

# NEPCon Evaluation of NOVA BIOENERGY SIA Compliance with the SBP Framework: Public Summary Report

[www.sbp-cert.org](http://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](http://www.sbp-cert.org)*

### *Document history*

*Version 1.0: published 26 March 2015*

*© Copyright The Sustainable Biomass Partnership Limited 2015*

# Contents

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

12.4 New non-conformities ..... 14

12.5 Stakeholder feedback ..... 14

12.6 Conditions for continuing certification ..... 14

12.7 Certification recommendation ..... 14

**13 Evaluation details..... 15**

# 1 Overview

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

Primary contact for SBP: Ondrej Tarabus [ot@nepcon.org](mailto:ot@nepcon.org), +420 606 730 382

Report completion date: 19/Mar/2018

Report authors: Nikolai Tochilov

Certificate Holder: SIA Nova Bioenergy

Legal address: Annīņmuižas bulvāris 2B- 25, Rīga, LV-1067 Latvija

Postal address: office 407, 27 Bolshaya Konyushennaya street, Saint-Petersburg 191186, Russia

Producer contact for SBP: David Miskevich, business development manager. Phone: +37129453405; +79219004200. Email: [David.Miskevich@novabioenergy.com](mailto:David.Miskevich@novabioenergy.com)

Ekaterina Konovalova, supply chain manager. Phone+7 911 230 9492; + 812 456 36 00; Email: [Ekaterina.Konovalova@novabioenergy.com](mailto:Ekaterina.Konovalova@novabioenergy.com)

Certified Supply Base: n/a for trader

SBP Certificate Code: SBP-01-95

Date of certificate issue: 23/Mar/2018

Date of certificate expiry: 22/Mar/2023

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

## 2 Scope of the evaluation and SBP certificate

The SBP certificate scope: “Trading of wood pellets, wood chips and wood briquettes for use in energy production, including transport from Biomass Producers in Russia to different end points all over the world. The certificate scope does not include Supply Base Evaluation.”

Scope Item	Check all that apply to the Certificate Scope				Change in Scope (N/A for Assessments)
<b>Approved Standards:</b>	SBP Standard #4 V1.0; SBP Standard #5 V1.0 <a href="https://sbp-cert.org/documents">https://sbp-cert.org/documents</a>				<input type="checkbox"/>
<b>Primary Activity:</b>	Broker/trader with physical possession				<input type="checkbox"/>
<b>Input Material Categories:</b>	<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			
<b>Chain of custody system implemented:</b>	<input checked="" type="checkbox"/> FSC	<input type="checkbox"/> PEFC	<input type="checkbox"/> SFI	<input type="checkbox"/> GGL	<input type="checkbox"/>
	<input checked="" type="checkbox"/> Transfer	<input type="checkbox"/> Percentage		<input checked="" type="checkbox"/> Credit	<input type="checkbox"/>
<b>Points of sales</b>	<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"/>
<b>Provide name of all points of sales</b>	-	-	Different points of sale in different countries under different Incoterms delivery conditions.		

<b>Use of SBP claim:</b>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/>
<b>SBE Verification Program:</b>	<input type="checkbox"/> Low risk sources only	<input type="checkbox"/> Sources with unspecified/ specified risk	<input type="checkbox"/>
	New districts approved for SBP-Compliant inputs:		
<b>Sub-scopes</b>			<input type="checkbox"/>
Specify SBP Product Groups added or removed:			
Comments:			

### 3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass 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

Documents are available at <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 the organization

Organisation is a trader with physical possession having legal address in Riga, Latvia. Certificate scope will cover purchase of SBP-certified / FSC-certified biomass in form of wood pellets, briquettes and wood chips from biomass producers in Russia; biomass storage and handling in two sea harbours in S.Petersburg (Russia); loading of the biomass to vessels or trucks and delivery to customer. All activities at sea harbours in S.Petersburg, related to biomass unloading, handling, storage and loading, are executed by contractors (based on outsourcing agreements). The scope of certificate also includes the possibility of direct transportation of biomass by trucks from biomass producers to Organisation's customers. Delivery conditions are FOB or CIF (vessel), and DAP, FCA, DDU, DDP (truck).

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

Not applicable for trader.

### 5.3 Detailed description of Supply Base

Not applicable for trader.

### 5.4 Chain of Custody system

The Organization holds valid FSC CoC certificate (NC-COC-031240). Organisation implements FSC transfer and FSC credit systems of claims for biomass trade. FSC certificate scope includes two sea harbours in S.Petersburg where all purchased biomass is unloaded, stored, handled and loaded to vessel, or truck. All activities in sea harbours are implemented by two contractors based on outsourcing agreements. Organisation ensures separate handling and storage of biomass purchased from different Biomass Producers and with different FSC claims. The scope of certificate also includes the possibility of direct transportation of biomass by trucks from biomass producers to Organisation's customers.

Possible FSC input and output for transfer system – FSC 100%, FSC Mix Credit, FSC Mix %, FSC Controlled Wood.

Possible FSC inputs for credit system: FSC 100%, FSC Mix Credit, FSC Mix %, FSC Controlled Wood. Possible outputs for credit system: FSC Mix Credit and FSC Controlled Wood. Credit system may be used only in case when biomass with different claims (including FSC Controlled Wood) is loaded to one vessel to avoid downgrading of the final FSC claim for the whole batch.

