



NEPCon OÜ Evaluation of Timbergate Oy Compliance with the SBP Framework: Public Summary Report

First 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

Version 1.0: published 26 March 2015

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Version 1.2: published 4 April 2018

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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:	Timbergate Oy
Company legal address:	Kyminlinnantie 6, c/o Talco Knowhow, 48600 Kotka, Finland
Company contact for SBP:	Anton Ovsyanko
Company contact email:	anton@greentimbergroup.ru
Company website:	N/A
SBP Certificate Code:	SBP-07-58
Date of certificate issue:	28 Feb 2020
Date of certificate expiry:	27 Feb 2025
Audit closing meeting date:	15 Jul 2021
Audit cycle:	First 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 1.4	☐
Includes Supply Base Evaluation (SBE):	No	☐
Includes communication of Dynamic Batch Sustainability Data (DBSD)	Yes	☐
Includes Group Scheme	No	☐
Products	Pellets, Chips	☐

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-030110	☐
	Credit, Transfer	☐

2.1 Description of the company

Organization is a biomass trader with physical possession of certified wood material, sourcing the biomass from biomass producers in Russia, and potentially from any other country. Biomass may be delivered by different means of transport to end points all over the world on different Incoterms delivery conditions.

2.2 Detailed description of the Chain of Custody system

The Organization holds valid FSC CoC certificate

<https://info.fsc.org/details.php?id=a02f300000gKObrAAG&type=certificate> and implements FSC transfer and FSC credit systems of claims for biomass trade. FSC certificate scope includes the sea harbours in S.Petersburg and Leningrad region, Russia, where all purchased biomass is unloaded, stored, handled and loaded to vessel. 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. Possible FSC inputs and outputs for transfer system – FSC 100%, FSC Mix Credit, FSC Recycled, FSC Controlled Wood. Possible FSC inputs for credit system: FSC 100%, FSC Mix Credit, FSC Recycled, FSC Controlled Wood. Possible outputs for credit system: FSC Mix Credit and FSC Controlled Wood. Credit system may be used only in case when biomass with different claims (including FSC Controlled Wood) is loaded to one vessel to avoid downgrading of the final FSC claim for the whole batch. Credit system has not been used so far. Non-certified biomass (other biomass) is handled, stored and shipped to customers separately from certified biomass.

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 applicable transportation processes

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	3,0
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>	S.Petersburg	Nikolai Tochilov	15 Jul 2021/12:00
<i>Inspection of the contractor in harbour</i>	Ust-Luga	Nikolai Tochilov	15 Jul 2021/14:00
<i>Documents review and staff interview</i>	S.Petersburg	Nikolai Tochilov	15 Jul 2021/17:00
<i>Closing meeting</i>	S.Petersburg	Nikolai Tochilov	15 Jul 2021/19:00

Auditor qualification		
Auditor name	Role	Qualification
Nikolai Tochilov	Audit team leader	Senior international 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 and Europe.

4.2 Description of evaluation activities

Audit started with opening meeting. Auditor introduced himself, provided information about audit plan, methodology and aim of the audit. CB's accreditation related issues and confidentiality issues were covered as well.

After that auditor went through all applicable requirements of the standards covering CoC (including CCP), recordkeeping/mass balance requirements, emission and energy data and made staff interviews. During the audit, the contractor in Ust-Luga harbor was inspected, where documents review and staff interviews were conducted by auditor.

During the closing meeting auditor explained the results of the audit, and further actions were discussed.

4.3 Sampling methodology

Documents review: no specific sampling have been implemented, as since the initial SBP assessment Organisation did not purchase and sell the FSC/SBP-certified biomass. There are no actual certified biomass suppliers at the moment of this audit. Auditor reviewed the most recent version of Organisation's SBP documented procedure. Staff interviews: managing director is the main person responsible for implementation of FSC and SBP certification systems in Organisation, therefore he was the only staff member interviewed by the auditor. Onsite inspections: Organisation uses two contractors in two harbors in S.Petersburg - those site were not visited by auditor, as it was inspected during the previous FSC CoC annual audit conducted by Preferred by Nature. Organisation is changing the scope of their FSC CoC certification, adding the new harbour in Ust-Luga, Leningrad region. That harbor was inspected by auditor during this audit. During the visit, auditor interviewed the contractor's staff members and made onsite inspection of the port facilities.

4.4 CB stakeholder engagement

n/a for trader

4.5 Stakeholder feedback

n/a for trader

5 Results

5.1 Main strengths and weaknesses

Strengths: limited number of staff; transfer system of FSC and SBP claims (credit system is considered but not used in practice).

Weaknesses: please see minor NCR 01/21.

5.2 Rigour of Supply Base Evaluation

n/a

5.3 Collection and communication of data

The Management System for energy use data collection and communication is in place. Organisation is aware that it is required to prepare SREG documents for inland and sea transport of purchased biomass.

5.4 Competency of involved personnel

Managing director is the main staff member responsible for implementation of FSC and SBP certification standards. He demonstrated good understanding of all applicable certification requirements.

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

NC number NC-000477 (01/21)	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody
Requirement:	IN 4B; 1.2 In order to use the SBP trademarks, the organisation shall have signed the SBP trademark licence agreement.
Description of Non-conformance and Related Evidence:	
SBP trademark license agreement has been signed by Organisation prior to initial SBP assessment. In the reporting period Organisation used SBP trademark off-product at their website: https://greentimbergroup.com/news/ and https://greentimbergroup.com/biomass-trade/ . It was not submitted for approval to SBP, as it is required by the trademark license agreement.	
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:	N/A
Findings for Evaluation of Evidence:	N/A
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):	Ondřej Tarabus
Date of decision:	23 Jul 2021
Other comments:	N/A