Supply Base Report: SIA BALTIC FOREST

Fourth Surveillance Audit

www.sbp-cert.org

Completed in accordance with the Supply Base Report Template Version 1.4

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

Document history

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1 Overview

Producer name: BALTIC FOREST SIA

Producer address: Juras 18, Salacgriva, Limbazu novads, Latvia, LV-4033

SBP Certificate Code: SBP-04-82

Geographic position: 57.753475, 24.352483

Primary contact name: **Andris Gailums**

Primary contact phone: **+37126513960**

Primary contact email: andris@balticforest.lv

Company website: http://www.balticforest.lv

Date report finalised: 05.06.2024.

Close of last CB audit:

Name of CB: BM Certification SIA

SBP Standard(s) used: SBP Standard 1- V1.0 V3-0, SBP Standard 2-V1.0 V4-0, SBP Standard 4-V1.0 SCSV4-0, SBP Standard 5-V3.0 (instuctions documents 5E)

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

SBP Endorsed Regional Risk Assessment: applicable

Weblink to SBR on Company website: http://www.balticforest.lv

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**
☐	☐	☐	☐	X	☐

2 Description of the Supply Base

2.1 General description

Feedstock types: ☒ Primary ☒ Secondary ☐ Tertiary

Includes Supply Base evaluation (SBE): ☒ Yes ☐ No

Feedstock origin (countries): Latvia, Estonia

2.2 Description of countries included in the Supply Base

Country	Latvia
Area/Region	Vidzeme
Exclusions	N/A
Description of the country	

SIA Baltic Forest purchases the most of its feedstock for production of biomass (woodchip) as round timber, forest branch chip and non-forest land branch chip. The region of biomass origin is Latvia via direct purchase and supply.

Species: Picea abies (L.) H. Karst.); Pinus sylvestris (L.); Alnus glutinosa (L.) Gaertn.); Alnus incana (L.) Moench) Populus tremula (L.); Betula pendula (Roth.); Betula pubescens (Ehrh.)

LATVIAN forest resources

In Latvia, forests cover area of 3,147 million hectares. According to the data of the State Land Service Forest land amounts to 48,80% from the entire territory of the country. Other types of land by use in Latvia are agricultural land (34,91%); bushes (1,59%); marshes (3,24%); ground of water (4,21%); land under buildings and courtyards (1,64%); land under roads (2,23%); other lands (3,38%).
(vzd.gov.lv data on 01.01.2024.)

The Latvian State owns 49% of the total forest area, while the other 51% of the total forest area belong to other owners. Private forest owners in Latvia amount to approximately 135 thousand.

The amount of forestland, moreover, is constantly expanding, both naturally and thanks to afforestation of infertile land and other land that is not used for agriculture. More important, however, is another indicator – the volume of timber in the forest is increasing three times more than the area of forestland. This proves that the forest area in Latvia is not expanding because of bushes that are not counted as part of the area of forest. On the contrary, forestry work in Latvia has been very targeted. An average of approximately 11 million m³ of timber have been harvested each year in Latvia's forests during the past decade. That is less than the annual increment, and so forestry in Latvia can be described as sustainable.

(Ministry of Agriculture: Latvian forest sector in facts & figures 2023; zm.gov.lv).

Forest land consists of:

- forests 3,3 million ha (91,7%).
- marshes 0,12 million ha (3,3%).
- glades (forest meadows) 0,03 million ha (0,8%).
- flooded areas 0,037 million ha (1,0%).
- objects of infrastructure 0,1 million ha (2,8%).
- other forest lands 0,011 million ha (0,4%).

(Official Statistics portal, 2024, data.stat.gov.lv)

Distribution of forests by the dominant species:

- pine 28,5 %.
- spruce 19,6 %.
- birch 27,5 %.
- black alder 6,5 %.
- grey alder 9,8 %:
- aspen 8,1 %.
- other species 3 %.

(Official Statistics portal, 2024, data.stat.gov.lv).

Share of species used in reforestation, by planting area (2023):

- pine 20,5%.
- spruce 22,6%.
- birch 24,1%.
- grey alder 13,7%.
- aspen 14,5%.
- other species 4,6%.

