SBP

Sustainable Biomass Partnership

NEPCon Evaluation of Ecolin and K Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

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

Version 1.0: published 26 March 2015

Contents

1 Overview

CB Name and contact:	NEPCon OÜ. Filosoofi 31, 51009 Tartu, Estonia
Primary contact for SBP:	Ondrej Tarabus, SBP Program Manager
Report completion date:	25/May/2017
Report authors:	Aliaksandr Zubkevich
Certificate Holder:	Ecolin and K, LLC, AVM "Ubolotye" building, k1., 223134, v. Ubolotye, Minsk region, Logoisk district, Belarus
Producer contact for SBP:	Titov Andrei, deputy director, 375177471704/ekolinik@tut.by
Certified Supply Base:	sourcing from Republic of Belarus
SBP Certificate Code:	SBP-01-42
Date of certificate issue:	07/Oct/2016
Date of certificate expiry:	07/Oct/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**
☐	☒	☐	☐	☐

2 Scope of the evaluation and SBP certificate

The certificate scope covers the production site in v. Ubolotye, Belarus.

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

The Organisation is sourcing logs for their own sawmill production. BP is using primary production residues, from their own sawmill production and part of their secondary feedstock is sourced from external suppliers. The biomass producer is using also primary feedstock (logs) for their pellet production and these are sourced directly from external suppliers.

Secondary feedstock: sawdust and wood chips is used for the pellet production. Logs, is used for biomass drying.

In reporting period feedstock was:

SBP-compliant Primary Feedstock – 31 % (FSC 100%)

Quantity of Suppliers – 4

SBP-compliant Secondary Feedstock -63,5% (FSC 100%)

Quantity of Suppliers – 2

SBP-non compliant Secondary feedstock – 5,5% (not certified)

Quantity of Suppliers – 1

Species: Species: Picea abies (L.) H. Karst.); Pinus sylvestris (L.);

Feedstock for FSC 100% and SBP- compliant pellets are primary and secondary feedstock from only FSC 100% wood. Non-certified feedstock is segregated and keeps separately. Feedstock used in the biomass production originates only from Belarus.

Supply Base Evaluation is not included into the scope of the evaluation.

Scope description: The certificate scope covers production of wood pellets, for use in energy production, at Ecolin and K and transportation by rail to Belarusian/Latvian border, Bigosovo railway station. The scope of the certificate does not include Supply Base Evaluation.

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	☐
Primary Activity:	Pellet producer	☐

Input Material Categories:	☒SBP-Compliant Primary Feedstock		☒SBP-Compliant Secondary Feedstock		☐
	☐Controlled Feedstock		☐SBP non-Compliant Feedstock		
	☐SBP-Compliant Tertiary biomass	☐Post-consumer Tertiary Feedstock			
	☐SBP-approved Recycled Claim	☐Post-consumer Tertiary Feedstock			
Chain of custody system implemented:	☒FSC	☐PEFC	☐SFI	☐GGL	☐
	☒Transfer	☐Percentage	☐Credit		☐
Points of sales	☐Harbour – Permanent storage (Storage site)	☐Harbour – Temporally storage (Logistic site)	☒Other point of sale (e.g. gate of the BP, boarder, railway station etc.)		☐
Provide name of all points of sales	- - -	- - -	-DAP Bigosovo railway station - -		
Use of SBP claim:	☒Yes	☐No			☐
SBE Verification Program:	☐Low risk sources only	☐Sources with unspecified/ specified risk			☐
	New districts approved for SBP-Compliant inputs:				
Sub-scopes					☐
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 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

BP is a biomass producer with a production situated in v. Ubolotye, Belarus

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

Logs for the primary production (sawmill) are bought 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.

The incoming feedstock is both FSC certified and not certified. The segregation system is in place. Origin information at FMU level (forestry) is available on the delivery documents.

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

5.2 Description of Biomass Producer's Supply Base

The supply base of Ecolin and K is Belarus. Almost all the material, which is used in the biomass production is coming from their own 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.

