



# Supply Base Report: OOO”Energoresurs”

First Surveillance Audit

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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: OOO "Energoresurs"

Producer location: Office - 187780, Komsomolskaya St., 1A, Podporozhye, Leningrad Region, Russia  
Production - 187783 Energetikov St., 7, Podporozhye, Leningrad Region

Geographic position: 60.912062 'N, 34.202806'E

Primary contact: Olga Golubkova, 187783, Energetikov St., 7, Podporozhye, Leningrad Region, Russia, tel.: +7 981 758-40-34, energoresurs-podporogje@mail.ru

Company website: <https://ivanbera166.wixsite.com/-site>

Date report finalised: 09/Jul/2020

Close of last CB audit: 03/Aug/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

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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 2 Description of the Supply Base

### 2.1 General description

The resource base of OOO«Energoresurs» is the area of the forest fund of the Republic of Karelia, the Leningrad and Vologda regions. OOO «Energoresurs» buys roundwood sawdust (sawdust) from two FSC certified suppliers LLC Metsya-Svir and LLC LDK No. 2.

OOO «Energoresurs» has an FSC certificate (NC-COC-031935).

The producer of SBP-certified biomass is located in the east of the Leningrad Region in the middle taiga zone, in the city of Podporozhye. Pellet production is the main activity of the enterprise. OOO «Energoresurs» uses only SBP-compliant and SBP-controlled recycled materials.

The resource base is located in the North-West Federal District of the Russian Federation, in one of the most forested regions of the country. Officially, the forest territory of the Russian Federation (forest fund) accounts for about 21% of the global standing stock of wood. Softwoods make up 78%, hardwoods –22%.

In accordance with the legislation of the Russian Federation, all the lands of the forest fund are in state ownership. Legal entities receive forest plots for use for a period of 10 to 49 years on a rental basis (with the possibility of their extension). Long-term rental relations are the dominant legal form for obtaining the right to harvest timber. The conclusion of lease agreements for forest plots or sale and purchase agreements for forest stands is carried out at auctions for the sale of the right to conclude such agreements. Land leased must necessarily go through state cadastral registration.

The Forest Code of the Russian Federation obliges each tenant to develop a forest development plan for 10 years (based on taxation and forest management), implement measures for the conservation, protection and reproduction of forests, and submit a forest declaration every year containing a report on the measures introduced and the amount of cutting.

Ensuring high-quality reproduction of forest resources and protective afforestation is a prerequisite for the use of forests. All reforestation works in the leased forest areas are planned and carried out by forest users at their own expense in accordance with forest development projects.

The Republic of Karelia, the Leningrad and Vologda regions are one of the leading forest regions of Russia. The share of ripe and overripe forest stands is approximately 3/4 of the timber stock. In protective forests along lakes, swamps and other environmentally sensitive objects, a more strict management regime is applied. Within the Resource Base, the estimated cutting area is not fully developed. The underdeveloped infrastructure does not allow the full use of available wood reserves.

Within the resource base, forests of high conservation value (HCVF) have been identified. FSC-certified logging companies comply with a moratorium on timber harvesting in these forest areas. The resource base has intact forests and wetlands of international importance. Therefore, in order to minimize the risk of conflict timber entering the circulation, OOO «Energoresurs» uses wood from FSC certified sources in the production of pellets.

Within the resource base, forestry practices are based on achieving renewable sustainable forest management in accordance with the requirements of forest legislation and the principles of forest certification. The rotation period of the felling is 60-120 years. Logging within the resource base is carried out

in the form of clear felling. The maximum permissible clear-cutting area in accordance with Russian law is 50 ha. For reforestation purposes, planting seedlings or promoting natural regeneration can be used.

When timber is harvested, according to forest legislation, specimens of species listed in the Red Book, as well as their habitats, are subject to conservation. Cutting of valuable, endangered and specially protected tree species is prohibited. OOO«Energoresurs» processes only European spruce (*Piceaabies*) and common pine (*Pinussylvestris*). Trees listed in CITES and IUCN are not procured.

The forestry complex of the Russian Federation, which includes forestry and timber industry sectors for the harvesting and processing of wood, occupies an important place in the country's economy. The development of the social sphere (health care, education, culture) largely depends on the success of forestry. In many cases, the presence of a woodworking enterprise is critical for the existence of human settlements.

OOO «Energoresurs» has important local socio-economic importance for the city of Podporozhye and the Leningrad Region. The company is a bona fide taxpayer, provides jobs to the local population, supports the local football team. The company is involved in reforestation. The company is a waste processor of the forest industry, which is also of great environmental importance for the region.

