NEPCon OÜ Evaluation of Verdo Trading AS Compliance with the SBP Framework: Public Summary Report

NCR-verification audit

www.sbp-cert.org

Completed in accordance with the CB Public Summary Report Template Version 1.5

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

Document history

Version 1.0: published 26 March 2015

Version 1.1: published 30 January 2018

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Version 1.4: published 16 August 2018

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1 Overview

Certification Body (CB) Name:	NEPCon OÜ
Primary CB contact for SBP:	Ondrej Tarabus
Primary CB contact email:	otarabus@preferredbynature.org
Audit team leader:	Christian crahbek
Audit team members:	Christian Rahbek
Name of the Company:	Verdo Trading AS
Company legal address:	Kulholmsvej 22, 8930 Randers NØ, Denmark
Company contact for SBP:	Line Risgaard Mortensen
Company contact email:	limo@verdo.com
Company website:	N/A
SBP Certificate Code:	SBP-01-11
Date of certificate issue:	09 Mar 2021
Date of certificate expiry:	08 Mar 2026
Audit closing meeting date:	24 Aug 2021
Audit cycle:	NCR-verification audit

2 Scope of the evaluation and SBP certificate

Scope Item	Check all that apply to the Certificate Scope	Change in scope (N/A for Assessments)
Primary Activity:	Trader	☐
Approved Standards:	SBP Standard 1: Feedstock Compliance Standard; SBP Standard 2: Verification of SBP-compliant Feedstock; SBP Standard 4: Chain of Custody; SBP Standard 5: Collection and Communication of Data Instruction; Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3	☐
Includes Supply Base Evaluation (SBE):	Yes	☐
Includes communication of Dynamic Batch Sustainability Data (DBSD)	No	☐
Includes Group Scheme	No	☐
Products	Chips, Pellets	☐

Feedstock types:	Primary	☐
Feedstock origin (countries):	Denmark, Estonia, Latvia, Lithuania, Poland	☐
SBP-endorsed Regional Risk Assessments used: **Public link:** **https://sbp-cert.org/documents/standards-documents/risk-assessments/**	Denmark	☐
Chain of custody system implemented:	PEFC, FSC: NC-CoC-021375 NC-PEFC/CoC-021375	☐
	Transfer	☐

2.1 Description of the company

The organization is primarily a biomass trader, trading both wood pellets and wood chips and fuel wood logs, but from the june 2020 scope change audit, the organization also acts as a Biomass Producer. For the Biomass Producer activites, the Supply Base includes Denmark, Estonia, Latvia, Lithuania and Poland. The scope of the certificate includes Supply Base Evaluation only for feedstock sourced from Denmark. Feedstock sourced in other countries in the Supply Base is sourced as FSC or PEFC certified and hence SBP-compliant Feedstock. The organization delivers the SBP biomass produced to the end-points either via truck for biomass of Danish origin, or via vessel and/or truck for biomass from Estonia, Latvia, Lithuania and Poland. For the trading activities, the organization is sourcing SBP biomass from the Biomass Producers globally and usually transports the biomass directly to customers by vessel, but the organization may also transport to the customer via storage facilities at its own address or logistics facilities in the port of Aarhus in accordance with the implemented FSC transfer system. The organization is producing SBP-compliant biomass, but could potentiallly also sell or trade SBP-controlled biomass. The organization prepares a Wood chip SAR document and reports changes in GHG data under Verdo Trading's ownership in a SREG when applicable. The organization holds valid FSC and PEFC certificates with transfer system implemented

2.2 Detailed description of the Chain of Custody system

The organization has implemented the FSC transfer system for production and trading activities with biomass (wood pellets and chips) in the scope of the certificate. The process covers trade and logistics of biomass as well as storage of the traded biomass at the BP's facilities in the port of Randers, where the Main office is located, or at a logistics site in the port of Aarhus, which were empty at the time of the reassessment audit. The biomass is purchased from different suppliers in Denmark or Europe and transported to Randers for own consumption or sold to other customer. While stored in Randers or Aarhus the material from different suppliers is physically separated. At the BPs facilities in Randers there are several warehouses which are used for different categories of wood pellets. The wood pellets in one warehouse is not mixed with material from other suppliers (or with different claims) which provides assurance that the separation is well

implemented. There are also records of stored material and based on input and output material for each warehouse each delivery can be traced. The FSC and SBP claims are mentioned on the sales invoices. The sustainability characteristics for each batch are transferred to the customers via the DTS system as required.

