



NEPCon OÜ Evaluation of Gantsevichy Ieshoz Compliance with the SBP Framework: Public Summary Report

Main (Initial) 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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Table of Contents

- 1 Overview**
- 2 Scope of the evaluation and SBP certificate**
 - 2.1 Description of the company
 - 2.2 Detailed description of the Chain of Custody system
- 3 Specific objective**
- 4 Evaluation process**
 - 4.1 Timing of evaluation activities
 - 4.2 Description of evaluation activities
 - 4.3 Sampling methodology
 - 4.4 CB stakeholder engagement
 - 4.5 Stakeholder feedback
- 5 Results**
 - 5.1 Main strengths and weaknesses
 - 5.2 Rigour of Supply Base Evaluation
 - 5.3 Collection and communication of data
 - 5.4 Competency of involved personnel
- 6 Review of company's risk assessments**
 - 6.1 Overview of company's risk assessments and mitigation measures
 - 6.2 Specified risk indicators and mitigation measures
- 7 Non-conformities and observations**
- 8 Certification decision**

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:	Siarhei Minkevich
Audit team members:	none
Name of the Company:	Gantsevichy leshoz
Company legal address:	ul. Oktyabrskaya 74, 225440 Gantsevichi, Belarus
Company contact for SBP:	Igor Vladimirovich Shiych
Company contact email:	ganstr@lesnoi.by
Company website:	N/A
SBP Certificate Code:	SBP-08-49
Date of certificate issue:	31 Aug 2021
Date of certificate expiry:	30 Aug 2026
Audit closing meeting date:	12 Aug 2021
Audit cycle:	Main (Initial) 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:	PEFC, FSC: SGS-FM/COG-006682 BY/112.08.02.075.00868 BY/11208.01.075.00149	<input type="checkbox"/>
	Transfer	<input type="checkbox"/>

2.1 Description of the company

Gantsevichski leshoz is a state forest management institution who manages state forests. The area of the forest fund managed by the Gantsevichski leshoz of Brest State Forestry Board is 108.8 thousand ha, including 96.95 thousand ha covered by forest. In June 2021 the construction of a new pellet plant was finished at the same production site where sawmill plant of leshoz already works. Newly constructed pellet mill uses sawmill residues from their sawmill: sawdust and chips. The feedstock for chips production is slabs and edgings from the sawmill plant. The production capacity is 18000 tone pellets/year. Gantsevichski leshoz (biomass producer, BP) is one of the oldest and biggest forest management institution in Belarus, has more than 400 staff members. The BP is included in multisite FSC FM/CoC certificate of Brest State Forestry Board. The FSC FM/CoC certificate is covering round wood, firewood, sawmill and biomass products (sawmill products, chips, pellets), and for certified biomass production uses FSC 100%-certified secondary feedstock (chips from the own sawmill plant, edgings, also wet sawdust is used as well). All feedstock is from organisation's own sawmill plant, the round wood for sawmill production comes from the forest of Gantsevichski leshoz (wood is not purchased from external suppliers). The same material (chips and sawdust) as in the production is used in the dryer. Organisation has one sawmill site. Frontal loader is used to feed the bunker of the pellet mill. Forklift is used for biomass handling. Biomass is delivered to the customer by means of railway service (railway wagons). 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).

2.2 Detailed description of the Chain of Custody system

The organisation (leshoz) is included in multisite FSC FM/CoC certificate of Brest State Forestry Board (<https://info.fsc.org/details.php?id=a0240000005sRlvAAM&type=certificate> (SGS-FM/COG-006682)). The FSC FM/CoC certificate is covering round wood, firewood, sawmill and biomass products (sawmill products, chips, pellets), and for certified biomass production uses FSC 100%-certified secondary feedstock (chips and

sawdust from the own sawmill plant). So that, all feedstock is from organisation's own sawmill plant. The round wood for sawmill comes from the forest of Gantsevichski leshoz (wood is not purchased from external suppliers). covering logging, also primary (round timber sawmill processing) as well as secondary (chips and pellets production) wood processing. Secondary feedstock (chips, sawdust) with FSC 100% claim is used for pellet production and FSC transfer system of claims is implemented (all pellets should have FSC 100% claim). No need in physical segregation of wood material as all material is both FSC and PEFC certified. During the assessment 2021 no NCRs were raised on the CoC procedure and performance of chain of custody 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 and assessment of compliance with ID 5E ver. 1.4.

