

Certification Surveillance Report

Roundtable on Sustainable Biomaterials

Associação de Fornecedores de Cana de Guariba - Socicana

SCS Certificate Code: SCS-RSB/PC-0027

Rua José Mazzi, 1450 • Vila Garavello • CEP: 14840-000 • Guariba - SP Brazil

Cristiane Regina de Simone

www.socicana.com.br

CERTIFIED	EXPIRATION
October 21, 2016	October 20, 2021

DATE(S) OF AUDIT
September 25, 2019
DATE OF LAST UPDATE
October 19, 2019

SCS Contact:

Matthew Rudolf | Manager, Biofuels

+1.919.533.4886 (direct) mrudolf@scsglobalservices.com

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FOREWORD

SCS Global Services (SCS) is a certification body accredited by the Roundtable on Sustainable Biomaterials (RSB) to conduct evaluations of biofuel operators. Under the RSB/SCS certification system, participating operators meeting international standards of biofuel production can be certified as “sustainable,” thereby permitting the Operator’s use of the RSB endorsement and logo in the marketplace subject to regular RSB/SCS oversight.

SCS deploys interdisciplinary teams of natural resource specialists and other experts all over the world to conduct evaluations of biofuel operations. SCS evaluation teams collect and analyze written materials, conduct interviews with Participating Operator’s staff and key stakeholders, and complete field and office audits of the operation(s) identified in the certification scope. Upon completion of the fact-finding phase of all evaluations, SCS teams determine compliance to the RSB Principles and Criteria.

Please Note: An RSB certificate itself does not constitute evidence that a particular product supplied by the certificate holder is certified to RSB standards. Products offered, shipped or sold by the certificate holder can only be considered covered by the scope of this certificate when the required RSB claim is clearly stated on-product. For more information about the RSB, visit their website at www.rsb.org.

Organization of the Report

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Roundtable on Sustainable Biomaterials. This section is made available to the general public and is intended to provide an overview of the evaluation process, the management programs, and policies applied to the Participating Operator, and the results of the evaluation. Section A will be posted on the RSB Participating Operators Database (<http://rsb.org/certification/participating-operators/>). Section B contains more detailed results and information for use by the Participating Operator.

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SECTION A – PUBLIC SUMMARY

1.0 GENERAL INFORMATION

1.1 Operator Information

1.1.1 Name and Contact Information

Organization name	Associação de Fornecedores de Cana de Guariba - Socicana		
Operator Number	1502		
Contact person	Cristiane Regina de Simone		
Address	Rua José Mazzi, 1450, Vila Garavello. CEP: 14840-000 - Guariba - SP Brazil	Telephone	+55 16 3251-9270
		Fax	-
		e-mail	crsimone@socicana.com.br
		Website	www.socicana.com.br

1.2 Scope of Certificate

Please select one:	<input type="checkbox"/> RSB EU RED	<input checked="" type="checkbox"/> RSB Global
Please select boxes that apply:	<input type="checkbox"/> Pre-assessment	<input type="checkbox"/> 1st Annual Surveillance
	<input type="checkbox"/> Initial Assessment	<input type="checkbox"/> 2nd Annual Surveillance
	<input type="checkbox"/> Re-certification	<input checked="" type="checkbox"/> 3rd Annual Surveillance
	<input type="checkbox"/> Follow-Up to NCs	<input type="checkbox"/> 4th Annual Surveillance
Scope (as should appear/appears) on certificate:	The production of sugarcane	
The scope assessment agrees with the scope under which the operator applied	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If no, please explain:	N/A	
<p><i>Note 1: If the scope is different, please contact SCS.</i></p> <p><i>Note 2: Where the client uses external organizations (public or private) to provide utilities services, such as electricity, waste disposal, water, the auditor shall check that these organizations are run according to local requirements (i.e. the law) but these organizations will not be considered in scope of the audit. Therefore no on-site visits to these utility services are required.</i></p>		
Total workers covered by scope of certification:	There are 7 small farmers (family farm associated with Socicana).	
Number of women workers	None	

