

Supply Base Report: MASSIV-DREV 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: MASSIV - DREV LLC
 Producer location: 225251, Skolnaja str, 2 B, Village Podstarin, Ivacevichi district, Brest Region, BELARUS
 Geographic position: 52°46'26.4"N 25°21'34.2"E
 Primary contact: SHAMIAREI SIARHEI, mob: + 375 29 8618613; +375 1645 91212 office@massivdrev.com
 Company website: <http://massivdrev.com>
 Date report finalised: 10/Feb/2020
 Close of last CB audit: 25/Feb/2020
 Name of CB: NEPCon
 Translations from English: yes
 SBP Standard(s) used: SBP Standard 2-V1.0; SBP Standard 4-V1.0.; SBP Standard 5-V1.0
 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
X	☐	☐	☐	☐

2 Description of the Supply Base

2.1 General description

MASSIV - DREV Limited Liability Company, a private wood-processing enterprise located in the Republic of Belarus. Raw materials for its production are obtained from the forest in the form of round timber (FSC 100%). Wood chips and sawdust formed during the processing of round timber-als are used in the production of pellets. The region of origin is Belarus for all feedstock.

Since the production of pellets started in May 2019, the reporting period was taken to assess the resource base since 01 / 05 / 2019 till 31 / 12 / 2019

During the reporting period, the following raw materials were used for the production of pellets::

SBP-compliant primary feedstock: 0%

SBP-compliant secondary feedstock, Chips from wood industry **90%** (as FSC 100% or FSC Mix Credit, Wood industry residues/ wood chips wet from Belarus)

SBP-compliant secondary feedstock, **10%** (as FSC 100% or FSC Mix Credit Wood industry residues/ sawdust wet from Belarus)

SBP-compliant tertiary feedstock: 0%

SBP-noncompliant feedstock: 0 %

Species: Picea abies (L.) Pinus sylvestris (L.); Bétula (L.), Ál nus (L.), Pópulus trémula (L.).

Belarus forest resources

All forests in Belarus are in exclusive property of the State. The total area of forest fund is 9.582 million ha of which 8.26 million ha are covered by forest lands. The percentage of forest cover in Belarus reached 39,8%. The total stock of timber is 1796 million m³, including ripe and overripe stands which comprise over 296 million m³. As a result of conscious efforts on forests' reproduction, during the last 60 years the area covered by forest has doubled and reached its highest value for more than 100-year period. This increase is a result of both natural processes and afforestation of barren lands unsuitable for farming industry. In Belarus along with increase of total area of forest lands, one could witness a sustainable growth of ripening, ripe and overripe stands. The share of ripe and overripe forests is 14,7%. Average age of stands is over 56 years.

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.

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%

There are two types of forest lands depending on accomplished functions: first and second groups. The first group comprises specially protected nature conservation areas (about 52%), and the second one – exploitable

forests for timber harvesting (48%). In accordance with the legislation of the Republic of Belarus all forest lands are in state property and assigned to state forestry enterprises for use. The forest use in Belarus is based on the principle of continuity and sustainability.

Average annual timber harvesting value is about 18 million m³, which include:

- final felling (mature timber) – 40%
- cleaning cuttings and sanitary felling (young, middle-aged and ripening stands – 48% -
- other cuttings – 12%.

The main conditions of forests' exploitation are the procurement of forest reproduction and protective afforestation. In 2018 the forest reproduction and afforestation were carried out at the total area of 41,82 thousand ha, including such measures as planting of new forests about 34,8 thousand ha.

According to the forest legislation of the Republic of Belarus, the endangered species and the places of their habitation included in the Red List are to be protected during timber harvesting processes. In the supply base CITES do not grow. The cutting of valuable, endangered and specially protected tree species is strictly prohibited.

At the territory of Republic of Belarus

- There are two preserved areas: Berezinsky Biosphere Reserve (85.2 thousand ha) and Polesie State Radioecological Reserve (216,1 thousand ha);
- four national parks - Belovezhskaya Pushcha (152,962 thousand ha), Braslav Lakes (69,115 thousand ha); Narachanski National Park (93,3 thousand ha) and Pripyatsky National Park (85,841 thousand ha);
- 334 forest Republic and local reserves;
- 874 monuments of nature.

The forest certification is an effective tool against illegal cuttings and illegal circulation of timber. There two schemes of forest certification implemented in the Republic of Belarus: FSC (Forest Stewardship Council) and PEFC (Programme for the Endorsement of Forest Certification).

As of 1st of January 2019, 96 forest management units (98,5% of total forest fund that belongs to the Ministry of Forestry) is certified in accordance with the requirements of Forest Stewardship Council (FSC). 93 forest management units (95 % of total forest fund that belongs to the Ministry of Forestry) is certified in accordance with the requirements of PEFC (Programme for the Endorsement of Forest Certification).