(Official Statistics portal, data.stat.gov.lv).

Timber production in terms of felling type (ha), 2023):

- final felling 37,74 %.
- thinning 27,09 %.
- sanitary felling 28,76 %.
- other felling 6,4 %.
- unlawful felling 0,01%.

(Official Statistics portal, data.stat.gov.lv).

The field of forestry

In Latvia, the field of forestry is supervised by the Ministry of Agriculture, which in cooperation with stakeholders of the sphere develops forest policy, development strategy of the field, as well as drafts of legislative acts concerning forest management, use of forest resources, nature protection and hunting.

Implementation of requirements of the national law and regulations notwithstanding the type of tenure is carried out by the State Forest Service under the Ministry of Agriculture (State Forest Services: www.vmd.gov.lv).

Management of the state-owned forests is performed by the Joint Stock Company “Latvia’s State Forests”, established in 1999. The enterprise ensures implementation of the best interests of the state by preserving value of the forest and increasing the share of forest in the national economy (www.lvm.lv).

The forest sector is one of the cornerstones of the national economy at this time. Forestry, wood processing and furniture manufacturing represented 6,5% of GDP in 2021, while exports amounted to EUR 3,6 billion – 22% of all exports. There is no parish in Latvia with no larger or smaller wood processing company. Often these are the most important employers in the surrounding area, thus being the main pillar of support for local economies and residents.

In 2021 a total of 13,08 million m3 of wood resources were harvested from Latvian forests, where are used in the production of wood biomass and in other wood industries sectors, such as wood production, furniture production, etc. Types of energy-wood in total output is:
· Firewood – 30%
· Briquettes – 1%
· Pellets – 30%
· Wood scraps – 4%
· Wood chips – 38%

(Ministry of Agriculture: Latvian forest sector in facts & figures 2023; zm.gov.lv).

Net turnover of forest sector, 2021 – 3983 million EUR
· Manufacturing of timber and wood production – 2512 million EUR.
· Forestry and wood processing – 1162 million EUR.
· Furniture sector – 309 million EUR.

(Ministry of Agriculture: Latvian forest sector in facts & figures 2023; zm.gov.lv).

Employment in the forest sector, 2021:
· Manufacturing of timber and wood production – 20 thousand people.
· Forestry and wood processing – 14 thousand people.
· Furniture sector – 6 thousand people.

(Ministry of Agriculture: Latvian forest sector in facts & figures 2023; zm.gov.lv)

Biological diversity
Historically, extensive use of forests as a source of profit began later than in many other European countries, therefore a greater biological diversity has been preserved in Latvia.

Protected territories and territories with different economic activity restrictions occupy 28.2% of the total forests in Latvia areas. For the sake of conservation of natural values, a total number of 722 protected areas have been established (https://www.daba.gov.lv/lv/par-ipasi-aizsargajamam-dabas-teritorijam). Part

of the areas has been included in the European network of protected areas Natura 2000. Most of the protected areas are state-owned.
In order to protect highly endangered species and biotopes located without the designated protected areas, if a functional zone does not provide that, micro-reserves are established. According to the data of the Nature Protection Board (DAP) in Latvia the total area of the specially protected nature area is 1637.24 thousand ha, of which the major part or 72.7% is occupied by land core territories, while sea core territories alone occupy 27.3%. Until January 1, 2024, 14,710 protected trees or big trees have been registered, the total area of micro-reserves is 49,519 ha. Identification and protection planning of biologically valuable forest stands is carried out continuously.

On the other hand, for preservation of biological diversity during forest management activities, general nature protection requirements binding to all forest managers have been developed. They stipulate that at felling selected old and large trees, dead wood, underwood trees and shrubs, land cover around wet micro lowlands (terrain depressions) are to be preserved, thus providing habitat for many organisms.

Latvia has been a signatory of the CITES Convention since 1997. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Latvia. Trade in CITES-listed species requires import and export permits. Information on CITES species can be found at: http://www.cites.org/; http://www.traffic.org/; http://www.redlist.org.

Socio-economic conditions
Territories in which recreation is one of the main areas of forest management took up 8% of forestland. Viewing platforms, educational trails, cultural and historical destinations, areas for picnics – those are just a few of the leisure infrastructure objects that are found in Latvia's forests. They are open to one and all at no cost at all. Special attention to improving such areas has been paid to state owned forests.

