

NEPCon Evaluation of Pellets Power 2 – Produção de Pellets, Lda Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit
(incorporating scope change)

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

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1 Overview

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Report completion date:	18/Oct/2017
Report authors:	Ondrej Tarabus
Certificate Holder:	Pellets Power 2 – Produção de Pellets. Lda
Producer contact for SBP:	Maria João Preto, +351 969647006, maria.preto@gesfinu.com
Certified Supply Base:	Portugal
SBP Certificate Code:	SBP-01-13
Date of certificate issue:	09/Mar/2016
Date of certificate expiry:	08/Mar/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
☐	X	☐	☐	☐

2 Scope of the evaluation and SBP certificate

Description of the scope: Production of wood pellets, for use in energy production, at PELLETS POWER II. and transportation to Sines harbour. The scope of the certificate includes Supply Base Evaluation for primary feedstock from thinning and pruning of Pine stands in Alentejo region, Portugal.

The organization was already SBP certified and the first annual audit took place in September 2016. This audit was at the same time scope extension audit for SBE. During the report review process done by ASI and SBP technical committee it was not recommended to extend the scope of the certificate until the BP has provided clear and concise information in the SBE which allows justifying the defined risk categories. As a consequence, new audit with focus on SBE elements was conducted. This report thus contains the results of additional evaluation conducted after the initial scope extension audit – second scope extension audit. The non-conformities from the initial scope extension audit were considered during this evaluation where possible. However, the organization has submitted brand new risk assessment and updated procedures and thus this evaluation was based only on these new documents.

Scope Item	Check all that apply to the Certificate Scope				Change in Scope (N/A for Assessments)	
Approved Standards:	SBP Standard #1 V1.0, SBP Standard #2 V1.0, SBP Standard #4 V1.0, SBP Standard #5 V1.0 http://www.sustainablebiomasspartnership.org/documents				☐	
Primary Activity:	Wood pellet producer				☐	
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				
Chain of custody system implemented:	☒ FSC	☐ PEFC	☐ SFI	☐ GGL	☐	
	☐ Transfer	☐ Percentage		☒ Credit	☐	

Points of sales	☐ Harbour (including own handling of material)	☒ Harbour (e.g. FOB incoterms) legal owner is not responsible for handling of material at the harbor	☐ Other point of sale (e.g. gate of the BP, boarder, railway station etc.)	☐
	Provide name of all points of sales	- Sines		
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: Alentejo, Portugal			
Sub-scopes	N/A			☐
Specify SBP Product Groups added or removed: N/A				
Comments: Supply base evaluation is implemented from primary feedstock from thinning operations from Alentejo region.				

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification. The scope of this evaluation also covered the Supply Base Evaluation, and the mitigation measures describing herein.

The scope of the evaluation covered:

- Review of the BP's management procedures, including requirements designated in SBP standard #1 V1.0
- Review of the updated Supply Base Report;
- Review of Public Consultation of the risk assessment process;
- Review of the risk assessment results;
- Review of FSC system control points, analysis of the existing FSC CoC system;
- Evaluation of mitigation measures implemented for primary feedstocks;
- Review of the records, calculations and conversion coefficients;
- Interviews with responsible staff;
- Review of the records

4 SBP Standards utilised

4.1 SBP Standards utilised

Feedstock Compliance Standard, SBP Standard 1, Version 1.0, March 2015

Verification of SBP-compliant Feedstock, SBP Standard 2, Version 1.0, March 2015

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, 1.1, October 2016

5B Energy and GHG Data, 1.1, October 2016

5C Static Biomass Profiling data version 1.1, October 2016

<http://www.sustainablebiomasspartnership.org/documents>

4.2 SBP-endorsed Regional Risk Assessment

Not applicable.

SBP-endorsed Regional Risk Assessment for Portugal was not endorsed yet at the time of the annual audit. The BP has used their own Risk assessment for the region of Alentejo.

5 Description of Biomass Producer, Supply Base and Forest Management

5.1 Description of Biomass Producer

BP is a biomass producer with a production situated in Alcácer do Sal, Portugal. Power Pellets II. is a part of Gesfinu group. Gesfinu is a privately owned family group operating in electricity generation and bio energy as main business activities, continuing in the real estate activity.

With a share capital of €15.000.000,00 and a n° of employees of around 120, Gesfinu is an investment holding company in wind, hydric, recycling used oils, pellets production and real estate area.

In bio energy area the group has 3 plants for wood pellets production, Junglepower, Pellets Power and Pellets Power 2, located in the North, Centre and South of Portugal, with a total annual production of around 300.000 tonnes.

Pellet Power 2 Lda is producing only industrial wood pellets.

BP is sourcing only primary feedstock for its production. The input material consists of branches, tree tops, stem wood from thinning as well as roundwood. The input material is mostly delivered from Pine stands (*Pinus pinaster* and *Pinus pinea*). This material might consist of low quality stemwood or material from pruning of *Pinus pinea* trees planted for production of pine nuts. For purposes of drying there are also sourced some wood chips. Material is supplied locally (cca. 50km around the plant). All the input material is therefore coming from Portugal.

All Feedstock types are delivered to the pellet plant by road transport.

Incoming feedstock is either FSC certified, FSC Controlled or controlled according to the existing biomass producer (BP) FSC Controlled wood verification program. FSC Controlled wood verification program is applicable for feedstock originating from Portugal. Origin information is kept and origin information access agreements are signed with feedstock suppliers. As a part of the Verification program BP is conducting supplier audits.

The BP is implementing FSC credit system. The amount of the biomass produced according to FSC credit system might be sold as SBP-compliant or SBP- controlled.

On the top of this, the organization is implementing Supply Base Evaluation (SBE) limited to two pine species (*Pinus Pinea* and *Pinus Pinaster*) coming from thinnings/prunings from Alentejo region. The BP has produced risk assessment with some indicators designated as unspecified risk and has carried out Supplier Verification Program resulting in low risk for all these indicators.

After the production, pellets are stored in BP's production storage or transported into the Sines harbour and loaded directly to the vessel.

5.2 Description of Biomass Producer's Supply Base

The raw material used by the BP originates from Portugal. All the material used by Pellets Power 2, Lda, is considered to be primary feedstock. The predominant material used is branches and stems of *Pinus pinaster*. The stems received are of low quality and in most cases are not suitable for other use. The second most common material are branches and stems of *Pinus pinea*. The organization also source Eucalyptus (mostly in form of tops which are used as a fuel in the production) and acacia (however the broadleaved species accounts for up to 7% of feedstock received).

The raw material comes predominantly from forest clean operations and pine plantation maintenance (including round wood, pine cones, branches, needles, leaves, thinning and bark).

Forest cover in Portugal accounts for about 35,4% or about 3,154,800 ha (ICNF 2010) out of this 0.7% (24,000 ha) is classified as primary forest. According ICNF, over 60% of the territory of continental Portugal consists of forest areas, where 84.2% of the forests are located on private land, 13.8% in community land and only 2% in public areas.

Portugal has 849,000 ha of planted forest (812 000 ha for *Eucalyptus globulus*).

