

NEPCon Evaluation of Integra Fuels S.L. Compliance with the SBP Framework: Public Summary Report

Main (Initial) Audit

www.sbp-cert.org



Completed in accordance with the CB Public Summary Report Template Version 1.3

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

Document history

Version 1.0: published 26 March 2015

Version 1.1: published 30 January 2018

Version 1.2: published 4 April 2018

Version 1.3: published 10 May 2018

© Copyright The Sustainable Biomass Program Limited 2018

Table of Contents

1	Overview
2	Scope of the evaluation and SBP certificate
3	Specific objective
4	SBP Standards utilised
4.1	SBP Standards utilised
4.2	SBP-endorsed Regional Risk Assessment
5	Description of Company, Supply Base and Forest Management
5.1	Description of Company
5.2	Description of Company's Supply Base
5.3	Detailed description of Supply Base
5.4	Chain of Custody system
6	Evaluation process
6.1	Timing of evaluation activities
6.2	Description of evaluation activities
6.3	Process for consultation with stakeholders
7	Results
7.1	Main strengths and weaknesses
7.2	Rigour of Supply Base Evaluation
7.3	Compilation of data on Greenhouse Gas emissions
7.4	Competency of involved personnel
7.5	Stakeholder feedback
7.6	Preconditions
8	Review of Company's Risk Assessments
9	Review of Company's mitigation measures
10	Non-conformities and observations
11	Certification recommendation

1 Overview

CB Name and contact:	NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia
Primary contact for SBP:	Ondrej Tarabus ot@nepcon.org, +420 606 730 382
Current report completion date:	21/Aug/2018
Report authors:	Ondrej Tarabus
Name of the Company:	Integra Fuels S.L.
Company contact for SBP:	David Holgado +34 (606) 302791, cert@keltica.com
Certified Supply Base:	Spain – region of Andalucía, Valencia and Murcia
SBP Certificate Code:	SBP-07-03
Date of certificate issue:	29/Aug/2018
Date of certificate expiry:	28/Aug/2023

This report relates to the Main (Initial) Audit

2 Scope of the evaluation and SBP certificate

Integra Fuels S.L., hereafter referred as BP (Biomass Producer) is a chips producer based in Spain and holds valid PEFC Chain of Custody certificate, covering production of chips. The BP purchases all of its feedstock from Spanish regions - Andalucía, Valencia and Murcia. Major share of incoming feedstock is sourced directly by the BP from forest and minor part of the material is sourced from external suppliers in form of chips or roundwood. All the feedstock is purchased at the forest stand (roundwood) or at the harbor (in case the chips are provided directly from the supplier). BP can buy wood as FSC or PEFC certified, but mainly relies on sourcing feedstock as SBP-compliant from its own Supply Base Evaluation.

BP is supplying the wood chips produced to eight harbours where are either directly sold FOB Incoterms or transported to any European harbour and sold CIF.

Description of the scope: Production of wood chips, for use in energy production, at Spain (region Andalucía, Valencia and Murcia), transportation to different harbours in Spain (Castellon, Sagunto, Alicante, Cartagena, Almería, Sevilla, Huelva and Cadiz) and additional transport to any European harbour. The scope of the certificate includes Supply Base Evaluation for primary feedstock not coming from clear cuts from Spain - region Andalucía, Valencia and Murcia.

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 the risk assessment results;
- Review of PEFC system control points, analysis of the existing PEFC CoC system;
- Evaluation of mitigation measures implemented for primary feedstocks (including inspection of primary feedstock suppliers);
- 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

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

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

4.2 SBP-endorsed Regional Risk Assessment

N/A

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

BP is a chips producer operating in various regions (Autonomous Communities) in Spain (Andalucía, Murcia and Valencia). Integra Fuels S.L. is a privately owned organization which is producing chips directly in the forest and partly also purchasing them from external supplier.

The BP purchases all of its feedstock from Spain major share of incoming feedstock is sourced directly by the BP from forest where the BP is doing the harvesting and chipping itself, and minor part of the material is sourced from external supplier in form of chips or roundwood. The input material comes from public as well as private forests and are in form of branches, tree tops, stem wood as well as roundwood from thinning and from final harvest. The BP is extracting the whole trees from the forest stand which also serves as an anti-fire measure as less fuel is left in the stands.

The input material is mostly delivered from Pine stands (*Pinus halepensis*, *Pinus pinea*, *Pinus pinaster*, *Pinus nigra*, *Pinus silvestris*, *Pinus radiata*) and some minor amount of material is from Eucalyptus stands (*Eucalyptus globulus*, *Eucalyptus nitens*, *Eucalyptus camaldulensis*) from Andalucía. The pine wood consists mostly of low quality stemwood from final harvest or thinnings (not from clear cuts) and the Eucalyptus is coming from final harvest.

