



NEPCon Evaluation of Postavsky Furniture Center PMUE 1 Compliance with the SBP Framework: Public Summary Report

Fourth Surveillance Audit

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The promise of good biomass



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

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: 09/Sep/2020

Report authors: Siarhei Minkevich

Name of the Company: Private Manufacturing Unitary Enterprise "Postavsky Furniture Center".
211871, Ozernaya 28, Postavy, Vitebsk region, Republic of Belarus

Company contact for SBP: Grebennikov Artemy, Technic-technologist. Phone: +375298952703; email:
grebearty@gmail.com

Certified Supply Base: The area of the Republic of Belarus

SBP Certificate Code: SBP-01-21

Date of certificate issue: 24/Jun/2016

Date of certificate expiry: 23/Jun/2021

This report relates to the Fourth Surveillance 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

The organization is a biomass producer with a production situated in Postavy town, Belarus.

BP is sourcing secondary and tertiary feedstock, coming from its own primary production, as well as secondary feedstock from other own sawmill.

Logs for the primary production (sawmill) are purchased from state sales agent or local forestry management units. In both cases logs are delivered directly from the forest with harvesting permit. Logs are originating from Belarus. The BP is FSC certified <https://info.fsc.org/details.php?id=a024000000NP9IYAAT&type=certificate> Certificate Code TT-COC-005327. All incoming feedstock is originating from Belarus and FSC certified. Origin information at FMU level (forestry) is available on the delivery documents. BP is sourcing tertiary feedstock, coming from its own secondary production (at the same site with pellet plant), as well as tertiary feedstock from another own production site located around 6.7 km far from pellet site.

The BP is implementing FSC credit system. In the reporting period only FSC 100% logs were used for the production.

Biomass are delivered to the customer by means of railway service (railway wagons) and sold at Belarusian – Latvian border, Bigosovo railway station and Belarusian-Lithuanian border, Gudagai railway station.

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

The supply base of the organization is Belarus. In the reporting period all feedstock, which is used in the biomass production is coming from own sawmills, which are production parts of the organization.

Private Manufacturing Unitary Enterprise “Postavsky Furniture Center”’s feedstock is originating from Belarus and consist of *SBP feedstock groups*

<i>SBP product group</i>	<i>Primary feedstock</i>	<i>Secondary feeds tock</i>	<i>Pre-consumer tertiary feedstock</i>	<i>Post-consumer tertiary feedstock</i>	<i>Number of suppliers</i>	<i>Tree species composition</i>
<i>SBP-compliant feedstock in the total supply (for pellet production): FSC100%</i>	-	-	100%	-	37	Picea abies Pinus sylvestris Betula pendula Quercus robur Fraxinus excelsior Alnus glutinosa
<i>SBP-compliant feedstock in the total supply (for pellet production): FSC-controlled</i>	-	-	-	-	-	-

