

NEPCon Evaluation of Basic Timber Company Compliance with the SBP Framework: Public Summary Report

Third Surveillance Audit

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Completed in accordance with the CB Public Summary Report Template Version 1.4

*For further information on the SBP Framework and to view the full set of documentation see
www.sbp-cert.org*

Document history

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Table of Contents

1	Overview
2	Scope of the evaluation and SBP certificate
3	Specific objective
4	SBP Standards utilised
4.1	SBP Standards utilised
4.2	SBP-endorsed Regional Risk Assessment
5	Description of Company, Supply Base and Forest Management
5.1	Description of Company
5.2	Description of Company's Supply Base
5.3	Detailed description of Supply Base
5.4	Chain of Custody system
6	Evaluation process
6.1	Timing of evaluation activities
6.2	Description of evaluation activities
6.3	Process for consultation with stakeholders
7	Results
7.1	Main strengths and weaknesses
7.2	Rigour of Supply Base Evaluation
7.3	Collection and Communication of Data
7.4	Competency of involved personnel
7.5	Stakeholder feedback
7.6	Preconditions
8	Review of Company's Risk Assessments
9	Review of Company's mitigation measures
10	Non-conformities and observations
11	Certification decision

1 Overview

CB Name and contact:	NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia
Primary contact for SBP:	Ondrej Tarabus ot@nepcon.org, +420 606 730 382
Current report completion date:	16/May/2019
Report authors: :	Aliaksandr Zubkevich
Name of the Company:	Basic Timber Company , urochishe Dubino (171 km of road Lithuanian border- Lida- Slonim, Bitin) Brest region, Ivacevichi district, 225250 Belarus
Company contact for SBP:	Natalya Aleksandrovna Shimanchik, sales engineer.
Certified Supply Base:	Sourcing from Republic of Belarus
SBP Certificate Code:	SBP -01-25
Date of certificate issue:	08/Aug/2016
Date of certificate expiry:	07/Aug/2021

This report relates to the Third Surveillance Audit

2 Scope of the evaluation and SBP certificate

The certificate scope covers the production site and production office facility in urochishe Dubino (171 km of road Lithuanian border- Lida- Slonim, Bytin) Brest region, Ivacevichi district, Republic of Belarus

The Organisation holds valid FSC Chain of Custody certificate (NC-COC-013431), covering FSC certified (FSC 100%) pellet production.

The input material used by the organisation for biomass production contains secondary feedstock only coming from own primary production and supplied by one local FSC certified supplier. Company is also using primary feedstock in a form of firelogs, these are used for biomass drying.

All inputs materials delivered to the pellet production plant are FSC certified. Feedstock used in the biomass production originates from Belarus only.

Description of the scope: The certificate scope covers production of wood pellets, for use in energy production, at Basic timber company and transportation by rail to Belarusian/Latvian border, Bigosovo railway station and Belarusian/Lithuanian border, Benyakoni railway station and FCA Dubino (gate of the BP). The scope of the certificate does not include Supply Base Evaluation. The PB added Instruction Document 5D: Dynamic Batch Sustainability Data v1.1 in the scope.

Scope of the evaluation is indicated in the table below:

Scope Item	Check all that apply to the Certificate Scope		Change in Scope (N/A for Assessments)
Approved Standards:	SBP Standard #2 V1.0 SBP Standard #4 V1.0 SBP Standard #5 V1.0 http://www.sustainablebiomasspartnership.org/documents		<input type="checkbox"/>
Primary Activity:	Pellet producer		<input type="checkbox"/>
Input Material Categories:	<input type="checkbox"/> SBP-Compliant Primary Feedstock	<input checked="" type="checkbox"/> SBP-Compliant Secondary Feedstock	<input type="checkbox"/>
	<input type="checkbox"/> Controlled Feedstock	<input type="checkbox"/> SBP non-Compliant Feedstock	

