



# Supply Base Report: Sveaskog Baltfor SIA

Second Surveillance Audit

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**The promise of good biomass**



# Completed in accordance with the Supply Base Report Template Version 1.5

*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:** Sveaskog Baltfor SIA

**Producer address:** Brivibas 40-23, LV-1050 Rīga, Latvia

**SBP Certificate Code:** SBP-01-84

**Geographic position:** 56.954600, 24.118790

**Primary contact:** Marta Ciekure, +371 26 111 329, [marta.ciekure@sveaskog.se](mailto:marta.ciekure@sveaskog.se)

**Company website:** <http://www.sveaskog.se/en/sveaskog-baltfor-sia/>

**Date report finalised:** 30 Apr 2024

**Close of last CB audit:** 19 Apr 2024

**Name of CB:** Preferred by Nature OÜ

**SBP Standard(s) used:** SBP Standard 1: Feedstock Compliance Standard, 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 1.5

**Weblink to Standard(s) used:** <https://sbp-cert.org/documents/standards-documents/standards>

**SBP Endorsed Regional Risk Assessment:** Lithuania, Latvia

**Weblink to SBR on Company website:** <https://www.sveaskog.se/en/sveaskog-baltfor-sia/sbp-certification/>

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

## 2 Description of the Supply Base

### 2.1 General description

**Feedstock types:** Primary

**Includes Supply Base evaluation (SBE):** Yes

**Includes REDII:** Yes

**Includes REDII SBE:** Yes

**Feedstock origin (countries):** Latvia

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

**Country:** Latvia

**Area/Region:** All regions

**Sub-Scope:** N/A

**Exclusions:** No

#### **LATVIAN forest resources**

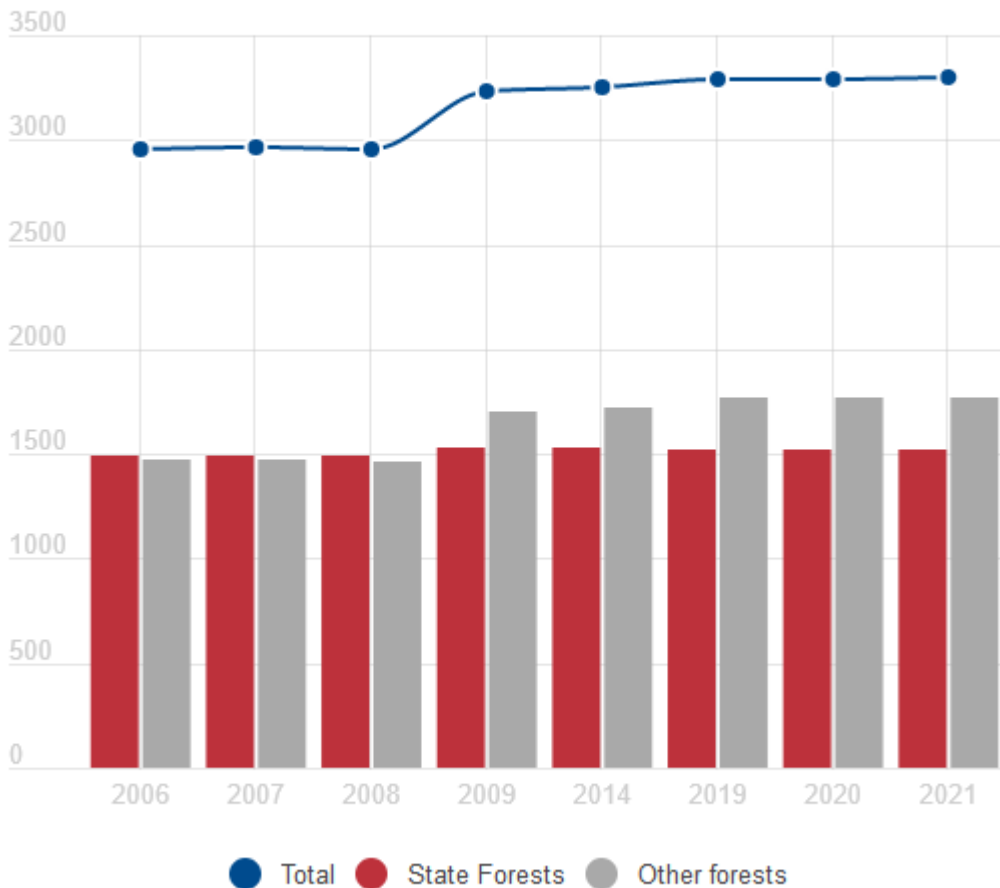
The forest sector in Latvia is under the supervision of the Ministry of Agriculture. It works with stakeholders to draft forest policies, development strategies for the sector, as well as regulations on forest management, the use of forest resources, environment protection and hunting. ([www.zm.gov.lv](http://www.zm.gov.lv))

Management of the state-owned forests is performed by the Joint Stock Company "Latvia's State Forests", established in 1999. It implements the state's interests in terms of preserving and increasing the value of the forest and enhancing the contributions of the forest to the national economy ([www.lvm.lv](http://www.lvm.lv)). The interests of private forest owners are represented by the Latvian Forest Owner's Association ([www.mezaipasnieki.lv](http://www.mezaipasnieki.lv)).

In Latvia, forests cover area of 3,08 milj hectares. According to the data of the State Forest Service (concerning the surveyed area allocated to management activities regulated by the Forest Law), forest land amount is up to 52 % (ratio of the 3,05 milj hectares covered by forest to the entire territory of the country). Latvian State owns 1,49 milj ha of forest (49% of the total forest area), while the other 1,58 milj ha (51 % of the total forest area) belong to other owners. ([www.vmd.gov.lv](http://www.vmd.gov.lv) 2021).

The amount of timber felled in 2020 is 13.24 million. cubic meters, of which 7.35 million cubic meters obtained in State forests, but 5,89 mln. cubic meters obtained in the forests of private forest owners, municipalities and other forest owners.

## Distribution of Forest Area by Ownership, 1,000 ha at the end of the year



Source: Central Statistical Bureau of Latvia

The area covered by forest is increasing. The expansion happens both naturally and by afforestation of infertile land unsuitable for agriculture.

Forest land consists of:

forests 3,075 milj ha;

marshes 0,17 milj ha;

roads 0.022 milj ha;

flooded areas 0.017 milj ha;

other forest lands 0.018 milj ha;

ditches 0.062 milj ha.

(State Forest Service: vmd.gov.lv, 2021).

Distribution of forests by the dominant species (Latvian state and private forests):

Pine 33 %;

Spruce 19 %;

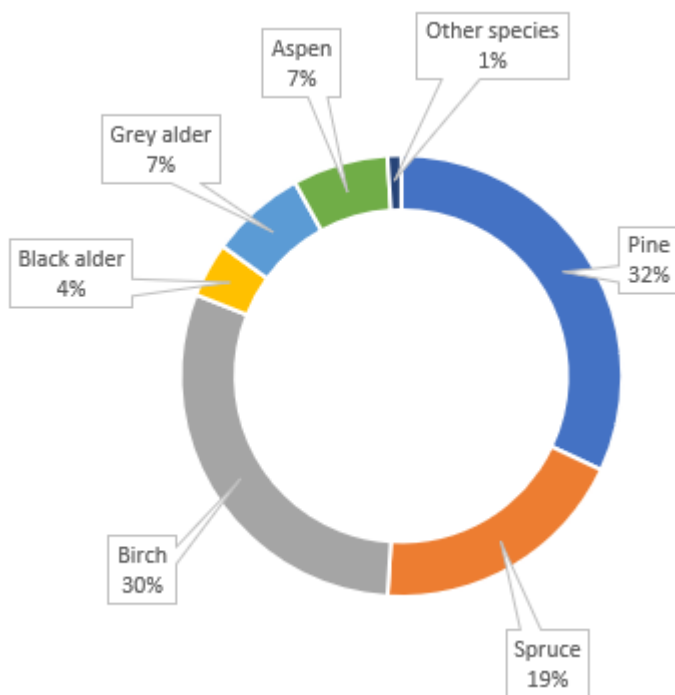
Birch 30 %;

Black alder 4 %;

Grey alder 7 %;

Aspen 7 %;

Other species 1 %.  
 (State Forest Service: vmd.gov.lv, 2021)

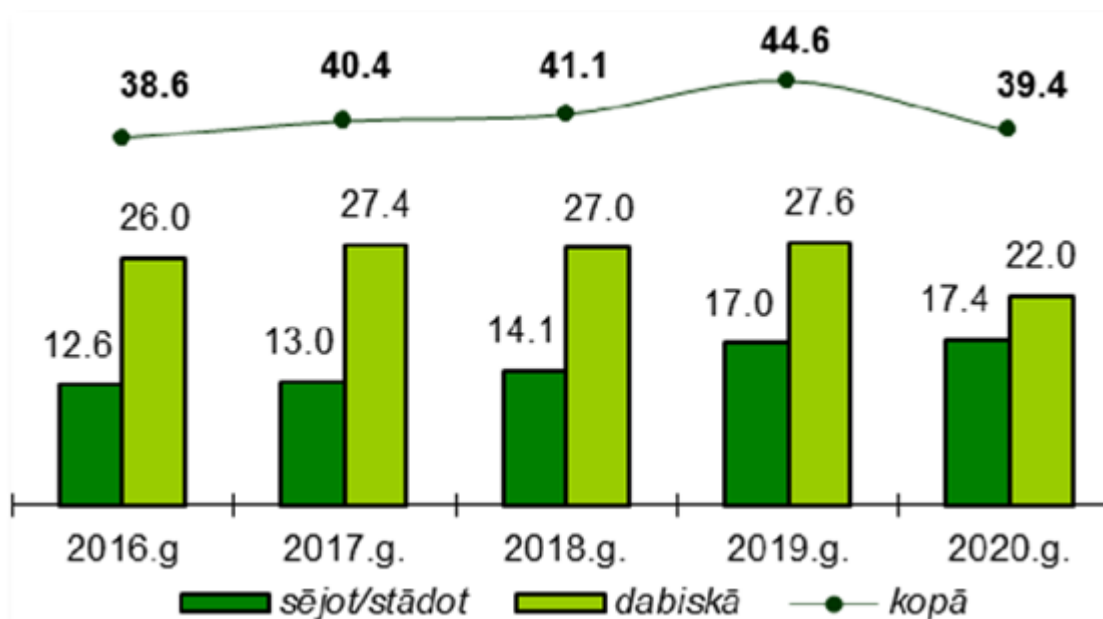


For reforestation and afforestation in 2020 the planting stock produced by species:

- Pine 22,14 milj pieces;
- Spruce 36,55 milj pieces;
- Birch 5,61milj pieces;
- Other 1,62 milj pieces.

