

## Supply Base Report: Limited Liability Company “GantsevichiDrevStroy”

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## Completed in accordance with the Supply Base Report Template Version 1.2

*For further information on the SBP Framework and to view the full set of documentation see [www.sbp-cert.org](http://www.sbp-cert.org)*

### *Document history*

*Version 1.0: published 26 March 2015*

*Version 1.1 published 22 February 2016*

*Version 1.2 published 23 June 2016*

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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](mailto:gancevichidrev@mail.ru)  
**Date report finalised:** 27/Oct/2017  
**Close of last CB audit:** 27/Oct/2017  
**Name of CB:** NEPCon  
**Translations from English:** Yes  
**SBP Standard(s) used:** SBP standard 2 “Verification of SBP-compliant Feedstock” (version 1.0, March 2016)  
 SBP standard 4 “Chain of Custody” (version 1.0, March 2016)  
 SBP standard 5 “Collection and Communication of Data” (version 1.0, March 2016)  
**Weblink to Standard(s) used:** <http://www.sbp-cert.org/documents>

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations				
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance
<b>X</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 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. Secondary feedstock is in the form of lumber waste from processing and it is also purchased from other manufacturers.

Feedstock input is divided into:

SBP-compliant Secondary Feedstock, 100%

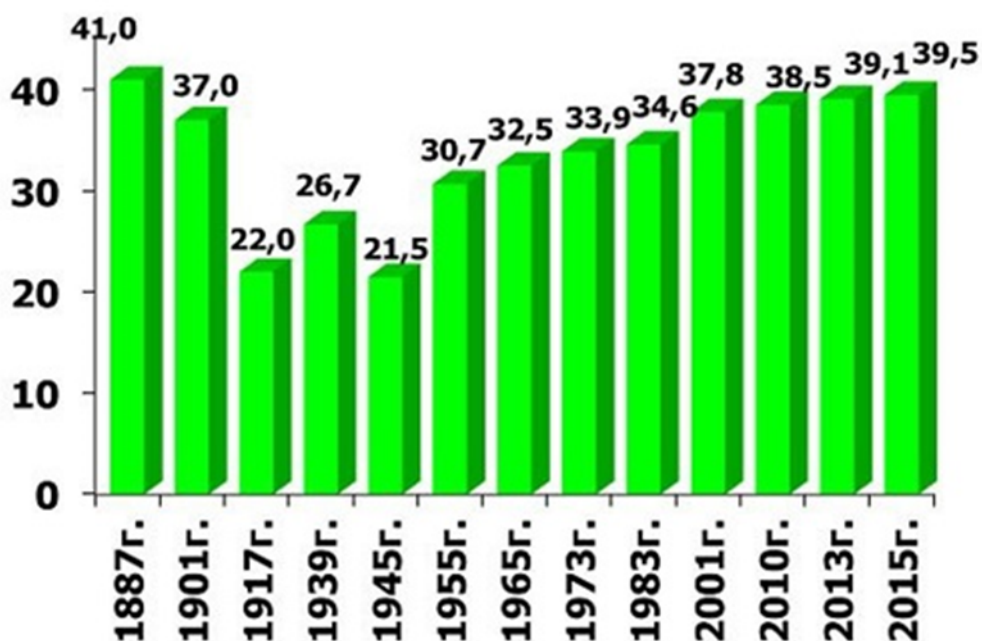
Species: *Picea abies* (L.) H. Karst.); *Pinus sylvestris* (L.); *Alnus Glutinosa*

The number of the suppliers is 2-3.

