



Control Union Certifications B.V. Evaluation of BSL Comércio Internacional, S.A. Compliance with the SBP Framework: Public Summary Report

Scope Change Audit

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

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

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1 Overview

CB Name and contact:	Control Union Certifications; Meeuwenlaan 4-6; P.O.Box 161, 8000AD Zwolle, Netherlands.
Primary contact for SBP:	Robin Rosendahl
Current report completion date:	04/Jan/2021
Report authors:	Mr. L. Vaz Freire (Lead Auditor) Mr. H. Jurczyszyn (Certifier)
Name of the Company:	BSL Comércio Internacional, S.A.
Company contact for SBP:	Cecília Nolasco
Certified Supply Base:	Portugal
SBP Certificate Code:	SBP-06-46
Date of certificate issue:	16/Dec/2020
Date of certificate expiry:	15/Dec/2025

This report relates to the Scope Change Audit

2 Scope of the evaluation and SBP certificate

The scope of the certificate covers the office Street/Rua Gonçalo Sampaio, 329 – 4.º Esquerdo, 4150-367 Porto and the port of Aveiro. The Organization was audited in relation to the FSC® Chain of Custody. Feedstock used in the biomass production originates from Portugal. A Supply Base Assessment is included in the scope of the assessment. The scope includes the communication of Dynamic Batch Sustainability Data

The following SBP standards are applicable and form the scope of the assessment and, therefore, the SBP certificate: Standard 1, Standard 2, Standard 4 and Standard 5. All material is compatible with SBP or SBP controlled through standard 1 SBE, FSC or PEFC certified.

SBP certificate: SBP-06-46

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of the specified SBP Standards are implemented across the entire scope of certification. The scope of the evaluation covered:

- Review of the BP's management procedures;
- Review of SBP system control points and an analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients; and
- GHG data collection analysis - Instruction Document 5D: Dynamic Batch Sustainability Data v1.1 evaluation

4 SBP Standards utilised

4.1 SBP Standards utilised

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

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

4.2 SBP-endorsed Regional Risk Assessment

Not Applicable

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

BSL Comércio Internacional, S.A. was founded in 1994 as a family business with a share capital of EUR 400,000.00. The administrators are Dr. Estima Reis with a degree in Economics from the Faculty of Economics of Porto and in Law from the Faculty of Law of Coimbra and Dr. Jaime Reis with a degree in Management from the Catholic University of Portugal. Its staff is made up of 8 workers distributed across different areas of the company.

It is a Trading company where its main businesses are in the area of wood, steel products, textile products and cement. In fact, BSL has commercial relations with countries such as Spain, France, Turkey, Germany, Ukraine, Russia, Sweden, Finland, Estonia, among others. It exports wood to Spain and France and imports from France, Finland, Estonia, Madagascar etc. Steel products come from Ukraine, Russia and Turkey, with cement also originating in Turkey.

Their competitive advantage comes from the transport of goods as the contacts they have at that level are good, particularly in transport by sea as they have a partnership with a large German group in the area, MTL- Maritime Transport Logistic as well as with Intersee, also German.

The trading of pellets and the production of biomass is the main objective of this phase of the company. Pellets are purchased from several national producers.

5.2 Description of Company's Supply Base

The supply base is Portugal.

3.2 million ha of forests cover Portugal, corresponding to 35.4% of the country's land mass, followed by soil considered uncultivated (32%) and farmland (24%). Private property by landowners (83%), industrial companies (6%), and communities (Baldios, 8%) correspond to 3.1 million ha of forests. The forest area under communitarian management (Baldios) are subject to old customary and traditional rights and regulated by specific laws. In Portugal, there are, however, no indigenous people or specific minorities relying on the forests for their livelihood.

The following aspects related to forestry in Portugal are important to its sustainable management:

- 97% of the forest is in private ownership. More than half of the forests are very small parcels of only one or two ha (mainly in the northern and central regions). Regional forest management plans do not apply to small forests and woodlands;
- 47% of the land has no cadastral data and discrepancies in ownership rights complicate the procurement process. Moreover, many small woodland owners are not very interested in their properties (they can be living far away);
- Forest cover has increased from under 2.0 million to 3.2 million ha over the last 100 years and is dominated by introduced fast-growing species. Over the last decades, there is a tendency to replace semi-natural forests with fast-growing plantations.

Over the period 1995 – 2010 the forest decreased 4,6%. The net decrease of forest areas (150 611 ha) is mainly due to conversion to 'brush and pastures'. In addition, significant areas of forests were converted to urban use (28 000 ha). Data of different sources, for example the FAO, indicate a clear trend in decreasing forest area in Portugal of over 1% every 3 years the last 20 years or more.

Forest Management Plans (PGF) are mandatory for forest areas above a minimum area defined by Regional Forestry Management Plans (PROFs) as well as in Forest Intervention Areas (ZIF; 940 432 ha). In 2016, there were 1 680 000 ha under PGF from which 450 034 ha overlap the National Classified Areas Network. A felling manifest is required for commercial felling (including all thinning) of all tree species for industrial purposes, with a 30-day deadline after the operation is concluded. The Institute of Conservation of Nature and Forests (ICNF) is the national forest and conservation authority, with competencies on all forest, hunting and nature conservation affairs. ICNF also manages public forest areas and is involved in the management of community areas. Additionally, the Environmental Service of the National Republican Guard (SEPNA/ GNR) inspects environmental issues and natural resources in all private and public areas.