4 Evaluation process

4.1 Timing of evaluation activities

<i>Audit Level of Effort (LoE)</i>		
Activity	Auditors	Auditor hours
1. Preparation	Siarhei Minkevich	4,0
2. On-site (excl. travel time)	Siarhei Minkevich	9,0
3. Report writing	Siarhei Minkevich	12,0
4. Other	N/A	N/A

Audit Schedule			
Activity	Location	Auditor name	Date/time
<i>Opening meeting</i>	Office	Siarhei Minkevich	12 Aug 2021/08:15
<i>Documents and procedures review, staff interview</i>	Office	Siarhei Minkevich	12 Aug 2021/08:30
<i>Chain of custody review; staff interview; document review</i>	Production facilities	Siarhei Minkevich	12 Aug 2021/10:00
<i>Documents and</i>	Office	Siarhei	12 Aug 2021/13:00

<i>procedures review, staff interview</i>		Minkevich	
<i>Closing meeting.</i>	Office	Siarhei Minkevich	12 Aug 2021/17:00

Auditor qualification		
Auditor name	Role	Qualification
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

4.2 Description of evaluation activities

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 and 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 introduced himself, provided information about audit plan, methodology, auditors qualification, confidentiality issues, and assessment methodology and clarified certification scope. During the opening meeting the audit team leader clarified the scope and provided additional information about 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/mass balance requirements, emission and energy data and categorization of input and

verification of SBP-compliant biomass. During the audit special attention was paid to the following specific critical control points: reception, identification of material, segregation, volumes recording / accounting, conversion factor and sales. During the process, overall responsible person for SBP system and other staff were interviewed.

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 analyzed.

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

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4.3 Sampling methodology

Sampling of documents were reviewed. All involved personal was interviewed. All production facilities were checked onsite

4.4 CB stakeholder engagement

The stakeholder consultation was carried out on 2021.5.24 by sending direct email to different stakeholder categories (more than 120 recipients). No comments from the stakeholders have been received. List of informed stakeholders includes such groups of stakeholders as FSC National Initiative, environmental and social NGOs, FSC-certified companies in the region, scientific and educational entities, indigenous peoples' communities (where applicable), state forestry authorities, trade unions etc.

4.5 Stakeholder feedback

No comments received from stakeholders prior to, during or after this assessment.

5 Results

5.1 Main strengths and weaknesses

Strengths: Strengths: use of the FSC transfer system; FSC 100% secondary feedstock is sourced. Effective recordkeeping system. Well structured management staff (divisions and departments, etc) and clearly designated responsibilities within the staff members.

Weaknesses: See chapter Non-conformities and observations

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; biofuel for burner; diesel for feedstock handling; electrical forklift for biomass handling (from production line to warehouse), diesel for shipping and transportation to customer. Diesel consumption value by vehicles 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 data from automated internal electricity system and invoices issued by electricity supplier on a monthly basis.

5.4 Competency of involved personnel

Overall, BP staff showed good understanding of knowledge of all applicable SBP requirements. Several staff members are involved into SBP certification: chief engineer (SBP responsible person) (complaints, SBP procedures and systems updates, SAR data); quality engineer (responsible for SBP procedures updates, SAR), chief manager of the sawmill plant (including pellet production) (conversion factor updates, overall control of the production and material flows), manager of export sales (DTS), accountant of the sawmill plant (including pellet production) (accounting system, sales for internal market, fuel), head of forestry department (SBR), 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). Prior to and during SBP assessment, BP was supported by external consultant, who also has provided relevant training to BP staff.

6 Review of company's risk assessments

6.1 Overview of company's risk assessments and mitigation measures

N/a

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-000612 (NC number 01/21)	NC Grading: Minor
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.4
Requirement:	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. Note: The BP is not responsible for maintaining such metering systems for third parties supplying feedstock
Description of Non-conformance and Related Evidence:	
The fuel distribution system takes into account the consumption of fossil fuels by vehicles and machinery associated with the pellet mill and lumber mill. The organization provided data on fossil fuels (consumption by a front loader, loading feedstock into a bunker), consumption by a forklift (transporting big bags to a pellet warehouse)). The results of the audit indicate that the calculations did not take into account the fuel consumption of the forklift at the stage of shipment of finished pellets (delivery of big bags to the car). Thus, at the time of the main assessment, the calculations of fuel consumption for the forklift involved in loading the finished biomass into the vehicle were not provided. The non-conformance is considered minor as the calculation methodology and fuel consumption data have been provided.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	pending
Findings for Evaluation of Evidence:	pending
NC Status:	Open

NC number NC-000613 (Obs number 01/21)	NC Grading: Observation
Standard:	Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.4

Requirement:	3.3.2 The characteristics of biomass shall be able to be traced back to the characteristics and quantities of incoming feedstock, taking into account the applicable conversion factors
Description of Non-conformance and Related Evidence:	
<p>During the documentation review auditor calculates the amount of material theoretically produced (biomass) using the mass balance calculation approach. $W_f = W_i (100-MC_i)/(100-MC_f)$. W_f: Weight final, W_i: Weight initial, MC_i: Moisture Content initial, MC_f Moisture Content final. According to the data provided in the SAR, theoretical (1245.07 tn) production was 8.9% greater than real production (1134 tn). Such data were obtained during the period of unstable operation of the pellet plant (the period of the start-up of the operation of the pellet plant, in which there were significant fluctuations in the volume of production of pellets (data of work by day)). Considering that the pellet plant had just started its work and the production indicators were not stable, the auditor made an observation (recommendation). Employees of the organization are advised to revise the consumption rates of feedstock and biofuels when achieving stable (uninterrupted) operation of the pellet plant.</p>	
Timeline for Conformance:	N/A
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	N/A

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:	30 Aug 2021
Other comments:	N/A