



NEPCon OÜ Evaluation of INCOM LLC Compliance with the SBP Framework: Public Summary Report

Second Surveillance Audit

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The promise of good biomass



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: INCOM LLC

Company legal address: stlm Komsomolskiy, 18, industrial site BLPK, 665618 Bratsk, Irkutsk region, Russia

Company contact for SBP: Alexander Petrunko

Company contact email: uk.updom@mail.ru

Company website: <http://www.wwpl.ru/>

SBP Certificate Code: SBP-07-27

Date of certificate issue: 01 Oct 2019

Date of certificate expiry: 30 Sep 2024

Audit closing meeting date: 28 Sep 2021

Audit cycle: Second 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)	Yes	☐
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: FC-COC-643119	☐
	Transfer	☐

2.1 Description of the company

BP is a wood processing (primary and secondary) company located in Bratsk, Irkutsk region, Russia. Total annual production capacity of pellet plant is 21000 tones. BP runs both pellet and lumber production, which supplies dry and wet secondary feedstock (sawdust) with FSC 100% claim to the pellet plant. Some amount of FSC 100% certified sawdust for pellet production is also purchased from a single external supplier. All wood material used for pellet production originates from Irkutsk region and has FSC 100% claim. The BP implements FSC transfer system of claims, and all amount of produced biomass is sold with FSC 100% (equal to SBP-compliant biomass) claim. Non-certified feedstock is not accepted by BP. The biomass may be transported to any end point all over the world. Pellet plant was commissioned in August 2017.

2.2 Detailed description of the Chain of Custody system

The BP holds valid FSC Chain of certificate

<https://info.fsc.org/details.php?id=a024000000F8S9HAAV&type=certificate> BP implements FSC transfer system and runs both pellet and lumber production (two sawmills/sites), which supplies secondary feedstock (sawdust) with FSC 100% claim to the pellet plant. Some amount of FSC 100% certified sawdust for pellet production is also purchased from one external supplier. Non-certified inputs are not accepted. FSC CoC certificate scope covers production of wood pellets both with FSC 100% and FSC MIX claims. However, in the reporting period all feedstock was sourced with FSC 100% claim, therefore, FSC MIX claim has not been used by BP for their pellets.

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	Nikolai Tochilov	1,0
2. On-site (excl. travel time)	Nikolai Tochilov	10,0
3. Report writing	Nikolai Tochilov	6,0
4. Other	N/A	N/A

<i>Audit Schedule</i>			
Activity	Location	Auditor name	Date/time
<i>Opening meeting</i>	Office in Bratsk	Nikolai Tochilov	27 Sep 2021/09:30
<i>Onsite inspection of the pellet production, staff interviews and documents review</i>	Pellet production in Bratsk	Nikolai Tochilov	27 Sep 2021/10:00
<i>Documents review and staff interview</i>	Office in Bratsk	Nikolai Tochilov	27 Sep 2021/12:00

<i>End of the day</i>	Bratsk	Nikolai Tochilov	27 Sep 2021/17:00
<i>Documents review and staff interview</i>	Office in Bratsk	Nikolai Tochilov	28 Sep 2021/09:30
<i>Closing meeting</i>	Office in Bratsk	Nikolai Tochilov	28 Sep 2021/11:30
<i>End of evaluation</i>	Office in Bratsk	Nikolai Tochilov	28 Sep 2021/12:00

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 50 SBP assessments and annual audits in Russia and Europe.

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.

All SBP related documentation connected to the SBP as well as FSC CoC system of the organisation, including SBP Procedure, SAR and GHG data calculations, Supply Base Report and FSC system description was provided by the company at the beginning of the audit, which started with an opening meeting attended by the representatives from Organisation's management and staff.

During the opening meeting, 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 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, mass balance, final product storage and sales, emission and energy data and categorisation of input and verification of SBP-compliant biomass. During the process, overall responsible person for SBP system and other staff were interviewed.

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

4.3 Sampling methodology

Staff interviews: the key staff involved in SBP certification was interviewed during the audit. Onsite inspection: during onsite inspection, auditor went through the whole production, starting with feedstock delivery to the pellet plant and ending with the storage of the biomass and its shipping to customers. Documents review: auditor has verified all records related to feedstock input and biomass output; moisture measurements; electricity and diesel consumption. Special attention was paid to justification of conversion factor for pellet production, established by Organisation annually.

4.4 CB stakeholder engagement

not applicable.

4.5 Stakeholder feedback

not applicable.

5 Results

5.1 Main strengths and weaknesses

Strengths: Robust recordkeeping system. Good awareness of certification requirements by involved staff. All feedstock inputs have FSC 100% claim.

Weaknesses: Please see minor NCR 01/21.

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; biofuel for drying the feedstock; diesel for feedstock delivery and handling, diesel for biomass handling and shipping; diesel and electricity for biomass transportation to customer. Relevant energy use results included in SAR are based on actual measurements.

5.4 Competency of involved personnel

Overall, BP staff showed good understanding of knowledge of all applicable SBP requirements. The following key staff members are involved to SBP certification: SBP responsible (development and updating of SBP Procedure and related documents; preparation of SAR; monitoring of the amount of feedstock used for pellet production; monitoring of the amount of produced biomass; feedstock and biomass moisture measurement; diesel consumption by loaders; electricity consumption); FSC CoC responsible (Supply Base Report; implementation of FSC CoC requirements; performance of invoices); chief engineer (H&S requirements); accountant (registration of deals in DTS); lawyer (compliance with trade and customs legislation).

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-000695 (01/21)	NC Grading: Minor
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.5
Requirement:	5.5.2 Flanders restricted biomass from processing residues restricted to sawdust
Description of Non-conformance and Related Evidence:	
Only sawdust is used by Organisation for biomass production. However, in DTS produced biomass was categorized as all three available options (Flanders restricted biomass from processing residues; Flanders restricted biomass from processing residues restricted to sawdust; and Flanders restricted biomass from processing residues restricted to sawdust and shavings).	
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:	Pending
Findings for Evaluation of Evidence:	Pending
NC Status:	Open

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:	01 Dec 2021
Other comments:	N/A