



Sustainable Biomass Partnership

Supply Base Report: SWOODS Export

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Completed in accordance with the Supply Base Report Template Version 1.0

*For further information on the SBP Framework and to view the full set of documentation see
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Template document history

Supply Base Report Template Version 1.0: published 26 March 2015

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1 Overview

Producer name:	"SWOODS export" FLLC
Producer location:	Demina 11a, Borisov, 222518, Minsk region, Belarus
Geographic position:	Lat E 28 degrees 30 minutes, Long N 54 degrees 11 minutes
Primary contact:	Tatyana Aniskevich, tatyana.aniskevich@swse.by , +375 177 765 031
Company website:	None
Date report finalised:	12/Oct/2015
Close of last CB audit:	16/Oct/2015
Name of CB:	NEPCon
Translations from English:	Russian
SBP Standard(s) used:	Standard 2 v1.0, 26 March 2015; Standard 4 v1.0, 26 March 2015; Standard 5 v1.0, 26 March 2015
Weblink to Standard(s) used:	http://www.sustainablebiomasspartnership.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
☒	☐	☐	☐	☐

2 Description of the Supply Base

2.1 General description

The Supply Base of “SWOODS export” FLLC (further SWOODS export) comprises forests subject to the forest area of Belarus (9.5 million ha). However, SWOODS export does not procure FSC non-certified wood if it is not from the Ministry of Forestry or Ministry of Defence.

General Description of “SWOODS export”

“SWOODS export” is a wood processing company, which buys and saws coniferous (Scots pine and Norway spruce) logs (95,3 thousand m³ were purchased in 2014).

Part of the sawn wood production (almost 22,8 thousand m³ in 2014) is sold (can be kiln dried), the other part is further processed into solid wood products (furniture).

Waste from production is used for heating (6,2 thousand m³ were used in 2014), sold (as chips) and, since the beginning of 2015, used for pellet production (the planned processing level is 98,4 thousand m³ for 2015).

“SWOODS export” holds an FSC® CoC certificate (NC-COC-013395) and uses the Percentage control system. Therefore, production (including wood pellets) is sold with FSC Mix claim.

All logs are sourced from Belarus:

- FSC certified can be purchased from all certified forest managers;
- Controlled according to own verification program from forests belonging to the Ministry of Forestry and Ministry of Defence (site visits are done in forest management units on a random basis);
- Controlled according to own verification program from commercial forests belonging to the Administration of the Berezinsky Biosphere Reserve.

From forests, which are under strict protection, wood is not purchased. To mitigate possible risks, site visits and consultation with stakeholders regarding forest management in the Berezinsky Biosphere Reserve are implemented. FSC non-controlled material was not purchased during year 2014.

For pellet production only waste from own production is used (no raw material for pellet production is bought).

“SWOODS export” takes wood product safety seriously. Therefore, each supplied load is tested against radioactive pollution. Logs are accepted only if radiation is not higher than 300 Bq.

General Description of Belarus Forest Resources and Forest Management

Forests cover app. 9,5 mill. ha or 39,3 % of the country's territory. The prognosis for the year 2015 is 39.5 % of Belarus territory. Total standing stock reaches almost 1,7 billion m³, while gross annual increment is more than 31,9 mill. m³. In Belarus forest area per capita is 0,9 ha, or more than 180 m³ of wood. Together with the growth of total forest area, a steady increase of the areas with the maturing, mature and overmature forest stands is observed. During the last two decades the area of mature forest stands has increased more than twice. Accordingly harvested volumes by final felling is gradually increasing from 7,6 mill. m³ in 2010 to a planned 11,3 mill. m³ in 2015. Short rotation plantations over 1 thousand ha are absent in the country.

Tree species composition is as follows: 50.4% Scots pine, 23.1% Silver birch, 9.2% Norway spruce, 8.5% black alder, 2.1% aspen and 3.3% other species. All these species are harvested and have commercial value for the woodworking sector. No tree species included in CITES and IUCN lists are commercially planted as well as harvested in Belarus.

All forests in Belarus belong to the state and they are managed by these institutions: Ministry of Forestry (85.5% of all forests), President Administrative Department (8% of all forests), Ministry for Emergency Situations (2.3% of all forests), Ministry of Defense (1% of all forests), National Academy of Science (0,4 % of all forests), local authorities (0.4% of all forests), Ministry of Education (0.3% of all forests).

Two main forest management certification schemes are present in Belarus: FSC and PEFC. By 1st January 2014 5 mill. ha of forests (more than half of all forests) were certified according to the FSC scheme. PEFC certified forests comprise of 7,7 mill ha accounting for more than 80% of all forests in Belarus. The process is still ongoing and certified forest area is increasing.

