

NEPCon Evaluation of Eurasia-Lesprom Group LLC Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

www.sbp-cert.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.sbp-cert.org*

Document history

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Contents

1	Overview	1
2	Scope of the evaluation and SBP certificate	2
3	Specific objective	4
4	SBP Standards utilised	5
4.1	SBP Standards utilised	5
4.2	SBP-endorsed Regional Risk Assessment	5
5	Description of Biomass Producer, Supply Base and Forest Management	6
5.1	Description of Biomass Producer	6
5.2	Description of Biomass Producer's Supply Base	6
5.3	Detailed description of Supply Base	8
5.4	Chain of Custody system	8
6	Evaluation process	9
6.1	Timing of evaluation activities	9
6.2	Description of evaluation activities	9
6.3	Process for consultation with stakeholders	10
7	Results	11
7.1	Main strengths and weaknesses	11
7.2	Rigour of Supply Base Evaluation	11
7.3	Compilation of data on Greenhouse Gas emissions	11
7.4	Competency of involved personnel	11
7.5	Stakeholder feedback	11
7.6	Preconditions	11
8	Review of Biomass Producer's Risk Assessments	12
9	Review of Biomass Producer's mitigation measures	13
10	Non-conformities and observations	14
11	Certification decision	21
12	Surveillance updates	22
12.1	Evaluation details	22
12.2	Significant changes	22
12.3	Follow-up on outstanding non-conformities	22

12.4	New non-conformities	22
12.5	Stakeholder feedback	22
12.6	Conditions for continuing certification	22
12.7	Certification recommendation	22

1 Overview

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

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

Report completion date: 13/Feb/2018

Report authors: Nikolai Tochilov

Certificate Holder: Eurasia-Lesprom group LLC, 37 Pugacheva street, Magistralny, Kazachinsko-Lensky district, Irkutsk region, 666504

Producer contact for SBP: Peter Finaev, certification responsible, tel. +7-902-541-80-81, e-mail.: info@feforest.ru

Certified Supply Base: Sourcing from Russia, Irkutsk region

SBP Certificate Code: SBP-01-63

Date of certificate issue: 28/Mar/2017

Date of certificate expiry: 27/Mar/2022

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

2 Scope of the evaluation and SBP certificate

The certificate scope covers the production site in Magistralniy, Irkutsk region, Russia.

The BP holds valid FSC Chain of Custody, covering both sawmill and pellet production. Organisation primary production is lumber. The feedstock for primary production is FSC 100% certified and Controlled Material. Origin of the feedstock is Irkutsk region of Russia. Wood residues from this production are used in secondary production (wood pellets).

Scope description: Production of wood pellets in Magistralniy, Irkutsk region, for use in energy production. Post production end points are: Noviy Port Saint Petersburg and Ust-Luga (train, FCA). The scope of the certificate does not include Supply Base Evaluation.

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 https://sbp-cert.org/documents				<input type="checkbox"/>	
Primary Activity:	Pellet producer				<input type="checkbox"/>	
Input Material Categories:	<input type="checkbox"/> SBP-Compliant Primary Feedstock	<input checked="" type="checkbox"/> SBP-Compliant Secondary Feedstock			<input type="checkbox"/>	
	<input 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				
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"/>	

Points of sales	<input type="checkbox"/> Harbour – Permanent storage (Storage site)	<input type="checkbox"/> Harbour – Temporally storage (Logistic site)	<input checked="" type="checkbox"/> Other point of sale (e.g. gate of the BP, boarder, railway station etc.)	<input type="checkbox"/>
Provide name of all points of sales	-	-	S.Peterburg harbour (Noviy Port) and Ust-Luga harbour (train FCA, Incoterms)	
Use of SBP claim:	<input checked="" type="checkbox"/> Yes		<input type="checkbox"/> No	<input type="checkbox"/>
SBE Verification Program:	<input type="checkbox"/> Low risk sources only	<input type="checkbox"/> Sources with unspecified/ specified risk		<input type="checkbox"/>
	New districts approved for SBP-Compliant inputs:			
Sub-scopes				<input type="checkbox"/>
Specify SBP Product Groups added or removed:				
Comments:				

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of specified SBP Standards are implemented across the entire scope of certification.

