

# Supply Base Report: PELLETA BAY 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](http://www.sbp-cert.org)*

### *Document history*

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# 1 Overview

Producer name: "Pelleta Bay" LLC

Producer location: Promyshlenaja st. 7, Vitebsk region, Novopolock city, 213824, BELARUS

Geographic position: N 55.521557, E 28.579991

Primary contact: Director Vitalij Vladimirovich Jushchenko

Company website: <https://www.facebook.com/groups/PelletaBySBRreports/>

Date report finalised: 05/Mar/2020

Close of last CB audit: 10/Mar/2020

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 (Instruction Document 5E)

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

“Pelleta Bay” is a private limited liability company founded in 2018. The main activity of the company is the production of wood pellets.

The timber supply base for the pellets production processes is located in the Republic of Belarus.

The company produces wood pellets from SBP-compliant secondary feedstock – sawdust (wood processing industry waste). In the production process, for drying, the company also uses slabs and firewood (wood processing industry waste). The company also receives non-compliant secondary feedstock – sawdust, that is used for production of wood pellets intended for internal market, and firewood used for drying in the production process.

SBP-compliant secondary feedstock – 77% (sawdust, slabs, firewood - wood processing industry waste)

SBP-non compliant secondary feedstock – 17% (sawdust, slabs, firewood - wood processing industry waste)

SBP-compliant primary feedstock – 3% (firewood – used for burner)

SBP-non compliant primary feedstock – 3% (firewood - used for burner)

This report will take into account the total volumes of raw materials, but will not include SBE (controlled material). SBP-compliant certified material makes up 80% of all production raw materials.

The factory has approximately 10 feedstock suppliers.

The wood species - *Alnus glutinosa*; *Alnus incana* (L.) Moench; *Betula pendula*; *Picea abies*; *Pinus sylvestris*; *Populus tremula*.

### Belarus Forest Resources

Source (<https://www.mlh.by/en/our-main-activities/forestry/forests/>)

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.

Forests in the Republic of Belarus are the exclusive property of the State, which means that all produced timber originates from state managed forests. The Forest Code (Forest Code of the Republic of Belarus of 2015 No. 332-Z) states that Belarusian forests are divided into 4 categories according to the management purpose: conservation forests, recreation and health forests, protective forests, and managed forests. Harvesting of timber is allowed depending on the management and protection regime assigned based on the forest category.

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:

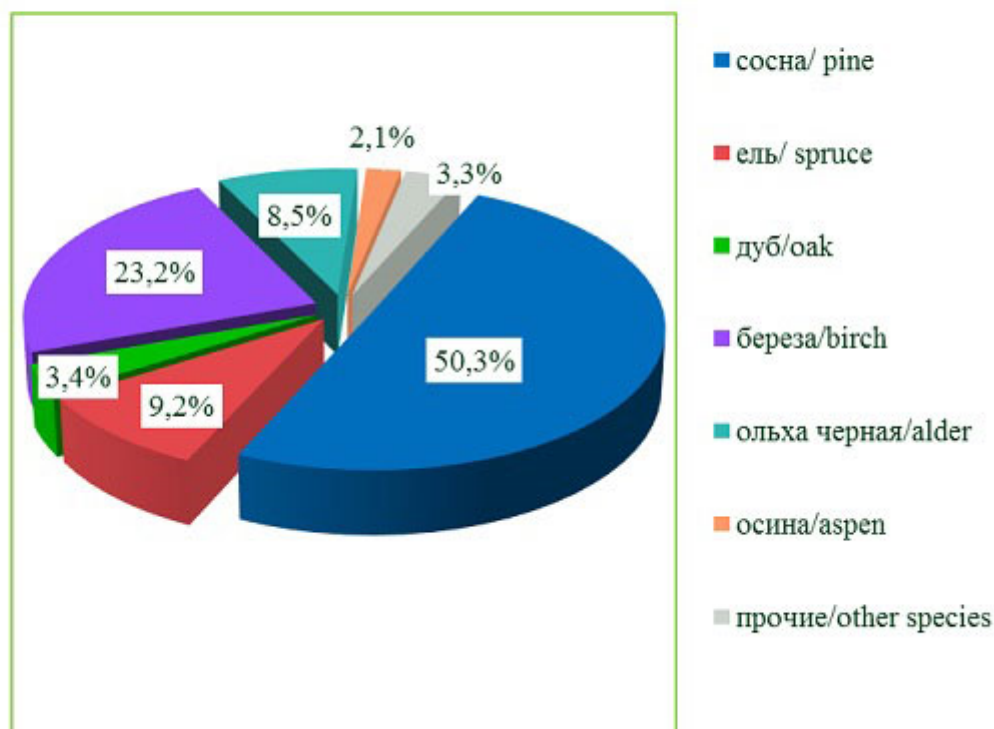
- forest area increased by 889,2 thousand hectares from 7371,7 to 8260,9 thousand hectares;
- the area under forest of the Republic reached 39.8 per cent (increased by 4.3%);
- the total stock of standing timber increased by 702,8 million cubic meters and amounted to 1796,0 million cubic meters (including in Mature and overmature stands - 250,4 million cubic meters and constituted – 296,0 million cubic meters);
- the stock per 1 ha. of forested land increased by 69 cubic meters and amounted to 217 cubic meters per 1 ha.; the stock of mature and overmature plantings increased by 54 cubic meters and reached 267 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	2018
1. The total area of forest fund lands	thousand hectares	8676,1	9247,5	9416,6	9582,0
1.1 Forest lands	thousand hectares	7775,9	8275,7	8598,2	8724,1
	%	89,6	89,4	91,3	91,0
1.2 Forested land – in all	thousand hectares	7371,7	7850,6	8002,4	8260,9
	%	85	85,0	85,0	86,2
mature and overmature	thousand hectares	350,1	623	804,4	1215,4
	%	4,7	7,9	10,1	14,7
2. Area under forest	%	35,5	37,8	38,5	39,8
3. The General stock of stands – in all	million m3	1093,2	1339,9	1566,1	1796,0
4. The total average inventory change	million m3	24,9	28,2	30,2	32,7
5. The average stock of plantations	m3/hectar	148	171	196	217
5.1. Mature and overmature	m3/hectar	213	220	244	267
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

## Породная структура лесов/ Species composition of forests



**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	8434,8	88,0	98
The Ministry of defence	89,7	0,9	2
Ministry of Emergency Situations	216,1	2,3	1
Ministry of education	27,5	0,3	2;
Administrative Department of the President of the Republic of Belarus	757,2	7,9	7
The national Academy of Sciences of Belarus	41,5	0,4	3
Local executive and administrative bodies	14,9;	0,2	5
In all	9582,0	100,0	118



Belarus has been a signatory of the CITES Convention since 1995. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Belarus.

When harvesting wood, according to the forest legislation of the Republic of Belarus, individual species listed in the Red Book and their habitats are subject to conservation. Cutting of valuable, endangered and protected tree species is prohibited.

Forest certification is an effective tool to combat illegal logging and illegal timber trafficking. Two schemes of forest certification have found their place in the Republic of Belarus - the forest certification system FSC (Forest Stewardship Council) and the forest certification system of the National Conformity Certification System, recognized by the Pan-European Forest Certification Council (PEFC). Taking into account the requirements of the international scheme of the Forest Stewardship Council (FSC), 9.027 million hectares of forest fund are certified (94.2% of the total forest fund). PEFC certified forest management and forest management systems of 105 legal entities conducting forestry on an area of 8.8 million hectares of forest fund.

## 2.2 Actions taken to promote certification amongst feedstock supplier

In production of SBP pellets only FSC certified supplier material is used. Since company's policy is to give preference to certified suppliers, the company constantly invites other non-certified suppliers to participate in FSC/PEFC certification.