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 includes the Supply Base Evaluation applied to feedstock from Denmark, and the implementation of required mitigation measures for sourcing of feedstock under the SBE in Denmark.

The scope of the evaluation covered:

• Review of the BP's management procedures;

• Review of PEFC system control points, analysis of the existing PEFC CoC system;

• Interviews with responsible staff;

• Review of the records, calculations and conversion coefficients;

• GHG data collection analysis.

• Evaluation of mitigation measures implemented

4 Evaluation process

4.1 Timing of evaluation activities

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

Audit Schedule			
Activity	**Location**	**Auditor name**	**Date/time**
Opening meeting	Online	Christian Rahbek	24 Aug 2021/14:30
Review of documents: MS, Volume data	Online	Christian Rahbek	24 Aug 2021/14:45
Review of MS; Interviews with staff	Online	Christian Rahbek	24 Aug 2021/15:00
Closing Meeting	Online	Christian Rahbek	24 Aug 2021/15:30

Auditor qualification		
Auditor name	**Role**	**Qualification**
Christian Rahbek	Audit team leader	M.Sc. (Forestry) from University of Copenhagen. Has passed NEPCon Lead Auditor Training for FSC and PEFC FM and CoC certification. Experience from more than 10 years of FSC and PEFC CoC and FM audits. Approved as SBP Lead auditor in January 2017.

4.2 Description of evaluation activities

The NCR verification audit was conducted fully remote, as no on-site time was needed in order to evaluate the procedures established with the objective of addressing the minor non-conformities identified during the 2020 scope change audit, that added the role of BP to the scope of the SBP certificate.

The NCR verification audit started with a brief opening meeting on Tuesday, august 24, 2021, at 14:30 - 14:45 with attendance by the Biomasss Manager and the Sustainability Coordinator who is the main responsible for the BP's CoC and SBP procedures.

The audit consisted of review of specific section of the documented procedures that had been amended with procedures for obtaining access to and validation of the documentation related to the geographical origin of the feedstock sourced as FSC or PEFC certified in the Baltic countries of the Supply Base. Interviews were conducted with both staff with responsibility for the validation of the documentation of origin of the feedstock. The overall objective is locating the feedstock origin (location of the tree stump) as being within the defined Supply Base. During the audit period no SBP trasnactions have been done by the CH, NC evaluation was based on the procedures, staff interviewes and the system developed by the Certificate Holder.

The NCR Verification audit was concluded on at app 15:45 on Tuesday August 24, 2021, with a closing meeting attended by the Biomass Manager and the Certification coordinator. During the closing meeting the auditor presented the conclusions of the NCR verification audit, and it was agreed that the BP representatives would submit a finalized version of the updated documented management System and specific internal guidelines for carrying out the verifications of the documentation of origin.

4.3 Sampling methodology

As the audit only included verification of documentation of procedures for verification of the origin of the sourced feedstock, sampling did not apply.

4.4 CB stakeholder engagement

No stakeholder engagement was conducted, as all relevant stakeholders had been contacted during the 2020 scope change audit that added the BP activities and the use of the SBE to the scope of the SBP Certificate.

4.5 Stakeholder feedback

Not stakeholders had provided any comments since the 2020 scope change audit.

5 Results

5.1 Main strengths and weaknesses

The main strengths of the organization lie within the strong human resources, sufficient technical facilities and administrative procedures. Furthermore, that business activities of the organization are relatively simple in relation to the SBP standards. No NCRs were identified during the audit.