The scope of the evaluation covered:

- Review of the BP's management procedures;
- Review of the production processes, production site visit;
- Review of FSC system control points, analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records, calculations and conversion coefficients;
- GHG data collection analysis.

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, accompanied by Instructions 5A, 5B, 5C, Version 1.1 October 2016

Standards and instructions are available at SBP homepage: <https://sbp-cert.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 wood processing company located in Irkutsk region, Russia. Total annual production capacity of pellet plant is 30 000 tones.

Company runs both pellet and lumber production, which supplies secondary feedstock with FSC Mix Credit or FSC Controlled Wood claim to the pellet plant. The BP does source only feedstock from their lumber production and there is no external supplier of feedstock.

The round wood used at lumber production line (logs for primary production) is originating from the Irkutsk region only.

The BP has implemented FSC credit system and in the reporting period all amount of produced biomass was sold with FSC Mix claim.

The pellets are transported by railway to S.Peterburg harbor and Ust-Luga harbor where the biomass is taken into possession by new owner (FCA delivery conditions according to Incoterms).

5.2 Description of Biomass Producer's Supply Base

Supply base is located on the territory of Irkutsk region in Siberian Federal District of Russia.

The total area of forest land on the territory of Russia is 764 million ha representing approximately 21% of world reserves of standing timber.

The areas occupied by f main forest forming species remain rather stable for the last decades. Coniferous species are 68%, hard-leaved forest – 2,4%, soft-leaved forest – 19,3%. Other wood species are less than 1% of forest.

In accordance with the legislation of Russia all the forests lands are the property of the state. Legal entities get forest sites for use on a leasehold basis and short-term use. Period of leasing can be from 10 years to 49 years.

In accordance with the Russian Forest legislation every forest user who got a forest site for lease is obliged to do the following:

- Implement measures for conservation, protection and reproduction of forests,
- Annually provide forest declaration,
- Develop the forest management plan,
- Provide report on forest use, their conservation, protection and reproduction.

Use of the AAC in the whole country does not exceed 13%, because the percentage of forest of hard access is high in the country and almost everywhere there is a poor development of infrastructure.

Provision of high quality reproduction of forest resources and safeguarding foresting is a must for a forest user. Forest users plan and carry out all the forest restoration work at the forest leased areas at their own expenses and in accordance with the forest management plan.

During harvesting, according to the forest legislation, specimens of species listed in the Red Book are subject to the preservation along with their inhabitations. Cutting of valuable, endangered and protected species of trees is prohibited.

Forest complex of the Russian Federation, including the forestry and timber industry in logging and wood processing plays an important role in country economy. Around 60 thousand of large enterprises, of medium-sized enterprises and of small-sized enterprises are involved in forest complex of Russia. The total number of employees working for forest industry is approximately one million people.

The key factor of forest management in RF is forest organization and regulation.

All the primary documentation of the forest management is worked out based on the data of forest inventory.

More forestry companies are beginning to follow the rules of sustainable forestry. The growth of forest certification in Russia is a sign of this. Forest certification shows the responsible approach to provision of legal wood harvesting and compliance with generally accepted environmental and social requirements of sustainable forest management.

Supply base of LLC “Eurasia – Lesprom group”

Supply base of LLC “Eurasia – Lesprom group” is located in Kirensky (4 258 352 ha) and in Kazachinsko-Lensky (3 276 904 ha) districts of Irkutsk region.

Irkutsk region

Supply base of LLC “Eurasia – Lesprom group” is located in Irkutsk region in a Central Siberian taiga forest plateau – forest areas of Angara region.

The districts of low-disturbed forest areas and HCVF of different types are allocated on the territory of supply base. LLC “Eurasia – Lesprom group” doesn’t carry out any harvesting in HCVF and doesn’t buy such wood from any other suppliers.

LLC “Eurasia – Lesprom group” harvests only Scots Pine and Siberian Larch. These tree species are not included in CITES or IUCN.

The main supplier of round wood for wood processing in LLC “Eurasia – Lesprom group” is the LLC “IVLPS-Nebelsky LPH” that is certified to FSC forest management system. The plant LLC “Eurasia – Lesprom group” itself is certified to FSC Chain of Custody system. Further, round wood is coming to the plant from the forest areas leased by LLC “IVLPS-Nebelsky LPH” with term of leasing of 49 years and total area of 247800 ha.

