



NEPCon OÜ Evaluation of JJK Forest OÜ Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

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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

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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:	Georg Sten Andrejev
Audit team members:	-
Name of the Company:	JJK Forest OÜ
Company legal address:	Kaarli pst 7 Harjumaa, 10119 Tallinn, Estonia
Company contact for SBP:	Jeffrey Cohen
Company contact email:	jefflogster1@gmail.com
Company website:	N/A
SBP Certificate Code:	SBP-08-03
Date of certificate issue:	25 May 2020
Date of certificate expiry:	24 May 2025
Audit closing meeting date:	27 May 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)	No	☐
Includes Group Scheme	No	☐
Products	Chips	☐

Feedstock types:	Primary	☐
Feedstock origin (countries):	Latvia	☐
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: The organization holds an FSC CoC certificate with FSC certificate number NC-COC-060607.	☐
	Transfer	☐

2.1 Description of the company

JJK Forest OÜ is roundwood and wood chips trading Company, which was founded in 2014. Address of the company is Kaarli pst. 7-3, Tallinn 10119, Estonia. 2 employees are working in the company.

2.2 Detailed description of the Chain of Custody system

The organization has implemented the FSC transfer system for biomass (fuel logs and chips) in the scope of the certificate (NC-COC-060607). The process covers trade with biomass in Salacgriva, Riga and Ventspils ports. Once the material is purchased it is directly sold to the customer (transfer system). No storage yards are used. FOB purchases and FOB or CIF sales are planned by the company. Each purchased material is recorded including the certification status of the material and the sales always contain the same type and quantity of material as purchased. The SBP claim is mentioned in the DTS. The sustainability characteristics for each batch are also included. Besides supplier information that has been entered to the DTS system by the supplier, company is adding their SREG to cover the transport in case of CIF sales.

3 Specific objective

The specific objective of this first surveillance audit 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
- GHG data collection analysis;

4 Evaluation process

4.1 Timing of evaluation activities

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

<i>Audit Schedule</i>			
Activity	Location	Auditor name	Date/time
<i>Opening meeting</i>	Skype videocall	Georg Sten Andrejev	27 May 2021/10:00
<i>Interview with SBP responsible person, overview of purchase, sales, procedures</i>	Skype videocall	Georg Sten Andrejev	27 May 2021/12:00
<i>Closing meeting</i>	Skype videocall	Georg Sten Andrejev	27 May 2021/16:15

Auditor qualification		
Auditor name	Role	Qualification
Georg Sten Andrejev	Lead auditor	BSc in Forest Industry. Works for NEPCon since august 2019. He has passed NEPCons chain of custody and forest management leadauditors training. Has working experience in timber industry.

4.2 Description of evaluation activities

Audit started with an opening meeting attended by accountant Ülle Tammesalu. The audit was conducted through Skype.

Lead auditor introduced himself, provided information about audit plan, methodology and aim of the assessment audit. The Certification Body's approval process and confidentiality approach were covered as well.

After that auditor went through all applicable requirements of the standard covering management system, CoC, recordkeeping requirements, DTS records, emission and energy data and verification of SBP compliant biomass. Later on the purchasing and logistics functions were discussed. Purchase and sales documents were sent to auditor before the audit and these were also discussed during the audit. Overall responsible person for the SBP system and staff having key responsibilities within the system was interviewed during the audit process.

Company doesn't take physical possession of material.

During the closing meeting, auditor presented the outcome of the audit and further actions to be taken were discussed.

4.3 Sampling methodology

Interview with responsible person, review of all purchase and sales documents, overview of FSC and SBP procedures, training records, data from DTS.

4.4 CB stakeholder engagement

N/A

4.5 Stakeholder feedback

N/A

5 Results

5.1 Main strengths and weaknesses

Strengths - Good overview of SBP system and biomass trading in general. The transfer system as the CoC system is easy to follow as no physical possession will not take place.

Weaknesses – none.

5.2 Rigour of Supply Base Evaluation

N/A

5.3 Collection and communication of data

JJK Forest OÜ is responsible for emission occurred during handling of the material. The organization plans to collect all the necessary data for GHG calculations from shipping service provider and add the information to SREG.

5.4 Competency of involved personnel

The main responsible person in the company is accountant. She has many years long of experience in the company trading roundwood, chips and biomass. The overall responsible person showed very good understanding of the requirements in relation to SBP certification and FSC CoC system.

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

N/A

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 Gorría
Date of decision:	07 Jun 2021
Other comments:	N/A