

NEPCon Evaluation of TimberHof GmbH 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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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: 12/Mar/2018

Report authors: Aliaksandr Zubkevich

Certificate Holder: TimberHof GmbH, Jägerhofstraße 31, 40479 Düsseldorf, Deutschland

Producer contact for SBP: Marina Sutter, Finance and accounting, phone: +4921152289997;
 Email: m.sutter@timberhof.de

Certified Supply Base: N/A - Trader

SBP Certificate Code: SBP 01-60

Date of certificate issue: 16/Mar/2017

Date of certificate expiry: 15/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

Organization is a biomass trader sourcing the material from several (one at the moment of evaluation) pellet producers in Russia. The material is delivered to Russian/Latvia border by train (Zilupe) where possession is taken by TimberHof GmbH and then transported to Liepaja harbor by train. In harbor biomass is unloaded into warehouse and then loaded to vessel. Organization sell biomass on FOB Liepaja port terms.

The scope is: “Trading of wood pellets for use in energy production, including transport from Biomass Producers in Russia to the Liepaja harbor in Latvia”.

The Organization holds a valid FSC certificate with transfer system implemented.

Scope Item	Check all that apply to the Certificate Scope			Change in Scope (N/A for Assessments)	
Approved Standards:	SBP Standard #4 V1.0 SBP Standard #5 V1.0 http://www.sustainablebiomasspartnership.org/documents			<input type="checkbox"/>	
Primary Activity:	Broker/trader with physical possession			<input type="checkbox"/>	
Input Material Categories:	<input type="checkbox"/> SBP-Compliant Primary Feedstock	<input type="checkbox"/> SBP-Compliant Secondary Feedstock		<input type="checkbox"/>	
	<input type="checkbox"/> Controlled Feedstock	<input type="checkbox"/> SBP non-Compliant Feedstock			
	<input type="checkbox"/> SBP-Compliant Tertiary biomass	<input type="checkbox"/> Post-consumer Tertiary Feedstock			
	<input type="checkbox"/> SBP-approved Recycled Claim	<input type="checkbox"/> Post-consumer Tertiary Feedstock			
Chain of custody system implemented:	<input checked="" type="checkbox"/> FSC	<input type="checkbox"/> PEFC	<input type="checkbox"/> SFI	<input type="checkbox"/> GGL	<input type="checkbox"/>
	<input checked="" type="checkbox"/> Transfer	<input type="checkbox"/> Percentage	<input type="checkbox"/> Credit		<input type="checkbox"/>
Points of sales	<input checked="" type="checkbox"/> Harbour – Permanent storage (Storage site)	<input type="checkbox"/> Harbour – Temporally storage (Logistic site)	<input 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	-	-	-	
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 Trader'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 Biomass Trader's management procedures;
- Review of FSC system control points, analysis of the existing FSC CoC system;
- Interviews with responsible staff;
- Review of the records and calculations;
- Review of the transportation, storage and deliverance processes

4 SBP Standards utilised

4.1 SBP Standards utilised

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, -v1-1-Oct16

Instruction-Document-5B-Energy-and-GHG-Data-v1-1-Oct16

<https://sbp-cert.org/documents>

5 Chain of Custody system

The Organization has implemented the FSC transfer system with biomass (wood pellets) in the scope of the certificate - NC-COC-017117. The process covers trade with biomass with physical possession. The material is delivered to Russian/Latvia border by train (Zilupe, DAP r/w station Posin' terms) where possession is taken by TimberHof GmbH and then transported to Liepaja harbor by train. In harbor biomass is unloaded into warehouse and then loaded to vessel. Organization sell biomass on FOB Liepaja port terms. Organization work exclusively with one supplier located in Russia.

6 Evaluation process

6.1 Timing of evaluation activities

Skype interview was conducted with Timberhof staff on 21.11.2017. Onsite visit was taking place in Liepaja harbour at 12.12.2017

Activity	Location	Auditors	Date/time
Audit via skype with TimberHof staff in Germany <ul style="list-style-type: none"> - FSC Product Group Schedule - FSC Supplier Records - FSC Volume data - SBP internal procedures - SBP Training - SBP Trademark Staff interview	Via skype	Aliaksandr Zubkevich	21.11.2017 10-12:00
Opening meeting*	SIA Baltic Biofuel company SIA Duna stividor company	Olesya Puiso	12.12.2017 10:00 - 10:15
Review of Documented Control Systems for FSC and SBP <ul style="list-style-type: none"> - FSC Product Group Schedule - FSC Supplier Records - FSC Volume data - SBP internal procedures - SBP Training - SBP Trademark 	SIA Baltic Biofuel company SIA Duna stividor company Liepaja harbor	Aliaksandr Zubkevich	12.12.2017 10:15 - 14:00

Staff interview			
Evaluation of energy data collection, warehouse visit			
Closing meeting*	Via skype	Aliaksandr Zubkevich	14.12.2017 10:00 - 10:30

6.2 Description of evaluation activities

Audit started via skype. Auditor introduced the audit team, provided information about audit plan, methodology and aim of the assessment. CB's accreditation related issues and confidentiality issues were covered as well.

After that auditor went through all applicable requirements of the standard covering management system, CoC, recordkeeping/mass balance requirements, emission and energy data and verification of SBP compliant feedstock.

12.12.2017 audit was continued in Liepae Harbour. An opening meeting was attended by chief engineer of TimberHof GmbH. Chief engineer was interviewed. Storage as well as wagon loading unloading site were visited. H&S was checked. Contractors were interviewed.

