Control Union Certifications BV Evaluation of New Pellets, Lda. Compliance with the SBP Framework: Public Summary Report

Third Surveillance Audit

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

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

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Table of Contents

1 Overview

2 Scope of the evaluation and SBP certificate

2.1 Description of the company

2.2 Detailed description of the Chain of Custody system

3 Specific objective

4 Evaluation process

4.1 Timing of evaluation activities

4.2 Description of evaluation activities

4.3 Sampling methodology

4.4 CB stakeholder engagement

4.5 Stakeholder feedback

5 Results

5.1 Main strengths and weaknesses

5.2 Rigour of Supply Base Evaluation

5.3 Collection and communication of data

5.4 Competency of involved personnel

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

6.2 Specified risk indicators and mitigation measures

7 Non-conformities and observations

8 Certification decision

1 Overview

Certification Body (CB) Name:	Control Union Certifications BV
Primary CB contact for SBP:	Robin Rosendahl
Primary CB contact email:	rrosendahl@controlunion.com
Audit team leader:	Luis Vaz Freire
Audit team members:	Pedro Catarro (Expert)
Name of the Company:	New Pellets, Lda.
Company legal address:	Rua da Zona Industrial nº 139, 3270 – 029 Graça, Portugal
Company contact for SBP:	João Magalhães
Company contact email:	qualidade@pelletsfirst.pt
Company website:	N/A
SBP Certificate Code:	SBP-06-36
Date of certificate issue:	29 Feb 2020
Date of certificate expiry:	28 Feb 2025

Audit closing meeting date:	28 Oct 2022
Audit cycle:	Third Surveillance Audit

2 Scope of the evaluation and SBP certificate

Scope Item	Check all that apply to the Certificate Scope	Change in scope (N/A for Assessments)
Primary Activity:	Biomass Producer	☐
Approved Standards:	SBP Standard 1: Feedstock Compliance Standard; SBP Standard 2: Verification of SBP-compliant Feedstock; SBP Standard 4: Chain of Custody; SBP Standard 5: Collection and Communication of Data Instruction; Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.5	☐
Includes Supply Base Evaluation (SBE):	Yes	☐
Includes communication of Dynamic Batch Sustainability Data (DBSD)	Yes	☐
Includes Group Scheme	No	☐
Products	Pellets	☐

Feedstock types:	Primary, Secondary	☐
Feedstock origin (countries):	Portugal	☐
SBP-endorsed Regional Risk Assessments used: **Public link:** **https://sbp-cert.org/documents/standards-documents/risk-assessments/**	Not applicable	☐
Chain of custody system implemented:	FSC: CU-COC-867336	☐
	Credit	☐

2.1 Description of the company

The Enerpellets Group has its origin from an initiative coming from a group of professionals that are highly experienced in the management of companies. This group identified an export opportunity in the value chain of thermal and electrical production. The Enerpellets Group is active in the energy business as a competent producer of renewable biomass, wood pellets. The Group has two industrial units located in Graça, Pedrogão Grande and Cós, Alcobaça. Both units are situated in the District of Leiria. New Pellets is situated in Graça, Pedrogão Grande and the production facility started in the design phase in 2007 and started production in January 2009. It is also certified for the production of premium wood pellets in bulk (Enplus A1). The unit underwent a reconstruction phase after the fires in June 2017. This unit has an annual effective production capacity of 120,000 tons. The final product can be supplied in bulk, as part of its production is shipped by boat through the ports of Aveiro and Figueira da Foz. The transportation of pellets from the unit to the ports is guaranteed by truck, benefiting from excellent highways. The geographical position of both units is strategic, as both units are located in the largest forest areas in Portugal. In terms of equipment, the unit is equipped with a selected set of equipment, widely tested in this industry, which have been valued for engineering details developed internally as a result of the experience gained. The BP has a FSC credit system to manage their Chain of Custody.

