

# SBP

Sustainable Biomass Partnership

# NEPCoN Evaluation of Lesresurs LLC Compliance with the SBP Framework: Public Summary Report

## First Surveillance Audit

[www.sustainablebiomasspartnership.org](http://www.sustainablebiomasspartnership.org)



## Completed in accordance with the CB Public Summary Report Template Version 1.0

*For further information on the SBP Framework and to view the full set of documentation see  
[www.sustainablebiomasspartnership.org](http://www.sustainablebiomasspartnership.org)*

### *Document history*

*Version 1.0: published 26 March 2015*

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# 1 Overview

CB Name and contact: NEPCon OÜ, Filosoofi 31, 50108 Tartu, Estonia

Primary contact for SBP: Ondrej Tarabus ot@nepcon.net, +420 606 730 382

Report completion date: 2/May/2017

Report authors: Nikolai Tochilov, Natalia Zaladinova

Certificate Holder: Lesresurs LLC, 293/7, of.601, Baikalskaya street, Irkutsk, 664050, Russian Federation - East Europe

Producer contact for SBP: Nadezhda Ovchinnikova, certification specialist, phone: +73952780920;  
Email: [onn@lesresurs.com](mailto:onn@lesresurs.com)

Certified Supply Base: Sourcing from Russia, Irkutsk region

SBP Certificate Code: SBP-01-28

Date of certificate issue: 15/Aug/2016

Date of certificate expiry: 14/Aug/2021

Indicate where the current audit fits within the certification cycle				
Main (Initial) Audit	First Surveillance Audit	Second Surveillance Audit	Third Surveillance Audit	Fourth Surveillance Audit
<input type="checkbox"/>	<b>X</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 2 Scope of the evaluation and SBP certificate

The certificate scope covers the production site and office in Novaya Igirma, Irkutsk region.

The BP holds valid FSC Chain of Custody and FSC Controlled wood certificate, covering pellet production.

The input material used by the Organisation for biomass production contains only secondary feedstock (wood chips and sawdust for pellet production and bark for dryer).

53% of input materials delivered to the pellet production plant is FSC certified, and about 47% of input material is included into the Organisation’s FSC Controlled wood verification system. Feedstock used in the biomass production originates from Russia, Irkutsk region.

Scope description: Production of wood pellets in Novaya Igirma, Irkutsk region, Russia, for use in energy production. Post production end point is S.Petersburg harbour (terms of delivery - railway, FCA, Incoterms 2010). The scope of the certificate does not include Supply Base Evaluation.

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)
<b>Approved Standards:</b>	SBP Standard #2 V1.0 SBP Standard #4 V1.0 SBP Standard #5 V1.0 <a href="http://www.sustainablebiomasspartnership.org/documents">http://www.sustainablebiomasspartnership.org/documents</a>		<input type="checkbox"/>
<b>Primary Activity:</b>	Pellet producer		<input type="checkbox"/>
<b>Input Material Categories:</b>	<input type="checkbox"/> SBP-Compliant Primary Feedstock	<input checked="" type="checkbox"/> SBP-Compliant Secondary Feedstock	<input type="checkbox"/>
	<input checked="" 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	

<b>Chain of custody system implemented:</b>	<input checked="" type="checkbox"/> FSC	<input type="checkbox"/> PEFC	<input type="checkbox"/> SFI	<input type="checkbox"/> GGL	<input type="checkbox"/>
	<input type="checkbox"/> Transfer	<input type="checkbox"/> Percentage	<input checked="" type="checkbox"/> Credit		<input type="checkbox"/>
<b>Points of sales</b>	<input type="checkbox"/> Harbour (including own handling of material)	<input type="checkbox"/> Harbour (e.g. FOB incoterms) legal owner is not responsible for handling of material at the harbor	<input checked="" type="checkbox"/> Other point of sale (e.g. gate of the BP, boarder, railway station etc.)		<input type="checkbox"/>
<b>Provide name of all points of sales</b>			S.Petersburg (harbour, FCA train)		
<b>Use of SBP claim:</b>	<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No		<input type="checkbox"/>
<b>SBE Verification Program:</b>	<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:				
<b>Sub-scopes</b>					<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



## 4 SBP Standards utilised

### 4.1 SBP Standards utilised

Verification of SBP-compliant Feedstock, SBP Standard 2, Version 1.0, March 2015

Chain of Custody, SBP Standard 4, Version 1.0, March 2015

Collection and Communication of Data, SBP Standard 5, Version 1.0, March 2015

Instruction document 5A Collection and Communication of Data version 1.0. March 2015.