In 2020, the forest were restored by planting and sowing 17,4 thousand ha (44% of regenerated forest total area); re-sown or planted in State forests 10,8 thousand ha (67%), but in the forests of other owners 6,6 thousand ha which is 29% of the total restored forest areas of other owners in 2020.

Reforestation in Latvia thous/ha



(State Forest Service: vmd.gov.lv, 2021)

## Final Felling and Forest Regeneration, 1,000 ha



(<https://www.liaa.gov.lv/en/trade/industries/forest>)

### Biological diversity

Latvia has been included in the Natura 2000 network since 2004, there are a total of 1010 protected areas in Latvia, 333 Natura 2000 sites - 98 Special Protection Areas (Birds Directive) and 329 Sites of Community Importance (Habitat Directive) - as well as 677 sites designated under national laws. The protected area network in Latvia is strongly influenced by the interaction between nationally designated sites and Natura 2000, with 63% of the total area covered by protected areas an overlap between Natura 2000 sites and nationally designated sites.

Natura 2000 sites in Latvia cover 205 species and 62 habitats from the nature directives. The number of species and habitats protected in each site varies depending on the location of the site, the biodiversity in the region, the designation being used, and the features the site is being created to protect. For 4 sites there is only 1 feature being protected with 133 sites having more than 20 features.

In historical terms, the intensive use of Latvia's forests for economic purposes began comparatively later than in many other European countries, and that has allowed us to preserve extensive biological diversity. In order to protect highly endangered species and habitats located without the designated protected areas, if a functional zone does not provide that, micro-reserves are established. According to data of the State Forest Service so far has been established totally 2768 micro-reserves with a total area 46,3 thousand ha. 89% of micro-reserves are in State forests, 2% in the forests of local governments and 9% in private forests. Annually area of micro reserves slightly increases. The largest in terms of number and total of protected areas are established for birds.

Species protected in Latvia under EU law are protected under the Habitats Directive and under the Birds Directive. The Habitats Directive has a total of 2 500 species on its list, the Birds Directive has a total of 500 species of wild birds protected. 205 species protected under EU law in Latvia, 1 species are unique to Latvia, 329 species under the Habitats Directive, 98 species under the Birds Directive.

(<https://biodiversity.europa.eu/countries/latvia>)

Latvia has ratified the CITES Convention (Convention on International Trade in Endangered Species of Wild Fauna and Flora) since 1997. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Latvia.



### Conservation CITES or IUCN species

Species	CITES status	IUCN classification
Oak ( <i>Quercus robur</i> )	Not on the list	Least concern (LC)
Oak ( <i>Quercus petraea</i> )	Not on the list	Least concern (LC)
Other CITES / IUCN registrations	<p>Accession 1997</p> <p><a href="https://cites.org/eng/cms/index.php/component/cp/country/LV">https://cites.org/eng/cms/index.php/component/cp/country/LV</a></p> <p>Other CITES species are present but do not include softwood or deciduous trees which are threatened.</p> <p>Full list:</p> <p><a href="http://checklist.cites.org/#/en/search/country_ids%5B%5D=196&amp;cites_appendices%5B%5D=I&amp;cites_appendices%5B%5D=II&amp;cites_appendices%5B%5D=III&amp;output_layout=alphabetical&amp;level_of_listing=0&amp;show_synonyms=1&amp;show_author=1&amp;show_english=1&amp;show_spanish=1&amp;show_french=1&amp;scientific_name=Plantae&amp;page=1&amp;per_page=20">http://checklist.cites.org/#/en/search/country_ids%5B%5D=196&amp;cites_appendices%5B%5D=I&amp;cites_appendices%5B%5D=II&amp;cites_appendices%5B%5D=III&amp;output_layout=alphabetical&amp;level_of_listing=0&amp;show_synonyms=1&amp;show_author=1&amp;show_english=1&amp;show_spanish=1&amp;show_french=1&amp;scientific_name=Plantae&amp;page=1&amp;per_page=20</a></p>	<p>Common Ash (<i>Fraxinus excelsior</i>) – Near Threatened</p> <p><a href="https://www.iucnredlist.org/species/203367/67807718">https://www.iucnredlist.org/species/203367/67807718</a></p> <p>Full list</p> <p><a href="https://www.iucnredlist.org/search?andRegions=LV&amp;searchType=species">https://www.iucnredlist.org/search?andRegions=LV&amp;searchType=species</a></p>

### Forest and community

The Latvian state owns around one-half of the country forests, while most of the forest belongs to approximately 135,000 private owners. Nearly everywhere, people are free to hike through the forest and to pick mushrooms and berries. The number of places for recreation is increasing every year in Latvia's forests, and the territories in which recreation is one of the main goals of forest management represent 8% of all forest in Latvia. Observation towers, educational trails, natural objects of culture history value, picnic venues: they are just a few of recreational infrastructure objects available to everyone free of charge. Recreational forest areas include national parks (excluding strictly protected areas), nature parks, protected landscape areas, protected dendrological objects, protected geological and geomorphologic objects, nature parks of local significance, the Baltic Sea dune protection zone, protective zones around cities and towns, forests within administrative territory of cities and towns. Part of management and governance of specially protected natural areas (SAC) in Latvia is co-ordinated by the Nature Conservation Agency under the Ministry for Environmental Protection and Regional Development.

### Certification

More than 50 % of Latvian forests totally 1,75 milj hectares, including all State-owned forests, are certified in accordance with the PEFC system, and 50 companies, in Latvia have obtained certification of their delivery chains from the same system. About 333 forest-sector enterprises and forest owners have certified their timber chain-of-custody systems according to FSC requirements and the amount of forestland that has been certified on the basis of FSC requirements exceeds 1,2 million hectares.

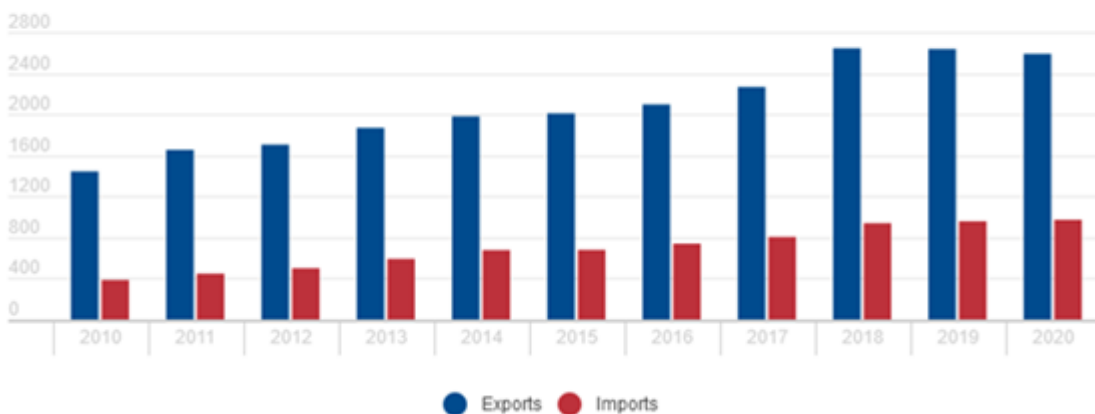
### Contribution to the economy

In year 2021 Latvia exported forest products worth €3.649 billion, 41% more than in 2020, according to information by the Ministry of Agriculture. Wood and its products were exported at €3.173 billion in 2021, which is 44.8% more than a year earlier and represented 87% (84.% a year ago) of total forest product exports.

Exports of sawn wood and timber products amounted to €1.212 billion, 77.3% more than in 2020, fuelwood exports increased by 9% at €524,343 million, particleboard exports grew by 61.5% at €284.103 million, plywood exports grew by 10.3%, an increase of €255.821 million, while carpentry products were exported at EUR 208.121 million, which is 30.2% more than in 2020.