2.2 Detailed description of the Chain of Custody system

The Organisation holds valid FSC Chain of Custody certificate. Valid COC system description and other documents exist. Critical control points of the CoC systems were evaluated also during SBP audit. The Organisation has implemented CoC credit system which is used for materials received as FSC certified. FSC Controlled wood and feedstock verified according to the Organisation's own Controlled wood system, covering Portugal. Feedstock whose origin cannot be verified as per the established Due Diligence system, will be considered as Non-Controlled and will not be included in the production of certified products nor supplied as SBP controlled. Supplier list is maintained. After the reception, incoming feedstock is unloaded into piles according to type of feedstock and each load is registered into the recordkeeping system. All input material is weighted and recorded in tonnes. For the credit account purposes the volume of feedstock is recalculated by using the conversion factor of the production. The credit account is updated once a month: data about received raw materials by FSC certification status and volume of sold pellets are recorded. In case of the FSC and/or SBP sales, the volume of sold pellets is withdrawn from the credit account. Based on the credit account management the proportion of the SBP-compliant and SBP-controlled biomass is calculated and all records are kept.

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification. The scope of this evaluation also covered the Supply Base Evaluation, and the mitigation measures describing herein.

The scope of the evaluation covered:

- Review of the BP's management procedures, including requirements designated in applicable SBP

Standards and Instruction Documents;

- Review of the production processes, production site visit;

- Review of the updated Supply Base Report;

- Review of the risk assessment results;

- Review of SBP system control points, analysis of the existing FSC CoC system;

- Evaluation of mitigation measures implemented for primary feedstock (including inspection of primary feedstock suppliers);

- Review of the records, calculations and conversion factors;

- GHG data collection analysis

- Interviews with responsible staff;

- Review of the records

4 Evaluation process

4.1 Timing of evaluation activities

Audit Level of Effort (LoE)		
Activity	***Auditors***	**Auditor hours**
1. Preparation	Lennart Holm	6,0
2. On-site (excl. travel time)	Lennart Holm, Luis Vaz Freire	24,0
3. Report writing	Lennart Holm	8,0
4. Other	N/A	N/A

Audit Schedule			
Activity	**Location**	**Auditor name**	**Date/time**
Opening meeting	New Pellets (Cós)	Lennart Holm, Luis Vaz Freire	24 Oct 2023/14.00
Business integrity, social, health and safety requirements	New Pellets (Cós)	Lennart Holm	24 Oct 2022/14:30
Logo/Trademark use	New Pellets (Cós)	Lennart Holm	24 Oct 2022/15:00

Monitoring of suppliers	New Pellets (Cós)	Lennart Holm	24 Oct 2022/15:30
Complaints procedures	New Pellets (Cós)	Lennart Holm	24 Oct 2022/16:00
Checking the Supply Base Report	New Pellets (Cós)	Lennart Holm	24 Oct 2022/16:15
supplier's and port visit and SBE verification	Port of Figueira da Foz, and suppliers	Lennart Holm	26 Oct 2022/09:00
GHG data registrations and review of SAR	New Pellets	Lennart Holm	27 Oct 2022/09:00
SBE and SBR verification	New Pellets	Lennart Holm	27 Oct 2022/14:00
Tour of the facility: - Receiving of materials - Wood Yard - Equipment used - Data for SAR	New Pellets	Lennart Holm, Luis Vaz Freire	28 Oct 2022/09:00
Incoming material claims	New Pellets	Luis Vaz Freire	28 Oct 2022/11:00
Incoming raw material registration	New Pellets	Luis Vaz Freire	28 Oct 2022/11:45
Output Claims	New Pellets	Luis Vaz Freire	28 Oct 2022/14:00
Verifying the SAR	New Pellets	Lennart Holm	28 Oct 2022/11:00

Suppliers and Suppliers Certificates	New Pellets	Lennart Holm	28 Oct 2022/14:00
Closing Meeting	New Pellets	Lennart Holm, Luis Vaz Freire	28 Oct 2022/17:00

