

NEPCon Evaluation of State Forestry Institution “Begoml Forestry Enterprise” Compliance with the SBP Framework: Public Summary Report

Second Surveillance 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*

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.org, +420 606 730 382
Current report completion date:	19/Sep/2018
Report authors: :	Aliaksandr Zubkevich
Name of the Company:	State Forestry Institution “Begoml Forestry Enterprise”
Company contact for SBP:	Artem Grigorjevich Zemchenok, quality engineer
Certified Supply Base:	sourcing from territory of State Forestry Institution “Begoml Forestry Enterprise”
SBP Certificate Code:	SBP-01-57
Date of certificate issue:	03/Feb/2017
Date of certificate expiry:	03/Feb/2022

This report relates to the Second Surveillance Audit

2 Scope of the evaluation and SBP certificate

The certificate scope covers the pellet production site and office in Begoml, Republic of Belarus. Supply Base of State Forestry Institution “Begoml Forestry Enterprise” is the only forest area of State Forestry Institution “Begoml Forestry Enterprise”.

State Forestry Institution “Begoml Forestry Enterprise” is situated in the south-west part of Vitebsk Region. The enterprise comprises nine forest districts, production and logging facilities and a base nursery. The company is involved in forestry, wood harvesting, wood machining and trade both within the country and abroad. It is responsible for 74.3 thousand ha of forest territory.

The Organisation holds valid FSC FM/Chain of Custody certificate with FSC transfer system in the scope. State Forestry Institution “Begoml Forestry Enterprise” for the production of fuel pellets uses only the FSC 100% certified wood which grows in the territory of forest fund of the entity. The following categories of raw materials are used for production: wood offcuts, wood chips, sawdust. The following categories of raw materials are used for hearting: wood logs and wood industry residues.

Description of the scope: The certificate scope covers production of wood pellets, for use in energy production, at State Forestry Institution “Begoml Forestry Enterprise” and transportation by rail to Belarusian/Latvian border, Bigosovo 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)
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 checked="" type="checkbox"/> SBP-Compliant Primary Feedstock (Only for drier)	<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"/> 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 type="checkbox"/> Harbour – Permanent storage (Storage site)	<input type="checkbox"/> Harbour – Temporarily 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	- - -	- - -	-DAF Bigosovo railway station		
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

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

State Forestry Institution “Begoml Forestry Enterprise” is situated in the south-west part of Vitebsk Region. The enterprise comprises nine forest districts, production and logging facilities and a base nursery. The company is involved in forestry, wood harvesting, wood processing and trade both within the country and abroad. It is responsible for 74.3 thousands ha of forest territory.

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The following categories of raw materials are used for drier: Wood chips (slab wood and offcuts) and logs (fuel wood)

5.2 Description of Company’s Supply Base

The supply base of the organization is the total territory of State Forestry Institution “Begoml Forestry Enterprise”.

Forests are the dominant vegetation type on the territory of State Forestry Institution “Begoml Forestry Enterprise”. The territory of the FE is covered by forests of temperate biome. According to the Belarusian forest vegetation zonation the territory is located in the zone of broadleaves-spruce forest of Oshmyany-Minsk region of Minsk-Borisov forest complex massive. In general, pine is dominating specie on the territory of the FE. The structure of the FME includes eight forest districts. It is responsible for 74.3 thousand ha of forest resources including 63.2 thousand ha of woodlands. Forests of the 1st group occupy 23.9 thousand ha, while forests of the 2nd group occupy 50.4 thousand ha. 53 years is the average forest age.

The age class distribution of forests of Begoml FE is as follows and presented on graph below:

Young stands – 27%;

Medium stands – 38%;

Pre-mature stands – 28%;

Mature and over mature stands – 7%.

Forests age structure is not optimal taking into account overstated number of medium stands and understated number of mature forests.

The main objective of forest management in the State Forestry Institution “Begoml Forestry Enterprise is to provide the continuous, stable, sustainable, cost-effective, multi-purpose, environmentally responsible and socially oriented forest management that to meet the needs of society in raw materials and to preserve and enhance the ecological functions of forests and to conserve biodiversity in forest ecosystems.

For details see the BP internet site <http://www.begomlles.by/ru/2018-god>

5.3 Detailed description of Supply Base

Total Supply Base area (ha): 74314 ha

Tenure by type (ha): 74314 ha state ownership, 0 million ha private forests and 0 million ha other ownership types.

Forest by type (ha): 74314 ha temperate forests

Forest by management type (ha): 74314 ha managed semi-natural

Certified forest by scheme (ha): FSC - total certified area 74314 ha

PEFC – total certified area 74314 ha

Quantitative description of the Supply Base can be found in the Supply Base Report of the Biomass Producer <http://www.begomlles.by/ru/2018-god>

5.4 Chain of Custody system

The Organisation holds valid FSC FM/COC certificate (SGS-FM/COC-007101). Critical control points of the FSC CoC system were evaluated also during SBP audit.

The Organisation has implemented FSC transfer system. The input material used by the Organisation for biomass production contains secondary feedstock – sawdust and wood industry residues for pellet production. Primary feedstock such as forest residues, diseased wood and wood industry residues are used for dryer. All feedstock is FSC certified and originates only from forest area of the BP.

