

SBP

Sustainable Biomass Program

NEPCon Evaluation of Lesosibirskiy LDK 1 Compliance with the SBP Framework: Public Summary Report

Main (Initial) Audit

www.sbp-cert.org



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*

Document history

Version 1.0: published 26 March 2015

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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:	25/Dec/2018
Report authors: :	Natalia Zaladinova
Name of the Company:	JSC «Lesosibirskiy LDK № 1»
Company contact for SBP:	Vladimir Mamatov (tel. +7-391-459-24-69; email: Mamatov_VO@segezha-group.com, 662543, Belinsky str., 16A, Lesosibirsk, Russia)
Certified Supply Base:	Russia, Krasnoyarsk region
SBP Certificate Code:	SBP-07-09
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

Organization is a biomass/ pellet trader sourcing the material from pellet producer. Main supplier (Ksilo Tek Siberia LLC) is located in the same production area/ address.). The SBP certificate scope: “Trading of wood pellets for use in energy production, including transport from Biomass Producer in Russia to different end points all over the world. The certificate scope does not include Supply Base Evaluation.”

The Organization holds valid FSC certificate with transfer system implemented.

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.

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

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

The Organization is the largest lumber producer in Lesosibirsk, Russia. However within the frameworks of SBP certification the Organization is operating as a trader without physical possession of the material only. Pellets are purchased from the organization located at the same production site. The material is delivered by suppliers by train to S.Petersburg sea port and sold to organization, which then sells it to its customers. Delivery conditions are FCA, S.Petersburg sea port (Incoterms 2010).

5.2 Description of Company's Supply Base

Not applicable – organisation is trader.

5.3 Detailed description of Supply Base

Not applicable – organisation is trader.

5.4 Chain of Custody system

The Organization has implemented the FSC transfer system with biomass (wood pellets) in the scope of the certificate - FC-COC-643245. The process covers trade with biomass without physical possession. The material is delivered by suppliers by train to S.Petersburg sea port and sold to organization, which then sells it to its customer. Delivery conditions are FCA, S.Petersburg sea port (Incoterms 2010).

6 Evaluation process

6.1 Timing of evaluation activities

Onsite evaluation was conducted on October 26, 2018 (8.5 h). Evaluation activities included documents review at office and staff interviews.

Activity	Location	Date/time
Review documentation before the assessment	Office NEPCon	22/10/2018 10.00-14.00
Opening meeting	Office at Lesosibirsk	26/10/2018 13.30-13.45
Documents and procedures review. Staff interviews.	Office at Lesosibirsk	26/10/2018 13.45 – 17.45
Closing meeting*	Office at Lesosibirsk	26/10/2018 17.45 – 18.00

6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Natalia Zaladinova	Lead auditor NEPCon SBP lead auditor. She successfully passed SBP auditor training course in December 2016 in Amsterdam and participated in a number of SBP assessments and annual audits in Russia.

Audit started with an opening meeting attended by Organisation management and staff.

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 (#4 and #5). 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.

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

The stakeholder consultation was carried out on September 25, 2018 by sending direct email to different stakeholder categories. Furthermore, during onsite evaluation, stakeholder interview has been carried out by phone with the representative of the local communities.

No comments from the stakeholders were received.

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.

7.3 Collection and Communication of Data

The Organization will forward the material by railroad. Energy (electricity and diesel) used to deliver the material is identified by the Organization. Organization will forward the energy use data received from its supplier to its customer.

7.4 Competency of involved personnel

All staff involved into SBP certification and interviewed during assessment showed good understanding of the requirements in relation to SBP certification and of the FSC CoC system.

7.5 Stakeholder feedback

No feedback from stakeholders have been received.

7.6 Preconditions

None

8 Review of Company's Risk Assessments

Not applicable

9 Review of Company's mitigation measures

Not 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.*

11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Olesja Puiso
Date of decision:	25/Dec/2018
Other comments:	<i>Click or tap here to enter text.</i>