Auditor qualification		
Auditor name	**Role**	**Qualification**
Lennart Holm	Lead auditor	Lead SBP, GGL, SDE+, ENplus and FSC and PEFC FM/COC auditor and successfully passed the SBP auditor training programme
Luis Vaz Freire	Auditor	Lead SBP, GGL, and FSC and PEFC FM/COC auditor and successfully passed the SBP auditor progtramme

4.2 Description of evaluation activities

The SBP surveillance audit was carried out on October 24 - 28, 2022. The evaluation was conducted by means of on-site visits of the pellet production and office in Graça, Portugal, as well as visits to suppliers of secondary feedstock and field inspection of forest properties from where currently the feedstock is sourced from.

Filed sites were:

Stop 1. Herdade de Margalha, Gavião. Ongoing commercial thinning of pine in a cork oak stand. Sawlogs are sold to a sawmill, and only residual logs delivered to the pellet plant.

Stop 2. Vale da Abruta, Mação. cerca 15 hectares clear cut of a fire damaged stand where all pine is cut and other species protected. Sawlogs are sold to a sawmill, and only residual logs delivered to the pellet plant.

Stop 3. J. Primitivo Serração. Supplier of secondary feedstock.

A Total of 3 on-site days were used for this audit.

This report is the result of the findings of a certification evaluation carried out by an independent lead auditor representing Control Union Certifications. The purpose of the assessment was to evaluate the compliance of the client with respect to the standards used within the scope of the certificate.

Names and affiliations of people interviewed:

- Giovanni Alencastro – Consultor

New Pellets:

Rui Rodrigues – Diretor Industrial

Carolina Duarte – Tecnica Higiene, Segurança e Saude

António Lopes, Diretor Fabril

Cristina Dinis – Administrativo

Claudio Santos – Portaria

Paulo Carmo – Operador

Ismael Fernandes – Gruista

Pedro Jesus – Supervisor

José Carlos – Manutenção

Rodrigo Silva – Manutenção

Fornecedor “SOPRAFE”

Ricardo Pereira – Gestor

José Lopes – Operador Rechega

António Sarmago – Motoserrista

João Martins – Motoserrista

José Caiado – Motoserrista

Rosil Matos – Motoserrista

Nuno Megri – Administrador Herdade de Margalha

Fornecedor “FORESTMAD”

Pedro Augusto – Gestor

Eduardo Gonçalves – Motoserrista

António Vieira – Motoserrista

J. Primitivo Madeiras S.A.

Jorge Primitivo – Gestor

Hélia Costa – Administrativo

Porto de Figueira da Foz “EUROFOZ”

Eduardo Monteiro

Serração Progresso Castanheirense e Transporte Palipau, Lda

Jorge Alves – Gestor

Elsa Oliveira - Administrativo

	Critical control points, summary
Identified CCP	*Evaluation CCP*
Sourcing and input check	Check prior to sending the material by supplier and check upon request
Biomass production	New Pellets provided CU with an annual overview of the quantit y of biomass handled at the different storage, handling and tra ns- shipment locations within the scope of its certification. This overview include data on biomass inputs and o utputs, and was evidenced verbally and

	with production spreadsheets and engineering examples.
Outputs	The end users SBP code is entered into DTS for each sale.
Labelling	Trademark agreement signed 24/11/2021. "SBP - Sustainable Biomass Program" mentioned on webpage http://www.enerpellets.pt/our_pellets.html, without approval from SBP
Reception and storage	Reception and storage of material based on credit control system.

4.3 Sampling methodology

During audit preparation, a sampling plan was developed based on the following criteria: - A review of documentation related to energy and carbon data for the chosen SAR reporting period. – An assessment of the DTS. – Inspection at the pellet plant and interviews with the team. As New Pellets currently has 2 suppliers for SBE, FMU each where these suppliers are operating was visited, to verify the mitigation measures implemented by the future supplier. 1 port was visited, the port of Figueira da Foz.

