



NEPCon OÜ Evaluation of Grantop-Export LLC (Kadnikov) 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:	Roman Kurakin
Audit team members:	Roman Kurakin
Name of the Company:	Grantop-Export LLC (Kadnikov)
Company legal address:	2 Urochische Altay, 162107 Kadnikov, Vologda region, Russia
Company contact for SBP:	Alexey Zenkov
Company contact email:	grantop35@ya.ru
Company website:	http://bio-teplo.com/
SBP Certificate Code:	SBP-01-87
Date of certificate issue:	02 Nov 2017
Date of certificate expiry:	01 Nov 2022
Audit closing meeting date:	28 Oct 2021
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:	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; 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)	No	☐
Includes Group Scheme	No	☐
Products	Pellets	☐

Feedstock types:	Secondary	☐
Feedstock origin (countries):	Russia	☐
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: N/A	☐
	Transfer	☐

2.1 Description of the company

GRANTOP-EXPORT LLC (hereafter referred as Biomass Producer, or BP) is a pellet producer situated in Vologda region, Russia. Only secondary feedstock with FSC 100% and FSC Mix Credit claims is sourced for pellet production (as well as for the use in dryer). FSC transfer system of claims is used for pellet production (all pellets have FSC Mix Credit claim). The final product is transported by truck to S.Petersburg sea port on FCA conditions of Incoterms, but potentially may be supplied to any other point all over the world, by any mean of transport on any Incoterms delivery conditions. Total annual production capacity of pellet plant is 45000 tones.

2.2 Detailed description of the Chain of Custody system

BP holds valid FSC CoC certificate

<https://info.fsc.org/details.php?id=a023300000azFuUAAU&type=certificate>, using FSC transfer system of claims. BP uses only secondary feedstock (sawdust) with FSC 100% and FSC Mix Credit claims as a material for pellet production. Some amount of non-certified feedstock is also purchased during the year. In such case BP ensures physical segregation of the feedstock (it is stored in a different pile), its processing at pellet plant as a separate batch, and separate sales of non-certified biomass (it is sold at a local market).

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 and assessment of compliance with ID 5E

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Roman Kurakin	4,0
2. On-site (excl. travel time)	Roman Kurakin	10,0
3. Report writing	Roman Kurakin	12,0
4. Other	N/A	N/A

<i>Audit Schedule</i>			
Activity	Location	Auditor name	Date/time
<i>Opening meeting</i>	Vologda, BP's office	Roman Kurakin	28 Oct 2021/08.30
<i>Inspection of the production facilities (chain of custody review), documents review and staff interview onsite</i>	Kadnikov, pellet plant	Roman Kurakin	28 Oct 2021/09.00
<i>SBP-related documents review (SBP</i>	Vologda, BP's office	Roman Kurakin	28 Oct 2021/12.00

<i>Procedure, SBR); interview with SBP and FSC CoC responsible</i>			
<i>Evaluation of critical control points in FSC CoC system (including conversion factor)</i>	Vologda, BP's office	Roman Kurakin	28 Oct 2021/13.00
<i>Information in Radix – staff interview and documents review</i>	Vologda, BP's office	Roman Kurakin	28 Oct 2021/14.00
<i>SBP-related documents review (SAR, primary calculations of GHG data); interview with SBP responsible</i>	Vologda, BP's office	Roman Kurakin	28 Oct 2021/15.00
<i>Closing meeting</i>	Vologda, BP's office	Roman Kurakin	28 Oct 2021/18.00

Auditor qualification		
Auditor name	Role	Qualification
Roman Kurakin	audit team leader	He passed SBP lead auditor training course in Dec. 2016 in Amsterdam and participated in several SBP assessments and audits in Russia.

4.2 Description of evaluation activities

The evaluation visit was focused on management system evaluation: division of the responsibilities, document and system, input material classification (reception and registration), analysis of the existing FSC system and FSC system control points as well as GHG data availability.

Description of the audit evaluation:

Annual audit started the opening meeting with the staff responsible for FSC CoC and SBP certification.

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 accreditation 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/mass balance requirements, emission and energy data and categorisation of input and verification of SBP-compliant and SBP-controlled biomass. During the process, overall responsible person for SBP system and other staff members were interviewed. Furthermore, the audit activities included roundtrip at the pellet plant and staff interviews, mostly focusing on verification of energy use data included in SAR.

Finally, at the end of the audit, findings were summarised and conclusions based on use of 3 angle evaluation method were provided to SBP responsible person, during the closing meeting.

4.3 Sampling methodology

A random sample of documents for April 2021, as well as including review of records of training, labor protection, DTS transactions, staff interviews, visiting factory.

4.4 CB stakeholder engagement

n/a

4.5 Stakeholder feedback

no feedback received from stakeholders prior to, during or after this annual audit.

5 Results

5.1 Main strengths and weaknesses

Strengths: Robust recordkeeping system. Secondary feedstock is delivered with FSC 100% or FSC Mix Credit claims Actual information on electricity and diesel consumption onsite.

Weaknesses: not found

5.2 Rigour of Supply Base Evaluation

n/a

5.3 Collection and communication of data

During the audit the BP has already implemented all the requirements for collection of energy data. See additional information about energy data in the SAR and body of the report. PB fully collects all energy costs including: diesel, electricity, fuel for the heat generator. The auditor got supporting documents. A survey of responsible employees and a physical inspection of the plant confirmed the data.

5.4 Competency of involved personnel

The SBP responsible staff has shown good understanding of the requirements in relation to SBP certification and FSC CoC system. See additional details in the body of the report. BP has appointed responsible employees. The principal responsibility lies with the director. Technical Director - accounting of raw materials, products and diesel consumption, FSC requirements. Accountant - keeps records and stores primary documentation, draws up invoices. Operator - measures the moisture content of the raw material. Accounting controller - accepts raw materials.

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):	Nikolai Tochilov
Date of decision:	28 Dec 2021
Other comments:	N/A