), around 450 are lusitanian endemisms (444 in total; 143 on the continent, plus 76 from the Azores, 158 from Madeira, and 67 from Macaronesia), and 346 are endemic to the Iberian Peninsula. 3,314 species of flora are listed for the continent, 1,006 in the Azores archipelago, and 1,233 in Madeira. This is the region that shelters the highest number of endemisms (species that do not exist elsewhere) – 157 in all. In the Azores the number reaches 78, while on the continent it is 150. As for invertebrates, information is scarce, but there are statistics for insects: so far, 402 taxa have been registered (369 species and 33 subspecies) which are recognized as lusitanian endemisms. iv) Critical seasonal use areas including critical</p>	<p>areas. The habitats and species vulnerable to forestry operations are identified within the scope of Reed Natura2000 and Habitats and Birds Directive reports. HCV 1 – Species diversity: &gt; Classified areas: <a href="http://www.icnf.pt/portal/naturaclas/cart">http://www.icnf.pt/portal/naturaclas/cart</a> &gt; Protected area plans: <a href="http://www.icnf.pt/portal/naturaclas/ordgest/poap">http://www.icnf.pt/portal/naturaclas/ordgest/poap</a> &gt; Endangered species: <a href="http://www.icnf.pt/portal/naturaclas/patrinatur/especies">http://www.icnf.pt/portal/naturaclas/patrinatur/especies</a> &gt; Endemic species: <a href="http://naturdata.com/index.php?option=com_content&amp;view=article&amp;id=78&amp;Itemid=60">http://naturdata.com/index.php?option=com_content&amp;view=article&amp;id=78&amp;Itemid=60</a> &gt; Digital mapping information from the Manual das Linhas Eléctricas [Manual of Electric Lines] (ICNB 2008) &gt; Important Bird Areas of Portugal at: <a href="http://ibas-terrestres.spea.pt/">http://ibas-terrestres.spea.pt/</a> &gt; Regional Forest Plans (PROF): <a href="http://www.icnf.pt/portal/florestas/profs">http://www.icnf.pt/portal/florestas/profs</a> HCV 3 – Ecosystems and habitats: &gt; Habitats Directive (2007-2012) &gt; Rede Natura 2000 database: <a href="http://www.icnf.pt/portal/naturaclas/rn2000">http://www.icnf.pt/portal/naturaclas/rn2000</a> &gt; Important Bird Areas of Portugal at: <a href="http://ibas-terrestres.spea.pt/">http://ibas-terrestres.spea.pt/</a> &gt; Convention on Biological Diversity (CBD) via DL no. 21/93, dated 29 June HCV 4 – Critical ecosystem services &amp; HCV 5 – Community needs: &gt; Habeas-Hotspot Areas for Biodiversity and Ecosystem Services <a href="http://www.habeas-med.org/webgis/pt_en/">http://www.habeas-med.org/webgis/pt_en/</a> &gt; Forests located in critical areas - defined and mapped in REN-National Ecological Reserve. Steps taken to guarantee the protection of HCVs: • Study publicly available and other information regarding the plots were harvesting operations are planned and their surroundings; • Inform harvesting teams and feedstock suppliers on found results on possible risks; • Onsite assessment of the plots and their surroundings prior to harvesting, measures are taken when the possible risks related to the plot prove to be applicable; for example, when habitats are found; • Check possible local interests, future plans regarding the land, and the complaint management for wood suppliers; • Evaluation of the risks and possible impacts of harvesting operations;</p>
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	<p>areas of refuge, breeding or migration routes in Portuguese territory: Fauna species may use different types of habitat depending on their life cycle and the season. These habitats can be critical for their importance in the reproductive season or for the availability of food in certain seasons. This designation focuses on the importance of these areas for fauna. Digital mapping information from the Manual das Linhas Eléctricas [Manual of Electric Lines] (ICNB 2008) is also used, for reference purposes only, as its scope is limited in this field. This identifies:</p> <ul style="list-style-type: none"> <li>• Autumnal bird migration corridors in south-west Alentejo and the Vicentina coast;</li> <li>• Zones of concentration and passage for steppe birds (great and little bustards);</li> <li>• Reproduction areas for birds of prey with threatened status;</li> <li>• Concentration of winter birds in wetlands;</li> <li>• Shelters for bats, considered important at a national, regional, and local level.</li> <li>• As for invertebrates, information is scarce, but there are statistics for insects: so far, 402 taxa have been registered (369 species and 33 subspecies) which are recognized as Lusitanian endemism.</li> </ul> <p>HCV 2 – Landscape-level ecosystems and mosaics: Intact forest landscapes and large landscape-level ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance.</p> <ul style="list-style-type: none"> <li>• Cork oak and holm oak formations occurring in Portugal in the heathlands of the Tagus and Sado (cork) and Guadiana Valley (oak) under the form of woodlands or montados.</li> </ul> <p>HCV 3 – Ecosystems and habitats: rare, threatened, or endangered ecosystems, habitats or refugia</p> <p>i) Habitats Directive (2007-2012) Covers habitats listed in the Habitats Directive (Annex I) which, in the last national Habitats Directive report (2007–</p>	<ul style="list-style-type: none"> <li>• Development of adaptations to the harvesting plans, if needed.</li> </ul>
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	<p>2012), were listed in categories (U1) – unfavourable inadequate – and (U2) – unfavourable bad. ii) Natura 2000 database Natura2000's sectorial plan is the main source of information used to identify habitats in classified areas. In the case of non-classified areas, the Habitats Directive implementation reports can be consulted for information on habitat conservation (favourable, unfavourable inadequate, unfavourable bad). iii) Portugal approved its ratification of the Convention on Biological Diversity (CBD) via DL no. 21/93, dated 29 June, which became effective in our country on 21 March 1994. The Fifth National Report to CBD had as its main objective a review of implementation of the Convention and an assessment of how far we had come in achieving CBD objectives and the Aichi Biodiversity Targets contained in the Strategic Plan for Biodiversity 2011–2020. It also contributed to the development of the Global Biodiversity Outlook report and the review of the fulfilment of the EU Biodiversity Strategy for 2020. The report covers the state and tendencies of biodiversity and detected threats, reporting on actions taken towards fulfilling the Aichi Biodiversity Targets and finally sets out, based on experience, topics most deserving of attention in order to achieve a more adequate and broad-reaching implementation of the CBD's COP (Conference of Parties) decisions in Portugal. HCV 4 – Critical ecosystem services: basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes. forests located in critical areas in river basins, such as floodplains and sloping areas, as defined and mapped in REN-National Ecological Reserve. HCV 5 – Community needs: Sites and resources fundamental for satisfying the basic necessities of local communities</p>	
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or indigenous peoples (for livelihoods, health, nutrition, water, etc.), identified through engagement with these communities or indigenous peoples. HCV 6 – Cultural values: sites, resources, habitats, and landscapes of global or national cultural, archaeological, or historical significance, and/or of critical cultural, ecological, economic, or religious/sacred importance for the traditional cultures of local communities or indigenous peoples, identified through engagement with these local communities or Indigenous Peoples. i) World Heritage (UNESCO) Sites identified as World Heritage by UNESCO. In Portugal there are 15 sites identified (<http://www.patrimoniocultural.pt/pt/patrimonio/patrimonio-mundial/portugal> or <http://www.rpmp.pt/#!sitios/cihc>), of which only two are designated as outstanding natural landscapes ('Paisagem Cultural de Sintra', around 900ha, on the Portuguese mainland, and the 'Floresta Laurissilva na Madeira', on the island of Madeira, covering 15,000ha). The Iberian Risk Assessment also identified rocky landscapes such as the Vale de Foz Côa [Foz Côa Valley], the Douro slopes, and the landscape of Pico island, places that, analysed more closely, are not part of the forestry sector – see the results of the meeting of the working group for category 3 (5 July 2016). Currently, there are other sites proposed for Portugal under assessment by UNESCO (<https://www.unescoportugal.mne.pt/pt/temas/proteger-o-nosso-patrimonio-e-promover-a-criatividade/patrimonio-mundial-em-portugal>). These are not yet included here. ii) Cultural heritage (Law no. 107/2001, dated 8 September) In Portugal there are specific governmental bodies to manage cultural heritage: the General Directorate of Cultural Heritage for the Portuguese Mainland (<http://patrimoniocultural.pt/en/>); Directorate of Services of Cultural Heritage for the

