



Supply Base Report: **Pelleta Bay, Limited Liability Company**

First Surveillance Audit

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Completed in accordance with the Supply Base 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

Producer name: Pelleta Bay, Limited Liability Company

Producer address: ul. Denisova 2a, room 74, Vitebsk region, 211500 Novopolotsk, Belarus

SBP Certificate Code: SBP-07-76

Geographic position: 55.511000, 28.684600

Primary contact: Vitaliy Yushchenko, +375 297 139 650, pelleta-by@tut.by

Company website: N/A

Date report finalised: 21 Feb 2022

Close of last CB audit: 21 Feb 2022

Name of CB: NEPCon OÜ

SBP Standard(s) used: SBP Standard 5: Collection and Communication of Data Instruction, SBP Standard 2: Verification of SBP-compliant Feedstock, SBP Standard 4: Chain of Custody

Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>

SBP Endorsed Regional Risk Assessment: Not applicable

Weblink to SBR on Company website: <https://www.facebook.com/groups/PelletaBySBRreports/files>

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations					
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance	Re-assessment
☐	☒	☐	☐	☐	☐

2 Description of the Supply Base

2.1 General description

Feedstock types: Secondary

Includes Supply Base evaluation (SBE): No

Feedstock origin (countries): Belarus

2.2 Description of countries included in the Supply Base

Country: Belarus

Area/Region: All region

Exclusions: No

Pelleta Bay LLC is a private company founded in 2018. The main activity is the production of wood pellets.

The resource base for the supply of wood for production processes is located in the Republic of Belarus.

The company produces wood pellets from recycled materials that comply with SBP - sawdust (waste from the woodworking industry). In the production process, for drying, the company also uses slabs and firewood (waste from the woodworking industry).

The company also receives SBP non-compliant secondary raw materials - sawdust, which is used for the production of wood pellets intended for the domestic market, and firewood used for drying in the production process.

The plant has 9 suppliers.

Wood species - *Alnus glutinosa*; *Alnus incana* (L.) Moench; *Betula pendula*; *Picea abies*; *Pinus sylvestris*; *Populus tremula*.

Belarusian forest resources

All forests in Belarus are exclusively owned by the state. The total area of the forest fund is 9.7 million hectares, of which 8.26 million hectares are forest lands. The share of forest cover in Belarus has reached 40.1%. Forest area have a total stock of 1831.8 million m³, of which 83.5% are possible to exploit. The

share of mature and overmature forests is 375.4 million m³. As a result of conscious efforts to regenerate forests, the area covered by forest has doubled over the past 60 years and reached its highest value in more than 100 years. This increase is the result of both natural processes and afforestation of barren land unsuitable for agriculture. In Belarus, along with the increase in the total area of forest land, there is a steady growth of ripe, ripe and overripe stands. The proportion of mature and overripe forests is 16.8%. The average age of the stands is more than 56 years.

In Belarus, the basic principles of forest management are based on the following regulatory documents:

- National Strategy for Sustainable Development of the Republic of Belarus;
- Forest Code of the Republic of Belarus.

Belarus has 28 species of trees and about 70 species of shrubs.

The most common are:

Pine-54.8%,

Birch-18.8%,

European Spruce-11%,

Black alder-8.2%,

Oak-2.9%,

Aspen-2.2%,

Others -2.1%.

The Forest Code (Forest Code of the Republic of Belarus of 2015 No. 332-Z) states that Belarusian forests are divided into 4 categories according to the management purpose: conservation forests, recreation and health forests, protective forests, and managed forests. Harvesting of timber is allowed depending on the management and protection regime assigned based on the forest category. Forest management in Belarus is based on the principle of continuity and sustainability. The average annual volume of wood harvesting is

about 21.2 million m³, including:

- final cutting (mature wood) - 40%
- cleaning of cuttings and sanitary felling (young, middle-aged and maturing stands) - 48%
- other cuttings – 12%.

The volume of fuel wood was 7.6 million m³ or 35.8% of total volume harvested in 2020 and this volume may be used in bioenergy sector.

At current logging levels, the technically available potential of woody biomass for fuel and energy purposes is about 10 million m³, or 2.5 million ton of reference fuel.

A large part of the firewood is sold to households and organizations as fuel wood, while the remainder is chipped into fuel chips, which are used to generate heat and electricity in boiler houses and mini-CHPs in small towns and rural areas.