AGRICULTURAL SITES OR FEEDSTOCK PRODUCTION SITES

Site Type	<input checked="" type="checkbox"/> Agriculture	<input type="checkbox"/> Forestry
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	<input type="checkbox"/> Biomass Production	<input type="checkbox"/> Other:		
Feedstock(s) Produced:				
Current Land Use	Prior Land Use			
<input type="checkbox"/> Biomass Production	<input type="checkbox"/> Biomass Production			
<input checked="" type="checkbox"/> Agriculture	<input checked="" type="checkbox"/> Agriculture			
<input type="checkbox"/> Other:	<input type="checkbox"/> Other:			
Current Employment on Site	Prior Employment on Site			
<input type="checkbox"/> Negligible	<input type="checkbox"/> Negligible			
<input checked="" type="checkbox"/> Local Average	<input checked="" type="checkbox"/> Local Average			
<input type="checkbox"/> Above Local Average	<input type="checkbox"/> Above Local Average			
<input type="checkbox"/> Full	<input type="checkbox"/> Full			
Owned/Controlled By:	Smallholder farms			
Location/City:	Guariba, São Paulo			
Total farms included in certification scope	There are 4 farms, of 7 growers			
Geographic location:	Farm/Entity	Location (Lat. - Long.)	Area (ha)	Area Planted (ha)
	Sítio São Pedro	21.45045638 48.57318732	41.1	38.19
	Santo Antônio II	21.46194914 48.57578314	20.0	17.7
	São João I	21.48744462 48.49586128	20.57	30
	São Sebastião	21.33910442 48.47136319	12.1	16.94
NEW Please request shapefiles of all farms				
Were shapefiles of farms requested?	Yes			
Did Operator provide shapefiles of farms included in scope of certification?	Yes. Satellite images of the farms 2003 vs 2013 were reviewed to confirm the non-conversion.			
Total Area (ha)	124.14			
Total Planted Area (ha)	102.83			
Total area set aside for conservation purposes (ha)	13.77			
Annual Feedstock Production Volume (please specify unit of measurement)	7,677.20 tons (estimated for 2019's production)			
Feedstock Production counted as RSB in last calendar year (tons)	None			

Amount sold as RSB certified in last calendar year (tons)	None
Amount of RSB material in stock at end of last calendar year (tons)	None

1.3 Standards Used

Applicable RSB-Accredited Standards

Title	Version
RSB Standard for Certification of Smallholder Groups (RSB-STD-03-002)	1.1
RSB Principles and Criteria for Smallholder Groups (RSB-STD-03-001)	(no version indicated)
RSB Standard for Traceability (Chain of custody) (RSB-STD-20-001)	3.1
RSB Standard for Risk Management (RSB-STD-60-001)	3.0
RSB GHG Calculation Methodology (RSB-STD-01-003-01)	2.1
All standards employed are available on the websites of the Roundtable on Sustainable Biomaterials (http://rsb.org/sustainability/rsb-sustainability-standards/). Standards are also available, upon request, from SCS Global Services (http://www.scsglobalservices.com/).	

2.0 EVALUATION PLANNING & PROCESS

2.1 Documentation Submitted by Operator

Manual de Normas do SIG – Sistema de Gestão Interna from 06/08/2018
Manual dos Membros do Grupo from 06/08/2018
Lista de Participantes (com área de conservação) - Cana Sustentável 2019
Estimativa - Cana Sustentável - safra 19-20.xlsx
RSB Certification Self Risk Assessment Form- Analise de risco 2019.pdf
Relatório de Auditoria e Plano de Ação RSB - Edgar Morita.pdf
Relatório de Auditoria e Plano de Ação RSB - José Erminio Gilbertoni.pdf
Relatório de Auditoria e Plano de Ação RSB- Jose Vagner Carqui.pdf
Cronograma de Eventos Socicana - 2019.xlsx

2.2 Audit Type and Determination

The following table summarizes the audit types for RSB Audits:

	Low risk class	Medium risk class	High risk class
Certificate validity	5 years	3 years	2 year
Main audit	Every 5 years	Every 3 years	Every 2 year
Surveillance audit	Annual	Annual	Annual

2.3 Audit Team

2.3.1 Determination of Audit Team

- Desk audits shall always be conducted by at minimum one (1) international lead auditor. The lead auditor appointed may include additional auditors and/or technical experts in the audit team if this is required by the extent of the audit.
- Field audits shall always be led by one (1) international lead auditor.
- The lead auditor appointed shall include at minimum one (1) local auditor in the audit team. The lead auditor appointed may include additional auditors and/or technical experts in the audit team if this is required by the extent of the audit.
- For field audits of participating operators in High Risk class shall always the lead auditor appointed shall appoint at minimum
 - one (1) local auditor and
 - one (1) technical expert on social issues to evaluate compliance with social requirements and the risk of non-compliance due to social issues and
 - one (1) technical expert on environmental issues to evaluate compliance with environmental requirements and the risk of non-compliance due to environmental issues.
 - The lead auditor appointed may include additional auditors and/or technical experts in the audit team if this is required by the extent of the audit.

