



System KZR INiG/10

	Certification system of sustainable biofuels and bioliquids production	Issue: 2nd
	Guidelines for auditor and conduct of audit	Date: Page 2 of 20

Guidelines for auditor and conduct of audit

by The Oil and Gas Institute-National Research Institute

The KZR INiG System/10

	Certification system of sustainable biofuels and bioliquids production	Issue: 3 rd
		Date:
	Guidelines for auditor and conduct of audit	Page 3 of 20

List of contents

1. Introduction	4
2. Scope	4
3. Normative references	4
4. Definitions	5
5. Description and requirements.....	5
5.1. Requirements for an auditor.....	5
5.1.1. Foundation of professionalism	5
5.1.2. Reliable presentation	7
5.1.3. Independence.....	7
5.1.4. Professional care	7
5.1.5. Confidentiality.....	7
5.1.6. The maintenance of competence	7
5.2. Description of the conformity assessment process	8
5.3 Credibility and reliability of data	10
5.4. Auditing of First wastes/residues collection point	11
6. Risk evaluation.....	13
7. References	18
8. Annex list	18

	Certification system of sustainable biofuels and bioliquids production	Issue: 2nd
		Date:
	Guidelines for auditor and conduct of audit	Page 4 of 20

1. Introduction

Article 18 (3) of Directive 2009/28/EC ("the RED") requires that economic operators provide data concerning compliance with the sustainability criteria, confirmed by an independent audit. The audit verifies whether the systems used by economic operators are precise, reliable and protected against fraud. This leads to the necessity of ensuring a high standard of audits, carried out by a professional team.

Auditors are persons qualified to conduct audits, and with technical knowledge acquired through a professional career and through training in the sustainability issues defined in the RED. These persons have been trained on the KZR INiG certification system, and possess documented knowledge of requirements for quality and/or environmental management systems auditing. In justified cases, an auditing team shall be supported by a technical expert.

2. Scope

This document presents requirements for the compliance assessment process in the certification of sustainable biofuels and bioliquids production, as specified in the KZR INiG certification system. The auditors' competence requirements are also defined.

3. Normative references

The normative references, covering all aspects of the KZR INiG System, are the following linked documents, which should be read in conjunction.

KZR INiG System /1/ Description of INiG System of Sustainability Criteria – general rules

KZR INiG System /2/ Definitions

KZR INiG System /3/ Reference with national legislation

KZR INiG System /4/ Land use for raw materials production – lands with high carbon stock

KZR INiG System /5/ Land use for raw materials production - biodiversity

KZR INiG System /6/ Land use for raw materials production – agricultural and environmental requirements and standards

KZR INiG System /7/ Guidance for proper functioning of mass balance system

KZR INiG System /8/ Guidelines for the determination of the life cycle per unit values of GHG emissions for biofuels and bioliquids

KZR INiG System /9/ Requirements for certification bodies

and

EN ISO 19011:2012 Guidelines for auditing management systems

EN ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems.

	Certification system of sustainable biofuels and bioliquids production	Issue: 3 rd
		Date:
	Guidelines for auditor and conduct of audit	Page 5 of 20

4. Definitions

KZR INiG System/2/ Definitions

5. Description and requirements

5.1. Requirements for an auditor

In accordance with the requirements of the KZR INiG System, it is necessary to ensure that audits conform to the System's guidelines, and that persons designated to conduct audits have the appropriate competence.

In order to confirm fulfillment of the requirements of the RED and the *KZR INiG System /1/ Description of INiG System of Sustainability Criteria – general rules* concerning the evaluation of biofuel/bioliquid sustainability and certification undertaken in this regard, i.e. assessment of conformity with the system requirements. The Manager of a certification body appoints auditors (*KZR INiG System /9/ Requirements for certification bodies*), who:

- (1) are external: audit cannot be conducted by a participating economic operator (excluding personnel of the certification body);
- (2) are independent: auditors are independent of the activity being audited and free from conflicts of interest;
- (3) have general qualifications: the certification body must have general qualifications to conduct the audit, and
- (4) have the appropriate specific qualifications: the auditors must have qualifications necessary for assessing the evidence provided or required, in terms of the system criteria.

Auditors are obliged to make a confidentiality declaration.