Due to the Chernobyl accident in 1986 more than 1,8 mill. ha of Belarus forests were effected by radioactive fallouts. As forest accumulated from 20 to 30% of their amount, radioactive pollution varies from site to site. Since accident, forest soil in each forest block has been investigated twice. In addition, a forest radioactive pollution control system is in place, which includes radiation control and monitoring.

Protected Areas and High Conservation Value Forests

In Belarus an environmental protection system has been in place since 1960, when a Nature Protection Committee was established. Country has ratified the Convention on Biological Diversity in 1993. Belarussian system of specially protected areas accounts for 7,7% of the country's territory. However, together with the natural sites subject to special protection, such as water conservation zones and areas of habitat and growth of rare and endangered wild animals and plant species, this figure increases to 22.1% of the country's total area.

About 75% of the original Central European mixed forest cover is estimated to be lost. Pristine and relic stands of this forest type are believed to have been eliminated completely except in Belovezha Forest, which is located on the border between Belarus and Poland. It is one of the largest and best preserved forest tract in the lowlands of Europe. It still contains a wide array of old-growth forest stands representing all the major habitat types, a rich variety of wildlife and a still not sufficiently studied numerous lower plants, fungi and slime moulds. Belovezha national park has certified its forest management according to the PEFC system since 2012.

Except the Belovezha forest in Belarus there are no globally significant high conservation value forests, such as Global 200 ecoregions, Intact Forest Landscapes or Biodiversity hotspots.

Forest and Wood-based Industry

In Belarus wood-based industry consists of forestry (13.5% of all production), wood processing (69.5% of all production), pulp and paper (16.4% of all production) sectors. Historically, sawmilling has always been one of the most essential types of business, where about 1500 economic entities have received licences to produce lumber. Most of them production of sawnwood combine with mechanical woodworking (window or door sets, framehouses) or wood harvesting. State Forest Enterprises (“Leskhozės”) are also owning wood processing workshops, where logs from their forest are processed. In whole country there are 71 such workshops, which processed more than 1,9 mill m³ of wood in year 2013.

In 2011 the Belarus forestry sector contributed an equivalent of 575 mill. USD to the national economy, or app. 1.1% of GDP. According to 2011 FAO reported data, 113 thousand people are directly employed by the forestry sector.

In the middle of 2015, more than 75 wood processing and trading companies in Belarus had the FSC certificate. The average annual consumption of energy in Belarus is around 967 PJ, what is about 23 mill. tons of oil equivalent. It is estimated that Belarus has 611 mill. metric tons of carbon stocks in living forest biomass. Since 2007 organizations, belonging to the Ministry of Forestry, started production of wood-based renewable bioenergy. In 2013 more than 5,1 mill. m³ of wood-based biofuels were produced and in the beginning of year 2014 annual capacity for chips production reached 1,25 mill. m³.

Sources:

Ministry of Forestry of the Republic of Belarus: <http://www.mlh.by>

IUCN Red List of Threatened Species: <http://www.iucnredlist.org/>

CITES: <https://www.cites.org/eng/app/index.php>

WWF: <http://www.worldwildlife.org/ecoregions/pa0412>

Ministry of Natural Resources and Environmental Protection of the Republic of Belarus:
<http://www.minpriroda.gov.by/>

State Inspectorate on Wildlife Protection Under the President of the Republic of Belarus:
<http://gosinspekciya.gov.by/>

Convention on Biological Diversity: www.cbd.int/countries/?country=by

Belovezha National Park: <http://www.npbp.brest.by/>

CEPF map of Biodiversity Hotspots: http://www.cepf.net/where_we_work/Pages/map.aspx

G200 maps: http://www.wwf.panda.org/about_our_earth/ecoregions/maps/

Intact Forests Landscapes: <http://www.intactforests.org/world.map.html>

Global Forest Watch: <http://www.globalforestwatch.org/country/BLR>

Metla: <http://www.metla.fi/julkaisut/workingpapers/2010/mwp170.pdf>

2.2 Actions taken to promote certification amongst feedstock supplier

“SWOODS export” sources only FSC certified or controlled according own verification programme (controlled feedstock) logs. Current minimum share of FSC certified wood is not less than 40%, however in coming years certified wood volumes shall increase gradually to meet target – 100% of FSC certified supplies. Therefore, priority is given to FSC certified suppliers and FSC certificate is considered as advantage. “SWOODS exports” actively promotes the certification of Sustainable Forest Management by the FSC system as well as assists suppliers in meeting the requirements.

2.3 Final harvest sampling programme

Not applicable, as “SWOODS export” does not harvest forest stands with the goal to produce pellets. Company only uses wood residues, originating from own woodworking processes.