% of non-SBP feedstock in the total supply	-	-	-	-	-	-
Total supply in 2019	100%					

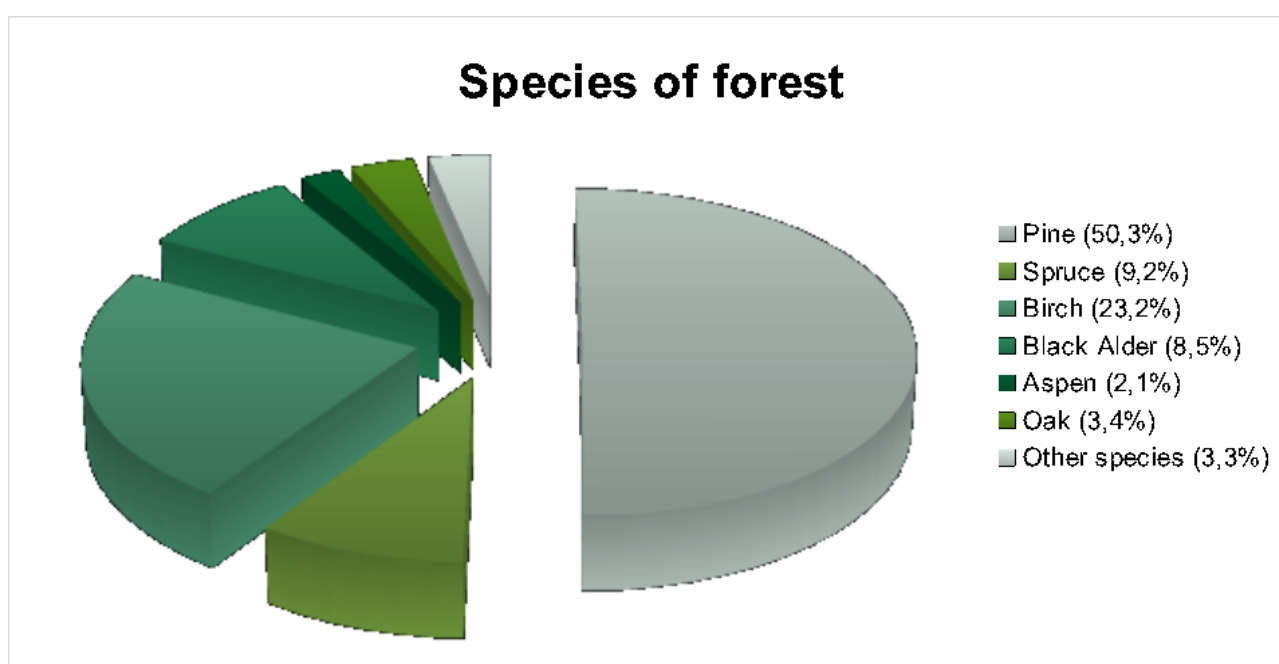
Republic of Belarus forest resources

Indicator name	Unit of measurement	Indicator as of			
		1994 year	2001 year	2010 year	2018 year
1. Total area of the forest fund lands	thousand .ha	8676,1	9247,5	9416,6	9582,0
1.1. Forest lands	thousand .ha	7775,9	8275,7	8598,2	8724,1
	%	89,6	89,4	91,3	91,0
1.2. Forest covered land - total	thousand .ha	7371,7	7850,6	8002,4	8260,9
	%	85	85,0	85,0	86,2
ripe and overripe	thousand .ha	350,1	623	804,4	1215,4
	%	4,7	7,9	10,1	14,7
2. Woodiness	%	35,5	37,8	38,5	39,8
3. Total stock of forest stands - total	million. m3	1093,2	1339,9	1566,1	1796,0
4. Total Average Change in Stock	million. m3	24,9	28,2	30,2	32,7
5. Average stock of plantations	m3/ha	148	171	196	217
5.1. Ripe and overripe	m3/ha	213	220	244	267

Indicator name	Unit of measurement	Indicator as of			
		1994 year	2001 year	2010 year	2018 year
6. Average age	Years	44	48	52	56

Source: <http://www.mlh.by>

Distribution of forests by the dominant species:



Source: <http://www.mlh.by>

Timber production by types of cuts, by volume produced:

The main type of forest harvesting is thinning. Also there is used less popular type final cuts and other types of cuts.

Source: <http://www.mlh.by>

The field of forestry

Management of the state-owned forests is performed by different types of state organizations.

Biological diversity

Republic of Belarus has been a signatory of the CITES Convention since 1995. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Belarus.

Forest regeneration is carried out annually over an area of 32,000 ha, including 81% of the forest planting and seeding and 19% by natural regeneration.

Source: <http://belstat.gov.by>

There are 2 strictly protected Nation reserves and 4 National parks present in Belarus at the moment. Area of National reserves accounts 2,98 milj ha and area of National parks is 3,98 mil. ha.

Forest and community

In 2018 in all kinds of felling there were harvested 19,58 million m3 marketable timber.

Forest products and export services totaling more than \$ 140 million. USA. USD, accounting for 94% by 2017. In comparable conditions (excluding the sale of timber for export in previous years) due to the development of its own woodworking capacities, export growth was 174%.