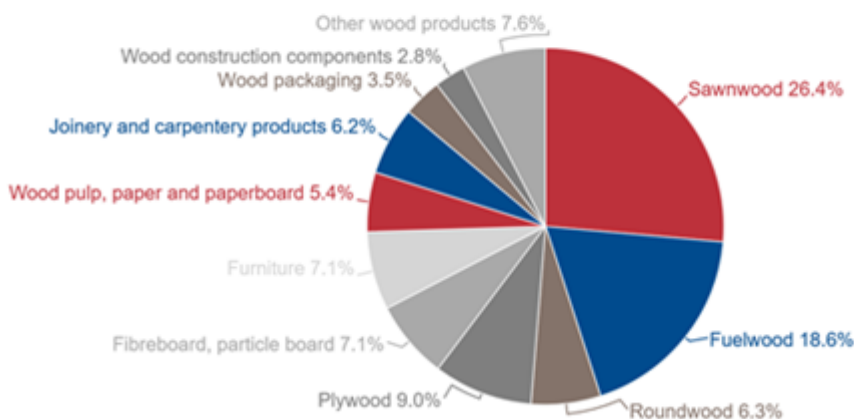
Most forest production last year was exported to the United Kingdom (27.4%), Sweden (7.4%), Germany (7.2%), and Denmark (7.2%). Compared to 2020, forest exports to the United Kingdom increased twice and amounted to €998.811 million. Exports to Sweden increased by 14% and reached €271.075 million, exports to Germany increased by 38.4% and €263.921 million, while forestry exports to Denmark grew by 27.1% and reached €262.018 million. In 2020, Latvia exported forest production worth EUR 2.588 billion.

## Exports and Imports of Woodworking Products, mln EUR



Sawn wood, fuel wood, and roundwood had the biggest shares of export value, totalling EUR 684 million, Eur 481 million and EUR 163 million respectively.

## Export of Forest Products by Type of Products in 2020, %



The proportion of SBP feedstock for product groups in Sveaskog Baltfor is as follows:

Controlled feedstock 89% (309 suppliers) (non-certified, controlled within SBE system of BP's own control system)

and SBP Controlled Primary feedstock accordingly 11% (17 suppliers), include FSC certified suppliers.

**Country:**Lithuania

**Area/Region:** All regions

**Sub-Scope:** N/A

**Exclusions:** No

### Lithuania forest resources

Forest area (% of land area) in Lithuania was reported at 35,14% in 2020. The general overview of forest statistics shows, that forest conditions in Lithuania are improving, forest area and timber resources are increasing.



Resources accumulated in Lithuanian forests allow to further enhance sustainable forest development and fulfill social, environmental and economical functions of Lithuanian forests. Agricultural land covers more than 50 percent of Lithuania. Forested land consists of about 28 percent, with 2.17 million ha, while land classified as forest corresponds to about 30 percent of the total land area. The south-eastern part of the country is most heavily forested, and here forests cover about 45 percent of the land.

There are over 2 million hectares of excellent-quality forest in Lithuania. It is dominated by pine 35%, birch 22% and spruce 21% other species 22%.

According to the ownership, forests are divided into state (1.10 million ha), private forests (0,88 million ha) and other ownership types (0.2 million ha). Forest land is divided into four protection classes: reserves (2 %); ecological (5.8 %): protected (14.9 %); and commercial (77.3 %). In reserves all types of cuttings are prohibited.

In national parks, clear cuttings are prohibited while thinning and sanitary cuttings are allowed. Clear cutting is permitted, however, with certain restrictions, in protected forests; and thinning as well. In commercial forests, there are almost no restrictions as to harvesting methods.

Lithuania is situated within the so-called mixed forest belt with a high percentage of broadleaves and mixed conifer-broadleaved stands. Lithuania has been a signatory of the CITES Convention since 2001. CITES requirements are respected in forest management, although there are no local tree and shrub species included in the CITES annexes.

Current harvest has reached some 3.0 million m<sup>3</sup> u.b. per year. The consumption of industrial wood in the domestic forest industry, including export of industrial wood, is estimated to be less than 2.0 million m<sup>3</sup>. The remaining is used for fuel or stored in the forests, with a deteriorating quality as a result. The potential future annual cut is calculated at 5.2 million m<sup>3</sup>, of which 2.4 million m<sup>3</sup> is made up of sawn timber and the remaining 2.8 million m<sup>3</sup> of small dimension wood for pulp or board production, or for fuel. The figures refer to the nearest 10-year period. Thereafter a successive increase should be possible if more intensive and efficient forest management systems are introduced. The growing stock volume has increased steadily over the last decades. (Resource: <https://forest.eea.europa.eu/countries/lithuania/lithuania-basic-data> .

### **Forest owners' Association of Lithuania**

The FOAL is the national interest organization for the forest owners in Lithuania and has the status of an independent public NGO. FOAL is recognized national organization in Lithuania and internationally. FOAL consists of: Member of Chamber of Agriculture of Lithuania; Member of Confederation of European Forest Owners (CEPF); Member of European Landowners' Organization (ELO); Member of International Forestry Alliance (IFFA); Program for the Endorsement of Forest Certification schemes Council, (PEFCC) [through FOAL founded non-profit organization "PEFC Lietuva"]. FOAL is taking steps to enhance the education and extension services for private forest owners in Lithuania. It is the founder of public institution "Private Forest Extension Centre", which is organizing courses for forest owners throughout the country since 2000. (www.forest.lt )

### **Environmental issues**

Forests make up one of the most important natural and indigenous resources in Lithuania. The general overview of forest statistics shows, that forest conditions in Lithuania are improving, forest area and timber resources are increasing. Resources accumulated in Lithuanian forests allow to further enhance sustainable forest development and fulfil social, environmental and economical functions of Lithuanian forests. Lithuania is in a rather good position from which to initiate and promote nature conservation, biodiversity preservation and ecosystem reconstruction for the following reasons: - Since forest land is still almost entirely state owned, this should facilitate reserving areas for nature protection and applying proper forest management systems. - Forests are still diverse with a high proportion of broadleaved trees and also a comparably high proportion of wetlands. - There is a high proportion of national parks and nature reserves set aside; however these are not always protected in an effective manner or managed in a way that emphasizes nature conservation. - Many sensitive species of plants and animals are still present. The development trends are, however, not wholly favourable from the nature conservation point of view and the risk of short-sighted thinking and acting is great during the current economic recession, privatization process and transition towards a free market economy. The legislation has only partly been adapted to the new conditions and lack of knowledge and awareness of nature conservation; the issues of biodiversity preservation among its people is obvious. Lithuania signed the agreement of the Rio Conference in 1992. There are over 2 000 species of vascular plants, of which 1 450 are native, about 250 species of mosses, 400 species of lichens and 2 000 species of fungi in Lithuania. Today 501 of all species of the Lithuanian flora and fauna are listed in the red data book, according to the IUCN criteria. Of the total 120 endangered species (Category 1), there are 52 angiosperms, 29 insects and 12 bird species.

### **Certification**

All state-owned forests 1081 000 ha are FSC certified. In addition to state forest enterprise, 4 private forest managers are managing forests (35 869 ha) in accordance with FSC standard requirements. Total area FSC certified in Lithuania (2019) is 1,18 million ha.

Certification of all state forests in Lithuania is done according to the strictest certification in the world – the FSC (Forest Stewardship Council) certificate. The audit of this certificate testifies to the fact that Lithuanian state forests are managed especially well – following the principles of the requirements set to protection of and an increase in biological diversity. (Resources: <http://www.fao.org/docrep/w3722e/w3722e22.htm>)

### **Wood production goal**

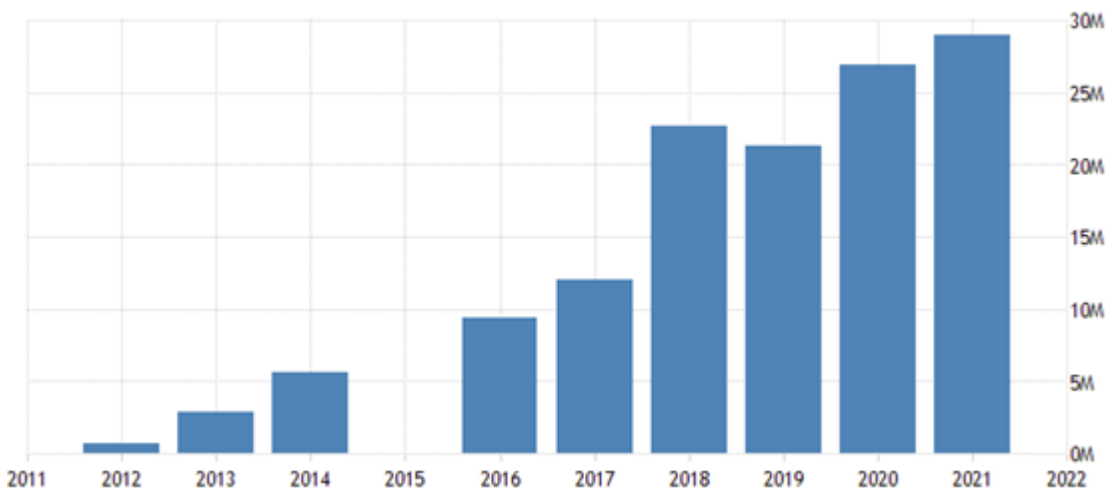
Forest land - suitable and designated for wood production - and forests growing on them shall be managed efficiently and responsibly so as to best utilize the wood production capacity with the aim to providing a sustainably high and economically valuable yield. Management systems shall be adapted to both prevailing growing conditions and demands for environmental protection. Legislation developed for the energy biomass market in Lithuania allows efficient restructuring of the energy sector, especially for heat production. The Lithuanian energy sector has already successfully replaced imported and relatively expensive natural gas with locally available cheaper renewable energy sources (RES). Compliance with formal environmental regulations is required to protect the soil, ground vegetation, understory and biodiversity during commercial tree harvesting. Lithuania has basic guidelines for the use of wood ash as a compensatory fertiliser, with strict requirements for the chemical quality of wood ash.