The main tree species are: Maritime pine (*Pinus pinaster*) (23%), Eucalyptus (*Eucalyptus globulus*) (26%), Cork oak (*Quercus suber*) (23%), Holm oak (*Quercus rotundifolia*) (11%), Oaks (*Quercus spp*) (2%), Umbrella pine (*Pinus pinea*) (6%), Sweet chestnut (*Castanea sativa*) (1%), other hardwoods (6%) and other softwoods (2%).

The forestry sector employs 1.6% of people and the contribution of forestry to Portuguese economy is 1.7% of the total GDP (2006).

Portuguese forests are increasing continually from the two last centuries but in the last decade some decreasing started to be noticed, because of forest fires, conversion to other uses and also because of the effect of the pine disease (pine wood nematode) which affected mostly maritime pine. According IFN, 2010 from ICNF: Between 1995-2010 forests lost an average of 10 000ha/year meaning -0,3%/year.

Portuguese forests are influenced by the climate and geography, among other factors, being significantly different in the North and in the South. The North is mostly mountainous and influenced by the Atlantic climate. Here are present oak forests of *Quercus robur* and *Quercus faginea* at seaside and *Quercus pyrenaica*, with settlements of *Cytisus sp.* and several pockets of invasive species, such as *Acacia sp.* In the South, with more plains and less relief, Portugal's endemic Mediterranean forests are characterized by oak forests (*Quercus suber* and *Quercus rotundifolia*) with several types of understorey vegetation. Pine trees (*Pinus pinaster* and *Pinus pinea*) and Eucalyptus (*Eucalyptus globulus*) occur in all territory, as well as abundant bushes of rockrose orlabdanum (*Cistus ladanifer*) and strawberry tree (*Arbutus unedo*) in all territory.

All types of forest areas present in Portugal mainland are plantations, semi-natural and natural forests.

The first goal forest management is improved the productions (timber and NTFP-Non Timber Forest Products as cork and cones/pine nuts). This strategic forest planning methodology allows the integration of two different silvicultures (timber production or non timber forest products) and the choice of the best in each stand. Pine cones is a production which needs a good solar exposure, which means that the umbrella pine (*Pinus pinea*) is pruned, and some thinning must be done over the years.

Mixed stands of cork oak and pines also demand thinning to become a pure cork stand from some stage, as the pines are intolerant species.

The timber and the cork constitute the most financially profitable forest products, that target the various activities such as sawmills, cork industries, production of paper pulp, cellulose or energy, among many others. Portugal is the main cork producer in the world. Portuguese resin production is regaining competitiveness and the sector is starting the collection and industrial processing.

The area included in the SBE was only region Alentejo.

SBR Portuguese: <http://www.gesfinu.com/index.php?cat=11&item=25>

SBR English: <http://www.gesfinu.com/index.php?lang=2&cat=11&item=25>

5.3 Detailed description of Supply Base

Total Supply Base area (ha):

- 3 155 000 ha

Tenure by type (ha):

- Privately owned – 94,2% - 2 971 822 ha;
- Public forest (private domain of the National Authority forests) – 5,8% - 182 978 ha

Forest by type (ha):

- Mediterranean Forests 3 154 800 ha

Forest by management type (ha):

- Managed natural : 2.306.000 ha;
- Planted forest: 849.000 ha

Certified forest by scheme (ha):

- FSC - certified forest - 359.687 ha
- PEFC-certified forest - 253 725 ha

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

http://www.gesfinu.com/arq/fich/SBR_PP2_EN.PDF

5.4 Chain of Custody system

The Organisation is holding valid FSC Chain of Custody and FSC Controlled wood certificate

<http://info.fsc.org/details.php?id=a024000000BNTYaAAP&type=certificate&return=certificate.php>. Valid FSC system description and other documents exist.

The Organisation is implementing FSC Credit system of claims. FSC 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. The Controlled wood verification system of the organisation is covering only Portugal. No other feedstock is received. Supplier list is maintained.

After the reception, incoming feedstock is unloaded into piles according to type of feedstock and load is registered into the recordkeeping system. All input material is weighted and recorded in tones. For the credit account purposed the volume of feedstock is recalculated by using the conversion factor of the production, FSC credit account is updated once in a month: data about received raw materials by FSC certification status and volume of sold pellets are recorded.

In case of the FSC and / or SBP sales, the volume of sold pellets is withdrawn from the credit account.

6 Evaluation process

6.1 Timing of evaluation activities

The SBP annual audit and scope change audit was carried out on February 14th and 15th 2017 and it included visit of the Power Pellets II. production facilities in Alcacer do Sal, Portugal and of three sites where currently the feedstock is sourced from.

Total of 4 days were used for this evaluation – 2 day of preparations, 1 day at the BP site and 1 day for audits at the forests stands of origin.

Second scope extension audit took place after the ASI and SBP rejected the report with positive certification recommendation due to disagreement with the non-conformity grading.

Activity	Location	Auditor(s)	Date/time
Opening meeting*	Office	OT, PGS	14/02/2017 10.00-10.30
Interview with staff responsible for SBP <i>SBE process, consultation with stakeholders, Locally adaptable verifiers, applicable legislation, management system</i>	Office	OT, PGS	10.30-11.30
Interview with staff responsible for development of risk assessment <i>Risk assessment of the BP</i>	Office	OT	11.30 – 13:30
Site tour, <i>CoC CCPs, energy data, measurements</i>	Production, storage	PGS	11.30 – 13:30
Break		OT, PGS	13:30-14:30
Interview with staff responsible for implementation of risk mitigation measures	Office	OT	14:30-17:30

Energy data and mass balance volumes <i>Energy data evaluation, electricity, diesel consumption, inputs/outputs volumes evaluation</i>	Office	PGS	14:30-17:30
Catch up with open issues of the day	Office	OT, PGS	17:30-18:00
Opening meeting	Office	OT, PGS	15/02/2017 09.00-09.30
Supplier visit <i>Evaluation of supplier by auditing team with focus on specified risk areas (and validation of low risk for other indicators)</i>	Supplier site, forest site Suppliers: • Bioflorestal - – 1 FMU visited, focus on biodiversity, health and safety, HCV, type of harvest • Litoflora - – 1 FMU visited, focus on biodiversity, health and safety, HCV, type of harvest • Luis and Paolo Emerrenciano - – 1 FMU visited, focus on biodiversity, health and safety, HCV, type of harvest	OT, PGS	09:30-16:30
Closing meeting*	Office	OT, PGS	17:00 – 18:00
Estimated end of the evaluation			18:00
Second scope extension audit - Additional Audit focused on SBE only			
Opening meeting*	Desk based	OT	18/09/2017 10.00-10.30
Interview with responsible person, review of risk	Desk based	OT	10:30 – 14:30

assessment, SBR, and supplier verification program			
Closing meeting*	Office	OT	14:30 – 15:00

6.2 Description of evaluation activities

Composition of audit team annual audit and scope extension audit:

Auditor(s), roles	Qualifications
Ondrej Tarabus, Lead auditor	Czech citizen, graduated in University of Life Sciences Prague, The Faculty of Forestry. He has participated in several FSC FM, FSC CoC, PEFC CoC, ISCC certification assessments in Czech Republic, Slovakia, Italy, Germany, Vietnam, Egypt, Spain, Romania, Bosnia and Herzegovina, Austria, etc. Ondřej Tarabus has been through lead assessor SBP training course and is experienced with carbon calculation using standards such as ISO 14 064, Carbon Footprint management or ISCC.
Pilar Gorriá 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. She has more than 5 years' experience as auditor under the following schemes: FSC FM, FSC CoC, PEFC CoC, SBP and Carbon Footprint in Spain and Portugal

Second scope extension audit

Auditor(s), roles	Qualifications
Ondrej Tarabus, Lead auditor	Czech citizen, graduated in University of Life Sciences Prague, The Faculty of Forestry. He has participated in several FSC FM, FSC CoC, PEFC CoC, ISCC certification assessments in Czech Republic, Slovakia, Italy, Germany, Vietnam, Egypt, Spain, Romania, Bosnia and Herzegovina, Austria, etc. Ondřej Tarabus has been through lead assessor SBP training course and is experienced with carbon calculation using standards such as ISO 14 064, Carbon Footprint management or ISCC.

The annual audit was focused on evaluation of last audit period without SBE and the newly implemented SBE system: SBP risk assessment, supplier verification program, stakeholder consultation, implementation of mitigation measures.

Description of the evaluation:

Annual audit and initial scope extension audit

All SBP related documentation connected to the SBP as well as FSC CoC/ CW system of the organisation, including SBP risk assessment, SBP Procedures, Supply Base Reports and FSC system description were provided by the company in advance as well as were reviewed during the desk verification conducted prior to the audit. Auditing team was welcomed in Pellet Power 2, Lda office in Alcácar do Sal. Audit started with an opening meeting attended by the SBP responsible person Maria Preto.

The audit began with an opening meeting, where the lead auditor introduced the auditing team, 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. Discussed and confirmed the audit itinerary.

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 over responsible staff (plant manager, production manager, procurement manager) having key responsibilities within the system were interviewed.

At the end of the evaluation at the production site the sampling of the suppliers took place.

During the second day of the evaluation, audits of individual suppliers at the FMU level took place. CB was doing audits for the suppliers and evaluating their compliance with the SBP standards and how risk from the risk assessment is implemented on the ground.

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.

Second scope extension audit

Second scope extension audit was focused on the SBE system implemented. The audit took place via skype call. All documents were provided by the BP in advance and then interview with the responsible workers took place and the updated documents were reviewed and discussed with the responsible personnel. At the end of the audit, closing meeting was conducted where all the finding were summarized.

6.3 Process for consultation with stakeholders

Stakeholder consultation processes was carried out by both the Biomass Producer and the Certification Body

BP conducted a stakeholder consultation in several steps. The consultation was initiated by sending email (on 21st December 2016) to all stakeholders identified. In total 66 stakeholders were notified in the first stakeholder consultation round and not relevant comment was received (3 stakeholders replied that there are not further comments – IFAP, CLLMT, ICNF). During this first step of the stakeholder consultation the risk assessment results were shared with the stakeholders and short description of proposed mitigation measures (SVP content). In the meantime the BP has contacted several stakeholders via phone in order to get some feedback about the risk assessment results and the SVP implemented.

The second round of the consultation took place on 24th January 2017 by sending direct email to selected stakeholders (FSC Portugal, ICNF and UNAC) with the most critical indicators and question selected and request to provide comment to these specific indicators. No reply was received and therefore the BP intended to contact them by phone, no comments were received. Finally, the SBR was shared with the stakeholders on 10th February 2017.

CB conducted the stakeholder consultation also in several steps. The first notification was send on August 3rd 2016 with focus to consult mostly the results of the risk assessment as the supplier verification program was not developed at sufficient extend. Later on, the second notification was send (January 31st 2017) and 3 stakeholders were contacted prior the evaluation by phone. Only general comments were received, outside the scope of the evaluation.

7 Results

7.1 Main strengths and weaknesses

Main strengths: Use of the FSC credit system. Effective recordkeeping system. Small number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: See NCR part of this report..

7.2 Rigour of Supply Base Evaluation

The Supply Base Evaluation was implemented only for primary feedstock sourced from 1 region of Portugal. The BP has carried out the SBE for primary feedstock (forest products) that are originating from Alentejo and is not received with FSC or PEFC claim. Risk mitigation measures are implemented for material coming from *Pinus pinea* and *Pinus pinaster* thinning harvesting operations (material from clear cut harvest operations is excluded from the SBE).

The BP has identified 5 indicators with unspecified risk in their risk assessment for whose Supplier Verification Program is carried out to determine if the risk for the defined scope is specified or low:

- 2.1.2 *Potential threats to forests and other areas with high conservation values from forest management activities are identified and addressed.*
- 2.2.3 *Key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).*
- 2.2.4 *Biodiversity is protected (CPET S5b).*
- 2.3.2 *Adequate training is provided for all personnel, including employees and contractors (CPET S6d).*
- 2.8.1 *Appropriate safeguards are put in place to protect the health and safety of forest workers (CPET S12).*

After this risk assessment was conducted, the stakeholder consultation process started with sending email to 66 stakeholders. The BP keeps records of communication with stakeholders. The BP has shared the results of the risk assessment with the stakeholders as well as proposed mitigation measures (SVP content).

In order to define whether the risk constitute in specified or low risk for the defined area and species (Alentejo region, thinnings/prunings of *Pinus pinea* and *Pinus pinaster*) the BP has conducted Supplier Verification program during which all current suppliers were visited and evaluated using the BPs checklist for supplier evaluation. The BP has prepared several maps with protected areas as well as list of protected species which are used during the supplier audits to identify the extend of risk in each area. The supplier audit checklists contain requirements for evaluation of legal aspects, determination of scope (species, type of harvest and area), ecological aspects (such as biodiversity, HCVs for each category, fire protection elements) and health and safety requirements together with appropriate training. The audits start at the BP office where the harvesting site is evaluated using available maps with protected areas and species. Later on, the supplier office is visited where the forest management plan is evaluated and additional information about sites are collected. Finally the audit continues at the forest site where the workers are interviewed and the forest conditions are evaluated using the checklist. In case the evaluation of all five indicators results in low risk the risk is evaluated as low and the material is received as SBP compliant. In case there would be identified that the indicator can't be assessed as low risk and the material can't be received as SBP compliant, the number of suppliers verified would be increased.

After the supplier audits the BP has concluded that for the specified area, thinning operations and pine species low risk can be considered for all indicators. The supplier verification will be repeated annually on sample basis.

7.3 Compilation of data on Greenhouse Gas emissions

The organization has provided good overview of the requirements for energy data collection. The responsible person has benefited from previous experience with other certification schemes (like GGL) and other experience energy data collection.

7.4 Competency of involved personnel

During the assessment, it was identified that number of staff members are involved into the SBP system management and implementation, including the Quality manager, Supply raw materials responsible or industrial director and administrative staff. Interviewed staff demonstrated awareness of their responsibilities within SBP system.

The SBE was mainly implemented by Supply raw materials responsible (holding M.Sc. degree in forestry) and the quality manager, and between them, they have implemented the system. Supply raw materials responsible is covering the implementation of the mitigation measure and providing input to about forest specific issues while the quality manager is responsible for the process part of the work.