The main weakness of the organization's SBP certification related to the fact that for the material from Denmark, the BP relies on the suppliers to submit sufficient and correct information about the origin of the feedstock and of the risk evaluation and mitigation process. The BP has established a supplier control system, which is designed to ensure that a sufficient number of projects are sampled and visited in the field for verification of correct traceability, risk evaluation according to sub-scope and implementation of risk mitigation as required. As of this NCR Verification audit, the BP has also implemented additional procedures for verification of the origin of feedstock sourced as FSC or PEFC certified form the Baltic countries in the Supply Base.

5.2 Rigour of Supply Base Evaluation

At the time of the scope change audit, the Supply Base Evaluation was implemented only for primary feedstock sourced from Denmark. The BP implements the SBE for primary feedstock (forest products) that are originating from Denmark and is sold without SBP-approved Forest Management Scheme claim, SBP-approved Forest Management partial claim or SBP-approved Chain-of-Custody (CoC) System claim. Risk mitigation measures are implemented for material coming from both forest land and from other origin, e.g. landscape maintenance, or residential areas.

The BP has used the SBP endorsed regional risk assessment for Denmark (June 2017) which has been widely circulated for stakeholder consultation. Based on the "specified risks" in this risk assessment the organization has implemented relevant mitigation measures.

Supply Base Evaluation is only implemented for material sourced from Denmark, and not any other country.

5.3 Collection and communication of data

The organization has very good awareness of the requirements related to collection and communication of GHG and emissions data. The energy connected with transportation is calculated per each shipment as the distance change almost for every delivery of biomass. For biomass from other countries than Denmark, the transport distance data is obtained from the suppliers and verified against the reported origin of the feedstock as per the felling permits, which are forwarded to the BP by the suppliers.

5.4 Competency of involved personnel

The overall responsible person in the company Henrik Nørbo Mosegaard, but all practical responsibilities are handled by Bioenergy Manager and Purchaser Benny Corneliusen and Purchase and Sustainability Coordinator Line Risgaard Mortensen. Benny Corneliusen is overall responsible for implementing the SBE requirements, including the verification of the correct implementation of the risk mitigating measures. Benny Corneliusen is a Forester by training (Forest and Landscape Engineer) and has more than 10 years of practical experience as a forester in Denmark. They are supported by Bioenergy manager and purchase Mette Brandt, and all showed good understanding of the requirements in relation to SBP certification and of the already implemented FSC CoC system.

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

Introductory remarks:

The BP exclusively sources feedstock in Denmark from suppliers who on an individual basis have been evaluated positively for the "Alternativ Dokumentation" evaluation or suppliers who are part of the group "Godkendt Biomasseproducent" and also have been evaluated according to the "Alternativ Dokumentation" evaluation which is a third party evaluation covering the same scope as SBP but not evaluated under SBP scope (does not result in SBP certificate for the actual biomass producer). Such evaluation covers identification and protection of HCVs. The appropriate implementation is evaluated regularly by the BP and during the audit also by the CB..

The BP´s mitigation measures are based on the finding that, the mitigation measures for compliance with "Alternativ Dokumentation" evaluation are identical with the mitigation measures for the specified risks identified in the RRA for Denmark. Therefore, when suppliers evaluated for the "Alternativ Dokumentation" evaluation have implemented procedures in order to identify specified risk and to reduce risk, then the material can be categorized as SBP compliant. If suppliers are not able to reduce the risk for parts of the biomass, then it will not be categorized as SBP compliant.

The BP will follow the developments in the RRA for Denmark and the procedures developed for "Alternativ Dokumentation"/"Godkendt biomasseproducent" in order assure that its suppliers fully mitigate the specified risks identified. When the RRA for Denmark is updated, the BP will assure that updates are implemented in the "Alternativ Dokumentation"/"Godkendt biomasseproduce" evaluations.

Suppliers delivering feedstock which is categorized as SBP compliant will be monitored strictly by VT "SBP biomass monitoring program.

