

Supply Base Report:

MASSIV-DREV LLC

First Surveillance 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 www.sbp-cert.org

Document history

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1 Overview

Producer name: MASSIV-DREV LLC

Producer address: Shkolnaya 2b, village Podstarin, Brest region 225251 district
Ivacevichi , Belarus

SBP Certificate Code: SBP-07-65

Geographic position: 52.7766, 25.359

Primary contact: Vladimir Zhigar, +375 1645 93535, office@massivdrev.com

Company website: <http://massivdrev.com/>

Date report finalised: 2021-02-19

Close of last CB audit: 2021-02-25

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

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.massivdrev.com/documents/>

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

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: Belarus

Exclusions: No

General description:

MASSIV - DREV Limited Liability Company, a private wood-processing enterprise located in the Republic of Belarus. Raw materials for its production are obtained from the forest in the form of round timber (FSC 100%). Wood chips and sawdust formed during the processing of round timber-als are used in the production of pellets.

The region of origin is Belarus for all feedstock.

The reporting period was taken to assess the resource base since 01 / 01 / 2020 till 31 / 12 / 2020

During the reporting period, the following raw materials were used for the production of pellets::

SBP-compliant primary feedstock: 0%

SBP-compliant secondary feedstock, 100% (as FSC 100%), Wood industry residues from Belarus)

SBP-compliant tertiary feedstock: 0%

SBP-noncompliant feedstock: 0 %

Species: *Picea abies* (L.) *Pinus sylvestris* (L.); *Bétula* (L.), *Álnus* (L.), *Pópulus trémula* (L.).

Belarus forest resources

All forests in Belarus are in exclusive property of the State. The total area of forest fund is 9,697 million ha. 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 cu bic 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.

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

- State-run program for 2021- 2025 "Belarus forest"
- National strategy on sustainable development of the Republic of Belarus
- Forest Code of the Republic of Belarus.

28 tree species and about 70 species of bushes grow in Belarus. The most widespread are: Scots pine - 54.8%, Birch - 18.8%, European spruce - 11.%, Black alder - 8.2%, Oak - 2.9%, Aspen - 2.2%

There are two types of forest lands depending on accomplished functions: first and second groups. The first group comprises specially protected nature conservation areas (about 52%), and the second one – exploitable forests for timber harvesting (48%). In accordance with the legislation of the Republic of Belarus all forest lands are in state property and assigned to state forestry enterprises for use. The forest use in Belarus is based on the principle of continuity and sustainability.

Average annual timber harvesting value is about 18 million m³, which include:

- final felling (mature timber) – 40%
- cleaning cuttings and sanitary felling (young,middle-aged and ripening stands – 48% -
- other cuttings – 12%.

The main conditions of forests' exploitation are the procurement of forest reproduction and protective afforestation. In 2018 the forest reproduction and afforestation were carried out at the total area of 41,82 thousand ha, including such measures as planting of new forests about 34,8 thousand ha.

According to the forest legislation of the Republic of Belarus, the endangered species and the places of their habitation included in the Red List are to be protected during timber harvesting processes. In the supply base CITES do not grow. The cutting of valuable, endangered and specially protected tree species is strictly prohibited.

At the territory of Republic of Belarus

- **There are two preserved areas: Berezinsky Biosphere Reserve (85.2 thousand ha) and Polesie State Radioecological Reserve (216,9 thousand ha);**
- four national parks - Belovezhskaya Pushcha (152,962 thousand ha), Braslav Lakes (69,115 thousand ha); Narachanski National Park (93,3 thousand ha) and Prip'yatsky National Park (85,841 thousand ha);
- 334 forest Republic and local reserves;

The forest certification is an effective tool against illegal cuttings and illegal circulation of timber. There two schemes of forest certification implemented in the Republic of Belarus: FSC (Forest Stewardship Council) and PEFC (Programme for the Endorsement of Forest Certification).

As of 1st of January 2019, 96 forest management units (98,5% of total forest fund that belongs to the Ministry of Forestry) is certified in accordance with the requirements of Forest Stewardship Council (FSC). 93 forest management units (95 % of total forest fund that belongs to the Ministry of Forestry) is certified in accordance with the requirements of PEFC (Programme for the Endorsement of Forest Certification).

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 and has a share of about 2% from the whole processing sector in Belarus Republic. Timber industry in Belarus makes approximately 1,1% of gross domestic market. Timber-based products are exported to about 30 world countries.

Source: Ministry of Forestry of Republic of Belarus

MASSIV DREV Ltd is engaged in the production of cylindrical products. Processing residues (wood chips and sawdust) are used for the production of wood pellets. Roundwood for main production comes from the sanitary felling in the forest fund of Belarus Republic.

1.

2.3 Actions taken to promote certification amongst feedstock supplier

For the production of SBP pellets are used FSC certified supplier material (100%). The company policy is to give a preference to certified suppliers. Raw material consists of wood waste from main production of suppliers. Therefore, uncertified and new suppliers are invited to certify their base production and get benefit from residues.

2.4 Quantification of the Supply Base

Supply Base

- a. **Total Supply Base area (million ha):** 9,70
- b. **Tenure by type (million ha):**9.70 (Public)
- c. **Forest by type (million ha):**9.70 (Temperate)
- d. **Forest by management type (million ha):**9.70 (Managed natural)
- e. **Certified forest by scheme (million ha):**8.30 (FSC)

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

Explanation: N/A

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

Explanation: N/A

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: N/A

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

Explanation: N/A

Feedstock

Reporting period from: 2020-01-01

Reporting period to: 2020-12-31

- a. **Total volume of Feedstock:** 1-200,000 tonnes
- 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::**
- 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 tonnes

- 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 %
Secondary	0,00	100,00	0,00	0,00
Tertiary	0,00	0,00	0,00	0,00
Primary	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:

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

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


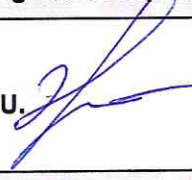
9.1 Peer review

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:	Voloshchik S. 	Export manager	2021-02-19
	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:	Zhyhar U. 	Directors	2021-02-19
	Name	Title	Date

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A