Supply raw materials responsible has provided good knowledge in relevant fields, including project management and recognition of HCVF aspects, and implementation of relevant mitigating measures during the site visits. According to interviews, review for formal qualifications and the set of procedures and documents that were composed for the SBP system, auditors evaluated the competency of main responsible staff to be sufficient.

7.5 Stakeholder feedback

No comments were received during BP or CB stakeholder consultation process. Several stakeholders were contacted over phone but they did not raise any concrete comments. Only general questions about the SBP certification process were raised and responded.

7.6 Preconditions

There are no preconditions identified for the scope extension of the certificate.

8 Review of Biomass Producer's Risk Assessments

Prior the on-site assessment, the BP has presented the risk assessment with evaluation of each individual indicator. The risk assessment developed by the organization outlines “unspecified risk” for indicators 2.1.1, indicator 2.1.2, 2.2.4, 2.3.2 and 2.8.1. To determine whether the risk can be considered as low or specified the organization has conducted Supplier Verification program and evaluated the compliance with these indicators for all current suppliers.

Risk assessment taking into consideration results of the SVP is presented in Table 2. It is concluded that after the situation for each indicator was evaluated at the supplier level (for the suppliers included in the SBE) by the BP lead to conclusion that the final risk level for all indicators can be considered as “low risk”.

Table 1 Risk ratings for SBP SBE Indicators

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	Unspecified	Specified
2.1.2	Unspecified	Specified
2.1.3	Low	Low
2.2.1	Low	Low
2.2.2	Low	Low
2.2.3	Unspecified	Specified
2.2.4	Unspecified	Specified
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	Unspecified	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	Unspecified	Specified
2.9.1	Low	Low
2.9.2	Low	Low
2.10.1	Low	Low

Table 2. Final risk ratings of Indicators as determined after the Supplier Verification Program

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 Biomass Producer's mitigation measures

Power Pellets II. has not implemented any mitigation measures but has reduced the scope where SBP compliant material can come from using SBE system instead. Based on the results from the SVP it was concluded that the risk is low for all the pine material (*Pinus pinea* and *Pinus pinaster*) supplied from Alentejo region.

10 Non-conformities and observations

10.1 Open non-conformities from the first and second scope extension audit

NCR number: 14894 NCR 10/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 7.1		
Description of Non-conformance:			
The SBR is publicly available on BPs website. http://www.gesfinu.com/arq/fich/SBR_PP2_EN.PDF However, the Annex 1 of the SBR is not publicly available on BP website.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	Pending		
Evaluation of Evidence:	Pending		
NCR Status:	Open		
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 ☒

NCR number: 14898 NCR 14/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 2A - 1.1		
Description of Non-conformance:			
The SVP was build on already existing FSC CW system (focused on origin and health and safety). The organisation aims to evaluate each year at least 20% of the suppliers but since the SBE was implemented all the suppliers of thinning wood from pine species were visited so far. 1. During the procedure revision, it was found that in case the SVP would end up in specified risk the option to modify risk designation (from unspecified to specified) is not considered in the already existing procedures. If low risk can't be reached			

during the SVP than the risk shall be reconsidered and mitigation measure shall be implemented instead or material not sourced from any of the suppliers.

2. During observations made in the BP facilities and in the field, it was revealed the organization did not consider that there are also cases where the final felling might not be done in form of clear cut but simply taking the trees at the end of the life from the forest stands. By the audit date, the system for determination whether the material comes from final fellings or not is not implemented at full extend. Reception of material is set up in a way that the delivery documents always contain the information if the material comes from clear fillings or thinning. Prior to close this report the organization has sent an updated SVP documents were definitions about final fellings and thinning are according to the silvicultural practices.
3. During supplier visit in one of the Litoflora' harvesting site (FSC FM Certified) it was revealed that all old pine trees were harvested form the spot. These pines were inside natural reserve and could serve a biodiversity trees. Decision of cutting was made by the private owner and the supplier and the BP decided to accept this material. The forest management plan, verified during the audit, did not considered any limitation on harvesting old pines at that specific site. As a result of this finding it was revealed that the BP has not established clearly in its own sourcing a threshold system what material is or is not acceptable from the biodiversity perspective.

Clear definition is of thinning and final cut is well understand by the BP has included in their procedures (supplier audits template report), risks connected with biodiversity described in point 3 is also managed in the BP SVP however as the audit revealed the extend of the BP evaluation shall be increased. This finding is raised as a minor non-conformity, given it does not indicate complete failure to fulfil a standard requirement, or breakdown of a critical element of the supplier verification program.

Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date
Client evidence:	The organization has submitted updated procedure SVP_SBE_Procedimento PP2 and print screens from the updated internal system where new category was implemented (Pinho over 40cm).
Evaluation of Evidence:	1) The audit team evaluated the procedure SVP SBE Procedimento PP2 point 3, submitted by the organization just after the audit and find it compliant and robust to provide guidance and sufficient procedures to address this non-conformity. Organization has implemented a

	system or revaluation of the risk designation and implementation of mitigation measures. 2) The print screen and new system was evaluated desk based and this system shall assure that all material with diameter over 40cm is excluded from SBP compliant material. This shall assure that category of final felling is containing not only material from clear cuts but also end of life trees. This will also provide assurance that old biodiversity trees will not end up in SBP compliant material. Due to the fact that the system was not evaluated onsite and evaluated using the field visit and interviews this minor non-conformity remains open.
NCR Status:	Open
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 ☒

NCR number: 14900 NCR 16/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 2A - 1.6		
Description of Non-conformance:			
The organization claims that when sampling will be applied random selection will be also used. However, as all suppliers were audited so far and the procedures does not include this requirement it is not clear if random technique would be applied or not.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	Pending		
Evaluation of Evidence:	Pending		
NCR Status:	Open		
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 ☒	

NCR number: 14903 NCR 18/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 19.1		
Description of Non-conformance:			
The SBR was given to the stakeholders for further consultation. This included also the results of the risk assessment. However, the BP claims in the SBR (section 11.2) that the report is also available on company website. Due to the fact that the Annex 1 with the risk assessment results was not provided at this website and thus the public received incomplete information. As the risk assessment results were shared with stakeholders also via sending them direct email this non-conformity is considered as minor.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	Pending		
Evaluation of Evidence:	Pending		
NCR Status:	Open		
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 ☒

10.2 Open non-conformities from annual audit

NCR number: 14905 NCR 19/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Instruction Document 5B - Energy and GHG Data V-1.1 - 6.1.5		
Description of Non-conformance:			
Transport fuel is blended with biofuels in all Portugal but the % has not been reported.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		

Client evidence:	Pending
Evaluation of Evidence:	Pending
NCR Status:	Open
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 ☒

NCR number: 14906 NCR 20/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Instruction Document 5B - Energy and GHG Data V-1.1 - 6.1.7		
Description of Non-conformance:			
The BP has provided the road distance (75km) and load of the truck (40.4 tn), references from biograce of 0.87 MJ/tn.km will be used if relevant. The BP has not provided a justification about fuels consumption of the trucks in the SAR document.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	Pending		
Evaluation of Evidence:	Pending		
NCR Status:	Open		
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 ☒

