

Supply Base Report: Ecogran-Prom Plus, LLC

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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: "Ecogran-Prom Plus" LLC
 Producer location: 5th km of Minsk Shosse, Bobruisk, Mogilev Region, 213824, BELARUS
 Geographic position: N 53° 12.002; E 29° 11.228
 Primary contact: Head of marketing department Denis Shachenok Anatolyevich
 Company website: www.ecogran.by
 Date report finalised: 27/Jan/2020
 Close of last CB audit: 31/Jan/2020
 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 (Instruction Document 5E)
 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

“Ecogran-prom Plus is a private limited liability company founded in 2011. The main activity of the company is the production of wood pellets, the alternative activity is production of animal feed additives.

The timber supply base for the pellets production processes is located in the Republic of Belarus.

The company produces wood pellets from SBP-compliant secondary feedstock – sawdust (wood processing industry waste). The company also receives non-compliant secondary feedstock – sawdust, that is used for production of wood pellets intended for internal market.

SBP-compliant secondary feedstock – sawdust (wood processing industry waste) – 62%

SBP-non compliant secondary feedstock – sawdust (wood processing industry waste) – 38%

This report will take into account the total volumes of raw materials, but will not include SBE (controlled material). SBP-compliant certified material makes up 62% of all production raw materials.

The factory has 1 stable feedstock supplier for FSC certified, and has 3 suppliers of non-certified feedstock.

The wood species - *Alnus* spp.; *Betula pendula*; *Picea abies*; *Pinus sylvestris*; *Populus tremula*.

Belarus Forest Resources

In the Republic of Belarus, forests are one of the main renewable natural resources and the most important national wealth. The total land area of the forest fund is 9.582 million hectares. Forest covered lands occupy 8.26 million hectares. Forest cover of the territory of the Republic of Belarus reached 39.8%. The total standing stock of wood stands at 1,796 million cubic meters, including 296 million cubic meters of ripe and mature plantings. As a result of focused work on the reproduction of forests, the area covered by forests is increasing. So, over the past 60 years, the forest cover of the republic has almost doubled and reached its maximum values for more than a century. The increase is occurring both naturally and due to afforestation of badlands unsuitable for agriculture. In Belarus, along with an increase in the total area of the forest fund, a steady growth in the areas of ripening, ripe and overripe stands is observed. The share component of ripe and mature forests is 14.7%. The average age of stands is 56 years. In the forests of Belarus 28 species of trees and about 70 species of shrubs grow. The most common tree species are: ordinary pine - 50.3%, birch - 23.2%, European spruce - 9.2%, black alder - 8.5%, oak - 3.4%, aspen - 2.1% .

Depending on the functions performed, the lands of the forest fund are divided into forests of the first and second groups. The first group includes specially protected natural territories, the share of which is 52%, the second group includes production forests intended for timber harvesting (48%).

In accordance with the legislation of the Republic of Belarus, all the lands of the forest fund are in state ownership and transferred to the use and management of state forestry institutions. Forest management in Belarus is carried out according to the principle continuity and inexhaustibility. The average annual wood harvest is about 18 million cubic meters per year, of which:

- main cutting (in ripe stands) 40%;
- thinning and sanitary felling (in young, middle-aged and ripening stands 48%);
- other felling 12%.

Ensuring high-quality reproduction of forest resources and protective afforestation is a prerequisite for the use of forests. So in 2018 reforestation and afforestation carried out on a total area of 41.82 thousand hectares, including 34.8 thousand ha of new forests laid due to sowing and planting forests.

Belarus has been a signatory of the CITES Convention since 1995. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Belarus.

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. Cutting of valuable, endangered and protected tree species is prohibited.

In Belarus there are two republican reserves - the Berezinsky Biosphere Reserve (85.2 thousand ha) and the Polesky State Radiation and Ecological Reserve (216.1 thousand ha), and four national parks - Belovezhskaya Pushcha (152.962 thousand ha), Braslav Lakes (69.115 thousand hectares), Narochansky (93.3 thousand hectares) and Pripyatsky (85.841 thousand hectares), 334 reserves of republican and local significance and 874 natural monuments ..

Forest certification is an effective tool to combat illegal logging and illegal timber trafficking. Two schemes of forest certification have found their place in the Republic of Belarus - the forest certification system FSC (Forest Stewardship Council) and the forest certification system of the National Conformity Certification System, recognized by the Pan-European Forest Certification Council (PEFC). Taking into account the requirements of the international scheme of the Forest Stewardship Council (FSC), 9.027 million hectares of forest fund are certified (94.2% of the total forest fund). PEFC certified forest management and forest management systems of 105 legal entities conducting forestry on an area of 8.8 million hectares of forest fund.

