



NEPCon OÜ Evaluation of AO Belozersky Lespromkhoz Compliance with the SBP Framework: Public Summary Report

Second Surveillance Audit

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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

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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:	Alexandra Paikacheva
Audit team members:	Nikolai Tochilov
Name of the Company:	AO Belozersky Lespromkhoz
Company legal address:	48, bld. 4 Radischeva street, 161200 Belozersk, Vologda region, Russia
Company contact for SBP:	Daria Kabanova
Company contact email:	kabanova@cherles.ru
Company website:	www.cherles.ru
SBP Certificate Code:	SBP-07-62
Date of certificate issue:	09 Mar 2020
Date of certificate expiry:	08 Mar 2025
Audit closing meeting date:	25 Feb 2022
Audit cycle:	Second 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: GFA-COC-001259	☐
	Transfer	☐

2.1 Description of the company

Organisation is a primary (sawmilling) and secondary (pellet production) manufacturer located in Nizhnyaya Mondoma settlement, Belozerskiy district, Vologda region, Russia. Total annual production capacity of pellet plant is 32 000 tones. Only secondary feedstock with FSC 100% claim is used for FSC/SBP certified pellet production (sawdust) and heating (mixture of wood chips and barks). FSC-certified secondary feedstock is supplied from Organisation's sawmill located at the same production site. FSC transfer system of claims is implemented for pellet production (all pellets have FSC 100% claim). The final product may be transported by different means of transport to different end points in Russia, on different Incoterms delivery conditions.

2.2 Detailed description of the Chain of Custody system

Organisation is included as a site into the scope of the multi-site FSC CoC certificate GFA-COC-001259 which is held by AO LHK Cherepovetsles (mother company). Only secondary feedstock (sawdust) with FSC 100% claim is used for pellet production and FSC transfer system of claims is implemented (all pellets have FSC 100% claim). Non-certified feedstock is not processed, neither used for heating.

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 ver. 1.5.

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Nikolai Tochilov, Alexandra Paikacheva	1,0
2. On-site (excl. travel time)	Nikolai Tochilov, Alexandra Paikacheva	12,0
3. Report writing	Nikolai Tochilov, Alexandra Paikacheva	4,0
4. Other	N/A	N/A

<i>Audit Schedule</i>			
Activity	Location	Auditor name	Date/time
<i>Opening meeting</i>	BP office	Nikolai Tochilov, Alexandra Paikacheva	24 Feb 2022/09:00
<i>H&S training to auditor; documents review regarding H&S; evaluation of feedstock input groups and Supply Base Report</i>	BP office	Nikolai Tochilov, Alexandra Paikacheva	24 Feb 2022/09:30
<i>Evaluation of critical control</i>	BP office	Nikolai Tochilov, Alexandra	24 Feb 2022/11:00

<i>points in FSC CoC</i>		Paikacheva	
<i>Energy use data review (including SAR)</i>	BP office	Nikolai Tochilov, Alexandra Paikacheva	24 Feb 2022/13:00
<i>End of the day</i>	BP office	Nikolai Tochilov, Alexandra Paikacheva	24 Feb 2022/17.00
<i>Energy use data review (including SAR)</i>	BP office	Nikolai Tochilov, Alexandra Paikacheva	25 Feb 2022/09:00
<i>Production facilities inspection</i>	Pellet plant	Nikolai Tochilov, Alexandra Paikacheva	25 Feb 2022/13:00
<i>Evaluation of management and monitoring system system; compliance with legal requirements; anti-corruption policy; H&S</i>	BP office	Nikolai Tochilov, Alexandra Paikacheva	25 Feb 2022/14.00
<i>End of evaluation</i>	BP office	Nikolai Tochilov, Alexandra Paikacheva	25 Feb 2022/15.30
<i>Closing meeting</i>	BP office	Nikolai Tochilov, Alexandra Paikacheva	25 Feb 2022/16.00

Auditor qualification		
Auditor name	Role	Qualification
Nikolai Tochilov	Witness auditor	NEPCon SBP lead 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, Europe

		and Asia.
Alexandra Paikacheva	Audit team leader in training	NEPCon auditor. She has successfully passed SBP auditor training in September 2020; participated in several assessments and annual audits in Russia, 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 control points as well as GHG data availability.