	<input type="checkbox"/> SBP-Compliant Tertiary biomass		<input type="checkbox"/> Post-consumer Tertiary Feedstock		
	<input type="checkbox"/> SBP-approved Recycled Claim		<input type="checkbox"/> Post-consumer Tertiary Feedstock		
Chain of custody system implemented:	<input checked="" type="checkbox"/> FSC	<input type="checkbox"/> PEFC	<input type="checkbox"/> SFI	<input type="checkbox"/> GGL	<input type="checkbox"/>
	<input checked="" type="checkbox"/> Transfer		<input type="checkbox"/> Percentage	<input type="checkbox"/> Credit	<input type="checkbox"/>
Points of sales	<input type="checkbox"/> Harbour – Permanent storage (Storage site)	<input type="checkbox"/> Harbour – Temporally storage (Logistic site)	<input checked="" type="checkbox"/> Other point of sale (e.g. gate of the BP, boarder, railway station etc.)		<input type="checkbox"/>
Provide name of all points of sales	-	-	DAP Bigosovo railway station		
	-	-	- DAP Benyakoni railway station -FCA Dubino		
Use of SBP claim:	<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No		<input type="checkbox"/>
SBE Verification Program:	<input type="checkbox"/> Low risk sources only		<input type="checkbox"/> Sources with unspecified/ specified risk		<input type="checkbox"/>
	New districts approved for SBP-Compliant inputs:				
Sub-scopes					<input type="checkbox"/>
Specify SBP Product Groups added or removed:					
Comments					

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;
- Review of procedure regarding adding into the scope of Instruction Document 5D: Dynamic Batch Sustainability Data v1.1.

4 SBP Standards utilised

4.1 SBP Standards utilised

Please select all SBP Standards used during this evaluation. All Standards can be accessed and downloaded from <https://sbp-cert.org/documents/standards-documents/standards>

- SBP Framework Standard 1: Feedstock Compliance Standard (Version 1.0, 26 March 2015)
- SBP Framework Standard 2: Verification of SBP-compliant Feedstock (Version 1.0, 26 March 2015)
- SBP Framework Standard 4: Chain of Custody (Version 1.0, 26 March 2015)
- SBP Framework Standard 5: Collection and Communication of Data (Version 1.0, 26 March 2015)

4.2 SBP-endorsed Regional Risk Assessment

Not applicable. Supply Base Evaluation is not covered by the Scope of the Evaluation

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

Basic timber company is a biomass producer with a production site, production office located Urochishe Dubino (171 km of road Lithuanian border- Lida- Slonim, Bitin) Brest region, Ivacevichi district, Belarus

Basic timber company is producing industrial quality wood pellets.

BP is sourcing primary and secondary feedstock for its pellet production. Pellets are produced from secondary feedstock: (wood industry residues: wet sawdust, wood chips) . Primary feedstock (fuel wood) are used in the biomass drier.

All Feedstock types are delivered to the pellet plant using road transport. There is a railway near the production site, which is used for transportation of pellets only, but was not used for the feedstock supply.

Incoming feedstock used in the production and in biomass drier is FSC 100%. The BP is having 2 production lines situated at the same location. Feedstock used into both production lines are the same, moisture measurements are done and production volumes are accounted for each line separately.

Origin information is available in the delivery documents for the primary feedstock,

The BP is implementing FSC transfer system.

After the production, pellets are stored in small BP production storage or transported directly to buyers by railway. Ownership rights to the biomass are transferred to buyer at the time railway wagon reaches Belarus/Latvia or Belarus/Lituania border, Bigosovo railway station and Belarusian/Lithuanian border, Benyakoni railway station and FCA Dubino (gate of the BP).

5.2 Description of Company's Supply Base

BP is sourcing secondary feedstock only for biomass production and primary feedstock for biomass drying . All feedstock is delivered by companies registered and also originating from Republic of Belarus.

Republic of Belarus:

In Belarus, forest land covers 9.58 million ha. Forests are quite evenly spread over the country's six regions with the average value of the forest cover (ratio between the stocked forest land and the total land) being 39.8% . Area of Agricultural area 8.7 million ha.

The area covered by forest is increasing. The expansion happens both naturally and by afforestation of infertile land unsuitable for agriculture. Within the last decade, the timber production in Belarus has fluctuated approx., 19 million cubic metres (<http://www.mlh.by> 2018.)

Forest area of Belarus consists: covered by forests- 8.26 million ha, Other wooded land 0.46 million ha.

