

NEPCon Evaluation of Prime Trading House LLC Compliance with the SBP Framework: Public Summary Report

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Completed in accordance with the CB Public Summary Report Template Version 1.0

*For further information on the SBP Framework and to view the full set of documentation see
www.sustainablebiomasspartnership.org*

Document history

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1 Overview

CB Name and contact: NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia

Primary contact for SBP: Ondrej Tarabus ot@nepcon.net, +420 606 730 382

Report completion date: 07/Mar/2017

Report authors: Nikolai Tochilov

Certificate Holder: Prime Trading House LLC

Legal address: 5A Lomonosova str., Velsk, 165150, Arkhangelsk region, RUSSIA

Producer contact for SBP: Evgeny Vladimirovich Mitinev, tel.:+79210884558, email: e.mitinev@velskiyles.ru

Certified Supply Base: Sourcing from Russia, Arkhangelsk and Vologda regions

SBP Certificate Code: SBP-01-61

Date of certificate issue: 28/Mar/2017

Date of certificate expiry: 27/Mar/2022

Indicate where the current audit fits within the certification cycle				
Main (Initial) Audit	First Surveillance Audit	Second Surveillance Audit	Third Surveillance Audit	Fourth Surveillance Audit
X	☐	☐	☐	☐

2 Scope of the evaluation and SBP certificate

Organization is a biomass trader sourcing the material from one pellet producer located in Velsk, Arkhangelsk region, Russia. The material is taken at pellet producer warehouse (Ex Work conditions of purchasing), where possession is taken by Prime Trading House LLC and then transported to Saint-Petersburg harbor or Ust-Luga harbor (Leningrad region, Russia). Terms of delivery FCA, truck or train.

The Organization holds a valid FSC certificate with transfer system implemented.

Scope description: Trading of wood pellets for use in energy production, including transport from Biomass Producer in Velsk, Arkhangelsk region, Russia to the Saint-Petersburg harbor (Noviy Port) or Ust-Luga harbor (Leningrad region), in Russia. The scope of the certificate does not include Supply Base Evaluation.

Scope of the evaluation is indicated in the table below:

Scope Item	Check all that apply to the Certificate Scope				Change in Scope (N/A for Assessments)	
Approved Standards:	SBP Standard #4 V1.0 SBP Standard #5 V1.0 http://www.sustainablebiomasspartnership.org/documents				☐	
Primary Activity:	Broker/trader with physical possession				☐	
Input Material Categories:	☐ SBP-Compliant Primary Feedstock	☐ SBP-Compliant Secondary Feedstock			☐	
	☐ Controlled Feedstock	☐ SBP non-Compliant Feedstock				
	☐ SBP-Compliant Tertiary biomass	☐ Post-consumer Tertiary Feedstock				
	☐ SBP-approved Recycled Claim	☐ Post-consumer Tertiary Feedstock				
Chain of custody system implemented:	☒ FSC	☐ PEFC	☐ SFI	☐ GGL	☐	
	☒ Transfer	☐ Percentage		☐ Credit	☐	

Points of sales	☐ Harbour (including own handling of material)	☐ Harbour (e.g. FOB incoterms) legal owner is not responsible for handling of material at the harbour	☒ Other point of sale: gate of the BP	☐
	- - -	- - -	Saint-Petersburg harbor (Noviy Port) or Ust-Luga harbor (Leningrad region), in Russia. Terms of delivery – FCA, truck or train	
Provide name of all points of sales				
Use of SBP claim:	☒ Yes		☐ No	☐
SBE Verification Program:	☐ Low risk sources only		☐ Sources with unspecified/ specified risk	☐
	New districts approved for SBP-Compliant inputs:			
Sub-scopes				☐
Specify SBP Product Groups added or removed:				
Comments:				

3 Specific objective

The specific objective of this evaluation was to confirm that the Trader'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 the evaluation covered:

- Review of the Biomass Trader's management procedures;
- Review of FSC system control points, analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records and emission related calculations;
- Review of the transportation and deliverance processes