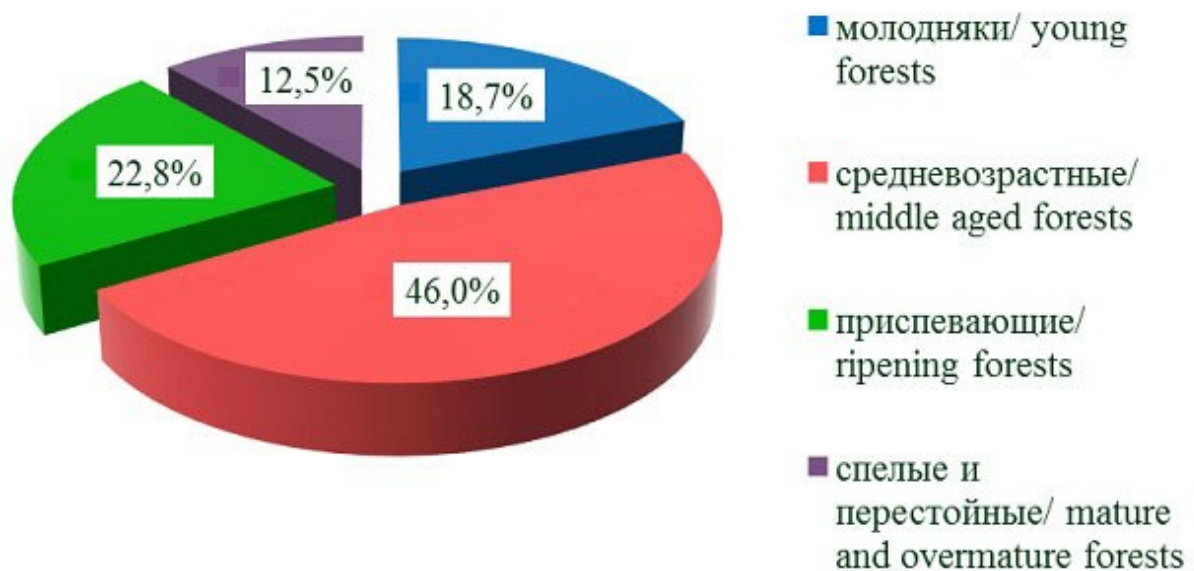
#### 2.1.1 Forest resources of the Republic of Belarus

The forest resources of the Republic of Belarus as all the country's natural and homogeneous forests include wooded land as well as other land intended for forestry needs. The total area of forest resources is 9.5 million hectares including forested area (without glades, cut and burnt forest areas) of 8.2 million hectares. In comparison with 1988 it has increased by 14.8% mainly due to natural and artificial afforestation of marginal land and land unsuitable for agriculture. The forest cover of the territory of Belarus is 39.5% which can be considered the most optimal for our country. The history is presented in the figure.

History of timber condition of the Republic of Belarus



The forest resources of the Republic of Belarus are thoroughly studied, and according to the specialists' research the stand of timber in 2015 is 1714,3 million m<sup>3</sup> including timber possible to use (mature and overmature) - about 263 million m<sup>3</sup>. The total wood growth is approximately 32,1 million m<sup>3</sup> per year. The average age of Belarusian forests is 54 years. Area covered by forests is divided into: young forests — 18,7 %, middle aged forests— 46,0, ripening forests — 22,8, mature and overmature forests - 12,5 % (See below in the figure)



Forest management in Belarus is based on the principles of continuity and sustainability; annual average timber harvesting is 10,0-11,2 million m<sup>3</sup> per year where 4.3-4.5 million m<sup>3</sup> (40%) is final harvesting (in mature forests), 5.4 million m<sup>3</sup> (48%) is improvement cutting and sanitation cutting (young forests, middle-aged and ripening forests), 1.0-1.3 million m<sup>3</sup> 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 m<sup>3</sup>, in 2016-2020 - 19 million m<sup>3</sup>. 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 m<sup>3</sup> 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 m<sup>3</sup> of timber per 1 hectare of forested area which is 2.4 times less than the average annual wood growth - 3.6 m<sup>3</sup>/ha. According to projections for 2015 there will be almost two times increase of allowable cut which will significantly expand the scope of forest management and will increase the export of timber.

## 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 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 m<sup>3</sup> 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 the middle of 2015 more than 75 wood processing and trading companies in Belarus had FSC certificate (Forest Stewardship Council).

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 m<sup>3</sup> of wood biofuel and at the beginning of 2014 the annual production of wood chip has reached 1.25 million m<sup>3</sup>.

