



# Supply Base Report: Lesresurs LLC

Re-assessment

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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 [www.sbp-cert.org](http://www.sbp-cert.org)*

### *Document history*

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# 1 Overview

**Producer name:** Lesresurs LLC

**Producer address:** Vostochnaya Magistral, 2/99, 665684 Novaya Igirma, Russia

**SBP Certificate Code:** SBP-01-28

**Geographic position:** 57.134500, 103.941150

**Primary contact:** Nadezhda Ovchinnikova, +7 3952 780920,onn@lesresurs.com

**Company website:** www.lesresurs.com

**Date report finalised:** 18 Jan 2021

**Close of last CB audit:** 02 May 2021

**Name of CB:** NEPCon OÜ

**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 Instruction, Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.3

**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:** www.lesresurs.com

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

## 2 Description of the Supply Base

### 2.1 General description

**Feedstock types:** Secondary

**Includes Supply Base evaluation (SBE):** No

**Feedstock origin (countries):** Russia

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

**Country:**Russia

**Area/Region:** Irkutsk region and Krasnoyarsk krai

**Exclusions:** No

In the Russian Federation, all forests and lands on which they grow are state property. In accordance with the Forestry Code, forest users can only lease forest plots for long-term lease for logging and non-logging purposes.

Geographical location of the resource base of LLC Lesresurs Russian Federation, Siberian Federal District (SFD), Irkutsk region and Krasnoyarsk krai.

The Irkutsk region occupies the third place among the Russian regions in terms of forest resources and the first place in the Siberian Federal District. Forest resources of Irkutsk region:

- forest land - 68.5 million hectares, including 62.9 million hectares covered with forest vegetation,
- timber stock of 9 billion m<sup>3</sup>, including 7.7 billion m<sup>3</sup> for coniferous species.

The Krasnoyarsk krai is the second largest forest resource in Russia. The area of the forest fund of the region is 158.7 million hectares, or 42.6% of the area of the forest fund of the Siberian Federal District.

The lease area of OOO Lesresurs belongs to boreal forests classified as exploitable, located in the forest fund of the Irkutsk region:

1. Kirensk district, Kirensk lesnichestvo, Karelinskoe forest unit, Nebelskaya dacha, Kirenskoe forest unit, Kirenskaya dacha – 101,436 ha. Lease forest area is characterized by high percentage of forest land (98.1%) and wooded land (92.2%). Coniferous stands account for 94% of wooded land with pine (*Pinus sylvestris*) accounting for 63% of total wooded land and spruce (*Picea*), fir tree (*Abies*), larch (*Larix sibirica*)

and Siberian stone pine (*Pinus sibirica*) – 8%, 1%, 15% and 8% correspondingly. Average age of coniferous forest stands is 148 years, soft broadleaved – 61 year

2. Kazachinsko-Lensk district, Kazachinsko-Lensk lesnichestvo, Magistralnoe forest unit, Martynovskaya dacha – 39,203 ha. Lease forest area is characterized by high percentage of forest land (98.1%) and wooded land (92.2%). Coniferous stands account for 94% of wooded land with pine (*Pinus sylvestris*) accounting for 63% of total wooded land and spruce (*Picea*), fir tree (*Abies*), larch (*Larix sibirica*) and Siberian stone pine (*Pinus sibirica*) – 8%, 1%, 15% and 8% correspondingly. Average age of coniferous forest stands is 148 years, soft broadleaved – 61 year

3. Kirensk district, Kirensk lesnichestvo, Karelinskoe forest unit, Nebelskaya dacha – 20,494 ha. The forest area is predominated by softwood - 98% of wooded land, from which pine (*Pinus sylvestris*) – 54%, larch (*Larix sibirica*) -21%, Siberian stone pine (*Pinus sibirica*) – 14%, fir tree (*Abies*) – 3%. Average age of coniferous forest stands is 159 years, soft broadleaved – 75 year.

There are no virgin forests in the lease area, and no indigenous peoples live. The climate of the regions is sharply continental, and their territory is equated to the regions of the Far North

Lease forest areas of total 161,133 ha are FSC certified. Company has valid certificates:

FC-FM/COC-643064 (Licence code FSC-C109107)

FC-COC-643053 / FC-CW-643053 (licence code FSC-C104427).

The purchase of FSC 100% sawlogs is carried out directly from a supplier with a valid FSC certificate - Kodinskoye LLC FC-FM / COC-001243 - area 206,021 ha, Tungusko-Chunskoe forestry of the Krasnoyarsk Territory.

The purchase of FSC Mix Credit sawlogs is made directly from RusForest Magistralny LLC, which has valid FSC certificates: - NC-COS / CW-014069 and NC-FM / COC-014074 - the lease area of forest plots is 627 725 hectares, Kazachinsko-Lenskoe and Kirenskoe forestry of the Irkutsk region. And from an area of 22.3 hectares of the controlled supplier LLC PromLesTrade.

