SBP

Sustainable Biomass Partnership

Supply Base Report for State Forestry Institution "Begoml Forestry Enterprise"

Version 1.2
June 2016

NOTE:

This template, v1.2, is effective as of the date of publication, that is, 23 June 2016. Template v1.1 may still be used for those audits undertaken prior to 23 June 2016 andwhere the certificate is issued to Certificate Holders before 1 October 2016.

For further information on the SBP Framework and to view the full set of documentation see www.sustainablebiomasspartnership.org

Document history

Version 1.0: published 26 March 2015

Version 1.1 published 22 February 2016

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Contents

1 Overview

Producer name:	State Forestry Institution “Begoml Forestry Enterprise”
Producer location:	Dokshitsy district, 21 Yukhnovtsa street, Begoml. Republic of Belarus
Geographic position:	28°05’E 54°72’N
Primary contact:	Artem Grigorjevich Zemchenok +375-29-5990029 email: zemchenok_a_g@rambler.ru
Company website:	www.begomlles.by
Date report finalized:	29/05/2017
Close of last CB audit:	29/05/2017
Name of CB:	NEPCon
Translations from English:	Yes
SBP Standard(s) used:	SBPStandard 2: Verificationof SBP-compliant Feedstock (Version 1.0, march 2016) SBPStandard 4: Chain of Custody (Version 1.0, march 2016) SBPStandard 5: Collection and Communication of Data (Version 1.0, march 2016)

Weblink to Standard(s) used: www.spbo-cert.org/documents

SBP Endorsed Regional Risk Assessment: Not applicable

Weblink to SBE on Company website: Not applicable

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations				
Main (Initial) Evaluation	**First Surveillance**	**Second Surveillance**	**Third Surveillance**	**Fourth Surveillance**
☐	X	☐	☐	☐

