Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ
Evaluation of PHU NINH GREEN ENERGY JOINT STOCK COMPANY

Scope Change Audit

Sustainable Biomass Program
sbp-cert.org



Completed in accordance with the CB Public Summary Report Template Version 2.1 and SBP Bridging Requirements for Meeting the Directive EU/2023/2413 (REDIII)

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

Document history

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Table of contents

1 Overview **3**

2 Audit conclusions **4**

2.1 Certification decision 4
2.2 Open non-conformities and observations 4
2.2 Closed non-conformities 5
2.3 Actions taken by Organisation Prior to Report Finalisation 5
2.4 Notes for the next Audit 5

3 Scope of the audit and SBP certificate **6**

3.1 Description of the company 7
3.2 Site details 7
3.3 Detailed description of the Chain of Custody system and Product Groups 7

4 Specific objective of the audit **8**

5 Evaluation process **9**

5.1 Timing and duration of evaluation activities 9
5.2 Auditor team qualification 9
5.3 Description of evaluation activities 9
5.4 List of forest management units and feedstock suppliers visited 9
5.5 Describe audit sampling methodology used 11
5.6 CB stakeholder engagement 11
5.7 Stakeholder feedback and response 11
5.8 Main strengths and weaknesses of the management system and operations 11
5.9 Summary of evaluation activities for robustness of the Supply Base Evaluation 11
5.10 Summary of evaluation activities for Processing residues and/or Post-consumer feedstock requirements per Standard 2 and EU RED 11
5.11 Summary of evaluation activities for chain of custody system per Standard 4 11
5.12 Summary of evaluation activities for collection and communication of data per Standard 5 11
5.13 Summary of audit findings for competency of involved personnel 11
5.14 Summary of audit findings for GHG methodology per Standard 6 (if applicable) 12

6 Detailed evaluation of BP's Supply Base Evaluation (if applicable) **13**

6.1 Overview of BP's risk assessments and mitigation measures including EU RED scope 13
6.2 CB evaluation of specified risk indicators and mitigation measures 13

1 Overview

Certification Body (CB) Name:	Preferred by Nature OÜ
Primary CB contact for SBP:	Pilar Gorria Serrano
Primary CB contact email:	pgorria@preferredbynature.org
Audit team leader:	Van Cu Ho
Audit team members:	Van Cu Ho
Name of the Company:	PHU NINH GREEN ENERGY JOINT STOCK COMPANY
Company legal address:	Zone 4 Dan Chu Commune, Phu Tho Province, Viet Nam
Company contact for SBP:	Duc Hanh Lu
Company contact email:	phuninhenergyltd@gmail.com
Company website:	
Date of installation:	
SBP Certificate Code:	SBP-13-53
Date of certificate issue:	21 Oct 2025
Date of certificate expiry:	20 Oct 2030
Audit closing meeting date:	05 Aug 2026
Audit cycle:	Scope Change Audit

2 Audit conclusions

2.1 Certification decision

Based on the auditor's recommendation and the Certification Body's technical review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Mikhail Rai
Date of decision:	13 Oct 2026
Other comments:	N/A

2.2 Open non-conformities and observations

2.2 Closed non-conformities

2.3 Actions taken by Organisation Prior to Report Finalisation

N/A

2.4 Notes for the next Audit

N/A

3 Scope of the audit and SBP certificate

Scope item	Check all that apply to the Certificate scope
Primary activity	Biomass Producer
Secondary activity	Trader
Approved Standards	SBP Standard 1: Feedstock Compliance v2.0; SBP Standard 2: Feedstock Verification v2.0; SBP Standard 4: Chain of Custody v2.0; SBP Standard 5: Collection and Communication of Data v2.0; Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1; SBP Instruction Document EU RED: Bridging Requirements for Meeting EU RED v2.0 ; Instruction Document Japan: Bridging Requirements for meeting Japanese sustainability, legality and GHG saving requirements v1.2
Product Group IDs	☐ Forest feedstock (1A) ☐ Trees outside forest (TOF) - Urban and landscape feedstock (2A) ☒ Trees outside forest (TOF) - Agricultural land feedstock (3A) ☐ Processing residues feedstock (4A) ☐ Post-consumer feedstock (5A) ☐ Other (please specify) 1165
SBP Feedstock types	☒ SBP Compliant; ☐ SBP Controlled
Includes Supply Base Evaluation (SBE)	Yes
Includes EU RED Scheme	Yes
Includes EU RED Supply Base Evaluation (SBE)	Yes
Products	WB 1.1 Wood pellets, WB 2.4 Other residues from wood processing
Feedstock origin (countries):	Viet Nam
SBP-endorsed Regional Risk Assessments used: **Public link:** https://sbp-cert.org/documents/standards-documents/risk-assessments/	SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim
Chain of custody system	☐ Physical separation ☒ Mass balance
Outsourcing	PL_YN_NO
Changes in the scope	No

