



# NEPCon OÜ Evaluation of Geosantbel, Limited Liability Company Compliance with the SBP Framework: Public Summary Report

First Surveillance Audit

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**The promise of good biomass**



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# 1 Overview

Certification Body (CB) Name:	NEPCon OÜ
Primary CB contact for SBP:	Ondrej Tarabus
Primary CB contact email:	otarabus@preferredbynature.org
Audit team leader:	Aliaksandr Zubkevich
Audit team members:	Aliaksandr Zubkevich
Name of the Company:	Geosantbel, Limited Liability Company
Company legal address:	Ulitsa Khimikov 10, Mogilev region, 212003 Mogilev, Belarus
Company contact for SBP:	Evgeny Batyushkov
Company contact email:	geosantbel@mail.ru
Company website:	N/A
SBP Certificate Code:	SBP-07-60
Date of certificate issue:	04 Mar 2020
Date of certificate expiry:	03 Mar 2025
Audit closing meeting date:	04 Feb 2021
Audit cycle:	First Surveillance Audit

## 2 Scope of the evaluation and SBP certificate

Scope Item	Check all that apply to the Certificate Scope	Change in scope (N/A for Assessments)
<b>Primary Activity:</b>	Biomass Producer	<input type="checkbox"/>
<b>Approved Standards:</b>	SBP Standard 2: Verification of SBP-compliant Feedstock; SBP Standard 4: Chain of Custody; SBP Standard 5: Collection and Communication of Data Instruction; Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.4	<input type="checkbox"/>
<b>Includes Supply Base Evaluation (SBE):</b>	No	<input type="checkbox"/>
<b>Includes communication of Dynamic Batch Sustainability Data (DBSD)</b>	Yes	<input type="checkbox"/>
<b>Includes Group Scheme</b>	No	<input type="checkbox"/>
<b>Products</b>	Pellets	<input type="checkbox"/>

<b>Feedstock types:</b>	Secondary	<input type="checkbox"/>
<b>Feedstock origin (countries):</b>	Belarus	<input type="checkbox"/>
<b>SBP-endorsed Regional Risk Assessments used:</b>	Not applicable	<input type="checkbox"/>
<b>Public link:</b> <a href="https://sbp-cert.org/documents/standards-documents/risk-assessments/">https://sbp-cert.org/documents/standards-documents/risk-assessments/</a>		<input type="checkbox"/>
<b>Chain of custody system implemented:</b>	FSC: NC-COC-057889	<input type="checkbox"/>
	Transfer	<input type="checkbox"/>

## 2.1 Description of the company

BP is a pellet producing company located in Mogilev region, Belarus. Total annual production capacity of pellet plant is 7000 tones. Company runs only pellet production. Sawdust is used in pellet production and wood chips are used for the drier. The secondary feedstock used for pellet production originates from Belarus as FSC certified. The BP implements FSC transfer system and produced biomass is sold with FSC 100% claim. Non certified feedstock is stored separately with sign "Not FSC" and shall be processed separately and segregated during all the production and storage proceses. The biomass is expected to be transported by rail to Belarusian/Latvian border, Bigosovo railway station and Belarusian/Lithuanian border, Gudogai railway station as well as sold at factory gate. Pellet plant was commissioned in 2017.

## 2.2 Detailed description of the Chain of Custody system

BP implements FSC transfer system of claims. The input material used by the Organisation for biomass production contains only secondary feedstock - sawdust for pellet production and wood chips for dryer. Secondary feedstock (sawdust and wood chips) is sourced only from external suppliers (sawmills). The BP sourced for pellet production both FSC 100% feedstock and non-certified feedstock. The organization has the segregation system in place. Physical separation is implemented – FSC certified raw material is stored in special place and processed separately in time when production line is cleaned of non-certified product, final products are segregated also. Incoming sawdust reception register and supplier list are maintained. All material is checked during the arrival and correctly recorded in the internal system.

### 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
- Assess compliance against Instruction Document 5E: Collection and Communication of Energy and Carbon Data

## 4 Evaluation process

### 4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
<b>Activity</b>	<b>Auditors</b>	<b>Auditor hours</b>
1. Preparation	Aliaksandr Zubkevich	2,0
2. On-site (excl. travel time)	Aliaksandr Zubkevich	8,0
3. Report writing	Aliaksandr Zubkevich	8,0
4. Other	N/A	N/A

<b>Audit Schedule</b>			
<b>Activity</b>	<b>Location</b>	<b>Auditor name</b>	<b>Date/time</b>
<i>Opening meeting</i>	office in Mogilev	Aliaksandr Zubkevich	04 Feb 2021/09:00
<i>Documents and procedures review</i>	office in Mogilev	Aliaksandr Zubkevich	04 Feb 2021/09:20
<i>Chain of custody review</i>	pellet mill in Mogilev	Aliaksandr Zubkevich	04 Feb 2021/16:00
<i>Closing meeting</i>	office in Mogilev	Aliaksandr Zubkevich	04 Feb 2021/16:30

Auditor qualification		
Auditor name	Role	Qualification
Aliaksandr Zubkevich	Audit team leader	Mr Aliaksandr Zubkevich has education of engineer-economist in timber industry. He had postgraduate study at the Belarusian State Technological University. A. Zubkevich has passed FSC CoC/ FM lead auditor training course, Legal Source, ISO 14001 and SBP training coursed. Previous experience in woodworking industry and SBP pre-assessment and assessments in Belarus.