5.1.1. Foundation of professionalism

In accordance with KZR INiG System requirements, **the audit team** must have proper qualifications. In particular, the audit team shall:

- have 3 years of professional experience, including at least 2 years working in the relevant area of quality and/or environmental management system auditing;
- complete a training course (40 hours) in management systems auditing, to ISO 19011 or equivalent standard, carried out by a training body that issues certificates upon course completion;
- conduct audits in accordance with the requirements of the EN ISO 19011 standard;
- have professional experience of conducting audits; and participate, as a candidate for auditor (including preparation and development of reports), in at least four external audits totalling 20 days;

	Certification system of sustainable biofuels and bioliquids production	Issue: 2nd
		Date:
	Guidelines for auditor and conduct of audit	Page 6 of 20

- prove participation in at least certification and/or surveillance of eight audits, totalling 15 days, of management systems quality, environment, or another voluntary scheme recognized by the European Commission, as a candidate for lead auditor;
- have knowledge of the KZR INiG System requirements (*KZR INiG System /1/ Description of INiG System of Sustainability Criteria – general rules*) and other KZR INiG System documents;
- have the appropriate specific skills to assess land-use criteria, mass balance systems, calculation of GHG emissions (e.g. relevant experience in agriculture, ecology, mass balance systems, traceability, data handling, knowledge of ISO14040ⁱ, ISO 14064-3ⁱⁱ, and ISO 14065ⁱⁱⁱ standards, methodology of evaluation of GHG emissions in life cycle of products, including the RED methodology). Auditors verifying the calculation of actual GHG emissions need to have the appropriate specific skills, including relevant experience in this field;
- successfully complete training in the KZR INiG System requirements;
- have knowledge of the handling and analysis of data required by the KZR INiG System.

If needed, the auditing team may include a **technical expert** from a specific area. The expert is required to have specific knowledge of, among others:

- origin of data, e.g. maps, GPS, GIS, satellite photos;
- pedological knowledge in the determination/identification of peatlands and in carrying out evaluations of degraded areas;
- biological and ecological knowledge such as characteristic species, habitat types (e.g. greenland types, wetlands) and native species of trees;
- processes related to GHG emissions and their source in every investigated area (plant, broker, farm, etc.);
- collection and processing of source data, measurement techniques and calculation methods related to GHG emissions (*KZR INiG System /8/ Guidelines for determination of life cycle per unit values of GHG emissions for biofuels and bioliquids*);
- evaluation of the credibility of parameters (crops/yields expected under the relevant conditions of climate and management strategy; expected mass streams for individual production processes; etc.);
- valid legislation, regulations, and other requirements in nature protection in countries where the KZR INiG System operates (*KZR INiG System /6/ Land use for raw materials production – agricultural and environmental requirements and standards*). Knowledge in this area should include:
 - local, regional, and national legal acts, decrees and regulations,
 - contracts and agreements,

	Certification system of sustainable biofuels and bioliquids production	Issue: 3 rd
		Date:
	Guidelines for auditor and conduct of audit	Page 7 of 20

- qualifications and experience in carrying out inspections of mass balance systems and at each individual stage of the supply chain (including balance of GHG emissions).

5.1.2. Reliable presentation

Persons who conduct audits must carry them out precisely and according to actual state. As a result of auditing activities, comprehensive and explicit findings of audit, audit conclusions, and audit reports are obtained.

5.1.3. Independence

Auditors must be independent from the activity being audited and also free from conflicts of interests. Auditors must be impartial throughout the auditing process.

5.1.4. Professional care

In order to ensure proper fulfillment of their tasks and to justify the confidence bestowed upon them by auditees, auditors must demonstrate exactitude, scrupulousness and a sense of duty during the audit.

5.1.5. Confidentiality

An appointed auditor or an audit team are obliged by the certification body to observe personal data protection rules and to maintain company commercial secrecy and trade secrets (publicly undisclosed technical, technological, or organizational information of the company, or other information with economic value, for which the entrepreneur has undertaken necessary actions to maintain confidentiality (according to the Act of 16 April 1993 on fighting against unfair competition, Official Journal 2003 No. 153 item 1503)).

Each auditor is obliged to sign a “Declaration of confidentiality”, attached in Annex 1 to this document.

5.1.6. The maintenance of competence

The KZR INiG System pays particular attention to supervising the competence of auditors. For this reason, each certification body is obliged to introduce procedure(s) for supervising the competence of staff engaged in the KZR INiG certification process (not only auditors). This matter is a subject of surveillance audits carried out by the KZR INiG at certification bodies, according to internal monitoring (see KZR INiG system/9 point 5.3).