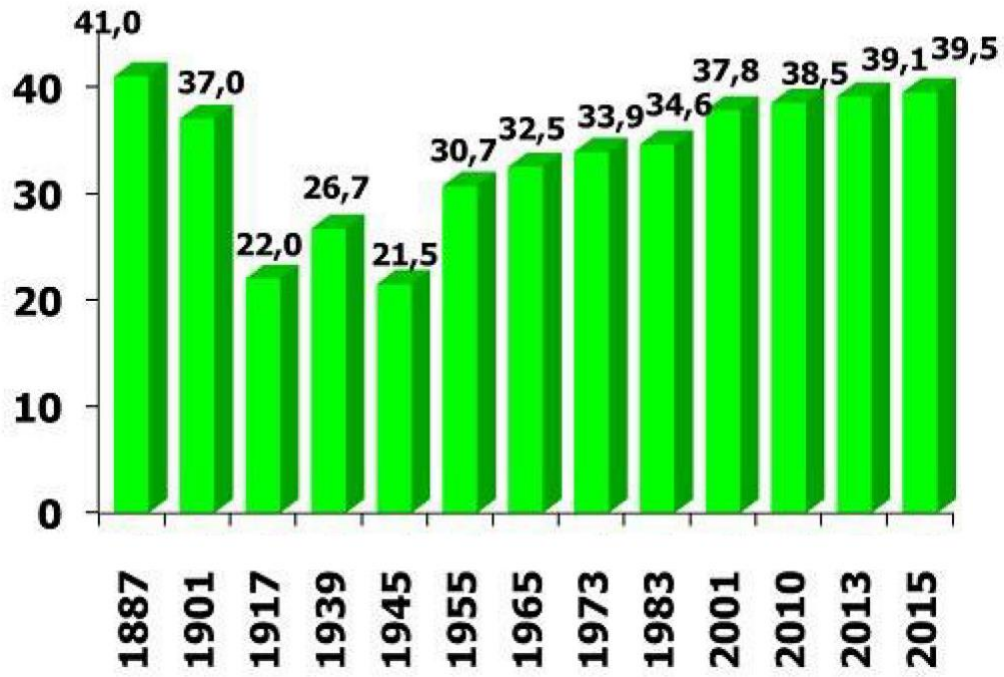
2 Description of the Supply Base

2.1 General description

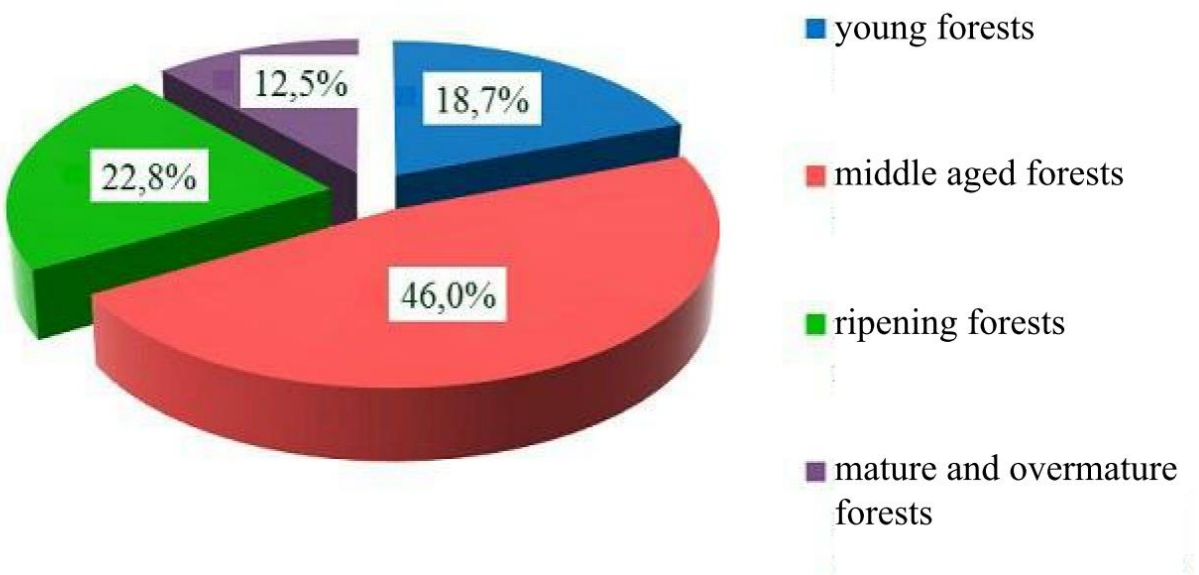
2.1.1 Belarus, forest resources

Forest resources of Belarus as an aggregate of all natural and homogeneous national forests include woodlands and other lands allotted for forestry. Total area of forest resources is 9.5 mln ha, including 8.2 mln ha of forested area (with no glades, hewn or burnt-out places). The percentage of forest lands in Belarus is about 40% that is optimal for our country in general. Seeevolutioninthefigurebelow.

Evolution of the percentage of forest lands in Belarus



Forest resources of Belarus are quite well studied. Experts estimate timber volume in 2015 equal to 1714.3 mln m^3 including approximately 263 mln m^3 of commercial timber (mature and overmature wood). Total annual forest gain is about 32.1 mln m^3. Average age of Belarusian forests is 54 years. Forested area is distributed by age as follows: 18.7% of young growth, 46.0% of middleaged stand, 22.8% of ripening stand, 12.5% of mature and overmature wood (see the figure below).



Forest exploitation in Belarus implies continuity and inexhaustibility. Annualaverageloggingis 10.0 to 11.2 mlnm^3including 4.3 to 4.5 mln m^3 (40%) ofmajorharvest(in mature stands), 5.4 mln m^3 (48%) of maintenance and sanitary cuts (young, middle aged and ripening forests), 1.0 to 2.3 mln m^3 (12%) of other felling types. Forest exploitation is expected to intensify in the followingpotentially to over 16 mln m^3 in 2011-2015 and to over 19 mln m^3 in 2016-2020. However, it is not going to be unsafe for forests in view of the current annual forest gain in Belarus about 25 mln m^3. Moreover, the annual forest gain is getting bigger and bigger as the percentage of forest lands grows and age structure of forests gets more uniform. Forest exploitation practice is primarily dependent on annual allowable cut. Only 70% to 80% of the quota has been used in recent years. Underuse is mainly related to soft-wooded broadleaved species, small merchantable wood and hard-to-reach areas where felling is not reasonable economically. Lack of capital investments limits wood usage in energetics. Average annual forest exploitation rates have been equal to not more than 1.5 to 1.7 m^3 per 1 ha of forested area in recent years – thatis 2.4 times less than the annual wood gain equal to 3.6 m^3/ha.

Forest and wood working in dustries

Belarusian forest industry consists of forestry (13.5% of total output), woodworking (69.6% of total output) and pulp-and-paper (16.4% of total output) sectors. Sawmilling has been a major activity historically, and today about 1500 enterprises are certified to produce saw timber. Most of them combine the latter with mechanical woodworking (windows and doors, wood-frame houses) or wood harvesting. State forestry institutions possess their own woodworking facilities dedicated to machining own round timber.

Currently 8,39 mln ha of forests in Republic of Belarus are FSC-certified, and 144 CoC certificates are received.

