



NEPCon Evaluation of CM Biomass LLC Compliance with the SBP Framework: Public Summary Report

Fourth 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

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 otarabus@nepcon.org, +34 605 638 383

Current report completion date: 24/Aug/2020

Report authors: Natalia Zaladinova

Name of the Company: CM Biomass LLC, Legal address: 11 pom., 6 Khokhlova street, Gatchina, Leningrad region, 188360, Russia, office address: office 9-15, Liter A, k.1, d.30, Staro-Petergofskiy prospekt, Saint-Petersburg, 190020, Russia

Company contact for SBP: Vera Basharina, Head of Certification Department, tel: +7 931 233 64 08, email: vera.basharina@cmbiomass.com

Certified Supply Base: N/A - Trader

SBP Certificate Code: SBP-01-41

Date of certificate issue: 04/Oct/2016

Date of certificate expiry: 03/Oct/2021

This report relates to the Fourth Surveillance Audit

2 Scope of the evaluation and SBP certificate

Organization is a biomass trader sourcing the material from a number of pellet producers in North-West Russia. The material is delivered to S.Petersburg sea port by suppliers by truck, at this moment possession is taken over by CM Biomass LLC (based on acceptance act) and immediately after that it is sold by organization to its exclusive customer. Therefore, the organization shall be considered as a trader without physical possession. There is no any energy consumption for biomass handling, storage and/or shipment.

SBP certificate scope:

Trading of wood pellets at St. Petersburg harbour for use in energy production. The scope of the certificate does not include Supply Base Evaluation

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

Organization is a biomass trader sourcing the material from a number of pellet producers in North-West Russia (since the initial evaluation there were two suppliers). The material is delivered to S.Petersburg sea port by suppliers by truck, at this moment possession is taken over by CM Biomass LLC (based on acceptance act) and immediately after that it is sold by organization to its exclusive customer. Therefore, the organization shall be considered as a trader without physical possession. There is no any energy consumption for biomass handling, storage and/or shipment.

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 in the scope of the certificate - NC-COC-025650. The process covers trade with biomass without physical possession. The material is delivered by suppliers by truck 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). Potentially, biomass may be purchased and sold with different FSC claims (FSC 100%, FSC Mix Credit, FSC Mix%, FSC Controlled Wood). Non-certified and non-controlled biomass is not purchased.

6 Evaluation process

6.1 Timing of evaluation activities

Desk evaluation was conducted on August 03-04, 2020. Evaluation activities included documents review at NEPCon office and staff interviews by skype and phone.

Activity	Location	Date/time
Review documentation before the assessment	desk audit	03/08/2020 10.00-14.00
Opening meeting by phone	Desk audit	03/08/2020 12.30-12.45
Review documentation	Desk audit	04.08.2020
Staff interviews by phone	Desk audit	04/08/2020 12.45 – 13.45
Closing meeting by phone	Desk audit	04/08/2020 13.45 – 14.00

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.

This was a desk audit conducted by telephone and via phone. Prior to the audit the Organization provided the auditor with documentation related to SBP certification. The auditor conducted opening meeting by telephone and explained audit plan, goals and tasks of the audit. The auditor reviewed and analyzed the received documents, interviewed responsible staff members and finally provided preliminary results of the audit. The closing meeting was also conducted by telephone during which the auditor communicated preliminary results of the audit. The correct use of DTS was also assessed during the audit.

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

Organisation is a trader without physical possession, implementing transfer system of FSC and SBP claims, therefore it is relatively simple certification. Organisation has effective bookkeeping system, so all operations on biomass purchase and sales are clearly identifiable. No energy used for pellets handling etc. Auditor did not identify any weaknesses in Organisation's management systems.

7.2 Rigour of Supply Base Evaluation

Not applicable.

7.3 Collection and Communication of Data

CM Biomass LLC is a trader without physical possession, and does not handle purchased biomass, therefore this section is not applicable. Organization forwards to its customer the energy use data, received from its suppliers.

7.4 Competency of involved personnel

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

7.5 Stakeholder feedback

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

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.*

None

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:	24/Aug/2020
Other comments:	<i>Click or tap here to enter text.</i>