During the closing meeting auditor explained the results of the audit and further actions were discussed.

Composition of audit team:

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 courses and went through examinations. Previous experience in woodworking industry and SBP pre-assessment and assessments in Belarus.
Olesja Puišo, Riga, Latvia Auditor Field visit of Liepae harbour	MSc Logistics. Olesja is working as NEPCoN Country Manager in Latvia. She is responsible for daily management of certification activities in the country. Olesja has passed CoC/ FM lead auditor training, PEFC CoC, ISO 14001, SAN and Legal Source training courses. Previous experience in woodworking industry as well as many years of experience within CoC auditing. She has passed the SBP lead auditor training and has participated on several SBP assessments.

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>

7 Results

7.1 Main strengths and weaknesses

Organization is a broker with physical possession. All input come from one FSC certified supplier. Staff are trained.

7.2 Compilation of data on Greenhouse Gas emissions

There are all required data and SBP system is well implemented and the responsible staff is aware about their requirements. Organization forwards to its customer the GHG data received from its suppliers. The company record the relevant Energy and GHG data in the SBP Report on Energy and GHG for Supplied Biomass (SREG). The SREG data is provided separately and additionally to the SAR data.

7.3 Competency of involved personnel

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

7.4 Preconditions

No preconditions identified in the audit report.

8 Non-conformities and observations

Closed NCR:

NCR: 01/17	NC Classification: minor	
Standard & Requirement:	Instruction-Document-5A-Collection-and-Communication-of-Data-v1-1-Oct16, requirement 2.1.3 Each Legal Owner shall operate a management system to ensure that data recorded is consistently compliant with the requirements specified in SBP Standards and Insturciton documents	
Description of Non-conformance and Related Evidence:		
The organization has management system in place. The SBP procedure was prepared and implemented. Data recorded is in compliant with latest relevant SBP Standards and Insturciton documents. However, procedures provides misleading information. which may lead to missinterpretation of the customer. Interviewed staff demonstrated understanding of the standard requirements. The procedure contains wrong references on old version of instruction 5a, in procedure used outdated terms and definitions, some parts of procedure not relevant for the organization		
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 finalisation date	
Evidence Provided by Organisation:	Procedure	
Findings for Evaluation of Evidence:	During revision period the organization has updated their procedure to meet NCR requirement. During revision of the procedure no noncompliances were found.	
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"/>

NCR: 02/17	NC Classification: /minor	
Standard & Requirement:	Instruction-Document-5A-Collection-and-Communication-of-Data-v1-1-Oct16, requirement 4.4 A Transaction Claim consists of the following data items <ol style="list-style-type: none"> 1. Transaction Date 2. Transaction Reference 3. One or more Production Batch ID (PBid) 4. One or more mass (of certified Biomass from the referenced PBid) 5. One or more SBP Product Type 6. One or more SBP Claim 7. Originating Legal Owner (supplier) 8. Receiving Legal Owner (customer) 	

Description of Non-conformance and Related Evidence:	
This requirement is specified in section 8.3.1 of procedure (exh 1). Section 8.2 of procedure indicated information which shall be added to invoice. Section 8.3.1 and 8.2. contradict each other. Company prepared example of invoice. Review of invoice example as well as interview with organization confirmed that responsible staff aware about requirements. Auditor issued minor NCR as contradictions in procedure may results in nonconformities in the future and are confusing for the staff.	
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 finalisation date
Evidence Provided by Organisation:	Procedure
Findings for Evaluation of Evidence:	During revision period the organization has updated their procedure to meet NCR requirement. Sample review of invoices confirmed that requirements are fulfilled. All SBP sales are recorded in DTS.
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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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?

Note: use NCR numbers:

9 Certification decision

Based on Organisation's conformance with SBP requirements, the auditor makes the following recommendation:	
<input checked="" type="checkbox"/>	Certification approved: No open NCR(s)
<input type="checkbox"/>	Certification not approved:
Based on auditor's recommendation and NEPCon quality review following certification decision is taken:	
NEPCon certification decision: The certification maintained.	
Certification decision by: Nikolai Tochilov	
Date of decision: 12.03.2018	
Next surveillance audit should take place:	<input checked="" type="checkbox"/> within 12 months <input type="checkbox"/> more frequently (please specify)

10 Surveillance updates

10.1 Evaluation details

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

10.2 Significant changes

No changes

10.3 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.

10.4 New non-conformities

There are no new non-conformities identified as a results of the surveillance audit.

10.5 Stakeholder feedback

No comments or comments from the stakeholders had been received.

10.6 Conditions for continuing certification

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

10.7 Certification recommendation

It is recommended to maintain certification of the organisation.

11 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Igor Oks, general director
Auditor(s):	Aliaksandr Zubkevich, lead auditor Olesya Puiso, auditor
People Interviewed, Titles:	Igor Oks, general director (interview via skype) Marina Sutter, sales (interview via skype) Aleksandra Koshina, chief bookkeeper (interview via skype) Vladimir Volov, chief engineer of TimbeHof Gunars Strujevskis- CEO of SIA Duna stividor company Maris Standzenieks – production manager of the Sorting line SIA Baltic Biofuel company SIA Ritvars Huve- speditor of SIA Duna stividor company
Brief Overview of Audit Process for this Location:	See audit plan.
Comments:	N/A