## 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 saw dust from timber sawing and woodworking from its own production.

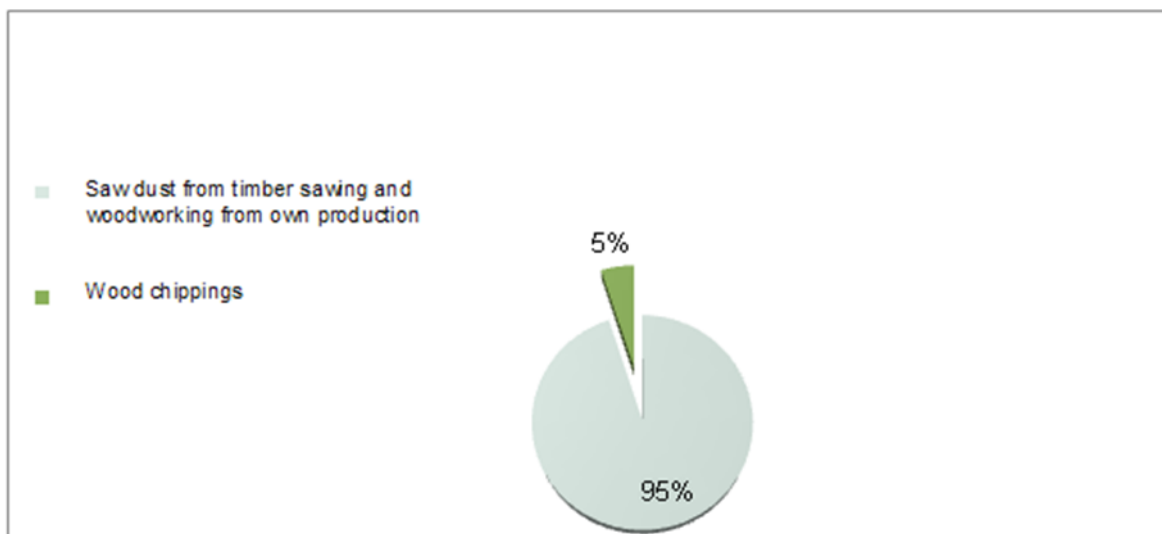
## 2.4 Flow diagram of feedstock inputs showing feedstock type [optional]

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% European black alder (*Álnus glutinósa*);
- 8% Scotch pine (*Pinus silvestris*)
- 2% European Spruce (*Picea abies*)

## Feedstock for the production of fuelwood pellets, %



## 2.5 Quantification of the Supply Base

### Supply Base

- Total Supply Base area (mln ha): 9500
- Tenure by type (ha): 100% public (national ownership of the Republic of Belarus)
- Forest by type (mln ha): Temperate, 9500
- Forest by management type (mln ha): managed natural, 9500
- Certified forest by scheme (mlh ha): FSC 9,0. of forest  
PEFC 9.5 of forest resources

### Feedstock

- Total volume of Feedstock 7545.514 m<sup>3</sup> per year
- Volume of primary feedstock: Not applicable 0 m<sup>3</sup>.
- List percentage of primary feedstock (g), Not applicable.
- List all species in primary feedstock, including scientific name: Not applicable.
- Volume of primary feedstock from primary forest: Not applicable 0 m<sup>3</sup>.
- List percentage of primary feedstock from primary forest (j), by the following. Subdivide by SBP-approved Forest Management Schemes:

Not applicable (0 m<sup>3</sup>).

l. Volume of secondary feedstock: 7545.514 m<sup>3</sup> per year saw dust from timber sawing and woodworking from our own production, wood chippings.

m. Volume of tertiary feedstock: Not applicable (0 m<sup>3</sup>)

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

1. 0 - 200,000 tonnes or m<sup>3</sup>
2. 200,000 – 400,000 tonnes or m<sup>3</sup>
3. 400,000 – 600,000 tonnes or m<sup>3</sup>
4. 600,000 – 800,000 tonnes or m<sup>3</sup>
5. 800,000 - 1,000,000 tonnes or m<sup>3</sup>