NCR number: 14906 NCR 21/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Instruction Document 5B - Energy and GHG Data V-1.1 – 3.1.1		
Description of Non-conformance:			
SAR document has been completed using photographs, justifications and additional information were requested and the data has been supported by evidences available for the auditor during the audit. It was identified that while energy for handling material from trucks to the vessel was reported the section “Please indicate address of off-site storage, handling or trans-shipment facility, if any” does not contain the address of the place where handling is done.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well		

	as the root cause to eliminate and prevent recurrence of the non-conformance.	
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date	
Client evidence:	Pending	
Evaluation of Evidence:	Pending	
NCR Status:	Open	
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 ☒

10.3 Closed non-conformities from the previous scope extension audit

NCR number: 14880 NCR 01/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 1A - 2.1		
Description of Non-conformance:			
Under each indicator the mean of verification is mentioned. The means of verification are mostly appropriate. However, the BP refers several times to their records of their field visits considering them as mean of verification. These field visits, based on the reports seen, are not always dealing with the indicator specifically (e.g. indicators 2.2.6, 2.2.5, 2.2.4 or 2.2.3). As these field visits are only part of the means of verification this non-conformity is considered as minor.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	Updated risk assessment was provided to the auditor. The version of the provided risk assessment is based on the draft version of the regional risk assessment with adaptation to the scope of the BP SBE (pine stand from thinning and pruning).		
Evaluation of Evidence:	The organization has submitted updated risk assessments where the mean of verification were changed for mostof the indicators. The updatedcd means of verification are considered to be appropriate to the scope of SBE		
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 ☒

NCR number: 14881 NCR 02/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 1.1.2		
Description of Non-conformance:			
The BP has provided description what kind of material and what kind of stands they are sourcing the material from. The organization has provided information what system is now implemented to trace the material back to the forest stand. The system is in place and working. "Since May 2016, that PP2 require a new document in every incoming raw material designated by "cut timber permission or/and forestry cleanings – named: MOD31), in addition to the already requested forestry logging manifest for conifers, transport documentation records, etc. This document has the owner land permission and forestry company that supply the raw material." However, there is a lot of confusing information in the indicator and it does not provide coherent information about the risk. There is a lot of not relevant information in the risk assessment which cause confusion. As the system is implemented and the onsite audit revealed that the material is correctly received, origin is determined and material is correctly classified this non-conformity is considered as minor.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	Updated risk assessment was provided to the auditor. The version of the provided risk assessment is based on the draft version of the regional risk assessment with adaptation to the scope of the BP SBE (pine stand from thinning and pruning).		
Evaluation of Evidence:	The auditor has reviewed the updated risk assessment and consider the finding for the indicator 1.1.2 is appropriate.		
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 ☒

NCR number: 14882 NCR 03/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 1.1.3		
Description of Non-conformance:			
The BP has provided in the risk assessment information about the input material which is received – primary feedstock, predominantly from pine stands. However, the			

information finding is quite confusing. Some of the information included in the finding is not relevant for the indicator. Ex: FSC system of controlled wood, forest producers organizations, the goals of forest management and strategic forest planning, etc. Also, the classification of the input mix is not focused on the scope of the SBE. As far as the information about the mix of inputs can be found out in the text this non-conformity is considered as minor.	
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date
Client evidence:	Updated risk assessment was provided to the auditor. The version of the provided risk assessment is based on the draft version of the regional risk assessment with adaptation to the scope of the BP SBE (pine stand from thinning and pruning).
Evaluation of Evidence:	The auditor has reviewed the updated risk assessment and consider the finding for the indicator 1.1.3 as sufficient. The BP has removed the information which was not relevant for the indicator and focus only on information providing description of the risk regarding input profile it's description and categorisation by the mix of inputs.
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 ☒

NCR number: 14884 NCR 04/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 1.6.1		
Description of Non-conformance:			
The risk designation is missing in the finding. The BP has provided description of the current civil rights but any information about if these are violated in any way. Also the risk assessment mention that "To be in private forests is necessary to have permission from the owner" but this is not supported by any specific legislation (article-law reference).			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		

NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date
Client evidence:	Updated risk assessment was provided to the auditor. The version of the provided risk assessment is based on the draft version of the regional risk assessment with adaptation to the scope of the BP SBE (pine stand from thinning and pruning).
Evaluation of Evidence:	The auditor has reviewed the updated risk assessment and consider the finding for the indicator 1.6.1. is appropriate.
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 ☒

NCR number: 14886 NCR 05/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 2.1.2		
Description of Non-conformance:			
The BP has proposed unspecified risk for indicator dealing with protection of HCV. However, the justification does not contain the information why the risk is considered to be unspecified and which areas or classes of HCV are not protected. The finding is quite general and does not provide sufficient detail to elaborate more on mitigation measures. As the CB agrees on the risk designation provided by the BP this non-conformity is considered as minor.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	Updated risk assessment was provided to the auditor. The version of the provided risk assessment is based on the draft version of the regional risk assessment with adaptation to the scope of the BP SBE (pine stand from thinning and pruning).		
Evaluation of Evidence:	The auditor has reviewed the updated risk assessment and consider the finding for the indicator 2.1.2 as sufficient. The BP has provided detailed information about each HCV category at the national/continental scope to define and describe HCV also management tools and potential risk are described at that level. Threats and risks conclusions are further defined at the FMU level based on critical		

	aspects as management responsibilities or land ownership.
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 ☒

NCR number: 14890 NCR 07/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 2.3.2		
Description of Non-conformance:			
Unspecified risk was designated to this indicator about adequate training for personnel. However, the risk description does not provide information why this risk is not considered as low. From the description it is clear what are the requirements but the BP does not indicate where are the problems and what is the background to consider this indicator as unspecified risk. As the auditors agree with the risk designation this non-conformity is considered as minor.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	Updated risk assessment was provided to the auditor. The version of the provided risk assessment is based on the draft version of the regional risk assessment with adaptation to the scope of the BP SBE (pine stand from thinning and pruning).		
Evaluation of Evidence:	The auditor has reviewed the updated risk assessment and consider the finding for the indicator 2.3.2 as sufficient. The BP has kept the information how the training is provided to the workers and what should be delivered to the workers in order to assure sufficient expertise is in place. Based on the fact that BP is doing onsite audits for the suppliers and did not find these requirements to be fulfilled, unspecified risk was concluded for this indicator.		
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 ☒		
NCR number: 14891 NCR 08/17	NC grading:	Major ☐	Minor ☒

Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 2.8.1	
Description of Non-conformance:		
Unspecified risk was designated to this indicator about health and safety. However, the risk description does not provide information why this risk is not considered as low. From the description, it is clear what is the current situation and what is required by law but the BP does not indicate where are the problems and what is the background to consider this indicator as unspecified risk. As the auditors agree with the risk designation this non-conformity is considered as minor.		
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.	
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date	
Client evidence:	Updated risk assessment was provided to the auditor. The version of the provided risk assessment is based on the draft version of the regional risk assessment with adaptation to the scope of the BP SBE (pine stand from thinning and pruning).	
Evaluation of Evidence:	The auditor has reviewed the updated risk assessment and consider the finding for the indicator 2.8.1 as sufficient. The BP has add the information about the number of accidents in the section which provide background to determine unspecified risk for this indicator.	
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 ☒

NCR number: 14892 NCR 09/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 2.9.1		
Description of Non-conformance:			
The BP has not properly covered the indicator about sourcing material form high carbon stock. Low risk was designated for this indicator but the justification does not provide sufficient level of information about high carbon stock but protected areas and protection in general instead. The very beginning of the description includes information which might result to low risk however just after this description kind of mitigation measure is provided. Due to the limited scope of the risk assessment and its effect on carbon stocks, auditors agree with the risk designation this non-conformity is considered as minor.			

Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date
Client evidence:	Updated risk assessment was provided to the auditor. The version of the provided risk assessment is based on the draft version of the regional risk assessment with adaptation to the scope of the BP SBE (pine stand from thinning and pruning).
Evaluation of Evidence:	The auditor has reviewed the updated risk assessment and consider the finding for the indicator 2.9.1 as sufficient. The BP has provided information which sites in the SB shall be considered as high carbon stocks. As Pine species are not growing on these sites the risk that biomass within SBE would be sourced from these sites is low.
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 ☒

NCR number: 14895 NCR 11/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 2C - 1.1		
Description of Non-conformance:			
The BP has provided SBR with summary of SBE. However, the description of the SVP was not complete and it is not clear from the text what is actually evaluated at the supplier level and what is the detail of such evaluations which are done by the BP.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	The organization has submitted updated SBR.		
Evaluation of Evidence:	The audit team evaluated the updated SBR submitted by the organization the audit and find it compliant and robust to provide guidance and sufficient procedures to address this non-conformity.		

	The organization has mentioned (between others) these aspects to be evaluated during their supplier audits. • _ Identification, survey and protection of conservation values, protection of biodiversity; On-site visualization of the preventive measures used if HCV is identified; • _ Inquiries to field operators / suppliers; • _ Verify if environmental protection aspects (waste etc ...) are complied with and controlled by the forestry operator; • Verification of the documentation associated with the origin of the raw material and documents of the property/owner: PGF (forestry plan); • _ Ensure that the aspects of worker protection in terms of minimum safety standards are being fulfilled by the forestry operator.
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 ☒

NCR number: 14896 NCR 12/17	NC grading:	Major ☒	Minor ☐
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 2C - 4.1		
Description of Non-conformance:			
The latest version of the SBR template was used. SBE process was described with quite limited information. Several inconsistencies were identified in the SBR presented: 1. Final harvest sampling programme – it is not clear what is the proportion of final fellings which ends up in biomass compared to other end uses. The BP claims that the material is delivered from thinnings but during the BP site tour as well as during the forest visits it was revealed that some of the roundwood is from final fellings. 2. Section 1 Overview – Close of last CB audit – date and location are not entered 3. SBR, section 2.5 i) contains list of tree species in primary feedstock, but it does not correspond to the list of species included into client's FSC certificate scope. 4. Sections 13.4-13.5 of SBR - Volume is shown in a banding between XXX,000 to YYY,000 tonnes but a compelling justification is not provided. 5. Forest by management type in section 2.5 states "Naturally regenerated forest" instead of "managed natural" 6. Section 4.3 Results of the risk assessment does not provide information which SBP indicators are evaluated as low or unspecified risk 7. Section 4.5 does not include sufficient information about the actions taken and why these shall be considered sufficient to consider the feedstock in full compliance with SBP Standards 8. Section 8 does not provide information about criteria which were used for monitoring of suppliers nor how the monitoring system will assure that the feedstock will remain in compliance with SBP standards. 9. Section 8.2 does not provide any details about the field assessments conducted			

10. In the section 8.3 the BP claims that “Depending on the risk PP2 first mitigate the risk....” However, the risk mitigation measures are not in the scope of the evaluation and would only need to be add in case the SVP does not results to low risk.		
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.	
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date	
Client evidence:	The organization has submitted updated SBR.	
Evaluation of Evidence:	The audit team evaluated the updated SBR submitted by the organization the audit and find it compliant and robust to provide guidance and sufficient procedures to address this non-conformity. • Final harvest sampling programme: from the supply base report and the organization's procedures is clear that non-final fellings end up classified as SBP compliant material. The control system at the reception and the understanding of the responsible personnel was evaluated desk based and this system shall assure that all material with diameter over 40cm is excluded from SBP compliant material as the BP records all the wood with diameter over 40cm as final felling. This shall assure that category of final felling is containing not only material from clear cuts but also end of life trees. This will also provide assurance that old biodiversity trees will not end up in SBP compliant material. • Points 2, 3, 4, 5, 6 and 8 have been modified and are now compliant. • About section 8, the SBR includes information about supplier sampling, on site audit purposes, information collection during the onsite audits and conclusions of the forest audits focused on: HCV, Health & Safety, biodiversity, forest best practices, environmental practices. In the section it is also highlight that If the supplier audit result was negative in some aspects, the material cannot be sourced by PP2.	
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 ☒

NCR number: 14899 NCR 15/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 2A - 1.1.1 and 1.1.2		
Description of Non-conformance:			
The organization has partly described the SVP in the SBR containing the description of the sampling and intensity of the monitoring visits of the suppliers. The process is also described in the FSC CW procedure and document called "SVP SBE Procedimiento PP2". However, there is missing the description of the monitoring system for the 5 SBP unspecified risks identified or the control system. There is not mention what shall be evaluated during the supplier audits or who is doing these evaluations.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date		
Client evidence:	The organization has submitted updated procedure SVP_SBE_Procedimiento PP2.		
Evaluation of Evidence:	The audit team evaluated the procedure SVP SBE Procedimiento PP2 point 3, 3.4 and 3.5 submitted by the organization just after the audit and find it compliant and robust to provide guidance and sufficient procedures to address this 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 ☒

NCR number: 14902 NCR 17/17	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 18.1		
Description of Non-conformance:			
The organization has described the SBE in the SBR. However, the SVP description is confusing at certain level and it might not be clear for the reader. The organization does not describe how the process is done and what details are evaluated during the supplier audits.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well		

	as the root cause to eliminate and prevent recurrence of the non-conformance.	
NCR conformance deadline:	By next audit, but not later than 12 months after report finalisation date	
Client evidence:	The organization has provided updated SBR just after the audit.	
Evaluation of Evidence:	The audit team has evaluated the updated SBR submitted by the organization. The section "4.4 Results of Supplier Verification Programme" was improved and provides good information about the process the section "5 SBE Process" remain lacking some information to provide full picture about the SBE process in places. Thus this non-conformity remain open.	
NCR Status:	Open	
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 Observations

OBS number: 14901 OBS 04/17	Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 2A - 1.7
Description of findings leading to observation:	The reports from SVP were presented by the organization containing the results of the evaluation. The organization has a template to record the non-conformities but so far has not identified any non-conformity which would need to be recorded. It was identified in some cases that there were some weak points but it was not recorded as observation even though the system is in place.	
Observation:	The organization should record any non-conformities identified during the supplier verification audits including observations.	
OBS number: 14904 OBS 05/17	Standard & Requirement:	Standard #4 V1.0 - Chain of Custody - 5.5.3
Description of findings leading to observation:	Claim used by the BP in the reporting period was "SBP controlled biomass". Claim is not included in the invoices but in another sales document associated to the customer.	
Observation:	The organization should include the SBP claim in the invoices as well not only delivery documents and DTS.	