3.1 Description of the company

Guidance: Please describe the type, structure and operations of the company including its role in the supply chain, its inputs and outputs as they related to SBP Standards.

Added processing residues feedstock
Added product: WB 2.4: other residues from wood processing.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
PHU NINH GREEN ENERGY JOINT STOCK COMPANY	Zone 4 Dan Chu Commune, Phu Tho Province, Vietnam	Biomass producer	☒

3.3 Detailed description of the Chain of Custody system and Product Groups

Guidance: Please describe the operation of the CoC system including details of the mass balance management and a list of established Product Groups.

Phu Ninh Green Energy JSC was established in 2018, specializing at producing wood pellets and trading in Vietnam. The main office and the pellet plant is located in Phu Tho Province of Vietnam. The company holds a valid FSC CoC certificate SGSHK-COC/CW-370525. To ensure traceability and material accounting, the Organization applies a Mass Balance system. Non-SBP-certified material may also be purchased, and in such cases, physical separation and control measures are applied throughout all stages of production and storage. The Organization has implemented the SBP EU RED Framework and applies requirements in accordance with the REDIII Directive. A Level B risk assessment is conducted based on the SBP REDIII Level A Risk Assessment for Vietnam Forest v1.0 Draft. Identified risks are addressed through defined control measures and ongoing monitoring. Pellets are transported by truck to Thanh Phuoc port, loaded directly onto vessels under FOB Incoterms.

4 Specific objective of the audit

BP purchases round logs from eight provinces of Vietnam, including 1. Tuyen Quang 2. Quang Ninh 3. Thanh Hoa 4. Nghe An 5. Ha Tinh 6. Quang Tri 7. Da Nang 8. Dak Lak The Chain of Custody system is based on the mass balance method with a three-month balancing period. Two product Group has been defined: 10 and 40. All eligible inputs are mixed after the production gate, and mass balance is subsequently applied to allocate sustainability claims to outputs. The CoC system, therefore, relies exclusively on SBP requirements to ensure the traceability and integrity of sustainability claims. The BP works with an SBP-compliant biomass claim. If required, the BP will have an additional account for the SBP-controlled biomass claim. The organization sells from the factory gate or FOB at the port facilities at Cai Lan port, operates strictly on a purchase-order basis, and maintains segregation throughout storage and dispatch. Although physical segregation is the primary control at the port, mass balance records are maintained in parallel to ensure full alignment with SBP traceability rules and to ensure a consistent allocation of sustainability characteristics.

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	Cu Van Ho	2.0
2. On-site (excl. travel time)	Cu Van Ho	24.0
3. Report writing	Cu Van Ho	10.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Cu van Ho	Audit Team Leader	Cu Van Ho Lead auditor Cu began working with Preferred by Nature in August 2019. He has over 30 years of experience in the forestry and biomass sector in Vietnam and has acted as an FSC FM/CoC auditor in many countries. He holds a PhD in Forestry and – before joining Preferred by Nature – worked as a Lecturer at the University of Agriculture and Forestry, Ho Chi Minh City, Vietnam

5.3 Description of evaluation activities

5.4 List of forest management units and feedstock suppliers visited

☐ N/A – No forest sites or suppliers visited during this evaluation
0

Site name
Tan Thinh
Site location
Lao Cai
Site description
Sawmills
Rationale and focus of visit

