



NEPCon OÜ Evaluation of PRB Industry, Limited Liability Company Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

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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:	Aliaksandr Zubkevich
Audit team members:	Aliaksandr Zubkevich
Name of the Company:	PRB Industry, Limited Liability Company
Company legal address:	Ulitsa Shcolnaya 45; Vitebsk region, Rossonsky district, 211460 ag. Klyastitsy, Belarus
Company contact for SBP:	Gints Babris
Company contact email:	babris.gints@gmail.com
Company website:	N/A
SBP Certificate Code:	SBP-07-52
Date of certificate issue:	10 Feb 2020
Date of certificate expiry:	09 Feb 2025
Audit closing meeting date:	20 Jan 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:	Biomass Producer	☐
Approved Standards:	SBP Standard 2: Verification of SBP-compliant Feedstock; SBP Standard 4: Chain of Custody; SBP Standard 5: Collection and Communication of Data Instruction	☐
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	☐
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-056150	☐
	Transfer	☐

2.1 Description of the company

BP is a wood processing (primary) company located in Vitebsk region, Belarus. Design production capacity of pellet plant is 8000 tones. Company runs pellet production, as well as lumber production, which supplies secondary feedstock with FSC 100% claim to the pellet plant. Sawdust and offcuts are used in pellet production. Primary feedstock (dead wood, low quality stem wood) is used for the drier. The round wood used for primary production originates from Belarus and was with FSC 100% claim (97,4%) and as not certified (2,6%). The BP source small volume of FSC certified secondary feedstock from other sawmill. The BP implements FSC transfer system and produced biomass was sold with FSC 100% claim and as not certified. Pellet plant was commissioned in December 2019.

2.2 Detailed description of the Chain of Custody system

BP implements FSC transfer system of claims. In reporting period 97,4% of round wood volume for primary processing is sourced with FSC 100% claim. After the reception, incoming volume of the primary feedstock (saw logs) is registered in Organisation's database and processed. Non certified roundwood is stored separately and marked with sing "Not certified". Produced non certified biomass is stored in special place marked with sinbg "Non certified". FSC and SBP certified pellets are produced of the FSC 100% secondary feedstock (sawdust, shavings), originating from own primary processing. FSC 100% primary feedstock (dead wood, low quality stem wood) is used into the drier.

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer'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 BP's management procedures;
- Review of the production processes, production site visit;
- Review of FSC system control points, analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients;
- GHG data collection analysis
- Assess compliance against Instruction Document 5E: Collection and Communication of Energy and Carbon Data

Review of the records in DTS

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Aliaksandr Zubkevich	2,0
2. On-site (excl. travel time)	Aliaksandr Zubkevich	8,0
3. Report writing	Aliaksandr Zubkevich	8,0
4. Other	N/A	N/A

<i>Audit Schedule</i>			
Activity	Location	Auditor name	Date/time
<i>Opening meeting</i>	Office	Aliaksandr Zubkevich	20 Jan 2021/9:00
<i>Documents and procedures review</i>	Office	Aliaksandr Zubkevich	20 Jan 2021/9:20
<i>CoC control system and critical points</i>	production	Aliaksandr Zubkevich	20 Jan 2021/16:00
<i>Closing meeting</i>	Office	Aliaksandr Zubkevich	20 Jan 2021/16:30

Auditor qualification		
Auditor name	Role	Qualification
Aliaksandr Zubkevich	Lead auditor	Mr Aliaksandr Zubkevich has education of engineer-economist in timber industry. He had postgraduate study at the Belarusian State Technological University. A. Zubkevich has passed FSC CoC/ FM lead auditor training course, Legal Source, ISO 14001 and SBP training coursed. Previous experience in woodworking industry and SBP pre-assessment and assessments in Belarus.

4.2 Description of evaluation activities

Audit started with an opening meeting attended by the representatives from Organisation's management and staff.

Audit team leader introduced himself, provided information about audit plan, methodology, auditor qualification, confidentiality issues, and assessment methodology and clarified certification scope. During the opening meeting the auditor explained CB's approval related issues.

