NEPCon OÜ Evaluation of MASSIV-DREV LLC Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

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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:	Aliaksandr Zubkevich
Audit team members:	Aliaksandr Zubkevich
Name of the Company:	MASSIV-DREV LLC
Company legal address:	Shkolnaya 2b, village Podstarin, Brest region, 225251 district Ivacevichi, Belarus
Company contact for SBP:	Vladimir Zhigar
Company contact email:	office@massivdrev.com
Company website:	N/A
SBP Certificate Code:	SBP-07-65
Date of certificate issue:	17 Mar 2020
Date of certificate expiry:	16 Mar 2025
Audit closing meeting date:	25 Feb 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:	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	☐
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):	Belarus	☐
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-013432	☐
	Transfer	☐

2.1 Description of the company

MASSIV-DREV LLC manufacture machine rounded wood and ready-made products of pine for landscape design, garden décor, farmland and garden. The company started pellet production from own sawmill residues in 2019. Total annual production of pellet plant was 7349.457 tones in the reporting period. The own sawmill residues (sawdust and wood chips) are used in pellet production as well as used for the drier. The roundwood for sawmill originates from FSC certified forest management units from Belarus. The BP implements FSC transfer system (with FSC 100%, FSC Mix XX%, FSC Mix Credit claims in the scope) but during reporting period feedstock was sourced only with FSC 100% claim and produced biomass sold with FSC 100% claim. The biomass is expected to be transported by rail to Belarusian/Latvian border, Bigosovo railway station and Belarusian/Lithuanian border, Beniakoni railway station as well as sold at factory gate. Pellet plant was commissioned in 2019

2.2 Detailed description of the Chain of Custody system

BP implements FSC transfer system of claims. The input material used by the Organisation for biomass production contains only secondary feedstock - sawdust and chips for pellet production and for dryer. Secondary feedstock (sawdust and wood chips) is sourced only from own production. The BP sourced for pellet production FSC 100% feedstock, expected that FSC Mix x% and FSC Mix credit may be sourced too. The organization has the segregation system in place. Physical separation is implemented – FSC certified raw material shall be stored in special place and processed separately in time when production line is cleaned of non-certified product, final products are segregated also. In case FSC mix and FSC 100% feedstock will be sourced the BP will use a claim with the lowest status. Incoming sawdust/ wood chips reception register, and supplier list are maintained. All material is checked during the arrival and correctly recorded in the internal system.

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

- Assess compliance against Instruction Document 5E: Collection and Communication of Energy and Carbon Data

4 Evaluation process

4.1 Timing of evaluation activities

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

Audit Schedule			
Activity	**Location**	**Auditor name**	**Date/time**
Opening meeting	Office in Ivacevichi	Aliaksandr Zubkevich	25 Feb 2021/9:00
Documents and procedures review	Office in Ivacevichi	Aliaksandr Zubkevich	25 Feb 2021/9:20
Chain of custody review (site tour); staff interview, evaluation of CCP	Production facilities	Aliaksandr Zubkevich	25 Feb 2021/15:00
Closing meeting	Office in	Aliaksandr	25 Feb 2021/16:40

	Ivacevichi	Zubkevich	

Auditor qualification		
Auditor name	**Role**	**Qualification**
Aliaksandr Zubkevich	Auditor team leader	Mr Aliaksandr Zubkevich has education of engineer-economist in timber industry. He had postgraduate study at the Belarusian State Technological University. A. Zubkevich has passed FSC CoC/ FM lead auditor training course, Legal Source, ISO 14001 and SBP training coursed. Previous experience in woodworking industry and SBP pre-assessment and assessments in Belarus.

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 critical control points as well as GHG data availability.

Description of the audit evaluation:

Audit started with an opening meeting attended by the representatives from Organisation's management and staff.

Auditor 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 approval 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. Chain of Custody implementation was reviewed focusing in the Critical Control Points (analysis is available in the standard 4 checklist), in particular it was verified reception of the material and it's classification, identification of feedstock origin, production process with the conversion factors associated, final product storage and sales. The data entered in DTS was verified.

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.

