

SBP

Sustainable Biomass Partnership

NEPCon Evaluation of Postavsky Furniture Center, PMUE Compliance with the SBP Framework: Public Summary Report

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*

Document history

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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:	05 May 2016
Report authors:	Aliaksandr Zubkevich
Certificate Holder:	Private Production Unitary Enterprise "Postavsky Mebelny Center", 28, Ozernaya str, Postavy, Vitebsk Region, 211871, The Republic of Belarus
Producer contact for SBP:	Ginko Eugene Iosiphovich, Design Engineer, +375 (0) 2155 46114/ Pmc_konstr@tut.by
Certified Supply Base:	sourcing from Republic of Belarus
SBP Certificate Code:	SBP-01-21
Date of certificate issue:	24/Jun/2016
Date of certificate expiry:	23/Jun/2016

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
X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2 Scope of the evaluation and SBP certificate

The certificate scope covers the pellet production site in city Postavy, Belarus.

The Organisation holds valid FSC Chain of Custody certificate with FSC credit system in the scope. The FSC certificate contains the sawmill, door production and pellet production.

The Organisation is sourcing logs for their own production. BP is using secondary and tertiary production residues, which have not been use in their own sawmill. Also secondary feedstock is sourced from external suppliers.

Secondary and tertiary feedstock: sawdust and wood chips are used for the pellet production. Slab wood, woodchips are used for biomass drying.

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

Supply Base Evaluation is not included into the scope of the 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)
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 type="checkbox"/>
	<input checked="" type="checkbox"/> SBP-Compliant Secondary Feedstock	
	<input type="checkbox"/> SBP non-Compliant Feedstock	
	<input checked="" type="checkbox"/> Controlled Feedstock	
<input checked="" type="checkbox"/> SBP-Compliant Tertiary biomass	<input checked="" type="checkbox"/> Pre-consumer Tertiary Feedstock	<input type="checkbox"/>
	<input type="checkbox"/> Post-consumer Tertiary Feedstock	
	<input type="checkbox"/> SBP-approved Recycled Claim	
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 type="checkbox"/> Transfer <input type="checkbox"/> Percentage <input checked="" type="checkbox"/> Credit	<input type="checkbox"/>
Use of SBP claim:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/>

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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; and
- 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 was utilised for the evaluation as well.

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

4.2 SBP-endorsed Regional Risk Assessment

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

5 Description of Biomass Producer, Supply Base and Forest Management

5.1 Description of Biomass Producer

The organization is a biomass producer with a production situated in city Postavy, Belarus

BP is sourcing secondary and tertiary feedstock, coming from its own primary production, as well as secondary feedstock from other sawmills.

Logs for the primary production (sawmill) are purchased from state sales agent or local forestry management units. In both cases logs are delivered directly from the forest with harvesting permit. Logs are originating from Belarus.

All incoming feedstock is FSC certified or controlled (controlled wood by own FSC controlled wood system). Origin information at FMU level (forestry) is available on the delivery documents.

The BP is implementing FSC credit system. Biomass is transported by railway transport and are sold at Belarusian – Latvian border, Bigosovo railway station and Belarusian-Lithuanian border, Gudogai railway station.

5.2 Description of Biomass Producer's Supply Base

The supply base of the organization is Belarus. Almost all the material, which is used in the biomass production is coming from the sawmill, which is a part of the same organization. This sawmill sources from Belarus only.

In Belarus, forest land covers 9.5 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 39.3% . 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., 11 million cubic metres (<http://www.mlh>. by 2015.)

Forest area of Belarus consists: forests- 7,89 million ha, Other wooded land 0.91 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.

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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 5,0 million. ha (61 forestry's)

5.3 Detailed description of Supply Base

Total Supply Base area (ha): 9.5 million ha

Tenure by type (ha): 9,5 million ha state ownership, 0 million ha private forests and 0 million ha other ownership types.

Forest by type (ha): 9.5 million ha temperate forests

Forest by management type (ha): 9.5 million ha managed semi-natural

Certified forest by scheme (ha): FSC - total certified area 6.8 million ha

PEFC – total certified area 8,1 million ha

Quantitative description of the Supply Base can be found in the Supply Base Report of the Biomass Producer (http://www.pmc.by/?text_section_id=6).

5.4 Chain of Custody system

The Organisation holds valid FSC Chain of Custody certificate (TT-COC-005327). Critical control points of the FSC CoC system were evaluated also during SBP assessment.

The Organisation has implemented FSC credit system. All the input materials are received with FSC certified claim. The organization does not use any imported material. Incoming wood reception register and supplier list are maintained. All material is checked during the arrival and correctly recorded in the internal system. If needed physical separation may be implemented. The company use one credit account for SBP and FSC. If they sell FSC material this amount of material automatically deduct as SBP credit as well.