The "SBP Biomass monitoring program" is controlled by Benny Corneliussen.

Risk assessment

In all new jobs, the areas on which biomass is harvested will be screened according to the following indicators: 2.1.1, 2.1.2, 2.2.3 and 2.2.4 where a specified risk has been established. The risk assessment is based on available map material and databases as well as a review of the area before startup. A map and

checklist is prepared for each job to ensure that the machine operator is aware of protected or preserved nature/culture.

The risk assessment is divided into six categories.

1. Primary feedstock from FSC or PEFC certified forests - **always low risk**

2. Primary feedstock from forests with a green management plan - **specified risk**

3. Primary feedstock from even-aged stands of non-native coniferous trees - **always low risk**

4. Primary feedstock from thinnings of first generation forest estates - **always low risk**

5. Primary feedstock from unevenaged forest stands or stands of broadleaved trees **specified risk**

6. Primary feedstock from non-forest areas, such as windbreaks, city and park areas, nature projects -

always low risk

The risk assessment is carried out by the supplier. If a specified risk is established then an

assessment from a forester/biologist/graduate in forestry will be conducted. The forester/biologist/graduate shall be familiar with identifying key biotopes according to the key biotope type catalogue or similar.

Risk handling

VT contractually agrees with all suppliers that:

- They have a valid evaluation for “Alternativ Dokumentation” or are “Godkendt biomasseproducent”

- They have implemented the system and procedures effectively in their organization

- All biomass delivered to VT will be mitigated to “low-risk” according to the requirements in “Alternativ Dokumentation” or “Godkendt biomasseproducent”.

Further VT contractually agrees with suppliers that:

- Staff carrying out screenings and planning of the jobs are familiar with applicable nature and environment legislation.

- Activities are planned to minimize the negative effect on ecosystems, biodiversity and areas worth preserving.

- Areas where wood chips are harvested must be examined before startup by a physical review and must be mapped.

- All procedures shall be explained in the suppliers manuals.

- A map will be prepared for each wood chip project. If maps have been prepared in connection with certification or a green management plan, these maps must be used in the process in order to ensure HCV areas.

o If the work area is located in a forest, it will be screened by the suppliers according to the checklist in the suppliers manual

o If the job consists of thinning in an afforestation or thinning in a uniform conifer stand, screening may be omitted. Legality must be ensured.

o If the work area is located outside a forest, screening may be omitted. Legality must be ensured.

o Each wood chip project is given a unique case number and address which also appear on the job description, weighing forms and basis of settlement. Ensure traceability.

o Each wood chip project has a checklist with relevant information. Ensure excellent communication between the various parties in the work process and note down all relevant data which the machine operator needs.

- In order to identify areas with high natural values during the work, machine operators working with woodchip production in the forest are encouraged to be trained in “Operation of machines in areas close to nature”.

Monitoring of Mitigation Measures

Both the functionality of the mitigation measures as well as projects will be monitored on a pending and annual basis via internal monitoring programs

Mitigation measures will be checked annually or if they are found to be inappropriate on a pending basis. Especially, the BP will follow the developments in the RRA for Denmark and the procedures developed for “Alternativ Dokumentation”/”Godkendt Biomasseproducent” in order assure that its suppliers fully mitigate the specified risks identified.

The BP´s “SBP Biomass monitoring program” will be evaluated with focus on findings from the desk and field based controls

SBP Biomass monitoring program Suppliers and deliveries are monitored according to the following sampling system:

- It is on a pending basis checked that the screenings documents stated in the contract are supplied for all projects.

- All suppliers are monitored at least every 6 months.

- If errors are found during field visits and desk assessments, the sample size shall be increased until it is clear to what extend the errors are systematic or random and what is the appropriate action to take.

Field based monitoring

- A sampling frequency is chosen where at least the square root of the number of projects delivered by the supplier in the foregoing 6 months, are monitored by field visits. The projects are monitored with The BP´s checklist for risk assessment.