<http://www.sustainablebiomasspartnership.org/documents>

### 4.2 SBP-endorsed Regional Risk Assessment

Not applicable.

## 5 Description of Biomass Producer, Supply Base and Forest Management

### 5.1 Description of Biomass Producer

BP is a pellet producer located in Irkutsk, Irkutsk region. BP may produce about 30 000 tones of wood pellets annually. Incoming feedstock is sawdust and wood chips supplied exclusively from its own sawmilling located at the same production site. Final product is transported in big bags by railway to S.Petersburg harbor. Round wood with FSC 100% claim is delivered from FSC certified forest management units in Irkutsk region, its share is about 53% in total supplies. The rest 47 % of supplies are non-certified and included into BP's own program of field verification of controlled material sources under FSC certification. There are no non-controlled inputs of the feedstock.

The BP has implemented FSC credit system and produced biomass can be sold with FSC Mix Credit claim (SBP-compliant biomass) or FSC Controlled Wood claim (SBP-controlled biomass). In the reporting period, only FSC Mix Credit claim (SBP-compliant biomass) was used by the BP.

### 5.2 Description of Biomass Producer's Supply Base

The total area of forest land in Russia is 764 million hectares, accounting for about 21% of the world reserves of standing timber. Area under main forest species remain fairly stable over the past decades. Coniferous makes up 68.4%, hard-wooded broadleaved species – 2.4%, soft-wooded broadleaved species –19.3%. Other tree species make up less than 1% of forests.

Geographically, supply base of Lesresurs LLC is located in Irkutsk region of Siberian Federal District (SFD), Russian Federation. Irkutsk region ranks third amongst Russian regions and first in Siberian Federal District by forest resources. It also occupies the second place by annual distribution of timber stand to leaseholders in SFD.

Forest resources of Irkutsk region include:

- forest lands – 68.5 million hectares, incl. wooded lands - 62.9 million hectares,
- total timber stand - 9 billion m<sup>3</sup>, incl. 7.7 billion m<sup>3</sup> of coniferous.

BP is a lessee of following forest areas in Irkutsk region:

1. Kirenk district, Kirensk lesnichestvo, Karelinskoe forest unit, Nebelskaya dacha, Kirenskoe forest unit, Kirenskaya dacha – 101,436 ha.
2. Kazachinsko-Lensk district, Kazachinsko-Lensk lesnichestvo, Magistralnoe forest unit, Martynovskaya dacha – 39,203 ha.
3. Kirenk district, Kirensk lesnichestvo, Karelinskoe forest unit, Nebelskaya dacha – 20,494 ha.

FMU 1 – Lease forest area is characterized by high percentage of forest land (98.1%) and wooded land (92.2%). Coniferous stands account for 94% of wooded land with pine (*Pinus sylvestris*) accounting for 63% of total wooded land and spruce (*Picea obovata*), fir tree (*Abies sibirica*), larch (*Larix sibirica*) and Siberian stone pine (*Pinus sibirica*) – 8%, 1%, 15% and 8% correspondingly. Average age of coniferous forest stands is 148 years, soft broadleaved – 61 year.

FMU 2 – The forest area is predominated by wooded lands (93.7%) covered mostly by forests of natural origin. In general, coniferous stands predominate (91%) with pine (*Pinus sylvestris*) accounting for 67% of total coniferous area and Siberian stone pine (*Pinus sibirica*), larch (*Larix sibirica*), spruce (*Picea obovata*) and fir tree (*Abies sibirica*) – 13%, 10%, 9% and 1% correspondingly. Mature and over-mature stands prevail. Average age of coniferous forest stands is 122 years, soft broadleaved – 60 years.

FMU 3 – The forest area is predominated by softwood - 98% of wooded land, from which pine (*Pinus sylvestris*) – 54%, larch (*Larix sibirica*) -21%, Siberian stone pine (*Pinus sibirica*) – 14%, fir tree (*Abies sibirica*) – 3%. Average age of coniferous forest stands is 159 years, soft broadleaved – 75 year.

Lease forest areas of total 161,133 ha are FSC certified.

Company has valid certificates:

- FC-FM/COC-643064 (Licence code FSC-C109107)
- FC-COC-643053 / FC-CW-643053 (licence code FSC-C104427).

