Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ
Evaluation of Asia Creative Energy Joint Stock Company

Second Surveillance 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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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:	Ai Pham Thi Ngoc
Audit team members:	Ho Van Cu, Hai Hoang Thi Nguyen
Name of the Company:	Asia Creative Energy Joint Stock Company
Company legal address:	Binh Chanh Industrial Zone, Dung Quat Economic Zone, Binh Son Commune, 57000 Quang Ngai, Viet Nam
Company contact for SBP:	Ngoc Le Ba Tuan
Company contact email:	ngoc.lbt@asiacreative.vn
Company website:	N/A
Date of installation:	
SBP Certificate Code:	SBP-13-01
Date of certificate issue:	08 Oct 2024
Date of certificate expiry:	07 Oct 2029
Audit closing meeting date:	18 Aug 2026
Audit cycle:	Second Surveillance 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):	Ģirts Karss
Date of decision:	09 Nov 2026
Other comments:	N/A

2.2 Open non-conformities and observations

NC number 9873	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.25 The Organisation shall maintain an up-to-date self-assessment and create a statement that is available to its staff in which it describes how it applies SBP Standard 1 – Feedstock Sourcing, Criterion 4.1 "Decent working conditions are provided, and labour rights are safeguarded" to its operations. Note: Level of effort required for documentation of conformance with criteria 1.21-1.25 should be proportionate to the activities and the scale of the Organisation. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
- The company established employment policy in which they stated clearly that BP ensured health and safety for employees, following ILO and made that policy available for its staff. - The FSC self-assessment on core labour is referred for implementing this requirement. However, the FSC self-assessment on core labour does not cover all Criterion 4.1 "Decent working conditions are provided, and labour rights are safeguarded" to its operations. Therefore, the minor NCR was raised.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open
Original Due Date:	2027-11-09
Closing Date:	N/A
Upgrade Date:	N/A
Update Date:	N/A

2.2 Closed non-conformities

2.3 Actions taken by Organisation Prior to Report Finalisation

Not applicable

2.4 Notes for the next Audit

No notes

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; Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413; 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)
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
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	No
Changes in the scope	Add trading activitiy

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.

Asia Creative Energy Joint Stock Company (ACE JSC) is a large wood pellet producer in central Vietnam. The factory is in Quang Ngai province, with a seaport through which the biomass is supplied to other countries. ACE JSC supplies partners in Japan, Korea, and the European market. Its designed capacity is 292,000 metric tons per year. ACE JSC implements FSC COC for sourcing primary feedstocks with an FSC certified claim from Vietnam. The EU RED (RED III) scope only covers primary feedstock from acacia plantations in the Quang Ngai province of Vietnam. The plantations are FSC FM certified. FSC CW and non-certified and the biomass producer procures non-certified and FSC certified feedstock from small forest owners.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
ASIA CREATIVE ENERGY JOINT STOCK COMPANY	Binh Chanh Industrial Cluster, Dung Quat Economic Zone, Quang Ngai, Viet Nam	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.

The Company holds a valid FSC CoC certificate (PBN-COC-036670), which encompasses transfer and percentage claim systems within its scope, and has utilized the management and control transfer systems required for these certifications to implement the SBP program. The organization makes SBP claims per job order/purchasing contract under the transfer systems separately. At the audit time, the BP is sourcing Non-certified and FSC 100% material to produce SBP-compliant biomass. SBP CoC system is based on mass balance with only 1 PGid (primary feedstock from Vietnam) and 12 months of mass balancing period. Pellets are manufactured at the facility and transported to the Dung Quat port in Quang Ngai province, Vietnam, where they are loaded directly onto a vessel FOB incoterm. Within the scope of EU RED (RED III), the organization is implementing a mass balance system using primary feedstock.

4 Specific objective of the audit

- Review of BP’s management procedures.
- Review of CoC system critical control points.
- Interviews with responsible staff.
- Review of the records and calculations.
- Primary energy and carbon data collection evaluation.
- Review the Mass balance account.
- Evaluate SBVs, RMMs (using SBP-RRA-AS-VN-FOR_v1.0-RRA-for-Vietnam-FOR_Interim), and Evaluation of the Forest Stewardship Council (FSC®) scheme using the Framework for benchmarking and recognition of certification schemes relevant to the scope of SBP certification.
- Evaluation of EU RED requirements with Level B implementation