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)

http://ecolin.by/news/news_post/sbr-supply-base-report-otchet-o-resursnoy-baze-2016

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 natural
Certified forest by scheme (ha):	FSC - total certified area 5.0 million ha
	PEFC – total certified area 7.7 million ha

Quantitative description of the Supply Base can be found in the Supply Base Report of the Biomass Producer.

http://ecolin.by/news/news_post/sbr-supply-base-report-otchet-o-resursnoy-baze-2016

5.4 Chain of Custody system

The Organisation holds valid FSC Chain of Custody certificate. Critical control points of the FSC CoC system were evaluated also during SBP assessment.

The Organisation has implemented FSC transfer system. All the input materials are received are with FSC certified claim and not certified. Incoming wood reception register and supplier list are maintained. All material is checked during the arrival and correctly recorded in the internal system. The physical segregation of non FSC certified feedstock is implemented. To segregate the certified and non-certified feedstock the company paint not certified log butt. Non certified sawmill residues is stored separately. To produce FSC certified pellets BP clean the production and then start use FSC certified material. Pellets stored separately in big bags.

6 Evaluation process

6.1 Timing of evaluation activities

The assessment was carried out on 27th February. Half a day were needed for the onsite audit and half a day for the documentation review in the offices.

Action	Place	Auditor	date/ time
Audit Analyse of the organization SBP system work in revision period; Staff interview; Documents review procedure, instructions, training minutes, group products list and etc. 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) 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 of Ecolin and K company Pellet factory		27.02.2017 8.15-16.30 13-14:00 - lunch
Final meeting			27.02.2017 16:30-17:00

6.2 Description of evaluation activities

The first 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 the collection of the energy and emission data.

Description of the evaluation activities:

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.

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-assessment and assessments in Belarus.

Impartiality commitment: NEPCon commits to using impartial auditors and our clients are encouraged to inform NEPCon management if violations of this are noted. Please see our Impartiality Policy here: http://www.nepcon.org/impartiality-policy

6.3 Process for consultation with stakeholders

No Consultation was conducted for this surveillance audit.

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 transfer 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 held in year 2016 the organization has not recorded data on greenhouse gas emissions and has only started for purposes of the SBP certification. The data at the end of the assessment were complete and accurate, however there are some minor non-conformities to be addressed. For details see below. Additional information was collected by the BP during the time until the first surveillance audit. Quality of GHG data was improved. During the surveillance audit the organization has already implemented all the requirements for collection of energy data.

7.4 Competency of involved personnel

The SBP responsible person in the company is Vice Director. 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 this surveillance audit.

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

NCR: 01/17	NC Classification: minor
Standard & Requirement:	SBP Standard # 5a requirement 8.2 Sales and delivery documentation issued for outputs sold with an SBP- claim shall include the information specified in Standard 4: Chain of Custody and the following information
Description of Non-conformance and Related Evidence:	
The review of sample invoices showed that organization didn't use batch code on invoices.	
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:	By the next annual surveillance audit, but not later than 12 months from report finalisation date
Evidence Provided by Organisation:	invoices
Findings for Evaluation of Evidence:	During audit bookkeeper, has taken appropriate action and corrected template of invoices. Taking in accounts this fact as well as all sells was done via DTS system (where all information was inserted including batch code) auditor open and closed NCR as nonconformity was address during audit
NCR Status:	**Closed**

NCR: 02/17	NC Classification: minor
Standard & Requirement:	SBP Standard # 2C requirement 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
Description of Non-conformance and Related Evidence:	
The section 3 of SBR is not filled in (section require to p*rovide a concise summary of why a SBE was determined to be required or not required)* *В отчете о ресурсной базе раздел 3 не заполнен (раздел требует предоставить краткое обоснование того, почему Оценка ресурсной базы не требуется)*	
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:	By the next annual surveillance audit, but not later than 12 months from report finalisation date
Evidence Provided by Organisation:	Pending
Findings for Evaluation of Evidence:	Pending
NCR Status:	**Open**