All Feedstock types are delivered to the harbours by trucks. The transport is organized in majority of the cases by the BP and only in case BP is sourcing chips from external supplier the transport is organized by the supplier who is providing all documents needed with the material.

The BP is implementing PEFC physical separation system. However, the amount of PEFC feedstock is insignificant and the BP has implemented SBP supply base evaluation of the feedstock which is considered then as SBP-compliant. All the feedstock sourced by the BP from the regions mentioned above is included in the scope of the SBE. Additionally, the BP is considering to source feedstock also from Galicia in the future but this material is not included in the scope of the certificate yet.

BP is implementing Supply Base Evaluation (SBE) limited to three regions in Spain and to pine and Eucalyptus (Andalucía only). The BP has developed its own risk assessment with one as specified risk for which a mitigation measure was implemented in order to reach low risk for all this indicators.

After the production, the chips are transported to the harbour (Castellon, Sagunto, Alicante, Cartagena, Almería, Seviolla, Huelva and Cadiz) where they are stored until they are loaded to the vessel and transported to the client. The end point is either the harbour in Spain or any harbour in Europe.

5.2 Description of Company's Supply Base

Andalusia:

- Andalusia has 2,920,000 hectares of forest cover on a total of 4,467,000 hectares of forest area.
- In terms of ownership, private forests represent 73.4% of the total, while public forests represent 26.6%. The public area is divided practically in half, with one part belonging to the Government of Andalusia or the State and the other to local entities.

- In terms of species, Quercus oak stands are dominant (35%). Pine trees, genus Pinus, account for 19% of the forest, and eucalyptus, genus Eucalyptus, 4.6%.
- According to IFN3 data, the average standing stock of Andalusian forests is 75,000,000 m3 of wood. The autonomous community felled a total of 406,000 m3 of wood in 2012.

Valencian Community:

- The Valencian Community has 748,000 hectares of forest cover on a total of 1,267,000 hectares of forest area.
- In terms of the ownership scheme, private forest clearly predominates, except in the province of Valencia:
- In terms of species, pines are the dominant species in the Community's wooded area, as can be seen in the following graphs that represent the area each species (Aleppo pine = Pinus halepensis, Black pine = Pinus nigra, Scots pine = Pinus sylvestris) covers in each of the provinces:
- According to IFN3 data, the average standing stock of Valencian forests is 20,000,000 m3 of wood. The autonomous community felled a total of 248,000 m3 of wood in 2012.

Region of Murcia:

- The Region of Murcia has 302,000 hectares of forest cover on a total of 487,000 hectares of forest area.
- In terms of the ownership scheme, private forests represent represents 70% of Murcia's forest area. Of the 30% of public forests, 60% are owned by local entities and 40% to the regional or central administration.
- In terms of species, pines, both in natural and repopulated stands, clearly dominate the community's forests:
- According to IFN3 data, the average standing stock in Murcia's forests is 9,116,000 m3 of wood. The autonomous community felled a total of 1,368 m3 of wood in 2012.

Regarding the defined Supply Base, various species of the genus Pinus are found in three Autonomous Communities, while various species of genus Eucalyptus are only found in Andalusia.

In the case of public forests managed by the administration (public property), internal approval of the Autonomous Community's Forest Service is required.

Each Autonomous Community (AC) develops its own legislation and models for both public tenders and permits and authorisations for forestry work and harvesting. There are three relevant documents required to verify the legality of the harvesting and compliance with the requirements of the EUTR:

- Notification of work/harvesting (in private forests for works included in the planification of approved Management Plans where the legislation of AC allows)
- Authorisation of work/harvesting (in private forests with no management plan or other extenuating circumstances, according to the legislation of the AC)
- Adjudication of works (in public forests)

Land tenure and land use rights are covered by Spanish legislation and the authorities have implemented tools to register and monitor these rights. These rights have had significant social and economic relevance for centuries, and as a result are widely developed and recognised. Spain scores higher than 50 in Transparency International's corruption perception index, with a score of 57 in 2017, and although the value has fallen since 2012 (value of 65), there are no reports that significantly link corruption with the forestry sector. The level of governance can be categorised as robust. There are no reports of significant conflicts related to the ownership of the forest lands or the legitimacy of their use. In turn, there is legislation that protects land use. Forest lands are classified as rural within the Urban Plans and there is legislation that protects them from different uses.

