



NEPCon OÜ Evaluation of SeMalDrev, Limited Liability Company 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:	Aliaksandr Zubkevich
Audit team members:	Aliaksandr Zubkevich
Name of the Company:	SeMaIDrev, Limited Liability Company
Company legal address:	ul. Montazhnikov 3A, of.11, Brest region, 225432 Gantsevichi, Belarus
Company contact for SBP:	Ondrej Tarabus
Company contact email:	otarabus@preferredbynature.org
Company website:	N/A
SBP Certificate Code:	SBP-07-78
Date of certificate issue:	01 Apr 2020
Date of certificate expiry:	31 Mar 2025
Audit closing meeting date:	26 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 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 1.3	☐
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: NC-COC-059652	☐
	Transfer	☐

2.1 Description of the company

BP is a pellet producing company located in Brest region, Belarus. Total annual production capacity of pellet plant is expected to be 25000 tones per year.. Company runs both sawmill and pellet production. Sawdust, wood chips, slab wood is used in pellet production as well as used for the drier. The secondary feedstock used for pellet production originates from Belarus and is 100% FSC certified. In reporting the BP sourced secondary feedstock from own sawmill as well as from another 3 FSC certified sawmill. The BP implements FSC transfer system and produced biomass sold with FSC 100% claim. The biomass is expected to be transported by rail to Belarusian/Latvian border, Bigosovo railway station and Belarusian/Lithuanian border, Gudogai railway station. Pellet plant was commissioned in the end of 2019.

2.2 Detailed description of the Chain of Custody system

BP implements FSC transfer system of claims. The input material used by the Organisation for biomass production contains only secondary feedstock – sawdust, wood chips (chipped from slab wood) for pellet production and for dryer. Secondary feedstock is sourced both from own sawmill as well as from external suppliers (sawmills). The BP sourced for pellet production as well for the drier FSC 100% feedstock. The organization has the segregation system in place developed for FSC transfer system. Physical separation methodology is developed – FSC certified raw material were stored in special place and processed separately in time when production line is cleaned of non-certified product, final products were segregated also. Incoming sawdust reception register and supplier list are maintained. All material is checked during the arrival and correctly recorded in the internal system.

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: Collection and Communication of Energy and Carbon Data

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Aliaksandr Zubkevich	2,0
2. On-site (excl. travel time)	Aliaksandr Zubkevich	8,0
3. Report writing	Aliaksandr Zubkevich	7,0
4. Other	N/A	N/A

<i>Audit Schedule</i>			
Activity	Location	Auditor name	Date/time
<i>Opening meeting and brief documents review</i>	Minsk	Aliaksandr Zubkevich	22 Mar 2021/9:00
<i>Opening meeting</i>	Office in Gantsevichi	Aliaksandr Zubkevich	26 Mar 2021/9:00
<i>Documents and procedures review</i>	Office in Gantsevichi	Aliaksandr Zubkevich	26 Mar 2021/09:20
<i>Chain of custody review</i>	Production facilities in village Colonia	Aliaksandr Zubkevich	26 Mar 2021/15:30

<i>Closing meeting</i>	Office in Gantsevichi	Aliaksandr Zubkevich	26 Mar 2021/16:30
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Auditor qualification		
Auditor name	Role	Qualification
Aliaksandr Zubkevich	Team leader auditor	Mr Aliaksandr Zubkevich has education of engineer-economist in timber industry. He had postgraduate study at the Belarusian State Technological University. A. Zubkevich has passed FSC CoC/ FM lead auditor training course, Legal Source, ISO 14001 and SBP training coursed. Previous experience in woodworking industry and SBP pre-assessment and assessments in Belarus.

4.2 Description of evaluation activities

Due to auditor illness on-site audit was moved to 26.03.2021. 22.03.2021 was conducted desc audit. Audit started 22.03.2021 with an opening via skype meeting attended by the representatives from Organisation's management and staff.

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 approval related issues. The auditor has reviewed documents provided by the BP, reviewed data in DTS and Audit portal.

On-site audit was conducted 26.03.2021. Audit started with short opening meeting. 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, management system, CoC, recordkeeping, 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. The auditor reviewed data registered in DTS. Chain of Custody 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, final product storage and sales.

After a roundtrip around BP's pellet production was undertaken. Roundtrip was conducted via mobile phone of the master of pellet plant. During the site tour, staff was interviewed and FSC system critical control points were analysed.

At the end of the audit findings were summarised and assessment conclusions based on use of 3 angle evaluation method were provided to the management and SBP responsible person.

4.3 Sampling methodology

Auditor visited office in Gantsevichy and pellet mill in village Colonia. Random documents (transport waybill and invoices) review for three months was conducted. SBP manager as well as other three responsible person per each procedure requirements were interviewed.

4.4 CB stakeholder engagement

Stakeholder consultation was not conducted for this audit

4.5 Stakeholder feedback

None

5 Results

5.1 Main strengths and weaknesses

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

Weaknesses: See NCR in section of this report

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 handling, shipping and for biomass transportation to customer. Electricity consumption value is based on theoretical calculation; diesel consumption value is based both on theoretical calculation and recording

5.4 Competency of involved personnel

Overall, BP staff showed good understanding of all applicable SBP requirements. SBP related staff responsibilities are presented in Section 3 of the SBP Procedure. Interviewed staff was well familiar with their responsibilities. Generally, very few staff members are involved into SBP certification: SBP responsible/labour health and safety engineer (maintaining of the management system, staff training, volume recording,), chief of production of pellet plant (moisture measurements, weight of biomass produced recording), accountant (performance of outcoming invoices and transport documents).