Desk based monitoring

- A sampling frequency is chosen where at least 30 % of the projects delivered by the supplier in the foregoing 6 months, are monitored by field or desk assessment. The projects are monitored with the BP´s checklist for risk assessment.

A report for each supplier covering the projects monitored shall present findings, conclusions and corrective actions agreed upon with the supplier.

6.2 Specified risk indicators and mitigation measures

Country/Area	Indicator	Specified risk description	Mitigation measure
Denmark	2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.	The key issue in the regional risk assessment, the based on the stakeholder process at the time, was centred on the lack of legal requirement for identification and mapping of Key biotopes (HCV category 3), and the notion that this would pose a potential risk when carrying out forest management activities. The stakeholders accepted an approach where several sub-scopes were defined, with the purpose of only having apply mitigation measures for sub-scopes where these are relevant. The Biomass Producer has adopted the following sub-scopes from the SBP-endorsed Regional Risk Assessment: 1. Primary feedstock from FSC or PEFC	The BP has established a system for ensure that their supplier are correctly in effectively implementing mitigation measures as required to mitigate the risk identified in the SBP endorsed Regional Risk Assessment for Denmark. The BP has documented and described procedures to implemented by the forest contractors for having professional foresters (min. B.SC.) carry out correct identifying and mapping "key biotopes" and for protecting these when proceeding with felling and extraction operations. The management system also requires the forest contractors to document policies for protecting biologically valuable trees and dead wood.

		certified forests 2. Primary feedstock from forests with a green management plan 3. Primary feedstock from thinnings in even-aged coniferous stands 4. Primary feedstock from thinnings of first-generation forest estates 5. Primary feedstock from forests without a green management plan or certification 6. Primary feedstock from non-forest areas, such as windbreaks, city and park areas, nature projects	The BP's documented supplier management system includes procedures for monitoring the implementation and effectiveness of the planned mitigation measures, and for improving these if they are found to be insufficient. It is auditor's evaluation that the established mitigating measures are sufficient to ensure the objective of mitigating the risks identified.
Denmark	2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.	The key issue in the regional risk assessment, the based on the stakeholder process at the time, was centred on the lack of legal requirement for identification and mapping of Key biotopes (HCV category 3), and the notion that this would pose a potential risk when carrying out forest management activities. The stakeholders accepted an approach where several sub-scopes were defined, with the purpose of only having apply mitigation measures for sub-scopes where these are relevant. The Biomass Producer has adopted the following sub-scopes from the SBP-endorsed Regional Risk Assessment: 1. Primary feedstock from FSC or PEFC certified forests 2. Primary feedstock from forests with a green management plan 3. Primary feedstock from thinnings in even-aged coniferous stands 4. Primary feedstock from thinnings of first-generation forest estates 5. Primary feedstock from forests without a green management plan or certification 6. Primary feedstock from non-	The BP has established a system for ensure that their supplier are correctly in effectively implementing mitigation measures as required to mitigate the risk identified in the SBP endorsed Regional Risk Assessment for Denmark. The BP has documented and described procedures to implemented by the forest contracters for having professional foresters (min. B.SC.) carry out correct identifying and mapping "key biotopes" and for protecting these when proceeding with felling and extraction operations. The management system also requires the forest contractors to document policies for protecting biologically valuable trees and dead wood. The BP's documented supplier management system includes procedures for monitoring the implementation and effectiveness of the planned mitigation measures, and for improving these if they are found to be insufficient. It is auditor's evaluation that the