### Environmental goal

In all management and use of forest land and forests, proper consideration must be given to conservation and protection of nature and wildlife. Biodiversity and genetic variation must be maintained by the protection of endangered plants and animal species, and by conservation of valuable forest biotopes. (Resource: <http://www.fao.org/docrep/w3722e/w3722e22.htm>)

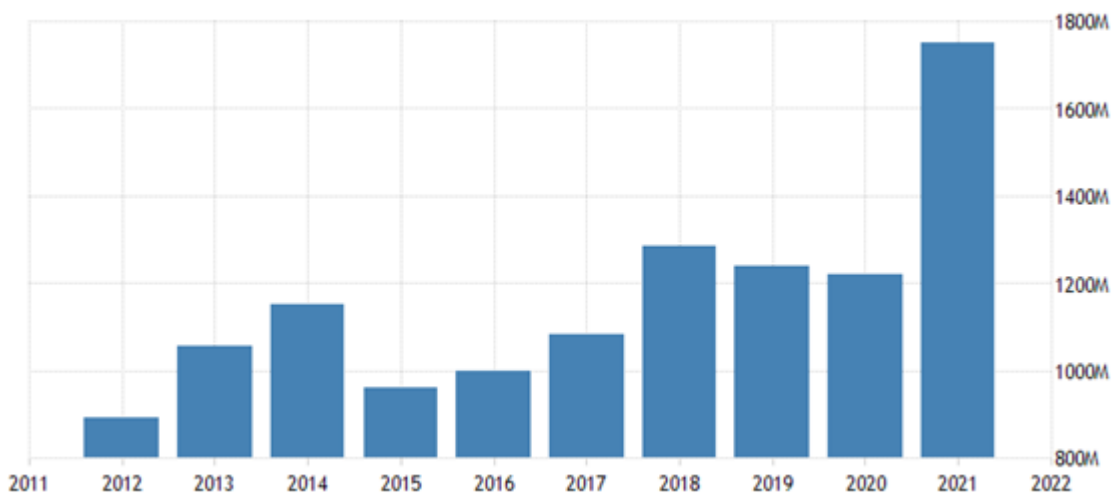
### Export

Export of wood chips and particles (all species) 998 thousand cubic meters, wood pellets 379,4 and roundwood, fuelwood 6 366 thousand cubic meters. (Resource: [https://ec.europa.eu/eurostat/databrowser/view/FOR\\_BASIC\\_\\_custom\\_2353014/default/table?lang=en](https://ec.europa.eu/eurostat/databrowser/view/FOR_BASIC__custom_2353014/default/table?lang=en)) Lithuania exports of wood and articles of wood, wood charcoal was US\$1.22 Billion during 2020, according to the United Nations COMTRADE database on international trade.



(Resource: <https://tradingeconomics.com/lithuania/exports/wood-articles-wood-wood-charcoal> )

Exports to Latvia Lithuania exports of fuel wood, wood in chips or particles, sawdust, wood waste and scrap to Latvia was US\$26.75 Million during 2020, according to the United Nations COMTRADE database on international trade.



(Resource: <https://tradingeconomics.com/lithuania/exports/latvia/fuel-wood-logs-wood-chips> )

No Lithuanian origin SBP feedstock in Sveaskog Baltfor product groups during audit period.

## 2.3 Actions taken to promote certification amongst feedstock supplier

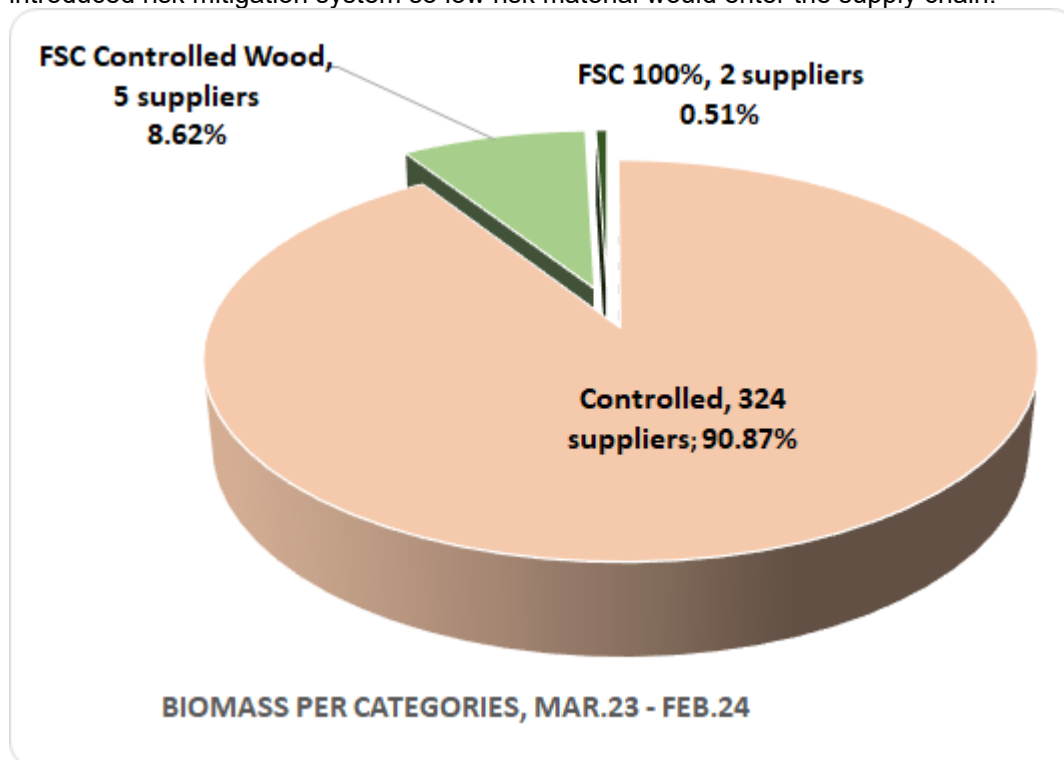
Most of the volume for biomass market produced from Sveaskog Baltfor own production units, when necessary other suppliers are also involved (try to keep minimum number of suppliers and % of total volume). No external biomass purchases during audit period, 100% from own production.

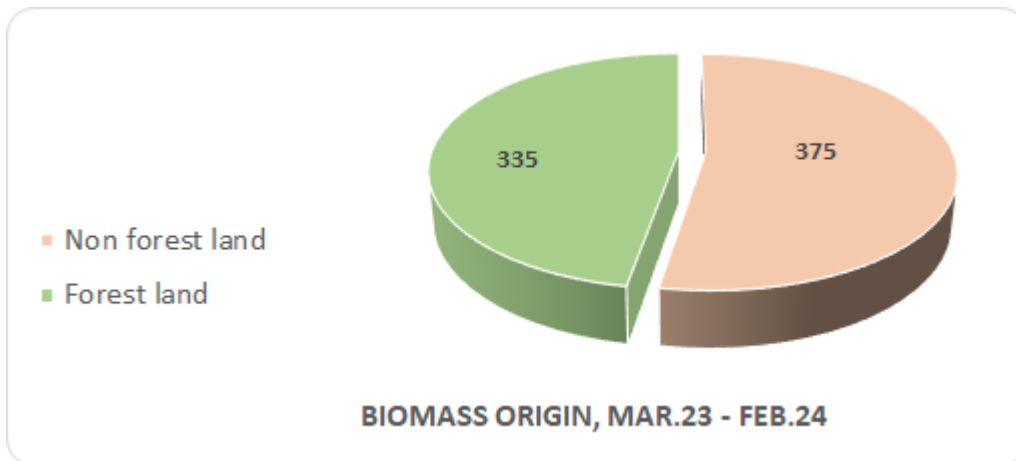
Sveaskog Baltfor prefers dealing with FSC-certified companies, due to FSC CW requirements increased proportion of FSC certified companies. Company initiates cooperation and offers better supply conditions for FSC-certified suppliers (better payment terms, higher delivery volumes, price bonus).

Sveaskog Baltfor introduces with FSC certification the uncertified suppliers and forest owners, as well as motivates to carry out their own certification.

As cooperation is mostly with direct owners or developers who are not certified, the certified material is mainly obtained from stable logging companies.

It is quite difficult for Sveaskog Baltfor to obtain certified raw material as company itself does not have forest areas, therefore the company educates its cooperation partners, as well as continuously improves its introduced risk mitigation system so low risk material would enter the supply chain.





## 2.4 Quantification of the Supply Base

### Supply Base

- Total Supply Base area (million ha):** 5.05
- Tenure by type (million ha):** 2.46 (Privately owned), 2.59 (Public)
- Forest by type (million ha):** 5.05 (Boreal)
- Forest by management type (million ha):** 5.05 (Managed natural)
- Certified forest by scheme (million ha):** 2.30 (FSC), 1.69 (PEFC)

**Describe the harvesting type which best describes how your material is sourced:** Mix of the above

**Explanation:** The proportion of provided biomass from the forest lands: clear-cutting 75%, thinning 18%, selective cutting 6% and forest damage areas 1% of all feedstock. According to our approach to production feedstock from other forest land types of harvest are rarely used due to difficulties in the feedstock preparation process (narrow access roads, bulky cargo, more likely to injure abandoned trees). 65% of all feedstock is from non-forest lands.

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

**Explanation:** The purpose of the Forest Law is to promote the economically, ecologically and socially sustainable management and use of forests, ensuring equal rights, inviolability of property rights and independence of economic activities for all forest owners or legal possessors and establishing equal obligations and regulating the conditions of state forest land management and disposal.

**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:** In 2022 in Latvia a total of 41.039 thousand ha of forest, of which 18.192 thousand ha have been restored in the state forest and other owners - 22.847 thousand ha. By recurring processes there were 20.999 thousand ha of forests that were sown/planted and naturally renewed 20.040 thousand ha during 2022. According to statistical data, the restored areas has increased by 498 ha compared to 2021.

