

Supply Base Report: Limited Liability Company “GantsevichiDrevStroy”

Second Surveillance Audit

Reinstatement Audit

www.sbp-cert.org



Completed in accordance with the Supply Base Report Template Version 1.3

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: Limited Liability Company "GantsevichiDrevStroy"
 Producer location: 3A Montazhnikov Street, Gantsevichi, Brest region, Republic of Belarus
 Geographic position: 52°45'48.3"N 26°25'39.3"E
 Primary contact: Shulga Alexander Vasilievich+375-0164660208 email: gancevichidrev@mail.ru
 Company website: not applicable
 Date report finalised: 01/Aug/2019
 Close of last CB audit: 22/Aug/2019
 Name of CB: NEPCon
 Translations from English: Yes
 SBP Standard(s) used: Standard 2 version 1.0, Standard 4 version 1.0, Standard 5 version 1.0
 Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>
 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
☐	☐	☒	☐	☐

2 Description of the Supply Base

2.1 General description

The supply base of Limited Liability Company “GantsevichiDrevStroy” is the forest resources of the Republic of Belarus.

Limited Liability Company “GantsevichiDrevStroy” uses secondary feedstock (sawdust) from own production. Secondary feedstock is also purchased from other manufacturers.

Feedstock input is divided into:

SBP-compliant Secondary Feedstock, 100%

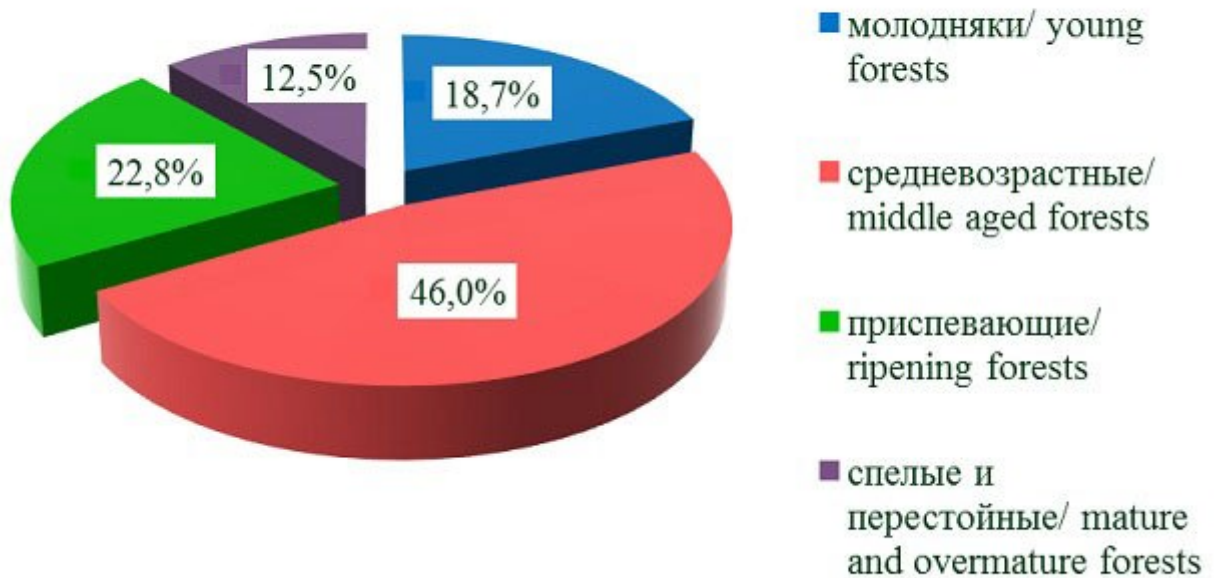
Species: *Picea abies* (L.) H. Karst.; *Pinus sylvestris* (L.)

The number of the suppliers is 2.

2.1.1 Forest resources of the Republic of Belarus

The Forest Fund of Belarus as a combination of all forests of the country of natural and artificial origin includes forested lands, as well as other lands intended for the needs of forestry. The total area of the forest fund amounted to 9.58 million hectares, including forest covered (without glades, cuts, burnt areas) - 8.26 million hectares. Compared to 1988, it increased by 14.8%, mainly due to artificial and natural afforestation of unproductive and uncomfortable lands for agricultural production. The forest cover of Belarus amounted to 39.8%, which in general can be considered optimal for our country.

The forest resources of Belarus are quite well studied, and according to experts, wood reserves in 2018 amount to 1796.0 million m³, including about 267 million m³ possible for exploitation (ripe and overripe). The total growth of forests is approximately 32.7 million m³ per year. The average age of Belarusian forests is 56 years. According to age categories, the area covered by forest is distributed as follows: young growth - 18.7%, middle-aged - 46.0, ripening - 22.8, ripe and overripe - 12.5%