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	Ai Pham Thi Ngoc	2.0
2. On-site (excl. travel time)	Ai Pham Thi Ngoc	8.0
3. Report writing	Ai Pham Thi Ngoc	6.0
4. Other	Ai Pham Thi Ngoc	4.0
1. Preparation	Ho Van Cu	2.0
2. On-site (excl. travel time)	Ho Van Cu	8.0
3. Report writing	Ho Van Cu	2.0
1. Preparation	Hoang Thi Nguyen Hai	2.0
2. On-site (excl. travel time)	Hoang Thi Nguyen Hai	8.0
3. Report writing	Hoang Thi Nguyen Hai	4.0
4. Other	Hoang Thi Nguyen Hai	2.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Cu Van Ho	Audit Team Member	Cu is Forestry Senior Manager, Asia Pacific. He started to work with Preferred by Nature in August 2019. He has over 30 years of experience in the forestry sector in Asia Pacific and has acted as an FSC FM/CoC/CW auditor in many countries in the region. He holds a PhD in Forestry and – before joining Preferred by Nature – worked as a Lecturer at University of Agriculture and Forestry in Ho Chi Minh city. As for experience in SBP auditing, he has passed SBP Auditor Training Programme in 2020 and participated as trainee auditor in 3 SBP assessments in Viet Nam.
Pham Thi Ngoc Ai	Audit Team Leader	Ai holds a Master of Arts in Development Economics and Bachelor's degree of Engineer Petrochemical and Organic Technology. Ai has qualified as the auditor

		for FSC CoC, SBP and has years of experience in wood pellet industry
Hoang Thi Nguyen Hai	Audit Team Member	Hai holds a Doctoral degree in Environmental Studies and is a qualified auditor for FSC FM and PEFC/VFCS FM certification schemes. She has years of experience in the wood pellet industry, with expertise spanning both production and international trade.

5.3 Description of evaluation activities

The audit was conducted on-site on 18 August 2026 and . It was focused on management system evaluation: a division of the responsibilities, record keeping, input material classification (reception and registration), analysis of the existing certification management systems and CoC critical control points, energy and carbon data collection, and communication.
During the opening meeting, the audit team was introduced, the certification scope was clarified, information about the audit plan, methodology, auditor qualification, confidentiality issues, assessment methodology, and other applicable Preferred by Nature policies and procedures was provided.
During interviews and documentation review, all applicable requirements of the SBP and CoC standards were evaluated. During the process, the person overall responsible for the SBP system and other responsible staff were interviewed. The pellet mill facilities were visited, and observations, as well as additional interviews and document verifications, were made. SAR, Japan ID and EU RED were also verified.
Suppliers of primary feedstock (small forest owners) were visited and stakeholder consultation conducted to:
- Evaluation of compliance of feedstock with the supply base (Standard 1) and declared characteristics,
- Evaluation of compliance with the EU RED Level B Management system.
- During supplier evaluation, the implementation of control measures by BP within the CoC system was evaluated.

At the end of the audit, the findings were summarized, and preliminary audit conclusions based on the use of triangle evaluation method were provided to the BP's management and SBP responsible person.

5.4 List of forest management units and feedstock suppliers visited

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

Site name
MU ID: 01
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices,

waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 02
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 03
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation,
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 04
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity

The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 05
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 06
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 07
Site location
Quang Ngai Province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED

Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 08
Site location
Quang Ngai Province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 09
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation,
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 10
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit

SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 11
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 12
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation,
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 13
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation

Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 14
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation,
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 15
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation,
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 16
Site location
Quang Ngai province
Site description

Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 17
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 18
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 19
Site location
Quang Ngai province

Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 20
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 21
Site location
Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 22
Site location

Quang Ngai province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 23
Site location
Quang Ngai Province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 24
Site location
Quang Ngai Province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

Site name
MU ID: 25

Site location
Quang Ngai Province
Site description
Post harvesting, Acacia Plantation
Rationale and focus of visit
SBP SBE and EU RED
Description of audit activity
The onsite verification involved visually checking the boundary in comparison to the land use right certification issued to the smallholder mentioned above. Interviews were conducted with harvesters about OHAS, and harvesting practices, waste, and water sources located within the plantation areas were observed.