4.4 CB stakeholder engagement

Third Surveillance Audit. Therefore, there was no stakeholder consultation.

4.5 Stakeholder feedback

Third Surveillance Audit. Therefore, there was no stakeholder consultation.

5 Results

5.1 Main strengths and weaknesses

Strengths: The audit of New Pellets demonstrated a good level of compliance with the required criteria of Standard 1, 2, 4 and 5. There was reasonable evidence provided to support compliance where a Non-Conformity was not detected. The existence of a FSC Chain of Custody system is considered a main strength with respect to New Pellets overall conformity with the relevant SBP standards. The company are also ENPlus certified.

Furthermore, New Pellets has implemented a robust Supplier Qualification Program and Mitigation Measures based on a SBE Portugal Risk Assessment produced by AIMMP.

With this tools BP started to go on field and developed a classification process of feedstock over the Risk Analysis to find Low Risk inputs. Also some FSC (and PEFC) inputs were bought as primary and secondary feedstock.

Weaknesses: NCs identified

5.2 Rigour of Supply Base Evaluation

New Pellets has implemented a robust Supplier Qualification Program and Mitigation Measures based on a SBE Portugal Risk Assessment produced by AIMMP, which includes a clear description of their Supply Base Area. The geographical scope of the SBE is Continental Portugal. This SBE uses credible data sources. New Pellets management and monitoring systems are designed to ensure compliance with applicable laws and regulations. Risk was designated low for all core Indicators, with the exception of 13 Indicators which were designated as specified risk. New Pellets has developed additional controls and mitigation measures to manage these risks. After the risk assessment was completed, mitigation measures were proposed and consulted with stakeholders. The stakeholder consultation process involved consultations to key stakeholders with regard to information on SBP certification, SBP risk assessment and supply base report, by communicating this via electronic email. As no comments were received, the organization has implemented the mitigation measures for the specified risk indicators. The risk mitigation measures have been designed and implemented planned in cooperation with acknowledged experts and external consultants in relevant fields.

5.3 Collection and communication of data

The organization has in depth procedures for this. The auditor confirmed the Greenhouse Gas (GHG) sources for feedstock input from the forest, production at the facility, transportation to the port and storage and handling at the port and reviewed how the input data was measured. Findings were substantiated by on-site staff interviews with operations personnel on the overview of the operations at the facility, historical operations, changes to operations, procedures and processes used to maintain the facility, and procedures and processes used to ensure data quality. New Pellets demonstrated full competency to analyse and report the required data on Greenhouse Gas emissions.

5.4 Competency of involved personnel

Internal staff members and one external consultant are involved in the SBP system management and implementation. All interviewed responsible staff demonstrated awareness of their responsibilities within

SBP system. The external Consultant who is contracted for forest matters, which includes sourcing the forest based material and field visits and reports for SBP Std.#1.

All involved personnel, including responsible staff at suppliers and sub-suppliers have demonstrated good knowledge in relevant fields (recognition and identification of HCVF, familiarity with health and safety requirements, timber origin verification) during the site visits. Relevant certificates and diplomas were presented during the assessment and scope change audits. Qualification requirements for personnel involved in the SBE system are provided in documented procedures of the BP. In overall, auditors evaluate the competency of main responsible staff to be sufficient for implementing the SBP system with both primary and secondary material sourced within the SBE. This has been based on interviews, review of qualification documents, training records and set of procedures and documents that were composed for the SBP system as well as field observations during the assessment and audits.

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

No Supplier Verification Program has been performed as no Unspecified Risks were identified. Mitigation Measures were applied to avoid feedstock with Specified Risks and exclude it form SBP-Compliant Biomass.

Control Union assessed the risk for each Indicator using the guidance in Section 11 of SBP Framework Standard 2: Verification of SBP-compliant Feedstock.

