

# Supply Base Report: Allianceavtomotors, Limited Liability Company

Main (Initial) Audit

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#### Completed in accordance with the Supply Base Report Template Version 1.4

For further information on the SBP Framework and to view the full set of documentation see <u>www.sbp-cert.org</u>

#### Document history

- Version 1.0: published 26 March 2015
- Version 1.1 published 22 February 2016
- Version 1.2 published 23 June 2016
- Version 1.3 published 14 January 2019; re-published 3 April 2020
- Version 1.4 published 22 October 2020

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#### Contents

- 1 Overview 2 **Description of the Supply Base** 2.1 General description 2.2 Description of countries included in the Supply Base 2.3 Actions taken to promote certification amongst feedstock supplier 2.4 Quantification of the Supply Base 3 **Requirement for a Supply Base Evaluation** 4 Supply Base Evaluation 4.1 Scope 4.2 Justification 4.3 Results of risk assessment and Supplier Verification Programme 4.4 Conclusion 5 **Supply Base Evaluation process** 6 Stakeholder consultation 6.1 Response to stakeholder comments 7 **Mitigation measures** 7.1 Mitigation measures 7.2 Monitoring and outcomes 8 **Detailed findings for indicators**
- 9 Review of report
- 9.1 Peer review
- 9.2 Public or additional reviews
- 10 Approval of report

#### Annex 1: Detailed findings for Supply Base Evaluation indicators

#### **1 Overview**

Producer name:	Allianceavtomotors, Limited Liability Company
Producer address:	Dorozhnaya, 49, 246050 Gomel, Belarus
SBP Certificate Code:	SBP-08-32
Geographic position:	52.393720, 31.052271
Primary contact:	Svetlana Samozhonova, +375296786986,bogdan_rodimich@mail.ru
Company website:	N/A
Date report finalised:	05 Feb 2021
Close of last CB audit:	N/A
Name of CB:	NEPCon OÜ
SBP Standard(s) used:	SBP Standard 2: Verification of SBP-compliant Feedstock,

SBP Standard(s) used:SBP Standard 2: Verification of SBP-compliant Feedstock, SBPStandard 4: Chain of Custody, SBP Standard 5: Collection and Communication of Data Instruction

 Weblink to Standard(s) used:
 https://sbp-cert.org/documents/standards-documents/standards

SBP Endorsed Regional Risk Assessment: N/A

Weblink to SBR on Company website: http://www.facebook.com/103634321731835

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations						
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance	Re-assessment	

#### 2 Description of the Supply Base

#### 2.1 General description

Feedstock types: Primary

Includes Supply Base evaluation (SBE): No

Feedstock origin (countries): Belarus

#### 2.2 Description of countries included in the Supply Base

Country:Belarus

Area/Region: All regions

Exclusions: No

LLC Allianceautomotors is a private limited liability company founded in 2009. The main activity of the company is the production of wood pellets.

Waste from woodworking production (wood chips), manufactured from wood fuel, serves as a feedstock for pellet production. The wood species for production of pellets - Picea abies; Pinus sylvestris. LLC Allianceautomotors has one supplier.

The company produces wood pellets from SBP-compliant primary feedstock – wood chips (wood processing industry waste), manufactured from wood fuel.

SBP-compliant primary feedstock – wood chips, manufactured from wood fuel (wood processing industry waste) – 100%.

LLC Allianceautomotors defined the forest fund area of the Republic of Belarus as a supply base, as the structure of suppliers can change, but only within the Republic.

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.

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 908,6 thousand hectares from 7371,7 to 8280,3 thousand hectares; the area under forest of the Republic reached 39.9 per cent (increased by 4.4%);

the total stock of standing timber increased by 738,6 million cubic meters and amounted to 1831,8 million cubic meters (including in Mature and overmature stands - 300,9 million cubic meters and constituted –

375,4 million cubic meters);

the stock per 1 ha. of forested land increased by 73 cubic meters and amounted to 221 cubic meters per 1 ha.; the stock of mature and overmature plantings increased by 59 cubic meters and reached 272 cubic meters per 1 ha.; average age of plantings increased from 44 to 56 years.

When harvesting wood, according to the forest legislation of the Republic of Belarus, species listed in the Red Book and their habitants are subject to conservation. Harvesting of valuable, endangered and specially Focusing on sustainable sourcing solutions protected tree species is prohibited. Harvesting of tree species that are on the IUCN and CITES lists is excluded, since the distribution areal of these species is outside the Supply base of LLC Allianceautomotors.