The areas of recreation-based forestland include national parks (except reserves), nature parks, protected landscape areas, protected dendrology plants, protected geological and geomorphologic monuments, nature parks of local importance, the protected zone of dunes along the shores of the Baltic Sea, protected zones around cities, and forests in the administrative territories of cities.

Specially protected natural areas are supervised and managed by the Nature Conservation Agency of the Ministry of Environmental Protection and Regional Development.

Education in the area of the forest sector can be obtained at 10 professional educational institutions, the Forest Faculty of the Latvian Agricultural University (LLU), and the Textile Technology and Design Institute of the Riga Technical University's Faculty of Material Sciences and Applied Chemistry. The Latvian Chamber of Craftsmanship has offered informal wood processing training sessions taught by experienced craftspeople. Graduates from such programmes receive a craftsman's card or a diploma as an apprentice or master craftsman.

Certification
During the past decade, forest owners and manufacturing companies in Latvia have sought to receive certification of the sustainable use of forest resources. Forest management processes and timber product delivery chains in Latvia are certified based on the two most widely used systems in the world – FSC and PEFC. This proves that the country's forests are managed according to internationally acknowledged standards of good forestry.

In March 2024 total PEFC Certified Forest Area in Latvia was 1,765 milj hectares and 92 Chain of Custody Certificates. (https://cdn.pefc.org/pefc.org/media/2024-05/b2eca6ce-ca07-4ff9-b6f5-f3d55932e7a8/dd7890ca-1a26-519c-ba1d-7c590cf26402.pdf).
In June 2024 total FSC Certified Forest Area in Latvia was 1,233 milj hectares and 351 Chain of Custody Certificates. (https://fsc.org/en/facts-figures)

Suppliers and received material.
In reporting period company has received FSC 100% and FSC Mix certified material, FSC Controlled Wood material which complies with the SBE and Controlled wood which complies with the SBE. All material the origin country is Latvia.

	FSC certified	FSC CW complies SBE	Controlled wood complies SBE
Primary	18% (5 suppliers)	3% (1 suppliers)	79% (15 suppliers)
Secondary	100% (1 supplier)		

Country	Estonia
Area/Region	All regions
Exclusions	N/A

Description of the country

Forest Resources Estonia

Estonia is one of the most forested countries in the world. Forests cover nearly half of the mainland in Estonia. The forests here stand out with an abundance of species, preserved thanks to a large proportion of naturally renewed forests and few alien tree species. Forest areas are important in the carbon cycle, binding carbon from the atmosphere in woody plants and forest soil.
Estonia regained independence in 1991 and the privatization of forest began. After the restitution of forests, Estonian State owns 52%, private owners currently own 48,0% of the forests. The near 33 past years of independence have seen the country rapidly develop and so have the forests and forestry.
In Estonia 51,3% of mainland covered with forests- this is 2,33 million hectares of forest area (https://www.stat.ee/en/find-statistics/statistics-theme/environment/forest). Other types of land by use in Estonia are agricultural land (28%); marshes (5%); land under buildings and courtyards (4%); other lands (12%). https://www.estoniantimber.ee/statistics/

As a successful forestry country Estonia is also active in forest protection by having one of the highest protected area proportions. 18,1% of total forest area is under protection (https://www.stat.ee/en/find-statistics/statistics-theme/environment/forest).

In order to preserve biological diversity in the forest management process, general nature protection requirements have been developed, which apply to all forest managers. These are publicly available through a centralized database and map system (https://register.metsad.ee/) for maximal transparency and communication of protection requirements/areas. This information is also included in harvest permits in more detail. This system is used to communicate the requirements and protected species under multiple EU wide directives, like the habitat directive, and would include IUCN and CITES species if there were any detected.