CLOSED NON-CONFORMANCES

NCR: 01/16	**NC Classification: `Minor**
Standard & Requirement:	SBP standard#2: Verification of SBP-compliant feedstock (version 1.0), requirement 19.1 The BPs shall implement measures to support the credibility of the SBR, appropriate to the context of the supply base, SBE and the BP. 19.3 The following list suggests additional options to support a robust and credible SBE process. It is neither exhaustive nor normative: (19.3) • Prior to finalisation, draft results of the SBE should be peer reviewed by an independent and competent party • Prior to finalisation, draft results of the SBE should be made available for public consultation.
Report Section:	Appendix A p.12.1
Description of Non-conformance and Related Evidence:	
Supply Base Report is signed by senior management of the Organization. The SBR is public available by request. But draft results of the SBE were not peer reviewed by an independent and competent party	
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:	Peer review
Findings for Evaluation of Evidence:	The BP have sent SBR for peer review. Peer review was done by director of Republican forest industry association. Peer reviewer give only positive feedback.
NCR Status:	**CLOSED**
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 ☐ No ☒

NCR: 02/16	**NC Classification: Minor**
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 3.2.4 A separate data entry shall be made available for feedstock specifically procured for biomass drying
Report Section:	Appendix C p.4.2.4
Description of Non-conformance and Related Evidence:	
Feedstock types used for biomass drying are mentioned in the GHG data and Biomass profiling data sheet. The volume of material used as well as the moisture is recorded per class of feedstock. However, the energy used by the tractor filling up the dryer with bark, chips and sawdust was not recorded separately.	
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:	Records of measurement of working hours of tractor filling up the dryer with bark, chips and sawdust. Calculation based on time used by tractor of energy (diesel)
Findings for Evaluation of Evidence:	The BP provided records of measurement of working hours of tractor filling up the dryer with bark, chips and sawdust. Then calculation was done based on time used by tractor of energy (diesel).
NCR Status:	**Closed**
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 ☐ No ☒

NCR: 03/16	**NC Classification: Minor**
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 3.3.1 The BP shall calculate the total energy used for soil preparation, planting, forest management methods (such as short rotation forestry) and harvesting of forest products. The energy used in chipping (if applicable) is reported separately
Report Section:	Appendix C p.4.3.1
Description of Non-conformance and Related Evidence:	

The BP reported amount of fuel used during forest operations. Information was provided nearest FMU by phone and is not supported by evidence.	
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:	Calculation of energy used for soil preparation, planting, forest management methods and harvesting of forest products
Findings for Evaluation of Evidence:	The BP have provided calculation of energy used for soil preparation, planting, forest management methods and harvesting of forest products. The calculation was done based on norms (time, fuel use and etc) approved by the Ministry of forestry.
NCR Status:	**Closed**
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 ☐ No ☒

NCR: 04/16	**NC Classification: Minor**
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 3.7.1 The BP shall provide the data necessary to calculate the energy used to haul forest products or residues to the processing plant. This is reported in litres of diesel/t feedstock
Report Section:	Appendix C p.4.7.1
Description of Non-conformance and Related Evidence:	
The BP is using its own sawmill residues. Also BP use logs for heating and pellet production and buy sawmill residues from other sawmill. The BP use own tracks to transport raw material (distance and fuel consumption are recorded in special accountant form). According to the BP only one tractor BME is working exclusively for the pellet factory. Tractor is delivering feedstock from production into the storage place, from storage place into the boiler or into the production. The data are registered under diesel used in the production. Only diesel used for tractor fuelling. Company do not have diesel tank. The BP transports logs for sawmill production to use for heating. Company didn't calculate the energy used to haul logs to the sawmill.	
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:	The calculation of the energy used to haul logs to the sawmill
Findings for Evaluation of Evidence:	The BP have done calculation of diesel used to haul logs to the sawmill. Calculation was done based on actual fuel record used by forwarder to transport fuel logs to the factory.
NCR Status:	**CLOSED**
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 ☐ No ☒