In 2017, out of total exports, round timber was sold in value terms - 45%, sawn timber sales - 37%, peeled, cylindrical products - 4% and other products - 14%.

Considering that in 2018, the export of round timber was not carried out, organizations had to export the volumes of wood processing products, which in terms of value showed: sawn products - 56% of total sales for export, cylindrical products - 6% and other products - 36%.

Timber exports in 2018 are expressed in percent by CIS countries: Lithuania - 25%, Latvia - 28%, Germany - 24%, Poland - 15.2%, Belgium - 5.4%, the Netherlands - 3.0%, Romania - 2.0%, Azerbaijan - 1.5%, Sweden - 1.4%, Russia - 1.1%, and others - 1.2%.

Certification

In accordance with the requirements of the of the Forest council of trustees (FSC) scheme, as of January 1, 2019, 96 forest enterprises or 8,3 million hectares of forest fund (98,5% of all forest fund of the Ministry of Forestry) were certified.

According to PEFC scheme, systems of forest management and forest exploitation of 93 forest enterprises of the Ministry of Forestry are certified on an area of 8.0 million hectares of forest fund (95,0% of all forest fund of the Ministry of Forestry).

Both the FSC and PEFC systems have found their way into Republic of Belarus.

5.3 Detailed description of Supply Base

Total Supply Base area (ha):	9.58 mil. ha (total area of all forest types within SB)
Tenure by type (ha):	9.58 mil. ha: state owned
Forest by type (ha):	temperate 9.58 mil. ha
Forest by management type (ha):	managed natural 9.58 mil. ha
Certified forest by scheme (ha):	8.300 mil. ha FSC-certified forest 8.300 mil. ha PEFC certified forest

Detailed information about BP's supply base may be found in their Supply Base Report available in Internet at <http://www.pmc.by/o-kompanii/sertifikaty> and will be uploaded to SBP website in company profile as SBP certificate holder.

5.4 Chain of Custody system

BP (Postavsky Furniture Center) holds FSC certificate: <https://info.fsc.org/details.php?id=a02400000NP9IYAAT&type=certificate> Certificate Code TT-COC-005327 covering secondary wood processing, see FSC Certificate Scope for details. Critical control points of the FSC

CoC system were evaluated during the SBP audit as well. The Organisation has implemented FSC credit system. Starting from December 2017 the organization buys only FSC certified input material both for sawmill and for pellet production. The organization does not use any imported material. Incoming wood reception register, and supplier list are maintained. All material is checked during the arrival and correctly recorded in the internal system. If needed physical separation may be implemented (in case of non-certified material will be sourced). The company use one credit account for SBP and FSC. If they sell FSC material this amount of material automatically deduct as SBP credit as well. In the reporting period there were no need in physical segregation of wood material as all material is FSC certified.

6 Evaluation process

6.1 Timing of evaluation activities

Onsite assessment was conducted on June 11, 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	11/06/2020 09.30-09.45
Chain of custody review (site tour); staff interview; document review	Production facilities	11/06/2020 09.45-11.45
Documents and procedures review (feedstock inputs, SBR, CoC control system and critical points, compliance with legal requirements, H&S), staff interview.	Office	11/06/2020 11.45-13.00
Documents and procedures review (SAR and energy use primary data); staff interview	Office	11/06/2020 14.00-16.50
Closing meeting	Office	11/06/2020 16.50-17.15

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, 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, CoC 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

No Consultation was conducted for this surveillance audit.

The stakeholder consultation was previously carried out before the main (initial) assessment 2016.

7 Results

7.1 Main strengths and weaknesses

Strengths: use of FSC credit system. Effective recordkeeping system. Good awareness of certification requirements by involved staff.

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; diesel for feedstock handling; electricity for biomass handling (from production line to warehouse) and shipping; diesel for transportation to the railway station. Diesel consumption value by vehicle (frontal loader) 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. Only several staff members are involved into SBP certification: technic-technologist (SBP responsible person) (complaints, SBP procedures and systems updates, SAR data); chief manager of pellet production (SAR data, conversion factor updates, overall control of the production and material flows), manager of export sales (DTS), accountant (accounting system, sales for internal market), 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).

