

Supply Base Report: Novoyeniseiskiy Wood Chemical Complex JC

Main (Initial) Audit

www.sbp-cert.org



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

Document history

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Version 1.2 published 23 June 2016

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1 Overview

Producer name: Novoyeniseiskiy Wood Chemical Complex JC

Producer address: 40 Let Oktyabrya, 1, 662546 Lesosibirsk, Krasnojarsk region,

Russia

SBP Certificate Code: SBP-08-47

Geographic position: 58.289778, 92.404194

Primary contact: Dmitry Gubin, N/A,gubind@novo-lhk.ru

Company website: novo-lhk.ru

Date report finalised: 22 Jul 2021

Close of last CB audit: 23 Jul 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 1.4

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: N/A

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: 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: Krasnojarsk region

Exclusions: Yes

Novoyeniseiskiy Wood Chemical Complex JC is a biomass producer located in Krasnoyarsk region, Lesosibirsk town, on the bank of Enisey river and among taiga forest. The pellet plant was launched in 2010. The plant uses SBP-compliant secondary feedstock (sawdust and wood chips) for biomass production and PEFC-certified chips for heat generation. All feedstock and wood fuel are the residues from own sawmill. Species composition: Norway spruce (Picea obovata) - 5,7%, Scots pine (Pinus sylvestris) - 72,0%, Siberian larch (Larix sibirica) - 13,6%, Siberian fir (Abies sibirica) - 8,7%.

There is a possibility to buy FSC-certified roundwood for processing of sawnwoon and boards, or wood processing residues for pellet production, from two suppliers - local companies in Lesosibirsk. The residues from processing of FSC 100% roundwood or FSC 100% sawdust and wood chips delivered from supplier is an eligible input for SBP-compliant biomass as well as 100% PEFC Certified from own leased forests.

The Supply Base of Novoyeniseiskiy Wood Chemical Complex JC is Krasnojarsk region. Forest resources of Krasnoyarsk region are one of the largest among the regions of Russia. South or the region is represented by forest-steppe suitable for agriculture and arable land. Central part of the region is represented by taiga forest and northen part – by tundra and sub-tundra forests. The forest fund area of the region is 158,7 million hectares. The total standing stock is 11,7 billion cubic meters - about 1/3 of Siberian Federal District regions and 1/7 of the total Russian forest stock. Coniferous plantations dominate in the structure of Krasnoyarsk region forest and their share is about 76%. According to the forest inventory, the composition of the exploitation forests of the Supply Base is: Scots pine (Pinus sylvestric), Siberian larch (Larix sibirica), Siberian pine (Pinus sibirica), Siberian spruce (Picea obovata), Siberian fir (Abies sibirica), Silver birch (Betula pendula), Aspen (Populus tremula), single willow trees can be found.

It is estimated, that not more then 5% of the harvesting volume in the region end up in biomass production.

In accordance with the legislation of the Russian Federation, the Russian forest fund is state ownership. Legal entities can acquire forest concessions for a period of 10 to 49 years (with the right to prolong the 'lease' contract). Long-term concessions of 49 years are the prevailing basis for obtaining the right to harvest wood on stem. These lease contracts or contracts for the purchase of individual forest stands

become available by means of auctions. Leased forest concessions must undergo a cadastral registration procedure.

The Russian Forest Code obliges each forest leaser to develop a forest management plan for 10 years (on base of a general forest inventory and forestry plan), implement measures to protect, preserve and reproduce forests and every year provide an annual forest declaration where the carried-out measures and harvested volumes are reported.

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 PEFC and FSC forest certification. The rotation period is 81-140 years. Harvesting is carried out by clear cutting in the stage of maturity and over maturity with subsequent reforestation. Thinnings are are limited maximum by 80 ha. The maximum area of clear cuts is limited by 50 ha. Reforestation can be done with planting seedlings (at 15% of the area) or by promotion of natural regeneration (at 85% of the area). Sometimes seeding could be used as well. Ensuring high-quality reproduction of forest resources and protective afforestation is a prerequisite for the forests use.