<https://www.vmd.gov.lv/lv/statistikas-parskats-2021>

[https://data.stat.gov.lv/pxweb/lv/OSP\\_PUB/START\\_\\_NOZ\\_\\_ME\\_\\_MEA/MEP081/table/tableViewLayout1/](https://data.stat.gov.lv/pxweb/lv/OSP_PUB/START__NOZ__ME__MEA/MEP081/table/tableViewLayout1/)

**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:** N/A

**What is the estimated amount of REDII-compliant sustainable feedstock that could be harvested annually in a Supply Base (estimated):** 125000.00 tonnes

**Explanation:**REDII-compliant sustainable feedstock only should be into the supply chain.

## Feedstock

**Reporting period from:** 01 Mar 2023

**Reporting period to:** 29 Feb 2024

- a. **Total volume of Feedstock:** 400,000-600,000 m<sup>3</sup>
- b. **Volume of primary feedstock:** 400,000-600,000 m<sup>3</sup>
- 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:** Picea abies (Spruce); Pinus sylvestris (Pine); Populus tremula (Alder); Alnus glutinosa (Alder); Populus tremula (Aspen); Betula pendula (Birch); Betula pubescens (Birch); Salix spp (Willow species);
- e. **Is any of the feedstock used likely to have come from protected or threatened species?** No
  - Name of species: N/A
  - Biomass proportion, by weight, that is likely to be composed of that species (%):
- f. **Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%):** 62.00
- g. **Softwood (i.e. coniferous trees): specify proportion of biomass from (%):** 38.00
- h. **Proportion of biomass composed of or derived from saw logs (%):** 0
- i. **Specify the local regulations or industry standards that define saw logs:** Regulatory documents, procedures and standard LVS 82:2024 for measurement of round timber in Latvia is available on <https://www.lkuuv.lv/normativa-vide/>
- j. **Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** 0.00
- 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:** 0 N/A
  - Physical form of the feedstock:
- n. **Volume of tertiary feedstock:** 0 N/A
  - Physical form of the feedstock:
- o. **Estimated amount of REDII-compliant sustainable feedstock that could be collected annually by the BP:** 125000.00tonnes

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



<b>Feedstock type</b>	<b>Sourced by using Supply Base Evaluation (SBE) %</b>	<b>FSC %</b>	<b>PEFC %</b>	<b>SFI %</b>
Primary	99.49	0.51	0.00	0.00
Secondary	0.00	0.00	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

*Note: Annex 1 is generated by the system if the SBE is used without Region Risk Assessment(s). Annex 2 is generated if RED II SBE is in the scope.*

#### **Is Supply Base Evaluation (SBE) is completed? Yes**

SBP Biomass supply evaluation includes:

- Primary feedstock (woodchips from firewood and branches as wood residues from logging);
- Non-forest land feedstock (woodchips from overgrown agricultural areas, powerlines and ditch areas branches after clearing).

Feedstock during audit period is obtained only from Latvia.

Sveaskog Baltfor SIA defines the biomass received from approved biomass sources and supplies as SBP-compliant biomass.

Risk assessment is divided into "Low risk", "Specified risk" or "Unspecified risk".

#### **Is REDII SBE completed? Yes**

Since 01.06.2023 the BP has developed and implemented the BIOMASS SUSTAINABLE MANAGEMENT PROCESS (RED II SBE), biomass sustainable management process must be maintained, monitored and regularly improved in accordance with current legislation and risk assessments.

## 4 Supply Base Evaluation

*Note: Annex 2 is generated if RED II is in the scope.*

### 4.1 Scope

**Feedstock types included in SBE:** Primary

**SBP-endorsed Regional Risk Assessments used:** Lithuania, Latvia

**List of countries and regions included in the SBE:**

**Country:** Latvia

**Indicator with specified risk in the risk assessment used:**

2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.

**Specific risk description:**

High Conservation Value Forests, category 3 - include Natura 2000 sites, EU protected habitats, Woodland key habitats. Aggregations of WKHs and EU protected habitats are designated in protected territories –nature reserves, national parks, landscape protection areas, biosphere reserve in national level or as Natura 2000 sites in EU level. Significant areas of WHK, particularly those located in private forests do not have any protection status and there is a high risk of elimination of WKHs and EU protected habitats in privately owned forests.

**Country:** Latvia

**Indicator with specified risk in the risk assessment used:**

2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.

**Specific risk description:**

High Conservation Value Forests, category 1 –species including bird species listed in the Bird directive annexes, are strictly protected on national level through environmental protection and legislation. Major sites of location of protected species are known, protected territories established and known. Nesting areas of a number of species included in the Bird's Directive Annex I are not identified and registered in the forest register databases and thus "de facto" are not protected outside protected territories with special protection regime.

High Conservation Value Forests, category 3 - include Natura 2000 sites, EU protected habitats, Woodland key habitats. Aggregations of WKHs and EU protected habitats are designated in protected territories –nature reserves, national parks, landscape protection areas, biosphere reserve in national level or as Natura 2000 sites in EU level. Significant areas of WHK, particularly those located in private forests do not have any protection status and there is a high risk of elimination of WKHs and EU protected habitats in privately owned forests.

High Conservation Value Forests, category 6 - Forest and parks in or around objects of cultural heritage, for instance, manor parks, urban forests, forests of the important historical sites. Cultural forests are owned by both the state and private owners. Historical places are under supervision of Cultural Heritage Inspection, urban forests and parks are managed by municipalities/local governments. A working database of cultural heritage value exists and all values are preserved by implementation of the Law on Protection of Immovable Cultural Properties. However, there are numerous old manor parks, dendrology plantations that have been established at manors, but been abandoned over the course of time and converted to forests. There is no information compiled on such forests and its status is unknown. There is a risk of destruction of cultural values presented by those forests and subsequently this sub-category is considered as specified risk.

**Country:** Latvia

**Indicator with specified risk in the risk assessment used:**

2.8.1 The BP has implemented appropriate control systems and procedures for verifying that appropriate safeguards are put in place to protect the health and safety of forest workers (CPET S12).

**Specific risk description:**

Commercial entities operating in forestry sector, working in certified PEFC/FSC FM/COC certified forest operations as a subcontractors are monitored both by the forest managers, and accredited FSC certification bodies. Logging companies providing logging services for FSC certified operations are considered being at "low risk" in relation to occupational health and safety requirements due to periodic verification by both the contracting company and 3rd parties –certification institutions.

“Specified risk” are companies working in non-certified forests, primarily –private owned forests as well as self-employed persons and micro-enterprises that are using hand-saws.

## 4.2 Justification

SBP endorsed SBP Regional Risks Assessments for Latvia has been developed in accordance with SBP standard Nr.1 version 1.0 of March 2015 and SBP standard Nr.2 version 1.0 of March 2015, assessing the risk category for each SBP indicator. Through reviewing and assessing the risk, the company acquired an in-depth understanding of the wood supply risks that could affect the acceptance of SBP non-compliant material for biomass production.

Since 28.09.2017 the BP uses the SBP- endorsed Regional Risk Assessment for Latvia.

Sveaskog Baltfor SIA as a wood processing and forestry company with more than 20 years of experience, as well as by attracting independent experts of biotope and nature conservation specialists, has developed risk mitigation and control mechanisms to assess and validate the biomass supplies and suppliers whose products correspond to SBP-compliant biomass status.

To develop a SBE system, supply assessment and risk mitigation measures have been performed by Sveaskog Baltfor SIA by attracting the existing staff, Production manager, who has more than 10 year`s experience in woodchips production and trade, experience and knowledge of forestry and wood procurement and legislation matters; Environment and Quality manager, who has more than 5 year`s experience in FSC, ISO system maintenance and development; Production administrative specialist who started as an assistant in 2019 and has studied ISO system maintenance and development.

We are also attracting outsourcing provider company Lodret SIA consultant - Wood processing technologist with more than 20 years` experience in the timber industry, 10 years` experience as the leading auditor of FSC, PEFC forestry and supply certification.

## 4.3 Results of risk assessment and Supplier Verification

### Programme

The risk assessment analysis included requirements regulated by the regulatory enactments of the Republic of Latvia.

Taking into account the specifics of Latvia as well as the recommendations and advice of experts, "Defined risk" was used for biotope protection (HCV category 3), occupational safety, conservation of bird habitats (HCV category 1) and cultural heritage objects (HCV category 6).

Since 28.09.2017 the BP uses the SBP- endorsed Regional Risk Assessment for Latvia.

### 4.4 Conclusion

Since August 1, 2016 when the requirements of SBE standards were initiated and introduced, the compliance of feedstock suppliers to specific risks was reviewed. Only suppliers who have direct logging and the competence to assess potential risks is recognized suitable as SBP suppliers for wood that is not certified according to the requirements of FSC or PEFC standards. The amount of FSC or PEFC certified forests and access to certified wood is insufficient to ensure required volume of the biomass with SBP-compliant biomass status.

As a result of risk mitigation measures, Sveaskog Baltfor SIA has confirmed that risk mitigation measures can be provided at our own forestry and conform to SBE low risk category at supply level. Also, when Sveaskog Baltfor inspecting and performing risk mitigation measures to his supplier before logging in certain production area, can be if risk mitigation measures are effective and meet SBE low risk category at supply level.

Since 28.09.2017 the BP uses the SBP- endorsed Regional Risk Assessment for Latvia.

## 5 Supply Base Evaluation process

Sveaskog Baltfor SIA SBP-compliant biomass assessment refers to supplies only from Latvia and obtaining of biomass from:

- SBP-approved forestry certification scheme;
- SBP-low risk feedstock sourced within SBE system;
- SBP approved supply chain (CoC) system requirements;
- SBP-approved supply from non-forest lands.

