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

Third Surveillance Audit

www.sbp-cert.org

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

Version 1.0: published 26 March 2015

Version 1.1: published 30 January 2018

Version 1.2: published 4 April 2018

Version 1.3: published 10 May 2018

Version 1.4: published 16 August 2018

Version 1.5: published 22 October 2020

Table of Contents

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:	Harovsklesprom LLC
Company legal address:	25, Krasnoye Znamya str., 162251 Harovsk, Vologda region, Russia
Company contact for SBP:	Natalya Khoroshun
Company contact email:	n.khoroshun@volwood.ru
Company website:	www.volwood.ru
SBP Certificate Code:	SBP-07-12
Date of certificate issue:	29 Jan 2019
Date of certificate expiry:	28 Jan 2024

Audit closing meeting date:	21 Dec 2021
Audit cycle:	Third 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: NC-COC-014113	☐
	Credit	☐

2.1 Description of the company

BP is a pellet producer located in Vologda region with annual production capacity of 36 000 tonnes of wood pellets. The pellet plant was commissioned in March 2019. Incoming feedstock is sawdust (for pellet production) and mixture of wood chips and barks (for dryer). All secondary feedstock is supplied exclusively from company's own sawmilling facilities located at the same production site. Wood pellets are usually delivered to customer at FCA (harbor) delivery conditions of Incoterms.

2.2 Detailed description of the Chain of Custody system

BP holds valid FSC CoC certificate https://info.fsc.org/details.php?id=a0240000005tYy8AAE&type=certificate Incoming feedstock is sawdust (for pellet production) and mixture of wood chips and barks (for dryer). All secondary feedstock is supplied exclusively from company's own sawmilling located at the same production site. BP implements credit system of FSC claims. In the reporting period, share of the wood sourced by the sawmill with FSC 100% claim was about 76% of the total incoming volume, and the rest 24% of supplies were non-certified and included into Organisation's own program of field verification of controlled material sources under FSC certification. There are no non-controlled inputs to the sawmill and pellet plant.

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

Audit Level of Effort (LoE)		
Activity	***Auditors***	**Auditor hours**
1. Preparation	Nikolai Tochilov	0,5
2. On-site (excl. travel time)	Nikolai Tochilov	8,0
3. Report writing	Nikolai Tochilov	5,0
4. Other	N/A	N/A

Audit Schedule			
Activity	**Location**	**Auditor name**	**Date/time**
Opening meeting	Office in Harovsk	Nikolai Tochilov	20 Dec 2021/09:00
Management system review	Office in Harovsk	Nikolai Tochilov	20 Dec 2021/09:15
Review of the FSC CoC critical control points	Office in Harovsk	Nikolai Tochilov	20 Dec 2021/10:00
Review of the Supply Base	Office in Harovsk	Nikolai Tochilov	20 Dec 2021/11:00

H&S, legal compliance, tax payments	Office in Harovsk	Nikolai Tochilov	20 Dec 2021/12:30
Energy use data review	Office in Harovsk	Nikolai Tochilov	20 Dec 2021/13:00
Onsite inspection of the pellet plant	Pellet plant in Harovsk	Nikolai Tochilov	20 Dec 2021/15:00
Energy use data review	Office in Harovsk	Nikolai Tochilov	20 Dec 2021/16:00
End of the evaluation	Office in Harovsk	Nikolai Tochilov	20 Dec 2021/17:00
Closing meeting	HQ office in Vologda	Nikolai Tochilov	21 Dec 2021/12:00

Auditor qualification		
Auditor name	**Role**	**Qualification**
Nikolai Tochilov	Audit team leader	Preferred by Nature - NEPCon international senior 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, Portugal, Germany, Netherlands, Belgium, Latvia, Belarus and Vietnam.

4.2 Description of evaluation activities

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, management system, CoC, recordkeeping/mass balance requirements, 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 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

N/A

4.5 Stakeholder feedback

N/A

5 Results

5.1 Main strengths and weaknesses

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

Weaknesses: No weaknesses identified.

5.2 Rigour of Supply Base Evaluation

N/A

5.3 Collection and communication of data

The following energy sources are used by BP: electricity for biomass production; diesel for feedstock handling, and biomass shipping and transportation; biofuels for the feedstock drying. All energy use data are based on actual consumption values registered by BP.

5.4 Competency of involved personnel

Interviewed staff was well familiar with their responsibilities. Generally, very few staff members are involved into SBP certification: SBP/FSC responsible person (management and monitoring, systems update, complaints resolution, SBR and SAR), deputy chief of the wood procurement department (Supply Base), H&S engineer, chief of pellet production (monitoring of the amount of biofuels used in drying process, moisture measurements), chief of transport department (monitoring of diesel consumption), chief power engineer (monitoring of electricity consumption), chief of declaring department (performance of sales and transport documents).

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):	Pilar Gorria
Date of decision:	21 Mar 2022
Other comments:	N/A