The main wood species in Belarus are: pine 50,4%, spruce 9,2%; birch 23,1%; black alder 3,3%; grey alder 3,3 %: aspen 2,1%; other species 3,3%.

The forests in the Republic of Belarus are state property. Forests under the jurisdiction of the Ministry of Forestry (Minleshoz) cover 86% of the forest fund. Besides, a significant share of the forest fund is managed by the Administration of the President of the Republic of Belarus (8%) and by the Ministry of Emergency Situations of the Republic of Belarus (2%).

Belarus has been a signatory of the CITES Convention since 1995. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Belarus.

Forest regeneration is carried out annually over an area of 32,000 ha, including 81% of the forest planting and seeding and 19% by natural regeneration. There are 2 strictly protected Nation reserves and 4 National parks present in Belarus at the moment. Area of National reserves accounts 2,98 million ha and area of National parks is 3,98 million ha. Forestry and the forest industry are essential parts of the republic's economy. The share of forest sector in GNP is 4-5% , 3.2% of local inhabitants are employed in forest sector. All forest area is certified by PEFC certification scheme: 7,7 million. ha (83 forestry's) and FSC certification scheme app 8.3 million. ha (94 forestry's)

For details see the BP internet site <http://www.basictimber.com/en/certificats.php>

5.3 Detailed description of Supply Base

Total Supply Base area (ha): 9.58 million ha

Tenure by type (ha): 9,58 million ha state ownership, 0 million ha private forests and 0 million ha other ownership types.

Forest by type (ha): 9.58 million ha temperate forests

Forest by management type (ha): 9.58 million ha managed semi-natural

Certified forest by scheme (ha): FSC - total certified area 8.3 million ha

Quantitative description of the Supply Base can be found in the Supply Base Report of the Biomass internet site <http://www.basictimber.com/en/certificats.php>

5.4 Chain of Custody system

The Organisation holds valid FSC Chain of Custody (NC-COC-013431), covering FSC certified (FSC 100%) pellet production.

<http://info.fsc.org/details.php?id=a0240000005sTOVAA2&type=certificate&return=certificate.php>). Critical control points of the FSC CoC system were evaluated also during SBP audit.

The Organisation has implemented FSC transfer system. The input material used by the Organisation for biomass production contains only secondary feedstock - wood industry residues: wet sawdust, wood chips. All input materials delivered to the pellet production plant is FSC certified,. The organization has the segregation system in place in case non certified material will be supplied. The organization does not use any imported material. Incoming feedstock reception register, and supplier list are maintained. All material is checked during the arrival and correctly recorded in the internal system.

6 Evaluation process

6.1 Timing of evaluation activities

Onsite audit was conducted on March 27, 2018 (8h). Audit activities included documents review at office, inspection of production facilities and staff interviews.

Action	Place	Auditor	date/ time
Introduction meeting (Appr at 09.00-09.15)	Office	Aliaksandr Zubkevich	27.03.2019 09.15-13.00; 13.30-17.00
Analysis of the organization SBP system; Staff interview; Documents review: procedure, instructions, training minutes, group products list, suppliers list and etc. Analyse of FSC COC system. Checking of critical points. Review of GHG date calculation, interview with staff Visit of pellet factory and laboratory, staff interview, review of records List of reviewed processes (visited departments): 1) purchase and acceptance of raw material 2) moisture measurement of raw material and products (operator); 3) production and accounting (bookkeeping); 4) Use of resources (electrician, mechanic); 5) Realisation and sales. Work with clients	Office, Production facilities		
Lunch time 13:00-13.30	office		
Final meeting 16.30-17:00	Office		

6.2 Description of evaluation activities

The surveillance audit 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 surveillance audit:

Auditor team was welcomed in Basic Timber Company Ltd. office. Audit started with an opening meeting attended by all management staff of the Organisation.

Auditor introduced himself, provided information about audit plan, methodology, auditor qualification, confidentiality issues, and assessment methodology and clarified verification scope.

After that auditor went through all applicable requirements of the SBP standards nr.2, 4, 5 and instruction documents 5a, 5B, 5C, 5d covering input clarification, existing chain of custody and controlled wood system, management system, CoC, recordkeeping/mass balance requirements, emission and energy data and categorisation of input and verification of SBP compliant and SBP Controlled feedstock/ biomass. During the process overall responsible person for SBP system and over responsible staff having key responsibilities within the system were interviewed.

