NEPCon Evaluation of Enerpulp – Cogeração Energética De Pasta, S.A. Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

www.sustainablebiomasspartnership.org

Completed in accordance with the CB Public Summary Report Template Version 1.0

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

Document history

Version 1.0: published 26 March 2015

Contents

1 Overview

CB Name and contact: NEPCon, 28001

Primary contact for SBP: Ondrej Tarabus, ot@nepcon.net

Report completion date: 13/Oct/2017

Report authors: Pilar Gorría Serrano

Certificate Holder: Enerpulp, Pólo Industrial de Mitrena, Setúbal

Producer contact for SBP: Laura Costa, Laura.costa@thenavigatorcompany.com , +351 963 846 689

Certified Supply Base: NA

SBP Certificate Code: SBP-01-44

Date of certificate issue: 10/Oct2016

Date of certificate expiry: 09/Oct/2021

Indicate where the current audit fits within the certification cycle				
Main (Initial) Audit	**First Surveillance Audit**	**Second Surveillance Audit**	**Third Surveillance Audit**	**Fourth Surveillance Audit**
☐	☒	☐	☐	☐

2 Scope of the evaluation and SBP certificate

The certificate scope covers the trade office Mitrena, Setúbal. Portugal.

The Organisation holds a valid FSC Chain of Custody certificate with FSC Controlled wood in the scope, included in a multi-site certificate. The FSC certificate contains the pellets trading activity.

The Organisation is trading pellets from a Group suppliers. Enerpulp's main activity is the production and sale of electric power through biomass at Portuguese industrial sites of Cacia and Setúbal. As a secondary activity, Enerpulp assumes a new role of pellets' sale produced at Colombo Energy industrial site located in the U.S.A., South Carolina's Greenwood village.

Enerpulp's pellets trading activity occurs at Willmington Port under FPB conditions, thus no transport responsibilities are handled by Enerpulp. The human resources that support this activity are located at Colombo Energy industrial site and the corporative support (IT, Management System, etc) is given by The Navigator Company staff.

The Navigator Company participates at Enerpulp's shareholding structure.

Scope description: Trading of wood pellets without physical possession. Supply Base Evaluation is not included into the scope of the evaluation.

Scope of the evaluation is indicated in the table below:

Scope Item	Check all that apply to the Certificate Scope				Change in Scope (N/A for Assessments)
Approved Standards:	*SBP Standard #4 V1.0 SBP Standard #5 V1.0* http://www.sustainablebiomasspartnership.org/documents				☐
Primary Activity:	Broker/trader without physical possession				☐
Input Material Categories:	☐SBP-Compliant Primary Feedstock		☐SBP-Compliant Secondary Feedstock		☐
	☐Controlled Feedstock		☐SBP non-Compliant Feedstock		
	☐SBP-Compliant Tertiary biomass	☐Post-consumer Tertiary Feedstock			
	☐SBP-approved Recycled Claim	☐Post-consumer Tertiary Feedstock			
	☒FSC	☒PEFC	☐SFI	☐GGL	☐

Chain of custody system implemented:	☒Transfer	☐Percentage	☐Credit	☐
Points of sales	☐Harbour – Permanent storage (Storage site)	☒Harbour – Temporally storage (Logistic site)	☐Other point of sale (e.g. gate of the BP, boarder, railway station etc.)	☐
Provide name of all points of sales	- -	- Wilmington USA (FOB conditions)	- -	
Use of SBP claim:	☒Yes	☐No		☐
SBE Verification Program:	☐Low risk sources only	☐Sources with unspecified/ specified risk		☐
	New districts approved for SBP-Compliant inputs: NA			
Sub-scopes	NA			☐
Specify SBP Product Groups added or removed: NA				
Comments: NA				

3 Specific objective

The specific objective of this annual audit was to confirm that the Legal Owner (LO) management system is in place and ensures that all requirements of specified SBP Standards are implemented across the entire scope of certification.

- Review of the Biomass Trader's management procedures;
- Review of FSC system control points, analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records and calculations
- GHG data collection analysis;

4 SBP Standards utilised

4.1 SBP Standards utilised

Chain of Custody, SBP Standard 4, Version 1.0, March 2015

Collection and Communication of Data, SBP Standard 5, Version 1.0, March 2015

Instruction documents 5A: Collection and Communication of Data,

5B Energy and GHG Data

5C Static Biomass Profiling data version 1.1, October 2016

http://www.sustainablebiomasspartnership.org/documents

4.2 SBP-endorsed Regional Risk Assessment

Not applicable

5 Chain of Custody system

The SBP audit is based on FSC CoC system. Transfer system was implemented for controlling on the claims. The organization belongs to a multi-site certificate with ten years of certification.

From December 2016, Enerpulp has been included also in the PEFC CoC multisite certificate with certification code APCER/2007/CDR.0008 and licence number PEFC/13-32-001

The chain-of-custody system for this product group is very simple as it is only a trader without physical possession.

Transfer system is based on documental verifications of delivery notes and invoices. The volume control is done with specific management software SAP which exports to excel.

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6 Evaluation process

6.1 Timing of evaluation activities

The annual audit was started on 18th July 2017 according to the audit plan described below and finished on 26 July 2017.