4.3 Sampling methodology

During audit were visited office located at address: 225295, Ivacevichy, Deputatskaya str, 43 and production facilities at address: 225251, Republic of Belarus, Shkolnaya Str., 2 B, village Podstarin, Ivatsevichi district, Brest region. Documents were sampled for three months (August 2020, December 202 – January 2021). Transactions in DTS were compared with invoices for several months.

4.4 CB stakeholder engagement

The consultation with stakeholder were not conducted for this evaluation

4.5 Stakeholder feedback

No feedback from stakeholders have been received prior, during and after this audit

5 Results

5.1 Main strengths and weaknesses

Strengths: Use of the FSC transfer system with only FSC 100% materials received during the last 12 months. Effective recordkeeping system. Small number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: No weaknesses were identified by auditor.

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; diesel for feedstock handling, shipping and for biomass transportation to customer. Electricity consumption value is based on metering; diesel consumption value is based on accounting system.

5.4 Competency of involved personnel

Overall, BP staff showed good understanding of knowledge of all applicable SBP requirements. SBP related staff responsibilities are presented in Section 6 of the SBP Procedure. Interviewed staff was well familiar with their responsibilities. Generally, very few staff members are involved into SBP certification: SBP responsible/head of marketing (maintaining of the management system, staff training), chief of production of pellet plant (moisture measurements, weight of biomass produced), accountant (performance of incoming and outcoming invoices and transport documents, DTS).

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-000049	NC Grading: Minor
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock
Requirement:	15.5 Records pertaining to the SBP Standards shall be kept for at least five years.
Description of Non-conformance and Related Evidence:	
The requirement is not specified in SBP Procedure	
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:	Updated SBP procedure dated 25.02.2021
Findings for Evaluation of Evidence:	The BP has updated SBP procedure. Requirements to keep records for at least 5 years is invluded in the procedure (p.1.4). Minor changes were done in procedure during audit too. The records were provided to auditor.
NC Status:	Closed

NC number NC-000050	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody
Requirement:	5.2.4 When feedstock or biomass is received with an SBP-approved Chain of Custody (CoC) Systems partial claim (for example a % claim) the BP shall calculate the proportion of the feedstock or biomass that is SBP-compliant feedstock and the corresponding proportion that is Controlled feedstock in-line with the SBP-approved CoC system being implemented by the BP to determine output claims.
Description of Non-conformance and Related Evidence:	
During reporting period, the BP sourced feedstock with FSC 100% claim. Interview with deputy director	

confirmed that he knows requirement to calculate the proportion of the feedstock or biomass that is SBP-compliant feedstock and the corresponding proportion that is Controlled feedstock when feedstock or biomass is received with FSC mix X% (partial) claim. It was found out that SBP procedure do not include this requirement and it is not clear from interview how in practice it will be done.	
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:	Updated SBP procedure dated 25.02.2021
Findings for Evaluation of Evidence:	The BP has updated SBP procedure. The requirement to calculate the proportion of the feedstock or biomass that is SBP-compliant feedstock and the corresponding proportion that is Controlled feedstock when feedstock or biomass is received with FSC mix X% (partial) claim was added. In the reporting period the BP used only FSC 100% feedstock for biomass production.
NC Status:	Closed

NC number NC-000051	**NC Grading: Minor**
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3
Requirement:	6.2.2 The BP must inform its CB when a significant change in the operations occurs, resulting in a variation of electricity use or fossil fuel use greater than 25%. Examples may result from a change of production process, a plant refurbishment after an incident, a major change in feedstock used (e.g. use of logs instead of saw mill residues), change of fuel for drying (e.g. fossil fuel instead of biomass) etc. In that case, a new audit shall be required as soon as stable operations have been reached during three (3) consecutive months after the change has occurred.
Description of Non-conformance and Related Evidence:	
There is no requirement in SBP procedure to inform CB when a significant change in the operations occurs, resulting in a variation of electricity use or fossil fuel use greater than 25%.	
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:	Updated SBP procedure dated 25.02.2021
Findings for Evaluation of Evidence:	The BP has updated SBP procedure. The requirement to inform CB when a significant change in the operations occurs, resulting in a variation of electricity use or fossil fuel use greater than 25%. In the reporting period there were no any significant changes recorded.

NC Status:	Closed

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:	17 Mar 2021
Other comments:	N/A