Risk assessment results were obtained by carrying out audits at logging companies which approved taking necessary measures for risk mitigation. Additional consultation with other forestry and logging companies was carried out, and the results and experience obtained was publicly discussed with non-governmental organizations. During confirmation of fulfillment of SBP requirements and assessment of the competence of suppliers, loggers and processors, experts in work safety, biotope and bird nest exploration and identification of possible cultural and historical sites were involved. The company has developed and implemented a risk mitigation procedure where the identified risk mitigation measures and tools are described. Questionnaires to test each risk indicator were designed and applied to objectively assess and obtain all information on each wood acquisition site, which is or is not approved as SBP compliant biomass. Audit frequency and plan is designed so that timber from felling (forest management units) that originates from approved cutting area is audited in a 6-month period. Audits are performed prior to and during logging. The audit procedure is available at the company only by request, considering confidentiality, and is presented and discussed with interested parties to improve it effectively.

Since 28.09.2017 the BP uses the SBP- endorsed Regional Risk Assessment for Latvia.

## 6 Stakeholder consultation

In September 2021, Sveaskog Baltfor published SBR on its website <https://www.sveaskog.se/en/sveaskog-baltfor-sia/sbp-certification/> . An informative letter (31. January 2022) was sent electronically to the interested parties. The list of interested parties was created so that it includes the maximum number of recipients that represent economic, social and environmental interests of society, as well as local municipalities. The total number of recipients - 63.

### **SBP Level B risk assessment public consultation:**

18.04.2024 company made publication on Sveaskog Baltfor Facebook page and informative e-mail sent out to 68 stakeholder addresses. The consultation will take place for one month until 19.05.2024.

The risk assessment was sent to a total of 3 interested parties upon request.

After contacting the interested parties, they confirmed that they had read the document, but no comments/suggestions followed.

### 6.1 Response to stakeholder comments

# 7 Mitigation measures

## 7.1 Mitigation measures

**Country:**

Latvia

**Specified risk indicator:**

2.1.1 The BP has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation value in the Supply Base are identified and mapped.

**Specific risk description:**

High Conservation Value Forests, category 3 - include Natura 2000 sites, EU protected habitats, Woodland key habitats. Aggregations of WKHs and EU protected habitats are designated in protected territories –nature reserves, national parks, landscape protection areas, biosphere reserve in national level or as Natura 2000 sites in EU level. Significant areas of WHK, particularly those located in private forests do not have any protection status and there is a high risk of elimination of WKHs and EU protected habitats in privately owned forests.

**Mitigation measure:**

The **non-forest land** field inspections are made both in the pre-processing and post-processing phases. Suppliers send out information before processing, indicating the cadastre numbers. For information about land usage types and property ownership rights we use database <https://www.kadastrs.lv/>. Cadastral numbers are being checked according to data bases whether a possibility is present of any of the risk groups applying, also, if wood acquisition from protected areas is planned, such as meadow areas of conservation.

Main checking if the feedstock does not originate from conservation areas have been made via online database “Ozols” at Nature Protection Board (Dabas aizsardzības pārvalde) <http://ozols.daba.gov.lv/pub/Life/>. The next checking is the presence of habitats in the same database “Ozols”, and the presence of cultural and historical sites in site: [www.mantojums.lv](http://www.mantojums.lv) or [www.lvmgeo.lv](http://www.lvmgeo.lv). The presence of habitats and cultural-historical objects is assessed in each case individually. If a habitat (of endangered species) is identified, it is assessed individually whether the forestry may cause damage to the habitat. If a large tree is found in the property, activities are regulated by Minister Cabinet regulations No. 264. (2010.16.03) - not only the tree itself is protected, but also the area under the tree (minimum 10m). To assess the biological value of a property, wood purchasers carry out audits to all non- forest lands using approved biotope questionnaires.

In such territories as nature parks, nature reserves, micro-reserves binding regulations are being checked - laws, regulations of the Minister Cabinet. If there are no restrictions, material is being purchased.

If during the inspection and evaluation of the overgrown non-forest areas there are doubts of possible biotope, the wood purchasers contact quality & environmental specialist at Sveaskog Baltfor to acquire additional data on the found indicators. If the presence of the biotope in the property is confirmed, it is assessed whether it is a biologically valuable grassland that would even need to cut down the bushes to prevent overgrowth of the meadow. In cases where it is forbidden, raw material is not being purchased. Feedstock from **forest land** primarily is checked if there is legal cutting permit. For information about land usage types and property ownership rights we use database <https://www.kadastrs.lv/>. Confirmation that timber does not originate from conservation areas is made via the online register “Ozols” at Nature Protection Board (Dabas aizsardzības pārvalde) <http://ozols.daba.gov.lv/pub/Life/>.

Mar,23- Feb,24 all forest sites mentioned in cutting permit, are checked



at the database "Ozols" if the presence of habitats at site, and the presence of cultural and historical sites in site: [www.mantojums.lv](http://www.mantojums.lv) or [www.lvmgeo.lv](http://www.lvmgeo.lv). The presence of habitats and cultural- historical objects is assessed in each case individually. If a habitat (of endangered species) is identified, it is assessed individually whether the forestry may cause damage to the habitat. If a potential damage can be caused, material is not been purchased.

If a large tree is found in the property, activities are regulated by Minister Cabinet regulations No. 264. (2010.16.03) - not only the tree itself is protected, but also the area under the tree (minimum 10m). Photos after logging with the protected tree is been captured and saved. All regulations apply to both – forest land and non-forest land.

The landowner is verified according to the cadastral number, also requesting all the supply chain documentation that leads from owner to the supplier. Assessment of risks for forest territories applies in the same amount as regarding non-forest lands.

In such territories as nature parks, nature reserves, micro-reserves binding regulations are being checked - laws and regulations of the Minister Cabinet. If there are no restrictions, material is being purchased.

**Country:**

Latvia

**Specified risk indicator:**

2.1.2 The BP has implemented appropriate control systems and procedures to identify and address potential threats to forests and other areas with high conservation values from forest management activities.

**Specific risk description:**

High Conservation Value Forests, category 1 –species including bird species listed in the Bird directive annexes, are strictly protected on national level through environmental protection and legislation. Major sites of location of protected species are known, protected territories established and known. Nesting areas of a number of species included in the Bird's Directive Annex I are not identified and registered in the forest register databases and thus "de facto" are not protected outside protected territories with special protection regime.

High Conservation Value Forests, category 3 - include Natura 2000 sites, EU protected habitats, Woodland key habitats. Aggregations of WKHs and EU protected habitats are designated in protected territories –nature reserves, national parks, landscape protection areas, biosphere reserve in national level or as Natura 2000 sites in EU level. Significant areas of WHK, particularly those located in private forests do not have any protection status and there is a high risk of elimination of WKHs and EU protected habitats in privately owned forests.

High Conservation Value Forests, category 6 - Forest and parks in or around objects of cultural heritage, for instance, manor parks, urban forests, forests of the important historical sites. Cultural forests are owned by both the state and private owners. Historical places are under supervision of Cultural Heritage Inspection, urban forests and parks are managed by municipalities/local governments. A working database of cultural heritage value exists and all values are preserved by implementation of the Law on Protection of Immovable Cultural Properties. However, there are numerous old manor parks, dendrology plantations that have been established at manors, but been abandoned over the course of time and converted to forests. There is no information compiled on such forests and its status is unknown. There is a risk of destruction of cultural values presented by those forests and subsequently this sub-category is considered as specified risk.

**Mitigation measure:**

The **non-forest land** field inspections are made both in the pre-processing and post-processing phases. Suppliers sends out information before processing, indicating the cadastre numbers. For information about land usage types and property ownership rights we use database <https://www.kadastrs.lv/>. Cadastral numbers are being checked according to data bases whether a possibility is present of any of the risk groups applying, also, if wood acquisition from protected areas is planned, such as meadow areas of conservation.

Main checking if the feedstock does not originate from conservation areas have been made via online database "Ozols" at Nature Protection Board (Dabas aizsardzības pārvalde) <http://ozols.daba.gov.lv/pub/Life/>.

Mar,23- Feb,24 all forest sites mentioned in cutting permit, were checked at the database "Ozols" if the presence of habitats at site, and the presence of cultural and historical sites in site: [www.mantojums.lv](http://www.mantojums.lv) or [www.lvmgeo.lv](http://www.lvmgeo.lv).

The presence of habitats and cultural-historical objects is assessed in each case individually. If a habitat (of endangered species) is identified, it is assessed individually whether the forestry may cause damage to the habitat. If a large tree is found in the property, activities are regulated by Minister Cabinet regulations No. 264. (2010.16.03) - not only the tree itself is protected, but also the area under the tree (minimum 10m). To assess the biological value of a property, wood purchasers carry out audits to all non- forest lands using approved biotope questionnaires.

In such territories as nature parks, nature reserves, micro-reserves binding regulations are being checked - laws, regulations of the Minister Cabinet. If there are no restrictions, material is being purchased.

If during the inspection and evaluation of the overgrown non-forest areas there are doubts of possible biotope, the wood purchasers contact quality & environmental specialist at Sveaskog Baltfor to acquire additional data on the found indicators. If the presence of the biotope in the property is confirmed, it is assessed whether it is a biologically valuable grassland that would even need to cut down the bushes to prevent overgrowth of the meadow. In cases where it is forbidden, raw material is not being purchased.

Feedstock from **forest land** primarily is checked if there is legal cutting permit. For information about land usage types and property ownership rights we use database <https://www.kadastrs.lv/>. Confirmation that timber does not originate from conservation areas is made via the online register "Ozols" at Nature Protection Board (Dabas aizsardzības pārvalde) <http://ozols.daba.gov.lv/pub/Life/>. After the inspection of forest land biotopes and confirmed presence of it, material is not being purchased.