Auditors, before being appointed to as KZR INiG auditors, are required to attend training organized by the KZR INiG, and to pass a final examination. Moreover, the KZR INiG organizes, at least once a year, a training course for auditors, for exchanging experiences

	Certification system of sustainable biofuels and bioliquids production	Issue: 2nd
		Date:
	Guidelines for auditor and conduct of audit	Page 8 of 20

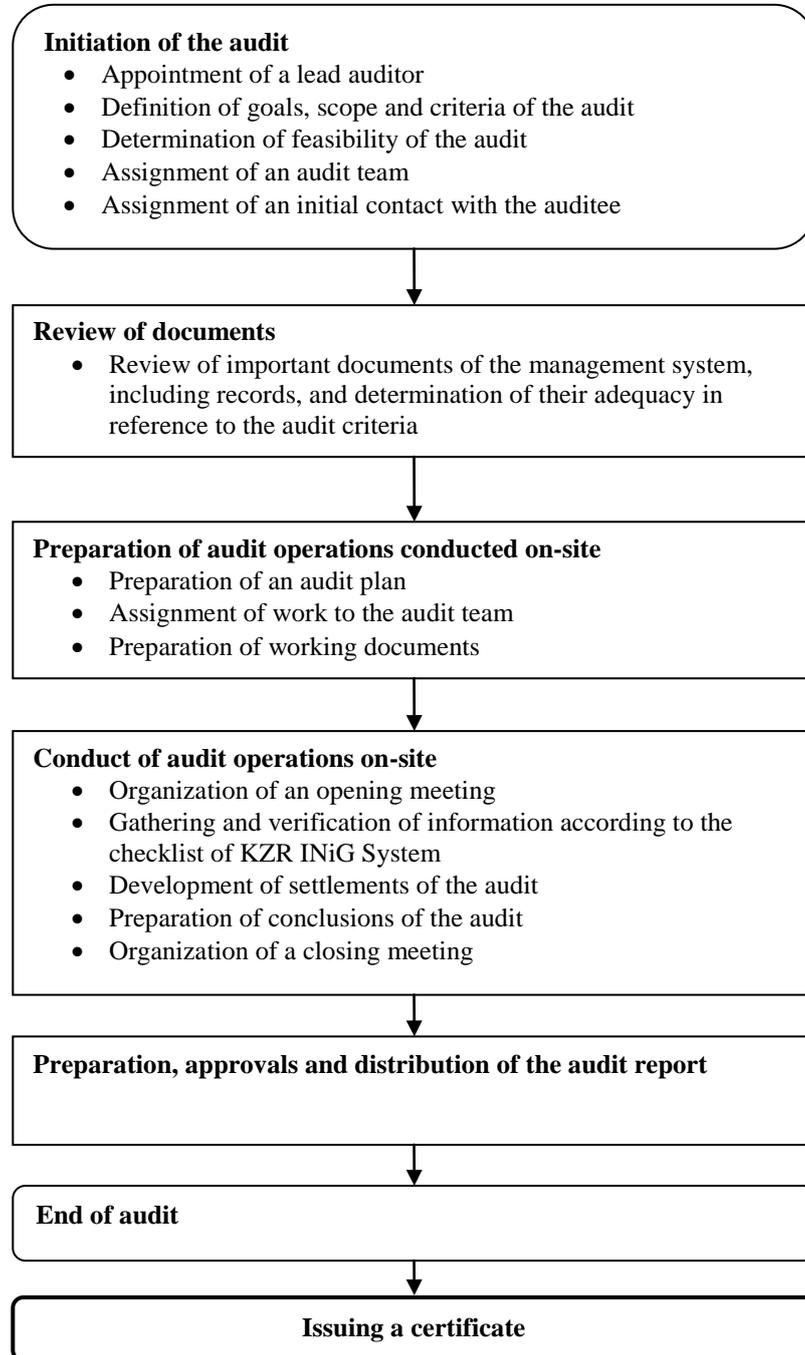
and enhancement of auditing, in which all authorized certification bodies are obliged to take part. Information obtained during this training shall be distributed among staff engaged in the KZR INiG certification process (not only among auditors).

5.2. Description of the conformity assessment process

The main purpose of the compliance assessment process is to check conformity of activities with the KZR INiG System requirements and to determine the effectiveness and efficiency of its operation. Figure 1 shows diagrammatically a typical audit.

	Certification system of sustainable biofuels and bioliquids production	Issue: 3 rd
		Date:
	Guidelines for auditor and conduct of audit	Page 9 of 20

Figure 1 – Scheme of audit conduct



	Certification system of sustainable biofuels and bioliquids production	Issue: 2nd
		Date:
	Guidelines for auditor and conduct of audit	Page 10 of 20

Non-compliances

Non-compliances are always assessed from the point of view of a risk of selling non-sustainable materials as sustainable.