5.5 Describe audit sampling methodology used

When preparing for the audit and during on-site work, a sampling has been implemented, based on the following criteria: - full review of procedures; - full review of training records; - sample based review of information related to suppliers; - a review of SAR, SBR, Master datasheet, invoices; - interviews with staff to evaluate theoretical and practical experience of implementation. Under Standard 1 and EU RED framework and to evaluate company management system a desk revision of evidence and documents was conducted. Additionally, auditor visited a sample of Forest Management units to verify the compliance with Standard 1 and EU RED framework during the reporting period. During the reporting period, the BP purchased feedstock from 1701 suppliers for production of SBP production. Based on that, the auditor apply the formula: 0.6 x square roof of the number of MUs and randomly selected a sample of 25 MUs to conduct forest on site verification including: post harvested site, actively harvesting, standing trees, stream corridor etc that cover SBP Standard 1 "specified risk" indicators as per SBP-RRA-AS-VN-FOR v1.0 and EU RED level B indicators as per SBP-RED-AS-VN-FOR v1.1.

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.

During the audit, the auditor also conducted in person interview with forest owners, forest ranger, harvesters, People's Committee at commune.

5.7 Stakeholder feedback and response

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

The results of the interviews showed that:
- The households in the area were granted land use right certificates
- The land area was planned and used for production of forest plantations
- There has been no conversion from natural forest to plantation forest since 2008
- Forest fires occurred on a small scale and were promptly handled
- There were no serious erosion or landslides recorded in the area

There were no negative comments or concern raised by the stakeholders received before, during and after the assessment.

5.8 Main strengths and weaknesses of the management system and operations

Strengths:

- Experience with FSC CoC, SBP
- Limited Supply Base and only one type of feedstock
- A small number of management staff and designated procedures
- Support of an external consultant

Weaknesses:

- see NCR section

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

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

BP's SBE is based on SBP-RRA-AS-VN-FOR_v1.0-RRA-for-Vietnam-FOR_Interim. The risk assessment concluded with 17 specified risk indicators for private organizations and 15 specified risk indicators for small forest owners.
The BP only used feedstock from small forest owners (Acacia), there are only 13 specified risk indicators.
BP referred to SBVs and established adequate RMMs for each indicator to reduce risk to low.
BP's supply base is in Quang Ngai province, Vietnam, including 1 sub-scopes: supply FSC 100% and FSC CW feedstock and non-certified from small forest owners.
Applicable Vietnamese laws were referred to, such as Forestry Law No. 16/2017/QH14, Land Law No. 31/2024/QH15, Labor Code No. 45/2019/QH14, Decree 156/2018/ND-CP, and Circular 13/2023/TT-BNNPTNT.

Stakeholders were identified for the relevant specified risk indicator within BP's SEP.

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

- BP implemented a mass balance module in which input feedstock data and output biomass are tracked and equivalent.
- Positive balances are carried over to the next reporting period.
- The COC system utilizes the mass balance fixed 12 months, in which CCP is controlled from the weighbridge point to biomass storage. Identification signboards are in place.
- Clear, updated procedures covering requirements version 2.0 are outlined in the SBP handbook, training records, internal records, and purchase and sale invoices . These documents are kept and matched with the annual volume summary, ensuring business integrity is documented, and the EU RED commitment is signed by Senior management.
- No subcontracting activity,
- SEP was established and implemented.

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

- The company's effort to provide comprehensive and reliable data for energy calculation is adequate, and the organization provides data in a clear way in well-maintained databases.
- The organization satisfied all sections of Standard 5, IDE with no non-conformities issued. The SAR is annually submitted to SBP for approval. The energy data are recorded and calculated in Excel

spreadsheets.

5.13 Summary of audit findings for competency of involved personnel

The SBP Manager is generally responsible for maintaining the management system, ensuring traceability, and managing data communication. For specific operations (e.g., chipping, feedstock acceptance, refueling), designated staff members are appointed, with responsibilities clearly defined in documented procedures. During the audit, interviewed staff demonstrated strong knowledge of the standard requirements and internal procedures, and effective management of their assigned areas of responsibility was evident.

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

☒ N/A – Standard 6 not in the scope

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

BP's SBE is based on SBP-RRA-AS-VN-FOR_v1.0-RRA-for-Vietnam-FOR_Interim. The risk assessment concluded with 17 specified risk indicators for private organizations and 15 for small forest owners. BP referred to SBVs and established adequate RMMs for each indicator to reduce risk to a low level.
- The BP only used feedstock from small forest owners (acacia), there are only 13 specified risk indicators.
- The BP sourced primary feedstock with FSC 100% from small forest owners, then focused on the 2.2.1 indicator of SBP standards 1.
- The BP sourced only primary feedstock with FSC 100% from private company, then focused on the 2.2.1, 4.1.7 indicator of SBP standards 1 partially.
Applicable Vietnamese laws were referred to, such as Forestry Law No. 16/2017/QH14, Land Law No. 31/2024/QH15, Labor Code No. 45/2019/QH14, Decree 156/2018/ND-CP, Circular 13/2023/TT-BNNPTNT, etc.

