

PKS Certification System: Third-Party Certification Body Requirements
Approved by the Third-Party Standards Review Committee

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Issued on: March 1, 2022

Drafted by

The Agricultural Resources Certification Council

Relevant standards

Policy P01

Organizational Requirements ST01

Due Diligence System Requirements ST02

Requirements Guidelines G01

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1. Qualification

1.1. Qualifications of third-party certification bodies

The third-party certification body that conducts the conformity audit with standard ST01 and ST02 shall:

- 1) Meet the requirements of ISO/IEC17065:2012 "Conformity assessment - Requirements for bodies certifying products, processes and services" and be certified by the accreditation body, which is recognized as the International Accreditation Forum (IAF) members, appointed by ARC;
- 2) Have provided a certification service for wood biomass fuels based on the "Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities" (Amendment: Act No. 59 of June 3, 2016) or equivalent services for at least three years.

Until the accreditation body specified in paragraph 1 has been appointed, the Agricultural Resources Certification Council (ARC) shall accredit a certification body. When ARC appoints the accreditation body that meets the requirements outlined in paragraph 1, the requirements outlined in this paragraph shall expire.

ARC shall appoint the accreditation body outlined in paragraph 1 of the preceding paragraph within two years from the date this standard enters into force.

1.2. Qualifications of the auditor

The auditor who conducts the conformity audit to standards ST01 and ST02 shall possess the following:

- 1) Experience in on-site certification auditing for wood biomass based on the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (FIT Act) of at least five audits.

The following person(s) may be qualified as auditors by conducting at least three training sessions (participation as an observer) of the certification audit under a qualified auditor.

- 1) Those who have finished training to become ISO9000 quality management system auditors and are registered as auditors by the certification body;
- 2) Those who have finished training to become ISO 14001 environmental management system auditors and are registered as auditors by the certification body;
- 3) Forest certification (CoC or FM) auditors;
- 4) National or International Professional Engineer (Forest);
- 5) Those who have completed a doctoral course related to forestry.

Auditors shall be trained at least once a year on the laws and systems associated with the standard, the audit methods based on ISO 19011, and the certification procedures established by the third-party certification body.

The audit process may be conducted by a single auditor or by a team consisting of multiple auditors. Auditors in the audit team shall be qualified as auditors.

The auditor who verifies the GHG emissions of the standard shall have one of the following qualifications and work experience:

- 1) Three or more verifications of GHG emissions based on the Tokyo Metropolitan or Saitama Prefecture Cap-and-Trade Program;
- 2) Five or more assessments of Type III environmental labels;

- 3) Three or more LCA consultation operations or critical reviews;
- 4) More than 3 years of experience as a researcher and of publishing books or academic papers on LCA or GHG emissions.

All auditors shall be evaluated for their qualifications and formally approved by the responsible person of the third-party certification body.

2. Management system

When the third-party certification body conducts the conformity audit to “Organizational Requirements ST01,” the third-party certification body shall establish a management system in accordance with “ISO/IEC17065:2012 Conformity assessment - Requirements for bodies certifying products, processes and services” from the acceptance of applications to the auditing, evaluation, issuance of certificates, management of organizations, document control, records control, and handling of complaints.

3. Number of samples

At the time of the audit, the third-party certification body shall confirm the suitability of the number of samples calculated in the table below.

Sampling target	Number of Samples
Site	n (initial audit) $\geq \sqrt{\text{number of CPO mills}}$ n (surveillance audit) $\geq 80\% \times \sqrt{\text{number of CPO mills}}$
Records for traceability	In the initial audit, only formats can be verified. n (surveillance audit) $\geq \text{trading volume} \times 10\%$
Record relating to supply chain	n (initial audit) = 100% (all records) n (surveillance audit) = 100% (all records)
Other records	n (initial audit) $\geq \text{total records} \times 50\%$ n (surveillance audit) $\geq \text{records in the past year} \times 25\%$

When sampling, the third-party certification body shall select the sample so that

it is not biased in the composition that represents the population and the size of the determined sample. Sampling shall be conducted at a level that allows the third-party certification body to take a responsibility to issue a certification with a certain confidence.

4. Evaluation

4.1. Audits

The third-party certification body shall conduct the following audits.

1) Initial audit:

The first audit that the third-party certification body conducts for the organization before the organization receives the certification.