## 4.2 Description of evaluation activities

Audit started with an opening meeting attended by the representatives from Organisation's management and staff.

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 auditor explained CB's approval related issues.

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, emission and energy data and categorisation of input and verification of SBP-compliant biomass. Chain of Custody implementation was reviewed focusing in the Critical Control Points, in particular it was verified reception of the material and it's classification, identification of feedstock origin, production process with the conversion factors associated, final product storage and sales. During the process, overall responsible person for SBP system and other staff were interviewed. The auditor reviewed data registered in DTS.

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

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



### **4.3 Sampling methodology**

Recording in accountant program was reviewed, records were compared with documents for several transaction for several months. All responsible for SBP system staff were interviewed.

### **4.4 CB stakeholder engagement**

Stakeholder consultation was not conducted for this audit

### **4.5 Stakeholder feedback**

None

## **5 Results**

### **5.1 Main strengths and weaknesses**

Strengths: Use of the FSC transfer system. Effective recordkeeping system. Small number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: See NCR.

### **5.2 Rigour of Supply Base Evaluation**

Not applicable

### **5.3 Collection and communication of data**

The following energy sources are used by BP: electricity for pellet production; diesel for feedstock handling, shipping and for biomass transportation to customer. Electricity consumption value is based invoicing from supplier; diesel consumption value is based on accounting system

### **5.4 Competency of involved personnel**

Overall, BP staff showed good understanding of knowledge of all applicable SBP requirements. SBP related staff responsibilities are presented in Section 3 of the SBP Procedure. Interviewed staff was well familiar with their responsibilities. Generally, very few staff members are involved into SBP certification: SBP responsible/director (maintaining of the management system, staff training, volume recording, performance of outgoing invoices and transport documents), director (trademark use), chief of production of pellet plant (moisture measurements, weight of biomass produced).

## 6 Review of company's risk assessments

### 6.1 Overview of company's risk assessments and mitigation measures

Not applicable

### 6.2 Specified risk indicators and mitigation measures

Country/Area	Indicator	Specified risk description	Mitigation measure
N/A	N/A	N/A	N/A

## 7 Non-conformities and observations

NC number NC-000241	NC Grading: Minor
<b>Standard:</b>	SBP Standard 2: Verification of SBP-compliant Feedstock
<b>Requirement:</b>	6.2 The BP shall record the place of harvesting and the identity of the primary wood processor responsible for the supply of inputs classified as SBP-compliant secondary feedstock.
<b>Description of Non-conformance and Related Evidence:</b>	
The part of sawdust volume originates from sawmill belonging to forest management enterprises. It is confirmed by reviewing of purchase agreements with these FMUs and waybills. The BP also sources sawdust from other private sawmills. The responsible for SBP was not able to provide records of place of harvest for several primary wood processors responsible for the supply of inputs classified as SBP-compliant Secondary Feedstock. Due to small volume supplied by this suppliers and low probability that wood may be out form the Republic of Belarus auditor raised minor non conformance	
<b>Timeline for Conformance:</b>	By the next surveillance audit, but no later than 12 months from report finalisation date
<b>Evidence Provided by Company to close NC:</b>	The lis of suppliers Information from supplier about places of harvesting
<b>Findings for Evaluation of Evidence:</b>	The SBP manager has explained that all suppliers have provided information about their suppliers and places of harvesting. Information was provided in form of FSC supplier list which companies also provide to their FSC certification bodies. No inaccuracies of the information was identified during the audit.
<b>NC Status:</b>	Closed

NC number NC-000240	NC Grading: Major
<b>Standard:</b>	SBP Standard 4: Chain of Custody
<b>Requirement:</b>	5.3.1 All requirements of the relevant chain of custody control system specified in the SBP-approved CoC system shall be implemented to calculate outputs.

<b>Description of Non-conformance and Related Evidence:</b>	
<p>The following average conversion factor was established by BP: 2,3 solid m3 of secondary feedstock (sawdust) for production of 1 tone pellets and 0,38 solid m3 of wood chips for drier per 1 tonne of pellet. The director explained that the conversion factor is received based on measurement of volume of input feedstock (quantity of loader shovel) and biomass produced which is conducted one day each week. But the BP do not record such measurements.</p>	
<b>Timeline for Conformance:</b>	3 months from the report finalisation
<b>Evidence Provided by Company to close NC:</b>	Protocol of conversion factor measurement dated 02.12.2020
<b>Findings for Evaluation of Evidence:</b>	<p>The SBP manager has provided "Protocol of conversion factor measurement" dated 02.12.2020. In accordance with measurements conversion factor for pellet is 2.34 solid m3 per tonne pellet and 0.5 solid m3 per tonne pellet for the drier. It was explained that such measurements will be conducted each month. Taking in account recorded average moisture of feedstock (which is 43.8%) and input volume of feedstock auditor via theoretical calculation came to significant difference (13%) between theoretically calculated volume of biomass and recorded volume of produced biomass. The NCR is upgraded to Major.</p>
<b>NC Status:</b>	Open

## 8 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>	Nikolai Tochilov
<b>Date of decision:</b>	16 Apr 2021
<b>Other comments:</b>	N/A