After that auditor went through all applicable requirements of the SBP standards nr. 2, 4, 5 and instruction document 5E covering input clarification, existing chain of custody system, management system, CoC, recordkeeping, emission and energy data and categorisation of input and verification of SBP-compliant biomass. Chain of Custody implementation was reviewed focusing in the Critical Control Points, in particular it was verified reception of the material and it's classification, identification of feedstock origin, production process with the conversion factors associated, final product storage and sales. During the process, overall responsible person for SBP system and other staff were interviewed. The auditor reviewed data registered in DTS.

After a roundtrip around BP's pellet production was undertaken. During the site tour, applicable records were reviewed, staff was interviewed and FSC system critical control points were analysed.

At the end of the audit findings were summarised and assessment conclusions based on use of 3 angle evaluation method were provided to the management and SBP responsible person.

4.3 Sampling methodology

During audit were checked documents in office and inspected pellet mill as well as sawmill. During audit were interviewed SBP responsible (deputy director), production head, electric head, pellet mill operator. Sales documents as well as input material documents were randomly checked for all reporting period.

4.4 CB stakeholder engagement

Stakeholder consultation was not conducted for this audit

4.5 Stakeholder feedback

None

5 Results

5.1 Main strengths and weaknesses

Strengths: Use of the FSC transfer system. Effective recordkeeping system. Small number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: See NCRs for details.

5.2 Rigour of Supply Base Evaluation

Not applicable

5.3 Collection and communication of data

The following energy sources are used by BP: electricity for pellet production; diesel for feedstock handling, shipping and for biomass transportation to customer. Electricity consumption value is based on metering; diesel consumption value is mostly based on theoretical calculations.

5.4 Competency of involved personnel

Overall, BP staff showed good understanding of knowledge of all applicable SBP requirements. SBP related staff responsibilities are presented in Section 3 of the SBP Procedure. Interviewed staff was well familiar with their responsibilities. Generally, very few staff members are involved into SBP certification: SBP responsible/deputy director (maintaining of the management system, staff training, trademark use), chief of pellet plant (moisture measurements, volumes), chief accountant (verification of incoming invoices and transport documents, performance of outgoing invoices and transport documents).

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

Not applicable

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

NC number NC-000128	NC Grading: Major
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock
Requirement:	IN2C; 1.1 The BP shall prepare a SBR which is publicly available and includes a summary of any SBE
Description of Non-conformance and Related Evidence:	
The Supply Base Report was prepared on Audit portal. During review it was found out that the Supply Base Report is not concise and contains mistakes: 1) wrong information about suppliers 2) section 3.4 was not filled in properly and so on. /Отчет о ресурсной базе был подготовлен на Audit portal.	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	Updated SBR/обновленный Отчет о ресурсной базе
Findings for Evaluation of Evidence:	During the period from audit closing meeting and report finalization the BP has updated SBR on Audit portal. Review confirmed that SBR is concise and cover the most important features / В период с даты завершения аудита и до утверждения отчета организация внесла изменения в Отчет о ресурсной базе на Audit portal. Изучение отчета подтвердило, что он полный и ошибки исправлены
NC Status:	Closed

NC number NC-000129	NC Grading: Major
Standard:	SBP Standard 4: Chain of Custody
Requirement:	5.1.2 The legal owner shall implement all aspects of the SBP-approved CoC system requirements for the SBP feedstock and biomass. Where there is a conflict between the requirements in the SBP-approved CoC system requirements and those specified in the SBP standards, the SBP standards shall have precedence. Note: SBP feedstock or biomass will not necessarily enter into the scope of the SBP-approved CoC system certification, but the SBP-approved CoC system CoC processes and requirements shall extend to SBP feedstock and

	biomass.
Description of Non-conformance and Related Evidence:	
The BP holds valid FSC Chain of Custody certificate and implements FSC transfer system. Roundwood is received both with FSC 100% claim and non certified. Relevant supplier list is maintained. After the reception, incoming primary feedstock (saw logs) is registered in BP's database and processed at sawmilling facilities. Pellets are produced of the secondary feedstock both from own sawmill and from suppliers. The BP do not measure the volume of secondary feedstock from own sawmill used in pellet production.	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