6 Evaluation process

6.1 Timing of evaluation activities

Onsite assessment of biomass producer office, wagon loading facilities and production site was conducted 31 of March -- 1 of April 2016. Review of the additional documentation provided by the company at May 4, 2016.

Totally 4.0 days was spent for this evaluation: 2,0 days onsite + 01.50-day documented evidence review prior to assessment and after the main assessment 0,5 day documented evidence review provided after the assessment.

6.2 Description of evaluation activities

The assessment 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 the collection of the energy and emission data.

Description of the assessment evaluation:

All SBP related documentation connected to the SBP as well as FSC system of the organisation, including SBP Procedures, GHG related data, Supply Base Reports, were evaluated during the assessment. The latest FSC system description (report from annual FSC COC audit 2015) was reviewed by the auditor prior to the verification.

Auditor was welcomed in the company. Audit started with an opening meeting attended by the deputy director.

Auditor introduced himself, provided information about audit plan, methodology, auditor qualification, confidentiality issues, and assessment methodology and clarified verification 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 documents 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 feedstock/ biomass. During the process overall responsible person for SBP system and as well as other persons having key responsibilities within the system were interviewed.

After that, roundtrip around BP's pellet production was undertaken. During the site tour reception 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 findings were summarised and audit conclusion based on use of 3 angle evaluation method were provided to the representative of the company.

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Audit team composition:

Auditor(s), roles	Qualifications
Aliaksandr Zubkevich Lead auditor Evaluation against all applicable requirements	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-assessments and assessments in Belarus.

6.3 Process for consultation with stakeholders

The stakeholder consultation was carried out on 17th of December, 2015 by sending direct email to different stakeholder categories: state institutions, local NGOs, authorities, government bodies, forest owners associations, academic and research institutions. No comments from the stakeholders were received. The stakeholder notification letter is added as an Exhibit No. 2 to this report.

7 Results

7.1 Main strengths and weaknesses

Strength: Use of the own production residuals, logs used in the primary production of the factory are delivered directly from the forest. All elements of SBP system are implemented at the time of the assessment. Use of the FSC credit system and control of all incoming materials at the level of log reception.

Weaknesses: See the non-conformities below.

7.2 Rigour of Supply Base Evaluation

Not applicable.

7.3 Compilation of data on Greenhouse Gas emissions

Prior the assessment the organization has not recorded data on greenhouse gas emissions and has only started for purposes of the SBP certification. Some data required for the GHG calculation were not supported by weak evidence as the organization did not collect all information on regular basis before the decision to go for SBP certification was taken. However, there are all required data and the newly established system is well implemented and the responsible workers are aware about their requirements.

7.4 Competency of involved personnel

Not applicable as soon as Supply Base Evaluation is not in the scope of the evaluation.

During the assessment it was identified that number of staff members are involved into the SBP system management and implementation, including Sales Engineer, Shift managers, Marketing manager and head Accountant, Raw material procurement manager, Director, Accountant, Assistant of the head accountant, Office manager, Mechanic, chipper and pellet production operators. Interviewed staff demonstrated awareness of their responsibilities within SBP 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 main assessment.

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8 Review of Biomass Producer's Risk Assessments

Not applicable.

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9 Review of Biomass Producer's mitigation measures

Not applicable.

10 Non-conformities and observations

NCR: 01/16	NC Classification: Minor	
Standard & Requirement:	SBP Standard 2, Annex 2C requirement 2. The SBR shall be made available in English, and at least one official language of the country in which the BP is located.	
Report Section:	Appendix A p.2.6.	
Description of Non-conformance and Related Evidence:		
During the assessment BP demonstrated SBR in English as well as draft version of the SBR in Russian. The Russian translation was not finalized.		
Corrective action request:	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.	
Timeline for Conformance:	12 months from the audit closing date	
Evidence Provided by Organisation:	Final version of SBR in Russian – see in Exh.2.	
Findings for Evaluation of Evidence:	After the assessment BP provided CB with an updated version of the SBR in Russian	
NCR Status:	CLOSED	
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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NCR: 02/16	NC Classification: Minor
Standard & Requirement:	SBP Standard # 2 requirement 2c, p.4.1. The report shall be concise, covering the most important features, and shall be completed using the latest versions of the SBR Template for Biomass Producers downloaded from the SBP website. (2C, 4.1)
Report Section:	Appendix A p 2.8
Description of Non-conformance and Related Evidence:	
<p>The Supply Base Report meets the requirements of SBP: covering figures designated in SBR report template is completed by using the latest version of the SBR Template for Biomass producers. The following inaccuracies were identified into the report:</p> <ul style="list-style-type: none"> - According to section 2.1. and 2.5. (g) primary feedstock is used, but in other SBP documents, including GHG calculation, profiling data and batch specific data stated that only secondary and tertiary feedstock use - indication of the number of suppliers for each SBP feedstock product group are missing in SBR section 2.1. General Description. The information is considered to be confidential and is partly available in other sections of the SBR as well as other SBP related reports submitted directly to the customers. - Indication that forest type is boreal while all forest in Belarus are temperate - In section 2.5 (l, m) volume is shown in a banding between 0 to 200,000 tonnes instead of as a % of the figure in (f) - Section 3. Requirements for Supply Base Evaluation contains information that SBE is not sufficient as soon as not all the feedstock is covering directly from FSC certified forests with FSC claim and company is not considering PEFC material as buying SBP-compliant. 	
Corrective action request:	<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>
Timeline for Conformance:	12 months from the audit closing date
Evidence Provided by Organisation:	PENDING
Findings for Evaluation of Evidence:	PENDING