In Spain there is a systematic legal framework for the protection of natural areas and areas with high conservation values: “According to Law 42/2007 on Natural Heritage and Biodiversity, those spaces in the national territory, including protected areas, including inland and marine waters under sovereign or national jurisdiction, including the exclusive economic zone and the continental shelf, that meet at least one of the following requirements and are declared as such:

- Contain natural systems or elements that are representative, fragile, threatened or of special ecological, scientific, scenic, geological or educational interest.
- Be devoted specifically to the protection and maintenance of biological diversity, geodiversity and the associated natural and cultural resources”.

There is no forest plant species produced or cultivated in Spain on the list of CITES species. Neither pine nor eucalyptus are within the list of CITES species, Appendices I, II, and III.

There are several figures and denominations, since the majority of the Autonomous Communities have implemented legislation on this issue: National Parks, Natural Parks, Nature Reserves, Natura 2000 Network Areas, Biosphere Reserves. The protected area in Spain is 13% for natural spaces and reaches 28% when including the Natura 2000 Network, with Spain being the country that contributes most to the Natura 2000 Network, the main instrument of Europe’s conservation policy. The protected areas cover both public and private forests.

In turn, there are high conservation values linked to cultural property and prehistoric discoveries. The Iberian Peninsula is an area with a large amount of archaeological and prehistoric remains. There is both State and Autonomous Community legislation that protects and catalogues property of historical and cultural value.

5.3 Detailed description of Supply Base

Total Supply Base area (ha):

5.341.000 ha wooded forested area; 8.258.000 ha forested area

Tenure by type (ha):

5.783.166 ha forested area privately owned / 1.866.188 ha forested area public owned / 608.646 ha forested area community owned (Galicia)

Forest by type (ha):

5.341.000 ha wooded forested area temperate; 8.258.000 ha forested area temperate

Forest by management type (ha):

680.178,43 ha plantation (plantation Galicia and Eucalyptus Andalucía) / 4.660.821,57 ha managed natural or natural

Certified forest by scheme (ha):

PEFC Spain: 2.170.441 ha (Andalusia 273.614 ha; Valencian Community 1.212 ha; Murcia 0 ha)

FSC Spain 271.697 ha (Andalusia 145.412 ha; Valencian Community 0 ha; Murcia 0 ha)

Quantitative description of the Supply Base can be found in the Biomass Producer’s Supply Base Report

<https://integra-fuels.com/certification>

5.4 Chain of Custody system

The Organisation is holding both PEFC (<https://www.pefc.org/company-detail?id=983704>) and FSC (<https://info.fsc.org/certificate.php#result>) Chain of Custody certificates. The BP has implemented both physical separation and credit account method. The PEFC physical separation method was chosen as a relevant CoC system for SBP as the BP is not sourcing any FSC material at the moment and credit account is implemented only theoretically and is not planned to be used for SBP material.

The organization is implementing the SBE system for all the material sourced. In case there would be any non-compliant material it would be kept physically separated in the harbour. The chips are stored in different harbours in Spain in open yards and is kept in different piles. The chipping is always done in the forest and transported by the trucks to the harbour. Each truck comes with a delivery note where the forest stand is indicated. The material is received by the BP responsible person, the delivery documents are checked and hand over to the office where these are paired with the supplier invoices.

Physical separation is carried out by using different piles for different material. The storage area in the harbours allows the BP to stack the material separately (due to quality, type of chips or different certification claim). The responsible person is keeping a record about the storage area, individual deliveries and the volumes and this is communicated to the responsible person on daily basis.

6 Evaluation process

6.1 Timing of evaluation activities

The SBP assessment was carried out on July 2-4, 2018 and it included visit of the Integra Fuels S.L. Office in Colmenar Viejo, Spain, harbour storage facilities in Cartagena and Alicante (Spain), the field inspection of four forest properties (both private and public), evaluation of two suppliers and also the BP harvesting operations.

Total of 3 days were used for this audit, please see more details in the table below.

Activity	Location	Auditor(s)	Date/time
Opening meeting*	Office	OT	02/07/2018 09.00-09.30
Interview with SBP responsible person Review of procedures, documents and interviews with responsible staff (review of the CoC system control point, mass balance, management system, verification of SBP compliant feedstock). Implementation of mitigation measures, SBP Risk Assessment, Supplier verification program.	Office	OT	09.30-12.00
Break			12:00-12:30
Interview with Purchasing department representative	Purchasing department	OT,	12:30-13:15
GHG calculation review collection and communication of energy and carbon data	Office	OT	13:15-15:00