Trace the origin of input materials, and verify the conversion rate from round logs to sawn timber and the volume of waste material.
Description of audit activity
The BP purchases processing residue from the supplier that supply the same products: shavings and off cuts. The supplier was chosen to be verified on-site as it represents the one of most common type of suppliers of the Organization. The Organization applies visual inspection upon receipt and also conducts onsite check to the suppliers. During the supplier audit the facilities were visited and responsible staff was interviewed to evaluate the production process and to determine the feedstock matches the declared types. It was observed that the feedstock is stored separately at the supplier wood yards. Additionally, sample records of deliveries were verified to identify the possible supply base and to confirm it is within the declared ones. As a part of purchasing contracts, the self-declaration signed by the supplier. After the visit the Organization provided completed audit checklists. Evaluation carried out by the Organization and approaches implemented are considered sufficient to admit the feedstock as secondary and tertiary. Primary feedstock and its origin were also evaluated. The system of loading and document management allow to segregate the volumes of each type of feedstock.

Site name
Nguyen Xuan Son
Site location
Nghe An
Site description
Post harvesting site of small forest owners, supplied accacia logs to sawmill.
Rationale and focus of visit
Evaluation of risk mitigations about conversion, stumps and roots, burning practoices and buffer zome management
Description of audit activity
The onsite verification involved a visual focus on the following aspects: - LURC issued before 2008 that is not related to conversion. - Harvesting practices, including stumps, roots, and site preparation without burning. - Buffer-zone management, such as watercourses and riverside areas. - Soil erosion.

Site name
Nguyen Huu Hai
Site location
Nghe An
Site description
Post harvesting site of small forest owners, supplied accacia logs to sawmill.
Rationale and focus of visit
Evaluation of risk mitigations about conversion, stumps and roots, burning practoices and buffer zome management
Description of audit activity
The onsite verification involved a visual focus on the following aspects: - LURC issued before 2008 that is not related to conversion. - Harvesting practices, including stumps, roots, and site preparation without burning. - Buffer-zone management, such as watercourses and riverside areas. - Soil erosion.

5.5 Describe audit sampling methodology used

5.6 CB stakeholder engagement

☐ N/A – Certification Body stakeholder consultation not applicable for this evaluation

Guidance: Please specify the number and types of stakeholders engaged, method of engagement and its outcomes.

1

5.7 Stakeholder feedback and response

☐ N/A – Certification Body stakeholder consultation not applicable for this evaluation

0

5.8 Main strengths and weaknesses of the management system and operations

The audit team conducted consultations with local authorities and forest rangers through direct interviews. The results of the interviews showed that:
- 100% of households in the area were granted land use right certificates (LURC)
- The land area was planned and used for production forest plantations
- There was no conversion from natural forest to plantation forest after 1/2008
- Forest fires occurred on a small scale and were promptly handled
- There were no serious erosion or landslides recorded in the area. Stakeholders also confirmed that BP had conducted consultations regarding the existing issues identified in the feedstock area. One key concern raised was that local farmers continue to follow traditional practices, particularly the burning of post-harvest residues. This practice remains common due to its simplicity, familiarity, and low cost, but it occurred on a small scale and was promptly handled

5.9 Summary of evaluation activities for robustness of the Supply Base Evaluation

☐ N/A – Standard 1 not in the scope of the evaluation

0

5.10 Summary of evaluation activities for Processing residues and/or Post-consumer feedstock requirements per Standard 2 and EU RED

☐ N/A – processing residues and/or post-consumer feedstock not used.

5.11 Summary of evaluation activities for chain of custody system per Standard 4

0

5.12 Summary of evaluation activities for collection and communication of data per Standard 5

Clear documentation regarding: the origin of processing residue, processing steps; and mass balance tracking within the supply chain.

5.13 Summary of audit findings for competency of involved personnel

5.14 Summary of audit findings for GHG methodology per Standard 6 (if applicable)

BP implemented a mass balance module that tracks input feedstock data and output biomass and ensures they are equivalent.
Positive balances are being carried forward to the next reporting period. Clear procedures covering requirements version 2.0 in the SBP handbook, training records, internal records, purchase and sale invoices, and the annual volume summary are kept and matched; business integrity is documented; the RED commitment is signed by Senior management; and no subcontracting activity is allowed. SEP is established and implemented.