2.1.2 State Forestry Institution "BegomlForestry Enterprise"

State Forestry Institution "Begoml Forestry Enterprise" is situated in Dokshitsy District of the south-west Vitebsk Region. The enterprise compriseseight forest districts and a base nursery.

Begoml Forestry Enterprise is bordered with Postavy Forestry and Glubokskij Experimental Forestry Enterprise (in the north), Minsk region, Logoysk Forestry and Narochansky National Park (in the south-west), and Berezinsky Biosphere Reserve (in the east).

The company is involved in forestry, wood harvesting, wood machining and trade both within the country and abroad. It is responsible for 74.3 thousand ha of forest resources including 63.2 thousand ha of woodlands. Forests of the 1st group occupy 23.9 thousand ha, while forests of the 2nd group occupy 50.4 thousand ha. 53 years is the average forest age.

Forestry activity includes:
- Forest exploitation
- Afforestation and reforestation
- Forest protection against fire, illegal felling and other violations
- Forest protection against disease and vermin
- Hunting ground management

The enterprise harvests round wood; produces coniferous and deciduous saw timber, regularized round and disbar ked timber, wood pellets and firewood; sells products to companies and individuals ex-works or delivered.

The following categories of raw materials are used for production:

The feedstock for pellet production is classified as SBP-compliant secondary feedstock (FSC 100% SBP compliant secondary feedstock/sawdust, residues) and SBP compliant primary feedstock. The main species are Scots pine (Pinus silvestris) -86%, Spruce (Picea abies) -14%.

Table 1. Distribution of feedstock by types of SBP product groups for the second reporting period.

SBP product group	*% in the total supply*	*Number of suppliers*	*Tree species composition*
Controlled feedstock	*0%*	*0*	-
SBP- compliant primary feedstock	*14%*	*Own wood harvesting*	*40% Norway Spruce, 60% Scots Pine*
SBP- compliant secondary feedstock	*86 %*	*Residues of own wood processing*	
SBP- compliant tretiary feedstock	*0%*	*0*	-
SBP non-compliant feedstock	*0%*	*0*	-

2.2 Actions taken to promote certification amongst feedstock supplier

Not applicable. State Forestry Institution “Begoml Forestry Enterprise” for the production of fuel pellets uses only the FSC 100% certified wood which grows in the territory of forest fund of the entity. The following categories of raw materialsare used for production:

2.3 Final harvest sampling programme

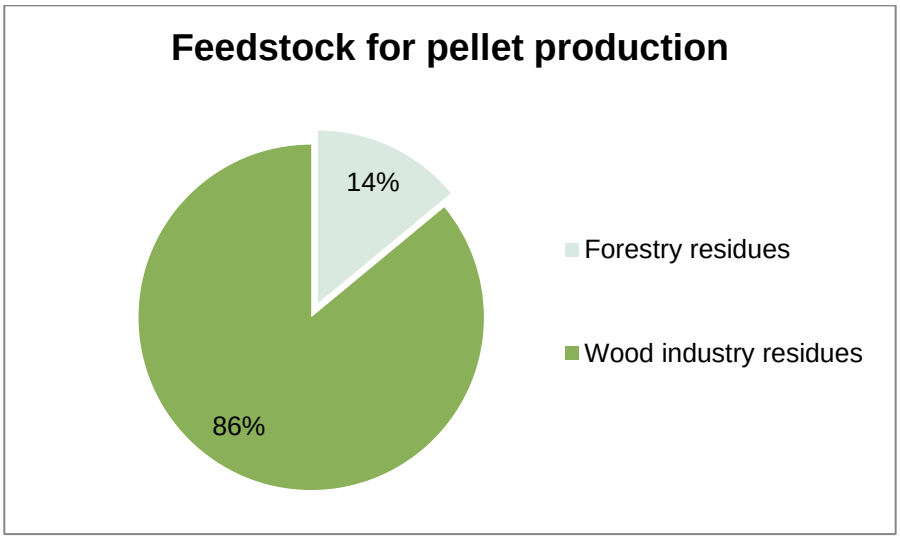
Not applicable

2.4 Flow diagram of feedstock inputs showing feedstock type

State Forestry Institution “Begoml Forestry Enterprise” for heating dryer drums and produces fuel pellets usessawdust, slab wood and felling residues(diseased wood and storm salvage, thinnings, tree tops). For heating of rotary driers are used slab wood and felling residues(diseased wood and storm salvage, thinnings, tree tops). All raw materials are received from coniferous breeds with the statement of FSC 100% (based on data on processing in the shop of a woodworking):

