NEPCon Evaluation of GLHU Bogushevsky leshoz 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 1.4

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

Version 1.1: published 30 January 2018

Version 1.2: published 4 April 2018

Version 1.3: published 10 May 2018

Version 1.4: published 16 August 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, +34 605 638 383
Current report completion date:	22/Jun/2020
Report authors:	Siarhei Minkevich
Name of the Company:	GLHU Bogushevsky leshoz
Company contact for SBP:	Gorbachev Petr, Chief engineer
Certified Supply Base:	GLHU Bogushevsky leshoz of the Republic of Belarus
SBP Certificate Code:	SBP-08-09
Date of certificate issue:	23/Jun/2020
Date of certificate expiry:	22/Jun/2025

This report relates to the Main (Initial) Audit

2 Scope of the evaluation and SBP certificate

Scope of certificate includes production of wood pellets for use in energy production and its transportation by different means of transport to different end points in Belarus. The scope of the certificate does not include Supply Base Evaluation. The scope of the certificate includes communication of Dynamic Batch Sustainability Data.

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 and assessment of compliance with ID 5E ver. 1.0.

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

GLHU Bogushevsky leshoz is a state forest management institution who manages state forests. The area of the forest fund managed by the GLHU Bogushevsky leshoz of Vitebsk State Forestry Board is 74.5 thousand ha, including 64.5 thousand ha covered by forest.

GLHU Bogushevsky leshoz has sawmill plant as well as pellet plant located at the same production site where sawmill plant of leshoz works. Pellet plant uses sawmill residues from their sawmill: sawdust only. The fuel for burning are slabs and firewood (low quality round wood). The feedstock for pellet production - sawdust (also slabs, edgings as biomass fuel) comes from the sawmill plant. The production capacity of 1600 tonnes pellets/year. GLHU Bogushevsky leshoz (biomass producer, BP) is forest management institution, located in Vitebsk region, Belarus, has more than 300 staff members. The BP holds valid FSC FM/CoC certificate covering round wood, firewood, sawmill and biomass products (sawmill products, chips, pellets), and for biomass production uses FSC 100%-certified secondary feedstock (sawdust from the own sawmill plant) for production of certified pellets. All feedstock is from organisation's own sawmill plant, the round wood for sawmill production comes from the forest of GLHU Bogushevsky leshoz (wood is not purchased from external suppliers). Feedstock is moved from sawmill to production site of pellet plant by frontal loader of the organisation. Biomass will be delivered to the customer by means of railway service (railway wagons). Occasionally the deliveries can be made by the trucks (however it is not common mean of deliveries for export, but more typical transport for the internal market).

5.2 Description of Company's Supply Base

GLHU Bogushevsky leshoz is a state forestry institution that manages the forest fund and has its own sawmill plant, and production of fuel wood pellets. The production of fuel pellets is located at the sawmill site in the town Bogushevsk, Senno district, Vitebsk region, Republic of Belarus.For the production of SBP-compliant biomass, the GLHU Bogushevsky leshoz uses only SBP-compliant Secondary Feedstock (sawdust). Raw materials to the sawmill plant comes only from its own forest fund of GLHU Bogushevsky leshoz, all wood raw materials have FSC 100% claim.

As the Supply Base, the GLHU Bogushevsky leshoz has got the area of its own forest fund of the GLHU Bogushevsky leshoz, since the area and structure of the forest fund make it possible to fully supply raw materials for its own sawmill plant, including a sawmill and pellet production.

All forestry operations are based on the data of the forest management plan, which was compiled for the period 10 years and is subject to revision every 10 years in the process of basic forest management inventory by employees of RUE "Belgosles". The volume and structure of designated forestry activities and final cutting is regulated in the materials of the forest management plan. Plant species included in CITES or IUCN Lists do not grow on the territory of GLHU Bogushevsky leshoz. The forest inventory plan (valid until 2026) has been expertised both within the Ministry of Forestry and other organizations, including divisions of the Ministry of Natural Resources and Environmental Protection, etc.

Thus, the forest resource base forest fund GLHU Bogushevsky leshoz is located in the southeastern part of the Vitebsk region on the territory of the Senno and Orsha administrative regions. The area of the forest fund managed by the GLHU Bogushevsky leshoz of the Vitebsk State Forestry Production Association is 74.5 thousand ha, including 64.5 thousand ha covered with forest. The forestry includes 7 forestries, a woodworking workshop, a forest nursery. The number of employees in the leshoz is 328 people.