4 SBP Standards utilised

4.1 SBP Standards utilised

Chain of Custody, SBP Standard 4, Version 1.0, March 2015

Collection and Communication of Data, SBP Standard 5, Version 1.0, March 2015

Instruction-Document-5A-Collection-and-Communication-of-Data, -v1-1-Oct16

Instruction-Document-5B-Energy-and-GHG-Data-v1-1-Oct16

<http://www.sustainablebiomasspartnership.org/documents>

4.2 SBP-endorsed Regional Risk Assessment

not applicable

5 Chain of Custody system

5.1 Chain of Custody system

The Organization has implemented the FSC transfer system with biomass (wood pellets) in the scope of the certificate - NC-COC-023318

<http://info.fsc.org/details.php?id=a023300000Wkif1AAB&type=certificate&return=certificate.php>. The process covers trade with biomass with physical possession. Organization is a biomass trader sourcing the material from one pellet producer located in Velsk, Arkhangelsk region, Russia. The material is taken at pellet producer warehouse (Ex Work conditions of purchasing), where possession is taken by Prime Trading House LLC (after the pellets are loaded to the truck or wagon) and then transported to Saint-Petersburg harbor or Ust-Luga harbor (Leningrad region, Russia). Thus, physical possession in relation to the trader is the time of pellets transportation from warehouse to harbor. Terms of delivery FCA, truck or train.

6 Evaluation process

6.1 Timing of evaluation activities

Onsite assessment was conducted on December 07, 2016 (4 h). Assessment activities included documents review at office and staff interviews.

Activity	Location	Date/time
Opening meeting*	Office in Velsk	07/12/2016 09.00-09.30
Review of Documented Control Systems for FSC and SBP - FSC Product Group Schedule - FSC Supplier Records - FSC Volume data - SBP internal procedures - SBP Training - SBP Trademark Staff interview Evaluation of energy data collection	Office in Velsk	07/12/2016 09:30-12.15
Closing meeting*	Office	07/12/2016 12:15 – 13:00
End of the evaluation		07/12/2016 13:00

6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Nikolai Tochilov SBP Lead auditor	NEPCon SBP lead auditor. He passed SBP auditor training in Tallinn in January 2015; previous experience with more than 15 SBP pre-assessments and SBP assessments in Russia.

Audit started at company office with an opening meeting attended by SBP responsible person.

Auditor introduced the audit team, provided information about audit plan, methodology and aim of the assessment. CB's accreditation related issues and confidentiality issues were covered as well.

After that auditor went through all applicable requirements of the standards covering management system, CoC, recordkeeping/mass balance requirements, emission and energy data and verification of SBP compliant and SBP Controlled feedstock. SBP responsible person and accountant were interviewed.

During the closing meeting auditor explained the results of the audit and further actions were discussed.

7 Results

7.1 Main strengths and weaknesses

Strength: Use of the FSC transfer system. Simple and transparent chain of custody. Clearly designated responsibilities within the staff members.

Weaknesses: no weaknesses identified.

7.2 Rigour of Supply Base Evaluation

Not applicable.

7.3 Compilation of data on Greenhouse Gas emissions

Since organisation could not find and justify the actual fuel consumption (diesel for truck or train) for pellet transportation, they accepted and specified in SREG the reference consumption values from ID 5B (Biograce).

7.4 Competency of involved personnel

The SBP responsible person was supported by external consultant, who was closely involved in preparation of internal procedures and helping to set up the management system. The SBP responsible staff has shown good understanding of the requirements in relation to SBP certification and of the FSC CoC system.

7.5 Stakeholder feedback

No stakeholder comments are received.

7.6 Preconditions

None.

8 Non-conformities and observations

No non-conformities and observations have been raised during this evaluation.

9 Certification decision

Based on Organisation's conformance with SBP requirements , the auditor makes the following recommendation:	
☒	Certification approved: No NCRs issued.
☐	Certification not approved:
Based on auditor's recommendation and NEPCon quality review following certification decision is taken:	
NEPCon certification decision: The Biomass Trader has been certified by NEPCon as meeting the requirements of the specified SBP Standard, the certificate can be issued immediately after NEPCon will obtain the recognition as SBP certification body. The expiration of the certificate will be then 5 years.	
Certification decision by: Oļesja Puišo	
Date of decision: March 7, 2017	

10 Surveillance updates

Not applicable.

11 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Evgeniy Mitenev, certification specialist
Auditor(s):	Nikolai Tochilov
People Interviewed, Titles:	Evgeniy Mitenev, certification specialist Natalia Kiseleva, H&S specialist Yulia Istomina, accountant
Brief Overview of Audit Process for this Location:	See section 6.2
Comments:	No comments