	<p>Island of Madeira (<a href="http://cultura.madeira-edu.pt/agendacultural/CulturalHeritage/DSPC/tabid/939/language/en-US/Default.aspx">http://cultura.madeira-edu.pt/agendacultural/CulturalHeritage/DSPC/tabid/939/language/en-US/Default.aspx</a>); and the Regional Directorate of Culture for the Azores Islands (<a href="http://www.azores.gov.pt/Portal/en/entidades/srec-drcultura/?lang=en">http://www.azores.gov.pt/Portal/en/entidades/srec-drcultura/?lang=en</a> and <a href="http://www.iac-azores.org/">http://www.iac-azores.org/</a>). Among others, these bodies are responsible for: managing the architectural and archaeological built heritage in urban and rural areas, including conservation works in monuments under our care; managing the national museums, World Heritage monuments and museum collections; studying, researching, and disseminating heritage-related information; conserving and restoring movable heritage assets as well as researching, disseminating results, and raising awareness about heritage protection issues. iii) Classified groves (Law no. 53/2012, dated 5 September) National legislation that identifies and protects outstanding grove (arboreta) (<a href="http://www.icnf.pt/portal/florestas/Arvores qry?start:int=80&amp;Distrito=&amp;Concelho=&amp;Freguesia=&amp;Processo">http://www.icnf.pt/portal/florestas/Arvores qry?start:int=80&amp;Distrito=&amp;Concelho=&amp;Freguesia=&amp;Processo</a>). The main source of information within this attribute is the application report of the Habitats Directive (2007-2012) as well as the description list of every habitat identified in the Annex 1 of Habitats Directive in Sectorial Plan of the Natura2000 network. Other cartographic information of HCV is included on open GIS like <a href="http://www.habeas-med.org/webgis/pt_en/">http://www.habeas-med.org/webgis/pt_en/</a> and <a href="http://epic-webgis-portugal.isa.ulisboa.pt">http://epic-webgis-portugal.isa.ulisboa.pt</a>. Conclusion HCV 1 – Specified risk The scope of RNAP and SNAC is the assessment of large areas with significant biodiversity values, meaning that the identification of threats and pressures to attributes, as well as monitoring activities are, typically, performed at a macro scale. The identification of precise HCV attributes</p>	
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		<p>might not fall under the scope of these assessments, so specified risk is considered. Outside SNAC and RNAP, where less information is available, the risk is, thereby, specified. HCV 2 – Low Risk It is considered that HCV2 attributes are well identified and mapped. HCV 3 – Specified Risk Extra effort is needed to identify and map these values. Internet sources, as well as the situation on the ground need to be studied. See indicator 2.1.2. and 2.2.3 HCV 4 &amp; 5 – Specified risk Extra effort is needed to identify and map these values. Internet sources, as well as the local situation need to be studied. 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). There are no indigenous people in Portugal, but in 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. See indicators 2.2.2, 2.2.3, 2.2.6, 2.4.1 and 2.5.1 (and 2.6.1 as 'safety net') HCV 6 – Low risk Significant cultural features created intentionally by humans are identified and sufficient buffers are applied, since the criteria for identifying HCV 6 for Portugal are based on international or legal frameworks that already foresee the safeguards needed to protect/maintain the cultural values identified.</p>	
Portugal	2.1.2 The BP has implemented appro	<p>HCV 1 – Specified Risk The scope of RNAP and SNAC is the assessment of large areas with significant biodiversity values, meaning that the identification of threats and pressures to attributes, as well as monitoring activities are, typically, performed at a macro scale. The identification of precise HCV attributes</p>	<p>The control system for feedstock, which also includes regular inspections of suppliers, is duly implemented. All used material is traceable to its origin through the harvest manifests and transport guides. All suppliers have to comply with the laws in force, which are supervised by the Tax Authority and the ICNF (Please see the file 'Plano Regional de</p>

<p>private control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.</p>	<p>might not fall under the scope of these assessments, so specified risk is considered. Outside SNAC and RNAP, where less information is available, the risk is, thereby, specified. Several legal instruments protect areas of significant biological diversity: planos de ordenamento de áreas protegidas (POAP), planos regionais de ordenamento florestal (PROF), planos directores municipais [town planning] (PDM), plano de gestão florestal (PGF), and, in the case of classified areas, a programa de gestão da biodiversidade [biodiversity management programme] (PGB). Regarding the establishment of projects and programmes aiming to enhance the conservation status of HCV, the LIFE Programme has facilitated the development of a series of projects in Portugal (<a href="http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=home.getDocs">http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=home.getDocs</a>), many of which permit contracts with owners as good conservation management practice, support and awareness-raising for owners and schools, and also vertical signs of species' territorial areas. A series of documents is also produced, from simple brochures to manuals of good practice (an example being the conservation manual for the Bonelli's eagle and the good forestry and hunting practice manual). Some projects include action plans for species conservation. Most projects have as their objective the conservation of potential HCV 1 species, being carried out by Natura2000 Network. Some NGOs, such as Sociedade Portuguesa para o Estudo das Aves (SPEA) [Portuguese Society for the Study of Birds]), have formed working groups to monitor species, such as the Bonelli's eagle working group (GTAB) and the night birds working group (GTAN). Furthermore, various good practice manuals, leaflets and other relevant information sources are available in the public domain, published by</p>	<p>Ordenamento Florestal' 'Documentation point 4 'cartografia síntese' (ICNF) for each region). Some HCV areas are designated as protected and classified areas at the national or EU level (Natura 2000). There are also smaller areas or biotopes important to biodiversity, or classified as priority species' habitats. Reginacork identifies and addresses potential threats to forests and other areas with high conservation values (HCVs). HCV 1, 3, 4, and 5 were assessed to have a specified risk. Reginacork ensures: • mapping of the harvesting plot, • owner rights, • harvesting according to the technical rules sustainable forest management, • best silvicultural practices, respecting environmental and safety rules, • cleaning of waste from plantations • tree species (no genetically modified trees) The feedstock suppliers evaluate every plot before the harvesting operations begin. Reginacork inspects the suppliers and harvesting. Reginacork keeps records of field inspections and monitoring results. HCV 1 – Species diversity 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). See also below, indicator 2.2.4 HCV 3 – Ecosystems and habitats 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. In these situations, the supplier Reginacork demands to evaluate the environmental impacts (on Ecosystems and habitats) of the forest operations (before the forest operations commence). Caution and best practises are applied. The Plant Manager of Reginacork checks the environmental assessment and does field inspections. The checks and inspections are recorded. The habitats</p>
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	<p>different institutions. HCV2 – Low risk The regulation implemented in Portugal on oak and holm trees and stands, includes a comprehensive legislative framework with a legal action planning and project but also cuttings protection. This legislation also meet forest management measures themselves related to intensity of exploitation, such as the stripping and pruning. This regulation is relatively well established and disclosed have being assimilated by the various agents involved as owners, managers, and operators. Also the planned forest management and the proper certification of sustainable forest management expanded in Portugal in recent years is currently counting about 236 000 hectares certified forests entering the cork and holm oak species (is not robust statistics on the certified specific area with cork oak stands). Following several surveys on the fragilised state of cork and holm oak stands, there were also developed various processes to improve forest management practices, which were disclosed by the various entities involved. This includes a variety of contents and formats such as codes of good cork forest practices but also pest and disease identification guides. More recent investment lines have been created supported by EU grants to assist owners and managers in pest monitoring of cork and holm oak stands (Operation 8.1.3 - Prevention of forest against biotic and abiotic agents) and for health recovery and restoration of forest stands of cork oak (Operation 8.1.4 - forest Restoration affected by biotic and abiotic agents or catastrophic events). The most current detailed results achieved by management and improvement actions on forest stands of are not fully known, since the full values of the last national inventory (IFN6) are still missing, however it is known that the class of 'wooded area with cork oak' had an increase of 6% from 1995 to 2010, and</p>	<p>and species vulnerable to forestry operations are identified within the scope of Reed Natura2000 and Habitats and Birds Directive reports. See also below, indicator 2.2.3. HCV 4 – Critical ecosystem services &amp; HCV 5 – Community needs 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. Caution and best practises are applied. 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. There are no indigenous people in Portugal, but in 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. See above indicator 2.1.1. 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>
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	<p>holm oak has decreased 3% in the same period. HCV 3 – Specified risk Information about threats of management activities to this designation can be found in ICNF information, namely in the sectorial plan of Natura2000 and in the Third National Application Report of the Habitats Directive (2007–2012). Portugal publishes graphics of threats to Portuguese habitats and species (Continent+Azores+Madeira) <a href="http://www.icnf.pt/portal/naturaclas/rn2000/resource/docs/rel-nac-07-12/docs/nat-summ-pt">http://www.icnf.pt/portal/naturaclas/rn2000/resource/docs/rel-nac-07-12/docs/nat-summ-pt</a>, as required by arts. 12 and 17 of the report. The Natura 2000 network database was updated in 2015 and it contains relevant information about the assessment of each habitat for each Common Importance Site. Furthermore, Portugal approved its ratification of the Convention on Biological Diversity (CBD) via DL no. 21/93, June 29th, which became effective on 21 March 1994. The Fifth National Report to CBD had as its main objective a review of implementation of the Convention and an assessment of how far we had come in achieving CBD objectives and the Aichi Biodiversity Targets contained in the Strategic Plan for Biodiversity 2011–2020. It also contributed to the development of the Global Biodiversity Outlook report and the review of the fulfilment of the EU Biodiversity Strategy for 2020. The report covers the state and tendencies of biodiversity and detected threats, reporting on actions taken towards fulfilling the Aichi Biodiversity Targets and finally sets out, based on experience, topics most deserving of attention in order to achieve a more adequate and broad-reaching implementation of the CBD's COP (Conference of Parties) decisions in Portugal. The vertebrate species identified as threatened are listed and described in the Redbook of Vertebrates from Portugal. Similar assessment has been done for</p>	
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		<p>Bryophytes in the Redbook of Bryophytes. A study aimed to identified and list the threatened flora is being develop at this moment. The habitats and species vulnerable to forestry operations are identified within the scope of Reed Natura2000 and Habitats and Birds Directive reports. HCV 4 &amp; HCV 5 – Specified Risk There are threats to forests located in critical areas in river basins, such as floodplains and steep areas, and aquifers as defined and mapped in REN-National Ecologic Reserve. Many of these threats include the conversion for forest plantations or other non-forest uses, and are addressed at following indicator 2.1.3. It has been identified very negative effects as a consequence of large forest fires on the river basin, affecting qualitative and quantitative hydrological flows in the following periods. In such cases the forest authorities (ICNF) develop and promote specific plans for the recovery of burned areas with precise information on the destinations of the timber. There are also threats of lesser magnitude caused in private forests, arising from inadequate operations of harvesting and / or maintenance. These operations include tools, interventions and inadequate intensity to the sensitivity of soils and vegetation in these critical areas to the protection of floods. However, the reduced scale of the most forest operations contributes to the reduction of the magnitude of the identified risks. HCV 6 – Low Risk The criteria for identifying HCV 6 for Portugal are based on international or legal frameworks that already foresee the safeguards needed to protect/maintain the cultural values identified. At the same time, it is considered that the values are legally recognized and enforced.</p>	
Portugal	2.1.3 The BP	The majority of the present forest cover have developed from afforestation activities of Pinus Pinaster and Eucalyptus Globulus.	There is a specified risk that this indicator is not met. There are no assurances, new eucalyptus plantations from after Jan.