In Belarus, the forest industry consists of forestry (13.5%), woodworking (69.5%) and pulp and paper industry (16.4%). The woodworking industry is one of the largest industries in Belarus. Woodworking accounts for approximately 2% of the total manufacturing industry of the Republic of Belarus. Forest share

industry in the country's GDP is approximately 1.1%. Timber products and services are exported to 30 countries.

2.2 Actions taken to promote certification amongst feedstock supplier

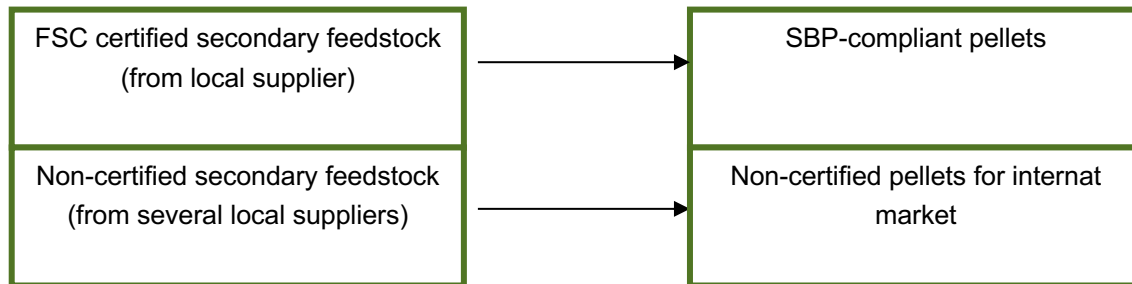
In production of SBP pellets only FSC certified supplier material is used. Since company's policy is to give preference to certified suppliers, the company constantly invites other non-certified suppliers to participate in FSC/PEFC certification.

2.3 Final harvest sampling programme

Not applicable.

2.4 Flow diagram of feedstock inputs showing feedstock type [optional]

The company uses one type of wood species - Pinus Sylvestris (L.)
Here is a simple flow diagram of their incoming feedstock.



2.5 Quantification of the Supply Base

Supply Base

- Total Supply Base area (ha): Belarus 9,582 mln
- Tenure by type (ha): 9,582 mln ha state owned forests
- Forest by type (ha): 9,582 mln ha temperate forest
- Forest by management type (ha): 9,582 mln ha Managed Semi-Natural, Natural
- Certified forest by scheme (ha): 9,4 mln. ha FSC certified forest
8,8 mln. ha PEFC certified forest

Feedstock

- Total volume of Feedstock: tonnes or m³ – 8947,14 m³
- Volume of primary feedstock: tonnes or m³ – 0 m³
- List percentage of primary feedstock (g), by the following categories. - percentages may be shown in a banding between XX% to YY% if a compelling justification is provided*. Subdivide by SBP-approved Forest Management Schemes:
 - Certified to an SBP-approved Forest Management Scheme – 0%
 - Not certified to an SBP-approved Forest Management Scheme – 0%
- List all species in primary feedstock, including scientific name – not applicable
- Volume of primary feedstock from primary forest – 0 m³
- List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
 - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme – 0%
 - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme – 0%
- Volume of secondary feedstock: specify origin and type - 8947,14 m³ / 100% sawdust / origin – Republic of Bealrus.
- Volume of tertiary feedstock: specify origin and composition – 0 m³.

* Compelling justification would be specific evidence that, for example, disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain

competitive advantage. State the reasons why the information is commercially sensitive, for example, what competitors would be able to do or determine with knowledge of the information.

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
6. >1,000, 000 tonnes or m³

Bands for (h), (l) and (m) are:

1. 0%-19%
2. 20%-39%
3. 40%-59%
4. 60%-79%
5. 80%-100%

NB: Percentage values to be calculated as rounded-up integers.

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
☐	☒

SBE was not conducted because all feedstock used in production is FSC certified.

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

Peer review was not used.

11.2 Public or additional reviews

The report is available at the „Ecogran-prom Plus“ website www.ecogran.by for public awareness and comments are accepted by the company from any interested parties. In case of any comments the email ecogran@tut.by should be used.

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	<i>Denis Shachenok Anatoljevich</i>	<i>Head of Marketing Department</i>	<i>10-02-2020</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>Nikolaj Nikolajevich Domasevich</i>	<i>Director</i>	<i>10-02-2020</i>
	Name	Title	Date



13 Updates

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 figures for feedstock over the previous 12 months

8947,14 m3

13.5 Projected figures for feedstock over the next 12 months

~10 000 m3