Stakeholders were identified for the relevant specified risk indicator within BP's SEP.

A management system is implemented for all indicators under EU RED at Level B. Legality issues are addressed by reviewing land use rights, land disputes, location, boundaries, and forest product inventories. Soil quality and biodiversity are ensured through a number of measures, starting with training and instructions to forest owners and monitoring of harvesting activities. Conversion issues are also evaluated through stakeholder consultation, land-use rights documents, forest maps, etc. See details under SBR.

Indicators with specified risk in the RRA for Vietnam for small forest owners	Mitigated with FSC Benchmark
1.1.1	Yes
1.1.2	Yes
1.1.3	Yes
2.2.1	**No**
2.2.3	Yes
2.2.4	Yes
2.2.5	Yes
2.2.7	Yes
2.2.8	Yes
2.2.11	Yes
4.1.6	Yes
4.1.8	Yes
4.1.9	Yes
4.1.10	Yes
4.2.1	Yes
4.2.4	Yes
4.2.5	Yes
4.2.6	Yes

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
For private companies: Valid FSC FM Certificate For small forest owners: Valid Red Book OR Document of the Commune People's Committee on land without dispute, with the same name as in forest owner's ID GSP coordinates of the forest plot Packing list issued by the forest owner Weighing receipt issued at the gate of the factory, corresponding to packing list Stakeholder consultation with no open dispute
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, origin information in compliance with all existing applicable laws and regulations. 2. Field visits were conducted to verify at post-harvesting sites. 3. Mitigation measure 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
For private companies: Valid FSC FM Certificate For small forest owners: 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. Auditor analysed 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 measure 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
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
For FSC certified private companies (suppliers): Valid FSC FM and FSC CoC certificate For small forest owners controlled by supplier holding FSC CW certificate Forest inventory made by the forest owner Packing list issued by the forest owner Weighing receipt issued at the gate of the factory. Stakeholder consultation with no open dispute. Procurement of tree species not from CITES list. Description of Due Diligence system of the supplier of FSC CW (if any).