<p>has implemented appropriate control systems and procedures for verifying that feedstock is not sourced from forests converted to production plantation or non-forest lands after January 2008.</p>	<p>Thereby, forest areas considered as primary forest, as is published by FAO, account for around 0.8% of overall forest cover. Furthermore, the overall dynamics of the Portuguese forest cover is not promoted or supported by the demand of biomass. Simultaneously, the development of forest energy crops is not permitted in Portugal, through several legislation limitations, namely the mandatory previous authorization for premature final cut of eucalyptus stands (Law-decree nº173/88 from May 17th), regulations for the introduction and environmental control of non-indigenous species (Law-decree nº565/99 from December 21st) and mainly the mandatory previous authorization for afforestation and reforestation activities using short rotation crops (Law-decree nº175/88 from May 17th). We can also conclude that the remains of the forest ecosystems that would have survived this destruction will be concentrated in the Fundamental Nature Conservation Network (RFCN) (defined by Decree-Law no. 142/2008, amended by Decree-Law no. 242/2015 dated 15 October) and made up of the Sistema Nacional de Áreas Classificadas [National Classified Areas System], which incorporates the central areas of nature conservation and biodiversity: i) RNAP; ii) SICs and ZPEs of the Natura2000 network; iii) any other areas classified under the umbrella of international commitments agreed upon by the Portuguese state; and areas of continuity: i) REN; ii) RAN iii) DPH (public hydric domains), safeguarded by the respective legal regulations. FAO's Global Forest Resources Assessment of 2010 [2] shows the following data regarding Portuguese forest area: • 37% of areas are defined as permanent forest • 20% of the forest is within protected areas • Primary forest only represents 1% • Other naturally regenerated forest just 75% • Planted forest</p>	<p>2008 are not already maintained or harvested. First (maintenance) cuts are done after 8 years and the present forest fires result in instant harvesting of plantations. After forest fires can be difficult to assess if the whole area was an eucalyptus plantation in the past, or not; especially in areas without cadastral data. Besides, poplar and other tree species can be considered a plantation and the new law on resprioting plantations only covers Eucalyptus. 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. When a eucalyptus or and Poplar plantation is cut the history of the plantation is investigated. First the age of the plantation is determined. If could be form after Jan. 2008, the land owner and/or residents are questioned and the plot is searched for old tree stumps. The results are reported in the 'Evaluation of the risks and possible impacts of harvesting operations'. Reginacork always demands its 'Evaluation of the risks and possible impacts of harvesting operations', which covers these points. The fulfilment of the evaluation is fixed in the Feedstock Supplier Declaration. Reginacork checks the evaluation of its suppliers and inspects harvesting plots.</p>
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	<p>25%. Altering land cover in the protected areas is prohibited by Article 43 of Decree-Law no. 242/2015, as is the disturbance or destruction of threatened species and their habitats, under Article 44. As far as conversion to forest plantations is concerned, the provisions of Decree-Law no. 96/2013, 19 July, apply to the whole of the continental territory. This establishes the legal framework, for the whole of the continental territory, to which actions of afforestation and reforestation of forest species (RJAAR) are subject. However, any planting/replanting of forest species, independently of the area of intervention, that alters the dominant species previously installed (including the conversion of natural forest to plantations) is subject to advance authorization by the ICNF. It's important to highlight that the article nº9 of RJAAR defines that if an intervention area is situated inside the National Ecologic Reserve, a consult must be addressed to the CCDR as well as the related municipality. The article nº10 defines the factors that should be taken into account in the decision making process including protection of forest against forest fires, hydric related issues, biodiversity and habitat protection, among others. There are 135 Forest Producers Organizations registered on ICNF data base [3], whose offer multiple services, such as the preparation and implementation of Forest Management Plan, creation and management of Forest Intervention Zones, promotion of forest best practices, management of forest intervention teams, among others. As far as conversion that is not for agriculture or forestry is concerned, Decree-Law no. 139/89 is applicable to all Portuguese territory, and establishes protection measures for natural landscape, arable soil, and plant cover. These actions are subject to prior licensing by the municipal council. There is also specific</p>	
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	<p>protection legislation for: • Cork and holm oak (D-L no. 169/2001, amended by D-L no. 155/2004 of 30 June); • Riparian vegetation (Law 58/2005 and Law 54/2005); • Holly (Decree-Law no. 423/89). The latest RJAAR informative application note [3] summarizes the main points in this legal regime, including that actions of afforestation and reforestation are to be authorized by the ICNF, approved for public funding support programmes, decided upon by environmental impact reviews or environmental incidence assessments, and authorized or carried out by the ICNF, in properties managed by the same. 15% of the reforestation activities comprising the change of species, in the period of assessment, consisted on Pinus Pinaster converted to Eucalyptus. 4% of the referenced activities comprise the plantation of Eucalyptus on areas occupied by other, non-specified, species. The Minister Council from March 21st 2017, approved a law proposal that reviews the Legal Regime of the Arborization and Reforestation Actions [RJAAR] blocking the expansion of the eucalyptus plantation area, allowing new plantations only as compensation for areas previously occupied by eucalyptus and currently abandoned, being mandatory that the areas of previously occupied by this species shall be cleaned and in condition to be used for another agricultural or forestry activity. Risk Conclusion: Specified risk. • Conversion of forest cover is possible in Portugal, although previous authorization by ICNF is mandatory. • Several legal mechanisms and monitoring practices are put in place in order to control forestry activities in sensitive areas, comprising protected tree species. • The exotic tree species most relevant in Portugal is the Eucalyptus Globulus as is described above. The area of Eucalyptus settlements is constrained and thereby, conversions from other</p>	
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		species will not be possible. • The change of land use is limited.	
Portugal	2.2.1 The BP 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	Most environmental legal requirements relating to forestry planning activities are included in Portugal's forestry legislation. In the administrative process of forest planning or forestation projects, the competent entities are centrally consulted by the national forest authority (ICNF). Management Plans including Forest Intervention Zone (ZIF), Community Use Area Plan (PUB) and Intervention Special Plan (PEIF) have been in place since 2000, and (to 2013) cover about 44% of Portuguese forest area. In private areas, forest plans are mandatory for all forest areas greater than a certain area (from 25 ha. to 100ha, depending on the region); however lack of this requirement has not resulted in any known penalties. In public areas, forest plans are obligatory for all areas (state forest, municipalities, etc.); however numbers from 2012 indicate that only 43% of these forests have the PGF. As of 2015, it is an objective of the forest authority ICNF that 100% of its areas should have a PGF by 2017 (for all public areas). In communitarian forests plans are obligatory for all areas however 2015 data show that Forest Plans (PUB) are in place in only 60% of cases. Forest Management Plans should include identification of most part of potential impacts and measures to minimize them. However, it is not a specific tool used to monitor environmental impacts, on FMU Management Plans. Instead there are the Regional Forest Plan covering all country which contains the most part of recommendations and tools to address forest impacts. Regional Forest Management Plans (PROF's) include monitoring specifications related to sustainability of forest resources, detailing all biotic and abiotic factors but also soils, and a list of potential impacts. Best practices are included for each forest	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). Special attention deserve areas with dimensions below the minimum threshold for mandatory Forest Management Plan (refer to PROF) and outside SNAC, as also areas where PGF is mandatory or within SNAC. Reginacork makes an 'Evaluation of the risks and possible impacts of harvesting operations' (EoR) on sites related to the SBE program. The EoR and the field study of the supplier evaluate: • The possible economical, ecological and social impact of the forest operations including its surroundings. Harvesting operations can be changed to avoid negative impacts. • The quality of the management (by the land owner) prior to harvesting and regeneration plan. Indicators 2.2.2, 2.2.3, 2.2.4, 2.2.6, and 2.4.2 include relevant management measures which are checked. Reginacork monitors the plots to be harvested intensively and checks the field studies of its feedstock suppliers and the performed Risk Mitigation Measures. 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 categorise feedstock to 'SBP-compliant feedstock'.