The felling phytosanitary manifest includes identification of the origin of the felling. Also, documentation for transportation mostly identifies the origin of the transport. This are the most common ways to trace the origin of the primary feedstock. However, there are still many areas in Portugal without cadastral data, complicating the matter. Considering the relatively positive Corruption Perception Index (2018) of Portugal (CPI 64) documents, such as invoices and transport documents, can be considered reliable sources of information.

Portuguese forests are 69% deciduous, and 31% coniferous. Regarding tree species, the most relevant are (ICNF, 2013):

- Eucalyptus (*Eucalyptus globulus and other spp.*), 26% of forest area.
Originally from Tasmania, eucalyptus became one of the most planted trees in Portugal. Since the 1980's there is great controversy about the negative effects of these trees on soil fertility, water scarcity, and biodiversity, which in 1988 and '89 resulted in the implementation of a few laws that restricts the increase of monoculture plantation of this species. In 2017 a law was enforced that forbids the conversion of forests to eucalyptus stands.
- Maritime pine (*Pinus pinaster*), 23% of forest area.
This species was chosen in the large afforestation campaigns carried out during the nineteenth century, due to its ability to adapt to poor and rocky soil. In addition, it regenerates easily. Its timber is widely used commercially;
- The cork oak (*Quercus suber*), 23% of forest area.
This is an evergreen indigenous species, typical of Mediterranean climate forests. Their presence can be found throughout the country. The cork oak is often seen as the 'national tree' of Portugal. Portugal is the leading producer and exporter of cork.
- Holm oak (*Quercus rotundifolia*), 11% of forest area.
An evergreen tree of large size. It can be found throughout the Mediterranean climate. It can grow at any type of terrain except of those with poor drainage and or saline nature, but prefers fertile soil, deep and of loamy nature. The wood is well suitable for charcoal and firewood production.
- Stone pine (*Pinus pinea*), 6% of forest area.
Stone pine is mainly used to produce pine nuts. The residues from thinning and pruning are used for pellet production. Stone pine can mainly be found in the south.

The national legislation of Portugal does list protected tree species, and, for example, it is forbidden to cut any cork oaks (*Quercus suber*), and holm oaks (*Quercus ilix / Quercus rotundifolia*; protective measures by Law N^o.155/2004) and European holly (*Ilex aquifolium*; protected by Law N^o. 423/89).

CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) lists a considerable number of protected plants for Portugal. However, the list does not include any trees. The 'Red List' of the IUCN (International Union for Conservation of Nature and Natural Resources) indicates hundreds of plants for the continental territory of Portugal, but also does not include any trees either. Specialists reckon 49 of these plant species to the relevant ones for forestry.

Climate change, the occurrence of extreme meteorological events, in combination with large areas of insufficiently managed forests (especially eucalyptus forests) has increased the phenomenon of devastating forest fires. Portugal accounts for the largest and the most forest fires in Europe. Climate change may also induce pests and diseases due to stress in host plants. In Portugal, phytosanitary problems affect mainly the cork oak and holm oak, showing its decline. The loss of vitality and the mortality of maritime pine is mainly related with the Wood Pine Nematode (WPN), detected in Portugal since 1999.

The forestry industry of Portugal is vertically integrated to derive maximum economic benefit from the three main forest tree species – maritime pine, eucalyptus and cork oak. Maritime pine and eucalyptus dominate the timber-producing regions. Forests of cork oak are generally multifunctional.

Goods produced by way of forestry activities sustain an important industrial chain based on natural resources that in turn supports a strong export sector. Portugal, therefore, considers forests and forestry products as an area of crucial importance to its economy. The forest sector has a significant impact on its GDP. Forest sector products contribute to around 10% of the national export. Forests are also the base of an economic sector which generates around 100 000 jobs (4% of the employable population).

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

5.3 Detailed description of Supply Base

Supply Base Portugal

- Total Supply Base area (ha): 3.2 million ha (forest land)
- Tenure by type (ha): Private: 3.1 million ha (97%, including 8% community managed)
Public: 0.1 million ha (3%)
- Forest by type (ha): Temperate Forest: 3.2 million ha
- Forest by management type (ha): Plantations: 1.8 million ha
- Managed semi-natural: 1.4 million ha
- Certified forest by scheme (ha): FSC: 478 000 ha (2020)
- PEFC: 283 000 ha (2020)

A quantitative description of the supply base can be found in the company's Supply Base Report.

5.4 Chain of Custody system

BSL Comércio Internacional holds a valid FSC® Chain of Custody (COC) certificate and PEFC™ Chain of Custody (COC) certificate. For SBP they can use either the FSC CoC (APCER-COC- 150121) or PEFC CoC (APCER/210/CDR.0025) as the basis for their SBP CoC system. They will trade back-to-back. The sustainability characteristics will stay linked to the shipment and are noted in their transfer system registration balance. The outgoing sustainability declaration will be the same as the incoming declaration,

having the same sustainability characteristics (or without SBP claim in case the buyer is not SBP certified and part of DTS). The GHG for handling and shipping while the material is in their possession will be noted in their SREG. Communication and passing information in the chain will be done with the use of the DTS system.