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 measure 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
For private companies: Valid FSC FM Certificate Check if the Red Book was issued before 2008, in this case check the purpose of the land; Check if there is a drainage system available. If no drainage system in place, there was no conversion from wetland and peatland into plantation; Consult relevant stakeholders (discuss with the owner, neighbors or forest inspectors) if relevant forest was a primary forest before January 2008; Soil map or forest map from before and after 2008 (is available). For small forest owners: Check if the Red Book was issued before 2008, in this case check the purpose of the land; Check if there is a drainage system available. If no drainage system in place, there was no conversion from wetland and peatland into plantation; Consult relevant stakeholders (discuss with the owner, neighbors or forest inspectors) if relevant forest was a primary forest before January 2008; Soil map or forest map from before and after 2008 (is available); Land cover map (if available)
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 measure 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
For private companies: Valid FSC FM certificate For small forest owners: Field survey of soil quality and analysis how the harvesting would affect the soil quality. Before harvesting: assessment of slopes and organization of harvesting technique that prevent soil degradation. After harvesting: control of burning vegetation and harvesting residues, stamps removal must be done according to best management practices or left on site. Stakeholder Consultation with no dispute on the soil quality matter; Training of the forest owners and harvesting teams to apply best forest management practice when the removal of harvest forest residues and / or stumps occurs
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 applies the technique of maintenance and actively enhances soil quality by: - Implement conservation tillage and cover cropping - Use integrated nutrient management (organic + inorganic) - Avoid practices that lead to erosion. 2. This approach is described in the environmental impact assessment (EIA) of group certification 3. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
2.2.4 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
For private companies: Valid FSC FM Certificate For small forest owners: Field survey. Control of burning vegetation and harvesting residues, stamps removal must be done according to best management practices. Training of the forest owners and harvesting teams to apply best forest management practice when the removal of harvest forest residues and / or stumps occurs. 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 found that the farmers 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. This approach is described in the environmental impact assessment (EIA) of group certification 3. Mitigation measure 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
For private companies: N/A For small forest owners: Field survey. Before harvesting: checking presence of streams and rivers. After harvesting: checking buffer zones of the correct size left unharvested. Stakeholder Consultation with no dispute on the water quality matter.
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. The forest owner understands and follows the water management guidelines provided by the certification team leader. 3. Site surveys also found that river corridors are protected, and native species are planted. 4. This approach is described in the environmental impact assessment (EIA) of group certification 5. Mitigation measure 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 plantations
Detailed description of a mitigation measure
Excluded rubber woods from the supply chain.
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 measure 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
Excluded rubber woods from the supply chain.
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 measure 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
For private companies: FSC FM Certificate For small forest owners: Forest fire prevention and fighting plan developed by the forest owner; Field survey: implementation of technical instructions for fire management; Training of forest owners and harvesting teams: 1) To recognize and report of forest pests. 2) Recognize and treat Wilt Diseases 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 measure found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
4.1.6 Working hours shall comply with legal requirements.
Specified risk description
Vietnamese law sets precise requirements for working time and specifies working time monitoring activities. Employers must record and have annual reports on employees' working and rest time. In the case of specific manufacturing industries, working hours are complied with the Collective Labor Agreement. Production activities related to the feedstock of forestry companies, businesses and wood processing companies all comply with legal working hours regulations. According to the reported figures, the implementation of working hours according to regulations in small and medium enterprises is relatively good. In contrast, micro-enterprises do not fully implement the rules on working hours and fair employee wages. Processing enterprises that create waste by-products often violate working hours in the form of overtime, despite the agreement between the enterprise and the employee. Thus, this indicator is assessed as a specified risk.
Detailed description of a mitigation measure
For private companies: Valid FSC FM certificate For small forest owners: N/A
Detailed description of CB evaluation of mitigation measure and its conclusions
1. On-site visit and stakeholder consultation with local communities, authorities, and interview directly with farmers to confirm that the working hours of full-time staff of the cert group comply with legal requirements. It is N/A for small forest owners. 2. Mitigation measure found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
4.1.7 Workers shall have access to health care provisions, sickness benefits, retirement benefits, invalidity benefits, death benefits, and workers' compensation

Specified risk description
Based on the above in RRA, Vietnam has adequate legal regulations and implementation mechanisms to ensure employees have access to health care, sick pay, retirement benefits, disability benefits, death benefits, and workers' compensation. However, the Better World 2023 report also shows that a small number of enterprises do not pay social insurance on time for employees (12%). While state-owned organizations are often required to implement social insurance regimes fully, small private enterprises usually hire seasonal workers. Still, the labour contracts may not include provisions for health care, sick pay, retirement benefits, disability benefits, death benefits, and workers' compensation. Therefore, this indicator is assessed as a low risk for state-owned organizations and a definite specified risk for the private sector.
Detailed description of a mitigation measure
For private companies: Check that labor contract includes provisions for health care, sick pay, retirement benefits, disability benefits, death benefits, and workers' compensation; Payment confirmation of social security insurance fees on time for all employees by supplier; Check that paid social security insurance include: 1. Health care provisions 2. Sickness benefits 3. Retirement benefits 4. Invalidity benefits 5. Death benefits Valid FSC FM certificate For small forest owners: N/A
Detailed description of CB evaluation of mitigation measure and its conclusions
1. On-site visit and stakeholder consultation with local communities, authority, and interview directly with farmers to confirm that the workers have access to health care provisions, sickness benefits, retirement benefits, invalidity benefits, death benefits, and workers' compensation, N/A for small forest owners. 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 medium- sized 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

For private companies: valid FSC FM certificate.
For small forest owners: Training provided to small forest owners and harvesting teams on all high risks
identified in the RRA for Vietnam and addressed in this Risk management plan.

Detailed description of CB evaluation of mitigation measure and its conclusions

1. The auditor reviews training records at the central office of CH and on-site at the plantation camp (under group certification) and staff interviews to confirm that the relevant staff have provided adequate training on SBP standards
2. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country

Viet Nam

Area/Sub-Scope

N/A

Indicator

4.1.9 Mechanisms shall be in place for resolving grievances and disputes in the workplace.

Specified risk description

Although Vietnam has a legal basis and mechanism for resolving complaints and disputes at work, the actual implementation of this complaint mechanism has only been well implemented in the state sector and is limited in the private sector (39% of factories have not implemented it well), so this indicator is considered low risk for the state sector and specified risk for the private sector. Detailed description of a mitigation measure

Detailed description of a mitigation measure

For private companies: Valid FSC FM Certificate;
For small forest owners: N/A.