<p>oring to minimise them.</p>	<p>management program. First generation PROF's were approved ten years ago, and they are all in a revision, being expected to be approved soon. No clear cuts are allowed, sustainable and best practices are mandatory by the authorities, specially under Portuguese Natura 2000 law. The national nature conservation system is based on legal protection regimes (such as The National network of protected areas, Natura 2000 network, etc.), which limits the activities allowed in these areas. There is also an inspection authority, SEPNA, and a strong system of protection (effective protected áreas and legislation) in place. Even so Reginacork is concerned and the Manager of the Certificate or the Responsible of Reception carries out audits to suppliers (Beginning of the year or part 1 of the process) by documenting them in the 'CW Vendor Audit' report cdr04. The procedures are in document 'Reginacork DDS and FSC manual' (please see attached). The supplier agrees to alert Reginacork, if it changes the source of the supply área. As a result, this control has made it possible to have a better understanding of all the traceability of raw material and this is reflected in the fact that there are no problems with suppliers, raw materials or land disputes. Larger scale activities are obliged to address a legal impact assessment and monitoring processes so an Evaluation of the risks and possible impacts of harvesting operations (EoR) must be done to conversions above 50 ha. or reforestations with fast growth species above 350 ha. These figures are lower when they occur inside Sensitive Areas (Protected, Classified and Monumental Areas), where it is obligatory to have this approved EoR if conversion to non-forest uses involves an area greater than 10 ha or forestation/ reforestation is taking place with fast-growing forest species covering over 70 ha. In case no</p>	
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		<p>forest plan is available (no PROF, PGF ZIF, PUB, SNAC, as well as no PEFC or FSC certification) an additional assessment of environmental impacts is made and recorded before harvest. Reginacork always makes an Evaluation of the risks and possible impacts of harvesting operations (EoR) and checks the field study of the suppliers. Therefor it is concluded that the impact assessment is covered by various tools and it is considered as specified risk.</p>	
Portugal	<p>2.2.2 The BP has implemented appropriate control systems and procedures for verifying that feedstock is sourced from forests where management maintains or</p>	<p>Soil quality in Portugal has not a positive evolution since historic times as the major part of Mediterranean region. Following FAO. 2013. State of Mediterranean Forests. Rome.  <a href="http://www.fao.org/docrep/017/i3226e/i3226e.pdf">http://www.fao.org/docrep/017/i3226e/i3226e.pdf</a> '(...) 45 percent of European soil is degraded and depleted of organic matter and noted that the problem was particularly pressing in the Mediterranean region. Degradation can involve erosion, settling, the loss of organic matter, salinization, landslides, the loss of soil biodiversity, acidification, desertification and subsidence. All these problems could be exacerbated by climate change. (...) Figure 1.24 shows that there were considerable differences between countries, with losses of arable land greater than 25 percent in Croatia, Malta, Portugal and The former Yugoslav Republic of Macedonia. From 1992 to 2009. At national level, following Desertification Convention 5.1 Desertification Susceptibility (<a href="https://dre.pt/application/file/65985917">https://dre.pt/application/file/65985917</a>): for Portugal, it can be concluded that, in the last half a century, the area of susceptibility to desertification clearly expanded in the mainland territory particularly in the period 1970-2000, and then for the 1980-2010 series, and is even more relevant as expansion for the 2000-2010 series, which corresponds to the most recent period analysed, with annual droughts particularly</p>	<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). Reginacork demands an field study from all feedstock suppliers. The Reginacork's EoR and the field study of the supplier address the specified risk on soil degradation: best practices have to be applied ( 'Best practices regarding harvesting operations').</p> <ul style="list-style-type: none"> <li>• Low intensity of forestry, selective cuttings and small clear cuts of maximally 5 ha. were needed considering the soil and groundwater level.</li> <li>• Regeneration focusses on tree species that maintain or improve soil quality</li> <li>• 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.</li> <li>• Do not operate near-water areas (called the National Ecological Reserve) 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, what improves soil quality. After clear cuts, the groundwater level can rise, what sometimes is an advantage. In order to improve soil protection from forest activities, the bReginacork checks if there is a RJAAR for each new plantation. Reginacork checks the field study of its</li> </ul>

