



Supply Base Report: Biofuel-Irkutsk LLC

Main (Initial) 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

Document history

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1 Overview

Producer name: Biofuel-Irkutsk LLC

Producer location: 664014, Polyarnaya str., 209A, Irkutsk, Russia

Geographic position: 52.210287 'N, 104.155207 'E

Primary contact: Eugenia Surkova, 664014, Polyarnaya str., 209A, Irkutsk, Russia, tel. +79246030210, surkova@alpind.com

Company website: -

Date report finalised: 30/Sep/2020

Close of last CB audit: 03/Oct/2020, Irkutsk

Name of CB: NEPCon OU

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

2 Description of the Supply Base

2.1 General description

Biofuel-Irkutsk LLC is a biomass producer located in Irkutsk, Irkutsk region. The plant utilizes residues (sawdust and wood chips) from the supplier's sawmill. Biofuel-Irkutsk LLC is currently receiving non-certified secondary feedstock and SBP-compliant secondary feedstock from the supplier. SBP-compliant secondary feedstock with FSC claims are 100% physically separated from non-certified. Species composition: Siberian larch (*Larix sibirica*), Scots pine (*Pinus sylvestris*).

The supply base of Biofuel-Irkutsk LLC is the forest fund of the Irkutsk region.

The forest fund of the Irkutsk region is 69,4 million hectares. According to the information contained in the regional Forest Plan, 12% of the country's forest reserves are concentrated in the region. But not all forest area is covered with forests. Some of them have been cut down and not yet replanted; part damaged by fires; about 1,6 million hectares are occupied by glades, ravines, roads, buildings, etc. The total standing stock is 8,8 billion m³, including the stock of coniferous stands – 7,5 billion m³.

In accordance with the legislation of the Russian Federation, all 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 loan (with the possibility of their prolongation). Long-term rental relations are the dominant legal form for obtaining the right to harvest timber on stem. The conclusion of lease agreements for forest plots or purchase and sale agreements for forest stands is carried out at auctions for the sale of the right to conclude such agreements. Land leased, must pass a 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 regulation), implement measures for the conservation, protection and reproduction of forests, submit a forest declaration and make addendums to it about the planned way of forest resources use. Once a quarter, tenants are required to submit a forest declaration containing a report on the implemented measures and logging volumes of felling for a calendar year with a cumulative total.

Within the Supply Base, forest management practices are based on the achievement of renewable sustainable forest management in accordance with the requirements of forest legislation and the principles of forest certification. The rotation period is 60-120 years. Only clear cuts are used as a method of wood harvesting at the maturity stage with subsequent reforestation. Sanitary felling is also possible. The maximum cutting area is limited to 50 ha. Reforestation can be done with planting seedlings (about 30%) or the promotion of natural regeneration (about 70%). Ensuring high-quality reproduction of forest resources and protective afforestation is a prerequisite for the use of forests. To do this, a Forest Development Project is being developed, the measures in which are aimed at improving the forestry characteristics of the forest area, and the implementation of continuous and sustainable forest management.

The composition of the forests of the Irkutsk Region includes Scots pine (*Pinus sylvestris*), Siberian larch (*Larix sibirica*), Siberian cedar pine (*Pinus sibirica*), Siberian spruce (*Picea obovate*), Siberian fir (*Abies sibirica*), and Silver birch (*Betula pibirula*), aspen (*Populus tremula*), a tree-shaped willow (*Salix* spp.) is found.

When harvesting wood, according to the forest legislation species listed in the Red Book, as well as their habitats, are subject to conservation. Harvesting of valuable, endangered and specially protected species of

trees is prohibited. In the Irkutsk Region, Siberian Blue Spruce (*Picea obovate* Ledeb. Var. *Coerulea* Malysch) and Berry Apple Tree (*Malus baccata* (L.) Borkn.) are subject to conservation. Areas with a predominance of Siberian cedar pine (*Pinus sibirica*) are prohibited for cutting in the Irkutsk region.

Biofuel-Irkutsk LLC does not procure and does not purchase tree species listed in the IUCN or CITES list, as their habitat is outside the Supply Base.

Within the regions of the supply base, deep wood processing prevails over the export of round timber. The leading areas of processing are the production of lumber, pulp, paper and cardboard production, plywood, pellets and other.

The main enterprises of the forest industry in the Irkutsk region, which are also the largest tenants and loggers: JSC Ilim Group - manufacturer of pulp and cardboard; Omfal LLC, Ind-Timber LLC, Lesresurs LLC, PromLesTrade LLC, IP Zarechny, Madera CJSC - manufacturers of lumber and pellets; LLC TM Baikal, CJSC KATA, LLC Orion, LLC Lesobalt - manufacturers of lumber; Usolsky Plywood Plant LLC, Ilim Timber LLC - plywood manufacturers. The company Biofuel-Irkutsk LLC is located in Irkutsk, Irkutsk Region, and is not a logging enterprise.

Less than 1% of the total harvested timber in Irkutsk region is processed to biofuel.

The company provides jobs for local people. The company is a small business and pays taxes in the local budget.

2.2 Actions taken to promote certification amongst feedstock supplier

Biofuel-Irkutsk LLC informs its suppliers about the importance and necessity of forest management certification according to the FSC system. Going forward, priority will be given to FSC certified suppliers.

2.3 Final harvest sampling programme

Not applicable as only secondary wood is 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): | 69,4 mln ha |
| b. Tenure by type (ha): | 69,4 mln ha public (state owned forests) |
| c. Forest by type (ha): | 56,6 mln ha boreal / 12,8 mln ha temperate |
| d. Forest by management type (ha): | 69,4 mln ha managed natural |
| e. Certified forest by scheme (ha): (e.g. | 10,0 mln ha FSC-certified |

Feedstock

- f. Total volume of Feedstock: **83462 tonnes (theoretical calculation);**
- g. Volume of primary feedstock: **0 tonnes;**
- 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: **83462 tonnes of sawdust and wood chips - sawmill residue (theoretical calculation);**
- m. Volume of tertiary feedstock: **0 tonnes.**

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
<input type="checkbox"/>	<input checked="" type="checkbox"/>

A supply base evaluation is not required as non-certified feedstock will not be used to produce SBP-compliant biomass. For the production of SBP pellets, it is planned to use only FSC certified feedstock.

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

No peer review was carried out in 2020..

11.2 Public or additional reviews

The supply base report is not posted on the SBP website, since Biofuel-Irkutsk LLC does not have its own website. Any interested parties can send their comments to Eugenia Surkova, SBP Certification manager, by mail surkova@alpirk.ru. All comments will be accepted for consideration.

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	Eugenia Surkova 	SBP manager	30/09/2020
	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:	Белоус Владимир Петрович 	Director	30/09/2020
	Name	Title	Date

13 Updates

13.1 Significant changes in the Supply Base

Not applicable for assessment.

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

83462 t of sawdust and wood chips – secondary feedstock (theoretical calculation).

13.5 Projected figures for feedstock over the next 12 months

70 000 tonnes of sawdust and wood chips.