In Belarus there are two republican reserves - the Berezinsky Biosphere Reserve (85.2 thousand ha) and the

Polessky State Radiation and Ecological Reserve (216.1 thousand ha), and four national parks -

Belovezhskaya Pushcha (152.962 thousand ha), Braslav Lakes (69.115 thousand hectares), Narochansky

(93.3 thousand hectares) and Pripyatsky (85.841 thousand hectares), 334 reserves of republican and local

significance.

Dynamics of indices of forest Fund of the Republic of Belarus:

Nome of indicator	unit of managina	Index as a	Index as at		
	unit of measure	1994	2001	2010	2020
1. The total area of forest fund lands	thousand hectares	8676,1	9247,5	9416,6	9620,9
1.1 Forest lands	thousand hectares	7775,9	8275,7	8598,2	8799,1
	96	89,6	89,4	91,3	91,5
1.2 Forested land – in all	thousand hectares	7371,7	7850,6	8002,4	8280,3
	96	85	85,0	85,0	86,1
mature and overmature	thousand hectares	350,1	623	804,4	1379,1
	96	4,7	7,9	10,1	16,7
2. Area under forest	96	35,5	37,8	38,5	39,9
3. The General stock of stands - in all	million m3	1093,2	1339,9	1566,1	1831,8
4. The total average inventory change	million m3	24,9	28,2	30,2	33,4
5. The average stock of plantations	м3/hectar	148	171	196	221
5.1. Mature and overmature	м3/hectar	213	220	244	283
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

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	8461,3	87,9	98
The Ministry of defence	90,1	0,9	2
Ministry of Emergency Situations	216,9	2,3	1
Ministry of education	27,8	0,3	2
Administrative Department of the President of the Republic of Belarus	767,8	8,0	7
The national Academy of Sciences of Belarus	41,6	0,4	3
Local executive and administrative bodies	15,4	0,2	6
In all	9620,9	100,0	119

In Belarus the main principles of forest managements are based on the following regulatory documents:

- State-run program for 2021-2026 "Belarus forest"

- National strategy on sustainable development of the Republic of Belarus - Forest Code of the Republic of Belarus.

The called documents have defined the following purposes at the organization of forest exploitation:

rational, inexhaustible and continuous use of the forests. providing of a relatively constant forest management within the forest Fund for subjects of forestry. implementation of ecologically sound (nature compatible) forest exploitation.

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%

Forest certification is carried out in accordance with the requirements of the international scheme of the FSC Forest council of trustees and within the framework of the Forest Certification System of the National System of Conformity of the Republic of Belarus recognized by Pan-European Forest Certification Council (PEFC).

In accordance with the requirements of the of the Forest council of trustees (FSC) scheme, as of January 1, 2019, 96 forest enterprises or 8,3 million hectares of forest fund (98,5% of all forest fund of the Ministry of Forestry) were certified.

According to PEFC scheme, systems of forest management and forest exploitation of 93 forest enterprises of the Ministry of Forestry are certified on an area of 8,0 million hectares of forest fund (95% of all forest fund of the Ministry of Forestry).

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 andhas a share of about 2% from the whole processing sector in Belarus Republic. Timber industry in Belarus B makes approximately 1,1% of gross domestic market. Timber-based products are exported to about 30 world countries. The export of sawn timber in 2019 in percentage terms by country was: Lithuania - 25%, Germany - 25%, Latvia - 18%, Poland - 5%, China - 4%, Belgium - 3%, Romania - 2%, Azerbaijan - 4%, other - 14 %.

source: http://www.mlh.by

# 2.3 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.

#### 2.4 Quantification of the Supply Base

#### **Supply Base**

- a. Total Supply Base area (million ha): 9,62
- b. Tenure by type (million ha):9.62 (Public)
- c. Forest by type (million ha):9.62 (Temperate)
- d. Forest by management type (million ha):9.62 (Managed natural)
- e. Certified forest by scheme (million ha):8.30 (FSC), 8.00 (PEFC)