<p>improves soil quality (CPE T S5b)</p>	<p>severe. It is known, therefore, that aridity, then susceptibility to desertification, affected, in the last three decades (1980-2010), 58% of the territory of the Continent, when in the series of 1960-1990 this affectation was of 36%, being included in this context mainly the areas of the South and the Interior Center and North. In the climatic series of the last decade, about 63% of the mainland territory is classified as areas susceptible to desertification. FAO- Land Degradation Index — LDI, developed for mainland Portugal (2000-2010) states that the national territory has 32.6% degraded lands and 60.3% are included in the fair to good condition. Lands and soils that accumulate biomass over time are about 67,8% but static trends were observed in 30,8% of territory and 1,5% have a regression on land quality. Later on, Forest Services used aridity index to produce the susceptible map of desertification, indicating priority areas for EU forest grants for forestation projects. The results of this FAO study, among others, where used to create National Program Against Desertification, which is adopted, among others by Regional Forest Plans, defining forest procedures for spaces for carbon sink and other for energetic use of biomass. The private and public Forest Management Plans should adopt these designations and procedures on their implemented management practices and procedures. Specifically on forest soils it is recognized the problem of nutrient and carbon exportation due to harvesting and residues removal in a significant part of the country which is affected by erosion and desertification problems Although there is a broad consensus over soils fragility in much of the country, policies that contribute decisively to the conservation and improvement of soil quality in Portugal have not been implemented on the last decades. These</p>	<p>suppliers. Poor soil quality can lead to erosion and other problems. Therefore, this indicator is related to indicator 2.2.6.</p>
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	<p>implemented forest policies have not prevented the installation and exploitation of commercial timber forest stands including plantations of intensive softwood and hardwood plantations in sensitive soils with erosion risks contributing to expand the susceptible areas to desertification. The legal and regulatory framework includes restrictions and safeguards for soil use and mobilization operations with particular emphasis on sensitive, steep and near-water areas (called the National Ecological Reserve). However, as shown by above cited studies and data, reality at ground level does not reflect the application of these restrictions. Also forest residues removal from the field is regulated in Portugal, so loggers and owners have some legal obligations, related with both fire and phytosanitary policies. These obligations are depending on species, areas, seasons and regions. Process of forest residue treatment is commonly included on Best Practices but also on wood supply contracts, and forest land leasing. According to the available information, it is considered that on small size forest properties risk is low, as small scale also reduces the threats and risks involved with soil operations. The Portuguese forest sector often has bad practices regarding soil preparation, leading to a higher risk of erosion and also to a lower soil productivity. There is also a situation regarding soil protection that it is not settled in Portuguese legislation, since it is not mandatory to do environmental impact assessments before each operation, especially for small forest owners, so many times mitigation measures are not defined resulting in soil impacts. Therefore, and using a precautionary approach, it is considered specified the risks for soil quality of sourcing biomass feedstock on forest lands located on desertification susceptible area according to Forest</p>	
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		Services (ICNF) cartography and with size above minimum size required for Forest Management Plan, is considered a specified risk.	
Portugal	2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPE T S8b).	Our pellets are FSC and SBP certified. Our Plant Manager studies the environmental aspects of the forest harvest and ensures endangered species are not used and protected. Portuguese authorities have listings as well on-the-ground agents to ensure compliance with legislation, specially protected areas (natura 2000 law) and FSC/PEFC areas. Portugal has identified the Nature 2000 areas (protected areas) and PROF regions and they have a FSC Controlled Wood low risk assessment. There are no CITES tree species in our supply base. In Portugal, key ecosystems and habitats occur mostly in Protected areas and in Classified Areas (Natura 2000). The overlap of classified areas over protected areas is approximately 1/3 of the total, which means that approximately 2/3 of classified areas are not included on protected areas of the National Network of Protected Areas. Also there are key ecosystems and habitats occurring outside Protected and Classified areas.	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). This information is given to all feedstock suppliers. Feedstock suppliers are trained to recognise key ecosystems and habitats. Most importantly, the feedstock suppliers inspect visually the harvesting plot and report on the results. 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. In exceptional cases, low intensity harvesting operations are possible without damaging these objects. • Study key ecosystems on the harvesting plot, conserve areas of ecological value • Study flora and fauna at the harvesting plot, nests, breeding areas, antshills conserve protected tree species and habitats • Do not operate near-water areas (called the National Ecological Reserve) Reginacork demands its field study from all feedstock suppliers. Reginacork monitors the harvesting operations of its feedstock suppliers and checks the Field study of its suppliers.
Portugal	2.2.4 The BP has	Biodiversity is included on fundamental environmental law on its article 10th (Law 19/2014 14/04) and is fully covered by biodiversity and nature conservation legal	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

<p>implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPE T S5b).</p>	<p>framework. In Continental Portugal the protected areas and Natura 2000 sites covers 2.017.803 ha meaning 20.47% of the territory. As on Convention on Biological Diversity: 'Portugal's National Biodiversity Strategic Action Plan NBSAP was based on the following ten guiding principles: an overall higher level of protection; the sustainable use of biological resources; prevention; precaution; recuperation; responsibility; integration; participation; international cooperation and decentralization. The NBSAP then lists 10 fundamental strategies that form the basis of their action plan, which include: to promote scientific research and knowledge of local patrimony; to enhance the National Protected Areas Network; to promote the valorisation of the protected areas, and ensure the conservation of all social, cultural and natural components; ensure conservation and valorisation of areas within the Natura 2000 Network; implement, across the entire national territory, actions specific to the conservation and management of species and habitats of particular interest; integrate conservation and sustainable use principles into national and regional policies and laws; reinforce cooperation between all levels of administration; promote education and formation in conservation fields; ensure public education, awareness and sensitization; and strengthen international cooperation.' (...) About 3,600 species of plants occur in Portugal. There are 69 taxa of terrestrial mammals, a total of 313 bird species, of which around 35% are threatened in some ways, and 17 amphibian and 34 reptile species that occur in Portugal. Some of the main threats to the biological diversity of Portugal include: alteration or destruction of habitats; pollution; overexploitation; invasive alien species; urbanization and fires. It is considered that a significant part of</p>	<p>potential threats, HCV 1 – Species diversity). This information is given to all feedstock suppliers. 2) Feedstock suppliers are trained to recognise the protected biodiversity 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 harvesting teams inspect visually the plot, make photos and report on the results. Endangered flora and fauna are indicated on the harvesting maps. Reginacork demands its field study from all feedstock suppliers. 4) Procedure 'Best practices regarding harvesting operations'. Best practices include measures to conserve and increase biodiversity (for example, standing dead wood, prescribed burning and other disturbances improving the conditions for endangered species flora and fauna). 5) Reginacork monitors the harvesting operations of its feedstock suppliers and checks the Field study of its suppliers.</p>
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		<p>biodiversity is covered and detailed by indicators 2.1.1 and 2.1.2, for which low risk was not reached in this risk assessment. All classified habitats, besides priority ones included on HCV, must be included in this indicator.</p>	
Portugal	<p>2.2.6 The BP has implemented appropriate controls systems and procedures to verify that negative impacts on ground water, surface water and stream from forest management are minimized</p>	<p>Reginacork considers the landscape where the harvest operations are executed, including hill slopes and streams that can overflow and demands the same from its feedstock suppliers. Clear cutting (of several ha.) is avoided in areas where all conditions are at high risk for soil erosion. In these cases, is followed the ICNF Handbook for forest best practices: 'In the 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 no. 468/71, of 5 November) 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.' These best practises are required to comply with the requirements of SBE program. Water legal framework includes water law and national and hydrographical basin plans, being Portuguese Environment Agency the national authority. Other authorities like SEPNA (National Republican Guard) and Nature Guards and Vigilantes, also have competencies of water resources inspection actions. Reginacork has never been penalized by any of these entities because it never operates on water lines. National Ecological Reservation is a territory classification of sensitive areas for 'ecosystem services' where water issues are addressed, and some restrictions are in place to prevent negative impacts in slopes, valleys and other sensible situations. Every</p>	<p>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. 2) Feedstock suppliers are trained to not contaminate ground water and to plan forest management operations that protect the soil, forest and surroundings from surface water. 3) The harvesting teams inspect visually the plot and the hill slopes and streams in the surroundings and report on the results. Reginacork demands its field study from all feedstock suppliers. 4) Procedure 'Best practices regarding harvesting operations'. Best practices include forest management measures that protect the plot against too high or low ground water levels, and erosion (surface water moving to quick or too slow). 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 and checks the submitted field studies. These best practises are required to comply with the SBE program requirements. The best practices as stated 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 no. 468/71, of 5 November) a strict prevention</p>