2.3.2 Audit Team

Auditor Name:	Eddie Gómez	Auditor role:	Lead Auditor
Qualifications: Eddie is an Agronomist and has a master’s and Ph.D. degrees in Food, Agricultural and Biological Engineering with emphasis in sustainable production of biomass and renewable energy sources. Since 2016 has been involved with certification of agricultural operations against sustainability standards in Latin America. Eddie is currently a lead auditor of the Bonsucro Certification System, the International Sustainability and Carbon Certification (ISCC) and the Alliance for Water Stewardship (AWS).			

2.4 Evaluation Schedule and Extent of Audit

2.4.1 Determination of Extent of Audit

Total number of subsidiaries, branch offices, affiliated entities, external third parties contracted or otherwise engaged, operational structures, sites, facilities, processing and production units, and supply chain structures	7 small farmers (sugarcane producers)
Participating Operator Risk Class	4 (updated 09/2019)
Disputes or prior Non-compliances	None

Changes in scope since last evaluation	None
Total number of compliance claims	None

2.4.2 Evaluation Itinerary and Activities

Time	Element/Activity	Personnel Involved
Sept. 25th, 2019	Associação de Fornecedores de Cana de Guariba - Socicana	
8:00	Opening Meeting (desk audit) <ul style="list-style-type: none"> - Introduction to certification program and assessment process to on-site staff. - Review of scheduled activities. - Confirmation of scope of products to be certified and any product groupings. and clarification of all suppliers; farms, blending, transportation, storage. - Client to outline production process and overall process flow. - Update from client and any changes to the operation. - Follow up on implementation of any corrective action plans from desk audit or previous initial field audit. 	Management
8:30	Document Review (desk audit) <ul style="list-style-type: none"> - RSB Standard for Risk Management (RSB-STD-60-001 V 3.1) - RSB Standard for Certification of Smallholder Groups (RSB-STD-03-002 V1.1) 	Management
12:00	Lunch Break	
13:00	Document Review (desk audit) <ul style="list-style-type: none"> - RSB Principles and Criteria for Smallholder Groups (RSB-STD-03-001 V1.0) - RSB Standard for Traceability (Chain of custody) (RSB-STD-20-001 V 3.1) - RSB GHG Calculation Methodology (RSB-STD-01-003-01 V2.3) 	Management
17:00	Closing Meeting <ul style="list-style-type: none"> - Presentation of general audit finding. - Presentation of all non-compliances and opportunities for improvement. - Fix timetables for corrective actions. - Reiterate SCS appeal policy. - Ask for questions. 	Management

2.5 Evaluation of Management System

2.5.1 Methodology and Strategies Employed

SCS deploys interdisciplinary teams with expertise in agriculture, ecology, forestry, social sciences, natural resource economics, and other relevant fields to assess an Operator’s compliance to RSB standards and policies. Evaluation methods include document and record review, implementing sampling strategies to visit a broad number of site and facility types, observation of implementation of management plans and policies, and stakeholder analysis. When there is more than one team member, team members may review parts of the standards based on their background and expertise. On the final day of an evaluation, team members convene to deliberate the findings of the assessment jointly. This involves an analysis of all relevant site observations, stakeholder comments, and reviewed documents and records. Where consensus between team members cannot be achieved due to lack of evidence, conflicting evidence or differences of interpretation of the standards, the team is instructed to report these in the certification decision section.

2.5.2 Capacity of the participating operator to implement its management systems

Note: include an overall evaluation of the participating operator’s responsiveness and ability to consistently and effectively implement its management system based on the financial, technical, and human resources available.

See Appendix 2 (the details of the observations and substantiating evidence collected during evaluation of the central management office and management systems of the participating operator)

2.5.3 Evaluation of RSB compliance claims and use of RSB trademarks

The RSB short claim, as defined in RSB-PRO-50-001	None
Any other claims used as per RSB-PRO-50-001	None
Does Operator use RSB trademarks on off-product or on-product claims?	None

3.0 RISK ASSESSMENT RESULTS

Based on the most recent self-risk assessment (no older than 3 months from the audit date) the PO’s risk assessment results are:	Corresponding risk class (low, medium, high):
4 (updated 09/2019) & confirmed by auditor	Low Risk