All raw material originate from FSC certified forests or are controlled according to the own verification programme (controlled feedstock). Detail requirements for own verification programme are covered by FSC procedures.

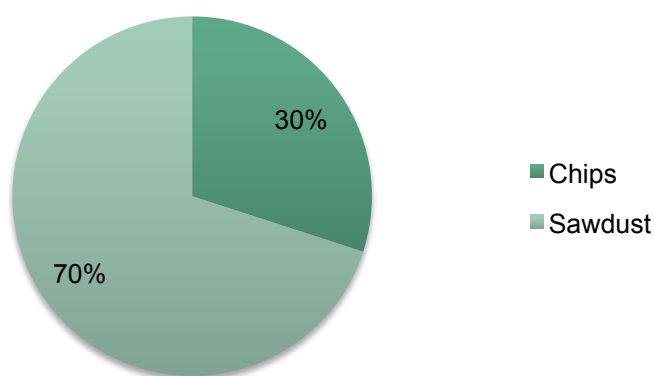
The following resources are not included in the feedstock:

- wood from forests where traditional and human rights are violated;
- wood from forests where high conservation values are threatened;
- wood from forests where significant conversion of forests to plantations or non-forest use occurs;
- wood from genetically modified trees;
- wood from illegally harvested forests;
- wood from controversial or unclear sources;
- wood from primary forests without a FSC certificate;
- wood from short rotation (energy) plantations;
- stump wood.

2.4 Flow diagram of feedstock inputs showing feedstock type

All raw material for pellet production comes as residues from “SWOODS export” sawing and further wood processing processes. The company purchases mainly pine (*Pinus sylvestris*) logs and very small share of spruce (*Picea abies*). During the 1st half of 2015, app. 130 m3 of spruce logs were bought.

Average input for pellet production:



2.5 Quantification of the Supply Base

Supply Base

- | | |
|-------------------------------------|---|
| a. Total Supply Base area (ha): | 9,5 mill. ha |
| b. Tenure by type (ha): | Public forests (State owned) |
| c. Forest by type (ha): | Temperate forest type |
| d. Forest by management type (ha): | Managed Natural |
| e. Certified forest by scheme (ha): | 5,0 mill. ha FSC certified and 7,7 mill. ha PEFC certified forest |

Feedstock

- | | |
|--|--|
| f. Total volume of Feedstock: | almost 54 thousand m ³ |
| g. Volume of primary feedstock: | 0 m ³ (no primary feedstock is used for pellet production. Note: the pellets are made from wood working residues only.) |
| 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 |
| k. List percentage of primary feedstock from primary forest (i): | Not applicable |

- l. Volume of secondary feedstock: 44,4 thousand m³ from own sawmilling and further wood processing steps. Wood residues used for pellet production are in form of chips or sawdust.
- m. Volume of tertiary feedstock: almost 8,6 thousand m³

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
☐	☒

SBE not developed as all raw material originates from FSC certified forests, is sourced as FSC Controlled Wood or are controlled according to FSC requirements for own verification programme.

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

Qualification of expert: Rodionov Sergei Livovich graduated from the Forestry Faculty at State Technological University of Belarus in 1977. From 1996-1999 he studied and graduated Faculty of International Economical Affairs at Academy of Public Administration under AEGIS of the President of the Republic of Belarus. Rodionov Sergei Livovich has long working experience in forest/wood processing field: in 1994-2001 he was the director of Lioznensky Ieshoz, in 2001-2007 was CEO at “Profitsystem”, in 2006 till the 2012 was director general of the National Association of Forest Industry.

Review: Supply Base Report of “SWOODS export” was reviewed. Company is situated in Borisov, Belarus and is sourcing coniferous logs from Belorussian forests. Therefore Supply Base Report includes Belorussian forest and wood industry sector as raw material supply base description. No major mistakes or wrong interpretation of figures were discovered, official sources to justify description was used. Forest sector summary includes main characteristics such as forest area, gross annual increment, total standing stock, harvesting rates, species composition, certification status, etc. Main risks – purchase of wood from high conservation value forests and polluted with radioactive elements wood, are identified as well as measures to avoid such timber described. As priority is given to FSC certified wood, risk to purchase raw material from controversial sources decreases. However part of logs has no FSC claim and is included in the own verification program. Main focus should be paid to such wood origin site visits and other measures stated in the FSC Controlled Wood standard.

Rodionov S. L.

11.2 Public or additional reviews

No public or additional reviews other than stated in 11.1.

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	Tatyana Aniskevich	Head of Technical Control Division	12/Oct/2015
	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:	Narūnas Stasius	CEO	12/Oct/2015
	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

Not applicable.

13.5 Projected values of feedstock over the next 12 months

Not applicable.