NEPCon OÜ Evaluation of NeAlTom, Private production unitary enterprise 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 1.5

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

Version 1.5: published 22 October 2020

Table of Contents

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:	Siarhei Minkevich
Audit team members:	none
Name of the Company:	NeAlTom, Private production unitary enterprise
Company legal address:	10D, Moskovskaya str. Minsk region, 222001 Krupki, Belarus
Company contact for SBP:	Inna Tobina
Company contact email:	kruplesproekt@mail.ru
Company website:	N/A
SBP Certificate Code:	SBP-07-96
Date of certificate issue:	06 May 2020
Date of certificate expiry:	05 May 2025
Audit closing meeting date:	04 Mar 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 4: Chain of Custody; SBP Standard 2: Verification of SBP-compliant Feedstock; SBP Standard 5: Collection and Communication of Data Instruction; Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3	☐
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: SCS-COC-008120	☐
	Transfer	☐

2.1 Description of the company

NeAlTom, Private Production Unitary Enterprise is a primary (sawmilling) and secondary processor (biomass producer) with production capacity of 7200 tones pellets/year, located in Minsk region, Belarus. Organisation was established in February 2016 (pellet production commissioned in the second half of 2019) and has in total 65 staff members (sawmill and biomass production), including 20 staff members at biomass production. Biomass production is located in village Proshika, Krupki district, Minsk region, and sawmill production is located in village Khudovtsy, Krupki district, Minsk region. The BP holds valid FSC CoC certificate covering biomass production as well as sawmill production (chips, sawmill products are also in the certificate scope), and uses only FSC 100%-certified feedstock for pellet production. Feedstock is delivered to production site by BP's own trucks as well as by trucks provided by outsourced transport companies. Biomass is delivered to the customer by means of railway service (railway wagons). Occasionally the deliveries can be made by the trucks.

2.2 Detailed description of the Chain of Custody system

BP holds valid FSC CoC certificate https://info.fsc.org/details.php?id=a02f300000jT3GIAA0&type=certificate covering the primary (sawmill products) and secondary (pellet production) wood processing. Secondary feedstock (sawdust, chips and slabs) with FSC 100% is used for pellet production and FSC transfer system of claims is implemented (all certified pellets have FSC 100% claim). As biofuel BP uses firewood, slabs and chips with FSC 100% claim. Some amount of biomass can be produced from non-certified secondary feedstock, and in this case BP ensures physical segregation of such non-certified feedstock from certified wood material at all stages. In the reporting period only certified feedstock and biofuel were used for pellet production. During the audit 2021 no NCRs were raised on the procedure and performance of chain of custody system. Some amount of pellets was sold to the internal market without SBP certification.

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. 1.3.

4 Evaluation process

4.1 Timing of evaluation activities

Audit Level of Effort (LoE)		
Activity	***Auditors***	**Auditor hours**
1. Preparation	Siarhei Minkevich	3,0
2. On-site (excl. travel time)	Siarhei Minkevich	8,0
3. Report writing	Siarhei Minkevich	10,0
4. Other	N/A	N/A

Audit Schedule			
Activity	**Location**	**Auditor name**	**Date/time**
Opening meeting	Office	Siarhei Minkevich	04 Mar 2021/08:00
Documents and procedures review (feedstock inputs, SAR, compliance with legal requirements), staff interview.	Office	Siarhei Minkevich	04 Mar 2021/08:15
Chain of custody review (site tour)	Production facilities	Siarhei Minkevich	04 Mar 2021/11:15

(feedstock inputs, CoC critical control system and CCPs, etc); document review			
Documents and procedures review (feedstock inputs, CoC CCPs, SBR, SBP procedures, SAR data, etc), staff interview.	Office	Siarhei Minkevich	04 Mar 2021/14:15
Closing meeting	Office	Siarhei Minkevich	04 Mar 2021/16:45

Auditor qualification		
Auditor name	**Role**	**Qualification**
Siarhei Minkevich	SBP auditor	NEPCon SBP lead auditor, FSC FM/COC and FSC CoC/CW lead auditor. He has successfully passed SBP lead auditor training in Germany in September 2019 and participated in several SBP assessments in Belarus and Lithuania.

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.

Description of the audit evaluation:

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 in the beginning of the assessment, which started with an opening meeting attended by the representatives from Organisation's management and staff.

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

After that auditors 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 audit special attention was paid to the following specific critical control points: reception, identification of material, segregation, volumes recording / accoiunting, conversion factor and sales. 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.

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4.3 Sampling methodology

Production facilities were checked without any exclusion. Reviewing of documents was based on sampling approach - several months were randomly selected (waybills and invoices for the selected months). All responsible personnel was interviewed.

4.4 CB stakeholder engagement

The stakeholder consultation was carried out on February 13, 2020 by sending direct email to different stakeholder categories (more than 120 recipients). No comments from the stakeholders have been received. List of informed stakeholders includes such groups of stakeholders as FSC National Initiative, environmental and social NGOs, FSC-certified companies in the region, scientific and educational entities, indigenous peoples' communities (where applicable), state forestry authorities, trade unions etc.

4.5 Stakeholder feedback

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

5 Results

5.1 Main strengths and weaknesses

Strengths: Strengths: Use of the FSC transfer system. FSC 100% secondary (sawdust, chips, slabs) feedstock and FSC 100% biofuel (firewood, chips, slabs) is used. Effective recordkeeping system. Small number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: See chapter Non-conformities and observations

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 delivery and handling; diesel for chipping, biomass handling and shipping; diesel for biomass transportation to customer. Diesel consumption value by vehicles used at pellet plant is based on actual refuelling data obtained in accountancy; electricity consumption value by pellet plant is based on invoices issued by electricity supplier on a monthly basis.

5.4 Competency of involved personnel

Overall, BP staff showed good understanding of knowledge of all applicable SBP requirements. Generally, several staff members are involved into SBP certification: SBP responsible person/Production Manager and economist (SBP procedures and systems updates, SAR data, SBR, complaints, conversion factor updates, DTS), chief accountant and H&S specialist (labor safety officer) (SAR and energy use data collection, sales data, H&S). Prior to and during SBP assessment and this audit 2021, BP was supported by external consultant, who also has provided relevant training to BP staff.

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-000394 (NC number 01/21)	NC Grading: Minor
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3
Requirement:	6.5.1 The BP shall operate a management system including logbooks or electronic code/card systems to allocate the use of fossil fuel to processing or transport.
Description of Non-conformance and Related Evidence:	
The organization keeps records of the consumption of fossil fuels based on actual data. Analysis of documentation, interviews of personnel, field inspection of production showed that the fuel consumption of the chainsaw was not taken into account in the accounting of fossil fuels. The chainsaw is used to prepare firewood in front of the firebox. The consumption of gasoline is negligible in the total amount of fossil fuels used. The auditor has raised a minor non-conformance.	
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:	-
Findings for Evaluation of Evidence:	-
NC Status:	Open

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
Date of decision:	01 Jun 2021
Other comments:	N/A