



NEPCon OÜ Evaluation of Ksilotek - Siberia LLC Compliance with the SBP Framework: Public Summary Report

Third 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:	Nikolai Tochilov
Audit team members:	-
Name of the Company:	Ksilotek - Siberia LLC
Company legal address:	16A, Belinskogo str., 662543 Lesosibirsk, Krasnoyarsk Region, Russia
Company contact for SBP:	Natalia Bulgakova
Company contact email:	bulgakova_ns@segezha-group.com
Company website:	N/A
SBP Certificate Code:	SBP-07-11
Date of certificate issue:	09 Jan 2019
Date of certificate expiry:	08 Jan 2024
Audit closing meeting date:	16 Oct 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-031973	☐
	Transfer	☐

2.1 Description of the company

BP is a wood processing (primary and secondary) company located in Krasnoyarsk region, Russia. Total annual production capacity of pellet plant is 105 000 tones. Only secondary feedstock (sawdust for pellet production and wood chips for heating the dryer) with FSC 100% claim is used for FSC/SBP certified pellet production. The BP has implemented FSC transfer system and all amount of produced biomass can be sold with FSC 100% (SBP-compliant biomass) claim. Pellet plant was commissioned in November 2018.

2.2 Detailed description of the Chain of Custody system

The BP holds valid FSC CoC certificate

<https://info.fsc.org/details.php?id=a02f300000gKObNAAW&type=certificate> and implements transfer system of FSC claims. Secondary feedstock with FSC 100% claim (sawdust for pellet production and wood chips for heating) originates from BP's own sawmill, and from the neighbouring FSC-certified sawmill. All pellets have FSC 100% claim. Non-certified feedstock is not sourced.

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

4 Evaluation process

4.1 Timing of evaluation activities

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

<i>Audit Schedule</i>			
Activity	Location	Auditor name	Date/time
<i>Opening meeting</i>	Office in Lesosibirsk	Nikolai Tochilov	14 Oct 2021/09:30
<i>Review of the Supply Base (including SBR)</i>	Office in Lesosibirsk	Nikolai Tochilov	14 Oct 2021/10:00
<i>Review of SBP documented procedure</i>	Office in Lesosibirsk	Nikolai Tochilov	14 Oct 2021/11:00
<i>Evaluation of the management and monitoring system</i>	Office in Lesosibirsk	Nikolai Tochilov	14 Oct 2021/12:30

<i>Break</i>	Office in Lesosibirsk	Nikolai Tochilov	14 Oct 2021/13:00
<i>Evaluation of CoC critical control points</i>	Office in Lesosibirsk	Nikolai Tochilov	14 Oct 2021/14:00
<i>H&S, anticorruption policy, taxes</i>	Office in Lesosibirsk	Nikolai Tochilov	14 Oct 2021/15:00
<i>Registration of the information in DTS</i>	Office in Lesosibirsk	Nikolai Tochilov	14 Oct 2021/16:30
<i>End of the day</i>	Office in Lesosibirsk	Nikolai Tochilov	14 Oct 2021/17:00
<i>Energy use data evaluation</i>	Office in Lesosibirsk	Nikolai Tochilov	15 Oct 2021/13:00
<i>End of the day</i>	Office in Lesosibirsk	Nikolai Tochilov	15 Oct 2021/17:00
<i>Onsite inspection of the pellet production</i>	Pellet plant in Lesosibirsk	Nikolai Tochilov	16 Oct 2021/10:00
<i>Closing meeting</i>	Office in Lesosibirsk	Nikolai Tochilov	16 Oct 2021/12:00
<i>End of the evaluation</i>	Office in Lesosibirsk	Nikolai Tochilov	16 Oct 2021/13:00

Auditor qualification			
Auditor name	Role		Qualification
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 50 SBP assessments and annual audits in Russia, Europe	

		and Asia.
Aleksandra Paikacheva	Trainee auditor	Aleksandra has successfully passed the online SBP auditor training course and participated in several SBP audits in Russia as trainee auditor.

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 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 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.

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 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

Not applicable for this audit.

4.5 Stakeholder feedback

No feedback received from stakeholders prior to, during or after this annual audit.

5 Results

5.1 Main strengths and weaknesses

Strengths: All feedstock used in biomass production and drying (as biofuel) is FSC 100%-certified. Use of the FSC transfer system. Effective recordkeeping system. Clearly designated responsibilities within the staff members.

Weaknesses: none.

5.2 Rigour of Supply Base Evaluation

Not applicable for this certification.

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, diesel for feedstock delivery and handling, diesel for biomass shipping, biofuel (wood chips) for dryer. All energy use data is based on actual consumption values registered by BP.

5.4 Competency of involved personnel

Interviewed staff was well familiar with their responsibilities. During the audit overall responsible person described the role of each involved staff member in detail. There are few staff members involved in SBP certification: SBP responsible (development, implementation and update of SBP documented procedure and other SBP-related documents; compiling of SBR and SAR; registration of deals in DTS; overall FSC CoC responsibility); chief of export department (recording of the feedstock input volumes); laboratory expert (moisture measurements); chief of the fuel storage (registering of diesel consumption); chief power engineer (electricity consumption); H&S department chief (H&S requirements); director of administration and public relations (use of trademarks).

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

Not applicable for this certification.

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-000928 (01/21)	NC Grading: Minor
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.4
Requirement:	4.1.6 Each Production Batch shall be allocated a unique Production Batch ID.
Description of Non-conformance and Related Evidence:	
Although SBP does not require including information on SBP certification in outcoming documents (invoices, transport documents), Organisation specifies SBP certificate code, claim and PBID there. Random verification of the outcoming documents (for example, invoices #39 dated of 11/04/2020, #84 dated of 29/08/2020) showed that PBID specified there is related not to the current, but to the previous reporting period.	
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:	Invoices
Findings for Evaluation of Evidence:	After the previous annual audit, Organisation removed any information about SBP certification from the invoices issued to customer; this is also not required by SBP standards.
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):	Pilar Gorría Serrano
Date of decision:	14 Jan 2022
Other comments:	N/A