



NEPCon OÜ Evaluation of Nordic Energy Partners OÜ 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:	Nikolai Tochilov
Audit team members:	-
Name of the Company:	Nordic Energy Partners OÜ
Company legal address:	Paljassaare tee, 28E., 10313 Tallinn, Estonia
Company contact for SBP:	Ondrej Tarabus
Company contact email:	otarabus@preferredbynature.org
Company website:	N/A
SBP Certificate Code:	SBP-07-80
Date of certificate issue:	06 Apr 2020
Date of certificate expiry:	05 Apr 2025
Audit closing meeting date:	03 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:	Trader	☐
Approved Standards:	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 1.3	☐
Includes Supply Base Evaluation (SBE):	No	☐
Includes communication of Dynamic Batch Sustainability Data (DBSD)	Yes	☐
Includes Group Scheme	No	☐
Products	Chips, Pellets	☐

Feedstock types:	N/A	☐
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: SGSCH-COC-120011	☐
	Credit, Transfer	☐

2.1 Description of the company

Organization is a biomass trader with physical possession of certified wood material, sourcing the biomass from biomass producers in Russia, and potentially from any other country. Biomass may be delivered by different means of transport to end points all over the world on different Incoterms delivery conditions.

2.2 Detailed description of the Chain of Custody system

The Organization holds valid FSC CoC certificate

<https://info.fsc.org/details.php?id=a023300000aymg2AAA&type=certificate> and implements FSC transfer and FSC credit systems of claims for biomass trade. FSC certificate scope includes the sea harbours in S.Petersburg and Ust-Luga where all purchased biomass is unloaded, stored, handled and loaded to vessel. All activities in sea harbours are implemented by contractors based on outsourcing agreements. Transfer system of FSC claims is implemented when Organisation may ensure physical separation of the biomass from different producers and with different FSC claims during its storage in harbour and loading to the vessel (or if the vessel is loaded with the biomass all having the same FSC claim). Credit system of claims may be implemented in exceptional cases, when it is impossible to keep the biomass with different FSC claims separate at storage, or when it is all mixed in a vessel. Possible FSC inputs and outputs for transfer system – FSC 100%, FSC Mix Credit, FSC Mix%, FSC Recycled, FSC Controlled Wood. Possible FSC inputs for credit system: FSC 100%, FSC Mix Credit, FSC Mix%, FSC Recycled, FSC Controlled Wood; and possible output claims are FSC Mix Credit and FSC Controlled Wood. In addition to all biomass sold with SBP claim is purchased with SBP-compliant or SBP-controlled claim. Non-certified biomass (other biomass) is handled, stored and shipped to customers separately from certified biomass. It may also happen that certified and non-certified biomass is mixed at storage site or in vessel hold. In such cases all batch is considered as non-certified.

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;
- Review of applicable transportation processes

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Nikolai Tochilov	0,5
2. On-site (excl. travel time)	Nikolai Tochilov	4,0
3. Report writing	Nikolai Tochilov	3,0
4. Other	N/A	N/A

<i>Audit Schedule</i>			
Activity	Location	Auditor name	Date/time
<i>Opening meeting</i>	S.Petersburg	Nikolai Tochilov	03 Mar 2021/11:00
<i>Review of FSC CoC documented procedure and critical control points</i>	S.Petersburg	Nikolai Tochilov	03 Mar 2021/11:15
<i>Review of SBP documented procedure</i>	S.Petersburg	Nikolai Tochilov	03 Mar 2021/12:00
<i>Review of sales</i>	S.Petersburg	Nikolai Tochilov	03 Mar 2021/12:45

<i>and transport documents</i>			
<i>Inspection of contractor in harbour</i>	S.Petersburg	Nikolai Tochilov	03 Mar 2021/14:00
<i>Closing meeting and end of evaluation</i>	S.Petersburg	Nikolai Tochilov	03 Mar 2021/15:00

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 and Europe.

4.2 Description of evaluation activities

Audit started with opening meeting with the Organisation representative/SBP responsible in St.Petersburg.

After that auditor went through all applicable requirements of the standards covering management system, CoC (including CCP), recordkeeping/mass balance requirements, emission and energy data and made staff interviews.

In the afternoon auditor inspected storage facilities of Organisation's contractor in one of the harbours in S.Petersburg. During the inspection, auditor reviewed the documents and made interviews with contractors' representatives. After that, the closing meeting was conducted Organisation's SBP responsible.

4.3 Sampling methodology

Onsite inspections: there are two contractors/harbours in the scope of this SBP certificate. During the audit, only one harbour was inspected. The other harbour has not been inspected, because a) auditor inspected that harbour during the initial assessment in 2020, and no non-conformities have been identified there; and

b) there was no biomass belonging to Organisation at this harbour at the moment of the audit. Staff interviews: auditor conducted interview with Organisation's SBP responsible, who has overall responsibility for maintaining both FSC CoC and SBP certification systems in the company; she is also responsible for biomass purchase and sales. Auditor has furthermore conducted interviews with the key staff members of the contractor during onsite inspection at harbour. Documents review: auditor made review of the FSC CoC and SBP procedures, input and output records maintained by Organisation.

4.4 CB stakeholder engagement

Not applicable for this audit.

4.5 Stakeholder feedback

Not applicable for this audit.

5 Results

5.1 Main strengths and weaknesses

Strengths: limited number of staff; transfer system of FSC and SBP claims is mainly used; effective communication with contractors in harbours.

Weaknesses: no weaknesses identified during audit.

5.2 Rigour of Supply Base Evaluation

Not applicable.

5.3 Collection and communication of data

The Management System for energy use data collection and communication is in place, however energy use reporting is not required from Organisation – biomass is delivered to harbours by suppliers at DAP and FCA delivery conditions, and sold by Organisation at FOB or CIF delivery conditions of Incoterms. SBP ID 5E does not require reporting the energy use data related to biomass storage and shipping.

5.4 Competency of involved personnel

Assistant manager Anastasia Kholopova, who is the only responsible for maintaining the SBP and FSC CoC certification systems in Organisation, demonstrated good knowledge of all applicable SBP/FSC CoC certification requirements.

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**

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):	Pilar Gorriá Serrano
Date of decision:	07 May 2021
Other comments:	N/A