11 Certification decision

Based on Organisation's conformance with SBP requirements , the auditor makes the following recommendation:	
☒	Certification approved: Upon acceptance of NCR(s) issued above
☐	Certification not approved:
Based on auditor's recommendation and NEPCon quality review following certification decision is taken:	
NEPCon certification decision: The Biomass Producer has been certified by NEPCon as meeting the requirements of the specified SBP Standard, the certificate can be extended for SBE immediately after NEPCon will obtain the approval of the report from SBP technical committee. The expiration of the certificate will be then 5 years.	
Certification decision by: Pilar Gorriá Serrano	
Date of decision: 18-10-2017	
Next surveillance audit should take place:	☒ within 12 months ☐ more frequently (please specify)

12 Surveillance updates

12.1 Evaluation details

Please see in a section: p.6.2. Description of evaluation activities.

12.2 Significant changes

SBE system has been added to the scope of SBP certification of the Organisation.

12.3 Follow-up on outstanding non-conformities

NCR: 01/15	NC Classification: MAJOR
Standard & Requirement:	SBP Standard 2 (ver. 1.0), requirement 2C, 2
Report Section:	Appendix A p.2.6
Description of Non-conformance and Related Evidence:	
The SBR is only in English and it was not translated to Portuguese at the moment of the assessment.	
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:	Prior to certification
Evidence Provided by Organisation:	The organization has provided SBR in Portuguese language after the assessment and publish it on their web site.
Findings for Evaluation of Evidence:	SBP in Portuguese was received after the assessment and the organization website was checked to assure that it is published as well.
NCR Status:	CLOSED
Comments (optional):	
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 ☐	

NCR: 02/15	NC Classification: Minor
Standard & Requirement:	SBP Instruction document 4 (ver. 1.0), requirement 5.4.2
Report Section:	Appendix B p.4.2
Description of Non-conformance and Related Evidence:	
The organization has not implemented the requirement of recording the customer certificate number. However, there are any certified customers at the moment of the assessment.	

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:	The organization has provided updated procedure and a template for recording the certificate code.	
Findings for Evaluation of Evidence:	The auditor reviewed the SBP procedure and the template for recording the customer certificate codes. The system of recording the customer certificate number was implemented at sufficient extend.	
NCR Status:	CLOSED	
Comments (optional):		
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 ☒

NCR: 03/15	NC Classification: Minor	
Standard & Requirement:	SBP Instruction document 5A (ver. 1.0), requirement 2.1.1	
Report Section:	Appendix C p.2.1	
Description of Non-conformance and Related Evidence:		
The organization has presented procedures covering the sales process. It is clear from the procedures what should contain the sales documents. However, the form of the SBP GHG and profiling data scope reference number is not correct. There is missing the part of the ZZ code. The organization has mentioned only the reference number in form SBP-01-0XX which is not in line with the SBP requirement.		
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:	The organization has provided updated SBP procedure (MG04).	
Findings for Evaluation of Evidence:	Just after audit the organization has provided updated procedure where the reference number was corrected specified. Also, the sales invoices templates revealed correct use of the reference number.	
NCR Status:	CLOSED	
Comments (optional):		
Is the non-conformity likely to impact upon the integrity of the affected SBP-		Yes ☐ No ☒

certified products and the credibility of the SBP trademarks?	
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NCR: 04/15	NC Classification: MAJOR
Standard & Requirement:	SBP Instruction document 5A (ver. 1.0), requirement 3.1.1
Report Section:	Appendix C p. 4.1.1
Description of Non-conformance and Related Evidence:	
Findings: The organization has not classified the material correctly. During the site tour it was revealed that there is quite a lot of stemwood at the log yard (Pinus Pinea) which volume was not classified separately and furthermore the incoming mixed pine material (Pinus Pinea and Pinus Pinaster) did contain some bigger size logs.	
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:	Prior to certification
Evidence Provided by Organisation:	The organization has presented record of material input from 2012 when the roundwood material was weighted separately, the stock taking records for 2015 of the Roundwood and later on 2 audits at the forestry level were carried out.
Findings for Evaluation of Evidence:	Additional on-site audit was carried out in regards to prove the correct classification of the roundwood material received during the reporting period and evaluate other material which is received as wood from thinning. The organization has created new material category (Steamwood – Long rotation forestry conifer) where material received as such was included. The volume of the roundwood was corrected in the GHG table according the calculations. As for the maritime pine (Pinus Pinaster) material the organisation team claimed that the diameters are always below 14 cm, because this kind of timber is well valorised in the sawmilling industries. During the audit, at the log yard it wasn't found greater diameters than 14cm from this kind of material and therefore it was agreed that the classification as material from thinning is correct. Because of the particularities of umbrella pine (Pinus Pinea) stands management practices, it was agreed with the organisation to visit two forest sites, where recent thinnings were sourcing the plant. The first place was a 60-70 years, fruit pine stand which had a mixed operation of clearing (thinning) and pruning. It was possible to see some big sizes of branches diameters, greater

	than 40cm. The thinning were involving mostly smaller diameters than 40cm. The second place was the National Forest of Valverde, a Forest Authorities (ICNF) managed and owned property. It was a timber stand from 95-100 years old, where it was recently applied a late thinning of 17000 trees individually marked. The ICNF forest engineer João Pedro Pereira was interviewed and he could confirm the following specifications of umbrella pine management: - The actual operations to convert from timber stands to fruit stands, meaning late thinnings above 40 years. Inside the National Forest he could point other areas of very late thinning in the next years; - The depreciation of umbrella pine timber in markets, because of the lack of nautical industries; - The valorisation of pine cones and resignation in the region;
NCR Status:	Closed
Comments (optional):	
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 ☐

NCR: 05/15	NC Classification: Minor
Standard & Requirement:	SBP Instruction document 5A (ver. 1.0), requirement 3.3.1.
Report Section:	Appendix C p.4.3.1.
Description of Non-conformance and Related Evidence:	
Findings: The organization has contacted suppliers with a requirement to provide such information. Three main suppliers has replied (out of 40). The use of fuel in forestry was considered only for harvesting as most of the material is received from thinning and other material does not need any soil preparation or planting. However, the fuel used in forestry for other operation such as soil preparation or planting is not considered for material received as “Long rotation forestry (conifer)” even though the material is forest product.	
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:	The organization has provided SAR.
Findings for Evaluation of Evidence:	The organization has provided the fuel used in forestry for each group of primary feedstock.