6 Detailed evaluation of BP's Supply Base Evaluation (if applicable)

☐ N/A – Supply Base Evaluation not in the scope of the evaluation

6.1 Overview of BP's risk assessments and mitigation measures including EU RED scope

The Organization compiles data on energy use, feedstocks, and transport through contributions from different departments, which are consolidated and summarized in the SAR by the responsible persons. Most values are based on actual data. In addition, certain average values were derived from sample measurements. The estimations and averages were supported by documented justification and aligned with operational records. The data set was found to be consistent and adequate to ensure reliable reporting in accordance with ID 5E.

6.2 CB evaluation of specified risk indicators and mitigation measures

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
1.1.1 Operations related to feedstock sourcing and biomass production shall comply with all existing applicable laws and regulations.
Specified risk description
Vietnam has adequate legal regulations covering all supply base and biomass production activities. However, the implementation of legal for some aspects is still inadequate (based on the analysis in the relevant indicator), so this indicator is considered a risk identified for all 03 sub-scopes. Specific risks are detailed in the following indicators.
Detailed description of a mitigation measure
Valid FSC FM Certificate OR Certificate of land use rights or commitment to no land dispute with correct name on ID of forest owner; GSP coordinates of the forest plot; The list of forest products is prepared by the forest owner or by an organization/individual authorized by the forest owner; Forest product exploitation information form is prepared by the forest owner or an organization/individual authorized by the forest owner; Slip at factory gate; Consulting with stakeholders on land boundary disputes.
Detailed description of CB evaluation of mitigation measure and its conclusions
1. The auditor analyzed a sample of entries received in the reporting period from primary feedstock, including Packing lists (bang ke lam san in Vietnamese), purchase documents, delivery notes, and invoices, and origin information in compliance with all existing applicable laws and regulations. 2. Field visits were conducted to verify at post-harvesting sites. 3. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
1.1.2 Legal ownership of land and resource use rights shall be respected.
Specified risk description
The supply of timber raw materials in Vietnam is mainly from production forests, of which the majority of production forests have been allocated to households for management. However, with a large number of small forest owners (>1 million), the issuance of land use right certificates has yet to be fully implemented, so this indicator is considered a definite risk for small forest owners.
Detailed description of a mitigation measure
Valid FSC FM Certificate OR Red book or Document of the Commune People's Committee on land without dispute, with the same name as in forest owner's ID.
Detailed description of CB evaluation of mitigation measure and its conclusions
1. The auditor analyzed a sample of entries received in the reporting period from primary feedstock included Packing list (bang ke lam san in Vietnamese) purchase documents, delivery notes invoices, origin information in comply with all existing applicable laws and regulations, copy of Land Use Rights Certificated (LURC) of suppliers (small forest owner) 2. Field visits were conducted to verify onsite and consultation with local authority and forest protection dept (FPD) 3. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
1.1.3 Feedstock shall be legally harvested, supplied and produced, including in compliance with CITES, EUTR and other applicable legal trade requirements.
Specified risk description
The primary feedstock in Vietnam is mainly sourced from planted production forests. The main species used for forest plantations include Acacia, Eucalyptus and Rubber, which are in the list of major forestry species (Circular 22/2021/TT-BNNPTNT dated 29/09/2021) and not listed under CITES. Harvesting permits are required for state-owned forest owners but not for households and individuals, while forest product inventory is mandatory for all forest owners. In practice, stateowned organizations fully comply with the requirements for approving harvesting plans and forest product inventory. Smallholders mainly sell standing trees to intermediaries or traders. Therefore, filling in the forest product inventory is delegated or assigned to intermediaries or traders. Intermediaries or

traders are not allowed to fill in the forest product inventory, which does not comply with current laws (Circular 26/2022/TT-BNNPTNT and Circular 22/2023/TTBNNPTNT). In addition, the implementation and control of forest inventory for private forest owners has yet to be fully implemented. Therefore, specific risks are identified for feedstock originating from small forest owners and private organizations related to the requirement of forest inventory.