Delivery of round wood is also possible from external suppliers included in own FSC controlled wood verification system of non-certified suppliers.

In the forest areas leased by LLC “IVLPS-Nebelsky LPH” prevails on the average 3-4 bonitet (site index) of the forest stands. For the harvesting on forest areas hereof it is used the most appropriate approach to the organization of clear cutting, i.e. in 60% of cases of small-scale cutting (cutting area are small-scale, not exceeding 20 hectares), after which reforestation activities are carried out. Promotion of natural regeneration is carried out on 80% of the territory, sowing and planting on 20%.

Based on the analysis, in order to meet the requirements of Russian national FSC standard, in LLC “IVLPS-Nebelsky LPH” a transition plan was developed to switch over from large-scale clear-cutting with an area of more than 30 hectares to small-scale cutting for the period of 2014-2019. Also, the company is actively pursuing thinning on all forest areas in accordance with the forest management projects.

Only SBP-compliant secondary feedstock is used in pellet production. Woodworking residues in LLC "Eurasia-Lesprom group" have only FSC Mix Credit claim in accordance with the approved by SBP FSC certification system. However, it also could be Controlled Feedstock, if any of controlled suppliers enter the supply chain. Species used in the production - Scots pine (*Pinus sylvestris*) - 80%, Siberian larch (*Larix sibirica*) - 20%.

More details about BP's supply base can be found in Supply Base Report:

<http://www.feforest.com/statics/file/attachmentFile3/attachment2.pdf>

<http://www.feforest.com/statics/file/attachmentFile3/attachment1.pdf>

5.3 Detailed description of Supply Base

Total Supply Base area (ha):	7 535 256 ha
Tenure by type (ha):	100% state owned
Forest by type (ha):	Boreal 7 535 256 ha
Forest by management type (ha):	100% Natural
Certified forest by scheme (ha):	247 801 ha FSC-certified forest

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

5.4 Chain of Custody system

BP holds valid FSC CoC certificate NC-COC-026613, NC-CW-026613

<http://info.fsc.org/details.php?id=a023300000fPYAqAAO&type=certificate&return=index.php#result>

BP implements FSC credit system of FSC claims which is used for materials received as FSC certified, and feedstock verified according to the BP's own controlled material verification system. The controlled material system is covering Irkutsk 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. 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 audit was conducted on November 14-15, 2017 (15 h). Audit activities included documents review at office, inspection of production facilities and staff interviews.

Activity	Location	Date/time
Opening meeting*	Office	14/11/2017 11.00-11.15
Documents and procedures review. Inputs review, energy use calculations review	Office	14/11/2017 11:15-17.00
Chain of custody review (site tour); staff interview	Pellet production site	15/11/2017 08.00-10.30
Documents and procedures review	Office	15/11/2017 10:30-16.45
Closing meeting*	Office	15/11/2017 16.45-17.15
End of the evaluation		15/11/2017 17.15

6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Nikolai Tochilov	Audit team leader. NEPCon SBP lead auditor. He has successfully passed SBP auditor training in Tallinn in January 2015; previous experience with more than 20 SBP assessments and annual audits in Russia.

The 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 audit evaluation:

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

Audit team was introduced, provided information about audit plan, methodology, auditor qualification, confidentiality issues, and assessment methodology and clarified certification scope. During the opening meeting the lead 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, 5b, 5c 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 and controlled biomass. During the process overall responsible person for SBP system and other staff were interviewed.

After a roundtrip around BP's pellet production was undertaken. During the site tour, applicable records were reviewed, staff was interviewed and FSC system critical control points were analysed.

At the end of the audit findings were summarised and audit conclusions based on use of 3 angle evaluation method were provided to the management and SBP responsible person.

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 stakeholder consultations conducted prior or during this annual audit.

7 Results

7.1 Main strengths and weaknesses

Strength: Very limited and insignificant share of the primary feedstock for sawmilling has been sourced with FSC Controlled Wood claim. Most of the feedstock was delivered with FSC 100% claim.

