



Supply Base Report: PMUE «Shklovdev»

First Surveillance Audit

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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
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Document history

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1 Overview

Producer name: PMUE «Shklovdev»
Private manufacturing unitary enterprise «Shklovdev»

Producer location: 213002, Republic of Belarus, Mogilev region, Shklovsky district,
5 km West of Dankovich village Belarus

Geographic position: 54°10'30.2"N; 30°18'57.1"E

Primary contact: Evgeniy Sleptsov, Director
Tel. +375 29 6851632, e-mail: yauhen83@mail.ru

Company website: <https://www.facebook.com/Shklovdev/>

Date report finalised: 11/Nov/2020

Close of last CB audit: 25/Nov/2020, Mogilev

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

2.1.1. Forest fund

In the Republic of Belarus forests are one of the main renewable natural resources and the major national wealth. The woods and forest resources are of great importance for sustainable social and economic development of the country, ensuring its economic, energy, ecological and food security. For a number of the key indicators characterizing forest fund (woodiness of the territory, the area of the woods and stock of growing wood in terms of per capita), Belarus is among the top ten forest states of Europe.

Forestry of Belarus successfully implementing the principles of sustainable multipurpose forest management, is important for stable functioning of the forest sector of the country and contributes to the development of allied industries of economy, making a significant contribution to the implementation of the signed international treaties at the global level in the field of environmental protection. Its economic, environmental and social role has been steadily increasing. All this gives grounds to say that in modern conditions the forestry sector from traditional commodity industry turns into infrastructural and one of the key sectors of the national economic complex, especially in the rural areas of the country.

As a result of purposeful work on reproduction of the woods and forest growing, positive dynamics of forest fund is reached.

So from 1994 the key quantitative and qualitative indexes of the forests improved:

forest area increased by 908,6 thousand hectares from 7371,7 to 8280,3 thousand hectares;
the area under forest of the Republic reached 39.9 per cent (increased by 4.4%);
the total stock of standing timber increased by 738,6 million cubic meters and amounted to 1831,8 million cubic meters (including in Mature and overmature stands - 300,9 million cubic meters and constituted – 375,4 million cubic meters);

the stock per 1 ha. of forested land increased by 73 cubic meters and amounted to 221 cubic meters per 1 ha.; the stock of mature and overmature plantings increased by 59 cubic meters and reached 272 cubic meters per 1 ha.;

average age of plantings increased from 44 to 56 years.

Dynamics of indices of forest Fund of the Republic of Belarus:

Name of indicator	unit of measure	Index as at			
		1994	2001	2010	2020
1. The total area of forest fund lands	thousand hectares	8676,1	9247,5	9416,6	9620,9
1.1 Forest lands	thousand hectares	7775,9	8275,7	8598,2	8799,1
	%	89,6	89,4	91,3	91,5
1.2 Forested land – in all	thousand hectares	7371,7	7850,6	8002,4	8280,3
	%	85	85,0	85,0	86,1
mature and overmature	thousand hectares	350,1	623	804,4	1379,1
	%	4,7	7,9	10,1	16,7
2. Area under forest	%	35,5	37,8	38,5	39,9
3. The General stock of stands – in all	million m3	1093,2	1339,9	1566,1	1831,8
4. The total average inventory change	million m3	24,9	28,2	30,2	33,4
5. The average stock of plantations	m3/hectar	148	171	196	221
5.1. Mature and overmature	m3/hectar	213	220	244	283
6. The average age	years	44	48	52	56

In Belarus along with increase in total area of forest fund also the sustainable growth of the areas of ripening as well as mature and overmature plantings is observed

All forests in Belarus are the exclusive property of the state.

Name of the ministries, organizations	Area, thousand ha.	The percent of total area	The number of the legal entities conducting forestry
The Ministry of Forestry	8461,3	87,9	98
The Ministry of defence	90,1	0,9	2
Ministry of Emergency Situations	216,9	2,3	1
Ministry of education	27,8	0,3	2
Administrative Department of the President of the Republic of Belarus	767,8	8,0	7
The national Academy of Sciences of Belarus	41,6	0,4	3
Local executive and administrative bodies	15,4	0,2	6
In all	9620,9	100,0	119

In Belarus the main principles of forest managements are based on the following regulatory documents:

- State-run program for 2016-2020 "Belarus forest"
- National strategy on sustainable development of the Republic of Belarus
- Forest Code of the Republic of Belarus.

The called documents have defined the following purposes at the organization of forest exploitation: rational, inexhaustible and continuous use of the forests.

providing of a relatively constant forest management within the forest Fund for subjects of forestry.

implementation of ecologically sound (nature compatible) forest exploitation.