Estonia signed the CITES Convention (Convention on International Trade in Endangered Species of Wild Fauna and Flora) in 1992. Forest management complies with CITES requirements, although Estonia does not have CITES-listed species https://cites.org/eng), nor do IUCN-listed protected tree species. https://www.iucnredlist.org

The dominant tree species in Estonian forests are pine, birch and spruces.
https://www.estoniantimber.ee/statistics/
31,0 % Pines
29,0 % Birch
19,0 % Spruce
9,0 % Grey Alder
6,0 % Aspen
4,0 % Black Alder
2,0 % Other

Estonia timber products are well known in world markets. Wood is an increasingly important source of renewable energy, valued raw material and building material. Wood is used to make doors, windows, houses and furniture, which are sold on the domestic market and exported to other countries. The role of forestry in the economy and social life is extremely important: the sectors direct, indirect, and induced contribution to the GDP is around 10%. Wood and wood-based products are an important part of Estonian trade (balance). It is one of the most important sectors in terms of export.
It has been estimated that about 5-6% of the occupied workforce in Estonia is directly linked to the forestry sector (https://envir.ee/en/water-forest-resources/forestry). In 2021, the industry employed 34 000 people. Moreover, the forestry and wood industry have an active role in creating employment outside the usual main employment canters. In rural areas the wood and forest industry are up to 15,0% of total employment.
Timber exports in Estonia account for 25% of total exports volume. Mostly are exported products with higher value-added products such as wood prefabricated houses, lumber, wooden building components, wooden furniture and parts thereof.
https://empl.ee/wp-content/uploads/2022/11/2021-metsa-ja-puidutoostus-numbrites.pdf

The decision if and how to use wood is made by the forest owner, but it is directed by the quality of the wood and by the price in the market. Using every part of the tree in the best possible way is a responsible forestry practice.
40% of the wood procured from Estonian forest land was used as sawn logs, 24% as pulp & paper and 36% as energy wood/firewood. 50-60% of such energy wood is low quality deciduous firewood (the rest is coniferous). Energy wood (mainly wood chips) makes up the majority of wood procured from non-forest land. https://envir.ee/en/water-forest-resources/forestry

Certification
Estonian national forests are all 100% FSC (1,4 mil ha) and PEFC (1,2 mil ha) certified. In total, about 60-70% of Estonian forests are certified. In private forests, certification process is still undergoing, and the

total area of certified private forests grows each year. Both FSC and PEFC standards are used for the certification of the products of Estonian wood industry companies. The regulations governing forestry and timber trading in Estonia maintain very high requirements with regard to the verifiability of the origin of wood and timber and the sustainability of Estonian forest management.

In March 2024 total PEFC Certified Forest Area in Estonia was 1,693 milj hectares and 92 Chain of Custody Certificates.
(https://cdn.pefc.org/pefc.org/media/2024-05/b2eca6ce-ca07-4ff9-b6f5-f3d55932e7a8/dd7890ca-1a26-519c-ba1d-7c590cf26402.pdf).
In June 2024 total FSC Certified Forest Area in Estonia was 1,261 milj hectares and 285 Chain of Custody Certificates. (https://fsc.org/en/facts-figures)

Suppliers and received material.

During the reporting period company has not received material originating Estonia.

2.3 Actions taken to promote certification amongst feedstock suppliers

As a priority, materials for production of SBP biomass are purchased from suppliers certified by FSC or PEFC or compliant with the FSC Controlled Wood requirements. The company policy is directed at cooperation with certified suppliers. Feedstock (saw dust, woodchips) is comprised of wood by-products from the suppliers' production of their primary product. For this reason, uncertified and new suppliers are encouraged to have their primary product certified and put the leftovers to good use. The decision of the company management is to assess overall supply risks and decrease these in accordance with SBP risk assessment in Latvia, both for FSC Controlled and uncertified primary and secondary feedstock, so that the entire amount meets at least the SBP Compliant biomass or SBP Controlled Biomass status.

2.4 Quantification of the Supply Base

Supply Base

a. **Total Supply Base area (million ha)**: **5,477 ha**
b. **Tenure by type (million ha):**
   - Privately owned: 2,725 ha
   - Public: 2,752 ha
   - Community concession:
c. **Forest by type (million ha): 5,477 ha**
   - Boreal: 5,477 ha
   - Temperate:
   - Tropical:
d. **Forest by management type (million ha): 5,477ha**
   - Plantation:
   - Managed natural: Managed, partly natural forests 5.477 million ha.