Describe the harvesting type which best describes how your material is sourced: Mix of the above Explanation: Manual logging prevails in the Republic of Belarus - 11.7 million m3 per year, mechanized logging - 9.5 million m3 per year. The forestry equipment park of the Republic of Belarus includes 356 forwarders, 320 harvesters. Timber harvesting is carried out during main and intermediate felling maintenance felling, selective sanitary felling and reconstruction felling. Cuttings for renewal and formation (re-formation) of plantations, sanitary felling, cleaning up litter, clearing forest areas for the construction of pipelines, roads, power transmission lines and communications, and other facilities are also carried out. In forests located on the territory of national parks, natural monuments of republican significance, specially protected parts of reserves, in especially valuable areas of the forest fund that have genetic, scientific and historical and cultural significance, in sanitary-hygienic and health-improving forests (urban forests, forests of forest park parts green zones, forests of the first and second zones of sanitary protection zones of water supply sources and forests of the first and second districts of sanitary protection zones of resorts), in protective forests (anti-erosion forests), only intermediate felling and other felling, as well as felling of renewal and reformation into ripe and over-mature stands, losing their protective properties and provided with natural or artificial regeneration. In the forests of the reserves, only other felling is allowed, corresponding to the reserve regime. In specially protected areas of the forest, felling may be completely or partially prohibited in the manner determined by the Rules for felling.

# Was the forest in the Supply Base managed for a purpose other than for energy markets? Yes - Majority

**Explanation:** The woodworking industry is one of the most important sectors of the Belarusian economy. The Republic of Belarus has a fairly developed woodworking and pulp and paper industry. The state concern "Bellesbumprom" is responsible for this industry: large and technically equipped enterprises of the Republic of Belarus, which ensure the production of various types of wood products, are united into the state concern "Bellesbumprom". The concern unites about 50 organizations of various forms of ownership and manages them. The activities of the concern's enterprises are divided into three sectors: woodworking, furniture production and the pulp and paper industry. Enterprises carry out complex wood processing: from raw material procurement, primary sawing to deep processing - production of wood-based panels, furniture and other finished products. The production of sawn timber, profile moldings, chipboard and fiberboard (including insulation) boards is carried out. An environmentally friendly construction material is produced - furniture board. There are modern production facilities for various types of plywood. The enterprises of the concern also produce houses made of profiled timber, frame-panel houses, door and window blocks, parquet

and laminated floor coverings. A number of woodworking enterprises also produce furniture from their own raw materials and materials (wood-based panels, solid wood, plywood). In general, the range of products manufactured by the concern's enterprises after modernization (2007-2015) has significantly expanded, and today it covers more than 80 types. Highly efficient use of raw materials is ensured due to the depth of processing and the use of waste-free technologies. Production waste is used in the energy sector. Own energy and heat sources have been built, production facilities for the production of wood chips, fuel pellets and briquettes have been set up, which makes it possible to involve practically the entire volume of low-grade wood raw materials into the processing system and obtain an economic effect.

## For the forests in the Supply Base, is there an intention to retain, restock or encourage natural regeneration within 5 years of felling? Yes - Majority

**Explanation:** In the system of the Ministry of Forestry, a system of afforestation and reforestation has been built and is successfully functioning. The industry has created all the conditions for growing healthy, high-quality forests - from harvesting, processing forest seed raw materials and storing seeds of forest plants, growing standard planting material, carrying out reforestation and afforestation activities - to caring for forest plantations and introducing them into the category of valuable forest plantations. An advanced technology for processing forest seed raw materials and storing seeds of forest plantations, which makes it possible to obtain high-quality seed material and ensure its full, long-term storage. In activities for the conservation of forest genetic resources, two main directions are distinguished: the conservation of the gene pool of populations and species in situ (i.e., in natural plantations) and ex situ (i.e., outside the natural growth of populations). The first direction is considered as the main one, since only it allows preserving the gene pool of populations of forest species in full.

## Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation? Yes - Majority

**Explanation:** Timber harvesting is carried out during main and intermediate felling - maintenance felling, selective sanitary felling and reconstruction felling. Cuttings for renewal and formation (re-formation) of plantations, sanitary felling, cleaning up litter, clearing forest areas for the construction of pipelines, roads, power transmission lines and communications, and other facilities are also carried out. Belarusian forests are constantly affected by unfavorable environmental factors. From time to time they are exposed to the negative impact of hurricane and squally winds, harmful insects and diseases, droughts, excessive moisture and forest fires. Improving the biological stability of forest plantations and caring for the health of the forest is the main task of forest protection services. In 2017-2018, in the forests of the Republic of Belarus, the problem of drying out of pine plantations arose. Together, the complex of sanitary and recreational measures carried out, in general, made it possible to stabilize the forest pathological situation in the pine forests. However, scientists predict that the fight against the bark beetle will continue for the next few years. Significant areas of drying out of pine plantations are mainly recorded in the forestry enterprises of the Brest and Gomel regions, as well as in the southern forestry enterprises of the Minsk region. The extension by the Head of State of the permission to carry out sanitary and recreational activities with the involvement of legal entities, individual entrepreneurs and citizens without making appropriate changes and (or) additions to the forest management project made it possible to carry out sanitary felling as soon as possible, to prevent the loss of quality of pest-infested wood, as well as prevent an increase in the number of pests, localize large areas of bark beetles. At the same time, the prevailing weather conditions extended the period of activity of stem pests, and at the beginning of 2019, the area of detected damaged pine plantations already amounted to 5.7 thousand hectares, including 2.4 thousand hectares in the Gomel region, 2.8 thousand hectares in the Brest region. thousand hectares, Minsk region - 0.5 thousand hectares. In order to promptly carry out sanitary and recreational activities in forests by forestry institutions and other persons and prevent the spread of