6.1 Timing of evaluation activities

Action	Place	Auditor	date/ time
Introduction meeting (Appr at 9.00-9.15)	Office of State Forestry Institution “Begoml Forestry Enterprise”	Aliaksandr Zubkevich	06.09.2018 9.00-9.15
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 of State Forestry Institution “Begoml Forestry Enterprise” Pellet factory		10.15-12.30; 13.30-17.30

Lunch time 12.30-13.30	Office of State Forestry Institution "Begoml Forestry Enterprise"		
Final meeting 16.30-17:00	Office of State Forestry Institution "Begoml Forestry Enterprise"		

6.2 Description of evaluation activities

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 the collection of the energy and emission data.

Description of the 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 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 of the 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 coursed. 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

No Consultation was conducted for this surveillance audit.

7 Results

7.1 Main strengths and weaknesses

Strength: Use of production residuals only from own sawmill. All elements of SBP system are implemented.
Use of the FSC transfer system and control of all incoming materials at the level of sawdust reception and production process.

Weaknesses: There are no any weaknesses identified

7.2 Rigour of Supply Base Evaluation

Not applicable

7.3 Collection and Communication of Data

The BP has system in place of recording of data.

7.4 Competency of involved personnel

The SBP responsible person in the company is quality 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 to this certification were identified at the time of this surveillance audit

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.

Not applicable

Table 1. Final risk ratings of Indicators as determined BEFORE the SVP and any mitigation measures.

Indicator	Risk rating (Low or Specified)	
	Producer	CB
1.1.1	Low	Low
1.1.2	Low	Low
1.1.3	Low	Low
1.2.1	Low	Low
1.3.1	Low	Low
1.4.1	Low	Low
1.5.1	Low	Low
1.6.1	Low	Low
2.1.1	Low	Low
2.1.2	Low	Low
2.1.3	Low	Low
2.2.1	Low	Low
2.2.2	Low	Low
2.2.3	Low	Low
2.2.4	Low	Low
2.2.5	Low	Low
2.2.6	Low	Low
2.2.7	Low	Low
2.2.8	Low	Low
2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Low	Low

Indicator	Risk rating (Low or Specified)	
	Producer	CB
2.3.3	Low	Low
2.4.1	Low	Low
2.4.2	Low	Low
2.4.3	Low	Low
2.5.1	Low	Low
2.5.2	Low	Low
2.6.1	Low	Low
2.7.1	Low	Low
2.7.2	Low	Low
2.7.3	Low	Low
2.7.4	Low	Low
2.7.5	Low	Low
2.8.1	Low	Low
2.9.1	Low	Low
2.9.2	Low	Low
2.10.1	Low	Low

Table 2. Final risk ratings of Indicators as determined AFTER the SVP and any mitigation measures.

Indicator	Risk rating (Low or Specified)	
	Producer	CB
1.1.1	Low	Low
1.1.2	Low	Low
1.1.3	Low	Low
1.2.1	Low	Low
1.3.1	Low	Low
1.4.1	Low	Low
1.5.1	Low	Low
1.6.1	Low	Low
2.1.1	Low	Low
2.1.2	Low	Low
2.1.3	Low	Low
2.2.1	Low	Low
2.2.2	Low	Low
2.2.3	Low	Low
2.2.4	Low	Low
2.2.5	Low	Low
2.2.6	Low	Low
2.2.7	Low	Low
2.2.8	Low	Low
2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Low	Low

Indicator	Risk rating (Low or Specified)	
	Producer	CB
2.3.3	Low	Low
2.4.1	Low	Low
2.4.2	Low	Low
2.4.3	Low	Low
2.5.1	Low	Low
2.5.2	Low	Low
2.6.1	Low	Low
2.7.1	Low	Low
2.7.2	Low	Low
2.7.3	Low	Low
2.7.4	Low	Low
2.7.5	Low	Low
2.8.1	Low	Low
2.9.1	Low	Low
2.9.2	Low	Low
2.10.1	Low	Low

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.

CLOSED NON-CONFORMANCES

NCR: 01/17	NC Classification: Major
Standard & Requirement:	SBP Instruction 5a, ver. 1-1 requirement 4.1 Transactions shall be recorded in the DTS
Description of Non-conformance and Related Evidence:	
<p>In accordance with procedure Transactions shall be recorded in the DTS. But due to technical reason the BP staff didn't get access to DTS and transaction was not recorded in DTS during revision period.</p> <p>В соответствии с процедурой все транзакции должны быть введены в DTS. Однако по техническим причинам организация не смогла получить доступ к DTS и транзакции не были введены в систему.</p>	
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:	3 month from the report finalisation
Evidence Provided by Organisation:	<p>The BP didn't provide evidence to close NCR in time</p> <p><u>Audit 2018</u></p> <p>DTS system records</p>
Findings for Evaluation of Evidence:	In revision period organization has access to DTS and successfully entered data in the system. Relevant personnel have been trained and know how to do it.
NCR Status:	CLOSED

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):	Pilar Gorriá Serrano
Date of decision:	19/Sep/2018
Other comments:	<i>Click or tap here to enter text.</i>