Mar,23- Feb,24 all forest sites mentioned in cutting permit, were checked at the database "Ozols" if the presence of habitats at site, and the presence of cultural and historical sites in site: [www.mantojums.lv](http://www.mantojums.lv) or [www.lvmgeo.lv](http://www.lvmgeo.lv).

The presence of habitats and cultural- historical objects is assessed in each case individually. If a habitat (of endangered species) is identified, it is assessed individually whether the forestry may cause damage to the habitat. If a potential damage can be caused, material is not been purchased. If a large tree is found in the property, activities are regulated by Minister Cabinet regulations No. 264. (2010.16.03) - not only the tree itself is protected, but also the area under the tree (minimum 10m). Photos after logging with the protected tree is been captured and saved. All regulations apply to both – forest land and non-forest land. The landowner is verified according to the cadastral number, also requesting all the supply chain documentation that leads from owner to the supplier. Assessment of risks for forest territories applies in the same amount as regarding non-forest lands.

In such territories as nature parks, nature reserves, micro-reserves binding regulations are being checked - laws and regulations of the Minister of Cabinet. If there are no restriction, material is being purchased.

**Country:**

Latvia

**Specified risk indicator:**

2.8.1 The BP has implemented appropriate control systems and procedures for verifying that appropriate safeguards are put in place to protect the health and safety of forest workers (CPET S12).

**Specific risk description:**

Commercial entities operating in forestry sector, working in certified PEFC/FSC FM/COC certified forest operations as a subcontractors are monitored both by the forest managers, and accredited FSC

certification bodies. Logging companies providing logging services for FSC certified operations are considered being at "low risk" in relation to occupational health and safety requirements due to periodic verification by both the contracting company and 3rd parties –certification institutions.

“Specified risk” are companies working in non-certified forests, primarily –private owned forests as well as self-employed persons and micro-enterprises that are using hand-saws.

**Mitigation measure:**

Surveillance audits are performed selectively for all suppliers, whether approved as SBP suppliers or not. The process of work protection and work safety risk assessment takes place during logging, during which a work safety specialist performs audits according to a special survey form that includes general requirements for maintaining work safety in the forest. The form is designed in collaboration with a company licensed work safety specialist. After on-site surveillance audits, having assessed the risks of possible work safety, the company management is excluding from the supplier list those suppliers that during audit did not meet the acceptable performance criteria of the risk mitigation program established by the company.

## 7.2 Monitoring and outcomes

1. Each site was surveyed in the OZOLS database to ascertain the natural values owned, the potential fixed natural values, as well as to obtain information on possible restrictions during logging.
2. All logging/chipping sites were surveyed in nature at least once before starting work. Additional site surveys are organized and conducted as needed.
3. Material from an existing or potential habitat shall not enter the Sveaskog Baltfor supply chain flow unless it has been obtained through a habitat improvement procedure in accordance with approval form the Nature Conservation Department.
4. Carry out work safety inspections at suppliers (if necessary, their contractors, cooperation partners) at the beginning of cooperation, re-inspect once in a 12-month period.
5. Sveaskog Baltfor's supply chain must not contain material obtained in violation of occupational safety.

375 non-forest sites and 335 forest sites were surveyed, in total - 710.

In some cases, identifiers of the presence of large birds, large trees, as well as cultural and historical objects or objects with signs of cultural and historical value have been found in the surveyed areas.

Identifiers for the presence of birds have been identified at 14 sites. In relation to the potential habitats of birds, animals and plants, the potential impact of forest works on the habitat is assessed. Only after a survey of the habitat in nature and an assessment of the conditions, branches was taken from these sites.

Natural monuments - protected large trees were identified before registering an object and inspection performed after logging to confirm the fact of tree preservation. 4 big trees have been identified and preserved.

Cultural-historical objects or objects with signs of cultural-historical values were identified before the registration of the object. 28 objects were located in the protection zones of architectural monuments of local significance. The requirements of DAP (Nature Conservation Agency) and NKMP (National Heritage Agency) were observed at all sites and the approvals of works were checked.

No signs of destruction or damage of natural values or cultural and historical objects have been found.

During the period 20 occupational work safety inspections were performed. In all cases there are no significant violations.

During the occupational work safety surveys, no violations were recorded, in the case of which it is necessary to stop the logging works and immediately terminate the cooperation.

Our Supply regions: Kurzeme, Zemgale, Vidzeme.

# 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? Yes**

## 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:	Marta Ciekure	Environment and quality manager	30 Apr 2024
	Name	Title	Date
<b>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.</b>			
Report approved by:	Guntars Zvejsalnieks	Managing Director	30 Apr 2024
	Name	Title	Date

# Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A



## Annex 2: Detailed findings for REDII

### Section 1. RED II Supply Base Evaluation

Country:Latvia	
<b>(i) The legality of harvesting operations</b>	
<b>Type of Risk Assessment used</b>	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
<b>Level A risk assessment description</b>	N/A
<b>Level B management system at the level of the forest sourcing area</b>	<p>Referring to: Date of Level B forest sourcing risk assessment: 11.09.2023 ( V3). Sourced area specific risks are low risk area for forest biomass based on provided Results.</p> <p>In future companies Suppliers Audit Guidelines ( Annex 2 of Level B forest sourcing risk assessment ) are used for demonstrating compliance with the criterion, including indicators and related sources of information, analysed in this specific risk assessment. The Guidelines were prepared based on a review of national regulation frame and, considering best practices applied in the industry. Suppliers list application and conformity process according to Procedure: “SBP sertifikācijas sistēmas apraksts” (V3, 01.09.2023):</p> <p>(1) All suppliers who are supplying materials are contracted with Contract form including approval that legality of timber harvesting can be considered guaranteed.</p> <ul style="list-style-type: none"> <li>- land rights or ownership, including if forests are transferred to others;</li> <li>- forests are determined via plot;</li> <li>- state-regulated logging permission is valid;</li> </ul> <p>(2) Internal checks are conducted for Initial contracting or periodic (annual) Audit is performed (corresponding to Guidelines included in Annex 2) including following criteria:</p> <ul style="list-style-type: none"> <li>- criteria forest regeneration, maintenance, approval from institutions;</li> <li>- national protected areas have been respected and materials are not sourced;</li> <li>- forest transformed issues from other land categories are not included;</li> <li>- biodiversity approvals, including dead wood management;</li> <li>- clear-felling management, status and national institution approvals, including status of forest;</li> <li>- soil management options, including usage of foresters, loaded trucks on forest roads, tyre prints according to national guidelines .</li> <li>- Others.</li> </ul> <p>Suppliers’ audits are conducted via desk audits and site visits. Recordkeeping and evidences are collected in Companies internal database and checklist frames for each individual Supplier.</p> <p><b>Audit results for feb.24 – mar.24, where 29 (properties) and 10 different supplier’s cutting areas were visited was compliant with recognized legislation and RED II requirements.</b></p>

	<p>Mass balance account is 0 for SBP RED II Compliant biomass for the past period, it is planned to start producing the SBP RED II Compliant material in May 2024 in preparation for next heating season.</p>
<p><b>(ii) Forest regeneration of harvested areas</b></p>	
<p><b>Type of Risk Assessment used</b></p>	<p><input type="checkbox"/> Level A – proof at national or sub-national level</p> <p><input checked="" type="checkbox"/> Level B – management system at forest sourcing area level</p>
<p><b>Level A risk assessment description</b></p>	<p>N/A</p>
<p><b>Level B management system at the level of the forest sourcing area</b></p>	<p>Referring to: Date of Level B forest sourcing risk assessment: 11.09.2023 ( V3). Sourced area specific risks are low risk area for forest biomass based on provided Results.</p> <p>In future companies Suppliers Audit Guidelines ( Annex 2 of Level B forest sourcing risk assessment ) are used for demonstrating compliance with the criterion, including indicators and related sources of information, analysed in this specific risk assessment. The Guidelines were prepared based on a review of national regulation frame and, considering best practices applied in the industry. Suppliers list application and conformity process according to Procedure: “SBP sertifikācijas sistēmas apraksts” (V3, 01.09.2023):</p> <p>(1) All suppliers who are supplying materials are contracted with Contract form including approval that legality of timber harvesting can be considered guaranteed.</p> <ul style="list-style-type: none"> <li>- land rights or ownership, including if forests are transferred to others;</li> <li>- forests are determined via plot;</li> <li>- state-regulated logging permission is valid;</li> </ul> <p>(2) Internal checks are conducted for Initial contracting or periodic (annual) Audit is performed (corresponding to Guidelines included in Annex 2) including following criteria:</p> <ul style="list-style-type: none"> <li>- criteria forest regeneration, maintenance, approval from institutions;</li> <li>- national protected areas have been respected and materials are not sourced;</li> <li>- forest transformed issues from other land categories are not included;</li> <li>- biodiversity approvals, including dead wood management;</li> <li>- clear-felling management, status and national institution approvals, including status of forest;</li> <li>- soil management options, including usage of foresters, loaded trucks on forest roads, tyre prints according to national guidelines .</li> <li>- Others.</li> </ul> <p>Suppliers’ audits are conducted via desk audits and site visits. Recordkeeping and evidences are collected in Companies internal database and checklist frames for each individual Supplier.</p> <p><b>Audit results for feb.24 – mar.24, where 29 (properties) and 10 different supplier’s cutting areas were visited was compliant with recognized legislation and RED II requirements.</b></p> <p>Mass balance account is 0 for SBP RED II Compliant biomass for the past period, it is planned to start producing the SBP RED II Compliant material in May 2024 in preparation for next heating season.</p>