The Organisation has producer has implemented credit system. Credit system is used for materials received as FSC certified, FSC Controlled wood and feedstock verified according to the Organisation's own Controlled wood verification system, covering Portugal. Feedstock whose origin cannot be verified as per the established Due Diligence system, will be considered as Non-Controlled and will not be included in the production of certified products nor supplied SBP controlled. Supplier list is maintained.

For the calculation of credits, BSL defined the claim period of 1 month as the period of entry of the material into the park for the purposes of the calculation. The unit of measurement to be used will be tons.

At the end of the month, 100% FSC wood and controlled material inputs are measured. When a ship is loaded, BSL has the information to estimate the breakages / weight losses and calculate the conversion factor.

This factor is applied to the wooden entrances to see the credits sold and available at the end of the ship's cargo.

Credits are not accumulated for more than 24 months.

6 Evaluation process

6.1 Timing of evaluation activities

The audit occurred between December 14-18, 2020 by the above mentioned audit team. This report is the result of the findings of a certification evaluation carried out by an independent lead auditor representing Control Union Certifications. The purpose of the assessment was to evaluate the compliance of the client with respect to the standards used within the scope of the certificate.

There are ports and suppliers that are not directly linked to the company, but the organization's procedures are the same.

In each of the ports or suppliers, it is identified if it affects directly (with its identification) or if it is just an example of procedures.

Activity	Site	Date/Time
Opening meeting	Remote	14-12-2020 09:00-09:30
Visit at port of Aveiro (BSL SA)	Aveiro Auditor: LVF + PC	14-12-2020 11:30-12:30
Lunch break		12:30-13:30
Field verification of SBE (BSL SA)	Field Auditor: LVF + PC	13:30-17:45
Final discussion / days closing meeting	On-site	17:45-18:00
Day's Opening meeting	On-site Auditor: LVF + PC	15-12-2020 09:00-09:15
Field verification of SBE (Procedure exemple)	Field Auditor: LVF + PC	09:15-11:30
Meeting Stakeholders	Auditor: LVF	11:30-12:30
Lunch break		12:30-13:30
Visit at port of Ferrol (Procedure exemple)	Ferrol Auditor: LVF + PC	15-12-2020 16:00-17:45
Final discussion / days closing meeting	On-site	17:45-18:00
Day's Opening meeting	On-site	17-12-2020 09:00-09:15
Field verification of SBE (Procedure exemple)	Auditor: LVF + PC	09:15-12:30

Lunch break		12:30-13:30
GHG data registrations	Auditor: LVF + PC	13:30-17:45
Final discussion / days closing meeting	On-site Auditor: LVF + PC	17:45-18:00
Day's Opening meeting	Remote Auditor: LVF + PC	18-12-2020 09:00-09:15
Incoming material claims Incoming raw material registration Business integrity, social, health and safety requirements Logo/Trademark use	Remote Auditor: LVF + PC	09:15-12:30
Lunch break		12:30-13:30
Complaint's procedures Management system overview Chain of Custody registrations Output Claims	Remote Auditor: LVF + PC	13:30-16:00
Report writing		16:00-17:00
Closing meeting	Remote Auditor: LVF + PC	17:00-18:00

6.2 Description of evaluation activities

The audit consisted of an opening meeting, during which the scope was confirmed. The auditor also explained the methods to be employed during the audit.

After this introduction, all relevant requirements of the applicable SBP standard(s) were verified on compliance through the use of a report template and checklists.

The audit was completed by filling in the audit report and discussing the audit results. During this closing meeting it was also discussed how evidence can be submitted of corrective action with respect to non-conformities that were identified during the audit.

• Names and affiliations of people interviewed	
Name:	Affiliation:
Cecília Nolasco	BSL Comércio Internacional, S.A. CoC Co-Manager FSC, PEFC and Manager SBP

Pedro Rodrigues	BSL Comércio Internacional, S.A. CoC Manager FSC and PEFC
Andreia Carvalho	Supplier: 4S Madeiras, Lda.
Jorge Porcina	Supplier: Ângulo Verde, Lda.
Daniel Gomes	Supplier: Ângulo Verde, Lda. (Chainsaw)
André Santos	Supplier: 4S Madeiras, Lda. (Manager)
Sérgio Vieira	Supplier: 4S Madeiras, Lda. (Chainsaw)

Critical control points, summary	
<i>Identified CCP</i>	<i>Evaluation CCP</i>
Sourcing and input check	Check prior to sending the material by supplier and check upon request
Reception and storage	Reception and storage of material, in some ports, based on a credit control system
Volume control	Input of non-certified material.
Labelling	Trademark agreement signed 27/10/2020. No trademark use.
Invoicing and shipping	No sales to date. Certified materials are SBP Compliant
Stakeholder Consultation	Consultation with stakeholders was conducted by Control Union on November 20, 2020. The process for stakeholder consultation consisted of sending direct email to different stakeholder categories: state institutions, local NGOs, authorities, government bodies, forest owners associations, academic and research institutions. All stakeholders are recorded on "Grupos de Interesse BSL". During the stakeholder consultation process by Control Unio, we received a comment from a consulting company.

6.3 Process for consultation with stakeholders

The organization has produced an SBE with required Risk Assessment. The organization did consult with stakeholders on July 24, 2020.