Forest management in Belarus is based on the principles of continuity and sustainability; annual average timber harvesting is 10,0-11,2 million m³ per year where 4.3-4.5 million m³ (40%) is final harvesting (in mature forests), 5.4 million m³ (48%) is improvement cutting and sanitation cutting (young forests, middle-aged and ripening forests), 1.0-1.3 million m³ of timber (12%) is other kinds of harvesting. Further increase of forest management is projected in the following way: in 2011-2015 harvesting may exceed 16 million m³, in 2016-2020 - 19 million m³. However it should not cause environmental damage to forests as even at present time the total annual wood growth in the forests of Belarus is about 25 million m³ per year and it continues to increase with the growth of area covered by forests and balancing age-class composition. Forest management mode is primarily determined by the size of the allowable cut. The allowable cut is the norm of the annual volume of timber which can be cut or the amount of finished products which can be withdrawn from further reforestation for timber harvesting. It is calculated on the basis of availability of mature timber, nature of regeneration, demand for timber as well as on the principle of a continuous and sustainable use of forests. In recent years only 70-80% of the allowable cut for final harvesting has been used. Underperformance is mainly connected with soft-wooded broadleaved species, small-diameter timber and remote places where timber harvesting is not profitable. The use of timber for energy is hampered by lack of investment. Over the last years the average annual forest management was only 1.5-1.7 m³ of timber per 1 hectare of forested area which is 2.4 times less than the average annual wood growth - 3.6 m³/ha. According to projections for 2015 there will be almost a two times increase of allowable cut which will significantly expand the scope of forest management and will increase the export of timber.

2.1.2 Forest and Wood Using Industry

In Belarus the forest industry consists of forestry (13.5% of total production), woodworking (69.5% of total production), pulp and paper (16.4% of total production) sectors. Historically timber sawing has always been one of the most significant activities where approximately 1,500 business entities have licenses for timber production. Most of them are timber production combined with mechanical wood processing (window and door

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units, timber-frame houses) or timber harvesting. State forestry institutions (“forestry enterprise”) also have woodworking shops where they process round timber of their own production. In 2013 there were 71 shops organized on the basis of forestry enterprises which processed more than 1.9 million m³ of timber.

In 2011 the contribution of the forest industry to the national economy was equivalent to 575 million US dollars or about 1.1% of GDP. According to data reported by FAO (Food and Agriculture Organization) 113 thousand people are employed directly in the forestry.

In mid-2018, more than 140 woodworking and trading companies had FSC (Forest Stewardship Council) certificates in Belarus.

Taking into account the requirements of the international scheme of the Forest Stewardship Council (FSC), as of January 1, 2019, 96 leshozes, or 8.3 million hectares of forest fund, were certified (98.5% of the total forest fund of the Ministry of Forestry

The average annual energy consumption in Belarus is about 967 petajoules which is equivalent to about 23 million tons of oil. It is believed that Belarus has 611 million m³ of wood biofuel and at the beginning of 2014 the annual production of wood chip has reached 1.25 million m³.

2.2 Actions taken to promote certification amongst feedstock supplier

Not applicable. Limited Liability Company “GantsevichiDrevStroy” uses only FSC-certified timber.

2.3 Final harvest sampling programme

Not applicable. For the production of fuelwood pellets Limited Liability Company “GantsevichiDrevStroy uses only sawdust from timber sawing and woodworking from its own production.

2.4 Flow diagram of feedstock inputs showing feedstock type

For the production of fuelwood pellets Limited Liability Company “GantsevichiDrevStroy uses only saw dust from timber sawing and woodworking (which was taken from hardwood and coniferous species) from its own production (based on the data on processing at sawing production):

- 90% Scotch pine (*Pinus silvestris*)
- 10% European Spruce (*Picea abies*)

2.5 Quantification of the Supply Base

Supply Base

a. Total Supply Base area (ha): 9.58 million ha

b. Tenure by type (ha): 9,58 million ha state ownership, 0 million ha private forests and 0 million ha other ownership types.

c. Forest by type (ha): 9.58 million ha temperate forests

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d. Forest by management type (ha): *9.58 million ha managed semi-natural*

e. Certified forest by scheme (ha): FSC *total certified area 8.3 million ha*

Feedstock:

f. Total volume of Feedstock 13356,8 m³ per year

g. Volume of primary feedstock: Not applicable 0 m³.

h. List percentage of primary feedstock (g), Not applicable.

i. List all species in primary feedstock, including scientific name: Not applicable.

j. Volume of primary feedstock from primary forest: Not applicable 0 m³.

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

Not applicable (0 m³).

l. Volume of secondary feedstock: 13356,8 m³ per year of sawdust

m. Volume of tertiary feedstock: Not applicable (0 m³)

*- bands for (f) and (g) are:

1. 0 - 200,000 tonnes or m³
2. 200,000 – 400,000 tonnes or m³
3. 400,000 – 600,000 tonnes or m³
4. 600,000 – 800,000 tonnes or m³
5. 800,000 - 1,000,000 tonnes or m³

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
☐	☒

For the production of SBP fuelwood pellets we use FSC-certified timber, i.e. 100% of the total production output of pellets will have FSC declaration 100%. Supply base evaluation is not required.

4 Supply Base Evaluation

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 Conclusion

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

The peer review of the report was carried out in 2016. Since there were no significant changes in the supply base, a second peer review was not carried out.

11.2 Public and additional reviews

Russian version of the Report may be sent upon the request to all the parties concerned.

12 Approval of the report

Approval of Supply Base Report by senior management			
Report Prepared by:	<i>Shulga Alexander Vasilievich</i>	<i>Director</i>	<i>01/08/2019</i>
	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:	<i>Shulga Alexander Vasilievich</i>	<i>Director</i>	<i>01/08/2019</i>
	Name	Title	Date
Report approved by:			
	Name	Title	Date

13 Updates

13.1 Significant changes in the supply base

No significant changes

13.2 Effectiveness of previous mitigation measures

Not applicable

13.3 New risk ratings and mitigation measures

Not applicable

13.4 Actual figures for feedstock over the previous 12 months

13356.8 m3

13.5 Projected figures for feedstock over the next 12 months

In 2019-2020, it is planned to receive, use and process .14000 m3 of secondary feedstock