



NEPCon OÜ Evaluation of SIA Nova Bioenergy Compliance with the SBP Framework: Public Summary Report

Fourth Surveillance Audit

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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

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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:	Nikolai Tochilov
Audit team members:	-
Name of the Company:	SIA Nova Bioenergy
Company legal address:	Anņņmuižas bulvāris 2B-25, LV-1067 Riga, Latvia
Company contact for SBP:	Ekaterina Konovalova
Company contact email:	ekaterina.konovalova@novabioenergy.com
Company website:	-
SBP Certificate Code:	SBP-01-95
Date of certificate issue:	23 Mar 2018
Date of certificate expiry:	22 Mar 2023
Audit closing meeting date:	19 Feb 2022
Audit cycle:	Fourth 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	Chips, Pellets	☐

Feedstock types:	N/A	☐
Feedstock origin (countries):	N/A	☐
SBP-endorsed Regional Risk Assessments used:	Not applicable	☐
Public link: https://sbp-cert.org/documents/standards-documents/risk-assessments/		☐
Chain of custody system implemented:	FSC: NC-COC-031240	☐
	Transfer	☐

2.1 Description of the company

Organisation is a trader with physical possession having legal address in Riga, Latvia. Certificate scope covers purchase of SBP-certified / FSC-certified biomass in form of wood pellets, briquettes and wood chips from biomass producers in Russia; biomass storage and handling in four sea harbours in St.Petersburg (Russia); loading of the biomass to vessels or trucks for further delivery to customer. All activities at sea harbours in St.Petersburg, related to biomass unloading, handling, storage and loading, are executed by contractors (based on outsourcing agreements). The scope of certificate also includes the possibility of direct transportation of biomass by trucks from biomass producers to Organisation's customers. Delivery conditions are FOB or CIF (vessel), and DAP, FCA, DDU, DDP (truck).

2.2 Detailed description of the Chain of Custody system

The Organization holds valid FSC CoC certificate <https://info.fsc.org/details.php?id=a02f300000e1ZuWAAU&type=certificate> and implements FSC transfer system of claims for biomass trade. FSC certificate scope includes four sea harbours in St.Petersburg where all purchased biomass is unloaded, stored, handled and loaded to vessel, or truck. All activities in sea harbours are implemented by contractors based on outsourcing agreements. Organisation ensures separate handling and storage of biomass purchased from different Biomass Producers and with different FSC claims. The scope of certificate also includes the possibility of direct transportation of biomass by trucks from biomass producers to Organisation's customers. Possible FSC input and output for transfer system – FSC 100%, FSC Mix Credit, FSC Mix %, FSC Controlled Wood. In case of biomass mixing, the FSC claim will be downgraded to the lowest possible as per FSC requirements. Other (non-certified) biomass is also purchased and sold by Organisation. It is kept separate at all stages of handling.

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;
- Review of the transportation, storage and deliverance processes and records, DTS.

4 Evaluation process

4.1 Timing of evaluation activities

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

<i>Audit Schedule</i>			
<i>Activity</i>	<i>Location</i>	<i>Auditor name</i>	<i>Date/time</i>
<i>Opening meeting</i>	St.Petersburg	Nikolai Tochilov	18 Feb 2022/10:00
<i>Onsite inspection of contractors at harbours 1-4</i>	St.Petersburg	Nikolai Tochilov	18 Feb 2022/11:00
<i>Review of FSC product group schedule, FSC supplier records, FSC input and output data</i>	St.Petersburg	Nikolai Tochilov	19 Feb 2022/10:00

<i>Review of SBP procedure, SBP training records, SBP trademark use, sales and transport documents</i>	St.Petersburg	Nikolai Tochilov	19 Feb 2022/12:00
<i>Closing meeting</i>	St.Petersburg	Nikolai Tochilov	19 Feb 2022/14:00

Auditor qualification		
Auditor name	Role	Qualification
Nikolai Tochilov	Audit team leader	NEPCon SBP lead auditor. He has successfully passed SBP auditor training in Tallinn in January 2015; previous experience with more than 60 SBP assessments and annual audits in Russia, Europe and Asia.

4.2 Description of evaluation activities

Audit started with opening meeting. Auditor introduced himself, provided information about audit plan, methodology and aim of the assessment. After that auditor made onsite inspections at four sea harbors in St.Petersburg, where the representatives of contractors were also interviewed. Furthermore, auditor verified compliance of the Organisation with applicable requirements of the standards covering management system, CoC, recordkeeping/mass balance requirements and emission and energy data, and made staff interviews. CCP was verified during both harbour and office inspections.

At the end of the audit, the closing meeting was conducted, where auditor explained the results of the audit and further actions were discussed.

4.3 Sampling methodology

All applicable records have been verified by auditor. All four harbours in St.Petersburg have been inspected where contractors' key staff members were interviewed.

not applicable.

4.5 Stakeholder feedback

not applicable.

5 Results

5.1 Main strengths and weaknesses

Strengths: limited number of staff; transfer system of FSC and SBP claims.

Weaknesses: none.

5.2 Rigour of Supply Base Evaluation

not applicable.

5.3 Collection and communication of data

The Management System for energy use data collection and communication is in place, however energy use reporting is not required from Organisation – biomass is delivered by suppliers to harbours at FCA delivery conditions, and sold by Organisation at FOB delivery conditions of Incoterms. SBP ID 5E does not require reporting the energy use data related to biomass storage and shipping.

5.4 Competency of involved personnel

Both Organisation and contractors' staff involved into SBP/FSC certification, showed good understanding of all applicable SBP requirements.

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-001353 (01/22)		NC Grading: Observation	
Standard:	SBP Standard 4: Chain of Custody		
Requirement:	IN 4B; 2.2 The claims ‘ SBP-compliant biomass’ and ‘SBP-controlled biomass’ may be used on documents related to biomass such as sales documentation, invoices and delivery documentation only where it refers to products which are included in the organisation’s certified product group schedule and that meet the eligibility requirements for SBP claims as stipulated by the respective SBP standards.		
Description of Non-conformance and Related Evidence:			
In the reporting period, Organisation issued the invoice VRD-21-03-04 (dd 26.03.2021) to the customer, where SBP claim was specified as ‘SBP Compliant’. According to SBP requirements, correct claim should be ‘SBP-compliant biomass’.			
Timeline for Conformance:	N/A		
Evidence Provided by Company to close NC:	N/A		
Findings for Evaluation of Evidence:	N/A		
NC Status:	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):	Pilar Gorría
Date of decision:	16 May 2022
Other comments:	N/A