Consultation with stakeholders was conducted by Control Union on November 20, 2020.

The process for stakeholder consultation consisted of sending direct email to different stakeholder categories: state institutions, local NGOs, authorities, government bodies, forest owners associations, academic and research institutions. All stakeholders are recorded on Grupos de Interesse BSL. We received a comment from a consulting company, claiming that the SBE and SBR is practically the same as the latest versions of the consulting company. The company person also informs that he was not consulted, even though his name is indicated in the SBE used by BSL, neither he nor the specialists with whom he works.

7 Results

7.1 Main strengths and weaknesses

Strengths: The audit of BSL demonstrated a good level of compliance with the required criteria of Standard 1, 2, 4 and 5. Reasonable evidence was provided to support compliance with applicable requirements. The Non-Conformities presented in this report identify actions that must be taken in order to comply with the SBP system and its standards. The existence of a FSC and PEFC Chain of Custody system is considered a main strength with respect to BSL overall conformity with the relevant SBP standards.

Furthermore, BSL has implemented a robust Supplier Qualification Program and Mitigation Measures based on a SBE Portugal Risk Assessment.

With this tools BP started to go on field and developed a classification process of feedstock over the Risk Analysis to find Low Risk inputs.

Weaknesses: Very small amount of certified material. Observations identified in this audit.

7.2 Rigour of Supply Base Evaluation

BSL has implemented a robust Supplier Qualification Program and Mitigation Measures based on a SBE Portugal Risk Assessment, which includes a clear description of their Supply Base Area. The geographical scope of the SBE is Continental Portugal. This SBE uses credible data sources. BSL management and monitoring systems are designed to ensure compliance with applicable laws and regulations. Risk was designated low for all core Indicators, with the exception of 14 Indicators which were designated as specified risk. BSL has developed additional controls and mitigation measures to manage these risks. After the risk assessment was completed, mitigation measures were proposed and consulted with stakeholders. The stakeholder consultation process involved consultations to key stakeholders with regard to information on SBP certification, SBP risk assessment and supply base report, by communicating this via electronic email. The organization has implemented the mitigation measures for the specified risk indicators. The risk mitigation measures have been designed and implemented planned in cooperation with acknowledged experts and external consultants in relevant fields.

7.3 Collection and Communication of Data

The organization has in depth procedures for this. The auditor confirmed the Greenhouse Gas (GHG) sources for feedstock input from the forest, production at the facility, transportation to the port and storage and handling at the port and reviewed how the input data was measured. Findings were substantiated by on-site staff interviews with operations personnel on the overview of the operations at the facility, historical operations, changes to operations, procedures and processes used to maintain the facility, and procedures and processes used to ensure data quality. New Pellets demonstrated full competency to analyse and report the required data on Greenhouse Gas emissions

7.4 Competency of involved personnel

Internal staff members and one external consultant are involved in the SBP system management and implementation. All interviewed responsible staff demonstrated awareness of their responsibilities within SBP system. The external Consultant who is contracted for forest matters, which includes sourcing the forest-based material and field visits and reports for SBP Std.#1.

All involved personnel, including responsible staff at suppliers and sub-suppliers have demonstrated good knowledge in relevant fields (recognition and identification of HCVF, familiarity with health and safety requirements, timber origin verification) during the site visits. Relevant certificates and diplomas were presented during the assessment and scope change audits. Qualification requirements for personnel involved in the SBE system are provided in documented procedures of the BP. In overall, auditors evaluate the competency of main responsible staff to be sufficient for implementing the SBP system with both primary and secondary material sourced within the SBE. This has been based on interviews, review of qualification documents, training records and set of procedures and documents that were composed for the SBP system as well as field observations during the assessment and audits.

7.5 Stakeholder feedback

We received comment from a consultant, claiming that SBE and SBR are practically the same as the most recent versions of the consulting firm where he works and that he uses for production companies for which he works. The person responsible for the consulting company who made the comment further informs that in the reference to the real source of information and that The SBR and SBE on Portugal is practically the same as the last versions his company has published.

BSL informs that the internal consultant used has experience, and that it has used public information.

7.6 Preconditions

N/A, no preconditions

8 Review of Company's Risk Assessments

Describe how the Certification Body assessed risk for the Indicators. Summarise the CB's final risk ratings in Table 1, together with the Company's final risk ratings. Default for each indicator is 'Low', click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.

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

Control Union assessed the risk for each Indicator using the guidance in Section 11 of SBP Framework Standard 2: Verification of SBP-compliant Feedstock.

The risk assessment has been performed with the use of a technical expert. Determining the risk rating the likely impact of a non-compliance together with the probability of that noncompliance arising was used. and evaluated risk at both regional and the individual forest.

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

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

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

2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Specified	Specified

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

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

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

9 Review of Company's mitigation measures

The mitigation measures per indicator are given in the table below. Subsequently, information is given on the management system, implementing the mitigation measures regarding the sustainability indicators.