The possible total area for timber harvesting is 994 901,3 ha

Comparison of the scale of harvesting in comparison with other forestry industries in the region:

Ilim Group JSC - cellulose, cardboard. The largest company in the Russian pulp and paper industry. Tenant. At present, the volume of market pulp produced at the Ilim Group JSC mills is 66% of the total Russian pulp production.

Russian Forest Group, LLC - lumber, fuel pellets. Association of wood processing enterprises:

- JV SEL-Tyriku LLC - the processing capacity of raw materials is 390 thousand m<sup>3</sup> per year, production of sawn timber 155 thousand m<sup>3</sup> per year.

- Trans-Siberian Forest Company - processing capacity of 1 million m<sup>3</sup> per year, production of sawn timber up to 500 thousand m<sup>3</sup> per year. Tenant.

- LDK Igirma CJSC - the annual processing of raw materials is 700 thousand m<sup>3</sup>, the output of sawn timber is 350 thousand m<sup>3</sup>. Tenant.

- Siberian Fuel Pellets, LLC business partner of RLG - the total capacity of plants for the production of fuel pellets is 200 thousand tons / year.

- Ilim Timber, Ltd. - lumber, plywood. The capacity of the Ust-Ilimsk branch is 650 thousand m<sup>3</sup> of sawn timber, the Bratsk branch is 220 thousand m<sup>3</sup> of plywood per year.

- Usolsk Plywood Plant, LLC - Plywood, FSF plywood. The enterprise is a manufacturer of coniferous plywood of increased water resistance - FSF brand.

Lesresurs LLC is a part of "Lesresurs - Rusforest" Group of companies - sawlogs, pulpwood, sawn timber, wood chips, fuel briquettes, fuel pellets. The total annual volume of raw materials processing is 686 thousand m<sup>3</sup>, the output of sawn timber is 300 thousand m<sup>3</sup>. Lessee. Production of wood pellets 86,4 thousand tons / year. The group "Lesresurs-RusForest" is one of the ten large enterprises in the Irkutsk region.

#### State of forest use

On the leased area, clear cuttings, reforestation works, high-quality reproduction of forest resources and protective measures are carried out

To carry out logging activities, the organization uses John Deer feller bunchers (2 units), for skidding timber - John Deer skidders (2 units), for bucking - John Deer "processor" (2 units), for loading - a loader / stacker John Deer (2 units). Simultaneously with harvesting in the felled areas, work is underway to mineralize the soil to facilitate natural regeneration and the creation of forest crops.

A similar technology of logging and reforestation is used by organizations belonging to the Lesresurs-Rusforest Group of Companies

The roundwood species used by the organization in production are not subject to the CITES Convention and are not included in the IUCN listings:

Pine (*Pinus sylvestris*)

Siberian larch (*Larix sibirica*).

Socio-economic conditions of the Irkutsk region and the Krasnoyarsk krai, in which forest plots are located.

Irkutsk region is the largest region of Russia without access to the sea. The region is a large subject of the Russian Federation, occupying an area of 774 846 km<sup>2</sup> with a population of 2 408 901 people (2017).

The Irkutsk region is part of the East Siberian economic region; has a significant economic importance, the main branches of the region's specialization are forestry, woodworking, pulp and paper, mining, machine building, etc. In the all-Russian industry, 6.5% of electricity production, 15% of export of commercial timber, 6% of coal production, almost 20% All-Russian production of cellulose, more than 10% of cardboard, about 9% of oil is processed. In terms of GDP per capita, the Irkutsk region ranks 20th among 85 subjects of the Federation.

The population of the Krasnoyarsk krai is 2 875 790 people as of January 1, 2017.

The Tungusko-Chunsky district of the Evenki Autonomous District of Krasnoyarsk krai is located in the southeastern part of the district. The total area of the region is 111,600 km<sup>2</sup>. The length of the area from west to east is 340 km. from north to south - 540 km.

The prospects of the Tungusko-Chunsky district are largely related to the development of the extractive industry - in the bowels of the region there are large reserves of oil, gas and other minerals. On the "Poiginskoye" deposit there is a private enterprise "Taimura". It has been providing the entire municipal energy sector with liquid fuel for 10 years now. In the plans - the construction of a new school, a hospital, a plant for the preparation of boiler-furnace fuel. The plant is designed to process 20,000 tons of crude oil. It will produce diesel fuel, gasoline, boiler-heating oil. On the territory of the district there are five House of Culture, district (adult and children's) libraries and four rural branches. In the village of Vanavara there is a school of arts with music, art and decorative and applied departments.

Proportion of SBP feedstock product groups in 2020

In 2020, the organization purchased certified timber from two suppliers.

Primary feedstock source	FSC standard		SBP standard	
	FSC certified	FSC Controlled Wood	SBP-compliant feedstock (primary)	SBP-controlled feedstock (primary)
Certified wood	392 259,08	-	392 259,08	-
Sub-total	392 259,08	-	392 259,08	-
Total	392 259,08		392 259,08	

m3

The ratio of raw materials: FSC certified raw material is 100% and the controlled raw material is 0%.