<p>ised (CPE T S5b).</p>	<p>forest projects and plans must comply with this regulation, and they should be in place, for example in projected soil preparation techniques. The risk is applied to all private, communitarian, and public forest areas which are not managed by ICNF. ICNF Handbook for forest best practices defines: 'In the 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 no. 468/71, of 5 November) 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 spontaneous vegetation and not perform any mobilization of the soil.' Usually prevented by legal and regulatory framework, however in Portuguese implemented legislation there is not a clear and effective legal tool over all territory, being exceptions the Northern regions, where 10 hectares is defined as the maximum clearcuttings area as defined on Regional Forest Plans. Also some Municipalities may have municipal regulations about clearcutting fellings. So it is considered there are specified risks that feedstock is sourced from forests when clear cuttings are done over a specific size area. This specific area is defined regionally by each Regional Forest Plan (PROF), as the maximum clearcutting area or the size of even aged monoespecific forest stand. In Portugal there is the problem of illegal plantations where there is the risk in causing impacts in water resources, and also it is not mandatory by law to perform environmental impact assessments for small areas for each operation leading to a higher risk of causing impacts in water resources since mitigation measures are not defined. In order to</p>	<p>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.'</p>
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		<p>prevent impacts on water resources resulting from forest activities, the biomass producer should control if there is a RJAAR for each new plantation, and should also demand an environmental impact assessment for every harvesting in order to prevent impacts on the water resources, resulting from these operations. This is considered a specific risk.</p>	
Portugal	2.3.2 Adequate training is provided for all personnel, including employees and contractors (CPE T S6d).	<p>A center for forestry professional training under the direct management of the ICNF and has as main objective the training and professional enhancement, with special emphasis with regard to forestry operations. He has a decision power in forestry operations, use of machines, methods and techniques used, always giving due and necessary attention to compliance with safety, hygiene and health at work. All our suppliers provide training and qualifications for the management of forestry machines. NOTE: Portugal is a country with an old tradition on forests activities. University education is provided on the technical side with several colleges in the country. There are specific courses for field machinery operators but it is planned to be updated on the National Catalog of Formations a new training on Forestry Machinery Technician not yet available. Under this information the indicator is assessed as specified risk.</p>	<p>Reginacork trains its personnel on all relevant aspects and demands the same from its feedstock suppliers. This is not always covered sufficiently by legislation. During the feedstock supplier's inspections of Reginacork, are checked: the training records, (new) workforce, and the hiring of specialists. The level of knowledge of personnel is inspected during site visits. Reginacork's monitoring procedure includes checklists on feedstock suppliers and harvesting operations.</p>
Portugal	2.4.1 The BP has implemented appropriate control systems	<p>In Portugal the 'health, vitality and other services provided by forest ecosystems' 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-pollution, and noise. Poor forest management can be a direct treat to the local population (see next indicator) or create a conflict of interests. For example, it takes only one dense forest stand to improve the perception of an area, if a certain industrial object needs to be</p>	<p>1) Feedstock suppliers are trained to recognise health, vitality and other services provided by forest ecosystems. 2) The harvesting teams inspect visually the plot and the surroundings and report on the results (make photos). Reginacork demands its field study from all feedstock suppliers, which addresses these environmental services. 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. 3) The possible impacts of the harvest operations on the forest and its</p>

<p>and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPE T S7a).</p>	<p>covered up (visual pollution). Forest (ecosystems) can be essential for: • Breaking hard winds and rainfall (roads and houses); • Recreation in and around the forests; • Hunting, fishing and gathering of berries and mushrooms; • Agriculture near the forests (this is of importance in Portugal). In Portugal nearly all forests are relatively small private ownership plots. One can rarely speak about any coordinated control system of the land owner as required here “appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems”. The interests of the local population in the services forest ecosystems provide are practically never taken into account by the private forest owners. Reginacork is of the opinion that general data and certain statistical averages in certain areas do not make a biomass supplier comply with this requirement. To solve this point, the opinion of local residents and organisations about the quality of the forest management of the land owner, and the present harvesting and regeneration plans need to be taken into account. Small adjustments to a forestry plan can make a large difference to them. For example, not cutting an old tree with exceptional esthetic / recreational value. Although there is a specified risk for insufficient assessment of the impact of harvesting operations that replace (destroy) the existing forest ecosystem, nearly all 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, 2.4.2, and 2.6.1. In addition to measures taken to comply with the specified risks of other indicators, to comply with indicator 2.4.1 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</p>	<p>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. Forest services that need to be considered: 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). 4) Reginacork monitors the harvesting operations of its feedstock suppliers and checks the submitted Field Studies. It checks with stakeholders if there are any complaints (see also below 2.6.1).</p>
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		interests of the local population, farmers, and people interested in recreation.	
Portugal	2.4.2 The BP has implemented appropriate control systems and procedures for verifying that natural processes, such as fires, pests and diseases are managed appropriately (CPE T S7b).	Pests, diseases and fires are today the greatest perceived risks in the Portuguese forest sector. As stated in previous indicator biotic and abiotic risks are supported by disturbances affect in 2011 24% of the forest area, generated by a regressive vicious cycle that combines fire, 'seca', pests, diseases and invasive species. The national program for forest fire protection (PNDFCI) establishes various levels (national, regional, municipal and local) in order to create a network of forest fire prevention (primary and secondary on public level and tertiary on forest owner level). This system aims to compartmentalize extensive woodlands and contribute to the containment and firefighting. The identification of these elements is defined in the various plans in force particularly in the Forestry Management Regional Plans (PROF) and Forest Defense Municipal Plans Against Fires (PMDFCI), which also define the responsibilities for its implementation on field. In terms of forest owners are defined in Forest Management Plans and related (PEIF, PUB). Private forest lands can be grouped into Forest Intervention Areas (ZIFs), forest policy instrument to ensure efficient management of forests at the landscape scale and the consistent application of public support for forestry development. ZIFs are continuous land area, with a majority of forest areas, subject to a Forest Management Plan and a Defense Plan for Forest and managed by a single entity. Until July 2016 they are constituted 179 ZIF, covering 924,447 hectares of territory. One of the objectives of ZIFs is to reduce the conditions of ignition and fire spread implementing on the field planned measures. Field implementation of planned measures is uneven in Portugal. Also fires are the	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. 2) Feedstock suppliers are trained to recognise poor forest management and on mitigation measures. 3) The harvesting teams inspect visually the plot and make photos. Reginacork demands its field study from all feedstock suppliers, in which this point is addressed. Feedstock suppliers inspect if the plot was managed well on these points, if not, the feedstock is not considered compliant to the SBE program (will not become SBP-compliant feedstock). 4) Best practises are used by the harvesting teams regarding management of fires, pests and diseases. These include: a. Traps for NMP (Pine Wood Nematode ( <i>Bursaphelenchus xylophilus</i> ), and its vector the insect <i>Monochamus galloprovincialis</i> ) 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 accept 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. 5) Reginacork monitors the harvesting operations of its feedstock suppliers and checks the submitted field studies. Sufficient management by the forest owner, and best practises by the harvesting teams are required to comply with the SBE program requirements.

		<p>greatest perceived risks in the Portuguese forest sector as it recognized by public administration. On the above information specified risk is assessed on the fire management at forest level There are enforcement and monitoring on the performance of our part: harvest, transporters and warehouses. Every step need of official document.</p>	
Portugal	<p>2.5.1 The BP has implemented appropriate control systems and procedures for verifying that legal, customary and traditional tenure and use rights of indigenous people and local comm</p>	<p>97% of Portuguese forests are private (See also indicator 2.4.1). Approximated number of private owners in Portugal is over 500,000. 8% of private forest are under communitarian management (Baldios) based in old customary and traditional tenure and rights and regulated by specific law. As most of the country forest is under private property civil code is applied which includes the following rights: • - to use; • - to transform; • - to exclude and defend including the rights to delimitation, prohibition and defense. • - to return and compensation; • - to sale. These rights are applied to the most part of forest resources and to all of the wood resources. Customary rights consist, as stated in the indicator description, as habitual, repeated and “normal” activities. This has to do with access to water sources established for a long time as practice, passage through private property that is used traditionally by a certain community. Customary rights don’t consist on in the collection of mushrooms, plants or pine cones in a property belonging to a third party, unless this practice is perceived and seen by the community, as a traditional practice. The owner as the right over its own property. This customary right does not include licensed fenced properties for cattle or big game hunting zones. Car circulation is limited to public use roads and/or public domain waters and other specific situations. Over the years, legislation about private things of free use became regulated and some of them of private use. Several</p>	<p>1) Feedstock suppliers are trained to recognise possible issues with legal, customary and traditional tenure and use rights. 2) The harvesting teams inspect visually the plot, make photos and report on the results. Reginacork demands its field study from all feedstock suppliers. This aspect is addressed. 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 could make the feedstock non-compliant in the SBE program. 3) Reginacork monitors the harvesting operations of its feedstock suppliers and checks the assessment results of its suppliers. By addressing sustainable forest management and making an extra effort on indicators 1.2.1, 2.4.1, and 2.6.1, Reginacork integrates respecting the interests of local people into its main procedures. There are no indigenous people in Portugal nor minorities dependant on forests for their livelihood. This specified risk doesn’t include the licensed cattle parks or big game hunting areas.</p>