<ul style="list-style-type: none"> - 1.2.1: - The Biomass Producer has implemented appropriate control systems and procedures to ensure that legality of ownership and land use can be demonstrated for the Supply Base. 	
Means of Verification	<ul style="list-style-type: none"> - Availability of the register (cadastres): http://www.dgterritorio.pt/cadastro/cadastro_geometrico_da_propriedade_rustica_cgpr/_consultar_seccoes_cadastrais/ - Description on the Land Registry (Descrição na Conservatória do Registo Predial) - Content certificate matrix article of tax office (Certidão de teor do artigo de Matriz da repartição de finanças) & 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
Mitigation Measure	<p>BSL does not buy any wood from unknown sources and wood suppliers without a valid company registration, nor from wood lands of which the owner rights are disputed. BSL does not get involved in issues that must be settled by the suppliers (loggers and forest owners). However, any eventual dispute, concerning the ownership of the wood, needs to be solved first. When starting business relationship with the owner or a wood supplier, BSL investigates if cadastre data are available and if not, additional investigations are conducted by means of legal document research and extends to, for example, interviewing/contacts local stakeholders (owners of neighbouring wood lands) and local authorities, whenever:</p> <ul style="list-style-type: none"> • Cadastral data are unavailable. • There are complaints about the land owner, or the harvest operation. <p>If Cadastral data are unavailable, or if there are complaints about the land owner, or the harvest operation, these mitigation measures are executed:</p> <ul style="list-style-type: none"> • Identification of the plot / area; • Identification of the owner; • Proof of the relationship between the seller and the land in question; • Formalization of the business through a purchase and sale agreement; <p>If there is still doubts about the ownership of the land, interviews with stakeholders and field visits are conducted to collect all information. If ownership cannot be confirmed the wood cannot be purchased or be accepted as SBP compliant.</p> <p>From 01 January 2021, the Manifest document will be used as an evidence of fulfilment of this indicator.</p>
<p>2.1.1:</p> <p>The Biomass Producer has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation values are identified and mapped.</p>	

Means of Verification	<ul style="list-style-type: none"> - Field studies suppliers - Harvesting operation maps and feedstock suppliers - Internet research - GIS maps of HCV areas. - Interviews and contacts with stakeholders - Priority Classified Habitat and species catalogue
Mitigation Measure	<p>The control system for feedstock, which also includes regular follow-up of suppliers and whenever necessary, at scheduled intervals, inspections to suppliers' processes, are duly implemented. All used material is traceable to its origin through the harvest manifests and/or transport guides. All suppliers must comply with the laws in force, which are supervised by the Tax Authority and the ICNF.</p> <p>BSL identifies and maps areas with high conservation values (HCVs) before the harvest commences.</p> <p>HCV 1 and 3 were assessed to have a specified risk, that's why extra effort is needed to identify and map these values in practice on paper, regarding the forest plot. Internet sources, as well as the local situation needs to be well studied.</p> <p>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. Habitats and species vulnerable to forestry operations are identified within the scope of Reed Natura2000 and Habitats and Birds Directive reports.</p> <p>Steps taken:</p> <ul style="list-style-type: none"> • Study publicly available sources (internet sites) and other information regarding the plots where harvesting operations are planned and their surroundings; • Inform feedstock suppliers on found results regarding possible risks in front; • Onsite assessment of the plots and their surroundings prior to harvesting, measures are taken for example, when habitats are found; • Development of adaptations to the harvesting plans, if needed. <p>Below the main sources of information, used to prepare the identification of these values for our suppliers. The forestry specialist evaluates every plot before the harvesting operations begins. BSL monitors and/or inspects the suppliers and harvesting areas.</p> <p>HCV 1 – Species diversity</p> <p>There is a specified risk that forest operations on private and communitarian grounds and public areas not managed by ICNF could harm species diversity. Species diversity is evaluated and recorded before harvesting operations commence. Caution and best practises are applied. Special attention is given to the National System of Classified Areas (SNAC) and to the Important Bird and Biodiversity Areas (IBAs). See also below, indicator 2.2.4</p> <p>Some information sources:</p> <ul style="list-style-type: none"> • Classified areas: http://www.icnf.pt/portal/naturaclas/cart and HABEAS (WWF): http://www.habeas-med.org/webgis/pt_en/ • Protected area plans: http://www.icnf.pt/portal/naturaclas/ordgest/poap • Endangered species: http://www.icnf.pt/portal/naturaclas/patrinatur/especies • Endemic species: http://naturdata.com/index.php?option=com_content&view=article&id=78&Itemid=60 • Digital mapping information from the Manual das Linhas Eléctricas [Manual of Electric Lines] (ICNB 2008) • Important Bird Areas of Portugal at: http://ibas-terrestres.spea.pt/ • Regional Forest Plans (PROF): http://www.icnf.pt/portal/florestas/profs <p>HCV 3 – Ecosystems and habitats</p> <p>There is a specified risk that forest operations on private and communitarian grounds and public areas not managed by ICNF could harm ecosystems and habitats. In these situations, BSL 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. See also below, indicator 2.2.3.</p> <p>Some information sources:</p> <ul style="list-style-type: none"> • Habitats Directive (2007-2012) • Rede Natura 2000 data base: http://www.icnf.pt/portal/naturaclas/rn2000 • Important Bird Areas of Portugal at: http://ibas-terrestres.spea.pt/ • Convention on Biological Diversity (CBD) via DL no. 21/93, dated 29 June.
2.1.2:	