NCR: 05/16	**NC Classification: Minor**
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 4.2.1 An average moisture value should be provided per category of feedstock
Report Section:	Appendix C p.5.2.1
Description of Non-conformance and Related Evidence:	
Average moisture value is provided per category of feedstock. But the BP have started measurement of moisture recently (from 1 of March). The BP measure feedstock moisture once per day. So, average data provided for the period less than 12 months.	
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:	Records of moisture measurements
Findings for Evaluation of Evidence:	The BP do regular moisture measurements. The BP measure feedstock moisture once per day. The records were reviewed during audit.
NCR Status:	**CLOSED**
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 ☐ No ☒

NCR: 06/16	NC Classification: Minor
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 4.3.1 Ideally, there should be a continuous measurement of moisture content of the feedstock at the exit of the dryer to generate an annual average.
Report Section:	Appendix C p.5.3.1
Description of Non-conformance and Related Evidence:	
The measurement is done once per day; records are kept on paper. But the BP have started measurement of moisture recently (from 1 of March). The BP measure feedstock moisture once per day. So, average data provided for the period less than 12 months.	
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:	Records of moisture measurements
Findings for Evaluation of Evidence:	The BP do regular moisture measurements. The BP measure feedstock moisture once per day. The records were reviewed during audit.
NCR Status:	**CLOSED**
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 ☐ No ☒

NCR: 07/16	NC Classification: Minor
Standard & Requirement:	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. Ideally the legal owner should introduce a continuous measurement of the moisture content of the processed feedstock in order to produce an annual average. The legal owner shall justify any lower frequency of moisture measurements to the auditor
Report Section:	Appendix C p.5.4.1
Description of Non-conformance and Related Evidence:	
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 recently (from 1 of	

March). The measurement is done once per day; records are kept on paper. So, average data provided for the period less than 12 months.	
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:	Records of moisture measurements
Findings for Evaluation of Evidence:	The BP do regular moisture measurements. The BP measure feedstock moisture once per day. The records were reviewed during audit.
NCR Status:	**CLOSED**
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 ☐ No ☒

NCR: 08/16	**NC Classification: Minor**
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 4.5.1 The BP shall provide the data necessary to calculate the electricity used in the process and should be reported in kWh/t biomass.
Report Section:	Appendix C p.5.5.1
Description of Non-conformance and Related Evidence:	
BP do not use special meter with the aim to calculate the electricity specifically for the biomass production. The BP made rough calculation that electricity used for pellet production is approximately 44% of total electricity used. Auditor suppose that electricity consumption per t of pellet is suspiciously low. Deputy director explained that he used theoretical approach taking in account Installed power of the machinery and number of operating hours. But figures were provided verbally and the BP didn't provide sufficient calculation to justify the figures.	
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:	Calculation of electricity use.
Findings for Evaluation of Evidence:	The BP provided calculation of the electricity used in pellet production process. The calculation was done based on theoretical approach This approach is based on:

	• Installed power of the machinery within the different chains, • Number of operating hours of the different production chains,
NCR Status:	CLOSED
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 ☐ No ☒

NCR: 09/16	**NC Classification: Minor**
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 4.5.3 If such additional meters are not available, then a theoretical approach can be used to allocate the power to the different uses. This approach can be based on: • Installed power of the machinery within the different chains, • Number of operating hours of the different production chains, • Meter readings for a period during which one of the production chains was idle.) • Where the electricity for the plant is internally produced, specific meters need to be available to determine How much power is produced (P) • How much power is internally used for the power production auxiliaries (A) • How much power is exported to the grid or to other external users (EG) • How much power is imported from outside (I) • How much power is used for internal biomass production (PP) • How much power is used in other internal production lines (OP). Power used in biomass production is therefore given by the formula: PP = P+I-A-EG-OP
Report Section:	Appendix C p.5.5.4
Description of Non-conformance and Related Evidence:	
BP do not use special meter with the aim to calculate the electricity specifically for the biomass production. The BP made rough calculation that electricity used for pellet production is approximately 44% of total electricity used. Deputy director explained that he used theoretical approach taking in account Installed power of the machinery and number of operating hours. But figures were provided verbally and the BP didn't provide sufficient calculation to justify the figures.	
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:	Calculation of electricity use.
Findings for Evaluation of Evidence:	The BP provide calculation of the electricity used in pellet production process. The calculation was done based on theoretical approach This approach is based on: • Installed power of the machinery within the different chains, • Number of operating hours of the different production chains,
NCR Status:	**CLOSED**
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 ☐ No ☒