Weaknesses: See major and minor NCRs below in this report.

7.2 Rigour of Supply Base Evaluation

Not applicable.

7.3 Compilation of data on Greenhouse Gas emissions

The BP has involved external consultant who helped with implementation of the system for collection of the emission and energy data. Energy use data are based both on actual production results and on engineering calculations. Please see also minor NCR 06/18 in this relation.

7.4 Competency of involved personnel

SBP procedures had been evaluated at the beginning of the audit, and staff interviews conducted with an aim to make sure procedures are in compliance with the processes and practices implemented by BP. It was noticed that BP staff in their answers and explanations in many cases relies on external consultant who helps BP in maintaining the SBP management system. External consultant visits BP once per year, prior to SBP audit. Auditor did not get clear evidence that the SBP management system may be effectively maintained by BP staff between the audits. Please see major NCR 01/18 in this relation.

7.5 Stakeholder feedback

No feedback from stakeholders have been 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

Evaluation of NCRs raised during assessment 2017:

NCR: 01/17	NC Classification: minor / незначительное
Standard & Requirement:	SBP Standard # 2 requirement 2C 4.1
Description of Non-conformance and Related Evidence:	
<p>There is a number of mistakes identified in Supply Base Report:</p> <ul style="list-style-type: none"> - Section 1 – the weblink is given to SBE at BP's website, however SBE is not included into certificate scope and therefore is not applicable - Section 2.1 – IUCN is specified as IUNC. BP specifies that "<i>SBP group of products used in the production of pellets is 100% SBP-appropriate secondary feedstock</i>". However, there is no <i>SBP-appropriate</i> secondary feedstock definition in SBP glossary. There is no indication that some share of the feedstock is controlled feedstock (FSC Controlled Wood claim) - Section 2.5 – the total area of tenure by type, forest by type and forest by management type is not specified - Section 2.5 h) – only <i>Pinus sylvestris</i> is specified as species in primary feedstock, however BP also uses <i>Larix sibirica</i> - Section 11 Review of the report is not filled out, although BP attached peer reviewer report to Russian version of Supply Base Report as annex (see PDF version of SBR at BP's website) - Sections 13.4 and 13.5 of English version of Supply Base Report are not filled out. <p>В отчете о ресурсной базе отмечен ряд ошибок:</p> <ul style="list-style-type: none"> - В разделе 1 дана ссылка на веб-сайт компании, где размещена supply base evaluation, хотя это не применимо и не включено в область действия сертификата - В разделе 2.1 (английская версия) ошибочно указано IUNC вместо IUCN. Упоминается также <i>SBP-appropriate secondary feedstock</i>, хотя такого термина нет в глоссарии SBP. В то же время, не указано, что часть сырья является контролируемым (с заявлением FSC Controlled Wood) - В разделе 2.5 в ряде случаев не указаны площади в гектарах - В разделе 2.5 h) указана только сосна, в то время, как организация использует и лиственницу в качестве сырья - Раздел 11 не заполнен, хотя отчет рецензента приложен к русской версии отчета о ресурсной базе (см. отчет в формате PDF на вебсайте организации) - Разделы 13.4 и 13.5 английской версии отчета не заполнены. 	
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:	<p>By the next audit, but not later than 12 months after report finalization date (27.02.2018) / До следующего ежегодного аудита, но не позднее 12 месяцев с даты утверждения отчета (27.02.2018)</p>