28 tree species and about 70 species of bushes grow in Belarus. The most widespread are: Scots pine - 50.3%, Birch - 23.2%, European spruce - 9.2%, Black alder - 8.5%, Oak - 3.4%, Aspen - 2.1%

Forest certification is carried out in accordance with the requirements of the international scheme of the FSC Forest council of trustees and within the framework of the Forest Certification System of the National System of Conformity of the Republic of Belarus recognized by Pan-European Forest Certification Council (PEFC).

In accordance with the requirements of the of the Forest council of trustees (FSC) scheme, as of January 1, 2019, 96 forest enterprises or 8,3 million hectares of forest fund (98,5% of all forest fund of the Ministry of Forestry) were certified.

According to PEFC scheme, systems of forest management and forest exploitation of 93 forest enterprises of the Ministry of Forestry are certified on an area of 8,0 million hectares of forest fund (95% of all forest fund of the Ministry of Forestry).

In Belarus timber industry comprises of forest management (13,5%), processing of timber (69,5%) and paper-pulp industry 16,4%). Timber processing is one of the largest manufacturing sectors in Belarus Republic and has a share of about 2% from the whole processing sector in Belarus Republic. Timber industry in Belarus makes approximately 1,1% of gross domestic market. Timber-based products are exported to about 30 world countries. The export of sawn timber in 2019 in percentage terms by country was: Lithuania - 25%, Germany - 25%, Latvia - 18%, Poland - 5%, China - 4%, Belgium - 3%, Romania - 2%, Azerbaijan - 4%, other - 14 %.

source: <http://www.mlh.by>

2.1.2. Supply Base of Private manufacturing unitary enterprise «Shklovdiv»

Shklovdiv main product is square edged timber. Processing residues (wood chips and sawdust) are used for the production of wood pellets. Roundwood for main production comes from the sanitary felling in the forest fund of Belarus Republic. If necessary, some additional feedstock volume (also processing residues – sawdust) can be procured from an FSC certified biomass supplier- "Ramis Drev Komplekt" (NC-COC-022098) with an FSC 100% claim. Roundwood with an FSC 100% claim is procured from the following FMUs:



Fig.1 Supply Base of Shklovdiv – Republic of Belarus

1. GLHU «Gorecki leshoz » - Mogilev region (NC-FM /COC-007276)
2. GLHU Orshanski leshoz- Vitebsk region (NC-FM /COC-013456)
3. GLHU Puhovichesky leshoz – Minsk region (NC-FM /COC-010984)
4. GLEHU «Byda-koshelevski experienced leshoz » - Gomel region (NC-FM /COC-006891)
5. GLEHU «Gomelski experienced leshoz » - Gomel region (NC-FM /COC-022487)
6. GLHU Klichevski leshoz – Mogilev region (NC-FM /COC-017336)
7. GLHU Kostjukovichski leshoz – Mogilev region (NC-FM /COC-017334)
8. GLHU «Krasnopol'ski leshoz » - Mogilev region (NC-FM /COC-009361)
9. GLHU «Mogilevski leshoz » - Mogilev region (NC-FM /COC-017333)

Shklovdiv uses only certified secondary feedstock in the production of pellets:

- SBP-compliant secondary feedstock - 100%

Shklovdiv mainly uses own processing residues (sawdust and wood chips), and only about 8% of feedstock (sawdust) within the reporting period was procured with an FSC 100% from.

The following tree species are used:

- Pine (*Pinus silvestris*) – 87%
- Spruce (*Picea abies*) – 13%

No CITES species are identified within the supply base.