4.0 RESULTS OF THE EVALUATION

4.1 Process of Determining Compliance

4.1.1 Structure of Standard and Degrees of Non-Compliance

RSB-accredited biofuel standards consist of a three-level hierarchy: the principle, the criteria that correspond to that principle, and then the performance indicators that elaborate upon each criterion. Consistent with SCS Sustainable Biofuels Program evaluation protocols, the team collectively determines whether or not the subject operation is in compliance with every applicable indicator of the relevant sustainable biofuel standard. Each non-compliance must be evaluated to determine whether it constitutes a major or minor non-compliance at the level of the associated criterion or sub-criterion. Not all indicators are equally important, and there is no simple numerical formula to determine whether an operation is in non-compliance. The team therefore must use their collective judgment to assess each criterion and determine if the Operator is in compliance. If the Operator is determined to be in non-compliance at the criterion level, then at least one of the applicable indicators must be in major non-compliance.

4.1.2 Interpretations of Findings

Major Non-compliances, either alone or in combination with non-compliances of other applicable indicators, result (or are likely to result) in a fundamental failure to achieve the objectives of the relevant RSB Criterion. These non-compliances must be resolved or closed out before a certificate can be awarded. If Major NCs arise after an operation is certified, the timeframe for correcting these non-compliances is typically no more than three months. Certification is contingent on the operator’s response to the NCs within the stipulated time frame.

Minor Non-compliances are typically limited in scale or can be characterized as an unusual lapse in the system. Most minor NCs are the result of a non-conformance at the indicator-level. Non-compliances must be closed out within a specified time period of award of the certificate.

Opportunity for Improvement is an observation made which does not fully impact compliance but could potentially affect the PO’s ability to comply with RSB requirements in the future.

4.1.3 Major Non-compliances

<input checked="" type="checkbox"/>	No major NCs were issued to the Operator during the evaluation. Any minor CARs from previous surveillance audits have been reviewed and closed prior to the issuance of a certificate.
<input type="checkbox"/>	Major NCs were issued to the Operator during the evaluation, which have all been closed to the satisfaction of the audit team and meet the requirements of the standards. Any minor

	CARs from previous surveillance audits have been reviewed and closed prior to the issuance of a certificate.
<input type="checkbox"/>	Major NCs were issued to the Operator during the evaluation and the Operator has not yet satisfactorily closed all major NCs.

4.1.4 Non-compliances and Current Status

Summary of Non-compliances and Current Status				
Non-compliance Number	Type of Non-compliance	Relevant RSB Standard & Indicator No.	Summary of Finding and Evidence Collected	Status of Non-compliance (Open/Closed)
2018-04 2017-02	Minor (Elevated from 2017 OFI)	RSB-STD-03-001 Indicator C4.f.iii	<p>Standard indicates: “Workers follow safety instructions on the storage, handling, use, disposal of hazardous substances and waste and follow emergency procedures following accidental spillages.”</p> <p>Socicana have no records of proper disposal of hazardous waste.</p> <p>The independent auditor report shows that the producers interviewed have some knowledge of the proper final disposal of the waste generated on their respective farms. However, no one keeps records or provided evidence of the destination of used lubricating oil or scrap iron accumulated on their respective properties.</p> <p>Action Plan indicates that guidance will be given by Socicana to the producers and verified together with an on-site audit.</p> <p>3rd surveillance audit update:</p> <p>Verified document, “Análise das Não Conformidades,” sent on 25/09/2019. Socicana implemented strategies to provide orientation to their members on the correct handling and disposal of hazardous wastes. Verified document, “Manual de boas práticas Socicana - Destinação correta de lixos,” – Pg.14 indicates that group management also established a partnership with the company, RS Lubrificantes, for the correct disposal of oil. Records are now available evidencing proper disposal. Auditor verified oil disposal</p>	Closed 09/2019