The Biomass Producer has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.	
Means of Verification	<ul style="list-style-type: none"> - Existing legal framework. Laws, regulations and control bodies - Forestry work/harvesting authorisation/ allocation - Good environmental practices manual in Sustainable Forest Management - Forest Management Plans - Monitoring records - Interviews with staff involved - Regional, publicly available data from credible third parties
Mitigation Measure	<p>There is a specified risk that forest operations on private and communitarian grounds and public areas not managed by ICNF could harm species diversity, ecosystems and habitats. Species diversity is evaluated and recorded before harvesting operations commence. Special attention is given to the National System of Classified Areas (SNAC) and to the Important Bird and Biodiversity Areas (IBAs).</p> <p>BSL identifies and addresses potential threats to forests and other areas with high conservation values (HCVs). The control system for feedstock, which also includes regular follow-up of suppliers and whenever necessary, at scheduled intervals, inspections to suppliers' processes, is duly implemented. Some HCV areas are designated as protected and classified areas at the national or EU level (Natura 2000). There are also smaller areas and biotopes important to biodiversity, which can be classified as priority species' habitats.</p> <p>Steps taken:</p> <ul style="list-style-type: none"> • Desk Assessment of possible impacts of harvesting operations, regarding Publicly available information from credible third parties; • Training of suppliers on identification of forests with HCVs, and methods to protect HCVs; • Identification and mapping of protected species, habitats and key ecosystems on the plot before harvesting; • Development of adaptations to the harvesting plans, if needed; • Harvesting according to best practices in sustainable forest management; <p>See also below, indicator 2.2.4 and indicator 2.2.3.</p>
2.1.3: The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not sourced from forests converted to production plantation forest or non-forest lands after January 2008.	
Means of Verification	<ul style="list-style-type: none"> - Historical maps and orthophotos from flights prior to 2008. - Records of BPs' field inspections - Monitoring records - Forestry work/harvesting authorisation - Cartography available and consultation with the competent bodies of the Autonomous Communities regarding transformations - Management Plan, development project - Signed agreements and contracts - Feedstock Supplier Declaration
Mitigation Measure	<p>BSL considers all pine stands as forests and eucalypt and poplar stands as plantations. BSL checks if forests have been changed to eucalypt or poplar plantations after 2008. When forest is converted to agricultural land or a plantation, or when land use change (conversion) is planned, the feedstock is not categorized as SBP compliant.</p> <p>When a eucalypt or poplar plantation are cut, the history of the plantation is investigated:</p> <ul style="list-style-type: none"> • The year of conversion to plantation (if it was converted after 2008). If needed, interviews with stakeholders and residents are taken and the plot is searched for tree stumps. • Was it a forest before being converted to plantation? <p>This is dealt with in the Feedstock Supplier Declaration and addressed in the field operations checklist.</p>
2.2.1: The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is sourced from forests where there is appropriate assessment of impacts, and planning, implementation and monitoring to minimise them.	

Means of Verification	<ul style="list-style-type: none"> - Approved EIA when applicable. - Approved Forest Management Plan when applicable - Records of BPs' field inspections - BP's monitoring records - BP's best forest management practices documents - Regional Forest Plan
Mitigation Measure	<p>In case no forest plan is available (no PROF, PGF ZIF, PUB, SNAC, as well as no PEFC or FSC certification), or a plan is available but does not apply to a small holder, an additional assessment of environmental impacts is made and recorded before harvest. Special attention is given to plots smaller than the minimum threshold for the mandatory Forest Management Plan (PROF) and outside the SNAC.</p> <p>Before harvesting operations, the plot could be visited and evaluated, by BSL or its suppliers:</p> <ul style="list-style-type: none"> • The possible economical, ecological and social impact of the forest operations, including its surroundings. Harvesting plans can be changed to avoid negative impacts; • Was the forest management conform the law in the recent past (has the forest been cleaned according to the law in the past); • Specific Plans for Forest Intervention (PEIF) are studied for specific measures for the intervention on forest areas with major biotic problems (e.g.: invasive species, plagues or diseases) or abiotic (e.g.: high risk of forest fire); • Potential impacts of operations on ecosystems and biodiversity are identified. Impacts inside and outside the area of operation are considered, for example downstream; • Impacts are monitored and monitoring results are used to improve operational practices. <p>Indicators 2.2.2, 2.2.3, 2.2.4, 2.2.6, and 2.4.2 include relevant management measures which are checked.</p>
<p>2.2.2:</p> <p>The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is sourced from forests where management maintains or improves soil quality (CPET S5b).</p>	
Means of Verification	<ul style="list-style-type: none"> - Best Management Practices; - Records of BP's field inspections; - Assessment at an operational level of measures designed to minimise impacts on the values identified - Erosion and desertification programs and maps - Approved Forest Management Plan
Mitigation Measure	<p>Before harvesting operations commence the plot is evaluated. Manual of good practices is implemented.</p> <p>Best forestry practices apply:</p> <ul style="list-style-type: none"> • Were needed, considering the soil and groundwater level, only selective cuttings and small clear cuts of maximally 5 ha are planned; • Regeneration focusses on tree species that maintain or improve soil quality; • Leave nutrients in the forests, mainly the green fraction of forest residues less or equal to 3 cm (on the other hand other forest residues need to be cleared to prevent forest fires. • Do not operate near-water areas. • Fertilization of the ground, when needed and possible. <p>On dry locations selective cuttings are often preferable, because the ground gets less direct impact of the sun and the forest can maintain soil quality and regenerate naturally.</p> <p>Poor soil quality can lead to erosion and other problems. Therefore, this indicator is related to indicator 2.2.6.</p>
<p>2.2.3:</p> <p>The Biomass Producer has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).</p>	
Means of Verification	<ul style="list-style-type: none"> - Best Management Practices - Assessment at an operational level of measures designed to minimise impacts on the values identified - Erosion and desertification programs and maps - Checklist. Reports of field inspections. Monitoring results - Publicly available information on the protection of the identified values