Sampling of production sites	Office	OT	15:00 – 16:00
Interview with Sales department representative	Sales department	OT	16:00 - 16:30
Internal team meeting	Office	OT	16:30-17:00
Presentation of the results of the first day of assessment	Office	OT	17:00-17:30
Evaluation of mitigation measures of primary feedstock: Evaluation of performance of Integra Fuels own harvesting workers Witness audit of BP: Stakeholder consultation with local authorities.	Pedro Ponce (MULA), consejería de M.A. Región de Murcia Supplier audit: Integra Fuels, primary feedstock, evaluation of HCV risk mitigation measures in completed harvesting sites, evaluation of Health and Safety risk mitigation measures in on-going manual harvesting works, interview to supplier responsible person, fire protection arrangements, protection of biodiversity in private land	OT	03/07/2018 10:30 – 14:00
Evaluation of storage facilities in the harbour	Port of Cartagena, Spain	OT	14:00:15:00
Evaluation of suppliers of primary feedstock: Evaluation of supplier of primary feedstock (harvesting company) • Witness audit of BP supplier audit: Valfor, S.L.	APROVECHAMIENTOS FINCAS VARIAS PARTICULARES MOGENTE. VALENCIA – finca La Chula, finca Benachebe” Supplier audit: Valfor, S.L., primary feedstock, evaluation of HCV risk mitigation measures in completed harvesting sites, evaluation of Health and Safety risk mitigation measures in on-going manual harvesting works, interview to supplier responsible person, fire protection arrangements, protection of biodiversity in private land	OT	15:00 – 17:30

Evaluation of mitigation measures of primary feedstock: Evaluation of performance of Integra Fuels own harvesting workers Witness audit of BP:	Montes de Biar (Alicante) Supplier audit: Integra Fuels, primary feedstock, evaluation of HCV risk mitigation measures in completed harvesting sites, evaluation of Health and Safety risk mitigation measures in on-going manual harvesting works, interview to supplier responsible person, fire protection arrangements, protection of biodiversity in private land	OT	04/07/2018 9:00 – 11:00
Evaluation of suppliers of primary feedstock: Evaluation of supplier of primary feedstock (harvesting company) • Witness audit of BP supplier audit: TOASA	APROVECHAMIENTOS FINCAS VARIAS PARTICULARES MOGENTE. VALENCIA Supplier audit: TOASA, primary feedstock, evaluation of HCV risk mitigation measures in completed harvesting sites, evaluation of Health and Safety risk mitigation measures in on-going manual harvesting works, interview to supplier responsible person, fire protection arrangements, protection of biodiversity in private land	OT	11:00 – 14:00
Evaluation of suppliers of primary feedstock: Evaluation of supplier of primary feedstock (harvesting company) • Witness audit of BP supplier audit: TONI PERUA	APROVECHAMIENTO LA HERRADA DEL GALLEGO. REQUENA (VALENCIA), Supplier audit: TONI PERUA, primary feedstock, evaluation of HCV risk mitigation measures in completed harvesting sites, evaluation of Health and Safety risk mitigation measures in on-going manual harvesting works, interview to supplier responsible person, fire protection arrangements, protection of biodiversity in private land	OT	14:00 – 15:30

Evaluation of storage facilities in the harbour	Port of Alicante, Spain	OT	15:30:16:30
Closing meeting*		OT	16:30 – 17:00
Estimated end of the evaluation			17:00

6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Ondrej Tarabus, SBP 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.

Description of the evaluation:

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.

The audit started with an opening meeting, where the lead auditor introduced himself, provided information about audit plan, methodology, auditor qualification, confidentiality issues, and assessment methodology and clarified verification scope. Auditor explained the aim and objectives of the audit, informed about the evaluation process, underlined the need to collect objective evidence through a combination of document review, site visits, interviews and discussions, explained the essence and importance of sampling aspect of the auditing. Special attention has been paid to explanation of the differences in minor and major nonconformity reports (NCRs) and that NCRs are an expected part of the process designed to help the organization strengthen its procedures and processes.

After that auditor went through all applicable requirements of the SBP standards nr. 1, 2, 4 and 5 covering input clarification, existing chain of custody and controlled wood system, management system, CoC, recordkeeping/mass balance requirements, SBP risk assessment results and their justification, stakeholder consultation process, energy data and inputs and outputs of feedstock in the last period. During the process overall responsible person for SBP system and responsible staff having key responsibilities within the system were interviewed.

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

The second day started with evaluation of one forest stand where the BP was doing the harvest. This evaluation was accompanied by the state authorities who provided valuable comments about the performance of the BP and the conclusion of the risk assessment. In the second half of the day, the harbour of Cartagena was visited with the aim to evaluate the CoC elements of the SBP system. During the third day, 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 mitigation methods from the risk assessment are implemented on the ground. Four FMUs were visited, both private and public and managed by external supplier and by the BP employees.

