



Preferred by Nature OÜ Evaluation of Sumitomo Corporation Espana SA Compliance with the SBP Framework: Public Summary Report

Second Surveillance Audit

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The promise of good biomass



Completed in accordance with the CB Public Summary Report Template Version 1.8

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

Document history

Version 1.0: published 26 March 2015

Version 1.1: published 30 January 2018

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Table of Contents

1	Overview
2	Scope of the evaluation and SBP certificate
2.1	Description of the company
2.2	Detailed description of the Chain of Custody system
3	Specific objective
4	Evaluation process
4.1	Timing of evaluation activities
4.2	Description of evaluation activities
4.3	Sampling methodology
4.4	CB stakeholder engagement
4.5	Stakeholder feedback
5	Results
5.1	Main strengths and weaknesses
5.2	Rigour of Supply Base Evaluation
5.3	Collection and communication of data
5.4	Competency of involved personnel
6	Review of company's risk assessments
6.1	Overview of company's risk assessments and mitigation measures
6.2	Specified risk indicators and mitigation measures
7	Non-conformities and observations
8	Certification decision

1 Overview

Certification Body (CB) Name:	Preferred by Nature OÜ
Primary CB contact for SBP:	Ondrej Tarabus
Primary CB contact email:	otarabus@preferredbynature.org
Audit team leader:	Mikhail Rai
Audit team members:	Mikhail Rai
Name of the Company:	Sumitomo Corporation Espana SA
Company legal address:	calle Infanta Mercedes 90. Planta 7 Madrid, Spain
Company contact for SBP:	Shigeru Matsuo
Company contact email:	shigeru.matsuo@sumitomocorp.com
Company website:	N/A
Installation date:	N/A
(production of heat, cooling or electricity from biomass has started)	
SBP Certificate Code:	SBP-08-48
Date of certificate issue:	29 Jul 2021
Date of certificate expiry:	28 Jul 2026
Audit closing meeting date:	24 May 2023
Audit cycle:	Second 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)
Primary Activity:	Trader	☐
Approved Standards:	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 1.5	☐
Includes Supply Base Evaluation (SBE):	No	☐
Includes REDII scheme	No	☐
Includes REDII SBE	No	☐
Includes communication of Dynamic Batch Sustainability Data (DBSD)	No	☐
Includes Group Scheme	No	☐
Products	Chips	☐

Feedstock types:	N/A	☐
Feedstock origin (countries):	N/A	☐
SBP-endorsed Regional Risk Assessments used: Public link: https://sbp-cert.org/documents/standards-documents/risk-assessments/	Not applicable	☐
Chain of custody system implemented:	PEFC: PBN-PEFC-COC-065712	☐
	Transfer	☐

2.1 Description of the company

Sumitomo Corporation Espana SA is a subsidiary of Sumitomo Japan which is a trading company handling many different products including steel, machinery, vessels, renewable energy, oil and gas but is active also in media business or real estate. Sumitomo Corporation Espana SA is starting to be involved in biomass trade and will be handling SBP certified wood chips. The biomass is purchased and sold on FOB basis so no physical possession is taken by the Trader. CFR and CIF conditions are also possible.

2.2 Detailed description of the Chain of Custody system

The Trader has implemented physical separation according to PEFC CoC requirements. But it is not foreseen to sourced other than certified biomass. Also, the Trader does not plan to take physical possession of the traded material for the time to come and will be acting as trader without physical possession. The material is purchased on a vessel (FOB) and sold in the same port also on FOB incoterms. The Trader intends working with only SBP-compliant biomass (100% PEFC certified) and transferring the same claim to the customers via DTS.

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Trader'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 Biomass Trader's management procedures;
- Review of PEFC system control points, analysis of the existing PEFC CoC system;
- Interviews with responsible staff;
- Review of the records and calculations.

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Mikhail Rai	2,0
2. On-site (excl. travel time)	Mikhail Rai	5,0
3. Report writing	Mikhail Rai	4,0
4. Other	N/A	N/A

<i>Audit Schedule</i>			
Activity	Location	Auditor name	Date/time
<i>Opening meeting</i>	Remote via Teams	Mikhail Rai	24 May 2023/09:00
<i>PEFC CoC management system</i>	Remote via Teams	Mikhail Rai	24 May 2023/09:15
<i>SBP, PEFC procedures review</i>	Remote via Teams	Mikhail Rai	24 May 2023/10:00
<i>Purchase and sales, DTS.</i>	Remote via Teams	Mikhail Rai	24 May 2023/11:00

<i>Document review</i>			
<i>Trademark</i>	Remote via Teams	Mikhail Rai	24 May 2023/11:30
<i>Energy and carbon data</i>	Remote via Teams	Mikhail Rai	24 May 2023/11:45
<i>Closing meeting</i>	Remote via Teams	Mikhail Rai	24 May 2023/13:00

Auditor qualification		
Auditor name	Role	Qualification
Mikhail Rai	Lead Auditor	Preferred by Nature lead auditor. Mikhail has been working at Preferred by Nature since 2017. He is a lead auditor for FSC, PEFC, SBP, and LegalSource certification schemes. Expert on timber legality, supply chains and trademarks. The total work experience in the field of woodworking, timber trade, valuation, legal and consulting activities is more than 10 years. Mikhail holds BSc in Forestry. He successfully completed NEPCon FSC forest management and chain of custody lead auditor training courses in 2017, LegalSource and Controlled Wood training in 2018, SBP auditor training in 2019, ISO 45001:2018 training course in 2022. Participated in number of SBP evaluations worldwide.

4.2 Description of evaluation activities

SBP-related documentation was sent to audit team for review prior to desk based audit.

Audit started with an opening meeting attended by Organisation management.

Audit team leader introduced himself, provided information about audit plan, methodology and aim of the evaluation. CB's accreditation, and COVID-19 interpretation related issues and confidentiality issues were covered as well.

After that auditor went through all applicable requirements of evaluation standards and instruction documents. During the process, both responsible persons for SBP system were interviewed as well as relevant documents reviewed. The CoC critical control points were evaluated during the audit, including the reception of the purchased material, sales, DTS system management, physical segregation and justification why this is not needed and energy data collection.

During the closing meeting audit team leader explained the results of the audit and further actions were discussed.

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4.3 Sampling methodology

The auditor has used full sample when checking the incoming and outgoing volumes as there were very limited invoices.

4.4 CB stakeholder engagement

N/A

4.5 Stakeholder feedback

N/A

5 Results

5.1 Main strengths and weaknesses

Main strengths: Simple and transparent supply chains; PEFC and SBP management systems have been developed and implemented by staff.

Main weaknesses: The organization is considering different trading routes depending on availability of the material and thus the scope of the certificate is quite wide and can not be specific to individual harbours. As a result of that, the management system of the organization needed to be evaluated in broader perspective.

5.2 Rigour of Supply Base Evaluation

N/A

5.3 Collection and communication of data

The organization is only responsible for transport in some very specific cases where the buyer ask to cover the sea transport and deliver the material from the port where chips are accumulated to the port of destination. In such case the organization has a system in place to collect all the required data and present these in form of SREG to the client.

5.4 Competency of involved personnel

The SBP responsible staff has shown good understanding of the requirements in relation to SBP certification and PEFC CoC system

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

N/A

6.2 Specified risk indicators and mitigation measures

Country:

N/A

Indicator:

N/A

Specific risk description:

N/A

Mitigation measure:

N/A

7 Non-conformities and observations

N/A

8 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):	Pilar Gorría
Date of decision:	22 Aug 2023
Other comments:	N/A