After wagon loading facility was visited and roundtrip around BP’s pellet production was undertaken. During the site tour reception, recordkeeping, production process were observed, applicable records were reviewed, pellet factory staff was interviewed and FSC system critical control points were analysed.

At the end of the audit finding were summarised and audit conclusion based on use of 3 angle evaluation method were provided to the Organisation.

Composition of audit team:

Auditor(s), roles	Qualifications
Aliksandr Zubkevich Lead auditor Evaluation against all applicable requirements	Mr Aliksandr 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.

6.3 Process for consultation with stakeholders

No Consultation was conducted for this surveillance audit and no comments were received during the audit period.

7 Results

7.1 Main strengths and weaknesses

Strength: Use of production residuals only with FSC 100% claim. All elements of SBP system are implemented. Use of the FSC transfer system and control of all incoming materials at the level of feedstock reception and production process.

Weaknesses: Not identified

7.2 Rigour of Supply Base Evaluation

Not applicable

7.3 Collection and Communication of Data

The BP has system of data collection implemented. The data were complete and accurate. During the surveillance audit the organization has energy data recorded and prepared for audit.

7.4 Competency of involved personnel

The SBP responsible person in the company is sales engineer Natalya Aleksandrovna Shimanchik. The SBP responsible person has shown good understanding of the requirements in relation to SBP certification and of the already implemented FSC CoC system.

7.5 Stakeholder feedback

No stakeholder comments were received

7.6 Preconditions

No preconditions to this certification were identified at the time of the this surveillance audit.

8 Review of Company's Risk Assessments

Describe how the Certification Body assessed risk for the Indicators. Summarise the CB's final risk ratings in Table 1, together with the Company's final risk ratings. Default for each indicator is 'Low', click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.

Not applicable

9 Review of Company's mitigation measures

Not applicable

10 Non-conformities and observations

Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). *Please use as many copies of the table as needed. For each, give details to include at least the following:*

- applicable requirement(s)
- grading of the non-conformity (major or minor) or observation with supporting rationale
- timeframe for resolution of the non-conformity
- a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.

NC number 01/19	NC Grading: Major
Standard & Requirement:	Instruction 5d 2.6 Where DBS data is recorded in the DTS the BPs shall use a PBid 'AA' value of '99' to indicate that DBS data is included with the biomass.
Description of Non-conformance and Related Evidence:	
Such requirement about use a PBid 'AA' value of '99' to indicate that DBS data is included with the biomass is not included in procedure. Interview with responsible for DTS showed that responsible person does not know about this requirement. Требование использовать для уникального идентификатора Производственной Партии (PBid) «AA» значение «99», чтобы показать, что Динамические Данные по Устойчивости Партии включены в поставляемую биомассу, не отражены в процедуре. Интервью показало, что ответственный за заполнение DTS не знает данного требования	
Timeline for Conformance:	3 months from the report finalisation and prior to include ID5D in the certification scope
Evidence Provided by Company to close NC:	Procedure
Findings for Evaluation of Evidence:	During period from final meeting to report approval the BP has provided evidence to close this non-conformance. The BP has added to procedure requirement to use a PBid 'AA' value of '99' to indicate that DBS data is included with the biomass.
NC Status:	Closed

NC number 02/19	NC Grading: Minor
Standard & Requirement:	Standard #2: Verification of SBP-compliant feedstock 6.2 The BP shall record the place of harvesting and the identity of the primary wood processor responsible for the supply of inputs classified as SBP-compliant Secondary Feedstock
Description of Non-conformance and Related Evidence:	
During the procurement document verification, it was observed that sawdust is delivered from one FSC certified supplier. Information about the forestry (FMU Level) is not recorded on regular basis and available only by the request. Во время проверки документов на поставку сырья было установлено, что опилки поставлялись одним FSC сертифицированным поставщиком. Информация о происхождении сырья на уровне леса не собирается на постоянной основе, а может быть получена только по запросу.	
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

11 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:	16/May/2019
Other comments:	<i>Click or tap here to enter text.</i>