The risk assessment has been performed with the use of a technical expert and evaluated the risk at both regional and the individual forest level. Determining the risk rating the likely impact of a non-compliance together with the probability of that noncompliance arising was used.

6.2 Specified risk indicators and mitigation measures

Country/Area	Indicator	Specified risk description	Mitigation measure
Portugal	2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.	There are specified risks that important species or habitats are not identified and mapped as following: - HCV 1.2 - Endangered species according to the classification adopted by the International Union for the Conservation of Nature (IUCN) to endangered species: critically endangered (CR), Endangered (EN) and vulnerable (VU). And also protected species contained in the legal conservation instruments in force in Portugal (Habitat and Birds Directives, CITES, Bern Convention, Bonn Convention), which may not be integrated into threat categories above; - HCV 1.3 -Endemic species - HCV 1.4 - Critical seasonal use areas including critical areas of refuge, breeding or migration routes in Portuguese territory, detailed above. HCV3- Areas included or containing rare ecosystems, threatened or endangered	· Consultation of cartography and others information sources, and verification that forests and other areas with high conservation values (HCV), specifically HCV 1.2, HCV 1.3, HCV 1.4 and HCV 3, are identified and mapped; · Disqualify material coming from areas where high conservation values are not identified and mapped.

		(classified as priority habitats by Natura 2000), found inside and outside classified areas. All the other areas are identified and mapped so they are low risk accoding to this indicator.	
Portugal	2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.	HCV 1- In private and communitarian forest areas classified by the National System of Classified Areas (SNAC) and in the forest areas considered IBAs (Important Bird and Biodiversity Areas), not covered by the National Network of Protected Areas RNAP, there are specified risks that HCV1 attributes are threatened by forest management operations such as harvesting or maintenance. HVC 3 - It is considered that the threats on priority habitats on private and communitarian, and public forest areas not managed by ICNF, are not properly safeguarded by existing safeguards, and so there is a specific risk that they were threatened by forest operations. HCV4 & HCV5 - It is considered specified the risk on private, communitarian, and public forest areas not managed by ICNF, subject to exploitation by clear cutting at dimensions above to the maximum area indicated for each region by PROF Regional Forestry Management Plan.	· Consultation of information sources regarding HCVs; · Procedures for conduct specific field Inspections to identify and address real and potential threats to forests and other areas with high conservation values, specifically HCV 1, HCV 2, HCV 3 and HCV 4, which were previously identified and mapped; · Disqualify material coming from areas where forest management and operations represent evident threats to HCV 1, HCV 2, HCV 3 and HCV 4; · Promotion of Good Forest Practices; · Monitoring plan.
Portugal	2.1.3 The BP has implemented appropriate control systems and procedures for	Considering the absence of complete legislative requirements regulating the conversion of forests to plantation and the statistics about the area converted after 2008., it is considered a	· Consultation of historical information sources and information from stakeholders; · Analysis of owner's information regarding the past and future area's

	verifying that feedstock is not sourced from forests converted to production plantation forest or non-forest lands after January 2008.	specified risk that feedstock is sourced from forests converted to production plantation forest or non-forest lands after January 2008.	covering and use; · Procedures to conduct monitoring field Inspections to verify if feedstock is or is not sourced from forests converted to production plantation forest or non-forest lands after January 2008; · Disqualify material coming from areas where natural forest were converted into Eucalyptus or other plantation from 2008, or to be converted with Eucalyptus or other plantation, or transformed into pasture, agriculture or other non-forest use; · Promotion of Good Forest Practices; · Monitoring plan.
Portugal	2.2.1 The BP has implemented appropriate control systems and procedures to verify that feedstock is sourced from forests where there is appropriate assessment of impacts, and planning, implementation and monitoring to minimise them.	There are specified risks that feedstock is sourced from forests where there is no appropriate assessment of impacts, when clear cuttings are done over a specific size area. This specific area is defined regionally by each Regional Forest Plan (PROF), as the maximum clearcutting area or the size of even aged monoespecific forest stand. This risk is associated to private and communitarian, and public forest properties not managed by Forest Services (ICNF).	· Consultation of information sources and legislation regarding impact assessment; · Analysis of information from the area regarding social and environmental aspects; · Procedures for conduct field Inspections to verify social and environmental aspects and the appropriate assessment, planning and implementation of measures for minimise real or potential impacts, especially in case of clear cuttings made over a specific size area, defined regionally by each Regional Forest Plan (PROF), as the maximum clearcutting area or the size of even aged monoespecific forest stand; · Disqualify material coming from areas where no appropriate assessment of impacts, and planning, implementation and monitoring to minimise them, is confirmed; · Promotion of Good Forest Practices;