Only primary products enter the sawn timber plant:

- Scots pine (*Pinus sylvestris*),
- Siberian larch (*Larix sibirica*).

Granules are not produced from virgin material. They are made from wood residues. Leftovers are secondary raw materials.

Report is available on Lesresurs company website for public disclosure [www.lesresurs.com](http://www.lesresurs.com),

[http://www.rusforest.com/downloads/Operations/RFMag\\_RB\\_Report\\_2020.pdf](http://www.rusforest.com/downloads/Operations/RFMag_RB_Report_2020.pdf)

[http://www.rusforest.com/downloads/Operations/RFMag\\_RB\\_Report\\_2020\\_en.pdf](http://www.rusforest.com/downloads/Operations/RFMag_RB_Report_2020_en.pdf)

## 2.3 Actions taken to promote certification amongst feedstock supplier



All suppliers are certified.

## 2.4 Quantification of the Supply Base

### Supply Base

- a. **Total Supply Base area (million ha):** 1,00
- b. **Tenure by type (million ha):**1.00 (Public)
- c. **Forest by type (million ha):**1.00 (Boreal)
- d. **Forest by management type (million ha):**1.00 (Managed natural)
- e. **Certified forest by scheme (million ha):**1.00 (FSC)

**Describe the harvesting type which best describes how your material is sourced:** Clearcutting

**Explanation:** Form of logging of forest stands:Clear felling. Type of logging of forest stands:Cutting of mature and over-mature plantings. For the production of products, the company receives raw materials in the form of a sawmill from its own rental bases and raw materials in the form of a sawmill from suppliers. LLC "Lesresurs" is a timber industry enterprise with a full range of equipment, buildings, structures and mechanisms that provide: \* Logging, removal, acceptance, sorting, loading and unloading, and storage of round timber; \* Sawing, sorting, drying and processing of raw and dry semi-finished products; \* Production of competitive finished products supplied to the markets of Japan, Germany, Austria, Egypt, China, Turkey, as well as the CIS countries in the assortment, packaging and grade that satisfies the buyer of the above-mentioned countries. For logging activities, the organization uses John Deer felling and bagging machines (2 units), John Deer skidders (2 units) for skidding wood, John Deer "processor" (2 units) for bucking, and John Deer loader/stacker (2 units) for loading. The Lesresurs-Rusforest Group of companies uses a similar technology for logging.

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

**Explanation:** Lesresurs LLC is a part of "Lesresurs - Rusforest" Group of companies - sawlogs, pulpwood, sawn timber, wood chips, fuel briquettes, fuel pellets. The total annual volume of raw materials processing is 686 thousand m<sup>3</sup>, the output of sawn timber is 300 thousand m<sup>3</sup>. Lessee. Production of wood pellets 86,4 thousand tons / year. The group "Lesresurs-RusForest" is one of the ten large enterprises in the Irkutsk region.

**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:** Forest restoration plans are observed within 5 years according to the reforestation project in accordance with the legislation of the Russian Federation. At the same time as harvesting, soil mineralization works are being carried out on the cleared areas to promote natural regeneration and the creation of forest crops. These works are carried out with the help of skidding tractors TT-4M, equipped with a forest plow PLP-135.

**Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation?** No

**Explanation:** Sanitary logging was not carried out during this period.

## Feedstock

Reporting period from: 01 Jan 2020

Reporting period to: 31 Dec 2020

- a. **Total volume of Feedstock:** 1-200,000 tonnes
- b. **Volume of primary feedstock:** 0 tonnes
- 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:** Pinus sylvestris (N/A);
- e. **Is any of the feedstock used likely to have come from protected or threatened species?** N/A
  - 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 (%):** N/A
- g. **Softwood (i.e. coniferous trees): specify proportion of biomass from (%):** N/A
- h. **Proportion of biomass composed of or derived from saw logs (%):** N/A
- 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 (%):** N/A
- k. **Volume of primary feedstock from primary forest:** 0 N/A
- l. **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:** 1-200,000 tonnes
  - Physical form of the feedstock: Chips, Sawdust, Other (specify)
- n. **Volume of tertiary feedstock:** 0 N/A
  - Physical form of the feedstock: N/A

### Proportion of feedstock sourced per type of claim during the reporting period

Feedstock type	Sourced by using Supply Base Evaluation (SBE) %	FSC %	PEFC %	SFI %
Primary	0,00	0,00	0,00	0,00
Secondary	0,00	100,00	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

N/A

## 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:**  
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

N/A

# 5 Supply Base Evaluation process

N/A

## **6 Stakeholder consultation**

N/A

### **6.1 Response to stakeholder comments**

N/A

## **7 Mitigation measures**

### **7.1 Mitigation measures**

N/A

### **7.2 Monitoring and outcomes**

N/A



## 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**

N/A

## 10 Approval of report

Approval of Supply Base Report by senior management			
Report Prepared by:	Nadezhda Ovchinnikova	Head of Certification Department	18 Jan 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:	Ratkevich Iosif Stefanovich	First Deputy General Director - Executive Director	18 Jan 2021
	Name	Title	Date

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

N/A