

NEPCon Evaluation of Lesosibirskiy LDK №1 Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

www.sbp-cert.org



Completed in accordance with the CB Public Summary Report Template Version 1.4

*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: NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia

Primary contact for SBP: Ondrej Tarabus otarabus@nepcon.org, +420 606 730 382

Current report completion date: 31/Dec/2019

Report authors: : Nikolai Tochilov, Mikhail Rai

Name of the Company: Lesosibirskiy LDK №1. Address: 16E, Belinsky str., Lesosibirsk 662543, Krasnoyarsk region, Russia

Company contact for SBP: Olga Kosyanenko, SBP responsible. Tel.: +7839145 92469; email: Kosyanenko_Ol@segezha-group.com

Certified Supply Base: not applicable for trader

SBP Certificate Code: SBP-07-09

Date of certificate issue: 27/Dec/2018

Date of certificate expiry: 26/Dec/2023

This report relates to the First Surveillance Audit

2 Scope of the evaluation and SBP certificate

Certificate scope: Trading of wood pellets for use in energy production, including transport from Biomass Producers in Russia to different end points all over the world. The certificate scope does not include Supply Base Evaluation.

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.

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.

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

The Organization is the lumber producer located in Lesosibirsk, Russia. However within the frame of SBP certification the Organization acts as a trader without physical possession of the material. Pellets are purchased from the Biomass Producer (FCA plant) and delivered by railway to Lesosibirsk railway station. At this stage, customer takes possession on certified biomass (FCA Lesosibirsk railway station). Potentially, biomass may be delivered by Organisation to customer to any end point all over the world, and this option is considered in description of the SBP certificate scope above.

5.2 Description of Company's Supply Base

Not applicable for trader.

5.3 Detailed description of Supply Base

Not applicable for trader.

5.4 Chain of Custody system

The Organization implements the FSC transfer system with biomass (wood pellets) in the scope of the certificate <https://info.fsc.org/details.php?id=a023300000XAIn2AAH&type=certificate>. The process covers trade with biomass without physical possession. See more explanations in 5.1 above.

6 Evaluation process

6.1 Timing of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
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 40 SBP assessments and annual audits in Russia and Europe.
Mikhail Rai Auditor in training	NEPCon FSC CoC lead auditor. He has successfully passed SBP auditor training in Berlin in September 2019; previous experience with one SBP annual audit as auditor in training.

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:

The SBP audit was joint with FSC CoC audit of the Organisation. The scope of FSC CoC audit covered also sawmilling, and was conducted in 3 days, therefore SBP audit was split in time and took several hours during these 3 days.

All SBP related documentation connected to the SBP as well as FSC CoC system of the organisation, including SBP Procedure, SREG and GHG data calculations and FSC system description was provided by the company in the beginning of the audit. Audit started with an opening meeting attended by the Organisation's senior management and staff.

Audit team leader introduced audit team, provided information about audit plan, methodology, auditors' qualifications, confidentiality issues, and assessment methodology and clarified certification scope. During the opening meeting the auditor explained CB's approval related issues.

The next days audit team made review of documented FSC CoC control system and critical points, SBP documented procedure and responsible staff interviews. Furthermore, audit team went through all applicable requirements of the SBP standards nr. 4, 5 and applicable requirements of instruction documents 5a-5c. During the process, overall responsible person for SBP system and other staff were interviewed.

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.

Impartiality commitment: NEPCon commits to using impartial auditors and our clients are encouraged to inform NEPCon management if violations of this are noted. Please see our Impartiality Policy here:

<http://www.nepcon.org/impartiality-policy>

6.2 Description of evaluation activities

Onsite audit was conducted on 08-11.10.2019 (5 h*). Evaluation activities included documents review at office, inspection of production facilities and staff interviews.

Activity	Location	Date/time
Opening meeting	Office	08/10/2019 14.00-14.30
Documents and procedures review (FSC CoC control system and critical points), staff interview	Office	08/10/2019 10.00-12.00
Documents and procedures review (SBP Procedure), staff interview. Energy use data review.	Office	09/10/2019 09.00-11.00
Closing meeting	Office	11/10/2019 11.00-11.30

6.3 Process for consultation with stakeholders

No stakeholder consultations conducted prior, during and after this annual audit.

7 Results

7.1 Main strengths and weaknesses

Strength: Use of the FSC transfer system. Effective recordkeeping system. Clearly designated responsibilities within the staff members.

Weaknesses: no weaknesses identified during this audit.

7.2 Rigour of Supply Base Evaluation

Not applicable for trader.

7.3 Collection and Communication of Data

In the reporting period Organisation supplied the purchased biomass to customer, and the only energy use data was related to biomass transportation by railway (diesel) from biomass producer to Lesosibirsk railway station. The transportation distance was reported by Organisation in SREG documents and confirmed to NEPCon audit team during the current annual audit. No other energy sources used by Organisation during biomass transportation. Storage and handling are not applicable.

7.4 Competency of involved personnel

Mainly, SBP responsible person only is the key person in maintaining SBP certification of the Organisation. The main responsibility is to perform SREG documents and enter the deals into Radix system. During this audit, SBP responsible staff was also supported by external consultant.

7.5 Stakeholder feedback

No stakeholder consultations conducted prior, during and after this annual audit.

7.6 Preconditions

None.

8 Review of Company's Risk Assessments

Not applicable.

9 Review of Company's mitigation measures

Not applicable.

10 Non-conformities and observations

Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. 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.*

No open NCRs based on results of this audit.

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):	Olesja Puiso
Date of decision:	07/Jan/2020
Other comments:	<i>Click or tap here to enter text.</i>