			· Monitoring plan.
Portugal	2.2.2 The BP has implemented appropriate control systems and procedures for verifying that feedstock is sourced from forests where management maintains or improves soil quality (CPET S5b)	It is considered specified the risks for soil quality of sourcing biomass feedstock on: -forest lands located on desertification susceptible area according to Forest Services (ICNF) cartography. and - with size above minimum size required for Forest Management Plan.	· Consultation of information sources and legislation related with soil aspects; · Analysis of information from the area regarding soil erosion; · Procedures for conduct field Inspections to verify if forest management maintains or improves soil quality, especially in forest lands located on desertification susceptible area according to Forest Services (ICNF) cartography and with size above minimum size required for Forest Management Plan in respective PROF; · Disqualify material coming from areas where is confirmed that forest management do not maintains or improves soil quality; · Promotion of Good Forest Practices; · Monitoring plan.
Portugal	2.2.3 The BP has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).	HCV 1- In private and communitarian forest areas classified by the National System of Classified Areas (SNAC) and in the forest areas considered IBAs (Important Bird and Biodiversity Areas), not covered by the National Network of Protected Areas RNAP, there are specified risks that HCV1 attributes are threatened by forest management operations such as harvesting or maintenance. HVC 3 - It is considered that the threats on priority habitats on private and communitarian, and public forest areas not managed by ICNF, are not properly safeguarded by existing safeguards, and so	· Consultation of information sources regarding biodiversity; · Analysis of information from the area regarding biodiversity; · Procedures for conduct specific field Inspections to identify and address real and potential threats to conservation of key ecosystems and habitats; · Disqualify material coming from areas where forest management and operations represent evident threats to conservation of key ecosystems and habitats; · Promotion of Good Forest Practices; · Monitoring plan.

		there is a specific risk that they were threatened by forest operations. HCV4 & HCV5 - It is considered specified the risk on private, communitarian, and public forest areas not managed by ICNF, subject to exploitation by clear cutting at dimensions above to the maximum area indicated for each region by PROF Regional Forestry Management Plan.	
Portugal	2.2.4 The BP has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).	It is considered that a significant part of biodiversity is covered and detailed by indicators 2.1.1 and 2.1.2, for which low risk was not reached in this risk assessment. All classified habitats, besides priority ones included on HCV, must be included in this indicator.	· Consultation of information sources regarding biodiversity; · Analysis of information from the area regarding biodiversity; · Procedures for conduct specific field Inspections to identify and address real and potential threats to protection of biodiversity; · Disqualify material coming from areas where is confirmed that forest management and operations do not ensure that biodiversity is protected; · Promotion of Good Forest Practices; · Monitoring plan.
Portugal	2.2.6 The BP has implemented appropriate control systems and procedures to verify that negative impacts on ground water, surface water and water downstream from forest management are minimised	It is considered a specified risk for water impacts the exploitation by clear cutting at dimensions above to the maximum area indicated for each region by PROF Regional Forestry Management Plan. This risk is appliedto all private, communitarian, and public forest areas which are not managed by ICNF.	· Consultation of information sources and legislation related with water; · Analysis of information from the area regarding soil erosion; · Procedures for conduct field Inspections to verify if forest management maintains or improves soil quality, especially in case of clear cuttings at dimensions above to the maximum area indicated for each region by PROF (Regional Forestry Management Plan), in areas which are not managed by ICNF; · Disqualify material coming from areas where is confirmed that forest