Evidence Provided by Organisation:	Supply Base Report (English and Russian versions), Exh 1. Отчет о ресурсной базе на русском и английском языках.
Findings for Evaluation of Evidence:	BP has updated the Supply Base Report prior to this annual audit. Updated version of SBR contains all necessary information and meets the SBP requirements. Перед ежегодным аудитом Организация обновила отчет о ресурсной базе. Новая версия отчета содержит всю необходимую информацию и отвечает требованиям SBP.
NCR Status:	CLOSED / ЗАКРЫТО
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: 02/17	NC Classification: minor / незначительное
Standard & Requirement:	SBP Standard # 4 requirement 4B 1.2
Description of Non-conformance and Related Evidence:	
BP signed and submitted to NEPCon a copy of SBP trademark license agreement. Company name and name of director are not specified in TMLA (at last page), the document includes only director signature. Организация подписала и предоставила NEPCon копию подписанного лицензионного соглашения в SBP. В нем на последней странице не указаны ФИО директора, и название компании – документ содержит только подпись директора.	
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 audit, but not later than 12 months after report finalization date (27.02.2018) / До следующего ежегодного аудита, но не позднее 12 месяцев с даты утверждения отчета (27.02.2018)
Evidence Provided by Organisation:	SBP TMLA, Exh 3. / Лицензионное соглашение с SBP
Findings for Evaluation of Evidence:	BP submitted the up-to-date version of SBP TMLA, which is signed by both parties and contains all necessary contact information / Предоставлена актуальная версия лицензионного соглашения с SBP, подписанная с обеих сторон, и содержащая всю требуемую контактную информацию об Организации
NCR Status:	CLOSED / ЗАКРЫТО
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"/>

NCRs raised during the current annual audit 2018:

NCR: 01/18	NC Classification: major / значительное	
Standard & Requirement:	SBP Standard # 2 requirement 15.2	
Description of Non-conformance and Related Evidence:		
<p>SBP procedures had been evaluated at the beginning of the audit, and staff interviews conducted with an aim to make sure procedures are in compliance with the processes and practices implemented by BP. It was noticed that BP staff in their answers and explanations in many cases relies on external consultant who helps BP in maintaining the SBP management system. External consultant visits BP once per year, prior to SBP audit. Auditor did not get clear evidence that the SBP management system may be effectively maintained by BP staff between the audits.</p> <p>Во время аудита была рассмотрена документация, связанная с сертификацией SBP, а также произведен опрос персонала для подтверждения, что разработанные процедуры находятся в соответствии с процессами и практиками, внедренными Организацией. Аудитор отметил, что персонал Организации в своих ответах и пояснениях во многом полагался на внешнего консультанта, который помогает Организации в поддержке системы сертификации SBP. Консультант бывает в Организации раз в год, перед аудитом SBP. Аудитор не получил ясного подтверждения того, что система управления сертификацией SBP может эффективно поддерживаться персоналом Организации между аудитами.</p>		
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:	3 months / 3 месяца	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN / ОТКРЫТО	
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"/>

NCR: 02/18	NC Classification: minor / незначительное
Standard & Requirement:	SBP Standard # 2 requirement 15.7
Description of Non-conformance and Related Evidence:	
BP has revised the SBP Procedure prior to this audit. No documented evidence provided to auditor that staff was promptly informed about the changes.	
Организация обновила Процедуру (Руководство) SBP перед аудитом. Аудитору не было предоставлено документальных свидетельств, что сотрудники были должным образом проинформированы об изменениях.	

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:	<p>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</p>	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN / ОТКРЫТО	
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: 03/18	NC Classification: minor / незначительное	
Standard & Requirement:	SBP Standard # 4 requirement 5.5.2	
Description of Non-conformance and Related Evidence:		
Random review of sales and delivery documents for the reporting period showed that BP made mistake in specification of SBP claim – “SBP-compliant Biomass” in invoices and specifications.		
Выборочная проверка торговой и отгрузочной документации показала, что в отчетном периоде Организация некорректно указывала заявление SBP в инвойсах и спецификациях – SBP-compliant Biomass.		
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 audit, but not later than 12 months after report finalization date / До следующего ежегодного аудита, но не позднее 12 месяцев с даты утверждения отчета	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN / ОТКРЫТО	
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: 04/18	NC Classification: MAJOR / значительное	
Standard & Requirement:	SBP Standard # 2 requirement 19.2	
Description of Non-conformance and Related Evidence:		
Supply Base Report has not been signed off by senior management.		
Отчет о ресурсной базе не подписан высшим руководством Организации.		
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:	3 months / 3 месяца	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN / ОТКРЫТО	
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: 05/18	NC Classification: MAJOR / значительное	
Standard & Requirement:	SBP Standard # 4 requirement 5.1.2	
Description of Non-conformance and Related Evidence:		
From credit account submitted by BP, auditor did not get evidence that FSC credit was deducted from account when pellets have been sold with SBP claim. Furthermore, from credit account it is unclear, what is the current available volume of pellets which can be sold with FSC/SBP claim.		
Из предоставленного аудитору кредитного счета неясно, списывался ли кредит FSC при продажах пеллет с заявлением SBP. Кроме того, неясно, какой объем пеллет доступен на кредитном счете на текущий момент, для их продажи с заявлением FSC/SBP.		
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:	3 months / 3 месяца	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN / ОТКРЫТО	
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"/>