NC number NC-000130	NC Grading: Major
Standard:	SBP Standard 4: Chain of Custody
Requirement:	5.2.5 For all feedstock inputs the BP will keep input records. In addition to meeting the requirements specified in the SBP-approved CoC system being implemented, the input records will contain at least: a) Invoice reference(s) or other transaction number b) A description of the physical properties of the feedstock c) The volume of physical input d) The supplier e) Transaction date f) The certificate numbers of any certified suppliers For legal owners downstream of the biomass production process: Biomass inputs
Description of Non-conformance and Related Evidence:	
The BP record feedstock input in Excel sheet. It was found out that roundwood input was recorded in Excel (2020-2021), but secondary feedstock from suppliers during reporting period was not recorded	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A

NC Status:	Open
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NC number NC-000131	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody
Requirement:	6.3.1 The legal owner shall implement the requirements of either: PEFC 2002:2013 Section 9: Social, Health and Safety requirements in CoC, Or FSC-STD-40-004 V2-1 EN Section 1.6: Occupational Health and Safety Or the latest versions of these documents
Description of Non-conformance and Related Evidence:	
H&S specialist is appointed in Organisation. Safety instructions have been developed and staff training is conducted when applicable (training logs have been reviewed by auditor). It was found out that not all protective equipment were issued to workers. / Специалист по охране труда имеется в организации	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

NC number NC-000132	NC Grading: Major
Standard:	SBP Standard 4: Chain of Custody
Requirement:	5.3.1 All requirements of the relevant chain of custody control system specified in the SBP-approved CoC system shall be implemented to calculate outputs.
Description of Non-conformance and Related Evidence:	
BP is applying FSC transfer system. The following average conversion factor was established by BP based on factual measurements: 2,13 solid m3 of secondary feedstock (sawdust) for production of 1 tone pellets; 0.37 solid m3 of secondary feedstock (wood chips) for the drier for production of 1 tone pellets. It	

was explained by the BP staff that coefficients are received on factual measurements. The BP didn't provide auditor with any documented evidence of such factual measurements. Due to detailed explanation of how coefficients were received during interview and that coefficients looks reasonable for such type of production, minor noncompliance report was formulated by auditor.	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	Not provided
Findings for Evaluation of Evidence:	The BP has not provided evidences to close this non conformance.The NCR is upgraded to Major
NC Status:	Open

NC number NC-000133	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody
Requirement:	IN 4B; 1.7 Only the SBP logo artwork provided directly from the SBP secretariat shall be used.
Description of Non-conformance and Related Evidence:	
Annex 2 of SBP Procedure contains SBP trademarks requirement and BP is aware of this SBP requirement. The SBP logo artwork was used by the BP on Facebook https://www.facebook.com/groups/863721774087496/?source_id=112894023590364 prior certificate issuance and this logo was not provided by SBP secretariat	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Facebook page https://www.facebook.com/groups/863721774087496/about
Findings for Evaluation of Evidence:	The SBP manager informed that SBP trademark was deleted from Facebook. It was confirmed by reviewing Facebook page of the BP.
NC Status:	Closed

NC number NC-000134	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody

Requirement:	IN 4B; 3.3 When used on a non-white background a white space must be retained around the SBP logo artwork to clearly differentiate it from the background.
Description of Non-conformance and Related Evidence:	
The SBP logo art is used on Facebook page https://www.facebook.com/groups/863721774087496/?source_id=112894023590364 . White space was not retained around the SBP logo artwork to clearly differentiate it from the background/	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Facebook page https://www.facebook.com/groups/863721774087496/about
Findings for Evaluation of Evidence:	The SBP manager informed that SBP trademark was deleted from Facebook. It was confirmed by reviewing Facebook page of the BP.
NC Status:	Closed

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:	06 Apr 2021
Other comments:	N/A