



# NEPCon Evaluation of GREAT SPIRIT LIMITED Compliance with the SBP Framework: Public Summary Report

First Surveillance 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](http://www.sbp-cert.org)*

## *Document history*

*Version 1.0: published 26 March 2015*

*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, +34 605 638 383
Current report completion date:	01/Oct/2020
Report authors:	Mikhail Rai
Name of the Company:	GREAT SPIRIT LIMITED, legal address Rm 1104 Crawford House, 70 Queen's Rd. Central, Central Hong Kong; post address: HKG-Central Building Level 9 &10 office number 962, 1-3 Pedder Street, central Hong-Kong; office address in Russia: 664000, Russia, Irkutsk, ul. October Revolution ¼ office 608, business center Terra
Company contact for SBP:	Svetlana Schevchenko, SBP responsible. Mob.: +79501119159, email: bank@keystone-global.co
Certified Supply Base:	Not applicable for trader
SBP Certificate Code:	SBP-07-24
Date of certificate issue:	22/Jul/2019
Date of certificate expiry:	21/Jul/2024

This report relates to the First Surveillance Audit

## 2 Scope of the evaluation and SBP certificate

Scope of the certificate includes trading of wood pellets for use in energy production, including transport from different Biomass Producers in Russia to different end points all over the world.

### 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 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, calculations and conversion coefficients;
- Review of the transportation, storage and deliverance processes.

## 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

GREAT SPIRIT LIMETED is a trader without physical possession of wood pellets with its legal address in Hong Kong. Its representative office in Russia is located in Irkutsk and sourcing the biomass from two pellet producer in Russia, Irkutsk oblast.

The Trader holds a valid FSC CoC certificate. Biomass is delivered by BPs – suppliers of the Trader by rail to S.Petersburg sea ports on FCA delivery conditions. All end points are covered with the supplier's SBP certificate scope. The trader does not complete SREG. No storages included in the scope.

## 5.2 Description of Company's Supply Base

Not applicable.

## 5.3 Detailed description of Supply Base

Not applicable.

## 5.4 Chain of Custody system

The Trader holds valid FSC CoC <https://info.fsc.org/details.php?id=a02f300000gXED3AAO&type=certificate> certificate covering trade with biomass (wood pellets) without physical possession.

Approved claims covered by FSC CoC certificate are FSC 100%, FSC Mix and FSC Controlled Wood. During the reporting period the Trader purchased and sold all pellets with only an FSC Mix Credit claim.

In case of purchasing and selling pellets with other claims batches with different inputs (i.e. SBP-compliant biomass, SBP-controlled biomass, and other biomass) will be provided with sperate contracts and trade documentation.



## 6 Evaluation process

### 6.1 Timing of evaluation activities

Desk-based assessment was conducted on June 26, 2020 (app 6,5 working hours). Assessment activities included documents review at NEPCon office and staff interviews via Skype.

Activity	Location	Date/time
Opening meeting	Office NEPCon, via Skype	01/07/2020 09.00-09.30
Documents and procedures review (feedstock inputs, CoC control system and critical points, compliance with legal requirements, H&S).	Office NEPCon	07/07/2020 09.30-12.00
Staff interview Additional documentation review.	Office NEPCon, via Skype	08/07/2020 09.00-13.30
Closing meeting	Office NEPCon, via Skype	08/07/2020 13.30-14.00

### 6.2 Description of evaluation activities

Composition of audit team:

Auditor(s), roles	Qualifications
Mikhail Rai, audit team leader	NEPCon SBP lead auditor. He has successfully passed SBP auditor training in Berlin in September 2019; previous experience with several SBP assessments and annual audits in Russia and Belarus.

The desk-based evaluation 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 its control points.

Description of the audit evaluation:

All SBP related documentation connected to the SBP as well as FSC CoC system of the Trader, including SBP Procedure and FSC system description was provided by the Trader prior to the assessment, which started with an opening meeting via Skype, attended by the SBP responsible person.

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

After that auditor went through all applicable requirements of the SBP standards 4, 5 and instruction document 5E covering input clarification, existing chain of custody system, management system, recordkeeping requirements, categorisation of input and verification of SBP-compliant biomass. During the process, overall responsible person for SBP system and other staff were interviewed. Also, FSC system critical control points were analysed.

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

No stakeholder consultations conducted prior, during and after this audit (n/a for trader).

# 7 Results

## 7.1 Main strengths and weaknesses

Strengths: use of the FSC transfer system; limited number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: none.

## 7.2 Rigour of Supply Base Evaluation

Not applicable

## 7.3 Collection and Communication of Data

GREAT SPIRIT LIMITED is a trader without physical possession. The Trader does not complete SREG since all end points are covered with the supplier's SBP certificate scope. The Trader commits to provide its suppliers' SARs to the SBP certified customers upon request.

## 7.4 Competency of involved personnel

Overall, Trader's staff showed good understanding of knowledge of all applicable SBP requirements. Generally, only the following staff members are involved into SBP certification:

- SBP responsible (SBP procedures and systems updates, management system maintenance, SREG);
- Sales manager (Supplier's SDi, distances, complaints, sales, registration of inputs and outputs)
- Accountant or sales manager (DTS, invoices)
- Director or financial director (Chain of custody, anti-bribery policy and code of conduct, EUTR requirements).

Prior to and during the audit, the Trader was supported by former SBP responsible (external consultant) who also has provided relevant training to the staff.

## 7.5 Stakeholder feedback

No stakeholder consultations conducted prior, during and after this assessment (not applicable for traders).

## 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.*

No NCRs and/or Observations raised during this assessment.

## 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>	Ondrej Tarabus
<b>Date of decision:</b>	01/Oct/2020
<b>Other comments:</b>	N/A