There are no CITES species in the lease forest areas. Also there are no species used by BP and listed by IUCN (International Union for Conservation of Nature and Natural Resources)

Round wood used in production:

- Pine (*Pinus sylvestris*)
- Siberian larch (*Larix sibirica*).

Lease area is dominated by boreal forest, classified as commercial. There are no virgin forests and indigenous peoples on the lease area.

The areas climate is sharply continental, and the territory equated with the far North.

On the lease area is being conducted clear cutting, reforestation work and forest protection measures.

Socio-economic environment of districts where lease forest areas are located.

Kazachinsko-Lensk district

Kazachinsko-Lensk district belongs to a group of Prilensk districts equated to the Far North districts. It borders Buryat Republik on the east, Kirensk district (Irkutsk region) on the north, Ust-Kut and Zhigalov districts (Irkutsk region) on the west and Kachug district of Irkutsk region on the south. This relatively small for periphery district occupies 4.3% of the region's territory (embracing the area of 33.3 thousand km<sup>2</sup>). The district has relatively young population of 18 thousand: working-age population makes up 65.5% of the total population and under-age population makes up 26.6%.

Kirensk district

Kirensk district is one of the northern districts of Irkutsk region equated to the Far North areas with the limited period of load deliveries. The district located in the northeastern part of Irkutsk region and borders Mamsko-Chuisk district (Irkutsk region) on the east, Katang district (Irkutsk region) on the northwest, Republic Sakha (Yakutia) on the north, Ust-Kut district (Irkutsk region) on the west and Kazachinsko-Lensk district (Irkutsk district) and Buryat Republic on the south. In 2013 the district had population of 19.3 thousand of which working-age population accounted for 72% and under-age population made up 6.8%.

Lesresurs LLC purchases additional timber harvested in Nizhneilimsk, Ust-Kut, Bratsk and Ust-Ilim districts of Irkutsk Region and also in Krasnoyarsk Region.

*Proportion of SBP feedstock product groups in 2016*

For the 12 months of 2016 Lesresurs LLC purchases additional timber harvested in Nizhneilimsk, Ust-Kut, Bratsk and Ust-Ilim districts of Irkutsk Region and Tungusko-Chunsky forest district of Krasnoyarsk Region. This wood is included into the program of controlled material suppliers within CoC FSC certification of Lesresurs LLC.

m3

Primary feedstock	FSC	
	FSC Certified	Controlled material
from certification base	206,866.12 m3	-
from non-certified base	-	182,839.23 m3
Sub-total	206,866.12 m3	182,839.23 m3
Total	389,705.35 m3	

All primary feedstock is transported to the plant for the production of sawnwood. Pellets from primary feedstock are not produced. They are produced from residues of wood processing (secondary feedstock).

As the company use credit control system chain of custody FSC, the ratio of SBP-compliant feedstock and SBP-controlled feedstock is maintained in the same proportion.

The ratio of raw materials: FSC certified raw material is 53% and the controlled raw material is 47%.

Detailed information about the supply base (general description of the forest resources and forest management practices within the Supply Base) is publically available at the BP's homepage:

[http://www.lesresurs.com/docs/doc\\_11\\_en.pdf](http://www.lesresurs.com/docs/doc_11_en.pdf)

[http://www.lesresurs.com/docs/doc\\_11.pdf](http://www.lesresurs.com/docs/doc_11.pdf)

### 5.3 Detailed description of Supply Base

Total Supply Base area (ha):	1,357,657 ha
Tenure by type (ha):	100%, state
Forest by type (ha):	1,357,657 ha, boreal
Forest by management type (ha):	1,356,871 ha, natural, managed according to lease Agreements. 786 ha of natural forest on the basis of State orders of the Ministry of forest complex of the Irkutsk 100% Natural
Certified forest by scheme (ha):	1,003,383 ha, FSC certified

## 5.4 Chain of Custody system

The BP is holding valid FSC Chain of Custody and FSC Controlled wood certificate  
<http://info.fsc.org/details.php?id=a0240000006uXxGAAU&type=certificate&return=certificate.php>.

BP is implementing FSC credit system. FSC Credit system is used for materials received as FSC certified, FSC Controlled wood and feedstock verified according to the BP's own Controlled wood verification system. The Controlled wood system is covering the whole Russia (according to Russian National Risk Assessment) however in fact the controlled material is coming occasionally from neighbouring suppliers located in Irkutsk and Krasnoyarsk region. Relevant supplier list is maintained.

