

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

Main (Initial) Audit

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## Completed in accordance with the CB Public Summary Report Template Version 1.3

*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*

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*Version 1.1: published 30 January 2018*

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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.org, +420 606 730 382

Current report completion date: 24/Dec/2018

Report authors: : Aliaksandr Zubkevich

Name of the Company: Private Production Unitary Enterprise "Postavsky Mebelny Center", 28, Ozernaya str, Postavy, Vitebsk Region, 211871, The Republic of Belarus

Company contact for SBP: Artemy Grebennikov (Technic-technologist), Ozernaya, 28, Postavy, 211871, Belarus, telephone: +375 29 895 27 03, email: grebearty@gmail.com

Certified Supply Base: sourcing from Republic of Belarus

SBP Certificate Code: SBP-07-08

Date of certificate issue: 27/Dec/2018

Date of certificate expiry: 26/Dec/2023

This report relates to the Main (Initial) Audit

## 2 Scope of the evaluation and SBP certificate

The certificate scope covers the pellet production site in city Postavy, Belarus – new factory started production from September 2018.

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

The Organisation is sourcing logs for their own production. The BP is using primary (fuel wood) and secondary production residues after their own sawmill or door production. Also, secondary feedstock (sawdust) is sourced from external suppliers.

Secondary and primary feedstock: sawdust and fuel wood are used for the pellet production. Chipped slab wood after own sawmill are used for biomass drying.

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

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

Description of the scope:

The certificate scope covers production of wood pellets, for use in energy production, at PPUE Postavsky Furniture Center and transportation by rail to Belarusian/Latvian border, Bigosovo railway station and Belarusian/Lithuanian border, Gudogai 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)
<b>Approved Standards:</b>	SBP Standard #2 V1.0 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>	Pellet producer		<input type="checkbox"/>
<b>Input Material Categories:</b>	<input checked="" type="checkbox"/> SBP-Compliant Primary Feedstock	<input checked="" 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"/> Pre-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 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 type="checkbox"/>
<b>Provide name of all points of sales</b>	-		<input checked="" type="checkbox"/> Other point of sale (e.g. gate of the BP, boarder, railway station etc.) - DAF Bigosovo railway station - Belarusian-Lithuanian border, Gudogai railway station		
<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 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

*Please select all SBP Standards used during this evaluation. All Standards can be accessed and downloaded from <https://sbp-cert.org/documents/standards-documents/standards>*

- ☐ SBP Framework Standard 1: Feedstock Compliance Standard (Version 1.0, 26 March 2015)
- ☒ SBP Framework Standard 2: Verification of SBP-compliant Feedstock (Version 1.0, 26 March 2015)
- ☒ SBP Framework Standard 4: Chain of Custody (Version 1.0, 26 March 2015)
- ☒ SBP Framework Standard 5: Collection and Communication of Data (Version 1.0, 26 March 2015)

### 4.2 SBP-endorsed Regional Risk Assessment

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



## 5 Description of Company, Supply Base and Forest Management

### 5.1 Description of Company

The organization is a biomass producer with two pellet production facilities situated in city Postavy, Belarus. In scope of this certificate is included only one factory (new with location on [Leninskaya, 272a, 211871, Postavy, Belarus](#)) started to work in September 2018. Another factory is included in another SBP certificate

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

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

All incoming feedstock is FSC certified. Origin information at FMU level (forestry) is available on the delivery documents.

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

### 5.2 Description of Company's Supply Base

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

In Belarus, forest land covers 9.5 million ha. Forests are quite evenly spread over the country's six regions with the average value of the forest cover (ratio between the stocked forest land and the total land) being 39.3% . The size of agricultural land is 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 2017 year, the timber production in Belarus has fluctuated approx., 17.9 million cubic metres (<http://www.mlh>).

Forest area (covered by forest) 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.