			certificates: Certificado de Coleta de Óleo Usado ou Contaminado, N. 058993, from August 05, 2016. Auditor also verified farm inspection reports conducted by Socicana on 2019. No NCs were issued due to incorrect disposal of wastes.	
2017-04 2018-1	Minor NC (elevated from OFI)	RSB-STD-03-001 Indicator C8.a.v And RSB-STD-03-001 Indicator C8.a.ii	<p>Producers did not perform analysis to measure the amount of organic matter in the soil in the second year of certification as the indicator asks. There is also no soil quality monitoring plan.</p> <p>Action Plan indicates that Socicana will orient producers to conduct analyses during the 2019/2020 harvesting season according to the Standard.</p> <p>3rd surveillance audit update: According to Socicana “this item does not apply to the reality of the production of sugarcane by smallholders”. Small sugarcane growers do not perform soil analysis annually. However, they are advised to conduct soil analyses periodically. Analyses are usually conducted before the planting season, for the correction of soil with limestone and to establish the fertilization program. Soil analyses were verified, including:</p> <ul style="list-style-type: none"> - Grower Bracciali conducted on March 27th, 2019; - Grower Carqui conducted on August 8th, 2019; - Grower Morita conducted on November 11th, 2019. 	Closed 09/2019
2018-2	OFI	RSB-STD-03-002 Indicator 6.1.9	<p>Socicana instituted and disclosed the "CP.CS.0012 Complaint and Appeal Form".</p> <p>Two records of "Complaint and Appeal" were verified. Both records were opened due to the desistance of two producers.</p> <p>OFI: The records of the Complaint and Appeal do not have the date the complaint was received. In an interview with the collaborator of Socicana, it was evidenced that the "Complaint and Appeal" of the two registered files have already been dealt with (the two producers have already been dismissed). However, on the registration form the "Action Plan" field is blank.</p> <p>3rd surveillance audit update: The auditor verified document: Análise das Não Conformidades RSB, which contains Ficha de</p>	Closed 09/2019

			Reclamação e Apelação (Projeto Cana Sustentável – RSB) CP.CS.0011, from producers Agenor Bracciali from 26/04/17 and Edson Tadeu Rizzo from 26/04/2017. During the 2019 audit it was evidenced that Complaint and Appeal forms now include signature dates.	
2018-3	OFI	RSB-STD-03-002 Indicator 7.3	<p>In the third topic of item 3.7.1 of the “POP-Manual of Standards – GIS”, it states that "When production estimates differ strongly from previous data, group members must justify changes in production estimates in relation to group management."</p> <p>In subsection 4.1.11 of the POP- “Producer's Manual,” it states: "The member shall inform SOCICANA of the estimate of the current harvest and the subsequent harvest. Any deviation from the cane delivery and harvest estimate the associate shall inform the reason for the diversion, in writing, to SOCICANA as manager of the group."</p> <p>According to information from the Manager, the producers selected for the sample are producers supplying Raízen, which has presented problems to deliver the cane. A meeting was held with the producers. The invitation and attendance list of the meeting participants was evidenced.</p> <p>OFI: The list of participants of this meeting, presents the list of names, as well as the telephone contact and emails, but does not contain the signature of each participant.</p> <p>Action Plan: They will analyze the note and seek the best way to solve it.</p> <p>3rd surveillance audit update: The auditor verified document: “Internal Management System, CP.CS.0003 Manual de normas do SIG - REV.06-08-18”, and document “CP.CS.0004 Manual de normativas de gestão do grupo - REV.06-08-18” which indicates that estimates should be in accordance with the Standard.</p> <p>The document Estimativa - Cana Sustentável - safra 19-20 contains updated estimates for the 2019/20 harvesting season. In addition, participation meeting documents now contain all signatures.</p>	Closed 09/2019

5.0 CERTIFICATION DECISION

Certification Recommendation		
For Initial and Re-certifications: Operator to be awarded RSB certification subject to the minor non-compliances stated in Section 4.2.5.	Yes <input type="checkbox"/> No <input type="checkbox"/>	
For Surveillance Audits: Operator is to continue as an RSB certified Participating Operator subject to the minor non-compliances stated in Section 4.2.5.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
The SCS evaluation team makes the above recommendation for certification based on the full and proper execution of the SCS Responsible Biofuels Program evaluation protocols. If certification is recommended, the Operator has satisfactorily demonstrated the following without exception:		
Operator has addressed any Major NC(s) assigned during the evaluation.	Yes <input type="checkbox"/> No <input type="checkbox"/> No Major NCs issued <input checked="" type="checkbox"/>	
Operator has demonstrated that their system of management is capable of ensuring that all of the requirements of the applicable standards are met over the sites and facilities covered by the scope of the evaluation.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Operator has demonstrated that the described system of management is being implemented consistently over the sites and facilities covered by the scope of the certificate.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Comments and/or details of any issue which was difficult and/or impossible to evaluate:		
To be completed by Certification Decision-Making Entity	Technical Review by: If different to decision-maker	Inna Kitaychik
	Certification decision:	Continued Certification against the RSB standards listed in section 1.3
	Certification decision by:	Inna Kitaychik
	Date of decision: For initial or continued certification	October 21, 2019
	Surveillance schedule:	4 th surveillance audit by September 25, 2020 Notes:

Sub Certificate Codes (if applicable)

Legal Entity/Operational Site	Sub-Certificate Code