



Supply Base Report: Spillhard, Additional Liability Company

Main (Initial) Audit

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The promise of good biomass



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

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2 Description of the Supply Base

2.1 General description

Feedstock types: Secondary

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 of Belarus

Exclusions: No

During the reporting period Spillhard, Additional Liability Company produced wood pellets mainly from secondary raw materials that meet the requirements of SBP was sawdust and chips (wood processing industry waste).

Sawdust is supplied from its own workshops, as well as from woodworking workshops of nearby leskhozoes.

Chips used in the production of pellets are crushed from slabs. Chips from our own workshops are crushed into chips by stationary crushers installed on the premises of the workshop.

Purchased chips are crushed by a mobile crusher.

In the production process for heat generation Spillhard Additional Liability Company uses chips (waste products of woodworking industry).

The company has about 4 FSC-certified suppliers of feedstocks. The company buys round timber, sawdust and wood chips. The round timber is used to produce lumber, and sawmill waste is used to produce pellets.

Wood species are Picea abies; Pinus sylvestris.

Belarus Forest Resources

Source (<https://www.mlh.by/en/our-main-activities/forestry/forests/>)

In the Republic of Belarus forests are one of the main renewable natural resources and the major national wealth.

Forests in the Republic of Belarus are the exclusive property of the State, which means that all produced timber origins from state managed forests. The Forest Code (Forest Code of the Republic of Belarus of 2015 No. 332-Z) states that Belarusian forests are divided into 4 categories according to the management purpose: conservation forests, recreation and health forests, protective forests, and managed forests. Harvesting of timber is allowed depending on the management and protection regime assigned based on the forest category.

Forest plantations have a total stock of 1831.8 million m³, of which 83.5% are possible to exploit. The share of mature and overmature forests is 375.4 million m³. The dominant species are conifers (Pinus sylvestris, European spruce Picea abies, European larch Larix decidua), which account for 65.9% or 1206.8 million m³ of the total forest plantations stock. Stock of hardwoods (oak Quercus robur, ash Fraxinus excelsior, hornbeam Carpinus betulus, maple Acer platanoides) is 61.9 million m³ or 3.4%. The total average change in the stock is 33.4 mln m³.

Belarus has been a signatory of the CITES Convention since 1995. Of the animals and plants listed in the Red Book of the Republic of Belarus, on the territory of Kraspolsky district there is a black stork and a copperhead (Coronella austriaca), as well as the ramson (Allium ursinum) grows.

The black stork (Ciconia nigra) is endangered according to the CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora). The copperhead (Coronella austriaca), ramson (Allium ursinum) and black stork (Ciconia nigra) are located in the territory of Kraspol district and listed IUCN Red Listed .

For each species of these plants and animals there are protection obligations. The organization takes all necessary measures to ensure the conservation of rare and endangered species of plants and animals.

When harvesting wood, according to the forest legislation of the Republic of Belarus, individual species listed in the Red Book and their habitats are subject to conservation. Cutting of valuable, endangered and protected tree species is prohibited.

Forest certification is an effective tool to combat illegal logging and timber trafficking. The forest management system and supply chain of the Spillhard Additional Liability Company is certified according to the requirements of the International Forest Stewardship Council (FSC) scheme.

Total volume of harvested timber

Harvesting of wood Republic of Belarus	2018 Republic of Belarus	2019 Republic of Belarus	2020
Mechanized harvesting, mln. m³	9,2	9,6	9,5
Total amount, mln. m³	19,5	20,9	21,2

Wood processing

Wood processing Leskhoz of the Ministry of State Forestry of the Republic of Belarus	2018 Leskhoz of the Ministry of State Forestry of the Republic of Belarus	2019 Leskhoz of the Ministry of State Forestry of the Republic of Belarus	2020
Low-quality timber, million m³	2,7	2,6	3,2
Industrial wood, million m³	2,2	2,8	2,7
Total amount, mln. m³	4,9	5,4	5,9

Among local fuels is leading fuel in the form of fuel wood chips, fuel wood, and wood waste. The balance of renewable energy sources (RES) in the Republic of Belarus in 2019 is presented in Figure 1, which shows that wood biomass accounts for the bulk of them.