## 2.2 Actions taken to promote certification amongst feedstock supplier

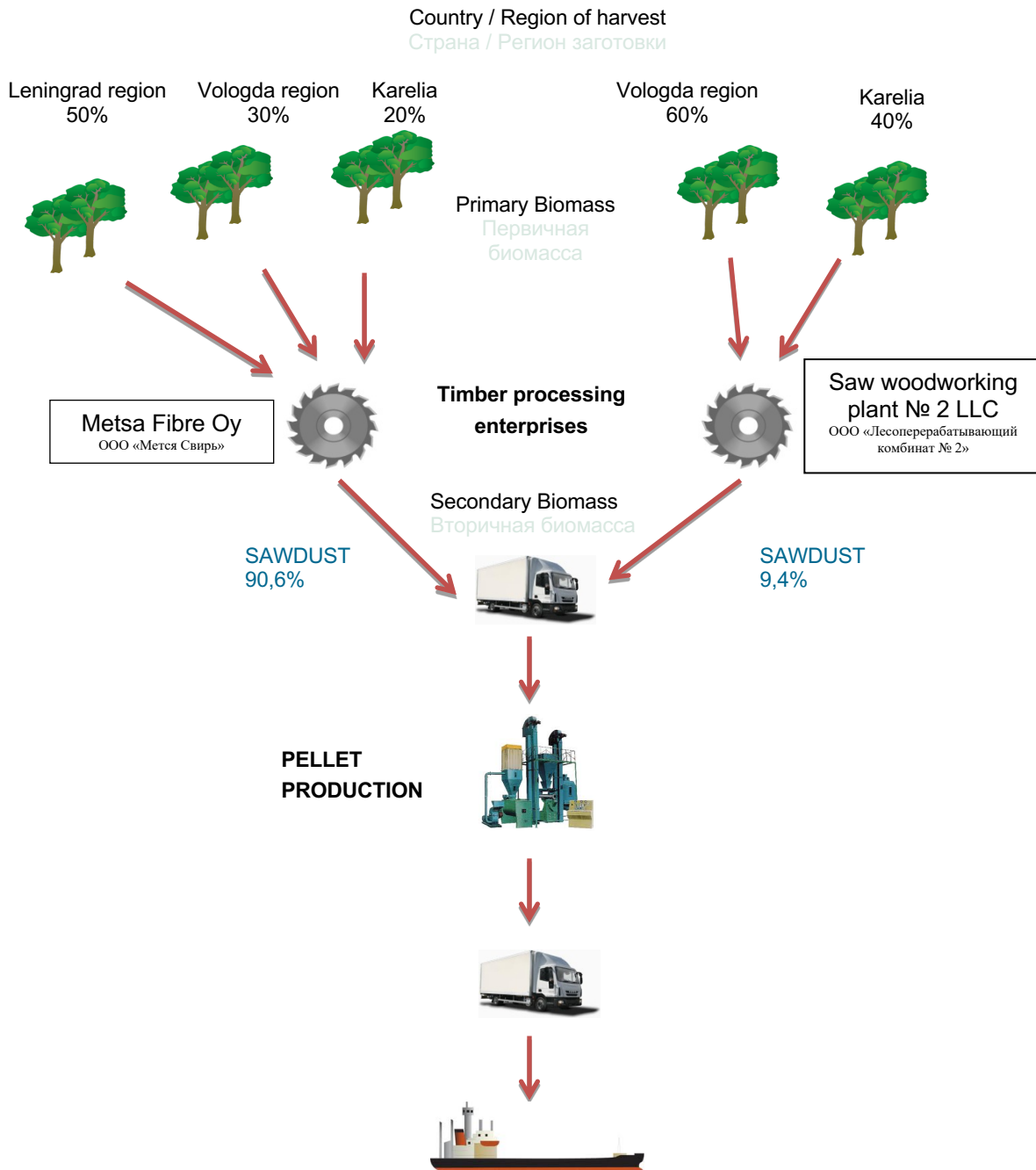
For the production of pellets, Energoresurs OOO uses only FSC-certified raw materials of Suppliers. Refusal to purchase uncertified raw materials encourages potential suppliers to obtain an FSC certificate.

To promote certification, explanatory work is being carried out both with sellers of raw materials and with buyers of finished products.

## 2.3 Final harvest sampling programme

Not applicable, as For the production of pellets, certified secondary raw materials are used.

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





## 2.5 Quantification of the Supply Base

### Supply Base

- a. Total Supply Base area (ha): 31,7 million ha
- b. Tenure by type (ha): 31.7 million hectares state property
- c. Forest by type (ha): 31.7 ha boreal
- d. Forest by management type (ha): 31.7 ha managed natural / natural
- e. Certified forest by scheme (ha): 11,475,700 ha - FSC certified forest.