		forest areas, such as windbreaks, city and park areas, nature projects	established mitigating measures are sufficient to ensure the objective of mitigating the risks identified.
Denmark	2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).	The key issue in the regional risk assessment, the based on the stakeholder process at the time, was centred on the lack of legal requirement for identification and mapping of Key biotopes (HCV category 3), and the notion that this would pose a potential risk when carrying out forest management activities. The stakeholders accepted an approach where several sub-scopes were defined, with the purpose of only having apply mitigation measures for sub-scopes where these are relevant. The Biomass Producer has adopted the following sub-scopes from the SBP-endorsed Regional Risk Assessment: 1. Primary feedstock from FSC or PEFC certified forests 2. Primary feedstock from forests with a green management plan 3. Primary feedstock from thinnings in even-aged coniferous stands 4. Primary feedstock from thinnings of first-generation forest estates 5. Primary feedstock from forests without a green management plan or certification 6. Primary feedstock from non-forest areas, such as windbreaks, city and park areas, nature projects	The BP has established a system for ensure that their supplier are correctly in effectively implementing mitigation measures as required to mitigate the risk identified in the SBP endorsed Regional Risk Assessment for Denmark. The BP has documented and described procedures to implemented by the forest contracters for having professional foresters (min. B.SC.) carry out correct identifying and mapping "key biotopes" and for protecting these when proceeding with felling and extraction operations. The management system also requires the forest contractors to document policies for protecting biologically valuable trees and dead wood. The BP’s documented supplier management system includes procedures for monitoring the implementation and effectiveness of the planned mitigation measures, and for improving these if they are found to be insufficient. It is auditor's evaluation that the established mitigating measures are sufficient to ensure the objective of mitigating the risks identified.
Denmark	2.2.4 The BP has implemented appropriate control systems and procedures to	The key issue in the regional risk assessment, the based on the stakeholder process at the time, was centred on the lack of legal requirement for identification and mapping of Key biotopes (HCV category 3), and the notion that	The BP has established a system for ensure that their supplier are correctly in effectively implementing mitigation measures as required to

	ensure that biodiversity is protected (CPET S5b).	this would pose a potential risk when carrying out forest management activities. The stakeholders accepted an approach where several sub-scopes were defined, with the purpose of only having apply mitigation measures for sub-scopes where these are relevant. The Biomass Producer has adopted the following sub-scopes from the SBP-endorsed Regional Risk Assessment: 1. Primary feedstock from FSC or PEFC certified forests 2. Primary feedstock from forests with a green management plan 3. Primary feedstock from thinnings in even-aged coniferous stands 4. Primary feedstock from thinnings of first-generation forest estates 5. Primary feedstock from forests without a green management plan or certification 6. Primary feedstock from non-forest areas, such as windbreaks, city and park areas, nature projects	mitigate the risk identified in the SBP endorsed Regional Risk Assessment for Denmark. The BP has documented and described procedures to implemented by the forest contracters for having professional foresters (min. B.SC.) carry out correct identifying and mapping "key biotopes" and for protecting these when proceeding with felling and extraction operations. The management system also requires the forest contractors to document policies for protecting biologically valuable trees and dead wood. The BP’s documented supplier management system includes procedures for monitoring the implementation and effectiveness of the planned mitigation measures, and for improving these if they are found to be insufficient. It is auditor's evaluation that the established mitigating measures are sufficient to ensure the objective of mitigating the risks identified.

7 Non-conformities and observations

NC number NC-000607 (01/20)	NC Grading: Minor
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock
Requirement:	6.1 The BP shall record the place of harvesting of inputs classified as SBP-compliant primary feedstock.
Description of Non-conformance and Related Evidence:	
This NCR was issued during the June 2020 Scope Change Audit: The BP has provided suppliers data on feedstock from Denmark. Additionally, communication and list of origin for the feedstock sourced as FSC or PEFC certified from Estonia and Latvia was provided as well. The supplier are delivering the number of harvesting permit for each delivery. While this provides some assurance that the origin of the material is know for each delivery, it is not checked with the actual delivery notes and therefore is on basis of some kind of supplier declaration. The non-conformity is classified as minor as the material is FSC or PEFC certified and the origin information is provided by the supplier.	
Timeline for Conformance:	Other
Evidence Provided by Company to close NC:	The BP has established procedures (Exhibit 1) for having access to and validating the geographical origin of all feedstock sourced as FSC or PEFC on a 25% sample basis on site at the supplier. The BP has provided internal guidelines (Exhibit 2) prescribing how the validation will be carried out on-site at the Baltic suppliers. The BP representatives have explained that their suppliers are willing to provide access as necessary to the felling permits, transport documents etc. BP representatives showed good understanding of the standard requirement and BP's own procedures during interview.
Findings for Evaluation of Evidence:	The NCR is closed based on the procedures and internal guidelines provided (exhibits 1 and 2) and the intended implementation demonstrated during the NCR validation audit.
NC Status:	Closed