Minor non-compliances

These are non-compliances whose causes are detected and can be eliminated within 30 days from the date of preparing the report. A minor non-compliance does not seriously violate the System's requirements and the risk of selling non-sustainable materials as sustainable is low. The certificate can be issued after approval by the lead auditor's correction and corrective action. In such cases it is recommended to carry out a surveillance audit no later than six months from the end of the certification audit. If improper correction, or lack of correction, potentially results in a *major* non-compliance, a surveillance audit is obligatory. When a single, minor non-compliance occurs, for which the proof of correction may be sent by post or e-mail, the decision to carry out the audit should be made by the lead auditor.

Major non-compliances

These are non-compliances whose causes are not detected or cannot be eliminated within 30 days from the date of preparing the report. A major non-compliance is a serious violation of the System's requirements and the risk of selling non-sustainable materials as sustainable is high or, if such material were sold, there is no possibility to reverse it. The issuing of a certificate is rejected or the current certificate is suspended. In the case of major non-compliances, the certifying body shall immediately inform the KZR INiG System Administrator and take corrective actions. Depending on the magnitude of the non-compliance, the KZR INiG imposes appropriate recommendations (for example a request for additional documents, or participation of a KZR INiG auditor during the audit, etc.). The certificate loses its validity immediately. The economic operator cannot be certified under the KZR INiG System for a period of three months from the date of the loss of validity of the certificate. If the major non-compliance was an intentional fraud, the period can be extended. This also applies to major non-compliances detected under other, voluntary schemes.

5.3 Credibility and reliability of data

In order to comply with the requirements of the System, as specified in the RED, it is necessary to provide credible and reliable data. The range of data for verification varies, depending on the scope of the audit. Detailed descriptions of the required data sources, their types, and verification methods, depending on the area of the audit, may be found in the following documents:

KZR INiG System/	Document No.	Document name
<i>KZR INiG System/</i>	4	<i>/Land use for biomass production – lands with high carbon stock</i>
<i>KZR INiG System/</i>	5	<i>/Land use for biomass production – biodiversity</i>
<i>KZR INiG System/</i>	6	<i>/Land use for biomass production – agricultural and environmental requirements and standards</i>

	Certification system of sustainable biofuels and bioliquids production	Issue: 3 rd
		Date:
	Guidelines for auditor and conduct of audit	Page 11 of 20

<i>KZR INiG System/</i>	7	<i>/Guidance for proper functioning of mass balance system</i>
<i>KZR INiG System/</i>	8	<i>/Guidelines for determination of life cycle per unit values of GHG emissions for biofuels, bioliquids</i>

In the case of an audit calculation of the actual value of GHG emissions, auditors should be handed the necessary information far enough in advance. Each change in the calculation methodology (used standard calculation values of GHG emissions, etc.) introduced during the period of validity of the certificate must be approved by the auditor.

Audited economic operators are obliged to declare the names of all schemes they participate in, and to make available to the auditor(s) all relevant information, including mass balance data, auditing reports, etc. Failure to declare any of this information will constitute a major non-compliance.

System participants are obliged to immediately inform the KZR INiG of the withdrawal of a sustainability certificate issued by other, voluntary schemes. The KZR INiG will evaluate each case individually and will decide upon what action should be taken. Recommendations are transferred to the certification body (if applicable) and are used as input data for risk analysis.

The auditor is obliged to verify the entire mass balance, even if it is run according to more than one voluntary scheme.

5.4. Auditing of First wastes/residues collection point

Waste is defined as in Article 3 (1) of the Waste Framework Directive 2008/98/EC. According to this definition, waste is any substance or object which the holder discards or intends or is required to discard¹. Raw materials or substances that have been intentionally modified or contaminated to meet this definition (e.g. by adding waste material to a material that was not waste) are not covered by this definition.

Residues can include:

- agricultural, aquacultural, fisheries and forestry residues, and
- processing residues.

A processing residue is a substance that is not the end product(s) that a production process directly seeks to produce; it is not the primary aim of the production process and the process has not been deliberately modified to produce it.

Examples of processing residues include crude glycerine, tall oil pitch and manure.

It must be verified whether the waste/residues did not arise as a consequence of intentional addition of the waste to a good quality product.

¹ Including materials that have to be withdrawn from the market for health or safety reasons.

