Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ Evaluation of Latgran SIA - Gulbene

NCR-verification audit

Sustainable Biomass Program
sbp-cert.org



Completed in accordance with the CB Public Summary Report Template Version 2.0

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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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:	Girts Karss
Audit team members:	N/A
Name of the Company:	Latgran SIA - Gulbene
Company legal address:	Muižas iela 3, LV-5222 Jēkabpils, Jēkabpils novads, Latvia
Company contact for SBP:	Līga Hermane
Company contact email:	liga@latgran.com
Company website:	www.latgran.com
Date of installation:	
SBP Certificate Code:	SBP-01-64
Date of certificate issue:	30 Mar 2022
Date of certificate expiry:	29 Mar 2027
Audit closing meeting date:	18 Sep 2026
Audit cycle:	NCR-verification 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:	26 Oct 2026
Other comments:	N/A

2.2 Open non-conformities and observations

NC number 9820	NC Grading: Observation
Standard:	SBP Standard 2: Feedstock Verification v2.0
Requirement:	1.1.7 The records of feedstock category inputs shall show the relative volumes of different feedstock inputs used. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
All feedstock inputs, including their respective categories, are recorded in the Biomass Producer's (BP's) ERP system. The BP maintains records of the volumes of different feedstock inputs used. The ERP system contains information on both the feedstock category and volume for each individual feedstock delivery (load). The auditor selected FMU "Upmalas" (Cadastral No. 38460080003) as a primary feedstock source classified under TOF Category 2A for field verification. The feedstock was supplied to the SIA Latgran Gulbene pellet mill. The feedstock type registered in the ERP system was confirmed as TOF Category 2A. However, during the field visit, it was observed that no forest management activities had been carried out within the selected cadastral area. Based on information subsequently provided by the supplier, the feedstock actually originated from another cadastral unit within the same property, namely Cadastral No. 38460080016, Block No. 1, Compartments No. 1 and 2, and should have been classified as primary feedstock Category 1A originating from forest land. As no other high-risk indicators, such as protected species, protected habitats, or other environmental concerns, were identified within the actual harvesting area, an Observation was raised regarding the discrepancy between the feedstock origin and its classification recorded in the ERP system.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

2.3 Closed non-conformities

NC number 9821	NC Grading: Minor
Standard:	SBP Standard 2: Feedstock Verification v2.0
Requirement:	1.1.2 The Organisation shall include which feedstock category is being sourced. N/A N/A
Description of Non-conformance and Related Evidence:	
Timeline for Conformance:	Prior to (re)certification
Evidence Provided by Company to close NC:	updated SBP TOF risk assessment, updated Supply Base Report
Findings for Evaluation of Evidence:	The BP had updated information regarding TOF categories 2A and 3A for all production sites in the TOF risk assesment and the SBP Supply Base Report, taking into account the clarification from the SBP that biomass from plantation crops established on agricultural land with a rotation period exceeding 8 years may be classified as Category 3A TOF biomass. The BP had clarified the feedstock origin and feedstock type information for the 3A category in accordance with Table 1 of Instruction Document 1A, "Classification and Definitions of Feedstock Types," specifying the product group, origin, and type of feedstock. Review of mentioned updated documents show that TOF feedstock ategories had been determined correctly, in line with SBP requirements and corresponding to the actual situation in Graanul Invest and Latgran pellet mills. Understanding of SBP requirements has been demonstrated in interviews. Hence, the non-conformity is considered resolved and is closed.
NC Status:	Closed

2.4 Actions taken by Organisation Prior to Report Finalisation

none

2.5 Notes for the next Audit

None

3 Specific objective of the audit

Non-conformity (NCR) verification audits are conducted outside the normally scheduled audit timeframe to verify conformity with outstanding NCRs. This category includes the closing of NCRs raised during the last re-assessment audit. Regardless of the audit type, on-site or desk, the organisation must provide the certification body with the evidence to demonstrate conformity with the NCR(s) on or before the NCR deadline, and CVA (non-conformity evaluation audit) shall be initiated on or before the non-conformity deadline.

The aim of this evaluation is to address the minor non-conformities identified during the re-assessment audit. According to the SBP standard No. 3 (V2.0, p. 8.11) the certificate may be re-issued only if all non-conformities (any major or minor) are closed. The objective is to evaluate the evidence provided by the certificate holder. The specific objective of this evaluation was to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of the specified SBP Standards are implemented across the entire scope of certification.

The scope of the evaluation covered:

- Review of the BP's management procedures, risk assessment for TOF feedstock.
- Review of the SBP documentation: Supply Base Report.
- Interviews with responsible staff.

4 Evaluation process

4.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	GK	1.0
2. On-site (excl. travel time)	GK	1.0
3. Report writing	GK	1.0

4.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Girts Karss	Auditor	Preferred by Nature lead auditor. Girts Karss holds an M.Sc. in Environmental Science from Lund University and the University of Latvia. SBP auditor qualification since 2016 and has since participated as both auditor and lead auditor in numerous SBP assessments, annual surveillance, and re-assessment audits. The experience includes audits with Supply Base Evaluation (SBE) in scope, covering biomass processing and trading companies in Latvia and other countries.

4.3 Description of evaluation activities

The non-conformity verification audit was carried out as a remote, desk audit. The aim of the audit is to evaluate the corrective actions conducted by BP to rectify the identified non-conformities.

For this purpose, the auditor reviewed the documentary evidence submitted by the BP for compliance with the requirements of applicable SBP standards (SBP Standard No. 2, SBP Instruction Document 1A: SBP Requirements for Primary Feedstock from Trees Outside Forests (TOF)). During the audit the auditor reviewed the documentation submitted by the BP - updated risk assessment, SBP procedures and the Supply Base Report.

Field evaluations were not planned and were not carried out.