Reforestation and afforestation were carried out on a total area of 34.87 thousand hectares (136,7% of the target approved by the Government of the Republic of Belarus), taking into account that due to sowing and planting of the wood 29,73 thousand hectares of the new woods were put (131,1% to the annual plan). In a total amount of silvicultural production coniferous and hard-wooded broadleaved breeds occupy 95,8% (28,49 thousand hectares), soft-wooded (a birch, a linden, a common alder and other) – 4,2% (1,24 thousand hectares).

Overfulfillment of the established plans was caused by need to eliminate consequences of a squally wind in the forest fund and implementation of the project on planting forest in the autumn period on plots of developed windthrown and windbroken felled areas.

Reforestation of damaged (windthrown and windbroken) plantings was carried out in autumn of 2016 on the area of 5 313 hectares, including forest planting – 4 921 hectares. 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.

The forest area is certified by PEFC certification scheme: 7,9 million. ha (93 forestry's) and FSC certification scheme app 7,1 million. ha (90 forestry's)

For details see the BP internet site: [http://www.pmc.by/?text\\_section\\_id=6](http://www.pmc.by/?text_section_id=6)

## 5.3 Detailed description of Supply Base

Total Supply Base area (ha): 9.5 million ha

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

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

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

Certified forest by scheme (ha): FSC - total certified area 7,1 million ha

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

## 5.4 Chain of Custody system

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

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

## 6 Evaluation process

### 6.1 Timing of evaluation activities

Onsite audit was conducted on November 29, 2018 (8h). Audit activities included documents review at office, inspection of production facilities and staff interviews.

Action	Place	Auditor	date/ time
Introduction meeting (Appr at 09.00-09.15)	Office	Aliaksandr Zubkevich	29.11.2018  09.15-12.30; 13.30-17.00
Analyse of the organization SBP system;  Staff interview;  Documents review procedure, instructions, training minutes, group products list, suppliers list and etc.  Analyse of FSC COC system. Checking of critical points.  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) purchase and 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  Pellet factory		
Lunch time  12.30-13.30	Office		
Final meeting 17.00-17:30	Office		

Review of documents prepared by BP to close open NCR, phone interview	Minsk		11.12.2018
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## 6.2 Description of evaluation activities

The main audit was focused on management system evaluation: division of the responsibilities, documents 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 main audit evaluation:

All SBP related documentation connected to the SBP as well as FSC system of the organisation, including SBP Procedures, GHG related data, Supply Base Reports, were evaluated during the audit.

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, 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 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 audit findings were summarised and audit conclusion based on use of 3 angle evaluation method were provided to the representative of the company.

After the audit the final review of the SAR document and additional evidence provided by the organization was done. The outcomes of this additional review were discussed with the company over phone.

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 course. 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

The stakeholder consultation was carried out on 23th of November, 2018 by sending direct email to different stakeholder categories: state institutions, local NGOs, authorities, government bodies, forest owners associations, academic and research institutions with deadline – 23th of December 2018. No comments from the stakeholders were received. The stakeholder notification letter is added as an Exhibit No. 2 to this report.

## 7 Results

### 7.1 Main strengths and weaknesses

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

Weaknesses: See the non-conformities below

### 7.2 Rigour of Supply Base Evaluation

Not applicable

### 7.3 Collection and Communication of Data

The BP has good system of collecting information. Appropriate meter used to record electricity consumption, all data is recorded in 1C program.

### 7.4 Competency of involved personnel

The SBP responsible person in the company is design Engineer. 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

## 8 Review of Company's Risk Assessments

*Describe how the Certification Body assessed risk for the Indicators. Summarise the CB's final risk ratings in Table 1, together with the Company's final risk ratings. Default for each indicator is 'Low', click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.*

**Non-applicable**



## 9 Review of Company's mitigation measures

Non applicable

## 10 Non-conformities and observations

Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. For each, give details to include at least the following:

- applicable requirement(s)
- grading of the non-conformity (major or minor) or observation with supporting rationale
- timeframe for resolution of the non-conformity
- a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.