The main conditions for the exploitation of forests are ensuring the reproduction of forests and protective afforestation. In 2020, forest reproduction and afforestation were carried out on a total area of 38.9

thousand hectares. In the spring, all cleared areas are planted with forest crops or left to overgrow naturally. All established plantings are cared for annually.

Belarus has been a signatory of the CITES Convention since 1995. CITES requirements are respected in forest management, although there are no plant species included in the CITES lists in Belarus. There are species included in IUCN list. When harvesting wood, according to the forest legislation of the Republic of Belarus, individual species listed in the Red Book and their habitats are subject to conservation.

Great importance is given to the conservation of rare and endangered species of plants and animals on the territory of the Republic of Belarus. There are protection obligations for each species of these plants and animals. Data on rare species is recorded in passports of detours with indication of their habitats. The lesхоз implements all necessary measures to ensure preservation of rare and endangered species of plants and animals. Cutting of valuable, endangered and protected tree species is prohibited.

On the territory of the Republic of Belarus there are two protected areas-the Berezinsky Biosphere Reserve (85.2 thousand hectares) and the Polessky State Radioecological Reserve (216.1 thousand hectares), as well as four national parks - Belovezhskaya Pushcha (152.962 thousand hectares), Braslav Lakes (69.115 thousand hectares), Narachan National Park (93.3 thousand hectares) and Prip'yat National Park (85.841 thousand hectares), as well as 334 forest and local reserves and 874 natural monuments.

Forest certification is an effective tool to combat illegal logging and illegal timber trafficking. In the Republic of Belarus, two forest certification schemes are implemented: FSC (Forest Stewardship Council) and PEFC (Programme for the Endorsement of Forest Certification). As of 2021, the Forest Stewardship Council (FSC) has certified 280 Chain of Custody (CoC) members and 72 Forest Management (FM) members. Fund owned by the Ministry of Forestry) is certified according to the requirements of PEFC (Program for Endorsement of Forest Certification).

In Belarus, the timber industry includes forestry (13.5%), wood processing (69.5%) and the pulp and paper industry (16.4%). Timber processing is one of the largest production sectors of the Republic of Belarus and accounts for about 2% of the total manufacturing sector of the Republic of Belarus. The timber industry in Belarus accounts for about 1.1% of the gross domestic market. Wood products are exported to about 30 countries around the world

2.3 Actions taken to promote certification amongst feedstock supplier

For the production of SBP-compliant biomass, Pelleta Bay, Limited Liability Company uses SBP-compliant Secondary Feedstock:

- sawdust from FSC-certified suppliers.

During the reporting period, raw material (sawdust) for pellet production was purchased from 9 state organisations and institutions within the Ministry of Forestry of the Republic of Belarus. All wood raw material is FSC 100% certified.

Pelleta Bay, Limited Liability Company purchases raw materials for the vast majority from those suppliers who are holders of the FSC certificate, which in turn helps to attract the remaining suppliers of raw materials to mandatory certification.

2.4 Quantification of the Supply Base

Supply Base

a. Total Supply Base area (million ha): 9,70

- b. **Tenure by type (million ha):**9.70 (Community concession)
- c. **Forest by type (million ha):**9.70 (Temperate)
- d. **Forest by management type (million ha):**9.70 (Managed natural)
- e. **Certified forest by scheme (million ha):**9.28 (FSC)

Describe the harvesting type which best describes how your material is sourced: Mix of the above

Explanation: Harvesting of timber is allowed depending on the management and protection regime assigned based on the forest category. Forest management in Belarus is based on the principle of continuity and sustainability. The average annual volume of wood harvesting is about 21.2 million m³, including: - final cutting (mature wood) - 40% - cleaning of cuttings and sanitary felling (young, middle-aged and maturing stands) - 48% - other cuttings – 12%. The volume of fuel wood was 7.6 million m³ or 35.8% of total volume harvested in 2020 and this volume maybe used in bioenergy sector.

Was the forest in the Supply Base managed for a purpose other than for energy markets? Yes - Majority

Explanation: In Belarus, the timber industry includes forestry (13.5%), wood processing (69.5%) and the pulp and paper industry (16.4%). Timber processing is one of the largest production sectors of the Republic of Belarus and accounts for about 2% of the total manufacturing sector of the Republic of Belarus. The timber industry in Belarus accounts for about 1.1% of the gross domestic market. Wood products are exported to about 30 countries around the world.