	(CPET S5b).		management do not minimise negative impacts on ground water, surface water and water downstream; · Promotion of Good Forest Practices; · Monitoring plan.
Portugal	2.4.1 The BP has implemented appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPET S7a).	Thus while it seems clear that Portuguese government has taken steps to address the problem, with actual information available this indicator needs to be assessed as specified risk for health and vitality of forests ecosystems.	· Consultation of information sources regarding biotic and abiotic risks for the ecosystems services; · Analysis of information from the area regarding biotic and abiotic risks; · Procedures to access information from the area regarding biotic and abiotic risks, and procedures for conduct monitoring field Inspections to verify ecosystems services, social and environmental aspects and the appropriate assessment, planning and implementation of measures for minimise real or potential risks and impacts; · Disqualify material coming from areas where health, vitality and other services provided by forest ecosystems are not maintained or improved; · Promotion of Good Forest Practices; · Monitoring plan.
Portugal	2.4.2 The BP has implemented appropriate control systems and procedures for verifying that natural processes, such as fires, pests and diseases are	Pests, diseases and fires are today the greatest perceived risks in the Portuguese forest sector. Specified risk is assessed on the fire management at forest level.	· Consultation of information sources and legislation regarding natural processes (fires, pests, invasive species, and diseases); · Analysis of information from the area regarding invasive species, diseases, resources for fire prevention and protection; · Procedures for conduct field Inspections to verify these aspects if necessary; · Disqualify material coming from areas where natural processes,

	managed appropriately (CPET S7b).		such as fires, pests and diseases, are not managed appropriately; · Promotion of Good Forest Practices; · Monitoring plan.
Portugal	2.5.1 The BP has implemented appropriate control systems and procedures for verifying that legal, customary and traditional tenure and use rights of indigenous people and local communities related to the forest, are identified, documented and respected (CPET S9).	In the ground situations of use and abuse of fences and inadequate signs are common, including closed gates. In those situations, it is believed that customary rights are not respected, and there is a specified risk on this indicator. This specified risk doesn't include the licensed catle parks or big game hunting areas.	· Analysis of information from the area regarding use and abuse of fences and inadequate signs and closed gates; · Procedures for conduct field Inspections to verify these aspects if necessary; · Disqualify material coming from areas where is confirmed the use and abuse of fences and inadequate signs and closed gates in a way that customary rights are not respected (except in case of licensed catle parks or big game hunting areas); · Promotion of Good Forest Practices; · Monitoring plan.
Portugal	2.8.1 The BP has implemented appropriate control systems and procedures for verifying that appropriate safeguards are put in place to protect the health and safety of forest workers (CPET S12).	Historically, a risk under this category has been present based on a low level of compliance with the requirements for accreditation and/or professional training. Portugal has a rating of 3 in the International Trade Union Confederation Global Rights Index. This score is given for countries where "there are Regular violation of rights. The government and/or companies are regularly interfering in collective labour rights. There are deficiencies in laws and/or certain practices which make	· Suppliers training and qualification; · Confirmation of legal status of qualified suppliers in relation with health and safety requirements. · Procedures for conduct monitoring field Inspections to verify all the aspects related with health and safety of forest workers; · Disqualify material coming from areas where there are insufficient or inappropriate safeguards to protect the health and safety of forest workers; · Promotion of Good Forest Practices;

		frequent violations possible."	· Monitoring plan.
Portugal	2.9.1 Feedstock is not sourced from areas that had high carbon stocks in January 2008 and no longer have those high carbon stocks.	This indicator is assessed as specified risk in: - Wetlands: felling of riparian vegetation affecting carbon stocks - Old mature forests: felling/conversion of old mature oak stands after 2008	· Consultation of information sources regarding high carbon stocks areas (wetlands, peatlands and old mature forests stands); · Analysis of information from the area regarding the riparian vegetation and old mature forests stands; · Procedures for conduct monitoring field Inspections to verify if biomass is sourced from areas that had high carbon stocks in January 2008 and no longer have those high carbon stocks; · Disqualify material coming from areas that had high carbon stocks in January 2008 and no longer have those high carbon stocks; · Promotion of Good Forest Practices; · Monitoring plan.