Detailed description of a mitigation measure

FSC FM Certificate
OR
The list of forest products is prepared by the forest owner or by an organization/individual authorized by the forest owner; Forest product exploitation information form is prepared by the forest owner or an organization/individual authorized by the forest owner; Slip at factory gate; Consulting with stakeholders on land boundary disputes; Procurement of tree species not from CITES list.

Detailed description of CB evaluation of mitigation measure and its conclusions

1. Field visits were conducted to verify onsite and consultation with local authority and forest protection dept (FPD) to confirm that the BP legally harvested, supplied and produced, including in compliance with CITES, EUTR and other applicable legal trade requirements
2. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country

Viet Nam

Area/Sub-Scope

N/A

Indicator

2.2.1 Feedstock shall not be sourced from land that had one of the following statuses in January 2008 and no longer has that status due to land conversion: a. Forests b. Wetlands c. Peatlands d. Highly biodiverse grasslands.

Specified risk description

Although Vietnam has adequate legal regulations and effective mechanisms for managing forest and wetland land use, from 2006 to 2014, the conversion of depleted natural forests into plantation forests took place on a large scale legally. There are still sporadic illegal forest conversions to date. The loss of mangrove forests and peatlands has also occurred significantly. Therefore, this indicator is assessed as a specified risk.

Detailed description of a mitigation measure

Check if a land use right certificate was issued before 2008? In this case, check the land use purpose.
Certificate of land use rights or commitment of no land dispute;
Forest cover map.

Detailed description of CB evaluation of mitigation measure and its conclusions

1. No GIS database is available, but during the interview with the local authority, they confirmed to the auditor that the area has been allocated for plantation since 2000, and

mitigation is accepted
2. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
2.2.3 Soil quality in the Supply Base shall be maintained or enhanced
Specified risk description
Although Vietnam has regulations to limit the negative impacts of forestry production activities, implementing sustainable forest management plans is optional for all forest owners. The short forest planting rotation and the widespread burning of vegetation can negatively impact soil quality. Therefore, this indicator is assessed as a specified risk.
Detailed description of a mitigation measure
FSC FM Certification; OR Field survey of soil quality and analysis of how harvesting will affect soil quality. Before harvesting: assess the slope and organize harvesting techniques to prevent soil degradation. After harvesting: control vegetation, burning of harvesting residues can be done only in compliance with best forest management practices, do not dig out the stump after harvesting; Stakeholder consultation on soil quality issues; Yearly training for forest owners and harvesting teams to apply the best forest management practices, burn residues in accordance with best forest management practices, do not remove the stump after harvesting.
Detailed description of CB evaluation of mitigation measure and its conclusions
1. By conducting on-site visits and consultation with the local authority and forest protection dept (FPD) and direct interviews with farmers about soil quality management, the auditor advised that the farmer apply the technique of maintenance and actively enhance soil quality by: - Implement conservation tillage and cover cropping - Use integrated nutrient management (organic + inorganic) - Avoid practices that lead to erosion. 2. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator

2.2.4 Where the removal of harvest forest residues and/or stumps occurs, this shall not lead to irreversible negative impacts to the ecosystem.
Specified risk description
Although Vietnam has a Forestry Law regulating permitted or prohibited forestry activities and regulations on sustainable forest management, there are no effective legal regulations specifically for the treatment of post-harvest residues and the situation of uncontrolled burning of vegetation after harvesting is still ordinary, so this index is assessed as a definite risk.
Detailed description of a mitigation measure
FSC FM Certificate OR Field survey: burning of harvesting residues can be done only in compliance with best forest management practices, no digging of stumps after exploitation; Training for forest owners and harvesting teams to apply the best forest management practices when logging, managing harvesting residues, and not digging out stumps after harvesting. Stakeholder Consultation with no dispute on the soil quality matter.
Detailed description of CB evaluation of mitigation measure and its conclusions
1. By conducting on-site visits and consultation with the local authority and the forest protection dept (FPD) and direct interviews with farmers about negative impacts to the ecosystem, the auditor advises that the farmer apply the technique of maintenance and actively enhance soil quality by: - Implement conservation tillage and cover cropping - Use integrated nutrient management (organic + inorganic) - Avoid practices that lead to erosion. 2. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
2.2.5 Quality and quantity of ground water, surface water and water downstream shall be maintained or enhanced.
Specified risk description
Vietnam has complete regulations to protect water resources in general and the forestry sector. In general, forestry activities have little impact on water resources. However, afforestation encroaching into protected areas along stream buffer zone is still quite common in forests managed by smallholders. Therefore, this indicator is considered a specified risk for smallholder.
Detailed description of a mitigation measure
FSC FM Certification OR Field survey. Before harvesting, check for streams and rivers. After harvesting, check