NCR: 06/18	NC Classification: minor / незначительное	
Standard & Requirement:	SBP Instruction Document 5B ver. 1.1, requirement 5.1.3	
Description of Non-conformance and Related Evidence:		
<p>In July-October 2017 BP used two trucks Kamaz for the feedstock delivery. Since both trucks are used not only at pellet production, diesel consumption calculation of these vehicles is based on the total distance driven by them every month. However, for Kamaz 688 data on the distances driven in August-October 2017 is missing and BP used theoretical approach to estimate its diesel consumption.</p> <p>В июле-октябре 2017 года Организация использовала два автомобиля КамАЗ для подвоза сырья к пеллетному производству. Так как оба автомобиля используются не только на пеллетном производстве, расчет расхода дизельного топлива ими основан на общем пробеге в течение каждого месяца. Однако, для КамАЗ 688 данные о пробеге за август-октябрь 2017 отсутствуют, и Организация была вынуждена применить теоретические предпосылки для определения расхода дизельного топлива этим транспортным средством.</p>		
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 audit, but not later than 12 months after report finalization date / До следующего ежегодного аудита, но не позднее 12 месяцев с даты утверждения отчета	
Evidence Provided by Organisation:	PENDING	
Findings for Evaluation of Evidence:	PENDING	
NCR Status:	OPEN / ОТКРЫТО	
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"/>

Observations raised as a result of the current audit:

OBS: 01/18	Standard & Requirement:	SBP Instruction Document 5A ver. 1.1, requirement 2.2.6
	Report Section	Appendix C,
Description of findings leading to observation:	<p>SDI is allocated in the form of SBP-01-63-03 (Noviy Port) and SBP-01-63-04 (Ust-Luga). In the previous (first) reporting period SDI was allocated in the form of SBP-01-63-11. Since it happened during the transition period between two Instruction documents 5A accompanying the SBP Standard 5, auditor does not consider this as non-conformity and raises Observation.</p> <p>SDI указана в форме SBP-01-63-03 (Новый Порт) и SBP-01-63-04 (Усть-Луга). В предыдущем (первом) отчетном периоде</p>	

	<p>Организация использовала SDI в форме SBP-01-63-11. Поскольку это произошло в переходный период между двумя Инструкциями 5А, сопровождающими Стандарт SBP 5, аудитор не посчитал это несоответствием и выставил Наблюдение.</p>
Observation:	<p>BP is recommended to take into account for the next reporting periods, that ZZ in SBP-XX-YY-ZZ shall be allocated in ascending linear numerical order.</p> <p>Организации рекомендуется учесть в следующих отчетных периодах, что ZZ в SBP-XX-YY-ZZ должен быть определен в возрастающем линейном численном порядке.</p>

Please list of the non-conformities which are likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks?

NCR 01/18 and NCR 05/18 (please see above).

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: Certification maintained with the precondition that the major non-conformities will be closed by 13.05.2018.	
Certification decision by: Ondrej Tarabus	
Date of decision: 13.02.2018	
Next surveillance audit should take place:	<input checked="" type="checkbox"/> within 12 months <input type="checkbox"/> more frequently (please specify)

12 Surveillance updates

12.1 Evaluation details

Please see section 6.1 above in this report.

12.2 Significant changes

No significant changes in Supply Base and in BP's procedures.

12.3 Follow-up on outstanding non-conformities

Please see section 10 above in this report.

12.4 New non-conformities

Please see section 10 above in this report.

12.5 Stakeholder feedback

No comments have been received from stakeholders prior and during this annual audit.

12.6 Conditions for continuing certification

Biomass Producer is required to correct all identified non-conformities within established deadlines.

12.7 Certification recommendation

Auditor recommends maintaining the certificate valid upon acceptance of new NCRs raised in this report.