<b>NC number</b> 01/18	<b>NC Grading:</b> Minor
<b>Standard &amp; Requirement:</b>	<p>Standard #2: Verification of SBP-compliant feedstock</p> <p>6.5 The BP shall record the place of harvesting of inputs classified as SBP-compliant Primary Feedstock.</p> <p>The BP shall keep records of the origin of any feedstock supplied with certification claims from either an SBP-approved Forest Management Scheme or an SBP-approved Controlled Feedstock System</p>
<b>Description of Non-conformance and Related Evidence:</b>	
<p>Some volume of logs is sold by forestry manager's directly to the sawmill, some part the organization buy from other FSC certified companies. The feedstock supplied by FSC certified logging companies are not accompanied by documents which prove the origin of feedstock. The BP has not requested from such suppliers documents which may confirm the origin of supplied feedstock. Procurement agreements are signed with each supplier. Due to small volume supplied by this suppliers and low probability that wood may be out form the Republic of Belarus auditor issued minor non conformance.</p>	
<b>Timeline for Conformance:</b>	By the next surveillance audit, but no later than 12 monhts from report finalisation date
<b>Evidence Provided by Company to close NC:</b>	<i>Click or tap here to enter description provided by Company to close the NC.</i>
<b>Findings for Evaluation of Evidence:</b>	<i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i>
<b>NC Status:</b>	Open

<b>NC number</b> 02/18	<b>NC Grading:</b> Minor
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<b>Standard &amp; Requirement:</b>	Standard #2c:  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
<b>Description of Non-conformance and Related Evidence:</b>	
<i>Organization submitted updated SBR to auditor. Organization used newest template. During review of SBR it was found out that data about feedstock used are incorrect. The organization didn't provide in section 2.3 of the SBR description of the process and results from the sampling programme undertaken to determine the proportion of final fellings which ends up in biomass compared to other end uses.</i>	
<b>Timeline for Conformance:</b>	By the next surveillance audit, but no later than 12 months from report finalisation date
<b>Evidence Provided by Company to close NC:</b>	<i>Click or tap here to enter description provided by Company to close the NC.</i>
<b>Findings for Evaluation of Evidence:</b>	<i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i>
<b>NC Status:</b>	Open

<b>NC number 03/18</b>	<b>NC Grading: Minor</b>
<b>Standard &amp; Requirement:</b>	Standard #5b:  4.1.2. A single Input Group shall not include feedstock: <ul style="list-style-type: none"> <li>• From more than one of the following classifications: <ul style="list-style-type: none"> <li>• primary feedstock from forests (products or residues);;</li> <li>• woody energy crops (primary feedstock);;</li> <li>• wood industry residues (secondary feedstock);;</li> <li>• post-<input type="checkbox"/>consumer wood (tertiary feedstock).</li> </ul> </li> <li>• With significantly different transport distances. Note: The ratio between maximal and average transport distance should not be over 1.5 (for 90% of the feedstock in that group). Any exceptions should be verified by the CB and explained in the SAR.</li> <li>• Which is prepared or pre- processed on- site and subsequently mixed with feedstock that is not prepared or pre- <input type="checkbox"/>processed onsite.</li> </ul>
<b>Description of Non-conformance and Related Evidence:</b>	
The BP has grouped all feedstock in several groups. During review it was found that BP didn't consider significantly different transport distances while making feedstock groups. .	

<b>Timeline for Conformance:</b>	By the next surveillance audit, but no later than 12 months from report finalisation date
<b>Evidence Provided by Company to close NC:</b>	SAR
<b>Findings for Evaluation of Evidence:</b>	During reporting period, the BP has updated SAR and submitted to the auditor. Review of updated SAR confirmed that feedstock has been grouped correctly.
<b>NC Status:</b>	Closed

## 11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
<b>Certification decision:</b>	Certification approved
<b>Certification decision by (name of the person):</b>	Pilar Gorría Serrano
<b>Date of decision:</b>	24/Dec/2018
<b>Other comments:</b>	<i>Click or tap here to enter text.</i>