for remaining unharvested buffer zones of correct size; consult with stakeholders on whether the quality and quantity of groundwater, surface water, and downstream water in the area are being maintained and improved.
Detailed description of CB evaluation of mitigation measure and its conclusions
1. By conduct on-site visits and consultation with local authority and forest protection dept (FPD) and direct interview farmer about quality and quantity of ground water, surface water and water downstream shall be maintained or enhanced, the auditor recognized: 2. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
2.2.7 Pesticides shall only be used as part of an Integrated Pest Management (IPM) plan in compliance with national legislation, chemical safety data sheets and industry best practice. Banned pesticides shall not be used.
Specified risk description
Specified risk for Rubber plantation
Detailed description of a mitigation measure
No rubber species in the scope
Detailed description of CB evaluation of mitigation measure and its conclusions
1. Auditor reviews the purchasing document to confirm that no rubber wood is in the BP supply chain. 2. On-site visit to confirm that the species is acacia only 3. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
2.2.8 Waste shall be disposed of in an environmentally appropriate manner.
Specified risk description
Specified risk for rubber planations
Detailed description of a mitigation measure

No rubberwood in the scope

Detailed description of CB evaluation of mitigation measure and its conclusions

1. Auditor reviews the purchasing document to confirm that no rubber wood is in the BP supply chain.
2. On-site visit to confirm that the species is acacia only
3. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
2.2.11 The impacts of natural processes such as fires, pests and diseases shall be managed.
Specified risk description
Forest fire management has completed legal regulations and implementation mechanisms, but smallholders do not fully implement these regulations due to limitations in awareness, knowledge and techniques. Regarding pest management, although there are regulations and technical procedures, all forest owners yet to have not effectively implemented them.
Detailed description of a mitigation measure
FSC FM Certification OR Forest fire prevention and fighting plan developed by forest owner; Field survey: Implementing fire prevention and fighting technical guidelines; Training for forest owners and logging teams: 1) How to identify and prevent forest pests and diseases, 2) How to identify and treat leaf wilt disease of Acacia hybrid and Acacia mangium
Detailed description of CB evaluation of mitigation measure and its conclusions
1. On-site visit and stakeholder consultation with local communities and authorities to confirm that fires, pests, and diseases at plantations are professionally managed by small forest owners with strong final support from the local authority and BP 2. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
4.1.8 Training shall be provided for all workers to allow them to implement the conditions set out in all elements of the SBP Standards relevant to their responsibilities.

Specified risk description
Vietnamese law has policies and regulations on vocational training and education for small and mediumsized enterprises in all production sectors. Training facilities in the forestry sector are provided for university-level workers and workers nationwide. However, training and technical and occupational safety guidance for enterprise workers has yet to be fully implemented. For small forest owners, production activities are mainly based on practical experience without training. Therefore, this indicator is assessed as a specified risk.
Detailed description of a mitigation measure
Train smallholders and logging groups on all high risks identified in the Vietnam RRA and addressed in this Risk Management Plan.
Detailed description of CB evaluation of mitigation measure and its conclusions
1. Training was provided to small forest owners and harvesting teams by the BP supplier. 2. During the onsite verification, the auditor interviewed the harvesters and confirmed that the Mitigation measure is applied. 3. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
4.1.10 Safeguards shall be put in place to protect the health and safety of workers by developing, communicating and implementing policies and procedures.
Specified risk description
Vietnam has specific legal regulations on implementing protective measures that must be applied to protect the health and safety of workers. Statistics from the Ministry of Labor, War Invalids and Social Affairs also show that the number of occupational accidents in the forestry industry has been insignificant in the last three years. However, there has been no comprehensive assessment of the implementation of occupational safety and hygiene regulations in forestry, so this indicator is assessed as a specified risk for all subscopes.
Detailed description of a mitigation measure
FSC FM Certificate OR Training for forest owners and logging teams on health and safety regulations during logging; Provide security equipment, personal protective equipment (PPE) for logging teams, even though they are hired by forest owners; Stakeholder Consultation with no dispute on health and safety matters
Detailed description of CB evaluation of mitigation measure and its conclusions
1. The auditor conducts interviews with the farmers and consults local authorities to confirm that there are no disputes regarding health and safety matters.

