



Control Union Certifications B.V. Evaluation of Zvezda Trade EOOD 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 1.4

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

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Primary contact for SBP: Andrea Ferrazzo, +31 (0)657312287

Current report completion date: 23/Apr/2020

Report authors: Mr. Lennart Holm (Lead Auditor) and Mr. Andrea Ferazzo (Certifier)

Name of the Company: Zvezda Trade EOOD, Bulgaria Blvd, floor7 Office V21.Sofia, 404 Bulgaria

Company contact for SBP: Leonid Bondar, +7 9104774574

Certified Supply Base: N/A - trader

SBP Certificate Code: SBP-06-42

Date of certificate issue: 01/May/2020

Date of certificate expiry: 30/April/2025

This report relates to the Main (Initial) Audit

2 Scope of the evaluation and SBP certificate

Scope of evaluation Main Assessment by means of an Desk audit to assess **Zvezda Trade** conformance to SBP standards 4, and 5 and respective Instruction Notes and Documents, at Zvezda Trade EOOD office in Sofia, Bulgaria. COVID-19 Normative Requirements of 22/04/2020 was adhered to when completing this report.

Scope of certificate: Trading and distribution of wood pellets at Zvezda Trade EOOD, Sofia, Bulgaria and the port and storage facilities in St. Petersburg, Russia.

3 Specific objective

The specific objective of this evaluation was to confirm that Zvezda Trade management system is capable of ensuring that all requirements of the specified SBP Standards are implemented across the entire scope of certification.

The scope of the evaluation covered:

- Review of Zvezda Trade management procedures;
- Review of SBP system control points and an analysis of the existing PEFC and FSC CoC system;
- Interviews with responsible staff;
- Review of the records and calculations;
- SREG 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 - No SBP endorsed Regional Risk Assessment was used for this assessment

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

ZVEZDA TRADE EOOD is a wood pellet trading company registered in Sofia, Bulgaria. The company was founded in 2002. Business model of ZVEZDA TRADE EOOD is purchase and sales of SBP-compliant biomass and SBP-controlled biomass based on the following conditions:

- Non-physical trade
- Physical trade and storage of biomass in Sea Fish port in St. Petersburg, Russia.

Possible incoterms conditions for trade: FCA, DAP, DAF, DDP, DPU, CIP, FOB, CIF, CPT, CFR.

5.2 Description of Company's Supply Base

Not applicable, The company is a Biomass Trader

5.3 Detailed description of Supply Base

Not applicable, The company is a Biomass Trader

5.4 Chain of Custody system

The organization has implemented FSC and PEFC Chain of Custody systems with biomass (wood pellets) in the scope of their certificates.

FSC certificate of Zvezda: FC-COC-100874 and corresponding FC-CW-100874, valid to 30/09/2023.

PEFC certificate of Zvezda: FC-PEFC-0047, valid to 01/10/2023.

The process covers trade of biomass with physical possession. Valid FSC and PEFC system description and other documents exist. As a trading company, they export biomass (wood pellets) by sea mainly CIF, with storage. Based on the company's internal records, the amount of incoming and delivered material flow is clearly documented.

6 Evaluation process

6.1 Timing of evaluation activities

The audit of the company's documentation occurred on April 1, 2020. Due to the COVID-19 virus, this evaluation did not include an on-site visit, but was done remotely. COVID-19 Normative Requirements of April 22, 2020 was adhered to when completing this report.

This report is the result of the findings of a certification evaluation carried out by an independent lead auditor representing Control Union Certifications. The purpose of the assessment was to evaluate the compliance of the client with respect to the standards used within the scope of the certificate.

Activity	Date	Executed by
Preparation	5-05-2020	Andrea Ferrazzo (certifier)
Chain of Custody Review	14/04/2020	Lennart Holm (lead auditor)
GHG paper audit and evidence review.	14/04/2020	Lennart Holm (lead auditor)
Port procedures review. Closing Meeting and report writing	23/04/2020	Lennart Holm (lead auditor)

6.2 Description of evaluation activities

This was a remote audit due to COVID-19 restrictions and was being undertaken following SBP COVID-19 guidance of 13 March, 2020 and COVID-19 Normative Requirements of 22 April, 2020.

In this remote audit, Control Union used information and communication technology (ICT) to evaluate all requirements from the annual audit plan to the extent possible. The audit was conducted on the basis of virtual meetings / interviews with relevant people of the certificate holder, relevant documents and records, and other best available information.

This remote audit consisted of an opening meeting, during which the scope was confirmed. The auditor also explained the methods to be employed during the audit.

After this introduction, all relevant requirements of the applicable SBP standard(s) were verified on compliance through the use of a report template and checklists. Procedures for ports included in the scope of Duferco were reviewed remotely.

The audit was completed by filling in the audit report and discussing the audit results. Critical Control points were evaluated and found to be sufficiently managed and a closing meeting performed.

1. Names and affiliations of people interviewed	
Name:	Affiliation:
Tatiana Savelyeva	Zvezda Consultant

Leonid Bondar	SBP Manager, Zvezda Trade
Roman Vagner	COC Responsible, Zvezda Trade

2. Critical control points, summary	
Identified CCP	Evaluation CCP
Purchase and sales: Checking of Valid certificates in case of SBP	Procedures in place. Training done. Interview confirms understanding of the system.
Volume control	FSC and PEFC, with mass balance system in place

6.3 Process for consultation with stakeholders

Not applicable, Zvezda is a Biomass Trader

7 Results

7.1 Main strengths and weaknesses

The audit of Zvezda Trade demonstrated a good level of compliance with the required criteria of Standard 4 and 5. There was reasonable evidence provided to support compliance where a Non-Conformity was not detected. The existence of a FSC and PEFC Chain of Custody system are considered a strength with respect to Zvezda Trade overall conformity with the relevant SBP standards.

No weaknesses were identified

7.2 Rigour of Supply Base Evaluation

Not applicable, Zvezda is a Biomass Trader.

7.3 Collection and Communication of Data

Zvezda Trade assures the completeness of incoming documentation to forward to their buyers. Zvezda is a trader with physical possession, and thus, does handle with the purchased biomass. Zvezda forwards to its customer the energy use data, received from their suppliers, supported by the production of the applicable SREG.

7.4 Competency of involved personnel

The company consist of a biomass trading desk of which one has the main responsibility related to the SBP system. All personnel that is involved with SBP have received appropriate training where all relevant procedures and requirements have been covered. The SBP responsible staff has shown good understanding of the requirements in relation to SBP certification and of the already implemented FSC and PEFC CoC system. Considering the size of the company, there were no risks detected related to the competency of involved personnel.

7.5 Stakeholder feedback

Not applicable, Zvezda is a Biomass Trader so no stakeholder consultation is executed by the company or by the CB

7.6 Preconditions

N/A, no preconditions.

8 Review of Company's Risk Assessments

Not applicable, Zvezda is a Biomass Trader (supply base evaluation is not included in the certificate scope).

9 Review of Company's mitigation measures

Not applicable, Zvezda is a Biomass Trader.

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.*

Main Evaluation: No Non-conformities identified.

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):	Andrea Ferrazzo
Date of decision:	01/May/2020
Other comments:	Click or tap here to enter text.