NEPCon OÜ Evaluation of ProfitSystem Export Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

www.sbp-cert.org

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

Document history

Version 1.0: published 26 March 2015

Version 1.1: published 30 January 2018

Version 1.2: published 4 April 2018

Version 1.3: published 10 May 2018

Version 1.4: published 16 August 2018

Version 1.5: published 22 October 2020

Table of Contents

1 Overview

Certification Body (CB) Name:	NEPCon OÜ
Primary CB contact for SBP:	Ondrej Tarabus
Primary CB contact email:	otarabus@preferredbynature.org
Audit team leader:	Gerimantas Gaigalas
Audit team members:	none
Name of the Company:	ProfitSystem Export
Company legal address:	Taikos pr. 147, LT-51142 Kaunas, Lithuania
Company contact for SBP:	Tatjana Boriceva
Company contact email:	book-keeping@baltimex.net
Company website:	N/A
SBP Certificate Code:	SBP-08-33
Date of certificate issue:	23 Feb 2021
Date of certificate expiry:	22 Feb 2026

Audit closing meeting date:	02 Dec 2021
Audit cycle:	First 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:	Trader	☐
Approved Standards:	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):	No	☐
Includes communication of Dynamic Batch Sustainability Data (DBSD)	Yes	☐
Includes Group Scheme	No	☐
Products	Pellets	☐

Feedstock types:	Secondary	☐
Feedstock origin (countries):	Belarus, Lithuania	☐
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: NC-COC-061596	☐
	Transfer	☐

2.1 Description of the company

SIA “ProfitSystem Export” is trading wood pellets and has a wide network of suppliers in Lithuania, Belarus and other countries. Their customers are the major European energy companies. The Organization is trader without physical possession trading the wood pallets. Biomass is sold worldwide at different incoterm conditions. The organization holds a valid FSC certificate with transfer system implemented. The scope of the certificate cover wood pellets. Organisation is certified as broker without physical possession activities.

2.2 Detailed description of the Chain of Custody system

The organization has implemented the FSC transfer system with biomass (wood pellets) in the scope of the certificate. The process covers trade with biomass in Europe at different incoterm conditions. The FSC and SBP claim is mentioned on the sales invoices. The sustainability characteristics are mentioned on an annex to the invoice which always contains the number of the invoice as well.

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass 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 calculations

· GHG data collection analysis;

· SREG data analysis.

4 Evaluation process

4.1 Timing of evaluation activities

Audit Level of Effort (LoE)		
Activity	***Auditors***	**Auditor hours**
1. Preparation	Gerimantas Gaigalas	4,0
2. On-site (excl. travel time)	Gerimantas Gaigalas	6,0
3. Report writing	Gerimantas Gaigalas	2,0
4. Other	N/A	N/A

Audit Schedule			
Activity	**Location**	**Auditor name**	**Date/time**
Opening meeting	Desk based	Gerimantas Gaigalas	02 Dec 2021/9.00
Energy use calculations review	Desk based	Gerimantas Gaigalas	02 Dec 2021/9.20
Interview, review of FSC/ SBP system	Desk based	Gerimantas Gaigalas	02 Dec 2021/13.00
Closing meeting	Desk based	Gerimantas Gaigalas	02 Dec 2021/16.30

Auditor qualification		
Auditor name	**Role**	**Qualification**
Gerimantas Gaigalas	Lead auditor	He has Master ‘s degree on Forestry (graduated in Lithuanian Academy of Agriculture), BSc degree in Law and Master ‘s degree in International Law (graduated in University of Mykolas Romeris) and diploma in programming (Electronic College in Vilnius). He has experience leading the International Relations and Agreements Division in the Ministry of Environment as well as experience working in United Nations Development Programme (UNDP) Papua New Guinea regional office and Institute of Environment Sustainability of EU Commission in Italy. Gerimantas has successfully passed Forest Management and Chain of Custody lead auditor training. Gerimantas is working in UAB ”NEPCon LT” as certification manager since 2013. Since 2014 he is implementing PEFC CoC audits, in 2013 completed PEFC CoC auditor training according to the new Chain of Custody standard. In 2016, he got the SBP lead auditor qualification and started to audit according to SBP scheme.

4.2 Description of evaluation activities

The main evaluation audit has been conducted as remote audit as per SBP Covid-19 guidelines. The audit has been conducted on 2 December 2021 starting with the opening meeting attended by SBP responsible person. During the meeting lead auditor introduced himself, provided information about audit plan, methodology and aim of the audit. CB’s approval related issues and confidentiality issues were covered as well.

After that auditor went through all applicable requirements of the standard 4,5 as well as instruction document 5E covering management system, CoC, recordkeeping requirements, GHG data reporting. Later on the purchasing, sales and recordkeeping topics were covered. During the process the overall responsible person for SBP system was interviewed and the energy data collection and SREGs related issued had been discussed. During the closing meeting the auditor explained the results of the audit and further actions were discussed, the preliminary results were presented.

4.3 Sampling methodology

N/A

4.4 CB stakeholder engagement

N/A

4.5 Stakeholder feedback

N/A

5 Results

5.1 Main strengths and weaknesses

Strengths: The internal system is well organized, small number of suppliers, small number of the responsible staff simple management system.

Weaknesses: no practice in selling SBP certified products.

5.2 Rigour of Supply Base Evaluation

N/A

5.3 Collection and communication of data

Only SREG reporting is included into the scope of the evaluation.

5.4 Competency of involved personnel

The SBP responsible person has shown good understanding of the requirements in relation to SBP certification and of the FSC CoC system. As the company is the trader without physical poccession and has only few persons, only one person is designated for SBP, who deals with all matters related to SBP. He has experience working in other company before on matters related to SBP.

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

N/A

6.2 Specified risk indicators and mitigation measures

Country/Area	Indicator	Specified risk description	Mitigation measure
N/A	N/A	N/A	N/A

7 Non-conformities and observations

N/A

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):	Olesja Puiso
Date of decision:	09 Dec 2021
Other comments:	N/A