	Certification system of sustainable biofuels and bioliquids production	Issue: 2nd
		Date:
	Guidelines for auditor and conduct of audit	Page 12 of 20

In the case of using wastes and residues as a feedstock, the auditor is obliged to verify the origin of this feedstock.

Rules of carrying out an audit and issuing of certificate for the First wastes/residues collection/utilization point are the same as rules for other system participants, taking into account the details below.

During an audit at the First waste/Residues collection/Collection and utilization point, the correctness of the entrepreneur's mass balance system is verified, and also the origin of the feedstock and the correctness of the GHG emissions calculation, if applicable.

During the audit of the First waste/Residues collection/Collection and utilization point, verification is also carried out at the place of origin of the waste/residues. The square root of the number of the waste/residues suppliers providing over one ton per month is verified on the site (rounded up to the nearest whole number), and is multiplied by the factor defined in section 6. The sample shall be selected by taking into account the following:

- the volume of supplies,
- variety of feedstock,
- variety of enterprises producing the wastes/residues.

Auditors have the right to carry out on-site audits at the origin of the waste/residues (e.g. restaurants), if required, regardless of the volume of material supplied.

During the on-site verification process at the place of origin of the waste/residues, the waste/residues supplier has a duty to confirm the findings of the verification process.

The results of an audit (i.e. findings, non-compliances, statement confirming compliance with the KZR INiG System, remarks) must always be confirmed by the waste/residues supplier.

Operators must declare to auditors the names of all voluntary schemes they operate in and make available all relevant information, e.g. the full mass balance records for a site.

In the case of auditing the waste/residues generated in households, the auditor, based on documents or, if necessary, inspection on-site, shall verify the origin of the feedstock.

The auditing documents shall include records concerning risk analysis and assessment, and also sample selection method.

An economic operator owning more than one waste/residues collection or indirect collection point, shall be treated as a multi-site operator and, as such, will be subject to the same audit procedures as a normal multi-site economic operator.

The number of waste/residues suppliers verified on site for every location is determined separately, i.e. it is determined as the square root of the number of suppliers providing more than one ton per month, rounded up to the nearest whole number.

	Certification system of sustainable biofuels and bioliquids production	Issue: 3 rd
		Date:
	Guidelines for auditor and conduct of audit	Page 13 of 20

6. Risk evaluation

The certification bodies recognized by the KZR INiG System are obliged to carry out a risk assessment before conducting an audit.

Risk evaluation shall take into account the credibility of the certified entity. If the certified entity has been placed on other certification systems' warning lists (both voluntary and national), the number of samples shall be increased accordingly. Findings from the complaints procedures (as specified by the KZR INiG/1) are also taken into account during risk analysis, if appropriate.

Risk analysis should take into account the assessment of technological potential of obtaining the specific sustainable product in the declared volumes.

In the case of an audit of an agricultural producer, it is mandatory to use the risk factors stipulated by the KZR INiG System².

For medium- or high-risk cases, the chosen representative sample (see KZR INiG System/9 point 5.6) must be multiplied by the risk factor given in the table below.

Table 1. Risk factors for EU countries. FGP

Risk	Description	Multiplication factor
Low	<ul style="list-style-type: none"> - farms are located within EU - lack of known land-use conflict - no expansion of an area for raw materials cultivation - complete and current documentation - available Self-declaration of agricultural producer 	1
Medium	<ul style="list-style-type: none"> - farms are not located close to sensitive environmental areas (woodlands, peatlands, wetlands, highly biodiverse lands) - little expansion of an area for raw materials cultivation - minor deficiencies in administrative documentation gathered by First gathering point - Self-declarations of agricultural producer not complete or not current - previous audit(s) revealed very few non-compliances 	1,5
High	<ul style="list-style-type: none"> - farms are located close to sensitive environmental areas (woodlands, peatlands, wetlands, highly biodiverse lands) - known information on land-use conflicts - planned expansion of area for raw materials cultivation - no required documentation (e.g. lack of Self-declaration of agricultural producer can lead to problems with guaranteeing compliance with KZR INiG requirements) - corrective action has not been undertaken after finding non-compliances in a previous audit 	2

² Based on *These factors are formulated in correspondence to the Guidance document for the evaluation of the equivalence of organic producer group certification schemes applied in developing countries*, 6 November 2006.

	Certification system of sustainable biofuels and bioliquids production	Issue: 2nd
		Date:
Guidelines for auditor and conduct of audit		Page 14 of 20

When auditing First waste/residues collection points, it is mandatory to use the risk factors specified by the KZR INiG System.