7.5 Stakeholder feedback

No stakeholder consultations conducted prior, during or after this audit.

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 Framework Standard 2: Verification of SBP-compliant Feedstock V.1.0, 15.3 The BP management system shall document all necessary procedures.
Description of Non-conformance and Related Evidence:	
<p>The organization has provided a written SBP procedure. Analysis of the content of the procedure showed that the document contains references to outdated SBP Instructions. There is an incorrect reference to FSC Chain of Custody Standard FSC-STD-40-004 v3.0 as Controlled Wood standard. SPB procedure has not been revised in accordance with the new requirements of SBP, see sections 21, 24, 25 of the Procedure. The nonconformity is classified as a minor one, since, in general, outdated data did not affect the operation of the SBP data management system, the SAR, the SBR were provided in accordance with the new SBP templates of documents.</p> <p>Организация предоставила письменную SBP процедуру. Анализ содержания процедуры показал, что в документе имеются ссылки на устаревшие SBP Инструкции. Имеется некорректная ссылка на FSC стандарт цепочек поставок FSC-STD-40-004 V3.0 как стандарт контролируемой древесины. SBP Процедура не переработана в соответствии с новыми требованиями SBP, см. разделы 21, 24, 25 Процедуры. Несоответствие классифицировано как незначительное, так как в целом устаревшие данные не повлияли на работу системы управления данными SBP, документ SAR, SBR предоставлены в соответствии с новыми SBP шаблонами документов.</p>	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months 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
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NC number 02/20	NC Grading: Minor
Standard & Requirement:	<p>SBP Instruction Document 5E V.1.1,</p> <p>6.5.2 Allocation of fossil fuel for production should be based on appropriate metering. The fuel allocation system is especially important where the storage is not dedicated to biomass production and some vehicles or machinery unrelated to the biomass production may also use the fossil fuel from the same storage. In some cases, a practical alternative is to measure and record the specific (hourly) fossil fuel consumption of all the machinery/vehicles used, and the number of operating hours.</p>
Description of Non-conformance and Related Evidence:	
<p>The fuel distribution system takes into account the consumption of fossil fuels by vehicles and machinery associated with the pellet plant and main production (no separation). The organization provided data on fossil fuels (front loader consumption). According to the representatives of the organization, the calculations are based on the number of engine hours of the loader and the average fuel consumption of the machine used. During the audit, no written confirmation of experimental timing data on hours of work and volumes of feedstock for the frontal loader was not provided (associated with the pellet production) (the loader is employed in both production facilities: main and pellet production). No separate methodology was provided, how the fuel consumption (liters per ton of pellets) was calculated. The nonconformance is considered to be minor as the overall truck fuel consumption data was provided.</p> <p>Система распределения топлива учитывает потребление ископаемого топлива транспортными средствами и механизмами, связанными с пеллетным заводом и основным производством (без разделения). Организация предоставила данные по ископаемому топливу (потребление фронтальным погрузчиком). Со слов представителей организации, расчеты основаны на количестве моточасов погрузчика и среднем потреблении топлива используемой машиной. В процессе аудита не предоставлено письменных подтверждений экспериментальных хронометражных данных по часам работы и объемам сырья для погрузчика только на пеллетном производстве (погрузчик занят на обоих производствах: основное и пеллетное). Не предоставлено отдельной методики, как был рассчитан расход топлива (литров на тонну пеллет). Несоответствие считается незначительным, поскольку в целом данные о потреблении топлива погрузчиком были предоставлены.</p>	
Timeline for Conformance:	<p>By the next surveillance audit, but no later than 12 months from report finalisation date</p> <p>До следующего ежегодного аудита, но не позднее 12 месяцев с даты утверждения отчета</p>
Evidence Provided by Company to close NC:	-
Findings for Evaluation of Evidence:	-
NC Status:	Open

Closed NCR: no open NCRs from the previous audit 2019

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):	Nikolai Tochilov
Date of decision:	09/Sep/2020
Other comments:	<i>Click or tap here to enter text.</i>