2. Field visits are conducted to verify conditions at post-harvesting sites.
3. The mitigation measures found are sufficient to ensure that the feedstock is received with a low risk.

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
4.2.4 Legal, customary, and traditional tenure and use rights of Indigenous Peoples and local communities related to the Supply Base shall be identified, documented, and respected.
Specified risk description
Regarding traditional customary ownership, the State always has a preferential policy for local communities and ethnic minorities in granting forest land use rights. The legal use rights according to traditional customs of local communities are also protected by the provisions of the Forestry Law and Circular 28/2018/TTBNNPTNT, Circular 13/2023/TT-BNNPTNT on sustainable forest management. Still, the identification of forests with significance in customs, practices and beliefs has only been well implemented by forest owners who are state organizations. For forest owners who are private organizations or small forest owners, the identification of forests with significance in customs, practices, and beliefs has yet to be fully implemented or has only stopped at the identification stage without solutions to ensure respect for traditional use rights. Thus, this indicator is assessed as low risk for state organizations and specified risk for private organizations and small forest owners.
Detailed description of a mitigation measure
FSC FM Certificate OR Certificate of land use rights or commitment to no land dispute with correct name on ID of forest owner; Consult the Commune People's Committee and local Forest Rangers on management, supervision and ensuring the implementation of traditional ownership and use rights of local communities; Consult with representatives of ethnic minorities
Detailed description of CB evaluation of mitigation measure and its conclusions
1. The auditor interviews farmers and local people on-site at the plantation camp (under group certification) as well as local authorities to confirm that no negative impacts occurred. 2. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator

4.2.5 Mechanisms shall be in place for resolving grievances and disputes relating to tenure and use rights of the forest and other land management practices.
Specified risk description
Although Vietnam has regulations related to the mechanism for resolving complaints and disputes over forest ownership and use rights, implementing those regulations and mechanisms is still inadequate and ineffective, so this indicator is considered a specified risk for all sub-scope groups.
Detailed description of a mitigation measure
FSC FM Certificate OR Certificate of land use rights or commitment to no land dispute with correct name on ID of forest owner; Stakeholder Consultation with no dispute on tenure and use rights and other forest management practices
Detailed description of CB evaluation of mitigation measure and its conclusions
1. The auditor interviews farmers and local people on-site at the plantation camp (under group certification) as well as local authorities to confirm that no negative impacts occurred. 2. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
4.2.6 Where Indigenous Peoples' rights are identified in the Supply Base, and Free Prior and Informed Consent (FPIC) has not been achieved for the proposed and planned activities, a consultation and, if required, accommodation process shall be put in place.
Specified risk description
Community and stakeholder consultations on forestry plans and planning have been carried out at the national level. However, at the implementation level, community and stakeholder consultations on forest management plans and exploitation plans of forest owners have only been thoughtfully implemented by forest owners who are state organizations. Forest owners who are private organizations and small forest owners often do not fully consult with the community when implementing sustainable forest management plans and do not notify the exploitation plan and forest product inventory to the Forest Protection Department. Therefore, this indicator is considered a defined risk for forest owners who are private organizations and small forest owners.
Detailed description of a mitigation measure
FSC FM Certificate OR List of local ethnic minorities, consult with stakeholders with all identified ethnic minorities in the Supply Base without conflict or discrimination; Investigate public information on ethnic minority rights, traditional forest use, and conflicts with forest owners in the Supply Base area.

Detailed description of CB evaluation of mitigation measure and its conclusions
1. The auditor interviews farmers and local people on-site at the plantation as well as local authorities to confirm that no negative impacts occurred. 2. Mitigation found sufficient to ensure that the feedstock is received as low risk