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 in training introduced herself and member of team (witness auditor), provided information about audit plan, methodology, auditor qualification, confidentiality issues, and assessment methodology and clarified certification scope. During the opening meeting the audit team leader in training explained CB's accreditation related issues.

After that audit team leader in training 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 implementation was reviewed focusing in the Critical Control Points, in particular it was verified reception of the material and it's classification, identification of feedstock origin, production process with the conversion factors associated, mass balance, final product storage and sales, 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. Witness auditor was observing the process and activity of audit team leader in training. During the closing meeting, audit team leader in training announced the preliminary results of the audit.

4.3 Sampling methodology

Staff interviews: the key staff involved in SBP certification was interviewed during the audit. Onsite

inspection: during onsite inspection, auditors 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: auditors have verified all 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

Stakeholder consultations are n/a for this annual audit.

4.5 Stakeholder feedback

No stakeholder feedback received prior to, during, and after the audit.

5 Results

5.1 Main strengths and weaknesses

Strengths: use of the FSC transfer system; only FSC 100% secondary feedstock is sourced; non-certified feedstock is not accepted. Effective recordkeeping system. Small number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: no weaknesses identified during this audit.

5.2 Rigour of Supply Base Evaluation

n/a

5.3 Collection and communication of data

All steps where energy use occurs are included in the management system. The following energy sources are used by BP: electricity for pellet production; biofuel for drying the feedstock; diesel for feedstock delivery and handling; diesel for biomass handling, shipping and transportation to customer. Electricity and feedstock consumption values are based on actual consumption results. Diesel consumption value is based on combination of actual consumption data and engineering calculations.

5.4 Competency of involved personnel

Interviewed staff was well familiar with their responsibilities. Generally, technic-technologist takes responsibility for implementation of almost all requirement related to SBP certification. The rest staff members involved to SBP certification are: power engineer (collection of data on electricity consumption), chief of sales department (information on new routes and delivery distances for shipped biomass) and deputy director on wood processing (H&S responsible).

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-001093 (01/22)		NC Grading: Observation
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock	
Requirement:	15.1 The BP shall implement a management and monitoring system to maintain compliance with the requirements of this and all other relevant SBP Standards, together with a process of review and feedback into planning (CPET S6b).	
Description of Non-conformance and Related Evidence:		
According to section 4 of the SBP Procedure the following procedure is implemented in BP: SBP responsible person (technic-technologist) is responsible for taking the decision to make changes in BP's procedures and management system when it is needed (for example, when SBP approves the new versions of standards and instruction documents, or when changes occur in production processes). After that, SBP responsible person prepares the plan of staff training and conducts the training within established deadline, which depends on the timeline established by SBP. Also according to the SBP Procedure SBP responsible is monitoring the relevant updates at SBP homepage. During the interview, SBP responsible explained that he does not monitor changes in SBP standards and instruction documents, does not receive newsletter from SBP and not informed about any updates in SBP requirements (for example, SBP responsible didn't know about new version of Instruction 5E). Only external SBP consultant informs BP about updates in SBP requirements. As BP is supported by external SBP consultant at the time of the audit all the necessary changes have been made to the SBP Procedure. Taking into account listed above, a OBS has been raised. BP is recommended to monitor changes in SBP standards and instruction documents also independently.		
Timeline for Conformance:	N/A	
Evidence Provided by Company to close NC:	N/A	
Findings for Evaluation of Evidence:	N/A	
NC Status:	N/A	

NC number NC-001094 (N/A)		NC Grading: Observation
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock	
Requirement:	15.7 Relevant personnel shall be informed promptly of any changes to management systems.	

Description of Non-conformance and Related Evidence:	
Interviewed personnel was aware of SBP procedures and systems. Interviewed staff confirm that the training was taken place, but training records have not been submitted to auditor.	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	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):	Olesja Puiso
Date of decision:	01 Apr 2022
Other comments:	N/A