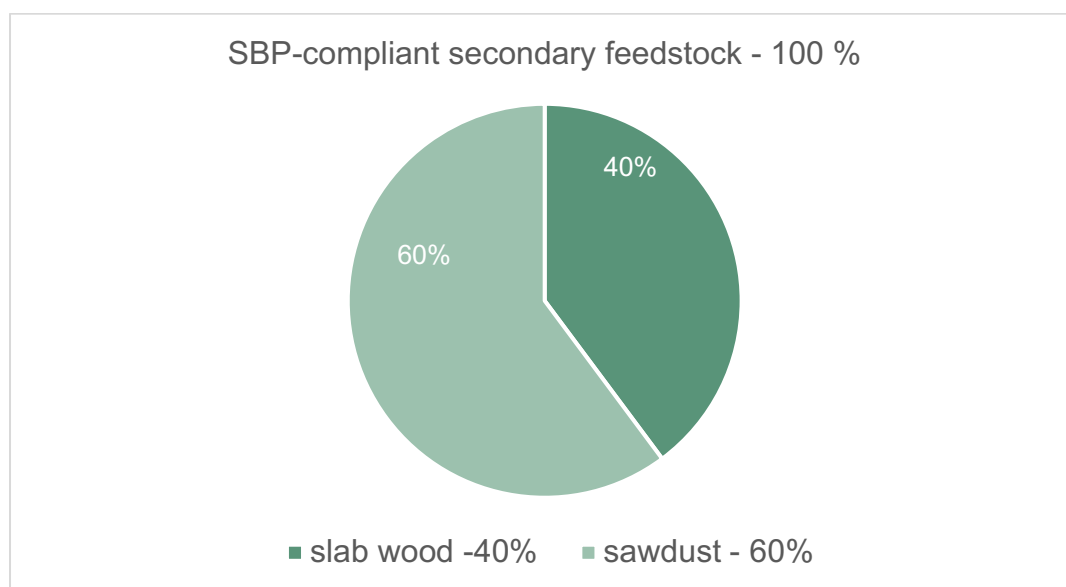
2.2 Actions taken to promote certification amongst feedstock supplier

For the production of pellets Shklovdev uses FSC certified material. For the main production roundwood is procured from certified Belarus forest management units. Shklovdev management has decided to stop the purchase of timber which does not come from FSC certified forests and does not have an FSC claim. When communication with an uncertified FMU / sawmill takes place, Shklovdev representatives underline the importance of complying with the existing requirements and promotes voluntary forest certification.

2.3 Final harvest sampling programme

Not applicable.

2.4 Flow diagram of feedstock inputs showing feedstock type.



2.5 Quantification of the Supply Base

Supply Base

- Total Supply Base area (ha): 9,621 ml
- Tenure by type (ha): 9,621 ml (100% stated owned)
- Forest by type (ha): 9,621 ml temperate
- Forest by management type (ha): 9,621 ml managed natural

- e. Certified forest by scheme (ha): 8,3 ml – certified by FSC, 8,0 - certified by PEFC)

Feedstock

- f. Total volume of Feedstock: **21 632.84 m3**
- g. Volume of primary feedstock: not used
- h. List percentage of primary feedstock (g), by the following categories. 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%
- i. List all species in primary feedstock, including scientific name - Not applicable.
- j. Volume of primary feedstock from primary forest- Not applicable.
- k. 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%
- l. Volume of secondary feedstock: specify origin and type – **21 632.84 m3** (80.09% wood chips and sawdust from own production, 19.91 % secondary raw materials from external suppliers). All feedstock comes from the Republic of Belarus.
- m. Volume of tertiary feedstock: specify origin and composition - Not applicable.

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
☐	☒

SBE was not conducted because all feedstock used in production SBP- compliant biomass is FSC certified. Non-certified feedstock are separated. Non-certified pellets are sold domestically.

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.

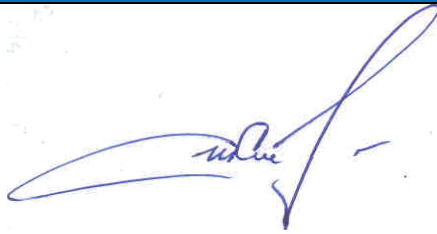
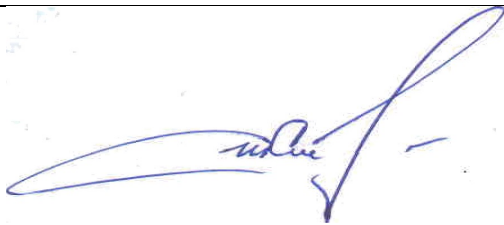
11.2 Public or additional reviews

As part of the SBP certification, the notification of the main assessment of PMUE "Shklovdev" was sent by SBP by e-mail to all registered stakeholders in November 2020.

The report on the resource base in Russian and English is available on the website of the company "Shklovdev" on the Internet

No additional evaluation was carried out.

12 Approval of Report

Утверждение отчета руководством компании			
Report Prepared by:		Director	11.11.2020
	Yauhen Sliaptsou		
	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:		Director	11.11.2020
	Yauhen Sliaptsou		
	name	Title	date
Report approved by:	[name]	[title]	[date]
	name	Title	date
Report approved by:	[name]	[title]	[date]
	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 figures for feedstock over the previous 12 months

Detailed information is provided in paragraph 2.5.

13.5 Projected figures for feedstock over the next 12 months

Volume of secondary feedstock: 22 000 m³ per year

- * 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 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