2) Surveillance audit:

The audit that the third-party certification body periodically conducts for the organization. A surveillance audit shall be conducted at least once a year after the initial audit is performed.

3) Renewal audit:

The audit that the third-party certification body conducts for the organization every three years after the initial audit or renewal audit is performed.

4) Scope change audit:

The audit that the third-party certification body conducts for the organization to verify the conformity of the change in the certification scope to the standard when the organization wishes to change its certification scope.

5) Audit for recertification:

The audit that the third-party certification body conducts for the organization to cancel the suspension of the certification.

4.2. On-Site audit

The third-party certification body shall conduct an on-site audit to visit sites with PKS processing, including CPO mills, to verify conformity to the standard.

4.3. Certificate

The third-party certification body shall issue a certificate valid for three years. The certificate shall include the following:

- 1) the name of the organization;
- 2) the address of the organization;
- 3) the date the certification is granted and the term or expiry date of certification;
- 4) the name(s) of normative document(s);
- 5) certification scope;
- 6) certification number;
- 7) the name of the third-party certification body;
- 8) the address of the third-party certification body;
- 9) the symbol mark of the accreditation body

The third-party certification body shall establish the procedure for issuing the certificate by alternative audits conducted in the case of extraordinary events, if necessary.

4.4. Recertification and withdrawal of certification

At any audit, the third-party certification body shall issue the following nonconformities to the organization if the organization does not conform to the

requirements of the standard or the established operational procedures.

Major nonconformity is defined as a significant failure(s) to implement and maintain to meet the requirements of related standards or procedures that may result in significant doubts about the legal requirements and sustainable transactions of PKS.

Minor nonconformity is defined as a failure(s) to meet the requirements of related standards or procedures that may result in no risk about the legal requirements and sustainable transactions of PKS.

The third-party certification body shall notify the organization that a corrective action to any major nonconformity must be taken within 90 days. If the organization is unable to resolve a major nonconformity within the period, the third-party certification body shall take the following actions:

Initial audit:

If the organization intends to be certified, the third-party certification body may conduct a re-audit after the correction is completed.

Surveillance audit and renewal audit:

Certification is suspended. In addition, if it is not resolved within the period agreed between the third-party certification body and the organization (up to six months), the certification shall be withdrawn. If the organization has the intention to be certified, the third-party certification body may conduct an “Audit for Recertification” after the correction is completed.

4.5. Alternative audit

4.5.1. Condition

The third-party certification body shall establish the procedure for and conduct an alternative audit to the on-site audit:

1. when the safety is not assured where the planned on-site audit will be

conducted by information from the reliable source including public authorities;

- 1) when there is a risk related to water, sanitation, and hygiene where the planned on-site audit will be conducted with information from a reliable source including the public authorities;
- 2) when there has been an obstacle to the transportation access to the subject site of the audit, and the audit plan cannot be made in a general prediction;
- 3) when there is a request to conduct an alternative audit from public authorities, the accreditation body, or ARC;
- 4) when the third-party certification body enables to explain the certain reason for conducting the alternative audit.

4.5.2. Procedure

The third-party certification body shall establish the procedure for the alternative audit. This procedure shall conform to:

“IAF Mandatory Document for the Use of Information and Communication Technology (ICT) for Auditing/Assessment Purposes Issue 2 (IAF MD 4: 2018)”

and also refer to:

“IAF Informative Document for Management of Extraordinary Events or Circumstances Affecting ABs, CABs, and Certified Organizations Issue 1 (IAF ID 3: 2011)”

4.5.3. Record

The third-party certification body shall retain any related records to the alternative audit following the procedure for records retention when the alternative audit is employed.

The records include the followings:

- 1) The circumstance of and reason for conducting the alternative audit

- 2) Method of the used alternative audit
- 3) Prior consent, request for cooperation, and instructions to the organization
- 4) Problems arise from the alternative audit, if necessary.

4.6. Cancellation of audit

The third-party certification body shall discontinue the audit if the following matters are confirmed within the scope of certification:

- 1) Transaction of PKS from unacceptable sources;
- 2) Submission of false reports, records, or documents;
- 3) Manufacture or trade in anti-social products;
- 4) Violation of "The ILO Convention concerning Minimum Age for Admission to Employment C138" (Convention No. 138, 1973);
- 5) Uncooperative behavior toward audits.

Remainder intentionally left blank