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NCR Status:	OPEN	
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"/>

NCR: 03/16	NC Classification: Minor	
Standard & Requirement:	<p>SBP Standard/ Interpretation 5a (ver. 1.0), requirement 4.4.1-3 The legal owner shall provide the data necessary to calculate the average moisture content of the processed feedstock leaving the plant.</p> <p>Ideally the legal owner should introduce a continuous measurement of the moisture content of the processed feedstock in order to produce an annual average.</p> <p>The legal owner shall justify any lower frequency of moisture measurements to the auditor</p>	
Report Section:	Appendix C p.5.4.1	
Description of Non-conformance and Related Evidence:		
<p>The BP producer use external laboratory to do different measurements of biomass including moisture ones per year. The BP have started own measurement of moisture just during assessment. The measurement is done once per day; records are kept on paper. Therefore, average data provided for the period less than 12 months.</p>		
Corrective action request:	<p>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.</p>	
Timeline for Conformance:	12 months from the audit closing date	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN	
Comments (optional):		
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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NCR: 04/16	NC Classification: Minor	
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 6.3 It may be feasible for the legal owner to collect data using actual fuel records (e.g. tank level and uplifts) along the relevant travel route with the mode of transport actually used. Where applicable, diesel use is reported in MJ/t biomass. (5a, 5.1.2)	
Report Section:	Appendix C p.6.3	
Description of Non-conformance and Related Evidence:		
The data about the fuel consumption for transportation by railway is provided by the haulers by phone. No written evidence, besides the act prepared by the BP was demonstrated to prove fuel consumption for railway transportation.		
Corrective action request:	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.	
Timeline for Conformance:	12 months from the audit closing date	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN	
Comments (optional):		
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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NCR: 05/16	NC Classification: Minor	
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 9.4 It shall be linked to the batch using the unique batch code (5a, 8.4)	
Report Section:	Appendix C p.8.4	
Description of Non-conformance and Related Evidence:		
<p>The responsible person is aware about requirement of use unique batch code. During the first certification period it is planned that BP will use just one batch code as the organization does not foresee any changing in sourcing and all the input material shares the same sustainability characteristics. (one sales point) . The organization has used the same code for batch code and GHG and profiling information code which might lead to confusion in case the GHG and profiling information code changes over the time furthermore. However, SBP procedure does not contain the indication that the mentioned code covers both this information.</p>		
Corrective action request:	<p>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.</p>	
Timeline for Conformance:	12 months from the audit closing date	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN	
Comments (optional):		
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"/>

11 Certification decision

Based on Organisation's conformance with SBP requirements, the auditor makes the following recommendation:	
<input checked="" type="checkbox"/>	Certification approved: Upon acceptance of NCR(s) issued above
<input type="checkbox"/>	Certification not approved:
Based on auditor's recommendation and NEPCon quality review following certification decision is taken:	
NEPCon certification decision: The Biomass producer has been certified by NEPCon as meeting the requirements of the specified SBP Standard, the certificate can be issued immediately after SBP technical committee will approve the report. The expiration of the certificate will be then 5 years.	
Certification decision by: Asko Lust	
Date of decision: 30th May 2016	

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12 Surveillance updates

Not applicable.

13 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Ginko Eugene, Design Engineer
Auditor(s):	Aliaksandr Zubkevich - Lead auditor
People Interviewed, Titles:	Ginko Eugene, Design Engineer Tillyaev Artur, foreman Zarembo Valeri, foreman Eremova Elena, bookkeeper Golozubets Natalia, bookkeeper Vasilchenko Aleksandra, bookkeeper Svartsevich Oksana, marketer
Brief Overview of Audit Process for this Location:	See in section 6.2, Description of evaluation activities in the main part of the report.
Comments:	N/A