### 3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
<input type="checkbox"/>	<b>X</b>

For the production of SBP wood pellets we use FSC-certified sawdust, i.e. 100% of the total production output of pellets will have with FSC claim 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

"Peer review of the supply base report of Limited Liability Company "GantsevichiDrevStroy"

31/10/2016

**Expert Qualification:** Sergey Vladimirovich Kovalevsky graduated from Forestry Faculty of Belarusian State Technological University in 1998. He also completed a postgraduate course at the Department of Forest Inventory and got a PhD degree in Agriculture. Sergey Vladimirovich Kovalevsky has considerable experience in research projects of the State scientific forestry-related programme which are connected with rational (sustainable) forestry and environmentally oriented forestry.

**Overview:** The supply base report of Limited Liability Company "GantsevichiDrevStroy" was considered. Primary contact of the organization is Alexander Vasilievich Shulga, tel. +375-0164660208, email: [gancevichidrev@mail.ru](mailto:gancevichidrev@mail.ru)

The report provides a brief description of the forest resources, forest and wood using industry of the Republic of Belarus etc. The supply base of "GantsevichiDrevStroy" is of timber purchased at Belarusian Universal Commodity Exchange; the suppliers are: 1) State Forestry enterprise "Telehany forestry enterprise" (SGS-FM/COC-010392); 2) State Forestry enterprise "Kletsk Forestry enterprise" (SGS-FM/COC-009269); 3) State Forestry enterprise "Baranovichi forestry enterprise" (SGS-FM/COC-010392); 4) State Forestry enterprise "Starobin Forestry enterprise" (SGS-FM/COC- 007246); 5) State Forestry enterprise "Gantsevichy forestry enterprise" (SGS-FM/COC- 007246). As feedstock the company uses coniferous timber and hardwood (mainly European black alder (*Álnus glutinósa*), Scotch pine (*Pinus silvestris*), European Spruce (*Picea abies*) (p.9 of the report), harvested in the forests of the above mentioned forestry institutions. As the supplies from other certified forestry enterprises (other than above mentioned) are possible the report contains brief information about the forest resources of Belarus (rather than only "Brest" region) (section "Quantification of the Supply Base"). While studying the report we have not found any mistakes or misinterpretations, the official sources were used to confirm the information and conclusions. The general description of the forest resources of the Republic of Belarus includes basic characteristics, such as forest area, gross annual growth, the total stock volume, the intensity of timber harvesting, species composition etc. The report needs to update the following data: in the section "Public and additional reviews" (specify data (website, e-mail address for feedback) for familiarization all stakeholders), "Approval of Supply Base Report by senior management" (requires a valid statement of the organization's data).

The main risk to buy timber from high nature-value forests or timber contaminated with radioactive elements etc. is very low as there are supplies of timber only from forest of certified forestry enterprises of Brest region. Since priority is given to only FSC-certified timber, the risk to buy the feedstock from doubtful sellers is very low.

Peer-reviewer,

Associate Professor of the Department of Forest Inventory,

Candidate of Agriculture

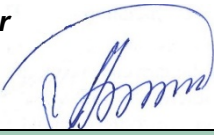
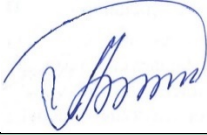
(signature)

S.V. Kovalevsky

### 11.2 Public or additional reviews

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

## 12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	<i>Shulga Alexander Vasilievich</i>	<i>Director</i> 	<i>27/10/2017</i>
	<b>Name</b>	<b>Title</b>	<b>Date</b>
<p>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.</p>			
Report approved by:	<i>Shulga Alexander Vasilievich</i>	<i>Director</i> 	<i>27/10/2017</i>
	<b>Name</b>	<b>Title</b>	<b>Date</b>
Report approved by:			
	<b>Name</b>	<b>Title</b>	<b>Date</b>

## 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

7545.514 m<sup>3</sup>

### 13.5 Projected figures for feedstock over the next 12 months

In 2018 it is planned to get, use and process 4300 tons.