	<p>unities related to the forest, are identified, documented and respected (CPE T S9).</p>	<p>situations may happen, for example the pine cones were of free use until forty years ago when it became private. Another example is the game hunting which is still a public thing but private entities can pay for a hunting concession to manage it. Conflicts may exist between land owners rights based on the private things defense against the customary rights of accessing and free use recollection, as no specific legislation was updated about this issue. These conflicts may become more relevant where resources are easy to steal, like pine cones or other NTFP-Non Timber Forest Products. In the ground situations of use and abuse of fences and inadequate signs are common, including closed gates. In those situations, customary rights could maybe be disrespected. The customary right is described in the article 348th of the Portuguese civil code. The interpretation of laws is described in the article 9th of the Portuguese civil code. In the case of community areas, specific legislation regulates rights of use of common forest areas. (Lei dos Baldios).</p>	
<p>Portugal</p>	<p>2.6.1 The BP has implemented appropriate control systems and procedures for verifying that</p>	<p>Although this risk is addressed in the general legal framework of Portugal, Reginacork is of the opinion that this indicator needs additional attention as a 'safety net', in order to perform well on other indicators, which are categorised 'specified risk'. Most harvesting companies working in the forest sector do not have complaint and comment procedures, not journals. Because of the very large number of land owners with small forested properties in Portugal, and, for example, the lack of cadastral in some regions of the country, Reginacork actively prevents grievances and disputes to arise. The aim is to track down and solve grievances and disputes before the harvesting operations commence. The procedures assess the work of Reginacork's harvesting teams and feedstock suppliers. The feedstock</p>	<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). 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). 3) Reginacork has a complaint procedure and keep records. The feedstock suppliers are also (contractually) required to actively implement a complaint procedure and keep records. Reginacork demands its field study from all feedstock suppliers, in which the interests of local population are</p>

<p>appropriate mechanisms are in place for resolving grievances and disputes, including those relating to tenure and use rights, to forest management practices and work conditions.</p>	<p>suppliers are also required to actively implement a complaint procedure and keep records (which are checked). Reginacork takes seriously any complaint of any person or organisation considering harvesting operations. This also improves performance on respecting local interests (HCV 5) and cultural values (HCV 6). Grievances and disputes, including those relating to tenure and use rights, forest management practices and work conditions in Portugal are regulated by laws. Legal framework includes the Portuguese Constitution, the Labour Code and other specific regulations. The detailed procedures, duties and responsibilities of involved persons are defined in both legislation and other legal regulations. Legislation and justice system provides a route for appeal should people or companies be dissatisfied with the outcome of the dispute resolution process. Land tenure and use rights are object of Civil Code, being land tenure included on private property rights on Constitution article 62th. These rights include communitarian forests and also Forest Renting/leasing contracts. Disputes about forest management practices would involve forest authorities ICNF on both public and private forests. Specific forest management practices should be included on renting and forest services contracts as harvesting contracts. The disputes related to work conditions shall be resolved according to administrative procedures and labour legislation. Trade unions may help in disputes over work conditions. Reginacork have an internal procedure for resolving grievances and disputes ' Registo e Tratamento de Reclamações e Devoluções': Firstly our specialist need to collect this information: • Identification of the plot / area (building permit); • Identification of the owner (citizen card); • Proof of the relationship between the seller</p>	<p>assessed. 4) Reginacork monitors the harvesting operations of its feedstock suppliers and checks their records on Complaints and Comments. It checks with relevant stakeholders, such as land owners, if no comments were submitted, or if the complaints were dealt with sufficiently. 5) The results of the inspections of Reginacork have direct influence on the 'SBE program approved' status of feedstock suppliers.</p>
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	<p>and the land in question; • Mapping; • Formalization of the business through a purchase and sale agreement between the parties; • Invoice or self-invoice if the seller can not do it. In addition to the information collected, at least one site visit is always conducted with the owner or his representative, where information is taken about: • Type of vegetation / species; • Ground boundaries / Confrontations; • Accesses. This procedure also indicates the resolution of grievances and disputes, including those relating to tenure and land use rights to forest (or land) management practices and working conditions. Whenever any of the above occurs, the technical responsible is contacted and called to the location whenever necessary. In the case of Work Accidents, Theft and Forest Fires and after ascertaining the severity of the situation are contacted the competent entities, as well as the Department of Hygiene, Security of the company. In case of Failures or maintenance, the means are put on the ground in order to solve the situation. These means can be from the company itself or from the company representative of the equipment. In case of Complaint related to court, the person in charge of the company meets at the place of court with all parties involved (seller / claimant or other). When the facts are proven and all parties are heard, the responsible person decides to adjust the business according to what happened. The closing of the complaint can be done in two ways: • If the claimant understands the purchase, the remaining portion. That is, a new buying process is opened where one makes the acquisition of what was cut by lapse together with what is standing; • The claimant does not accept to sell the remaining portion. The wood cut is evaluated and paid to the owner</p>	
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		considering the occurrence as a payment of damages to the owner.	
Portugal	2.8.1 The BP 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 (CPE T S12).	<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. Portugal has ratified convention ILO 184 on 2012, about agriculture health and safety in agriculture which includes forestry activities with exception of industrial forest harvesting. ILO forestry H &amp; S code includes some of forestry activities on 'high risk operations' such as climbing above 3m, but in Portuguese legislation any forestry activity is included on legal list of 'High Risk Activity'. Work legislation aims to create a safe and healthy work environment at all times in accordance with society's technical and social development. Historically, a risk under this category has been present based on a low level of compliance with the requirements for accreditation and/or professional training. In recent years, many obligations have changed and private entities have started to develop courses for some activities of forest workers (for example for chainsaw, machinery or phytopharmaceuticals users). Legal authority for work health and safety is ACT (Working Conditions Authority), who as an inspective role on the ground. ACT promoted the development of the Strategic Action Plan for Agriculture, livestock and Forestry sectors from 2012 to 2015 producing the assessment report for this initiative (see report). From the execution of this plan 6 informative leaflets were produced as well as 8 instruments for the application of the respective law framework (checklists). The plan involved the participation of several social partners as well as public partners which can be consulted in the report. An estimate of 9000</p>	<p>Reginacork has a control system and adequate procedures on the health and safety of forest workers. Reginacork demands the same from its feedstock suppliers and checks the health safety of harvesting personnel during its monitoring inspections. Reginacork checks if the personell is trained and if all safety measures are being respected during forest operations, including the use of PPEs, safety distances, work insurance and aptitude forms. During the feedstock supplier's inspections of Reginacork are checked: the training records, workforce, and the hiring of specialists in forest security. Protective equipment (according to the applicable law) and knowledge of personnel is inspected during site visits. In order to mitigate the risk in this indicator, the biomass producer should have proper means to control if workers have the proper training and if all safety measures are being respect during forest operations, including the use of PPEs, safety distances, work insurance and aptitude forms. Reginacork ensures:</p> <ul style="list-style-type: none"> <li>• Accredited professional courses and/or specific certificates of training sessions.</li> <li>• Records of H&amp;S procedures and Personal Protection Equipment distribution by the organization.</li> <li>• Record of machinery safety tools and equipments on original documental register.</li> </ul>