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.

Source: Ministry of Forestry of Republic of Belarus

MASSIV DREV Ltd is engaged in the production of cylindrical products. 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

Roundwood with an FSC 100% claim is procured from the following FMUs:

1. SFE Ivanickij forestry – Brest region (SGS-FM/COC-010392).
2. SFE Baranovichy forestry - Brest region (SGS-FM/COC-010392)
3. SFE Telehanskij forestry – Brest region (SGS-FM/COC-010392)
4. SFE Gantsevichy forestry – Brest region (SGS-FM/COC-006682)
5. SFE Stolin forestry – Brest region (SGS-FM/COC-006682)

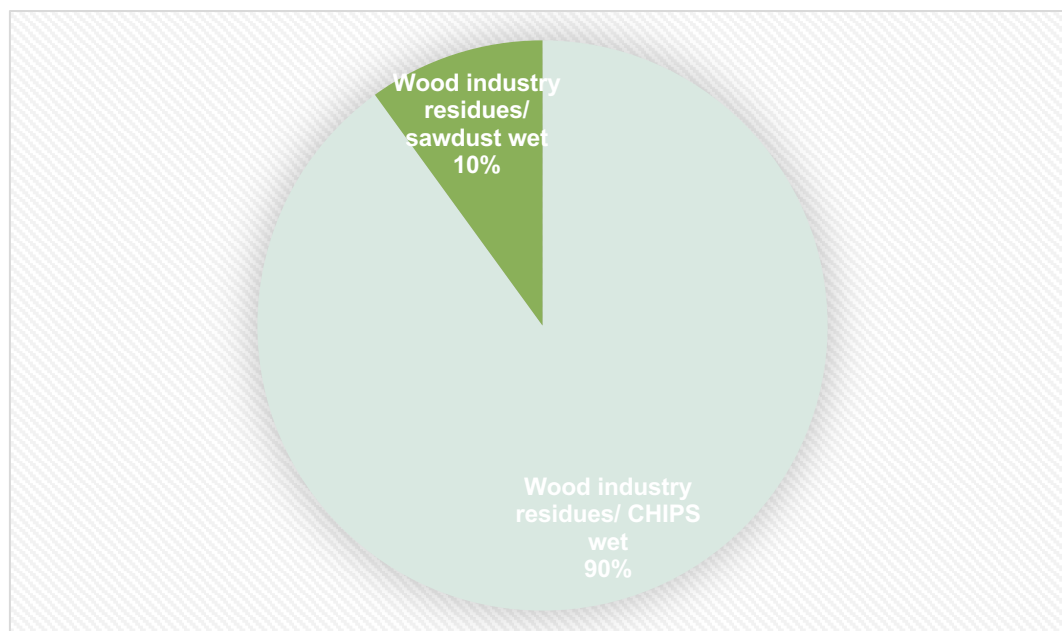
2.2 Actions taken to promote certification amongst feedstock supplier

For the production of SBP pellets are used FSC certified supplier material (100%). The company policy is to give a preference to certified suppliers. Raw material consists of wood waste from main production of suppliers. Therefore, uncertified and new suppliers are invited to certify their base production and get benefit from residues.

2.3 Final harvest sampling programme

Not applicable.

2.4 Flow diagram of feedstock inputs showing feedstock type



Species: Picea abies (L.); Pinus sylvestris (L.); Bétula (L.), Álus (L.), Pópulus trémula (L.).

2.5 Quantification of the Supply Base

Supply Base

- | | |
|---|--|
| a. Total Supply Base area (ha): Belarus | 9,582 milj hectares |
| b. Tenure by type (ha): | 9,582 milj state forests, |
| c. Forest by type (ha): | 9,582 milj. 100 % hemi-boreal |
| d. Forest by management type (ha): | 9,582 milj managed partly natural forest |
| e. Certified forest by scheme (ha): | 9,027 milj by FSC |
| | 8,8milj by PEFC |

Feedstock

- | | |
|--|-------------------------------------|
| f. Total volume of Feedstock: | 5 661,631 tonnes |
| g. Volume of primary feedstock: | not applicable (0 m ³) |
| 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 (0 %) |
| 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 | 5661,631 tonnes |
| m. Volume of tertiary feedstock: not used | not applicable (0 m ³) |

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
☐	X

For the production of SBP fuel pellets, FSC-certified wood is used, i.e. 100% of the total pellet production will have a FSC statement of 100%. An assessment of the resource base 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

Not applicable.

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

Not applicable.

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

Not applicable.

11.2 Public or additional reviews

Not applicable.

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	Shamiarei S.. 	Deputy directors	10.02.2020
	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:	Zhyhar U. 	Directors	10.02.2020
	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

Please see point 2.5.

13.5 Projected figures for feedstock over the next 12 months

Volume of secondary feedstock ~ 9 000,0 tonnes