Actividade	Localizaçao	Auditor(s)	Data/hora
Reunião de abertura *	On line	PGS	18/07/2017 14.30-15.00
Revisão de documentos e procedimentos. Matériasprimas	On line	PGS	18/07/2017 15:00-15.30
Entrevista com o responsável do departamento de compras	On line	PGS	18/07/2017 15:30-16:30
Chain of Custody: General procedures, EUTR and Trademarks	On line	PGS	19/07/20017 10:00-10:30
Revisão de cálculos GHG Standard 5a Recolha e comunicação de dados de energia, carbono e sustainability	On line	PGS	19/07/20017 10:30-11:30
Apresentação de resultados * Feedback sent to client after review documents and records sent.	On line	PGS	25/07/20017 11:30 – 12:00

6.2 Description of evaluation activities

The audit was focused on management system evaluation: division of the responsibilities, document and system, input material classification (only registration as this is a trader without physical possession), analysis of the existing FSC CoC system and FSC CoC system control points.

Description of the audit evaluation:

All SBP related documentation connected to the SBP as well as FSC CoC/Controlled sources system of the organisation SBP Procedures, were evaluated during the audit.

Audit started with an opening meeting attended by the Quality Responsible

Auditor provided information about audit plan, methodology, auditor qualification, confidentiality issues, and audit methodology and clarified verification scope.

After that auditor went through all applicable requirements of the SBP standards nr.4, 5, existing chain of custody and controlled wood system, management system, CoC, recordkeeping/mass balance requirements, data communication and verification of SBP compliant and SBP Controlled biomass.

During this process overall responsible person for SBP system was interviewed.

At the end of the audit findings were summarised and audit conclusion based on use of 3 angle evaluation method were provided to the Quality Manager, Industrial Director and other people from client team.

Auditor(s), roles	Qualifications
Pilar Gorría Lead auditor	Pilar is a forestry engineer from the University of Madrid. Part of her studies took place at the Forestry Research National Center-BFV in Vienna, where she explored carbon soil emissions in commercially managed forests. He has participated in several FSC FM, FSC CoC, PEFC CoC and Carbon Footprint in Spain and Portugal.

Composition of audit team:

Impartiality commitment: NEPCon commits to using impartial auditors and our clients are encouraged to inform NEPCon management if violations of this are noted. Please see our Impartiality Policy here:

http://www.nepcon.org/impartiality-policy

6.3 Process for consultation with stakeholders

Not applicable.

7 Results

7.1 Compilation of data on Greenhouse Gas emissions

No NCR were issued regarding STD 5. The scope of the certificate as Trader without physical possession nor transport responsibilities doesn't include GHG emissions calculations.

7.2 Competency of involved personnel

Audited team, roles	Qualifications
Laura Costa, Systems Manager	Chemical Engineer, specialized on certification and management systems
Inês Viegas, Quality, Environmental and Health&Safety System Manager at Setubal Complex	Environmental Enginneer, OHES specialized.
Sandrina Machado, Management Systems Technician	Chemical Engineer, specialized on certification and management systems

7.3 Preconditions

No preconditions remain in the audit report.

8 Non-conformities and observations

OBS: 01/17	**Standard & Requirement:**	SBP Standard 4 requirement 5.4.2.
	Report Section	Appendix 1 p 4.2
Description of findings leading to observation:	Certificate number is recorded in the sales records under the DTS. See exhibit 2. SAP system has a space to include client certificate number that was not filled in	
Observation:	The organization should use their own tools and filled in certificate number in its control system SAP.	

9 Certification decision

Based on Organisation's conformance with **SBP requirements, the auditor makes the following recommendation:**	
☒	Certification approved: UNo non-conformities raised
☐	Certification not approved:
Based on auditor's recommendation and NEPCon quality review following certification decision is taken:	
Certificate can be maintained	
Certification decision by: Ondřej Tarabus	
Date of decision**: 13.10.2017**	
Next surrveilance audit should take place:	☒within 12 months ☐more frequently (please specify)

10 Surveillance updates

10.1 Evaluation details

See section 6 of this report

10.2 Significant changes

Not applicable.

10.3 Follow-up on outstanding non-conformities

NCR: 01/16	**NC Classification: minor**
Standard & Requirement:	SBP Standard # 4bx requirements 1.3 to 1.10;2.3
Description of Non-conformance and Related Evidence:	
Enerpulp didn't use and doesn't plans to make any promotional use of SBP trademarks as said by certification responsible staff, besides claims on invoicing and delivery documents. If they would apply the trademark the organization is aware how to use and where to find the rules of TM use, However it was not found any link in their procedures to the SBP TM requirements.	
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
Timeline for Conformance:	By the next annual surveillance audit
Evidence Provided by Organisation:	PG 40_5 Off product – promotional use procedures
Findings for Evaluation of Evidence:	Organization has decided to remove the promotional use from the SBP scope and the only TM use will be the TLMA. Thus this indicator is not applicable at full extend and the organization will not be allowed to include SBP logo or trademark with promotional purposes. PG40 about promotional use procedures states all requirements regarding promotional uses made by the company group regarding certification schemes: FSC, PEFC, EU Ecolabel or certification entities such APCER or BV. The BP has decided to not include SBP rules in this document due to the scope of their activity doesn't consider SBP promotion. Auditor consider that the decision of the organization not to use the SBP TM as sufficient to close the non-conformity.
NCR Status:	**CLOSED**

Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?	Yes ☐ No ☒

10.4 New non-conformities

No new NCR were identified

10.5 Stakeholder feedback

Not applicable.

10.6 Conditions for continuing certification

No new NCR were identified

10.7 Certification recommendation

Certification maintenance is recommended.

11 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Oscar Arantes, DASEP-Environment, Quality, Safety, Energy and Strategically Industrial Projects Director
Auditor(s):	Pilar Gorría, Lead Auditor
People Interviewed, Titles:	Inês Viegas, Quality, Environmental and Health&Safety System Manager at Setubal Complex
Brief Overview of Audit Process for this Location:	See relevant section in this report
Comments:	