NCR: 10/16	**NC Classification: Minor**
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 4.12.1 An annual average moisture value of the biomass used in the dryer/CHP should be provided per category of feedstock
Report Section:	Appendix C p.5.12.1
Description of Non-conformance and Related Evidence:	
The measurement is done once per day; records are kept on paper. But the BP have started measurement of moisture recently (from 1 of March). The BP measure moisture value of the biomass used in the dryer once per week. So, average data provided are not covering the whole reporting period	
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:	Records of moisture measurements
Findings for Evaluation of Evidence:	The BP do regular moisture measurements. The BP measure feedstock moisture once per week. The records were reviewed during audit.
NCR Status:	**CLOSED**
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 ☐ No ☒

NCR: 11/16	NC Classification: Minor
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 5.1.2 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
Report Section:	Appendix C p.5.3
Description of Non-conformance and Related Evidence:	
Information was provided by phone and is not supported by evidence. The organization didn't justify calculation of fuel used for auditor recently	
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:	Biograce reference values
Findings for Evaluation of Evidence:	The BP used BioGrace reference values to calculate fuel consumption.
NCR Status:	**CLOSED**
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 ☐ No ☒

NCR: 12/16	NC Classification: Minor
Standard & Requirement:	SBP Standard/ Interpretation 5a (ver. 1.0), requirement 8.3.1. It shall be linked to the batch using the unique batch code
Report Section:	Appendix C p.9.4
Description of Non-conformance and Related Evidence:	
The responsible person is aware about this requirement 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. The organization has used the same code for batch code and GHG and profiling information code which might lead to confusion in case the profiling information code changes over the time furthermore.	
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:	invoices

Findings for Evaluation of Evidence:	The organization started to sell pellets as SBP at the end of 2016. The BP use DTS to record transactions. Check of issued invoices with SBP claim revealed that invoices missed SBP batch code. The SBP code was inserted while batch code – not. In DTS all information was inserted correctly. During audit accountants made changes in invoice template and added batch code.	
NCR Status:	**CLOSED**	
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 ☐ No ☒

11 Certification decision

Based on Organisation's conformance with SBP requirements, the auditor makes the following recommendation:	
☒	Certification approved: Upon acceptance of NCR(s) issued above
☐	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 NEPCon will obtain the approval from SBP technical committee. The expiration of the certificate will be then 5 years.**	
Certification decision by: Ondrej Tarabus	
Date of decision: 25/05/2017	
Next surveilance audit should take place:	☒within 12 months ☐more frequently (please specify)

12 Surveillance updates

12.1 Evaluation details

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

12.2 Significant changes

No changes.

12.3 Follow-up on outstanding non-conformities

See information about the NCR reviewed during the surveillance audit is section 10 of the report. 10. Non-conformities and observations.

12.4 New non-conformities

See information about the NCR reviewed during the surveillance audit is section 10 of the report. 10. Non-conformities and observations.

12.5 Stakeholder feedback

No comments or comments from the stakeholders had been received.

12.6 Conditions for continuing certification

No preconditions are identified. List of open NCR is available is section 10. Non-conformities and observations of the report.

12.7 Certification recommendation

It is recommended to maintain certification of the organisation.

13 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Andrei Titov, deputy director
Auditor(s):	Aliaksandr Zubkevich - Trainee auditor
People Interviewed, Titles:	Andrei Titov, deputy director Chapkovski Andrei, pellet manufacture gaffer Nikolaenko Tatyana, chief bookkeeper
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