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-000359	NC Grading: Major
Standard:	SBP Standard 4: Chain of Custody
Requirement:	5.3.1 All requirements of the relevant chain of custody control system specified in the SBP-approved CoC system shall be implemented to calculate outputs.
Description of Non-conformance and Related Evidence:	
The following average conversion factor was established by BP: 2,4 solid m3 of secondary feedstock (sawdust and wood chips) for production of 1 tone pellets, including approximately 0.350-0.358 solid m3 of for drier (10-15% of total volume of feedstock. The BP manager explained that the conversion factor is received based on theoretical assuming that moisture of feedstock is 60% and moisture of pellet is 10%. The BP has not conducted practical measurement of conversion factor yet. Due to conversion factor is close to the other biomass producers use the auditor has issued minor NCR.	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	Not provided
Findings for Evaluation of Evidence:	The BP has not provided evidence to close this NCR. Taking in account recorded average moisture of feedstock (which is 45%) and input volume of feedstock auditor via theoretical calculation came to significant difference (2569Tn - 18,8%) between theoretically calculated volume of biomass and recorded volume of produced biomass. The NCR is upgraded to Major. With such 18% difference between theoretically calculated volume of biomass and recorded volume the SAR document cannot be approved.
NC Status:	Open

NC number NC-000355	NC Grading: Minor
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3
Requirement:	6.2.2 The BP must inform its CB when a significant change in the operations occurs, resulting in a variation of electricity use or fossil fuel use greater than 25%. Examples may result from a change of

	production process, a plant refurbishment after an incident, a major change in feedstock used (e.g. use of logs instead of saw mill residues), change of fuel for drying (e.g. fossil fuel instead of biomass) etc. In that case, a new audit shall be required as soon as stable operations have been reached during three (3) consecutive months after the change has occurred.
Description of Non-conformance and Related Evidence:	
There is no requirement in SBP procedure to inform CB when a significant change in the operations occurs, resulting in a variation of electricity use or fossil fuel use greater than 25%.	
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:	SBP procedure
Findings for Evaluation of Evidence:	The BP has updated SBP procedure and added requirement (Exh 1 Chapter 6) to inform CB when a significant change in the operations occurs, resulting in a variation of electricity use or fossil fuel use greater than 25%. There were no significant change in the operations during reporting period.
NC Status:	Closed

NC number NC-000357	NC Grading: Major
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock
Requirement:	IN2C; 4.1 The report shall be concise, covering the most important features, and shall be completed using the latest version of the SBR template for Biomass Producers downloaded from the SBP website.
Description of Non-conformance and Related Evidence:	
The Supply Base Report was prepared on Audit portal. During review it was found out that the Supply Base Report is not concise and contains mistakes: 1) wrong information about suppliers 2) section 3.4 was not filled in properly and so on	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	Updated SBR
Findings for Evaluation of Evidence:	During the period from audit closing meeting and report finalization the BP has updated SBR on Audit portal. Review confirmed that SBR is

	concise and cover the most important features
NC Status:	Closed

NC number NC-000356	NC Grading: Major
Standard:	SBP Standard 4: Chain of Custody
Requirement:	5.1.2 The legal owner shall implement all aspects of the SBP-approved CoC system requirements for the SBP feedstock and 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. 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 SBP feedstock and biomass.
Description of Non-conformance and Related Evidence:	
The BP holds valid FSC Chain of Custody certificate and implements FSC transfer system. Roundwood is received both with FSC 100% claim and non certified. Relevant supplier list is maintained. After the reception, incoming primary feedstock (saw logs) is registered in BP's database and processed at sawmilling facilities. Pellets are produced of the secondary feedstock both from own sawmill and from suppliers. The BP do not measure the volume of secondary feedstock from own sawmill used in pellet production.	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open

NC number NC-000358	NC Grading: Minor
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3
Requirement:	6.9.3 At least one of the following options shall be used for the drying

	process, where applicable: Option 1 – Specify energy use of dryer, when applicable. - If a heat meter is installed, calculate how much heat energy from the boiler is provided to the dryer and provide details of the calculation; - Specify heat consumption in kWh per metric tonne dried feedstock and the corresponding period for this evaluation. Option 2 – Specify input moisture content of feedstock. - The preferred method in 6.9.2 is the weighted average moisture content based on moisture evaluation per shipment for all Feedstock Group. - When measurement of moisture of incoming feedstock is not determined on receipt of feedstock, the moisture content shall be measured and recorded as soon as possible in the production process. For example, in the case of the receipt of logs, moisture should be measured after debarking and processing to chips. - In the absence of moisture monitoring as specified above, the methodology used and the values recorded shall be justified to the CB, and the justification shall be recorded in the SAR.
Description of Non-conformance and Related Evidence:	
The SBP manager explained that moisture is measured once per shift. The BP provided records of moisture measurements. It was found out that paper journal with moisture measurements records is available only for 2021 year.. Average moisture for the SAR was calculated based on moisture measurements of 2021 year and it was not justified in the SAR	
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:	N/A
Findings for Evaluation of Evidence:	N/A
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 Gorria
Date of decision:	27 May 2021
Other comments:	SAR not approved. See NCR sections