		<p>employers and employees were reached throughout the development of this plan as well as 560 associative managers and technicians. The plan also comprised an inspective component materialized on 1700 inspections over 3 years reaching to 10 000 workers. Reginacork have a specialist in hygiene and safety at work. This specialist has a responsibility to evaluate all situations that compromise workers. Also all employees of the company, have annual internal and external training (operations by certified companies) on workers' safety and health. The personal protective equipment is also delivered to all employees and is sensitive. It also has internal and external formations in forestry machinery and works in height. International Trade Union Confederation (IUTC) ranks 139 countries against 97 internationally recognised indicators to assess where workers' rights are best protected, in law and in practice. Portugal has a rating of 3, from 1 to 5+, in the ITUC Global Rights Index 2014. This score is given for countries where: (There are) 'Regular violation of rights. The government and/or companies are regularly interfering in collective labour rights. There are deficiencies in laws and/or certain practices which make frequent violations possible.'</p>	
Portugal	2.9.1 Feeds stock is not sourced from areas that had high carbon stocks in	<p>There is a specified risk of reducing high carbon stocks, but it is not a high one, and by addressing sustainable forest management and the above-mentioned indicators and risks, this indicator is adequately addressed. Considering the positive general trend of carbon accumulation by forests in Portugal, this risk has a regional to local (exceptional) character and is more specifically related to the risks mentioned in the following indicators: a. 2.1.3 (land conversion), b. 2.2.2 (degradation of grounds), and c. 2.4.2 (fires and pests). According to the National Inventory Report on Greenhouse Gases</p>	<p>1) Reginacork studies data (from publicly available information, researches and programs) for its harvesting teams on aspects that can decrease the carbon stock. This information is given to all feedstock suppliers. 2) Feedstock suppliers are trained to recognise areas where carbon stocks have decreased or destroyed. 3) The harvesting teams inspect visually the plot and make photos on for example recent degradation of lands and indicates the future use of the land (conversion). Reginacork demands a field study from all feedstock suppliers, which includes this point. 4) Reginacork checks plots and the submitted Field Studies. Forests owners can choose to start an</p>

<p>January 2008 and no longer have those high carbon stocks.</p>	<p>1995-2015 developed by Portuguese Environment Agency (APA), Portuguese forest acted as a carbon sink in the period of the study with a net carbon sequester of 753.2 Gigagrams. The high carbon stocks are considered to be in wetlands, peatlands (no forested areas related) and old mature forests stands. Information regarding wetlands in Portugal states that as usual in the region they are threatened ecosystems even when they are protected. Portugal currently has 1.8% of its territory occupied by wetlands, 79% of which is protected by the Ramsar Convention, covering this protection figure of 31 sites (about 132,487 hectares). 82% of habitats related to wetlands are degraded. Epic WebGis Portugal provides geographical information about wetlands. In the revised information one relevant risks is associated to forestry: cutting of riparian vegetation so specified risk needs to be assessed on this issue. Reginacork ensure that feedstock does not come from riparian vegetation in wetlands complies with legislation (felling license) and do not affect to carbon stocks. There is an increase of pine areas around the plant in the last decade (Portuguese Forest Inventory) i.e., around the region where Reginacork operates and its suppliers harvest from, there was an increase of forested areas, both Pine and Eucalyptus. The consumption of Reginacork is mainly of wood from the pine species. Forest fires are a big risk in Portugal, which can have a devastating effect on forest carbon. Thinning activities and use of end of life timber by Reginacork has positive effects on mitigating this risk.</p>	<p>orchard, governments can decide to extend the area of urban lands. This occurs regularly in Portugal. When forests are converted to other land use the carbon stock is lost. The conversion of forests to urban use is significant (28 thousand ha). In total, the forest area decreased by 150 611 ha, 85% of these forest lands were converted to 'weeds and pastures' (between 1995 and 2010, according to the ICNF). One of the 5 principles of FSC Controlled Wood states that wood from converted land is not acceptable, in practise, however, this point is not evaluated by wood procuring companies, which normally consider all procurements from Portugal at least FSC CW. Extra monitoring is needed on this point. Reginacork does not buy wood from converted lands to be in line with principle 4 of FSC Controlled Wood. FSC CW is the minimal level of wood procurement at Reginacork.</p>
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## 7 Non-conformities and observations

NC number NC-000217		NC Grading: Minor
<b>Standard:</b>	SBP Standard 2: Verification of SBP-compliant Feedstock	
<b>Requirement:</b>	IN2C; 4.1 The report shall be concise, covering the most important features, and shall be completed using the latest version of the SBR template for Biomass Producers downloaded from the SBP website.	
<b>Description of Non-conformance and Related Evidence:</b>		
SBR covers some important features, and it was completed using the latest version of SBR template. However, it was not found a comparison of the scale of harvesting compared to other forest industries in the Supply Base.		
<b>Timeline for Conformance:</b>	By the next surveillance audit, but no later than 12 months from report finalisation date	
<b>Evidence Provided by Company to close NC:</b>	N/A	
<b>Findings for Evaluation of Evidence:</b>	N/A	
<b>NC Status:</b>	Open	

NC number NC-000138		NC Grading: Minor
<b>Standard:</b>	SBP Standard 4: Chain of Custody	
<b>Requirement:</b>	5.3.1 All requirements of the relevant chain of custody control system specified in the SBP-approved CoC system shall be implemented to calculate outputs.	
<b>Description of Non-conformance and Related Evidence:</b>		
Majority of requirements of FSC CoC credit systems are implemented by BP. Conversion factor is not calculated for each of the feedstock group (roundwood, chips, sawdust)		
<b>Timeline for Conformance:</b>	By the next surveillance audit, but no later than 12 months from report finalisation date	
<b>Evidence Provided by Company to close NC:</b>	N/A	

<b>Findings for Evaluation of Evidence:</b>	N/A
<b>NC Status:</b>	Open

<b>NC number NC-000139</b>		<b>NC Grading: Minor</b>
<b>Standard:</b>	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3	
<b>Requirement:</b>	6.4.3 For each Feedstock Group the following parameters are recorded: a) ID b) Feedstock Type c) Origin d) Physical Description e) Country of harvest (new row for each country) f) Raw mass as received in metric tonnes g) Moisture as received (weighted average, single figure) h) Weighted average distance (km) , i) Maximum distance (km) j) Type of vehicle used k) Fuel or driving force used by the vehicle, l) Weighted average truckload, m) Any pre-processing (chipping, drying, none)	
<b>Description of Non-conformance and Related Evidence:</b>		
BP is not measuring the moisture for each feedstock type entering at the plant. In fact, the first moisture measurement is made in a global mixing of raw materials before the drier. All moistures recorded in table 2.1. are currently same value and potentially not correct		
<b>Timeline for Conformance:</b>	By the next surveillance audit, but no later than 12 months from report finalisation date	
<b>Evidence Provided by Company to close NC:</b>	N/A	
<b>Findings for Evaluation of Evidence:</b>	N/A	
<b>NC Status:</b>	Open	

<b>NC number NC-000140</b>		<b>NC Grading: Observation</b>
<b>Standard:</b>	SBP Standard 4: Chain of Custody	
<b>Requirement:</b>	6.3.1 The legal owner shall implement the requirements of either: PEFC 2002:2013 Section 9: Social, Health and Safety requirements in CoC, Or FSC-STD-40-004 V2-1 EN Section 1.6: Occupational Health and Safety Or the latest versions of these documents	

<b>Description of Non-conformance and Related Evidence:</b>	
During field visit to a FMU, the fire extinction spray was not present at the chipping machine. An OBS is issued, because it was not the fire season yet, and the dispositive was at the truck < 1 km from the tractor	
<b>Timeline for Conformance:</b>	N/A
<b>Evidence Provided by Company to close NC:</b>	N/A
<b>Findings for Evaluation of Evidence:</b>	N/A
<b>NC Status:</b>	N/A

NC number NC-000141		NC Grading: Observation
<b>Standard:</b>	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3	
<b>Requirement:</b>	3.1.4 Each Legal Owner shall operate a Management System to ensure that data recorded are compliant with the requirements specified in this Instruction Document (5E).	
<b>Description of Non-conformance and Related Evidence:</b>		
During the SBP annual audit, the BP presented an SBP management system: prepared documented procedures, designated responsibilities among the existing staff and conducted the staff training. It includes procedures to collect and record the GHG and sustainable information requested by STD5. When possible the management system is integrated into existing FSC system. However during the audit, not all the relevant records were complete, updated and appropriated to be easily audited.		
<b>Timeline for Conformance:</b>	N/A	
<b>Evidence Provided by Company to close NC:</b>	N/A	
<b>Findings for Evaluation of Evidence:</b>	N/A	
<b>NC Status:</b>	N/A	

## 8 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:

<b>Certification decision:</b>	Certification approved
<b>Certification decision by (name of the person):</b>	Pilar Gorría Serrano
<b>Date of decision:</b>	10 May 2021
<b>Other comments:</b>	N/A