Table - Distribution of forest area GLHU Bogushevsky leshoz in accordance with their environmental, economic and social significance

Total area, ha	Distribution of forests depending on their functions			
	environmental forests	recreational forests	protective forests	forests of commercial use
74475.0	2836.9	1127.2	17822.6	52688.3

Coniferous forest stands dominate in the forest fund, including pine, spruce forests; birch, alder and aspen forest stands also grow in the forest fund, however hardwood forst species (oak, ash, maple, elm, linden) are less represented. The average age of forest stands is 51 years. The total stock of ripening and ripe forest stands is 6789.3 thousand m3. The estimated cutting area of final harvesting for the whole leshoz is 152.8 thousand m3.

On the territory of the forest fund there are specially protected natural territories for which there are relevant conservation documents, issued in accordance with the national legislation. The protection regime of these forest territories is set in accordance with the requirements of the security documents.

Forest certification is an effective tool to combat illegal logging and timber trafficking. The forest management system and supply chain of the GLHU Bogushevsky leshoz is certified according to the requirements of the international Forest Stewardship Council (FSC) scheme, as well as the requirements of the international PEFC scheme.

5.3 Detailed description of Supply Base

Total Supply Base area (ha):	74475.0 ha
Tenure by type (ha):	74475.0 ha (state owned)
Forest by type (ha):	temperate 74475.0 ha
Forest by management type (ha):	managed natural 74475.0 ha
Certified forest by scheme (ha):	74475.0 ha FSC-certified forest
	74475.0 ha PEFC certified forest

Detailed information about BP's supply base may be found in their Supply Base Report available in Internet at http://bogles.by/sertifikaciya-sbp.html and will be uploaded to SBP website in company profile as SBP certificate holder.

5.4 Chain of Custody system

BP holds valid FSC CoC certificate
https://info.fsc.org/details.php?id=a024000000QgdhHAAR&type=certificate (NC-FM/COC-022036) covering

logging, also primary (round timber sawmill processing) as well as secondary (chips and pellets production) wood processing. Secondary feedstock (sawdust) with FSC 100% claim is used for pellet production and FSC transfer system of claims is implemented (all pellets have FSC 100% claim). No need in physical segregation of wood material as all material is both FSC and PEFC certified.

6 Evaluation process

6.1 Timing of evaluation activities

Onsite assessment was conducted on June 04, 2020 (app. 7 working hours). Assessment activities included documents review at office, inspection of production facilities and staff interviews.

Activity	**Location**	**Date/time**
Opening meeting	Office	04/06/2020 08.30-08.45
Chain of custody review (site tour); staff interview; document review	Production facilities	04/06/2020 08.45-10.45
Documents and procedures review (feedstock inputs, SBR, CoC control system and critical points, compliance with legal requirements, H&S), staff interview.	Office	04/06/2020 10.45-13.00
Documents and procedures review (SAR and energy use primary data); staff interview	Office	04/06/2020 14.00-16.45
Closing meeting	Office	04/06/2020 16.45-17.10

6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Siarhei Minkevich, SBP auditor	NEPCon SBP lead auditor, FSC FM/COC and FSC CoC/CW lead auditor. He has successfully passed SBP lead auditor training in Germany in September 2019 and participated in several SBP assessments in Belarus and Lithuania.

The evaluation 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 GHG data availability.

Description of the audit evaluation:

All SBP related documentation connected to the SBP as well as FSC CoC system of the organisation, including SBP Procedure, SAR and GHG data calculations, Supply Base Report and FSC system description was provided by the company in the beginning of the assessment, which started with an opening meeting attended by the representatives from Organisation's management and staff.

Auditor provided information about audit plan, methodology, auditor qualification, confidentiality issues, and assessment methodology and clarified certification scope. During the opening meeting the auditor explained CB's approval related issues.

A roundtrip around BP's pellet production was undertaken. During the site tour, applicable records and documents were reviewed, staff was interviewed and FSC system critical control points were analysed.

After that auditor went through all applicable requirements of the SBP standards nr. 2, 4, 5 and instruction document 5E 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 biomass. During the process, overall responsible person for SBP system and other staff were interviewed.

At the end of the audit, findings were summarised, and audit conclusions based on use of 3 angle evaluation method were provided to the management and SBP responsible person.

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 4.8.2020 by sending direct email to different stakeholder categories (more than 120 recipients) (List of SHs proposed by FSC Belarus was used). No comments from the stakeholders have been received. List of informed stakeholders includes such groups of stakeholders as FSC National Initiative, environmental and social NGOs, FSC-certified companies in the region, scientific and educational entities, state forestry authorities, trade unions etc.