After the reception, incoming primary feedstock (saw logs) is registered in BP's database and processed at sawmilling facilities. Relevant credit accounts are maintained for all FSC product groups (sawn material, wood chips, sawdust, pellets). Conversion factors are established and regularly revised based on actual production data. Pellets are produced of the secondary feedstock (sawdust and wood chips).

In case of the FSC and/ or SBP sales the volume of sold pellets is withdrawn from the credit account

## 6 Evaluation process

### 6.1 Timing of evaluation activities

Onsite annual audit was conducted on February 01-02, 2017 (16h). Assessment activities included documents review at office, inspection of production facilities and staff interviews.

Activity	Location	Date/time
Opening meeting*	Office	01/02/2017 09.00-09.30
Documents and procedures review. Inputs review	Office	01/02/2017 09:30-12.15
Break		01/02/2017 12:15-13:00
GHG calculation review	Office	01/02/2017 13:00-17:00
Presentation of the results of the first day of assessment	Office	01/02/2017 17:00-17:30
Opening meeting	Office	02/02/2017 08:00-08:15
Chain of custody review (site tour); interview with the chief of pellet production	Production facilities	02/02/2017 8:15 – 10:00
Interview with chief accountant	Accounting department	02/02/2017 10:00-10:30
Documents and procedures review; staff interview.	Office	02/02/2017 10:30 – 16:00

Closing meeting*	Office	02/02/2017 16:00 – 17:00
End of the evaluation		02/02/2017 17:00

## 6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Nikolai Tochilov	NEPCon SBP lead auditor. He passed SBP auditor training in Tallinn in January 2015; previous experience with more than 15 SBP assessments in Russia. Role at the audit: lead auditor
Natalia Zaladinova	NEPCon FSC CoC lead auditor. She passed SBP lead auditor training course in December 2016 in Amsterdam and participated in a number of SBP assessments in Russia in training purposes. Role at the audit: auditor in training.

The annual audit 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.

Description of the annual audit evaluation:

All SBP related documentation connected to the SBP as well as FSC CoC system of the organisation, including SBP Procedure, GHG data calculations/ data sheet, Supply Base Report and FSC system description was provided by the company in the beginning of the audit. Audit started with an opening meeting attended by the SBP responsible person and the management of the organization.

Auditor 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.

After that auditor went through all applicable requirements of the SBP standards nr.2, 4, 5 and instruction document 5a covering input clarification, existing chain of custody system, management system, CoC, recordkeeping/mass balance requirements, 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.

## 6.3 Process for consultation with stakeholders

No stakeholder consultations conducted prior and during annual audit.



## 7 Results

### 7.1 Main strengths and weaknesses

Strength: Use of the FSC credit system. All secondary feedstock in the reporting period was FSC certified (FSC Mix Credit or controlled material from BP's own program of controlled material suppliers verification according to FSC-STD-40-005 (2-1), Annex 3) implemented at the level of sawmill supplying all feedstock to the pellet plant.

Weaknesses: See NCRs raised during this audit.

### 7.2 Rigour of Supply Base Evaluation

Not applicable.

### 7.3 Compilation of data on Greenhouse Gas emissions

During the annual audit the BP has already implemented all the requirements for collection of energy data.

### 7.4 Competency of involved personnel

The SBP responsible staff has shown good understanding of the requirements in relation to SBP certification and FSC CoC system.

### 7.5 Stakeholder feedback

No stakeholder comments are received.

### 7.6 Preconditions

None.

## 8 Review of Biomass Producer's Risk Assessments

Not applicable.

## 9 Review of Biomass Producer's mitigation measures

Not applicable.