7 Non-conformities and observations

NC number NC-002844 (2022-1)	NC Grading: Observation
Standard:	SBP Standard 1: Feedstock Compliance Standard
Requirement:	2.5 Components of a Supply Base Evaluation
Description of Non-conformance and Related Evidence:	
97% of Portuguese forests are private . Approximated number of private owners in Portugal is over 500,000. 8% of private forest are under communitarian management (Baldios) based in old customary and traditional tenure and rights and regulated by specific law. There are no indigenous people in Portugal nor minorities dependant on forests for their livelihood. This indicator is classified as specific risk by the company based on situations of use and abuse of fences and inadequate signs are common, including closed gates. However, these are not associated with areas classified as legal, customary and traditional tenure and use rights of indigenous people and local communities related to the forest.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	N/A

NC number NC-002842 (2022-3)	NC Grading: Minor
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock
Requirement:	7.1 The BP shall prepare a Supply Base Report (SBR) which shall be made readily accessible on the BP's website. Commercially sensitive and confidential information may be excluded from the SBR.
Description of Non-conformance and Related Evidence:	
Supply base report is made in English, Portuguese will be made upon request. The English version will be uploaded and available on SBP website. However, The SBR is not fully completed on the SBP Audit Portal	
Timeline for Conformance:	3 months from the report finalisation

Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

NC number NC-002843 (2022-2)	**NC Grading: Minor**
Standard:	SBP Standard 1: Feedstock Compliance Standard
Requirement:	2 Scope
Description of Non-conformance and Related Evidence:	
Portugal has ratified convention ILO 184 on 2012, about agriculture health and safety in agriculture which includes forestry activities with exception of industrial forest harvesting. Portugal has a rating of 3, from 1 to 5+, in the ITUC Global Rights Index 2014. This score is given for countries where: (There are) "Regular violation of rights. The government and/or companies are regularly interfering in collective labour rights. There are deficiencies in laws and/or certain practices which make frequent violations possible." New Pellets verifies Confirmation of legal status of qualified suppliers in relation with health and safety requirements, Procedures for conduct monitoring field audits to verify all the aspects related with health and safety of forest workers, and Disqualify material coming from areas where there are insufficient or inappropriate safeguards to protect the health and safety of forest workers. It could not be evidenced that workers at supplier SOPROFE had first aid equipment available at the work site.	
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

NC number NC-002845 (2022-4)	**NC Grading: Observation**
Standard:	SBP Standard 4: Chain of Custody
Requirement:	IN 4B; 1.1 The Sustainable Biomass Partnership (SBP) owns three

	registered trademarks: the SBP logo artwork, the initials “SBP” and the name “Sustainable Biomass Partnership”.
Description of Non-conformance and Related Evidence:	
Trademark agreement signed 24/11/2021. Text "SBP - Sustainable Biomass Program" used on http://www.enerpellets.pt/our_pellets.html, without approval from SBP	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	N/A

NC number NC-002841 (2022-5)	**NC Grading: Minor**
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.5
Requirement:	3.1.4 Each Legal Owner shall operate a Management System to ensure that data recorded are compliant with the requirements specified in this Instruction Document (5E).
Description of Non-conformance and Related Evidence:	
The SAR is not fully completed, several fields are missing to enable an accurate evaluation.	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

8 Certification decision

Based on the auditor’s recommendation and the Certification Body’s quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Robin Rosendahl
Date of decision:	31 Jan 2023
Other comments:	N/A