Mitigation Measure	<p>BSL 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 and or informed to recognise key ecosystems and habitats.</p> <p>Steps in risk mitigation:</p> <ul style="list-style-type: none"> • Training, assessing and/or information to suppliers. • Desk assessment (before harvesting operations commence) of key ecosystems and habitats: <ul style="list-style-type: none"> o All classified areas: <ul style="list-style-type: none"> o National Network of Protected Areas; o Special Areas of Conservation (SAC); o Special Protection Areas (SPA); o Ramsar sites; o Important Bird Areas (IBA); o Priority habitats in Natura 2000 network; o Areas where threatened species occur; o Areas where endemic species of the Iberian Peninsula occur; o Areas where seasonal concentrations of species occur; o Large landscape level forests; o Important areas for watershed protection; • Forest plot inspection prior harvesting; • Mapping of the harvesting plot, indicating key ecosystems, habitats and objects of importance to biodiversity; making photos prior to harvesting. • Best forestry practices, including measures to conserve and increase biodiversity (for example, standing dead wood). • Change of operational plan, if necessary.
<p>2.2.4: The Biomass Producer has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).</p>	
Means of Verification	<ul style="list-style-type: none"> - Best Management Practices - Assessment at an operational level of measures designed to minimise impacts on the values identified - Erosion and desertification programs and maps - Reports of field inspections. Monitoring results - Publicly available information on the protection of the identified values
Mitigation Measure	<p>BSL 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 and or informed to recognise key ecosystems and habitats.</p> <p>Steps in risk mitigation:</p> <ul style="list-style-type: none"> • Training, assessing and/or information to suppliers. • Desk assessment (before harvesting operations commence) of key ecosystems and habitats: <ul style="list-style-type: none"> o All classified areas: <ul style="list-style-type: none"> o National Network of Protected Areas; o Special Areas of Conservation (SAC); o Special Protection Areas (SPA); o Ramsar sites; o Important Bird Areas (IBA); o Priority habitats in Natura 2000 network; o Areas where threatened species occur; o Areas where endemic species of the Iberian Peninsula occur; o Areas where seasonal concentrations of species occur; o Large landscape level forests; o Important areas for watershed protection; • Forest plot inspection prior harvesting; • Mapping of the harvesting plot, indicating key ecosystems, habitats and objects of importance to biodiversity; making photos prior to harvesting. • Best forestry practices, including measures to conserve and increase biodiversity (for example, standing dead wood). • Change of operational plan, if necessary.

2.2.6: The Biomass Producer has implemented appropriate control systems and procedures to verify that negative impacts on ground water, surface water and water downstream from forest management are minimised (CPET S5b).	
Means of Verification	<ul style="list-style-type: none"> - Best Management Practices; - Records of field inspections
Mitigation Measure	<p>BSL monitors the harvesting operations of its feedstock suppliers. Best practices are required to comply with the SBE program requirements:</p> <ul style="list-style-type: none"> • Desk assessment (before harvesting operations commence) of Important areas for watershed protection: <ul style="list-style-type: none"> o Cork oak and holm oak areas located in areas with an aquifer recharge rate of over 175 mm/year o Aquifers • The plots and the surroundings (hill slopes and streams) are inspected on: <ul style="list-style-type: none"> o Runoff problems (regarding the landscape, onsite and in the surroundings); o Groundwater level problems (too high or too low); o Protection of riversides and (lake) coastlines; • In areas vulnerable to water damage, the maximal contiguous clear cut area is 5 ha; Best forestry practices; 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 runoff; Runoff of elements of fertilizers and pesticides into the surrounding environment
2.3.2: Adequate training is provided for all personnel, including employees and contractors (CPET S6d).	
Means of Verification	<ul style="list-style-type: none"> - Contract with the prevention service enterprise - Training records by the prevention service - Training Certificates - Manual of Good Forestry Practices - Contracts with providers
Mitigation Measure	<p>BSL trains and/or informs its personnel and its suppliers on all relevant aspects:</p> <ul style="list-style-type: none"> • Training/information records obligatory according to legislation and necessary records of qualification are collected during supplier following process and checked during supplier visits; • Training/information conducted by BSL in several fields, including identification of key ecosystems, habitats and species biodiversity (annually and additionally based on the results of the plot assessments); • Training/information on best forest management practices. • Training, assessing and/or information to suppliers. <p>The level of knowledge of personnel is inspected during site visits.</p>
2.4.2: The Biomass Producer has implemented appropriate control systems and procedures for verifying that natural processes, such as fires, pests and diseases are managed appropriately (CPET S7b).	
Means of Verification	<ul style="list-style-type: none"> - Existing legal framework. Laws, regulations and control bodies. - Assessment of the potential impacts of forestry operations on the health and vitality of forests. - Assessment of potential impacts at site level and of the measures taken to minimise them - Good Environmental Practices in Sustainable Forest Management - Contracts/agreements with suppliers - Information received from suppliers - Monitoring results
Mitigation Measure	<p>Visual inspection of the plot before harvesting (checklist). Checked is if the plot was managed well on fire protection in the past.</p> <ul style="list-style-type: none"> • Investigation of PMDFCI (Municipal Forest Fire Protection, Municipal de Defesa da Floresta Contra Incendios); • Visual inspection of the plot before harvesting;