NCR Status:	CLOSED
Comments (optional):	
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 ☒

NCR number: 13153 NCR 06/15	NC grading:	Major ☒	Minor ☐
Standard & Requirement:	Instruction Document 5A - Collection and Communication of Data - 3.7.3		
Description of Non-conformance:			
Efficiency factor of the diesel used in the haulage of the material to the plant was taken from the GGL system. The value depends on the size of truck and the data are reliable. However, the unloaded return journey was not taken into account not justified that it is not applicable here. The organization has taken into account the unladen return journey for transporting of pellets instead.			
Corrective action request:	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.		
NCR conformance deadline:	12 months		
Client evidence:	Instruction Document 5B. SAR document. Distances reviewed during the audit.		
Evaluation of Evidence:	The organization has provided in SAR document the average and maximal transport distance which is in compliance with the new version of ID5B.		
NCR Status:	CLOSED		
Comments (optional):			

NCR: 07/15	NC Classification: Minor
Standard & Requirement:	SBP Standard 5A (ver. 1.0)/ Instruction document 5a requirement 6.1.
Report Section:	Appendix C p.7.2, 7.5 and 7.8
Description of Non-conformance and Related Evidence:	
Findings: The organization has provided general information about the forest management practices in the profiling information. However, the information mentioned does not provide sufficient overview of forest management practices in the area under the scope of certificate. It mainly focus on one specie (Pinus Pinea) only and does not describe the management of the forest itself. The source of the material is mentioned in the profiling information and from that information it would be possible for reader to come to the conclusion that no material is derived from saw logs. However,	

it is not specifically mentioned in the Biomass profiling information.	
The organization did not clearly stated the name of the certification system (and instead has provided their FSC certification code and FSC standards) which might not be clear. Furthermore the proportion of the material delivered from the feedstock certified under any of the SBP-approved Forest management scheme was not mentioned.	
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:	The organization has provided the profiling data in new format in the template published by SBP
Findings for Evaluation of Evidence:	New template of the profiling information was used. All information provided was correct.
NCR Status:	CLOSED
Comments (optional):	
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 ☒

NCR: 08/15	NC Classification: Major
Standard & Requirement:	SBP Standard 5A (ver. 1.0)/ Instruction document 5a requirement 8.1.
Report Section:	Appendix C p.7.1.
Description of Non-conformance and Related Evidence:	
Findings: Organization did not provide the categorization into one or more product group according SBP.	
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:	Prior to certification
Evidence Provided by Organisation:	The organization has provided product group list just after the audit.
Findings for Evaluation of Evidence:	The product group list was send by the organization just after the audit. All feedstock was categorized as group 7 other feedstock.
NCR Status:	CLOSED
Comments (optional):	
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 ☒

NCR: 09/15	NC Classification: Minor
Standard & Requirement:	SBP Standard 2 (ver. 1.0), 20.2
Report Section:	Appendix A p.13.2
Description of Non-conformance and Related Evidence:	
The organization has a compliance policy in place - manual MG01. However, the requirement of informing SBP of any substantiated complaints within 30 days is not explicitly mentioned.	
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:	The organization has provided updated procedure MG04.ED1 with the requirement implemented.
Findings for Evaluation of Evidence:	The organization has provided just after the audit updated procedure MG04 where in section 25 it is specified that SBP will be informed about any substantiated complaint within 30 days.
NCR Status:	CLOSED
Comments (optional):	
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 ☒	

NCR: 10/15	NC Classification: Minor
Standard & Requirement:	SBP Standard 2 (ver. 1.0), 19.1
Report Section:	Appendix A p.12.1
Description of Non-conformance and Related Evidence:	
The SBR is signed off by the senior management which is part of the support of the credibility. However, no further actions such as peer review or public consultation were taken by the BP.	
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:	The organization has provided the SBR on their website and asked stakeholders to comment on it. The updated SBR with the section for public consultation was provided by the BP.
Findings for Evaluation of Evidence:	The updated SBR with the section requesting stakeholders to comment on the document was provided by the organization after the assessment and the NCR was closed.
NCR Status:	Closed
Comments (optional):	During the annual audit there was revealed that when the scope of the system was extended the SBR was changed and provided

	to stakeholders. However, the exhibit with the risk assessment was not published. See NCR 18/17
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 ☒

NCR: 11/15	NC Classification: Major
Standard & Requirement:	SBP Standard 5A (ver. 1.0)/ Instruction document 5a requirement 4.1.1
Report Section:	Appendix C p.5.1.1
Description of Non-conformance and Related Evidence:	
Findings: The organization has not provided and justified the quantity of feedstock per long rotation forestry (conifer) which is used in the production. During the site tour it was revealed that there is quite a lot of stemwood at the log yard (pinus pinea) which was not considered in the data of feedstock used in the production process.	
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:	Prior to certification
Evidence Provided by Organisation:	The organization has presented record of material input from 2012 when the roudwood material was weighted separately, the stock taking records for 2015 of the Roundwood and later on 2 audits at the forestry level were carried out.
Findings for Evaluation of Evidence:	Additional on-site audit was carried out in regards to prove the volume of the roundwood material received during the reporting period and evaluate other material which is received as wood from thinning. The stemwood volume was calculated based on the records from 2012 (when the roudwood material was weighted separately due to price difference) and stock for 2015. Additional audit has revealed the correctness of calculation of volume from 2012 as well as actual stock volume records (no stemwood was used in 2015 due to the lack of equipment to crash it). The volume of the roundwood was corrected in the GHG table according the calculations. As for the maritime pine (Pinus Pinaster) material the organisation team claimed that the diameters are always below 14 cm, because this kind of timber is well valorised in the sawmilling industries. During the audit, at the log yard it wasn't found greater diameters than 14cm from this kind of material and

	therefore is was agreed that the classification as material from thinning is correct.
	Because of the particularities of umbrella pine (Pinus Pinea) stands management practices, it was agreed with the organisation to visit two forest sites, where recent thinnings were sourcing the plant. Based on these visites (for details see NCR 04/15) it was considered that the classification as material from thinning is correct and the non-conformity can be closed.
NCR Status:	Closed
Comments (optional):	
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 ☐

12.4 New non-conformities

See information about the new NCR identified during the surveillance audit is section 10 of the report.

12.5 Stakeholder feedback

No comments were received during BP or CB stakeholder consultaiton process. Several stakeholders were contacted over phone but they did not raise any concrete comments. Only general question about the SBP certification process were raised and responded.

12.6 Conditions for continuing certification

There are no preconditions. List of open NCR is available is section 10. Non-conformities and observations of the report.

12.7 Certification recommendation

It is recommended to maintain certification of the organisation and approve SBE system implemented by the Organisation.

13 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Maria Preto – Environmental Engineer (Chain of custody, Quality and Environment Responsible)
Auditor(s):	Ondřej Tarabus – Lead auditor Pilar Gorría – Auditor
People Interviewed, Titles:	Maria Preto – Quality manager Rui Brás - Industrial Director Francisco Braga - Supply of raw materials Responsible Hernâni Sobral – Representative of supplier Litoflora Luis Emerenciano – representative of Luís & Paulo Emerenciano Vitor Repollo – worker of Luis and Paolo Emerrenciano Henrique Silva – worker of Bioflorestal Jairo Dias – worker of Bioflorestal
Brief Overview of Audit Process for this Location:	Please see the audit overview in section 6.1
Comments:	