

Control Union Certifications B.V. Evaluation of ADM Arkady Ltd Compliance with the SBP Framework: Public Summary Report



Completed in accordance with the CB Public Summary Report Template Version 1.2

*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

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1 Overview

CB Name and contact:	Control Union Certifications; Meeuwenlaan 4-6; P.O.Box 161, 8000AD Zwolle, Netherlands.
Primary contact for SBP:	Loek Verwijst
Current report completion date:	23/02/2018
Report authors:	Mr. L. Vaz Freire (Lead Auditor) Mr. H. Jurczyszyn (Certifier)
Name of the Company:	ADM Arkady Ltd
Company contact for SBP:	Martin Sage, John Townend
Certified Supply Base:	NA (Traders)
SBP Certificate Code:	SBP-06-15
Date of certificate issue:	10/04/2018
Date of certificate expiry:	09/04/2023

This report relates to the Main (Initial) Audit

2 Scope of the evaluation and SBP certificate

The certificate scope covers the office in Watford, UK. The Organisation has been certified against FSC® (certificate n° CU-COC-843354) and PEFC (certificate No. CU-PEFC-843354).

ADM Arkady are traders, they imports wood pellets by sea mainly FOB or CIF, without storage.

A Supply Base Evaluation is not included in the scope of the evaluation.

The following SBP standards are applicable and form the scope of the evaluation and thus, the SBP certificate: Standard 4 and Standard 5. All material is either SBP compliant through FSC or PEFC certified.

3 Specific objective

The specific objective of this evaluation was to confirm that the Trader management system is capable of ensuring that all requirements of the specified SBP Standards are implemented across the entire scope of certification.

The scope of the evaluation covered:

- Review of the Trader management procedures;
- Review of CoC system control points and an analysis;
- Interviews with responsible staff;
- Review of the records and calculation; and
- GHG data collection analysis.

4 SBP Standards utilised

4.1 SBP Standards utilised

Please select all SBP Standards used during this evaluation. All Standards can be accessed and downloaded from <https://sbp-cert.org/documents/standards-documents/standards>

- ☐ SBP Framework Standard 1: Feedstock Compliance Standard (Version 1.0, 26 March 2015)
- ☐ SBP Framework Standard 2: Verification of SBP-compliant Feedstock (Version 1.0, 26 March 2015)
- ☒ SBP Framework Standard 4: Chain of Custody (Version 1.0, 26 March 2015)
- ☒ SBP Framework Standard 5: Collection and Communication of Data (Version 1.0, 26 March 2015)

4.2 SBP-endorsed Regional Risk Assessment

Not Applicable: ADM Arkady acts as a trader of biomass (Wood Pellets) only claimed within the scope.

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

ADM Arkady acts as a trader of biomass (Wood Pellets) only claimed within the scope

5.2 Description of Company's Supply Base

Not Applicable: ADM Arkady acts as a trader of biomass (Wood Pellets) only claimed within the scope

5.3 Detailed description of Supply Base

Not Applicable: ADM Arkady acts as a trader of biomass (Wood Pellets) only claimed within the scope

5.4 Chain of Custody system

The Organisation is certified FSC and PEFC Chain of Custody. FSC® certificate n° CU-COC-843354 valid to 2020-12-23 and PEFC certificate No. CU-PEFC-843354 valid to 2021-01-14.

Valid FSC and PEFC system description and other documents exist.

ADM Arkady are traders, they imports wood pellets by sea mainly FOB or CIF, without storage.

6 Evaluation process

6.1 Timing of evaluation activities

The audit occurred between February 20-21, 2018 by the above mentioned audit team. This report is the result of the findings of a certification evaluation carried out by an independent lead auditor representing Control Union Certifications. The purpose of the assessment was to evaluate the compliance of the client with respect to the standards used within the scope of the certificate:

Activity	Date/time	Location	Executed by (role)
Preparation (telephone/email on scope and planning)	30-01-2018	Remote	Luis Vaz Freire (auditor)
Public Consultation	Not applicable.		
Audit			
Opening meeting	Tuesday 20-02-2018 09:00-09:30	ADM Arkady	Luis Vaz Freire (auditor)
Agreement on Scope	09:30-10:00		
Checking the documents at hand	10:00-11:10		
Checking the availability of basic certification requirements	11:10-11:15		
Presentation company and processes and procedures	11:15-11:45		
Management system overview	11:45-12:30		
Lunch break (if applicable)	12:30-13:30		
Suppliers certificates	15:00-15:15		
Incoming material claims	15:15-15:45		
Incoming raw material registration	15:45-16:00		
Chain of Custody registrations	16:00-16:40		
Output claims	16:40-16:55		
Final discussion / days closing meeting	16:55-17:00		

	Wednesday 21-02-2018	ADM Arkady	Luis Vaz Freire (auditor)
Day's Opening meeting	09:00-09:15		
Business integrity, social, health and safety requirements	09:15-10:30		
Logo/Trademark use and Complaints procedures	10:30-10:45		
GHG data registrations	10:45-12:30		
Lunch break (if applicable)	12:30-13:30		
Port operations	13:30-15:30		
GHG data registrations	15:30-16:30		
Closing meeting	16:30-17:00		
Evidence review and certification process.	10-04-2018	Zwolle	Hubert Jurczyszyn

6.2 Description of evaluation activities

The audit consisted of an opening meeting, during which the scope was confirmed. The auditor also explained the methods to be employed during the audit.

After this introduction, all relevant requirements of the applicable SBP standard(s) were verified on compliance through the use of a report template and checklists.

The audit was completed by filling in the audit report and discussing the audit results. During this closing meeting it was also discussed how evidence can be submitted of corrective action with respect to non-conformities that were identified during the audit.

Names and affiliations of people interviewed	
Name:	Affiliation:
John Towned	Manager – Bioenergy - ADM Arkady
Maurice Preuderville	Assistant Manager - ADM Arkady
Claudia Hunt	Trading Manager Shipping - ADM Arkady
Paul Briggs	Finance Director - ADM Arkady
Martin Sage	Associate Director - ADM Arkady
Deseek Milson	Manager - ADM Arkady

Critical control points, summary

Identified CCP

Front Office Contracting Phase: purchase and sales trades are made. Checking of Valid certificates in case of SBP

Front Office: Putting purchase and sales into the system: correctly input of all requirements in the system for operations to know what to expect

Volume control

Labelling

Invoicing

Evaluation CCP

Procedures in place. Training done. Interview confirms understanding of the system.

Procedures in place. Training done. Interview confirms understanding of the system. Checked and confirmed by liability officer prior to execution phase.

Transference system

No trademark use

Interview confirms understanding of the system. Certified materials are just SBP Compliant with PEFC or FSC.

6.3 Process for consultation with stakeholders

Not Applicable: ADM Arkady acts as a trader of biomass (Wood Pellets).

7 Results

7.1 Main strengths and weaknesses

The audit of ADM Arkady demonstrated a good level of compliance with the required criteria of Standard 4 and 5. There was reasonable evidence provided to support compliance where Non-Conformity was not detected.

No material traded yet. No access to DTS yet. During interview, procedure and the SREG template with notes and filled out with basic numbers show they understand what will be expected and how to do it. They will be using their SREG for transport GHG only in case they buy FOB and sell CIF.

They have a software developed by ADM, SoftMAR for the required sea transport data, namely distance and days of travel.

7.2 Rigour of Supply Base Evaluation

Not Applicable: ADM Arkady acts as a trader of biomass (Wood Pellets).

7.3 Collection and Communication of Data

Standard 5 in their scope. No material traded yet. No access to DTS yet. During interview, procedure and the SREG template with notes and filled out with basic numbers show they understand what will be expected and how to do it. They will be using their SREG for transport GHG only in case they buy FOB and sell CIF.

They have a software developed by ADM, SoftMAR for the required sea transport data, namely distance and days of travel.

7.4 Competency of involved personnel

Initial (main) audit so the staff does not have much experience with SBP. They are ENplus, FSC CoC and PEFC CoC certified and have experience with those certification systems. All personnel that is involved in SBP have received appropriate training whereby all relevant procedures and requirements have been covered. All training and instructions are based on the procedures as identified in company manuals, and training is provided by internal resources and recorded accordingly. Key personnel showed good knowledge of SBP requirements.

No experience with DTS and no password was yet received so this could not be verified. They did show general knowledge of the system and know where to log in and where to find the manual.