pests and diseases, preserve the quality of damaged wood for its further use, at the suggestion of the Ministry of Forestry, the necessary changes were made to the Forest Code of the Republic of Belarus, which provide for the possibility of unplanned sanitary and recreational measures without making appropriate changes and (or) additions to the forest management project.

#### Feedstock

Reporting period from: 04 Jan 2021

Reporting period to: 15 Jan 2021

- a. Total volume of Feedstock: 1-200,000 m3
- b. Volume of primary feedstock: 1-200,000 m3
- c. List percentage of primary feedstock, by the following categories.
  - Certified to an SBP-approved Forest Management Scheme: 80% 100%
  - Not certified to an SBP-approved Forest Management Scheme: 0%
- d. List of all the species in primary feedstock, including scientific name: Picea abies (spruce); Pinus sylvestris (pine tree);
- e. Is any of the feedstock used likely to have come from protected or threatened species? No
  - Name of species: N/A
  - Biomass proportion, by weight, that is likely to be composed of that species (%): N/A
- f. Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%): 0,00
- g. Softwood (i.e. coniferous trees): specify proportion of biomass from (%): 100,00
- h. Proportion of biomass composed of or derived from saw logs (%): 0,00
- i. Specify the local regulations or industry standards that define saw logs: N/A
- j. Roundwood from final fellings from forests with > 40 yr rotation times Average % volume of fellings delivered to BP (%): 30,00
- k. Volume of primary feedstock from primary forest: 0 N/A
- I. List percentage of primary feedstock from primary forest, by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: N/A
  - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: N/A
- m. Volume of secondary feedstock: 0 m3
  - Physical form of the feedstock: Chips
- n. Volume of tertiary feedstock: 0 N/A
  - Physical form of the feedstock: N/A

Prop	oortion of feedstock sourced per type o	f claim during the reporting p	eriod	
Feedstock type	Sourced by using Supply Base Evaluation (SBE) %	FSC %	PEFC %	SFI %

Primary	0,00	100,00	0,00	0,00
Secondary	0,00	0,00	0,00	0,00
Tertiary	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00

## **3 Requirement for a Supply Base Evaluation**

Is Supply Base Evaluation (SBE) is completed? No

#### **4 Supply Base Evaluation**

#### 4.1 Scope

Feedstock types included in SBE: N/A

SBP-endorsed Regional Risk Assessments used: N/A

List of countries and regions included in the SBE:

Country: N/A

Indicator with specified risk in the risk assessment used:  $\ensuremath{\mathsf{N/A}}$ 

Specific risk description:

#### 4.2 Justification

N/A

#### 4.3 Results of risk assessment and Supplier Verification Programme

N/A

#### 4.4 Conclusion

## **5 Supply Base Evaluation process**

### **6** Stakeholder consultation

N/A

#### 6.1 Response to stakeholder comments

## 7 Mitigation measures

#### 7.1 Mitigation measures

N/A

#### 7.2 Monitoring and outcomes

## 8 Detailed findings for indicators

Detailed findings for each Indicator are given in Annex 1 in case the Regional Risk Assessment (RRA) is not used.

Is RRA used? N/A

## 9 Review of report

#### 9.1 Peer review

N/A

#### 9.2 Public or additional reviews

## Approval of report

Approval of Supply Base Report by senior management					
Report Prepared by:	Guzov Maksim	Deputy Director for production	05 Feb 2021		
	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:	Samozhonov Sergey	Deputy Director	05 Feb 2021		
	Name	Title	Date		

# Annex 1: Detailed findings for Supply Base Evaluation indicators