Table2. Risk factors for EU countries. First waste/residues collection points

Risk	Description	Multiplication factor
Low	<ul style="list-style-type: none"> – Waste/residues are received from a fixed group of suppliers (the same suppliers, regarding those supplying more than one ton per month) – records are kept in a clear, transparent way, with full traceability – previous audit(s) revealed no non-compliances – the entrepreneur is not on other systems' warning lists 	1
Medium	<ul style="list-style-type: none"> – waste/residues are not received from a fixed group of suppliers (with regard to suppliers of more than one ton per month) – records are kept in a clear, transparent way, with full traceability – previous audit(s) revealed only minor non-compliances – the entrepreneur is not on other systems' warning lists 	1,3
High	<ul style="list-style-type: none"> – waste/residues are not received from a fixed group of suppliers (with regard to those supplying more than one ton per month) – there are minor deficiencies in documentation connected with receiving waste/residues. – previous audit(s) revealed major non-compliances 	1,8

Non- EU countries

Farms, First gathering point, First waste/residues collection point/Economic operator collecting and processing waste and residues

If the First gathering point receives raw materials from a number of agricultural producers, and / or receives waste/residues from a number of places of origin, the minimum number of farms and/ or waste/residue places of origin to be audited is determined on the basis of a risk analysis and depends on the political, legal and economic factors occurring in the country. The risk analysis is carried out based on the criteria listed in the table below.

Table 3. Risk factors for non-EU countries. FGP

Risk	Description	Multiplication factor
Low	<ul style="list-style-type: none"> - The entity operates in a country associated with the EU - The country in which the entity operates belongs to the International Labour Organisation and has implemented the Conventions and Recommendations of that organisation, - The auditor is unaware of any violations of the laws on good agricultural practices and workplace practices in the country of operation of the entity - Farms do not border protected areas, peatlands, wetlands, forests, grassland, high biodiversity areas, or land with high carbon stock - Previous audit(s) revealed no non-compliances 	1
Medium	<ul style="list-style-type: none"> - The entity operates in a state not associated with the EU, - The country in which the entity operates belongs to the International Labour Organisation - Few cases of violation of the laws on good agricultural practices and workplace practices in the country of operation of the entity are known to the auditor 	1,8

	Certification system of sustainable biofuels and bioliquids production	Issue: 3 rd
		Date:
	Guidelines for auditor and conduct of audit	Page 15 of 20

	<ul style="list-style-type: none"> - Farms do not border protected areas, peatlands, wetlands, forests, grassland, high biodiversity areas, or land with high carbon stock - Previous audit(s) revealed no non-compliances 	
High	<ul style="list-style-type: none"> - The entity operates in a state not associated with the EU, - The country in which the entity operates does not belong to the International Labour Organisation - Numerous/frequent violations of the laws on good agricultural practices and workplace practices in the country of operation of the entity are known to the auditor - Farms border protected areas, peatlands, wetlands, forests, grassland, high biodiversity areas, or land with high carbon stock - Previous audit(s) revealed minor non-compliances 	2,1

The minimum number of farms to be audited in such cases is the square root of x (where x is the number of farms), multiplied by the appropriate multiplication factor indicated in the table above.

The final result (the minimum number of audited farms) is obtained by rounding the calculated value to the nearest whole number.

Audit of headquarter of first collection point is mandatory.

Guidance for auditors and the conduct of audits of farm and economic entities operating outside the EU

For verifying compliance with the requirements for the use of land for biomass production, the same requirements as those in the EU shall be adopted. The verification shall be carried out in accordance with the requirements specified in the following documents of the KZR INiG System: **Land use for raw materials production – lands with high carbon stock (KZR INiG System/ 4)**; **Land use for raw materials production – biodiversity (KZR INiG system/5)**; and **Land use for raw materials production – agricultural and environmental requirements and standards (KZR INiG 6)**.

For verifying the correctness of the mass balance used by the producer / manufacturer, the requirements are the same as those specified in the document **Guidance for proper functioning of mass balance system (KZR INiG System 7)**.

For verifying GHG emissions calculations or the use of default values, the requirements are those specified in the document **Guidelines for the determination of the life cycle per unit values of GHG emissions for biofuels, bioliquids (KZR INiG System 8)**.

The additional measures described below should also be taken.