Detailed description of CB evaluation of mitigation measure and its conclusions

1. The auditor reviews the procedures for resolving grievances and disputes procedures of CH and staff interviews on-site at the plantation camp (under group certification) to confirm that the relevant staff clearly understand the mechanisms for resolving grievances and disputes in the workplace
2. Mitigation found sufficient to ensure that the feedstock is received as low risk

Country

Viet Nam
Area/Sub-Scope
N/A
Indicator
4.1.10 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
For private companies: Valid FSC FM Certificate; For small forest owners: Training of forest owners and harvesting teams on health and safety provisions during the harvesting activities; Provision of personal protection equipment (PPE) to harvesting teams even though they are hired by forest owners; Stakeholder Consultation with no dispute on health and safety matter.
Detailed description of CB evaluation of mitigation measure and its conclusions
1. The auditor reviews procedures of CH and staff interviews on-site at the plantation camp (under group certification) to confirm that the relevant staff clearly understand of that 2. Mitigation measure found sufficient to ensure that the feedstock is received as low risk

Country
Viet Nam
Area/Sub-Scope
N/A
Indicator
4.2.1 Negative social and community impacts shall be identified and avoided.
Specified risk description
Identifying and preventing adverse impacts on society and communities in forestry activities have been mentioned in the Forestry Law and Circular 28/2018/TTBNNPTNT and Circular 13/2023/TT-BNNPTNT on Sustainable Forest Management. However, due to the large scale of production, forestry production activities of organizations (state and private) still have negative impacts on the community. For small forest owners, because most forest owners are local people and the scale of production is tiny, there is almost no negative impact on the community. Thus, this indicator is

assessed as a specified risk for organizations (state and private) and a low risk for small forest owners.

Detailed description of a mitigation measure

For private companies: Valid FSC FM certificate;
For small forest owners: N/A - low risk

Detailed description of CB evaluation of mitigation measure and its conclusions

1. The auditor interviews farmers, local people on-site at the plantation camp (under group certification), as well as local authorities, to confirm that no issues of negative social and community.
2. CH also undertakes SIA annually to identify any negative impact,
3. Mitigation measure found sufficient to ensure that the feedstock is received as 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

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

For private companies: valid FSC FM Certificate
For small forest owners:
Valid Red Book
OR

Document of the Commune People's Committee on land without dispute;
Agreement between forest owner and local community on traditional use rights;
Consultation with Provincial People's Committee and the Provincial Forest Protection Department on
management, monitoring and ensuring the implementation of traditional ownership and use rights of their
local communities;
Consultation with the representatives of the ethnic minorities.

Detailed description of CB evaluation of mitigation measure and its conclusions

1. The auditor reviewed the FMP of group manager and confirmed that Legal, customary, and traditional tenure and use rights of Indigenous Peoples and local communities related to the Supply Base shall be identified, documented
2. Interviews farmers, local people on-site at the plantation camp (under group certification), as well as local authorities to confirm that no negative impacts occurred.

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
For private companies: valid FSC FM certificate; For small fores owners: Valid Red Book OR Document of the Commune People'sCommittee on land without dispute; and 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 reviewed FMP and confirmed that tenure and use rights of the forest and other land management practices have been officially indicated in LURC 2. Interviews farmers, local people on-site at the plantation camp (under group certification), as well as local authorities, to confirm that 100% of farmers in the region have granted LURC. 3. CH also undertakes SIA annually to identify any negative impact, 4. Mitigation measure 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

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

For private companies: valid FSC FM Certificate;
For small forest owners:
List of ethnic minorities identified in the Supply Base. Optionally: list of activities related to forest use by the ethnic minorities;
Stakeholder consultation with all ethnic minorities identified in the Supply Base with no open disputes;
Investigation of publicly available information on ethnic minorities right, traditional ways of forest use, conflicts with forest owners in the region of Supply Base.

Detailed description of CB evaluation of mitigation measure and its conclusions

1. Interviews farmers, local people on-site at the plantation camp (under group certification), as well as local authorities, to confirm that 100% of farmers in the region have granted LURC.
2. FPIC has been in practice for the CH in any proposed and planned activities
3. CH also undertakes SIA annually to identify any negative impact,
4. Mitigation measure found sufficient to ensure that the feedstock is received as low risk.