	<ul style="list-style-type: none"> • Implementation of forest fire fighting measures according to law; • Best forest practices; • Monitoring performance.
<p>2.6.1: The Biomass Producer has implemented appropriate control systems and procedures for verifying that appropriate mechanisms are in place for resolving grievances and disputes, including those relating to tenure and use rights, to forest management practices and to work conditions.</p>	
Means of Verification	<ul style="list-style-type: none"> - Complaint procedure and log book - Field and office inspections (checklists) - Interviews with land owners, local residents - Forest Best Management Practices
Mitigation Measure	<p>BSL takes seriously any complaint of any person or organisation considering harvesting operations. This also improves performance on respecting local interests. The aim is to track down and solve grievances and disputes before the harvesting operations commence. The feedstock suppliers are required to proactively implement a complaint procedure and keep records (which are checked).</p> <p>Such mechanisms play an important function as a safety net for sufficient performance on social and cultural aspects of Sustainable Forest Management and in complying with other indicators of SBP standard 1.</p> <ul style="list-style-type: none"> • The aim is to solve grievances and disputes before the harvesting operations commence (or not to buy from the disputed plots). • BSL makes clear to employees and stakeholders that any complaint or comment related to feedstock supply is taken very seriously, to ensure sufficient performance on legality and social aspects of Sustainable Forest Management. • BSL has a complaint procedure and keeps complaint records of any stakeholder. The feedstock suppliers are also required (signed supplier declaration) to actively implement a complaint procedure and keep records. • BSL monitors the harvesting operations of its feedstock suppliers and checks their records on Complaints and Comments. Pro-active interviews/contacts with relevant stakeholders, such as land owners on submitted comments (orally and in writing), and assesses if complaints were dealt with properly. • The results of the inspections/contacts are of direct importance to the 'SBE program approved' status of feedstock suppliers.
<p>2.8.1: The Biomass Producer has implemented appropriate control systems and procedures for verifying that appropriate safeguards are put in place to protect the health and safety of forest workers (CPET S12).</p>	
Means of Verification	<ul style="list-style-type: none"> - Accredited professional courses (p.e. chainsaws, machinery operator, phytopharmaceuticals applicator) card and/or specific certificates of training sessions. - Records of H& S procedures and Personal Protection Equipment distribution by the Organization. - Record of machinery safety tools and equipment on original documental register.
Mitigation Measure	<p>BSL has a control system and adequate procedures on the health and safety of forest workers. BSL demands the same from its feedstock suppliers and checks the health safety of harvesting personnel during its monitoring (administrative and field) inspections.</p> <ul style="list-style-type: none"> • Supplier qualification process and inspections of the supplier's administration: <ul style="list-style-type: none"> o Insurances and aptitude forms; o Social Security; o Present workforce and training (new) personnel; o Health and safety procedures; o Training records and hiring of specialists; o Records of Personal Protection Equipment (PPE) distribution; o Records of machinery safety tools and equipment on documental register; o Medical record for employment. • Field inspection supplier:

	<ul style="list-style-type: none"> o Protective equipment use; o Medical kit; o Fire extinguisher; o Respect of safety distances; • Level of knowledge of personnel.
<p>2.9.1: Biomass is not sourced from areas that had high carbon stocks in January 2008 and no longer have those high carbon stocks.</p>	
Means of Verification	<ul style="list-style-type: none"> - Internet research - Field inspections - Regional, publicly available data from a credible third party
Mitigation Measure	<ul style="list-style-type: none"> - The approach to mitigating this risk: - Wood from forests converted to plantations, as also wood lands that are converted to non-forest use, in line with principle 4 of FSC Controlled Wood, are not considered SBP compliant. - Feedstock coming from riparian vegetation are not considered SBP compliant

10 Non-conformities and observations

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

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

NC number 2020-01	NC Grading: Observation
Standard & Requirement:	Std 2, 17.1 - The SBE shall be undertaken at least every five years and the SBR reviewed for accuracy and completeness prior to each annual audit.
Description of Non-conformance and Related Evidence:	
In the Management Manual, point 7, it refers to internal audits and management reviews of the system. Verify the pertinence of clarifying the commitment the SBE shall be undertaken at least every five years and the SBR reviewed for accuracy and completeness prior to each annual audit.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	<i>Click or tap here to enter description provided by Company to close the NC.</i>
Findings for Evaluation of Evidence:	<i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i>
NC Status:	Open

11 Certification decision

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

Certification decision:	Certification approved
Certification decision by (name of the person):	Hubert Jurczyszyn
Date of decision:	27/Apr/2021
Other comments:	<i>Click or tap here to enter text.</i>