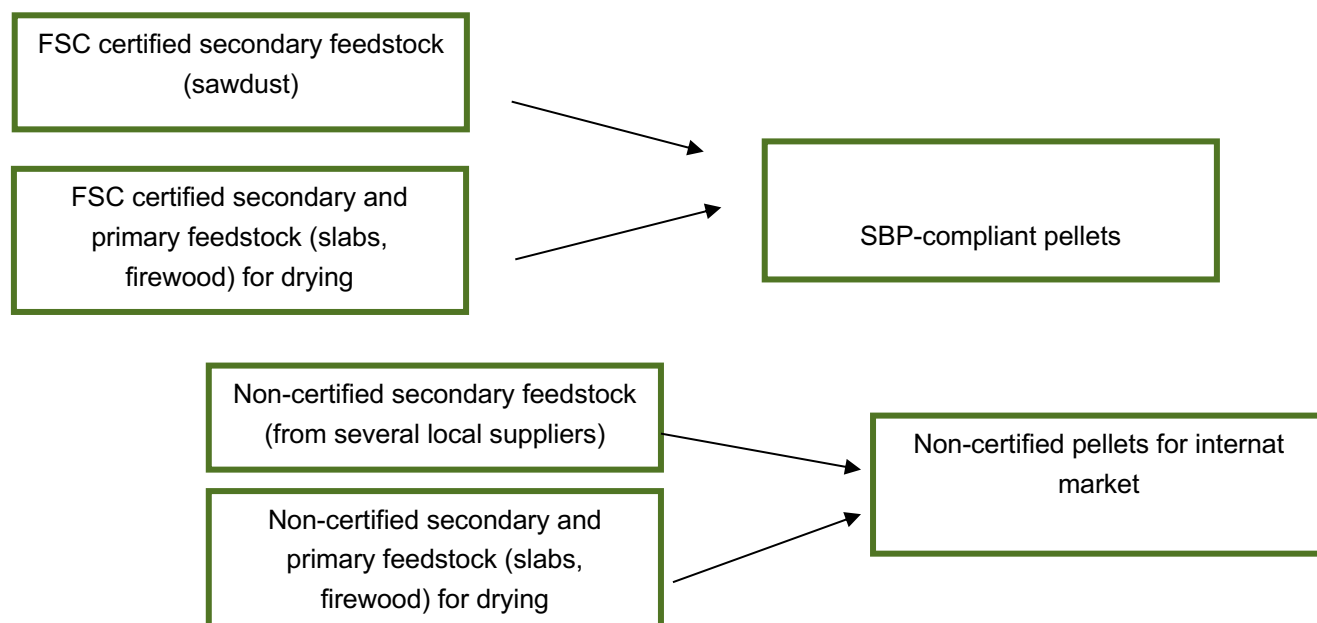
## 2.3 Final harvest sampling programme

For pellet production, the company uses firewood obtained from intermediate felling and top parts from principle felling. Stem wood from principle felling is not used.

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

The company uses one type of wood species - *Alnus glutinosa*; *Alnus incana* (L.) Moench; *Betula pendula*; *Picea abies*; *Pinus sylvestris*; *Populus tremula*.

Here is a simple flow diagram of their incoming feedstock.



## 2.5 Quantification of the Supply Base

### Supply Base

- Total Supply Base area (ha): Belarus 9,582 mln
- Tenure by type (ha): 9,582 mln ha state owned forests
- Forest by type (ha): 9,582 mln ha temperate forest
- Forest by management type (ha): 9,582 mln ha Managed Semi-Natural, Natural
- Certified forest by scheme (ha): 9,027 mln. ha FSC certified forest  
8,8 mln. ha PEFC certified forest
- Number of suppliers: 10

### Feedstock

- Total volume of Feedstock: tonnes or m<sup>3</sup> – 2356,24 m<sup>3</sup>
- Volume of primary feedstock: tonnes or m<sup>3</sup> – 0 m<sup>3</sup>
- List percentage of primary feedstock (g), by the following categories. - percentages may be shown in a banding between XX% to YY% if a compelling justification is provided\*. 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%

- d. List all species in primary feedstock, including scientific name – not applicable
- e. Volume of primary feedstock from primary forest – 0 m3
- f. 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%

Volume of secondary feedstock: specify origin and type - : 2356,24 m3 / 71% sawdust / 23% slabs / 6% firewood / origin – Republic of Bealrus.

- g. Volume of tertiary feedstock: specify origin and composition – 0 m3.

### 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 is FSC certified.

## 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 available at the „Pelleta Bay“ website <https://www.facebook.com/groups/PelletaBySBRreports/> for public awareness and comments are accepted by the company from any interested parties. In case of any comments the email [pelleta-by@tut.by](mailto:pelleta-by@tut.by) should be used.

## 12 Approval of Report

Approval of Supply Base Report by senior management				
Report Prepared by:	Dubkov A. A.	Deputy director		04-03-2020
	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:	Vitalij Vladimirovich Jushchenko	Director		04-03-2020
	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

2356,24 m3

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

~8 000 m3