For the forests in the Supply Base, is there an intention to retain, restock or encourage natural regeneration within 5 years of felling? Yes - Majority

Explanation: The main conditions for the exploitation of forests are ensuring the reproduction of forests and protective afforestation. In 2020, forest production and afforestation were carried out on a total area of 38.9 thousand hectares. In the spring, all cleared areas are planted with forest crops or left to overgrow naturally. All established plantings are cared for annually. Belarus has been a signatory of the CITES Convention since 1995. CITES requirements are respected in forest management, although there are no plant species included in the CITES lists in Belarus. There are species included in IUCN list. When harvesting wood, according to the forest legislation of the Republic of Belarus, individual species listed in the Red Book and their habitats are subject to conservation. In Belarus, the basic principles of forest management are based on the following regulatory documents: - National Strategy for Sustainable Development of the Republic of Belarus; - Forest Code of the Republic of Belarus.

Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation? Yes - Minority

Explanation: The enterprise uses raw materials from sanitary cuttings up to 15% in the total volume. Sanitary felling of wood is regulated by the "Forest Code" of the Republic of Belarus.

Feedstock

Reporting period from: 01 Feb 2020

Reporting period to: 31 Jan 2021

- a. **Total volume of Feedstock:** 1-200,000 tonnes
- b. **Volume of primary feedstock:** 0 tonnes
- c. **List percentage of primary feedstock, by the following categories.**
 - Certified to an SBP-approved Forest Management Scheme: 0%
 - Not certified to an SBP-approved Forest Management Scheme: N/A

- d. List of all the species in primary feedstock, including scientific name: N/A (N/A);
- e. Is any of the feedstock used likely to have come from protected or threatened species? N/A
- Name of species: N/A
 - Biomass proportion, by weight, that is likely to be composed of that species (%): N/A
- f. Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%): N/A
- g. Softwood (i.e. coniferous trees): specify proportion of biomass from (%): N/A
- h. Proportion of biomass composed of or derived from saw logs (%): N/A
- i. Specify the local regulations or industry standards that define saw logs: N/A
- j. Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%): N/A
- k. Volume of primary feedstock from primary forest: N/A N/A
- l. List percentage of primary feedstock from primary forest, by the following categories. Subdivide by SBP-approved Forest Management Schemes:
- Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: N/A
 - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: N/A
- m. Volume of secondary feedstock: 1-200,000 tonnes
- Physical form of the feedstock: Sawdust
- n. Volume of tertiary feedstock: 0 N/A
- Physical form of the feedstock: N/A

Proportion of feedstock sourced per type of claim during the reporting period				
Feedstock type	Sourced by using Supply Base Evaluation (SBE) %	FSC %	PEFC %	SFI %
Primary	0,00	0,00	0,00	0,00
Secondary	0,00	100,00	0,00	0,00
Tertiary	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00

3 Requirement for a Supply Base Evaluation

Is Supply Base Evaluation (SBE) is completed? No

N/A

4 Supply Base Evaluation

4.1 Scope

Feedstock types included in SBE: N/A

SBP-endorsed Regional Risk Assessments used: Not applicable

List of countries and regions included in the SBE:

Country: N/A

Indicator with specified risk in the risk assessment used:
N/A

Specific risk description:

4.2 Justification

N/A

4.3 Results of risk assessment and Supplier Verification Programme

N/A

4.4 Conclusion

N/A

5 Supply Base Evaluation process

N/A

6 Stakeholder consultation

N/A

6.1 Response to stakeholder comments

N/A

7 Mitigation measures

7.1 Mitigation measures

N/A

7.2 Monitoring and outcomes

N/A

8 Detailed findings for indicators

Detailed findings for each Indicator are given in Annex 1 in case the Regional Risk Assessment (RRA) is not used.

Is RRA used? N/A

9 Review of report

9.1 Peer review

N/A

9.2 Public or additional reviews

N/A

10 Approval of report

Approval of Supply Base Report by senior management			
Report Prepared by:	Vitalij Vladmirovich Jushchenko	Director	21 Feb 2022
	Name	Title	Date
The undersigned persons confirm that I/we are members of the organisation'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 finalisation of the report.			
Report approved by:	Vitalij Vladmirovich Jushchenko	Director	21 Feb 2022
	Name	Title	Date

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A