

Supply Base Report: «Imperiya Green» 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: Limited liability company «Imperiya Green»
Producer location: Schmidta ave., house 114, Mogilev, 212035, Mogilev region, Republic of Belarus
Geographic position: 53.802437, 30.337715
Primary contact: Oksana Voitava. +375 29 335 03 45, imperiya_grin@mail.ru
Company website: www.ecogreen.by
Date report finalised: 31/Jan/2020
Close of last CB audit: 21/Feb/2020
Name of CB: NEPCon
Translations from English: Yes
SBP Standard(s) used: SBP Standard 2: Verification of SBP-compliant Feedstock
 SBP Standard 4: Chain of Custody
 SBP Standard 5: Collection and Communication of Data to 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 |
| <input checked="" type="checkbox"/> | <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 LLC «Imperiya Green» is the whole territory of the Republic of Belarus.

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. The cutting of valuable, endangered and specially protected tree species is strictly prohibited.

There are two preserved areas at the territory of Republic of Belarus - Berezinsky Biosphere Reserve (85.2 thousand ha) and Polesie State Radioecological Reserve (216,1 thousand ha) and 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) as well as 334 forest Republic and local reserves and 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

Limited liability company «Imperiya Green» located in the eastern part of the Republic of Belarus, on the territory of the Mogilev region. The company has no separate divisions. The company does not carry out forestry activities and does not harvest wood. Limited liability company «Imperiya Green» produces fuel pellets from secondary feedstock only. Limited liability company «Imperiya Green» sources from the whole territory of the Republic of Belarus, mainly from Mogilev and Vitebsk regions.

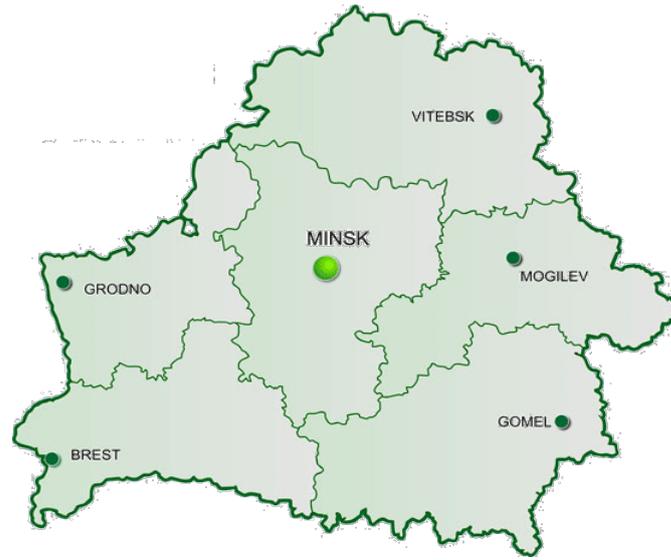


Fig.1 Supply Base of Limited liability company «Imperiya Green» – Republic of Belarus

Limited liability company «Imperiya Green» uses both certified and non-certified feedstock. Non-certified raw materials are used for the production of fuel pellets on the domestic market.

For the production of certified pellets for export only certified raw materials are used (100% of feedstock (sawdust) with an FSC 100%).

- SBP-compliant secondary feedstock – 54% of the total amount of raw materials purchased.

The following tree species are used:

- Pine (*Pinus silvestris*)
- Spruce (*Picea abies*)

No CITES species are identified within the supply base.

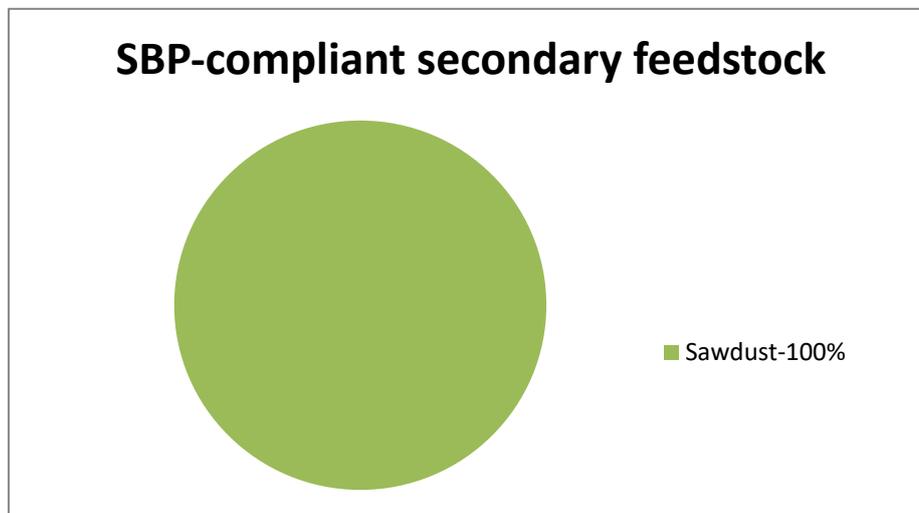
2.2 Actions taken to promote certification amongst feedstock supplier

For the production of SBP - certified pellets Limited liability company «Imperiya Green» uses FSC certified material from certified Belarus suppliers. Management has decided to reduce the volume of raw materials which does not come from FSC certified forests and does not have an FSC claim. When communication with an uncertified FMU / sawmill takes place, Limited liability company «Imperiya Green» 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

- a. Total Supply Base area (ha): 9,582 ml.
- b. Tenure by type (ha): 9,582 ml. (100% stated owned)
- c. Forest by type (ha): 9,582 ml (temperate)
- d. Forest by management type (ha): 9,582 ml managed natural
- e. Certified forest by scheme (ha): 9,4 ml. – certified by FSC ;
9,4 ml. – certified by PEFC.

Feedstock

- f. Total volume of Feedstock: 7 160 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 – 7 160 m³ (100% secondary raw materials from external suppliers, sawdust, Belarus).
 - m. Volume of tertiary feedstock: specify origin and composition - Not applicable
- * 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 |
|--------------------------|-------------------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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

The report is published at www.ecogreen.by for public review by all interested parties.

After the review, all of the stakeholders can forward their feedbacks, if there any, to the e-mail address:

imperiya_grin@mail.ru

12 Approval of Report

| Approval of Supply Base Report by senior management | | | |
|--|--|-----------------|-------------------|
| Report Prepared by: | <i>Oksana Voitava</i>  | <i>Manager</i> | <i>31.01.2020</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>Yauhen Supiashkou</i>  | <i>Director</i> | <i>31.01.2020</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

Detailed information is provided in paragraph 2.5.

13.5 Projected figures for feedstock over the next 12 months

Volume of secondary feedstock: 20 250 m³ per year (incl. 15 000 m³ – FSC 100%)