## 10 Non-conformities and observations

NCRs issued during the assessment 2016 / Оценка устранения несоответствий, выявленных в ходе основной оценки 2016

<b>NCR: 01/16</b>	<b>NC Classification: minor</b>	
<b>Standard &amp; Requirement:</b>	SBP Standard # 2, requirement 7.3, requirement 2C 4.1	
<b>Description of Non-conformance and Related Evidence:</b>		
<p>BP used the previous version of Supply Base Report template when preparing to SBP assessment. During assessment report preparation, new version of Supply Base Report (version 1.1) have been developed by SBP.</p> <p>Организация использовала предыдущую форму отчета о ресурсной базе при подготовке к оценке SBP. Во время подготовки отчета об оценке SBP была разработана новая версия (1.1) отчета о ресурсной базе.</p>		
<b>Corrective action request:</b>	<p>Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.</p> <p>Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p>	
<b>Timeline for Conformance:</b>	By the next surveillance audit	
<b>Evidence Provided by Organisation:</b>	Supply Base Report dated 11.01.2017	
<b>Findings for Evaluation of Evidence:</b>	BP submitted updated version of SBR which has been prepared using the latest version of the SBR template (version 1.2).	
<b>NCR Status:</b>	<b>CLOSED</b>	
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>NCR: 02/16</b>	<b>NC Classification: minor</b>	
<b>Standard &amp; Requirement:</b>	SBP Standard # 2, requirement 2C, 4.1	
<b>Description of Non-conformance and Related Evidence:</b>		
<p>Close of last CB audit (Section 1, Overview) is not specified in Supply Base Report.</p> <p>В разделе 1 (Обзор) Отчета о ресурсной базе не указана дата закрытия последнего аудита, проведенного органом сертификации.</p>		
<b>Corrective action request:</b>	<p>Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.</p> <p>Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p>	
<b>Timeline for Conformance:</b>	By the next surveillance audit	
<b>Evidence Provided by Organisation:</b>	Supply Base Report dated 11.01.2017	
<b>Findings for Evaluation of Evidence:</b>	SBR has been prepared using the latest available version of the template. All information in Supply Base Report is updated and is correct.	
<b>NCR Status:</b>	<b>CLOSED</b>	

Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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<b>NCR: 03/16</b>	<b>NC Classification: minor</b>
<b>Standard &amp; Requirement:</b>	SBP Instruction 5A, requirement 7.1
<b>Description of Non-conformance and Related Evidence:</b>	
<p>BP determined one product group - Other Feedstock (Group 7, includes all feedstock not included in 1-6 above.). However according to SBP classification, the feedstock with FSC claims (100% or Mix Credit) falls to Group 6 – SBP-compliant secondary feedstock (excluding anything in Product Groups 4 and 5). And the feedstock with FSC Controlled Wood claim falls to Group 4 – Secondary Feedstock supplier under a claim under an SBP approved controlled feedstock claim (specifically FSC).</p> <p>Организация определила одну группу продукции - Other Feedstock (Группа 7). Однако, согласно классификации SBP, материал с заявлениями FSC (100% или Mix Credit) относится к Группе 6 – SBP-compliant secondary feedstock. Материал с заявлением FSC Controlled Wood относится к Группе 4 – Secondary Feedstock supplier under a claim under an SBP approved controlled feedstock claim (specifically FSC).</p>	
<b>Corrective action request:</b>	<p>Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.</p> <p>Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p>
<b>Timeline for Conformance:</b>	By the next surveillance audit
<b>Evidence Provided by Organisation:</b>	Profiling Information Batch Specific Data Energy Use Data
<b>Findings for Evaluation of Evidence:</b>	BP determined two product group - Group 4. Secondary Feedstock supplier under a claim under an SBP approved controlled feedstock claim (specifically FSC) and Group 6. SBP-compliant secondary feedstock (excluding anything in Product Groups 4 and 5).
<b>NCR Status:</b>	<b>CLOSED</b>
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

<b>NCR: 04/16</b>	<b>NC Classification: minor</b>
<b>Standard &amp; Requirement:</b>	SBP Standard #4 requirement 6.2.1
<b>Description of Non-conformance and Related Evidence:</b>	
<p>It is not specified in SBP procedure that energy and carbon data are collected using the latest version of SBP Standard 5</p> <p>В процедуре SBP не указано, что информация о затратах энергии должна собираться с использованием самой последней версии стандарта SBP № 5.</p>	
<b>Corrective action request:</b>	<p>Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.</p> <p>Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.</p>
<b>Timeline for Conformance:</b>	By the next surveillance audit

<b>Evidence Provided by Organisation:</b>	SBP Procedure	
<b>Findings for Evaluation of Evidence:</b>	Section 3.6 of SBP procedure states that energy and carbon data shall always be collected using the latest version of SBP Standard 5. BP is aware that they have to switch to new Instructions 5A, 5B and 5C accompanying the SBP standard #5 after April 1, 2017. See also Observation 02/17 below in this relation.	
<b>NCR Status:</b>	<b>CLOSED</b>	
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

