



Supply Base Report: Kraslesinvest JSC

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 www.sbp-cert.org

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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**

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

JSC Kraslesinvest is a biomass producer located in Krasnoyarsk region, Boguchany village. The plant was launched in October 2019. The plant uses SBP-compliant secondary feedstock (sawdust and wood chips) for biomass production and PEFC-certified chips and bark for heat generation. All feedstock and wood fuel are the residues from own sawmill.

The Supply Base of JSC Kraslesinvest is own PEFC-certified leased concession in Krasnojarsk region. JSC Kraslesinvest also buys non-certified raw material for sawmilling from 1 supplier, but its processing and storage physically segregated from PEFC-certified.

Forest resources of Krasnoyarsk region are one of the largest among the regions of Russia. 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%. Forest concession, where does wood for production of pellets come from, is located within the Nizhneangarsk taiga ecoregion and Central Siberian plateau taiga ecoregion. 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 sibirica*), Siberian fir (*Abies sibirica*), Silver birch (*Betula pendula*), Aspen (*Populus tremula*), single willow trees can be found. The total area of the Supply Base that is the certified concessions of JSC Kraslesinvest is 1 958 959 hectares.

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 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 not used so far but are planned within the following 10 years. The maximum area of clear cuts is limited by 50 ha. Reforestation can be done with planting seedlings (at 21% of the area), promotion of natural regeneration (at 77% of the area) or with a combined method (at 2% of the area). 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. JSC Kraslesinvest do not harvest and do not use protected tree species and do not harvest Siberian pine forest stands.

JSC Kraslesinvest use only the following species in production:

- Scots pine (*Pinus sylvestris*);
- Siberian spruce (*Picea obovata*);
- Siberian larch (*Larix sibirica*);
- Siberian fir (*Abies sibirica*) – occasionally in a very little amount;

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. JSC Kraslesinvest is a city-forming enterprise in Boguchany village. Among the woodworking enterprises, JSC Kraslesinvest ranks among first 10 largest in the Krasnoyarsk region.

2.3 Actions taken to promote certification amongst feedstock supplier

JSC Kraslesinvest uses own PEFC-certified feedstock for biomass production. Pellet production was launched with the purpose to process own sawmill residues. There are enough volumes of PEFC-certified residues to ensure stable biomass production. That's why there is not need to promote certification among suppliers.

2.4 Quantification of the Supply Base

Supply Base

- a. **Total Supply Base area (million ha):** 4,20
- b. **Tenure by type (million ha):**4.20 (Public)

- c. **Forest by type (million ha):**4.20 (Boreal)
- d. **Forest by management type (million ha):**4.20 (Managed natural)
- e. **Certified forest by scheme (million ha):**4.20 (PEFC)

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

Explanation: Harvesting is carried out by clear cutting in the stage of maturity and over maturity with subsequent reforestation. Thinnings are not used so far but are planned within the following 10 years.

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. 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: Reforestation can be done with planting seedlings (at 21% of the area), promotion of natural regeneration (at 77% of the area) or with a combined method (at 2% of the area).

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: Only roundwood logs suitable for sawing were harvested in the supply base in the reporting period.

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:** 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 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 %
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

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:

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:	Roman Seiranovich Bagunats	SBP manager	2021-03-24
	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:	Oleg Vladimirovich Shubin	General director	2021-03-24
	Name	Title	Date

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A