7 Results

7.1 Main strengths and weaknesses

Strengths: use of the FSC transfer system; FSC 100% secondary feedstock is sourced. Effective recordkeeping system. Well structed management staff (divisions and departments, etc) and clearly designated responsibilities within the staff members.

Weaknesses: please see minor NCR in section 10 below.

7.2 Rigour of Supply Base Evaluation

Not applicable

7.3 Collection and Communication of Data

The following energy sources are used by BP: electricity for pellet production; biofuel for burner; diesel for feedstock handling; diesel for biomass handling (from production line to warehouse), shipping and transportation to customer. Diesel consumption value by vehicles used at pellet plant is based on calculation of fuel consumption per vehicle and data obtained in accountancy; electricity consumption value by pellet plant is based on invoices issued by electricity supplier on a monthly basis.

7.4 Competency of involved personnel

Overall, BP staff showed good understanding of knowledge of all applicable SBP requirements. Several staff members are involved into SBP certification: chief engineer (SBP responsible person) (complaints, SBP procedures and systems updates, SAR data); engineer for logging and wood processing (responsible for SBP procedures updates, SAR), chief manager of the sawmill plant (including pellet production) (conversion factor updates, overall control of the production and material flows), manager of export sales (DTS), accountant of the sawmill plant (including pellet production) (accounting system, sales for internal market), head of forestry department (SBR), operators of pellet production (SAR data), engineer of energy (SAR data), master of the production (SAR data, overall control of pellet production, including H&S issues on daily basis), H&S engineer (H&S requirements), head of transport department (SAR data (fuel)). Prior to and during SBP assessment, BP was supported by external consultant, who also has provided relevant training to BP staff.

7.5 Stakeholder feedback

No comments received from stakeholders prior to, during or after this assessment.

7.6 Preconditions

None

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

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.*

NC number 01/20	**NC Grading:** Minor
Standard & Requirement:	SBP Instruction Document 5E V.1.1, 6.9.3 At least one of the following options shall be used for the drying process, where applicable: Option 1 – Specify energy use of dryer, when applicable. - If a heat meter is installed, calculate how much heat energy from the boiler is provided to the dryer and provide details of the calculation; - Specify heat consumption in kWh per metric tonne dried feedstock and the corresponding period for this evaluation. Option 2 – Specify input moisture content of feedstock. - The preferred method in 6.9.2 is the weighted average moisture content based on moisture evaluation per shipment for all Feedstock Group. - When measurement of moisture of incoming feedstock is not determined on receipt of feedstock, the moisture content shall be measured and recorded as soon as possible in the production process. For example, in the case of the receipt of logs, moisture should be measured after debarking and processing to chips. - In the absence of moisture monitoring as specified above, the methodology used and the values recorded shall be justified to the CB, and the justification shall be recorded in the SAR.
Description of Non-conformance and Related Evidence:	
The organization has data on the assessment of pellet moisture (there are several measurement protocols from an independent laboratory). The moisture content of raw sawdust was measured since May 2020 in preparation for an assessment (average value 40.0%). The organization also began to measure the moisture content of sawdust after the dryer drum (the average value according to measurements at the beginning of June was 11.4%). At the same time, the “default” averaged value (40%) was taken as the value of the moisture of biofuel. The auditor compiled a report on a minor nonconformance, since in general the organization took measures to assess the moisture content of feedstock. There is data on the moisture	

content of finished fuel granules and the moisture content of feedstock. Nevertheless, a holistic system for assessing the moisture content of feedstock, biofuels and finished biomass in the organization at the time of the assessment was not implemented. В офисе организации имеются данные по оценке влажности пеллет (имеется несколько протоколов измерений в независимой лаборатории). Влажность сырых опилок измерена в мае месяце при подготовке к основной оценке (среднее значение 40,0%). Организация начала также измерять влажность опилок после сушильного барабана (среднее значение по данным измерений в начале июня - 11,4%). В то же время в качестве значений влажности битоплива взяты усредненные данные «по умолчанию» (40%). Аудитор составил отчет о незначительном несоответствии, так как в целом в организации приняты меры по оценке влажности сырья. Имеются данные по влажности готовых топливных гранул и влажности сырого сырья. Тем не менее целостная система оценки влажности сырья, биотоплива и готовой биомассы в организации на момент оценки не была внедрена.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 monhts from report finalisation date До следующего ежегодного аудита, но не позднее 12 месяцев с даты утверждения отчета
Evidence Provided by Company to close NC:	-
Findings for Evaluation of Evidence:	-
NC Status:	Open

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):	Ondrej Tarabus
Date of decision:	22/Jun/2020
Other comments:	*Click or tap here to enter text.*