7.5 Stakeholder feedback

Not Applicable: ADM Arkady acts as a trader of biomass (Wood Pellets).

7.6 Preconditions

No issues identified.

8 Review of Company's Risk Assessments

Describe how the Certification Body assessed risk for the Indicators. Summarise the CB's final risk ratings in Table 1, together with the Company's final risk ratings. Default for each indicator is 'Low', click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.

Not Applicable: ADM Arkady acts as a trader of biomass (Wood Pellets).

Table 1. Final risk ratings of Indicators as determined BEFORE the SVP and any mitigation measures.

Indicator	Risk rating (Low or Specified)	
	Producer	CB
1.1.1	Low	Low
1.1.2	Low	Low
1.1.3	Low	Low
1.2.1	Low	Low
1.3.1	Low	Low
1.4.1	Low	Low
1.5.1	Low	Low
1.6.1	Low	Low
2.1.1	Low	Low
2.1.2	Low	Low
2.1.3	Low	Low
2.2.1	Low	Low
2.2.2	Low	Low
2.2.3	Low	Low
2.2.4	Low	Low
2.2.5	Low	Low
2.2.6	Low	Low
2.2.7	Low	Low
2.2.8	Low	Low
2.2.9	Low	Low

Indicator	Risk rating (Low or Specified)	
	Producer	CB
2.3.3	Low	Low
2.4.1	Low	Low
2.4.2	Low	Low
2.4.3	Low	Low
2.5.1	Low	Low
2.5.2	Low	Low
2.6.1	Low	Low
2.7.1	Low	Low
2.7.2	Low	Low
2.7.3	Low	Low
2.7.4	Low	Low
2.7.5	Low	Low
2.8.1	Low	Low
2.9.1	Low	Low
2.9.2	Low	Low
2.10.1	Low	Low

2.3.1	Low	Low
2.3.2	Low	Low

Table 2. Final risk ratings of Indicators as determined AFTER the SVP and any mitigation measures.

Indicator	Risk rating (Low or Specified)	
	Producer	CB
1.1.1	Low	Low
1.1.2	Low	Low
1.1.3	Low	Low
1.2.1	Low	Low
1.3.1	Low	Low
1.4.1	Low	Low
1.5.1	Low	Low
1.6.1	Low	Low
2.1.1	Low	Low
2.1.2	Low	Low
2.1.3	Low	Low
2.2.1	Low	Low
2.2.2	Low	Low
2.2.3	Low	Low
2.2.4	Low	Low
2.2.5	Low	Low
2.2.6	Low	Low
2.2.7	Low	Low
2.2.8	Low	Low
2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Low	Low

Indicator	Risk rating (Low or Specified)	
	Producer	CB
2.3.3	Low	Low
2.4.1	Low	Low
2.4.2	Low	Low
2.4.3	Low	Low
2.5.1	Low	Low
2.5.2	Low	Low
2.6.1	Low	Low
2.7.1	Low	Low
2.7.2	Low	Low
2.7.3	Low	Low
2.7.4	Low	Low
2.7.5	Low	Low
2.8.1	Low	Low
2.9.1	Low	Low
2.9.2	Low	Low
2.10.1	Low	Low

9 Review of Company's mitigation measures

Not Applicable: ADM Arkady acts as a trader of biomass (Wood Pellets).

10 Non-conformities and observations

Identify all non-conformities and observations raised during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. Click on the  symbol on the right bottom corner of the table to repeat the table. For each, give details to include at least the following:

- applicable requirement(s)
- grading of the non-conformity (major or minor) or observation with supporting rationale
- timeframe for resolution of the non-conformity
- a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.

NC number <i>Enter number</i>	NC Grading: <i>Choose grading.</i>
Standard & Requirement:	<i>Click to enter SBP standard and requirement reference</i>
Description of Non-conformance and Related Evidence:	
Non non-conformance identified during assessment.	
Timeline for Conformance:	<i>Choose NC timeline.</i>
Evidence Provided by Company to close NC:	<i>Click or tap here to enter description provided by Company to close the NC.</i>
Findings for Evaluation of Evidence:	<i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i>
NC Status:	<i>Choose status.</i>

11 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):	Hubert Jurczyszyn
Date of decision:	10/04/2018
Other comments:	none