Organisation intends to deliver FSC/SBP-certified biomass to different destination points, using different means of transport (vessel or truck) and under different Incoterms delivery conditions.

## 6 Evaluation process

### 6.1 Timing of evaluation activities

The onsite assessment was conducted on February 27-28, 2018 (total 11 hours).

Activity	Location	Auditors	Date/time
Opening meeting with management	Organisation office at St.Petersbug	Nikolai Tochilov	27.02.2018 / 14.30-14.45
Documents review and staff interview			27.02.2018 / 14.45-18.00
Contractors' storage facilities review; interview with contractors' staff	Storage facilities in sea harbours at St.Petersburg (PAO TSTL and Morskoy rybnyi port stevedore companies)	Nikolai Tochilov	28.02.2018 / 09.30-13.00
Documents review and staff interview	Organisation office at St.Petersbug		28.02.2018 / 14.00-18.00
Closing meeting with management			28.02.2018 / 18.00-18.20

### 6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Nikolai Tochilov, audit team leader	NEPCon SBP auditor. He passed SBP lead auditor training course in Estonia in January 2015, and since that time participated as audit team leader in more than 30 SBP assessments and annual audits in Russia and Europe.

Audit started in the afternoon of February 27, 2018 with an opening meeting attended by Organisation management.

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

After that auditor went through all applicable requirements of evaluation standards and instruction documents. During the process overall responsible person for SBP system and responsible staff having key responsibilities within the system were interviewed as well as relevant documents reviewed.

Next day auditor visited the port facilities which shall be included into certificate scope, where he made site tours and interviewed the staff representatives of contractors (stevedore companies). After that, he returned back to Organisation office and continued documents review and Organisation's staff interviews.

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

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

SBP was informed about forthcoming evaluation of Organisation prior to the onsite assessment. No direct stakeholders consultations conducted by NEPCon prior, during or after assessment, as the Organisation is biomass trader.

## 7 Results

### 7.1 Main strengths and weaknesses

Main strengths: Organisation is trader; FSC and SBP management systems have been developed and implemented by staff.

Main weaknesses: None.

### 7.2 Rigour of Supply Base Evaluation

Not applicable for trader.

### 7.3 Compilation of data on Greenhouse Gas emissions

Depending on circumstances, Organisation's contractors may use different types of the vehicles for biomass handling and loading. For accounting and monitoring purposes, they have established the norms of energy consumption (diesel, electricity) by each type of the vehicle for specific period of time or specific operation. Organization agreed that contractors will be determining and forwarding them the energy consumption results in each specific case.

### 7.4 Competency of involved personnel

The staff involved into SBP certification is limited with two employees. Both have been intensively interviewed by auditor and showed good understanding of the new requirements related to implementation of SBP certification. Organisation was also supported by independent consultant who helped the staff in development and implementation of SBP control system.

### 7.5 Stakeholder feedback

SBP was informed about forthcoming evaluation of Organisation prior to the onsite assessment. No direct stakeholders consultations conducted by NEPCon prior, during or after assessment, as the Organisation is biomass trader.

### 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

No non-conformities and observations raised based on the results of this assessment.

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?

None.



## 11 Certification decision

<b>Based on Organisation's conformance with SBP requirements, the auditor makes the following recommendation:</b>	
<input checked="" type="checkbox"/>	Certification approved: Without issued NCR(s)
<input type="checkbox"/>	Certification not approved:
<b>Based on auditor's recommendation and NEPCon quality review following certification decision is taken:</b>	
<b>NEPCon certification decision:</b> The Organisation has been certified by NEPCon as meeting the requirements of the specified SBP Standards. The certificate can be issued. The expiration of the certificate will be then 5 years.	
<b>Certification decision by: Ondrej Tarabus</b>	
Date of decision: <b>19/03/2018</b>	
<b>Next surveillance audit should take place:</b>	<input checked="" type="checkbox"/> within 12 months  <input type="checkbox"/> more frequently (please specify)

## 12 Surveillance updates

### 12.1 Evaluation details

Not applicable.

### 12.2 Significant changes

Not applicable.

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

Not applicable.

### 12.4 New non-conformities

Not applicable.

### 12.5 Stakeholder feedback

Not applicable.

### 12.6 Conditions for continuing certification

Not applicable.

### 12.7 Certification recommendation

Not applicable.

## 13 Evaluation details

Primary Responsible Person: (Responsible for control system at site(s))	Ekaterina Konovalova, supply chain manager
Auditor(s):	Nikolai Tochilov
People Interviewed, Titles:	Ekaterina Konovalova, supply chain manager David Miskevich, commercial director Tatiana Savelyeva, independent consultant  Contractor PAO KCTL: Dmitry Bryzgin, director Sergey Valkov, chief of the storage site  Contractor Mosrkoy rybmiy port (Sea Fish Port) Kirill Logatskiy, head of sales and marketing Sergey Alekseev, chief engineer
Brief Overview of Audit Process for this Location:	Please see section 6.2 above in this report.
Comments:	-