Sampling for inspection of the feedstock suppliers included into Supply Base Evaluation: Since the audit was conducted based on PEFC system the sampling according the PEFC system was used. In total, the BP has sourced from 14 FMUs in the reporting period. The sampling was taken from the total number of FMUs. In order to conduct proper selection of FMUs the auditor needed to split the FMUs into groups of sites harvested by the BP (5) and sites harvested by the suppliers (9). Additionally, the auditor was considering public ownership (4) and private ownership (10). To determine the number of the FMUs for inspection, audit team used the formula $X = \sqrt{Y}$, where X is the number of the FMUs to be inspected, and Y is the total number of the FMUs in the set of FMUs. $X = \sqrt{14} = 4$. Thus, during this annual audit, NEPCon auditor inspected 4 forest management units, which were selected randomly, but it was assured that both sites harvested by the BP and by suppliers are visited and preference was given to the FMUs where timber harvesting was on-going at the moment of inspection. This gave the opportunity for audit team to interview the forest workers and evaluate H&S issues. Additionally, both private and public FMUs were visited but preference was given to private FMUs as these have lower level of control from the authorities.

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.

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

During the BP consultation process, thirteen stakeholders from the university level, NGOs, public administrations, Integra Fuels suppliers, and a certification body, were contacted by email in May and June 2018.

The CB stakeholder consultation process took place via email notification to over 200 entities including ENGOs, certification bodies, state authorities, biomass industry, local NGOs, local authorities, other certification schemes, paper and other industry representative and associations. Only one feedback was received but no comment (only confirmation of the reception of the notification).

Additionally, CB stakeholder consultation continued during the onsite audit where local authorities managing director of nature protection in region of Murcia and technical manager of nature protection in region of Murcia) responsible for control of the conducted harvesting work attended the audit and provided comments and clarifications. The results of the risk assessment were also consulted by phone interview with environmental consulting organization which participated on development of FSC CW risk assessment category 3 for Spain.

7 Results

7.1 Main strengths and weaknesses

Main strengths: Majority of the material is harvested by the organization and the works are controlled continuously. The organization focus on prevention of fires in the forest (the trees extracted from the stand includes also branches which leave less combustible material in the stand while still enough biomass is left in the stand). Effective recordkeeping system and good communication process between workers. Small number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: please see NCRs raised after this audit (Section 10 of this report).

7.2 Rigour of Supply Base Evaluation

The Supply Base Evaluation was implemented only for primary feedstock sourced from 3 regions of Spain (Murcia, Valencia and Andalucía). The BP has carried out the SBE for primary feedstock (forest products) that are sourced either directly by the BP or through some suppliers who are doing the harvesting work. The SBE is implemented on pine stands (excluding clear cuts) and on eucalyptus stands in Andalucía.

The BP has implemented some measures to control several aspects for the forest operations before engaging with SBP. There is a continuous control of the onsite works while different aspects such as fire protection, health and safety, biodiversity protection, HCVs or biomass quality are evaluated. The risk assessment took into consideration the scope of the operation and type of harvesting practices implemented by the BP which allowed them to designate low risk for some of the indicators which might be otherwise evaluated as specified (especially fire protection and erosion). It is also important to mention, that sourcing areas selected by the BP might have a lower risk than other regions in Spain (especially north of the country) due to higher level of control from the authorities. Additionally, due to type of work conducted by the BP and the level of control by the authorities some of the indicators such as fire protection, HCVs and biodiversity protection, protection of key ecosystems or soil quality are defined as low even though they might be considered as specified for other type of forest management activities or organizations working in these regions.

The BP has identified 1 indicator with specified risk in their risk assessment for whose mitigation measures is implemented to decrease the risk to low:

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 13 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.

In the initial stage of preparation for this assessment the BP has also included Galicia region into the scope of the evaluation, where 5 indicators with specified risk were identified and mitigation measures were proposed. However, as the works in Galicia are not being conducted yet and the system was not yet robust enough the BP has decided to exclude this region for the time being and go ahead only with the three regions mentioned above.

The BP is implementing the mitigation measure in several steps. Before the work can start, the BP first collects records about each FMU where the harvesting work is conducted and in case the work is done by the suppliers the BP requires to get full set of documentation about the site and worker conducting the on-site work. These documents are then verified in the forest stand and there are continuous checks during the harvesting works as well.

The mitigation measure is implemented for each supplier and each FMU where the work is conducted. No sampling is applied by the BP.

7.3 Collection and Communication of Data

The BP has provided good overview of the requirements for energy data collection. The responsible person has benefited from previous experience with other certification schemes and the system for collection of energy data was partly developed already before the SBP certification.

7.4 Competency of involved personnel

Staff members involved into the SBP system management and implementation, include the external consultant, quality manager, supply raw materials responsible and industrial director as well as administrative staff. Interviewed staff demonstrated awareness of their responsibilities within SBP system.