### Feedstock

- f. Total volume of Feedstock: tonnes or m<sup>3</sup> - 158 866 m<sup>3</sup> bulk per year\*
- g. Volume of primary feedstock: tonnes or m<sup>3</sup>- 0 m<sup>3</sup>\*
- h. 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%
- i. List all species in primary feedstock, including scientific name - not applicable.
- j. Volume of primary feedstock from primary forest – 0 m<sup>3</sup>
- 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: secondary raw materials from sawmill production, sawdust of coniferous species, 100%
- m. Volume of tertiary feedstock: 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 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>
6. >1,000,000 tonnes or m<sup>3</sup>

*Bands for (h), (l) and (m) are:*

- 0%-19%
- 20%-39%
- 40%-59%
- 60%-79%
- 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"/>

In the production of SBP pellets, recycled materials of the FSC Mix Credit and FSC Controlled Wood categories are used. 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

NEPCon provides oral consultations. Joint work with buyers of finished products is ongoing.

## 6.1 Response to stakeholder comments

No comments :

# 7 Overview of Initial Assessment of Risk

“Energoresurs” OOO is a manufacturer of wood pellets from recycled materials. The company has taken steps to direct and verified suppliers of raw materials for the production of products. We are interested in tracking the entire supply chain of raw materials..

Table 1. Overview of results from the risk assessment of all Indicators (prior to SVP)

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		☑	
1.1.2			☑
1.1.3			☑
1.2.1			☑
1.3.1		☑	
1.4.1		☑	
1.5.1		☑	
1.6.1		☑	
2.1.1		☑	
2.1.2		☑	
2.1.3		☑	
2.2.1		☑	
2.2.2			☑
2.2.3			☑
2.2.4			☑
2.2.5			☑
2.2.6			☑
2.2.7			☑
2.2.8			☑
2.2.9			☑

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1			☑
2.3.2			☑
2.3.3			☑
2.4.1			☑
2.4.2			☑
2.4.3			☑
2.5.1			☑
2.5.2			☑
2.6.1		☑	
2.7.1		☑	
2.7.2		☑	
2.7.3		☑	
2.7.4		☑	
2.7.5		☑	
2.8.1		☑	
2.9.1			☑
2.9.2			☑
2.10.1			☑

# 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

This year, the Resource Base Report was not sent for review to an expert.

## 11.2 Public or additional reviews

The report on the resource base of «Energoresurs» OOO is available at <https://ivanbera166.wixsite.com/-site>. Questions and comments can be sent to Olga Evgenievna Golubkova, responsible for SBP certification, by email [energoresurs-podporogje@mail.ru](mailto:energoresurs-podporogje@mail.ru).

## 12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	<i>Golubkova Olga Evgenievna</i> 	<i>Responsible for SBP certification, declarant</i>	<i>09/07/2020</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>Kokonigichev Alexander Ruslanovich</i> 	<i>Director of Energoresurs OOO</i>	<i>09/07/2020</i>
	Name	Title	Date
Report approved by:	<i>[name]</i>	<i>[title]</i>	<i>[date]</i>
	Name	Title	Date
Report approved by:	<i>[name]</i>	<i>[title]</i>	<i>[date]</i>
	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

The supply of raw materials for the production of wood pellets depends on many factors:

- these are the possibilities of timber processing enterprises.
- procurement volumes
- weather conditions

In the period from June 2019 to May 2020, our company received sawdust in the amount of 158866 bulk m3\*

PERIOD	m3 bulk.
June 2019	14 383
July 2019	15 840
August 2019	11 826
September 2019	15 659
October 2019	14 859
November 2019	11 672
December 2019	14 724
January 2020	14 102
February 2020	12 903
March 2020	13 660
April 2020	7 342
May 2020	11 896
<b>TOTAL:</b>	<b>158 866</b>

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

The planned capacity of the enterprise for the production of wood pellets is 24 thousand tons per year. The need for raw materials (sawdust) is 192,000 m3 of bulk.\*

- \* 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 are:

1. 0 – 200,000 tonnes m<sup>3</sup>
2. 200,000 – 400,000 tonnes m<sup>3</sup>
3. 400,000 – 600,000 tonnes m<sup>3</sup>
4. 600,000 – 800,000 tonnes m<sup>3</sup>
5. 800,000 – 1,000,000 tonnes m<sup>3</sup>
6. >1,000, 000 tonnes m<sup>3</sup>