



NEPCon OÜ Evaluation of GSK RESURS Ltd 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:	GSK RESURS ltd
Company legal address:	office 219, 93A, naberezhnaya Obvodnogo kanala, 191119 St. Petersburg, Russia
Company contact for SBP:	Maxim Uglov
Company contact email:	uma@gskresurs.ru
Company website:	N/A
SBP Certificate Code:	SBP-07-91
Date of certificate issue:	22 Apr 2020
Date of certificate expiry:	21 Apr 2025
Audit closing meeting date:	29 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):	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-057098	☐
	Transfer	☐

2.1 Description of the company

GSK Resurs LLC is a secondary processor (biomass producer) established in 2018 with the legal address in St.Petersburg and pellet production located in the Vologda region, Russia. The annual production capacity of wood pellets is 50 000 tons. The final product may be transported by different means of transport to different endpoints in Russia, on different Incoterms delivery conditions.

2.2 Detailed description of the Chain of Custody system

BP holds valid FSC CoC certificate <https://info.fsc.org/details.php?id=a02f300000k47q3AAA&type=certificate> covering the pellet production. The BP uses both certified and non-certified feedstock and implements physical segregation for all types of incoming secondary feedstock (offcuts, wood chips, and sawdust). The BP has separate stacks for certified and non-certified offcuts. Storages of certified and non-certified bulk materials are located remotely from each other and there is no mixing. Also, temporal segregation applied for the production process to prevent the mixing of certified and non-certified materials. When changing from non-certified to certified feedstock, first ten tons of pellets are considered as non-certified. Implemented FSC transfer system assumes that all pellets produced from the certified feedstock, purchased with an FSC 100% claim have a similar claim at the output. BP uses only natural gas for heating.

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.

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Nikolai Tochilov	4,0
2. On-site (excl. travel time)	Nikolai Tochilov	8,0
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>	Production site in Veliky Ustyug	Nikolai Tochilov	29 Mar 2021/08:00
<i>Review of CoC procedure and critical control points</i>	Production site in Veliky Ustyug	Nikolai Tochilov	29 Mar 2021/08:15
<i>H&S system review</i>	Production site in Veliky Ustyug	Nikolai Tochilov	29 Mar 2021/09:00
<i>Review of the Supply Base and feedstock</i>	Production site in Veliky Ustyug	Nikolai Tochilov	29 Mar 2021/09:30

<i>inputs</i>			
<i>Review of the management and monitoring system</i>	Production site in Veliky Ustyug	Nikolai Tochilov	29 Mar 2021/10:00
<i>Onsite inspection of the pellet production</i>	Production site in Veliky Ustyug	Nikolai Tochilov	29 Mar 2021/10:30
<i>Compliance with legal requirements, anti-corruption policy, payment of taxes</i>	Production site in Veliky Ustyug	Nikolai Tochilov	29 Mar 2021/11:30
<i>Review of output records, biomass sales and transport</i>	Production site in Veliky Ustyug	Nikolai Tochilov	29 Mar 2021/12:00
<i>Energy use data review, including SAR</i>	Production site in Veliky Ustyug	Nikolai Tochilov	29 Mar 2021/12:30
<i>Closing meeting</i>	Production site in Veliky Ustyug	Nikolai Tochilov	29 Mar 2021/16:45

Auditor qualification			
Auditor name	Role	Qualification	
Nikolai Tochilov	Audit team leader.	Russian citizen, PhD Forestry. NEPCon International Senior Auditor. In 2015 he successfully passed SBP auditor training in Tallinn, Estonia. Since that time he has conducted more than 50 SBP assessments and annual audits for biomass producers and traders in Russia, Belarus, Latvia, Portugal, Netherlands, Belgium, Germany and Vietnam.	

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.

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4.3 Sampling methodology

Staff: all staff members involved in SBP certification have been interviewed by auditor. Onsite visit: auditor have inspected all production facilities starting from the wood yard for feedstock storage, and ending with the warehouse for biomass storage. Documents review: auditor sampled the applicable documents and records related to feedstock inputs, biomass production and sales, and energy use data.

4.4 CB stakeholder engagement

No consultations with stakeholders conducted prior to, during and after this audit.

4.5 Stakeholder feedback

No feedback received from stakeholders.

5 Results

5.1 Main strengths and weaknesses

Strengths: use of the FSC transfer system; small number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: not identified.

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; gas for heating the dryer; diesel for feedstock handling and biomass handling and transportation to customers. Diesel consumption value by loaders is based on actual refuelling data obtained in accountancy; electricity consumption by pellet plant (including office facilities and staffrooms) is based on readings obtained from installed electric meters. Gas consumption for heating is based on readings obtained from installed gas meter.

5.4 Competency of involved personnel

Overall, BP staff showed a good understanding of knowledge of all applicable SBP requirements. Generally, very few staff members are involved in SBP certification:

BP's management (appointment of SBP responsible, anti-bribery policy and code of conduct, trade and tax legislation, EUTR requirements and DDS implementation);

SBP responsible person/certification manager (chain of custody, SBP procedures and systems updates, SAR, SBR and feedstock origin, SREG (if applicable), complaints);

Head of economic and finance department (registration of inputs and outputs, conversion factor updates, registration of diesel consumption, SDIs, distances, SAR, SREG (if applicable), DTS, sales);

Deputy production CEO (moisture measurements, registration of electricity and gas consumption);

· Separate H&S responsible (H&S implementation).

Also, BP shared responsibilities between staff intimately involved in pellet production. Their responsibilities are described in the internal Management Regulation and in staff manuals.

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 Gorria
Date of decision:	19 Apr 2021
Other comments:	N/A