To conduct the risk analysis and implement the SBP-certification process, Integra Fuels assigned Pablo Gómez-Reino Pérez as well as the company's technical team, particularly Juan Manuel Canelo, Licensed in Employee Relations and an Advanced Prevention of Occupational Risks Technician with a specialty in Safety, Hygiene in the Workplace, and Ergonomics and Psychosociology in the Workplace, Director of Quality at Integra Fuels, and Juan Manuel Camacho, Forestry Engineer and Technical Director of Production at Integra Fuels.

Pablo Gómez-Reino Pérez is a Forestry Engineer with extensive experience (18 years) in forest planning, management, and certification. He has worked on processes related to forest certification in the Iberian Peninsula since 2009. He is FSC forest management auditor and FSC and PEFC Chain of Custody auditor as well.

7.5 Stakeholder feedback

CB consultation: No feedback received from stakeholders other than confirmation reception of the stakeholder notification. Based on the interview with local authorities and environmental consultant (see details in section 6.3) it was confirmed that the risk designation provided by the BP are correct and there is an consensus on these results.

BP consultation:

Comment 1: It seems strange to me that there are no market risks associated with the evolution of wood for this purpose or the possible increase/decrease in possible subsidies or existing aid.

Response 1: You're right. There are indicators regarding the sustainability of the fellings and the economic benefit/impact, but there is no reference to assuring the Supply Base and the problems that may exist in this regard.

Comment 2: When it comes to the topic of land area and the distribution of property, I would specifically cite the source of each piece of information and the reference year. Did you conduct an analysis or is it public data?

Response 2: The suggestions mentioned in the comment were incorporated, including the source from public data.

Comment 3: I would go into greater detail in 1.1.2.

Integra Fuels has a management system in which an Excel file (Entries) includes all the information related to purchases, which includes both the source of the material, the supplier and the weight through the weight scale receipts from the trucks that transport the material.

For example, fields in that Excel and how the source can be identified in case of inspection. Physical separation...

Response 3: The commentary has been incorporated, including the most relevant fields of the information provided by the record file.

Comment 4: Do not use English words in the Spanish text: feedstock = materia prima

Response 4: Due to the characteristics of these processes, this is not an easy request. However, "materia prima" has been included wherever possible.

Comment 5: For the EUTR issue you mention that it is FSC certified so the risk is low. Honestly, it doesn't matter if it is FSC certified for export, the SBP certificate is required! Another certification will be requested at this step in the transportation process, another one for unloading, and another one for transport to the plant...If the buyers only buy certified SBP then they can figure it out.

Response 5: The comment is received, and we assure you that this is not material sourced from FSC forest management certificates. These are materials controlled by Integra Fuels upon purchase. In this respect, the indicator is of low risk. Obviously, having FSC Chain-of-Custody certification is a relevant supporting document.

Comment 6: This indicator is great, I'm worried about non-forest land, for example, you can't certify the biomass of the afforestation of agricultural land in 2009.

The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not sourced from forests converted to production plantation forest or non-forest lands after January 2008.

Response 6: In this case there was a misunderstanding of the meaning of the indicator. The example given of an agricultural area reforested with European aid can be certified in the future. What the indicator prohibits is the use of feedstock sourced from forests converted into other uses under SBP certification.

There were no changes in the risk designation proposed in the indicators as a consequence of the consultation process.

7.6 Preconditions

N/A

8 Review of Company's Risk Assessments

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

The BP has developed the risk assessment with evaluation of each individual indicator. The risk assessment outlines "specified risk" for indicator 2.8.1.

The BP has provided information about the level of control already implemented and the details about type of their forest operations in the risk assessment and this served as justification to determine low risk for several indicators. During the onsite audit, this specific justification was evaluated in the sampled forest stands and as additional evidence the meeting with the local authorities was used where performance of the BP was discussed as well as different details from the risk assessment presented by the BP.

Based on the information gathered during this evaluation, it was concluded by the auditor that the risk designations for each indicator was correct and has a solid ground.

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

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

Indicator	Risk rating (Low or Specified)	
	Producer	CB
2.3.3	Low	Low
2.4.1	Low	Low
2.4.2	Low	Specified
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	Specified	Specified
2.9.1	Low	Low
2.9.2	Low	Low
2.10.1	Low	Low

2.2.8	Low	Low
2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Low	Low

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

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

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

9 Review of Company's mitigation measures

Integra Fuels has implemented a system that covers all the aspects to be taken into consideration to ensure compliance with legislation on Preventing Occupational Risks as well as on Health and Safety at Work. The system covers its own workers as well as its subcontractors and suppliers.