<b>(iii) That areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands and peatlands, are protected unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes</b>	
<b>Type of Risk Assessment used</b>	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
<b>Level A risk assessment description</b>	N/A
<b>Level B management system at the level of the forest sourcing area</b>	<p>Referring to: Date of Level B forest sourcing risk assessment: 11.09.2023 ( V3). Sourced area specific risks are low risk area for forest biomass based on provided Results.</p> <p>In future companies Suppliers Audit Guidelines ( Annex 2 of Level B forest sourcing risk assessment ) are used for demonstrating compliance with the criterion, including indicators and related sources of information, analysed in this specific risk assessment. The Guidelines were prepared based on a review of national regulation frame and, considering best practices applied in the industry. Suppliers list application and conformity process according to Procedure: “SBP sertifikācijas sistēmas apraksts” (V3, 01.09.2023):</p> <p>(1) All suppliers who are supplying materials are contracted with Contract form including approval that legality of timber harvesting can be considered guaranteed.</p> <ul style="list-style-type: none"> <li>- land rights or ownership, including if forests are transferred to others;</li> <li>- forests are determined via plot;</li> <li>- state-regulated logging permission is valid;</li> </ul> <p>(2) Internal checks are conducted for Initial contracting or periodic (annual) Audit is performed (corresponding to Guidelines included in Annex 2) including following criteria:</p> <ul style="list-style-type: none"> <li>- criteria forest regeneration, maintenance, approval from institutions;</li> <li>- national protected areas have been respected and materials are not sourced;</li> <li>- forest transformed issues from other land categories are not included;</li> <li>- biodiversity approvals, including dead wood management;</li> <li>- clear-felling management, status and national institution approvals, including status of forest;</li> <li>- soil management options, including usage of foresters, loaded trucks on forest roads, tyre prints according to national guidelines .</li> <li>- Others.</li> </ul> <p>Suppliers’ audits are conducted via desk audits and site visits. Recordkeeping and evidences are collected in Companies internal database and checklist frames for each individual Supplier.</p> <p><b>Audit results for feb.24 – mar.24, where 29 (properties) and 10 different supplier`s cutting areas were visited was compliant with recognized legislation and RED II requirements.</b></p> <p>Mass balance account is 0 for SBP RED II Compliant biomass for the past period, it is planned to start producing the SBP RED II Compliant material in May 2024 in preparation for next heating season.</p>
<b>(iv) That harvesting is carried out considering the maintenance of soil quality and biodiversity with the aim of minimising negative impacts</b>	

<b>Type of Risk Assessment used</b>	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
<b>Level A risk assessment description</b>	N/A
<b>Level B management system at the level of the forest sourcing area</b>	<p>Referring to: Date of Level B forest sourcing risk assessment: 11.09.2023 ( V3). Sourced area specific risks are low risk area for forest biomass based on provided Results.</p> <p>In future companies Suppliers Audit Guidelines ( Annex 2 of Level B forest sourcing risk assessment ) are used for demonstrating compliance with the criterion, including indicators and related sources of information, analysed in this specific risk assessment. The Guidelines were prepared based on a review of national regulation frame and, considering best practices applied in the industry. Suppliers list application and conformity process according to Procedure: “SBP sertifikācijas sistēmas apraksts” (V3, 01.09.2023):</p> <p>(1) All suppliers who are supplying materials are contracted with Contract form including approval that legality of timber harvesting can be considered guaranteed.</p> <ul style="list-style-type: none"> <li>- land rights or ownership, including if forests are transferred to others;</li> <li>- forests are determined via plot;</li> <li>- state-regulated logging permission is valid;</li> </ul> <p>(2) Internal checks are conducted for Initial contracting or periodic (annual) Audit is performed (corresponding to Guidelines included in Annex 2) including following criteria:</p> <ul style="list-style-type: none"> <li>- criteria forest regeneration, maintenance, approval from institutions;</li> <li>- national protected areas have been respected and materials are not sourced;</li> <li>- forest transformed issues from other land categories are not included;</li> <li>- biodiversity approvals, including dead wood management;</li> <li>- clear-felling management, status and national institution approvals, including status of forest;</li> <li>- soil management options, including usage of foresters, loaded trucks un forest roads, tyre prints according to national guidelines .</li> <li>- Others.</li> </ul> <p>Suppliers’ audits are conducted via desk audits and site visits. Recordkeeping and evidences are collected in Companies internal database and checklist frames for each individual Supplier.</p> <p><b>Audit results for feb.24 – mar.24, where 29 (properties) and 10 different supplier`s cutting areas were visited was compliant with recognized legislation and RED II requirements.</b></p> <p>Mass balance account is 0 for SBP RED II Compliant biomass for the past period, it is planned to start producing the SBP RED II Compliant material in May 2024 in preparation for next heating season.</p>
<b>(v) That harvesting maintains or improves the long-term production capacity of the forest.</b>	
<b>Type of Risk Assessment used</b>	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level

Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	<p>Referring to: Date of Level B forest sourcing risk assessment: 11.09.2023 ( V3). Sourced area specific risks are low risk area for forest biomass based on provided Results.</p> <p>In future companies Suppliers Audit Guidelines ( Annex 2 of Level B forest sourcing risk assessment ) are used for demonstrating compliance with the criterion, including indicators and related sources of information, analysed in this specific risk assessment. The Guidelines were prepared based on a review of national regulation frame and, considering best practices applied in the industry. Suppliers list application and conformity process according to Procedure: “SBP sertifikācijas sistēmas apraksts” (V3, 01.09.2023):</p> <p>(1) All suppliers who are supplying materials are contracted with Contract form including approval that legality of timber harvesting can be considered guaranteed.</p> <ul style="list-style-type: none"> <li>- land rights or ownership, including if forests are transferred to others;</li> <li>- forests are determined via plot;</li> <li>- state-regulated logging permission is valid;</li> </ul> <p>(2) Internal checks are conducted for Initial contracting or periodic (annual) Audit is performed (corresponding to Guidelines included in Annex 2) including following criteria:</p> <ul style="list-style-type: none"> <li>- criteria forest regeneration, maintenance, approval from institutions;</li> <li>- national protected areas have been respected and materials are not sourced;</li> <li>- forest transformed issues from other land categories are not included;</li> <li>- biodiversity approvals, including dead wood management;</li> <li>- clear-felling management, status and national institution approvals, including status of forest;</li> <li>- soil management options, including usage of foresters, loaded trucks on forest roads, tyre prints according to national guidelines .</li> <li>- Others.</li> </ul> <p>Suppliers’ audits are conducted via desk audits and site visits. Recordkeeping and evidences are collected in Companies internal database and checklist frames for each individual Supplier.</p> <p><b>Audit results for feb.24 – mar.24, where 29 (properties) and 10 different supplier`s cutting areas were visited was compliant with recognized legislation and RED II requirements.</b></p> <p>Mass balance account is 0 for SBP RED II Compliant biomass for the past period, it is planned to start producing the SBP RED II Compliant material in May 2024 in preparation for next heating season.</p>
<b>LULUCF criteria 29(7)</b>	
Type of Risk Assessment used	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	N/A

<p><b>Level B management system at the level of the forest sourcing area</b></p>	<p>Latvia is a Party to the Paris Agreement (Ratification on 16 Mar 2017).</p> <p><a href="https://unfccc.int/process/the-paris-agreement/status-of-ratification">https://unfccc.int/process/the-paris-agreement/status-of-ratification</a>  <a href="https://treaties.un.org/Pages/ViewDetails.aspx?src=TREATY&amp;mtdsg_no=XXVII-7-d&amp;chapter=27&amp;clang=_en">https://treaties.un.org/Pages/ViewDetails.aspx?src=TREATY&amp;mtdsg_no=XXVII-7-d&amp;chapter=27&amp;clang=_en</a></p> <p>Referring to: Date of Level B forest sourcing risk assessment: 11.09.2023 ( V3). Sourced area specific risks are low risk area for forest biomass based on provided Results.</p> <p>In future companies Suppliers Audit Guidelines ( Annex 2 of Level B forest sourcing risk assessment ) are used for demonstrating compliance with the criterion, including indicators and related sources of information, analysed in this specific risk assessment. The Guidelines were prepared based on a review of national regulation frame and, considering best practices applied in the industry. Suppliers list application and conformity process according to Procedure: “SBP sertifikācijas sistēmas apraksts” (V3, 01.09.2023):</p> <p>(1) All suppliers who are supplying materials are contracted with Contract form including approval that legality of timber harvesting can be considered guaranteed.</p> <ul style="list-style-type: none"> <li>- land rights or ownership, including if forests are transferred to others;</li> <li>- forests are determined via plot;</li> <li>- state-regulated logging permission is valid;</li> </ul> <p>(2) Internal checks are conducted for Initial contracting or periodic (annual) Audit is performed (corresponding to Guidelines included in Annex 2) including following criteria:</p> <ul style="list-style-type: none"> <li>- criteria forest regeneration, maintenance, approval from institutions;</li> <li>- national protected areas have been respected and materials are not sourced;</li> <li>- forest transformed issues from other land categories are not included;</li> <li>- biodiversity approvals, including dead wood management;</li> <li>- clear-felling management, status and national institution approvals, including status of forest;</li> <li>- soil management options, including usage of foresters, loaded trucks on forest roads, tyre prints according to national guidelines .</li> <li>- Others.</li> </ul> <p>Suppliers’ audits are conducted via desk audits and site visits. Recordkeeping and evidences are collected in Companies internal database and checklist frames for each individual Supplier.</p>
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## Section 2. RED II detailed findings for secondary and tertiary feedstock

### 10.1 Verification and monitoring of suppliers

N/A

### 10.2 Feedstock inspection and classification upon receipt

N/A

### 10.3 Supplier audit for secondary and tertiary feedstock

N/A