NC number NC-000608 (02/20)	NC Grading: Minor
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3

Requirement:	6.10.3 To determine the effective load in metric tonnes per vehicle: in the case of trucks, the weight should be measured by a weighbridge, or equivalent, and recorded in a control system. Note: For transport by truck, train or flatboat the most important parameters are the distance and the capacity of the vehicle. It is usually enough to make a good estimate of the transport energy, based on proposed references by JRC and BioGrace. There is the option to record fuel use for transport, but this is not mandatory. For (long distance) sea transport fuel usage data must be provided.
Description of Non-conformance and Related Evidence:	
This NCR was issued during the June 2020 Scope Change Audit: The BP is sourcing wood chips also from Estonia and Latvia, in some cases the distance is only estimated value instead of actual value (e.g all distances recorded for one supplier are 40km even though the harvesting sites differ). Additionally, the evaluation of the distances was done on a sample bases and identified that there are some inconsistencies (e.g. material from supplier LEMEKS, sourced from Saaremaa, Estonia – based on felling permit – but supplied from Salacgriva port, Latvia with reported distance of 40 km) or the same value for distance was used for all deliveries.	
Timeline for Conformance:	Other
Evidence Provided by Company to close NC:	The BP has established procedures (Exhibit 1) for having access to and validating the geographical origin of all feedstock sourced as FSC or PEFC on a 25% sample basis on site at the supplier. The BP has provided internal guidelines (Exhibit 2) prescribing how the validation will be carried out on-site at the Baltic suppliers. The BP representatives have explained that their suppliers are willing to provide access as necessary to the felling permits, transport documents etc. BP representatives showed good understanding of the standard requirement and BP's own procedures during interview.
Findings for Evaluation of Evidence:	The NCR is closed based on the procedures and internal guidelines provided (exhibits 1 and 2) and the intended implementation demonstrated during the NCR validation audit.
NC Status:	Closed

NC number NC-000609 (03/20)	**NC Grading: Minor**
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3
Requirement:	6.10.5 Delivery records shall include, as a minimum, the supplier’s name, type of material, date of delivery and weight or volume.

Description of Non-conformance and Related Evidence:	
This NCR was issued during the June 2020 Scope Change Audit: It was verified during the audit by review of numerous examples for both road and sea transport that the delivery records always carry the necessary information covering supplier name, type of material, date of delivery and weight or volume. The system to verify the feedstock types for the material imported from Baltic is generally in place and the supplier provide description of the feedstock and doing the classification themselves, however, this is not further verified by the organization and therefore this rely on the supplier declaration only.	
Timeline for Conformance:	Other
Evidence Provided by Company to close NC:	The BP has established procedures (Exhibit 1) for having access to and validating the geographical origin of all feedstock sourced as FSC or PEFC on a 25% sample basis on site at the supplier. The BP has provided internal guidelines (Exhibit 2) prescribing how the validation will be carried out on-site at the Baltic suppliers. The BP representatives have explained that their suppliers are willing to provide access as necessary to the felling permits, transport documents etc. BP representatives showed good understanding of the standard requirement and BP's own procedures during interview.
Findings for Evaluation of Evidence:	The NCR is closed based on the procedures and internal guidelines provided (exhibits 1 and 2) and the intended implementation demonstrated during the NCR validation audit.
NC Status:	Closed

8 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Pilar Gorría
Date of decision:	01 Sep 2021
Other comments:	N/A