The system ensures that the following minimum information is available for verification:

- External Prevention-Service Contract and receipt for payment thereof (COMPANY)
- Civil-liability policy and update receipt for payment thereof (COMPANY AND SELF-EMPLOYED)
- Accident-insurance policy and updated receipt for payment thereof (COMPANY)
- Designation of Preventive Resource, in case of need (COMPANY)
- Photocopies of forms TC1 and TC2, or of registration with Social Security for workers (SELF-EMPLOYED)
- Photocopy of receipt for Social Security payments (SELF-EMPLOYED)
- Certificate of fitness following Medical Examination (COMPANY AND SELF-EMPLOYED)
- Certificates relating to Training and Information needed in relation to Preventing Occupational Risks (COMPANY)
- Certificates of requisite personal protective equipment having been issued to workers (COMPANY)
- CE mark certificate or bringing machinery into compliance pursuant to Royal Decree 1215 / 97 (COMPANY AND SELF-EMPLOYED)
- Record of updated machinery maintenance (COMPANY AND SELF-EMPLOYED)
- ITV (Inspección Técnica de Vehículos – Technical Inspection of Vehicles) sheet (COMPANY AND SELF-EMPLOYED)
- Registration certificate (registered machinery) (COMPANY AND SELF-EMPLOYED)
- Compulsory receipt for vehicle insurance (registered machinery) (COMPANY AND SELF-EMPLOYED)
- Photocopy of driving licence of authorised persons (registered machinery) (COMPANY AND SELF-EMPLOYED)
- In case of accident, INTEGRA FUELS, S.L., must be informed immediately.

In addition, Integra Fuels has a Manual of Best Practices in Forestry that has been developed and implemented. The manual describes all types of forestry work, how to approach it, the necessary preventive safety measures, and action to be taken in case of accident or emergency. Integra Fuels certifies its workers' training in that respect. Subcontracted companies and suppliers must have a Manual of Best Practices in Forestry and certify its implementation or use Integra Fuels' manual.

Integra Fuels also collects information on accidents at work that occur during work for which it and its suppliers are liable, analyses the causes, and takes the measures needed to avoid recurrence. The system includes the need for field inspections in the event of a systematic increase in accidents at work that occur during work covered by the scope of the certification.

Finally, and in order to mitigate risk, Integra Fuels has designed an approval system for both internal employees and external suppliers, in order to assess their performance in terms of Health and Safety in the forestry work that they carry out. The approval system consists of a system of visits by Integra Fuels staff (whether the head of forestry or individual area managers), with a checklist-based assessment of how work is being done and of the measures for avoiding accidents or impacts. A system is also set up to inform

companies of non-compliance and to set a scale with an associated ranking, so that companies with the lowest scores will be inspected more frequently than companies with the best scores.

The system that has been rolled out is considered complete and sufficient to ensure the use of safety measures and equipment during forestry work, and to mitigate risks relating to accidents at work.

10 Non-conformities and observations

Open Non-Conformity Reports (NCRs)

NCR number: 22213	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 1A - 5.1		
Description of Non-conformance:			
The BP has contacted representatives of universities, public administrations, Integra Fuels suppliers, and a certification body. The pool of stakeholders consulted did not cover some of the recommended stakeholder groups (such as Forest industries and associations or working group developing forestry standards). Considering the fact that these stakeholder groups were contacted by the CB during their stakeholder consultation and that BP was very proactive in scheduling face to face stakeholder meeting with some relevant stakeholders 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:			
Evaluation of Evidence:			
NCR Status:	Open		
Comments (optional):			

NCR number: 22214	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 1A - 6.1		
Description of Non-conformance:			
The BP has provided the list of national forest laws and environmental acts and agreements in the risk assessment itself under each requirement. The reference to different protected areas websites and maps is mentioned in the risk assessment where the endangered species might be found. However, no list of endanger species in the region under evaluation was provided as such and none of the source provided in the risk assessment contains good overview of all endangered species in the regions under evaluation.			

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:	
Evaluation of Evidence:	
NCR Status:	Open
Comments (optional):	

NCR number: 22217	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 2.4.1		
Description of Non-conformance:			
Low risk was designated to indicator 2.4.1 (vitality and health of forest stands). The BP risk assessment contains statistic (based on data from whole country) which shows significant increase of defoliated canopy in the past 2 years. No specific information is provided for the three regions under evaluation. Additionally, the rating of low risk is is justified assuming that there was implemented legal framework with action plans to improve the vitality and health of the forests stand. However, it is not clear form the risk assessment when this action plan was implemented and thus cannot be verified whether it is functional or not. Other argument for low risk is that forestry operations normally have a positive impact on the control of forest diseases such as pine wood nematode, since one of the control measures is to reduce the plants that show signs of deterioration. However, this is action which is taking place already when the disturbance appears and does not decrease the risk. Considering the fact that the auditor agrees with the final risk designation of the BP and only requires to improve the justification of the low risk better this is considered as minor non-conformity.			
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:			
Evaluation of Evidence:			
NCR Status:	Open		
Comments (optional):			

