NEPCon Evaluation of Ornate SIA Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

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The promise of good biomass

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

Version 1.1: published 30 January 2018

Version 1.2: published 4 April 2018

Version 1.3: published 10 May 2018

Version 1.4: published 16 August 2018

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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, +34 605 638 383
Current report completion date:	21/Jan/2021
Report authors:	Olesja Puiso, Edgars Baranov
Name of the Company:	SIA Ornate, Gunara Astras iela 8, Riga, LV-1082, Latvija
Company contact for SBP:	Ms. Dace Babre, +371 26 416 108, dace.ornate@gmail.com
Certified Supply Base:	not applicable for trader
SBP Certificate Code:	SBP-07-46
Date of certificate issue:	30/Jan/2020
Date of certificate expiry:	29/Jan/2025

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 to different end points over the world.

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, sales documents and DTS records

4 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

4.1. SBP Standards utilised

☐ 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

Organization is a biomass trader sourcing the biomass from one pellet producer in Belarus. The biomass is sold by Organisation based on commission agreement with pellet producer. However, in invoices the Organisation is specified as seller. Therefore, the decision has been taken to obtain a separate SBP certificate for Organisation. Biomass may be delivered by different means of transport to different harbors and railway stations in Latvia, currently only road transport is used.

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 has implemented the FSC transfer system covering biomass (wood pellets) in the scope of the certificate NC-COC-022924. https://info.fsc.org/details.php?id=a023300000VitgOAAR&type=certificate. The process covers broker without physical possession activity with product group w.3.6. wood pellets FSC 100%

See more explanations in 5.1 above.

6 Evaluation process

6.1 Timing of evaluation activities

Desk evaluation was conducted at 9.12.2020. 3.5h were spend on evaluation for each of 2 auditors, additional additional 4h for document/ database/ register review done prior to the evaluation. Evaluation activities included documents review at office and staff interviews.

Activity	Location	Auditors	Date/time
Opening meeting Documents and procedures review (FSC CoC control system and critical points), staff interview. Documents and procedures review (SBP Procedure), staff interview. Energy use data review. Radix. Closing meeting	Desk	OP, EB	09/12/2020 10.00-13.30

OP- Olesja Puiso

EB- Edgars Baranovs

6.2 Description of evaluation activities

Audit started with opening meeting. Auditor introduced audit team, provided information about audit plan, methodology and aim of the surveillance evaluation, as well as CB's accreditation related issues and confidentiality issues were covered as well. After that Logistics specialist of the organisation introduced auditors with the planned activities of the organisation considering SBP certification.

After that auditor went through all applicable requirements of the standard covering management system, CoC, recordkeeping emission, sales, recordkeeping, DTS, CCP and energy data (SREG) and made staff interviews.

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

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: https://preferredbynature.org/impartiality-policy

Composition of audit team:

Auditor(s), roles	Qualifications
Edgars Baranovs Lead auditor	Works for NEPCon SIA since 2018. He has graduated from the Faculty of Forestry and holds a masters degree in environmental science from University of Latvia. Edgars has worked in the State Forest Service.

	Edgars attended SBP in 2019 and participated in several SBP audits as a auditor in training
Olesja Puiso Lead auditor	Olesja has passed CoC/ FM lead auditor training, PEFC CoC, ISO 140001, SAN and Legal Source training courses. Previous experience in woodworking industry as well as many years of experience within CoC auditing. She has passed the SBP lead auditor training and has participated on several SBP assessments.

6.3 Process for consultation with stakeholders

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

7 Results

7.1 Main strengths and weaknesses

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

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 truck (diesel) from biomass producer to harbour in Riga. 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

Overall, responsible staff showed good understanding of knowledge of all applicable SBP requirements. Generally, only two staff members are involved into SBP certification: member of the board (management of the Organisation, designation of responsible persons and agreement) is overall responsible person and logistics manager (responsible for recordkeeping, DTS, procurement and sales documents). She is also implementing the responsible person in place responsibilities.

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.*

NC number 01/21	**NC Grading:** Minor
Standard & Requirement:	Standard 4. The legal owner shall implement all aspects of the SBP approved CoC system requirements for the SBP feedstock or biomass. Where there is a conflict between the requirements in the SBP-approved CoC system requirements and those specified in the SBP standards, the SBP standards shall have precedence. (5.1.2)Note: SBP feedstock or biomass will not necessarily enter into the scope of the SBP Approved CoC system certification, but the SBP Approved CoC system CoC processes and requirements shall extend to the SBP feedstock or biomass.
Description of Non-conformance and Related Evidence:	
The organization implements FSC CoC transfer system for its trading activities. During the documented control system review (procedures of the Organisation) number of minor inaccuracies were identified, covering description of staff responsibilities, Incoterms applied, outdates link to SBP homepage and DTS weblink, SREG related recordkeeping. Since the data does not effect practical implementation of the standard requirement minor NCR 01/20 is issue1.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 monhts from report finalisation date
Evidence Provided by Company to close NC:	Updated procedure of the Organisation
Findings for Evaluation of Evidence:	Shortly after the audit logistic manager provided updated version of the documented procedure. Number of the changes was made, including, Incoterms applied, links to SBP homepage and DTS weblink, SREG related recordkeeping
NC Status:	Closed

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):	Pilar Gorría Serrano
Date of decision:	21/Jan/2021
Other comments:	*Click or tap here to enter text.*