



NEPCon OÜ Evaluation of Zhitkovichsky Ileshoz (mill №2) 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 1.5

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

Certification Body (CB) Name:	NEPCon OÜ
Primary CB contact for SBP:	Ondrej Tarabus
Primary CB contact email:	otarabus@preferredbynature.org
Audit team leader:	Nikolai Tochilov
Audit team members:	Aliaksandr Zubkevich
Name of the Company:	Zhitkovichsky Ieshoz (mill №2)
Company legal address:	62 Oktyabrskaya street, 247960 Zhitkovichi, Gomel region, Belarus
Company contact for SBP:	Mikhail Levkovich
Company contact email:	zhitklesxoz@tut.by
Company website:	N/A
SBP Certificate Code:	SBP-07-94
Date of certificate issue:	30 Apr 2020
Date of certificate expiry:	29 Apr 2025
Audit closing meeting date:	04 May 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)
Primary Activity:	Biomass Producer	<input type="checkbox"/>
Approved Standards:	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"/>
Includes Supply Base Evaluation (SBE):	No	<input type="checkbox"/>
Includes communication of Dynamic Batch Sustainability Data (DBSD)	Yes	<input type="checkbox"/>
Includes Group Scheme	No	<input type="checkbox"/>
Products	Pellets	<input type="checkbox"/>

Feedstock types:	Secondary	<input type="checkbox"/>
Feedstock origin (countries):	Belarus	<input type="checkbox"/>
SBP-endorsed Regional Risk Assessments used:	Not applicable	<input type="checkbox"/>
Public link: https://sbp-cert.org/documents/standards-documents/risk-assessments/		<input type="checkbox"/>
Chain of custody system implemented:	FSC: NC-FM/COC-005001	<input type="checkbox"/>
	Transfer	<input type="checkbox"/>

2.1 Description of the company

GLHU "Zhitkovichsky leshoz" is consist of the following forestriess: Berezhnyanskoye, Milevichskoye, Zalyutichskoye, Lyakhovichskoye, Khvoikovskoye, Leninskoye, Yurkevichskoye, Belovskoye, Zhitkovichskoye, Lyudenevichskoye, Berezhenskoye, 2 sawmills and 2 pellet mills. GLHU "Zhitkovichsky leshoz" is located in the western part of the Gomel region on the territory of the Zhytkovichy administrative region. The total area of the forestry establishment is 117.8 thousand hectares, including 96.8 thousand hectares of forested area. The Organisation holds valid FSC FM/Chain of Custody certificate with FSC transfer system in the scope and all above mentioned forestries and sites are covered by the scope of the certificate. The BP for the production of pellets uses only the FSC 100% certified wood which grows in the territory of forest fund of the entity. The following categories of raw materials are used for production of pellets: sawdust. The following categories of raw materials are used for drier: slab wood and offcuts. The BP implements FSC transfer system and produced biomass is sold with FSC 100% claim. Pellet plant was commissioned in 2008. Annual production capacity of pellet plant is 6000 tone

2.2 Detailed description of the Chain of Custody system

The BP is included as a FMU in the single certificate with multiple FMU of Gomel Regional Forest Board. In the scope of the certificate are included both sawmills and pellet plant.

<https://info.fsc.org/details.php?id=a023300000VAnOeAAL&type=certificate> The Organisation has implemented FSC transfer system. The input material used by the Organisation for biomass production as well as for drier contains secondary feedstock – sawdust and wood industry residues for pellet production. All feedstock is FSC certified and originates only from forest area of the BP, which FSC certified.

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

- DTS data review

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Nikolai Tochilov, Aliaksandr Zubkevich	2,0
2. On-site (excl. travel time)	Nikolai Tochilov, Aliaksandr Zubkevich	14,0
3. Report writing	Nikolai Tochilov, Aliaksandr Zubkevich	8,0
4. Other	N/A	N/A

Audit Schedule			
Activity	Location	Auditor name	Date/time
<i>Opening meeting and brief documents review</i>	Office	Nikolai Tochilov	13 Apr 2021/09:00
<i>Documents and procedures review</i>	Office	Nikolai Tochilov	13 Apr 2021/09:20
<i>Chain of custody review</i>	Production facilities	Nikolai Tochilov	13 Apr 2021/15:30
<i>Documents and procedures review (SAR,</i>	Office	Aliaksandr Zubkevich	04 May 2021/09:00

<i>GHG calculation)</i>			
<i>Site tour; staff interview</i>	Production facilities	Aliaksandr Zubkevich	04 May 2021/15:00
<i>Closing meeting</i>	Office	Aliaksandr Zubkevich	04 May 2021/16:30

Auditor qualification		
Auditor name	Role	Qualification
Nikolai Tochilov	Team leader	NEPCon SBP lead auditor. He has successfully passed SBP auditor training in Tallinn in January 2015; previous experience with more than 30 SBP assessments and annual audits in Russia and Europe
Aliaksandr Zubkevich	Audit team member	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

The organization has two pellet plants. These two plants were included in one certificate. During this evaluation, it was decided that each plant should have a separate certificate. This audit cover old pellet plant (or pellet mill 2).

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:

Audit started 13.04.2021 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. The auditor has reviewed documents provided by the BP.

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

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

Audit was continued 04.05.2021. The auditor went through all applicable requirements of the SBP standards nr. 5 and instruction document 5E covering input clarification, existing chain of custody system, 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. Auditor reviewed data in DTS and Audit portal.

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

Auditors have visited office, pellet mill. All responsible for SBP certification were interviewed. Documents were samples for several months of 2020 and 2021.

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 with FSC 100% input feedstock. Effective recordkeeping system. Small number of the management staff and clearly designated responsibilities within the staff members.

Weaknesses: No significant weaknesses identified by auditor. See also NCR section of the report

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 on theoretical calculation; diesel consumption value is based on diesel consumption monitoring as well as on theoretical calculations

5.4 Competency of involved personnel

Overall, BP staff showed good understanding of knowledge of all applicable SBP requirements. The following key staff members are involved to SBP certification: 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/Logging and processing engineer (maintaining of the management system, staff training, trademark use, DTS), mechanical engineer (moisture measurements, volumes of biomass registering, quality issue), bookkeeper (accounting system). Prior and during SBP audit, BP was supported by external consultant, who also have provided relevant training to BP staff.

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-000466	NC Grading: Major
Standard:	SBP Standard 2: Verification of SBP-compliant Feedstock
Requirement:	IN2C; 4.1 The report shall be concise, covering the most important features, and shall be completed using the latest version of the SBR template for Biomass Producers downloaded from the SBP website.
Description of Non-conformance and Related Evidence:	
<p>The Supply Base Report do not cover all information required by SBP standard, for example: 1) the version of Instruction document 5E is 1.4 while the BP mentioned 1.3 used 2) in section “Description of the Supply Base” stated that resource base is only own forest territory, but in section 3.4 the total area is for entire country (Belarus) 3) there is no comparison of the scale of harvesting to other wood based industries in section “Description of the Supply Base” 4) section 3.4 is not fully filled in, some section are marked as not applicable while they are applicable.</p>	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	Updated SBR
Findings for Evaluation of Evidence:	During the period from closing meeting to report approval the BP has updated SBR. Review of SBR confirmed that information in report is correct and meet standard requirement.
NC Status:	Closed

8 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:	13 Jul 2021
Other comments:	N/A