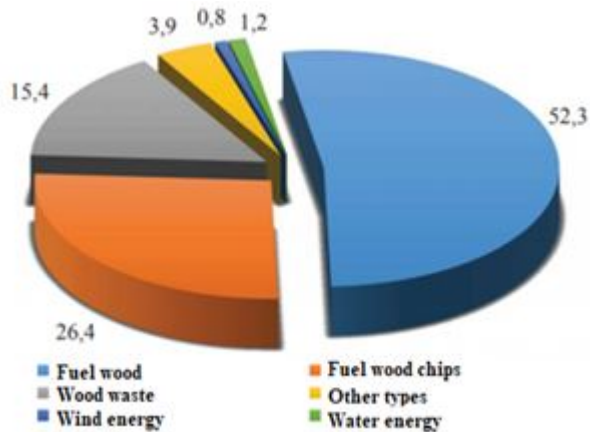


Figure 1 - Balance of RES use in the Republic of Belarus, %

At current logging levels, the technically available potential of woody biomass for fuel and energy purposes is about 10 million m³ , or 2.5 million ton of reference fuel.

A large part of the firewood is sold to households and organisations as fuel wood, while the remainder is chipped into fuel chips, which are used to generate heat and electricity in boiler houses and mini-CHPs in small towns and rural areas.

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 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 (Natural)

e. **Certified forest by scheme (million ha):**9.16 (FSC), 8.80 (PEFC)

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

Explanation: Forest harvesting is subdivided into primary use cuttings, intermediate use cuttings, and other cuttings. The following harvesting methods and types of harvesting shall be classified as clearcuts: clearcuts (clear-cutting); gradual cuttings (even-stage, group-stage, band-stage, and long-stage); and selective cuttings (voluntary selective cuttings). The cuttings of the intermediate use include the following types of cuttings: forest maintenance cuttings (clarifying, clearing, thinning, through cuttings); selective sanitary cuttings; reconstruction cuttings; renewal cuttings; cuttings of forest plantations formation (reshaping). During 2020 forestry enterprises of the Republic of Belarus during the primary use cuttings was 11500 thousand m³ of wood, during the intermediate use cuttings was 6900 thousand m³ of wood, during the other cutting was 8700 thousand m³ of wood. Data on 2021 will be formed in the next reporting period. Roundwood is used for the production of lumber products, while sawmill residues (sawdust, chips) are used for the production of pellets.

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

Explanation: In Belarus, the forest industry consists of forestry (13.5% of all products), wood processing (69.5% of all products), pulp and paper (16.4% of all products) sectors. Ministry of Forestry manages the sector. Historically, sawmilling has always been one of the most significant activities, with about 1,500 businesses licensed to produce sawnwood. Most of them are sawnwood production combined with mechanical wood processing (window and door blocks, wooden frame houses) or wood harvesting. State forestry institutions («forestry establishments») also own woodworking workshops where roundwood of their own production is processed.

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: Reforestation on the lands of a forest fund suitable for forestry conditions of the forest crops creation is carried out within three years from the date of signing of the forest survey certificate according to the Forest Code of the Republic of Belarus. The forecast for reforestation and forestry is 36.1 thousand hectares including the creation of forest crops with selective sowing and planting material is 16.5 thousand hectares. Creation of hardwood forest crops in the total amount of reforestation and forestry is 2.6 thousand hectares, introduction of young forest growth into the category of valuable tree plantations is 25.1 thousand hectares, care cuttings in young forest growth (lightening, cleaning) is 53.9 thousand hectares, construction of forestry roads is 115.3 km according to the Decree of the Ministry of Economy of the Republic of Belarus "On Estimated Balance Indicators of the Forecast of Socio-Economic Development of the Republic of Belarus for 2021".

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: Wood harvested as part of pest/disease control measures was not used to produce pellets.

Feedstock

Reporting period from: 01 Sep 2020

Reporting period to: 30 Apr 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**
- 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 m3**
- Physical form of the feedstock: Chips, Sawdust
- 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: Not applicable

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

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:	Troyanov Roman Sergeevich	Deputy Director	01 Sep 2021
	Name	Title	Date
<p>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.</p>			
Report approved by:	Troyanov Roman Sergeevich	Director	01 Sep 2021
	Name	Title	Date

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A