New NCRs / Вновь выставленные отчеты об устранении несоответствия

<b>NCR: 01/17</b>	<b>NC Classification: minor / незначительное</b>	
<b>Standard &amp; Requirement:</b>	SBP Standard # 2 requirement 5.2.3	
<b>Description of Non-conformance and Related Evidence:</b>		
Verification of the results of controlled material suppliers verification showed that the documents do not contain evidence of consultations conducted with the local communities conducted within the Controlled wood verification program.		
Анализ актов проверки контролируемых поставщиков показал, что в данных актах нет свидетельств того, что были проведены консультации с местным населением		
<b>Corrective action request:</b>	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.	
<b>Timeline for Conformance:</b>	By the next audit, but not later than 12 months after report finalization date (xx/xx/2018) / До следующего ежегодного аудита, но не позднее 12 месяцев с даты утверждения отчета (xx.xx.2018)	
<b>Evidence Provided by Organisation:</b>	PENDING	
<b>Findings for Evaluation of Evidence:</b>	PENDING	
<b>NCR Status:</b>	<b>OPEN</b>	
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

<b>NCR: 02/17</b>	<b>NC Classification: minor / незначительное</b>	
<b>Standard &amp; Requirement:</b>	SBP Standard # 4 requirement 5.3.3.	
<b>Description of Non-conformance and Related Evidence:</b>		
During the reporting period the BP specified the SBP -claim incorrectly: SPB compliant biomass instead of SPB-compliant biomass.		

В отчетный период организация указывала неверно SBP заявление: SPB compliant biomass вместо SPB-compliant biomass.	
<b>Corrective action request:</b>	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above. Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.
<b>Timeline for Conformance:</b>	By the next audit, but not later than 12 months after report finalization date / До следующего ежегодного аудита, но не позднее 12 месяцев с даты утверждения отчета
<b>Evidence Provided by Organisation:</b>	Invoice #38 dated 01.02.2017
<b>Findings for Evaluation of Evidence:</b>	At the time of the audit the BP made changes to the accounting program indicating the correct SBP -claim. And mention that claim is selected from accounting system when the sales documents are issued. During the time of the report preparation, the BP provided the example of invoice where all the information was correct ( Invoice #38 dated 01.02.2017).  В момент проведения аудита организация внесла изменения в бухгалтерскую программу, указав верное SBP заявление. Заявление выбирается автоматически из бухгалтерской программы при формировании документов на продажу пеллет В период написания отчета Организация предоставила инвойс, где вся информация верна (инвойс #38 от 01.02.2017 г).
<b>NCR Status:</b>	<b>CLOSED</b>
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

<b>NCR: 03/17</b>	<b>NC Classification: Minor / Незначительное</b>
<b>Standard &amp; Requirement:</b>	SBP Standard 4, requirement 4B, 1.7
<b>Report Section:</b>	Appendix B p.9.6.
<b>Description of Non-conformance and Related Evidence:</b>	
<p>Organisation is aware that it must follow all applicable requirements of SBP Standard 4, Instruction note 4B in relation to SBP trademark off-product use. It was identified that BP had published information about its SBP certification status in its homepage: <a href="http://www.lesresurs.com/en/">http://www.lesresurs.com/en/</a> and published copy of its SBP certificate. SBP secretariat is not informed about this publication.</p> <p>Организации известно, что ей необходимо следовать требованиям Стандарта SBP #4 и Инструкции SBP #4B в части использования товарного знака SBP вне продукции (в целях продвижения). В ходе аудита выяснилось, что Организации опубликовала информацию о своем SBP сертифицированном статусе на домашней странице в Интернете : <a href="http://www.lesresurs.com/en/">http://www.lesresurs.com/en/</a> а также разместила там же копию своего сертификата SBP. Секретариат SBP не был проинформирован Организацией об этой публикации.</p>	
<b>Corrective action request:</b>	Organisation shall implement corrective actions to demonstrate conformance with the requirement(s) referenced above.