According to forest legislation, Red listed species as well as their habitats, must be preserved when timber is harvested. It is prohibited to cut protected tree species. On the territory of the Krasnoyarsk region there are such types of red-listed trees as the small-leaved Birch (Betula microphylla), the Turkestan Juniper (Juniperus pseudosabina). Harvesting of forests with a predominance of Siberian pine (Pinus sibirica) in the forest stand is prohibited. Novoyeniseiskiy Wood Chemical Complex JC do not harvest and do not use protected tree species and do not harvest Siberian pine forest stands.

Novoyeniseiskiy Wood Chemical Complex JC use only the following species in production:

- Scots pine (Pinus sylvestris);
- Siberian spruce (Picea obovata);
- Siberian larch (Larix sibirica);
- Siberian fir (Abies sibirica);

The tree species used in biomass production are not protected under the Convention CITES and are not included in the list of the International Union for Conservation of Nature (IUCN).

By socio-economic conditions, the Krasnoyarsk region is steadily entering the top ten regions in terms of gross regional product. Half of the GRP is provided by the industrial complex of the region. Wood processing in the region predominates over the export of round wood out of the region. Novoyeniseiskiy Wood Chemical Complex JC is a city-forming enterprise in Lesosibirsk town. It maintains filtering and treatment facilities for supplying potable water to the northern part of the Lesosibirsk town. Among the woodworking enterprises, Novoyeniseiskiy Wood Chemical Complex JC ranks among first 5 largest in the Krasnoyarsk region.

2.3 Actions taken to promote certification amongst feedstock supplier

Novoyeniseiskiy Wood Chemical Complex JC uses own PEFC-certified feedstock for biomass production and only FSC-certified feedstock from two suppliers (expected in the next reporting period). These volumes of wood are enough to ensure stable production and there is not need to promote certification, as the supplier is certified.

2.4 Quantification of the Supply Base

Supply Base

- a. Total Supply Base area (million ha): 158,70
- **b.** Tenure by type (million ha):158.70 (Public)
- c. Forest by type (million ha):158.70 (Boreal)
- d. Forest by management type (million ha):158.70 (Managed natural)
- e. Certified forest by scheme (million ha):2.78 (FSC), 3.76 (PEFC)

Explanation: Harvesting is carried out by clear cutting in the stage of maturity and over maturity with subsequent reforestation. Thinnings are are limited maximum by 80 ha in some parts of region and by 30 and 50 ha in other parts. Voluntary selective felling is the main method of thinnings. The maximum area of clear cuts is limited by 50 ha. Cut-to-length method of harvesting with harvesters and forwarders is the dominant in the region.

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

Explanation: The purpose of forest harvesting is sawn timber production and woodworking. Residues from the wood processing are used for biomass production.

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: According to legislation, reforestation is ensured by the forest users. It can be done with planting seedlings (at 15% of the area) or by promotion of natural regeneration (at 85% of the area). Sometimes seeding could be used as well.

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: No sanitary harvesting is carried out.

Feedstock

Reporting period from: 01 Jun 2020

Reporting period to: 31 May 2021

- a. Total volume of Feedstock: 1-200,000 m3
- b. Volume of primary feedstock: 0 N/A
- c. List percentage of primary feedstock, by the following categories.
 - Certified to an SBP-approved Forest Management Scheme: N/A
 - Not certified to an SBP-approved Forest Management Scheme: N/A
- d. List of all the species in primary feedstock, including scientific name: 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: N/A 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: 1-200,000 m3
 - Physical form of the feedstock: Chips, Sawdust
- n. Volume of tertiary feedstock: 0 N/A
 - Physical form of the feedstock: N/A

Prop	oortion 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	0,00	100,00	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:

N/A

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

10 Approval of report

Approval of Supply Base Report by senior management							
Report Prepared	Olga Kirshina	SBP manager, Chief Engineer	22 Jul 2021				
by:	Name	Title	Date				
Report Prepared	Natalya Gorodetskaya	Forestry engineer	22 Jul 2021				
by:	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	Sergey Poroshin	General Director of the managing organization	22 Jul 2021				
by:	Name	Title	Date				

Annex 1: Detailed findings for Supply Base Evaluation indicators