Verification of the application of good agricultural practices

This shall include verification procedures for the management and control of environmental impacts of agricultural production. The auditor shall analyse documents regarding quality management, training of employees and subcontractors, plans and methods for soil remediation and minimizing erosion; and then documents on the purchase and use of pesticides, herbicides and pesticides, their warehousing and storage, measurement, mixing,

	Certification system of sustainable biofuels and bioliquids production	Issue: 2nd
		Date:
Guidelines for auditor and conduct of audit		Page 16 of 20

immediate preparation for spraying, as well as a list of persons responsible for their use and those persons' qualifications; and, lastly, documents on the purchase, calibration, inspection and maintenance of equipment used on the farm, including machinery and spraying equipment. The auditor shall also review and assess documents regarding the purchase and use of seeds, the use of organic substances (e.g. natural fertilizers), measures for the prevention and monitoring of plant pests, and the potential to combat them.

The auditor shall confirm the credibility of documents, by making an on-site visit at the locations indicated by the relevant documents, to check the procedures used, e.g. storage of fertilizers and plant protection products in warehouses; shelters; places for preparing spraying solutions, etc. Auditors shall also check how packaging is dealt with after application of spraying solutions and / or other substances considered dangerous or harmful to humans and / or the environment. Conclusive in this regard may be, for example, the presence of, "wild" garbage dumps on or near the farm.

If farm animals are used, the auditor must verify that they have good living conditions, are healthy and properly fed, and have veterinary care.

Auditors should also confirm the veracity of the data in the analysed documents by talking to the appropriate employees. Specific questions on the use of good agricultural practices are listed in the checklist (Annex 2).

Verification of the application of good practices in the workplace for entities in countries outside the EU

This should cover two main areas: the conditions under which workers are employed; and the conditions occurring in the workplace. The term "workplace conditions" must be understood as labor relations and occupational health and safety. The scope of verification should depend on the degree of risk of undesirable occurrences in the workplace. The risk analysis shall be carried out by the auditor before he/she conducts the on-site audit. Risk is assessed based on the following table:

Table. 4 Risk analysis. Good practices in the workplace

Risk	Description
Low	<ul style="list-style-type: none"> - The entity operates in a country associated with the EU, - The country in which the entity operates belongs to the International Labour Organisation and has implemented the Conventions and Recommendations of that organization - The auditor is unaware of any violations of the laws of good practices in the workplace, in the country of operation of the entity
Medium	<ul style="list-style-type: none"> - The entity operates in a country not associated with the EU, - The country in which the entity operates belongs to the International Labour Organisation - Few cases of violation of the laws of good workplace practices in the country of operation of the entity are known to the auditor
High	<ul style="list-style-type: none"> - The entity operates in a country not associated with the EU, - The country in which the entity operates does not belong to the International Labour Organisation - Numerous/frequent violations of the laws of good workplace practices in the country of operation of the entity are known to the auditor

In every case, the auditor shall analyse the documents and procedures relating to employment (employment contract, payroll, list of safety training, safety instructions, fire, etc.) and verify their content through on-site visits to workplaces and by conducting interviews with employees. In cases of medium or high risk of undesirable occurrences in

	Certification system of sustainable biofuels and bioliquids production	Issue: 3 rd
		Date:
	Guidelines for auditor and conduct of audit	Page 17 of 20

the workplace, extended interviews with employees shall be conducted. The interview should take place in a way that ensures privacy. The auditor should also ask the entity and employees for a written declaration confirming that the entity is not using illicit practices. In special cases (high risk), when there is suspicion of intimidation of workers or of forcing them to conceal the truth, the auditor can interview employees retired or removed from work. A detailed list of questions on the application of good practices in the workplace is given in the checklist (Annex 2).

Verification of the application of good social practices for entities in countries outside the EU

Verification in the field of good social practice includes examining audited entities' social interaction and mutual relations with local communities and other stakeholders. Good social practice also means: compliance with national and local laws; implementation of commitments, agreements, contracts, and agreements; maintaining good relations with all parties concerned with the production process, or that are affected directly or indirectly; maintaining good relationships with all related groups, both professional and social, in particular minority groups based on ethnicity, religion, political beliefs, national origin, sexual orientation, etc.. Before the audit, the risk of adverse events in the country of operation of the audited entity should be analysed. This risk is assessed according to the following table:

Table. 5 Risk analysis. Good social practices

Risk	Description
Low	<ul style="list-style-type: none"> - The country in which the audited entity operates has a stable political and legal system guaranteeing peaceful succession of governance - The country in which the entity operates has implemented legislation to effectively prosecute cases of tax fraud, accounting fraud, corruption, cheating of customers, etc.; and rights against persecution of individuals or groups because of ethnicity, religion, political views, professed values, etc. are respected - No cases of unpunished persecution of individuals or social groups because of their ethnicity, religion, political views, professed values, etc., in the country of operation of the entity are known to the auditor - Any disputes arising from non-compliance in the field of social relations are fairly dealt with and resolved by the courts of the country in which the audited entity operates
Medium	<ul style="list-style-type: none"> - The country in which the audited entity operates has a stable political and legal system guaranteeing peaceful succession of governance, but operating on its territory are powerful political groups and / or political parties aimed at changing the regime - The country in which the entity operates has implemented legislation to enable the prosecution of cases of tax fraud, accounting fraud, corruption, cheating of customers, etc., but rights against persecution of individuals or groups because of ethnicity, religion, political views, professed values, etc. are not fully respected - Isolated cases of unpunished persecution of individuals or social groups because of their ethnicity, religion, political views, professed values, etc., in the country of operation of the entity are known to the auditor - Disputes arising from non-compliance in the field of social relations are not always reliably processed and settled by the courts of the country in which the audited entity operates
High	<ul style="list-style-type: none"> - The country in which the audited entity operates has an unstable political system - The country in which the entity operates does not have an effective legal system that could successfully prosecute cases of tax fraud, accounting fraud, corruption, cheating of customers, etc., and there are no laws to prevent the persecution of individuals or groups because of their ethnicity, religion, political views, professed values, etc. - Widespread instances of unpunished persecution of individuals or social groups because of

	Certification system of sustainable biofuels and bioliquids production	Issue: 2nd
		Date:
Guidelines for auditor and conduct of audit		Page 18 of 20

<p>their ethnic, religious, political, professed values, etc., in the country of operations of the entity, are known to the auditor</p> <ul style="list-style-type: none"> - Disputes arising from non-compliance in the field of social relations are not fairly dealt with and resolved by the courts of the country in which operates the audited entity, - In the country in which operates the audited entity, acts of violence (armed groups, criminal groups, etc.) of a political, religious, ownership, professed values, nature etc. occur.

In every case, the auditor shall carry out an analysis of the following documents: agreements, contracts, liabilities, receipts, deeds.

In the case of medium- or high risk, the auditor should carry out additional discussions with employees regarding compliance with good social practices, and should consult other entities engaged in commercial relationships with the entity being audited and / or consult local communities, trade unions, contractors, subcontractors, authorities, etc., in order to verify the correctness of data derived from the audited entity. The auditor should also ask the entity and its employees for a written declaration confirming that the entity is not using illicit practices. In special cases (high risk), the auditor should consult international organizations (non-governmental, religious, charities, human rights, etc.), but only if they have reliable data on the audited entity and its activities. A detailed list of questions on the application of good social practices is specified in the checklist (Annex 2).

7. References

- ⁱ *EN ISO 14040, Environmental management -- Life cycle assessment -- Principles and framework.*
- ⁱⁱ *ISO 14064-3, Greenhouse gases – Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.*
- ⁱⁱⁱ *ISO 14065, Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition.*

8. Annex list

1. *Annex 1 – Confidentiality Declaration Form*
2. *Annex 2 – Checklist*

	Certification system of sustainable biofuels and bioliquids production	Issue: 1 st
	Guidelines for auditor and conduct of audit	Date:
	<i>Annex 1 – Form of Confidentiality Declaration</i>	Page 1 of 1

Confidentiality Declaration Form

Place, date:.....

.....
Name and surname of the person making the declaration

.....
Place of employment

.....
Residence

I hereby agree to:

- a) **observe rules defined by the certification body, including rules of confidentiality and independence from commercial or other interests;**
- b) **protect and maintain all information obtained during activities related to the compliance assessment process, including, among others:**
 - **production technologies used,**
 - **structural and techno-organizational solutions;**
- c) **ensure independence of my actions in order to avoid infringement of important interests of auditees.**

Furthermore, I declare that I am not involved in any activity that might conflict with the independence and reliability of actions concerning the compliance assessment and certification process or quality management systems, and I hereby undertake/ promise not to become involved in such activities, particularly in consulting on/ about quality management systems being certified.

Moreover, I hereby undertake/promise to declare any former or current connections with organizations that I am assigned to assess in the future.

.....
(signature of Manager of the certification body)

.....
(signature of the person making the declaration)

	Certification system of sustainable biofuels and bioliquids production, and biocomponent manufacturing	Issue: 1 st
		Date: 11.07.2012
	Guidelines for auditor and conduct of audit <i>Annex 2 – Checklist</i>	Page 2 of

Attached separately