- 60% of Scotch pine (Pinussylvestris)
- 40% of Norway spruce (Piceaabies)

Step	Description of product flow and checkpoints
1	Forestry activity at own forest areas 100% FSC-certified
2	Production of the sawn wood on own shop of a woodworking of SFI "Begoml Forestry Enterprise". (checked during FSC audit)
3	Production of fuel pellets from woodworking production waste of SFI "Begoml Forestry Enterprise" andfelling residues(checked during FSC audits)



2.5 Quantification of the Supply Base

Supply Base

a. Total Supply BaseArea (ha):	63 236ha
b. Tenure by type (ha):	63 236 haGovernment of the Republic of Belarus
c. Forestby type (ha):	63 236 ha Temperate
d. Forest by management type (ha):	63 236 ha Managed natural
e. Certified forest by scheme (ha):	63 236 ha FSC 63 236 ha PEFC

Feedstock

f. Total volume of feedstock	12 152 73 tons per year
g. Volume of primary feedstock	1 869,47 tons per year

h. List percentage of primary feedstock (g), by the following categories. Subdivide by SBP-approved Forest Management Schemes:

- Large forest holdings certified to an SBP-approved Forest Management Schemes – 100% FSC 100% (fuel wood)

- Large forest holdings not certified to an SBP-approved Forest Management Schemes – 0%

i. List all species in primary feedstock, including scientific name.

- Scotch pine (Pinussylvestris);

- Norway spruce (Piceaabies).

j. Volume of primary feedstock from primary forest. Notapplicable (0 m^3).

k. List percentage of primary feedstock from primary forest (i), by the following categories. Subdivide by SBP-approved Forest Management Schemes.

- Primary feedstock from primary forest certified to an SBP-approved Forest Management Schemes

- Primary feedstock from primary forest not certified to an SBP-approved Forest Management Schemes

Not applicable (0 m^3).

l. Volume of secondary feedstock: 10 437,61 tons per year.

Volume of tertiary feedstock: Not applicable (0 m^3)

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
☐	✓

SBP pellets are produced of FSC-certifiedwood, i.e. 100% of total pellet production is 100% FSC-certified. Supply BaseEvaluation is not required.

4 Supply BaseEvaluation

4.1 Scope

Not applicable.

4.2 Justification

Not applicable.

4.3 Results of Risk Assessment

Not applicable.

4.4 Results of Supplier Verification Programme

Not applicable.

4.5 Conclusions

Not applicable.

5 Supply Base Evaluation Process

Not applicable.

6 Stakeholder Consultation

Not applicable.

6.1 Response to stakeholder comments

Not applicable.

7 Overview of Initial Assessment of Risk

Not applicable.

8 Supplier Verification Programme

8.1 Description of the Supplier Verification Programme

Not applicable.

8.2 Site visits

Not applicable.

8.3 Conclusions from the Supplier Verification Programme

Not applicable.

9 Mitigation Measures

9.1 Mitigation measures

Not applicable.

9.2 Monitoring and outcomes

Not applicable.

10 Detailed Findings for Indicators

Not applicable.

11 Review of Report

11.1 Peer review

Since there have been no significant changes in the Supply Base since last year, report was not sent for peer review.

11.2 Public or additional reviews

The Report in Russian is available for public awareness to whom it may concern on State Forestry Institution "Begoml Forestry Enterprise" website :

- http://www.begomlles.by

Anyone concerned may provide feedback to e-mail: zemchenok.a.g@gmail.com

The present Report has been sent to various public institutions. No response has been received yet.

12 Approval of Report

Approval of Supply Base Report by senior management			
Report prepared by:	*ArtemZemchenok*	*Quality Engineer*	*29/05/2017*
	Name	Title	Date
The undersigned persons confirm that I/we are members of the organization's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalization of the report.			
Report approved by:	*AleksejProkopov*	*Director*	*29/05/2017*
	Name	Title	Date
Report approved by:	Oleg Jakubovich	Chief Engineer	*29/05/2017*
	Name	Title	Date
Report approved by:	Dmitry Kurnish	Engineer	*29/05/2017*
	Name	Title	Date

13 Updates

Not applicable.

13.1 Significant changes in the Supply Base

Not applicable.

13.2 Effectiveness of previous mitigation measures

Not applicable.

13.3 New risk ratings and mitigation measures

Not applicable.

13.4 Actual values of feedstock over the previous 12 months

12 152, 73 tons per year

13.5 Projected values of feedstock over the next 12 months

In 2017 we are planning to get, to use and recycle 8000 ton pellets