	Note: Effective corrective actions focus on addressing the specific occurrence described in evidence above, as well as the root cause to eliminate and prevent recurrence of the non-conformance.	
<b>Timeline for Conformance:</b>	By the next audit, but not later than 12 months after report finalization date / До следующего ежегодного аудита, но не позднее 12 месяцев с даты утверждения отчета	
<b>Evidence Provided by Organisation:</b>	PENDING	
<b>Findings for Evaluation of Evidence:</b>	PENDING	
<b>NCR Status:</b>	<b>OPEN</b>	
<b>Comments (optional):</b>		
Is the non-conformity likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?		Yes <input type="checkbox"/>
		No <input checked="" type="checkbox"/>

<b>OBS: 01/17</b>	<b>Standard &amp; Requirement:</b>	SBP Standard # 2 requirement 19.3
	<b>Report Section</b>	Appendix 2
<b>Description of findings leading to observation:</b>	<p>Initial Supply Base Report was reviewed by independent and competent peer reviewers (Kirov centre of forest certification, the head of the WWF Russia Forest Program). New version of SBR was not sent to independent and competent peer reviewer.</p> <p>Первоначальная версия отчета о ресурсной базе была передана для независимого рецензирования экспертам (Кировский центр лесной сертификации, директор Лесной программы WWF Россия). Новая версия отчета о ресурсной базе на независимое и компетентное рецензирование не передавалась.</p>	
<b>Observation:</b>	<p>BP is recommended to submit updated SBR to independent and competent peer reviewer.</p> <p>Организации рекомендуется передавать отчет о ресурсной базе, в случае его обновления, на независимое рецензирование компетентному эксперту.</p>	

<b>OBS: 02/17</b>	<b>Standard &amp; Requirement:</b>	
	<b>Report Section</b>	
<b>Description of findings leading to observation:</b>	<p>In reporting period BP collected information about energy and carbon using of Instruction document 5A Collection and Communication of Data version 1.0. March 2015.</p> <p>В отчетном периоде организация собирала информацию о затратах энергии с использованием инструкции Instruction document 5A Collection and Communication of Data version 1.0. March 2015</p>	



**Observation:**

The new version of instructions 5A, 5B and 5C will come into force since April 1, 2017 for SBP certificate holders. BP is recommended to collect the information according to the new instructions by the next annual audit.

С 1 апреля 2017 года для держателей сертификатов SBP вступает в силу новая версия V 1.1. инструкций 5А, 5В и 5С. Организации рекомендуется собрать к следующему ежегодному аудиту информацию согласно новым инструкциям.

# 11 Certification decision

<b>Based on Organisation's conformance with SBP requirements, the auditor makes the following recommendation:</b>	
<input checked="" type="checkbox"/>	Certification approved: Upon acceptance of NCR(s) issued above
<input type="checkbox"/>	Certification not approved:
<b>Based on auditor's recommendation and NEPCon quality review following certification decision is taken:</b>	
<b>NEPCon certification decision:</b> <b>Certification is maintained upon acceptance of minor NCRs raised in this report.</b>	
<b>Certification decision by: Olesja Puiso</b>	
Date of decision: <b>02.05.2017</b>	

## 12 Surveillance updates

### 12.1 Evaluation details

Please see in a section: p.6.2. Description of evaluation activities.

### 12.2 Significant changes

None.

### 12.3 Follow-up on outstanding non-conformities

Please see information in Section 10. Non-conformities and observations of the report.

### 12.4 New non-conformities

See information about the new NCR identified during the surveillance audit in section 10 of the report.

### 12.5 Stakeholder feedback

No comments or complaint from the stakeholders had been received.

### 12.6 Conditions for continuing certification

No preconditions are identified. List of open NCR is available in section 10 of the report.

### 12.7 Certification recommendation

Lead auditor recommends maintaining the certification active.

## 13 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Nadezhda Ovchinnikova, certification responsible
Auditor(s):	Nikolai Tochilov, Natalia Zaladinova
People Interviewed, Titles:	Nadezhda Ovchinnikova, certification responsible Mikhail Zezyulin, chief power engineer Valentina Yuferova, dispatcher Maxim Muravsky, safety engineer Alexander Zamaratsky, chief operator Andrey Bergodsky, operator Natalia Vorobieva, dispatcher Sergey Mazanko, economist Andrey Kuzminskiy, chief of pellet production Natalia Kuzminskaya, accountant Nadezhda Vysotina, accountant Anna Romanovich, accountant, Angelina Vorobieva, chief of sales department Alena Shtanko, specifier Vladimir Laman, head of resource protection department
Brief Overview of Audit Process for this Location:	See section 6.2
Comments:	No comments