NCR number: 22219	NC grading:	Major ☐	Minor ☒
Standard & Requirement:			
Description of Non-conformance:			
SBR is concise and includes all required information. However, during the onsite visit of the forest stands and storage areas it was revealed that the biomass contains also other species than pine and eucalyptus. As the volume of other species (such as Quercus Illex) is negligible 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:			
Evaluation of Evidence:			
NCR Status:	Open		
Comments (optional):			

NCR number: 22276	NC grading:	Major ☐	Minor ☒
Standard & Requirement:	Instruction Document 5B - Energy and GHG Data V-1.1 - 3.3.1		
Description of Non-conformance:			
The BP will be using the SREG for the deliveries CIF in different harbours in Europe. The procedure describes the system of the issuance of this document. The organization has not submitted a dummy version of the SREG document during the audit however, it was identified that the energy data for storage was included there (although it was already included in SAR and is linked with SDI) which might cause double counting. As this results to insignificant values in the total energy consumed it is considered as minor non-conformity.			
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:			
Evaluation of Evidence:			
NCR Status:	Open		
Comments (optional):			

Closed Non-Conformity Reports (NCRs)

NCR number: 22218	NC grading:	Major ☒	Minor ☐
Standard & Requirement:			
Description of Non-conformance:			
The BP has prepared the SBR but at the time of the audit it was only in Spanish and was not yet published on BP's website as the BP was waiting for the approval of the auditor.			
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:	Before issue/reissue of certificate		
Client evidence:	The organization has provided the SBR in both Spanish and English and uploaded the SBR (including the annex 1) to their website.		
Evaluation of Evidence:	SBR in English and the website of the BP was evaluated.		
NCR Status:	Closed		
Comments (optional):			

Observations

OBS number: 22216	Standard & Requirement:	Standard #1 V1.0 - Feedstock Compliance Standard - 2.1.1
Description of findings leading to observation:	Low risk was designated to indicator 2.1.1. (identification of HCVs) based on fact that there is a good level of governance and a comprehensive legal framework developed for Spanish protected areas, and a good level of control exercised by the Autonomous Communities, that are the competent authorities. Any harvesting activity that may affect rare or endangered species has limitations specified in the harvesting permit. In turn, the Autonomous Communities have a wealth of information both on websites and in viewers and geographic information (GIS) on protected areas and priority ecosystems, habitat. This issue was in detail discussed with involved stakeholders and also evaluated on-site. Based on the consultation and on-site visits it can be concluded that the risk designation provided by the organization is justified for the three regions under evaluation. The level of control from the nature conservation agency is high for both private and public forests in all these regions.	

Observation:	As the low risk is based on the fact that the local authorities are doing the evaluation for each harvested stand (which is not common practise for all regions in Spain) and this practice might change in time, it is recommended to evaluate the practice in each region at least annually.

OBS number: 22272	Standard & Requirement:	Standard #2 V1.0 - Verification of SBP-compliant feedstock - 2A - 1.1
Description of findings leading to observation:	The SVP is defined in the SBR. The process starts at the moment when the material is purchased from the external supplier. Before the purchase, the organization requires the documentation such as FMP, harvesting permit, documents providing information that the employees are having assurance, training in terms of H/S. Later on, onsite visit is conducted at the site to verify that all mitigation measures were implemented. The organization has implemented the system based on already existing FSC CW verification system. The BP is purchasing the material from the suppliers before the harvest started and control the process continuously. In case the practice would change and would purchase the material which is already harvested they would not verify that the works fulfil all the H/S requirements. As all the suppliers are continuously checked, it is unlikely not happen that there would be single supplier without any verification however, the SVP should be updated to cover this situation as well in case the current scope of the operation changes.	
Observation:	The process of the SVP should be update in a way to cover also situations when the material is purchased from suppliers after harvest.	
OBS number: 22275	Standard & Requirement:	Instruction Document 5A - Collection and Communication of Data V-1.1 - 4.1
Description of findings leading to observation:	The responsible person is aware about the requirement. So far the responsible person did not get any training how to use the DTS and it is recommended to watch the webinars provided by SBP before starting to use the system.	
Observation:	The responsible person for DTS should get some training available before starting to work in this system.	

11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Pilar Gorría Serrano
Date of decision:	21/Aug/2018
Other comments:	<i>Click or tap here to enter text.</i>