- Natural:

e. Certified forest by scheme (million ha): 5,926 ha (FSC+PEFC)

- FSC: ~2.494 milj/ ha are certified according to FSC certification system.
- PEFC: ~3,458 milj ha are certified according to PEFC certification system.
- SFI:
- Other (specify):

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

☐ Clearcutting ☐ Thinning ☒ Mix of the above ☐ Other ☐ N/A

Explanation: The maximum clear-cutting area is 2-5 ha (it depends on the forest type); tree felling used harvesters and chain saws.

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

☒ Yes – Majority ☐ Yes – Minority ☐ No ☐ N/A

Explanation: Logs are mainly used in the wood industry and furniture 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 ☐ Yes – Minority ☐ No ☐ N/A

Explanation: Defined in the Forest Law and related regulatory enactments.

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

☐ Yes – Majority ☐ Yes – Minority ☒ No ☐ N/A

Explanation:

Feedstock

Reporting period from date: 01/04/2023

Reporting period to date:31/03/2024

a. Total volume of Feedstock:

☐ 0
☒ 1-200,000
☐ 200,000-400,000
☐ 400,000-600,000
☐ 600,000-800,000
☐ 800,000-1,000,000
☐ >1,000,000
Unit: ☒m3 ☐tonnes

b. Volume of primary feedstock

☐ 0

☒ 1-200,000

☐ 200,000-400,000

☐ 400,000-600,000

☐ 600,000-800,000

☐ 800,000-1,000,000

☐ >1,000,000

Unit: ☒m3 ☐tonnes

c. List percentage of primary feedstock, by the following categories.

- Certified to an SBP-approved Forest Management Scheme:

  ☐ 0%

  ☐ 1%-19%

  ☒ 20%-39%

  ☐ 40% -59%

  ☐ 60%-79%

  ☐ 80-99%

  ☐ 100%

- Not certified to an SBP-approved Forest Management Scheme:

  ☐ 0%

  ☐ 1%-19%

  ☐ 20%-39%

  ☐ 40% -59%

  ☒ 60%-79%

  ☐ 80-99%

  ☐ 100%

d. List of all the species in primary feedstock, including scientific name::

Common name	**Scientific name**
Alder	Alnus glutinosa (L.) Gaertn.
Grey alder	Alnus incana (L.) Moench
Norway spruce	Picea abies (L.) H. Karst.
Scots pine	Pinus sylvestris (L.)
Aspen	Populus tremula (L.)
Birch	Betula pendula (Roth), Betula pubescens (Ehrh.)

e. Is any of the feedstock used likely to have come from protected or threatened species?

☐ Yes ☒ No

Name of species:

Biomass proportion, by weight, that is likely to be composed of that species:

f. Hardwood (i.e., broadleaf trees): specify proportion of biomass from (%): 86.

g. Softwood (i.e., coniferous trees): specify proportion of biomass from (%): 14.

h. **Proportion of biomass composed of or derived from saw logs (%): 0.**

i. **Specify the local regulations or industry standards that define saw logs: rejected saw logs (LVS 80:1997 "Kokmateriālu sortimenti mežizstrādē")**

j. **Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** 49

k. **Volume of primary feedstock from primary forest:** 0

Unit: ☒m3 ☐tonnes

l. **List percentage of primary feedstock from primary forest, by the following categories. Subdivide by SBP-approved Forest Management Schemes**:

- ☒ N/A
- Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme:

  ☐ 0%

  ☐ 1%-19%

  ☐ 20%-39%

  ☐ 40% -59%

  ☐ 60%-79%

  ☐ 80-99%

  ☐ 100%

- Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme:

  ☐ 0%

  ☐ 1%-19%

  ☐ 20%-39%

  ☐ 40% -59%

  ☐ 60%-79%

  ☐ 80-99%

  ☐ 100%

m. **Volume of secondary feedstock**:

☐ 0

☒ 1-200,000

☐ 200,000-400,000

☐ 400,000-600,000

☐ 600,000-800,000

☐ 800,000-1,000,000

☐ >1,000,000

Unit: ☒m3 ☐tonnes

Physical form of the feedstock:

☒ Chips

☐ Sawdust

☐ Offcuts

☐ Clean chips or dust

☐ Treated chips or dust

☐ Other (specify):

n. Volume of tertiary feedstock:

☒ 0

☐ 1-200,000

☐ 200,000-400,000

☐ 400,000-600,000

☐ 600,000-800,000

☐ 800,000-1,000,000

☐ >1,000,000

Unit: ☒m3 ☐tonnes

Physical form of the feedstock:

☐ Shavings

☐ Sawdust (dry)

☐ Offcuts

☐ Other (specify):

Proportion of feedstock sourced per type of claim during the reporting period				
Feedstock type	**SBE %**	**FSC %**	**PEFC %**	**SFI %**
Primary	68	32		
Secondary		100		
Tertiary				

Note: Sum of each row for feedstock types used has to be 100%

3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
X	☐

SBP biomass supply evaluation includes:

- primary wood (round wood)

  To Baltic Forest SIA which confirms the supplied primary feedstock for the production of biomass as SBP -compliant. The evolution process use the SBP endorsed risk assessment for Latvia.

  Baltic Forest SIA defines the biomass received from the approved biomass extraction sources and supplies as a SBP-compliant biomass.

  Risk assessment:

  Provide *a concise summary of why a SBE was determined to be required or not required: BP uses the SBP- endorsed Regional Risk Assessment for Latvia.* The risk assessment is divided into: "Low risk" and "Defined risk".

4 Supply Base Evaluation

4.1 Scope

Feedstock types included in SBE: ☒ Primary ☐ Secondary ☐ Tertiary.

SBP-endorsed Regional Risk Assessments used: Yes.

List of countries and regions included in the SBE: Latvia

Detailed description of specified risk indicators:

Country:Latvia
Indicator with specified risk in the risk assessment used:
2.1.1. Forests and other areas of high conservation value in the Basic Supply Base have been identified and mapped
Specific risk description:
High conservation value forests, category 3: includes Natura 2000 sites, EU protected habitats, key forest habitats - the risk level of this subcategory is considered to be a certain risk for non-certified forests. High conservation value forests, category 6: Forests and parks in or around cultural heritage sites, such as manor parks, urban forests, forests of important historical sites - no information has been collected on the location of such cultural heritage sites in the forest. The status of cultural heritage sites is not fully protected in private forests owned by municipalities and churches.
Country:Latvia
Indicator with specified risk in the risk assessment used:
2.1.2. Potential threats to forests and other areas of high conservation value are identified and addressed
Specific risk description:
High conservation value forests, category 1. With regard to the identification and protection of protected values, experts are concerned about the nesting sites of several species listed in Annex I of the Birds Directive, which have not been identified and registered in forest register databases and are therefore not "de facto" protected outside protected areas. High conservation value forests, category 3: problems with the protection of key forest habitats (WKH) and / or EU protected forest habitats in non-certified forests. High conservation value forests, category 6: isolated cases of destruction / damage of cultural heritage sites in private forests.
Country:Latvia
Indicator with specified risk in the risk assessment used:
2.8.1. Appropriate safety measures are put in place to protect the health and safety of logging workers.
Specific risk description:
The following can be considered low risk: • companies that work as subcontractors to certified forest managers; • logging companies that only work with harvesters. "Identified risk" - in logging operations where hand-held chainsaws are used in non-certified forests. Particular attention should be paid to the self-employed and micro-enterprise workers.

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4.2 Justification

Company uses SBP-endorsed Regional Risk Assessment for Latvia. The risk assessment has been developed in accordance with SBP standard No. 1; No. 2 version 1.0, March 2019, evaluating the risk categories for each SBP indicator.

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).

4.4 Conclusion

Since January of 2020 company uses SBP-endorsed Regional Risk Assessment for Latvia. Supply Base Evaluation is applied only to primary feedstock. Company has been created and developed strong system for Supply Base Evaluations as it is working in both – SBP and FSC systems

5 Supply Base Evaluation process

Baltic Forest SIA assessment of the SBP-compliant biomass is related to supplies from Latvia only, as well as to the extraction of the biomass from:

- the SBP-approved forestry scheme;
- the SBP – low-risk feedstock source that was approved within the SBE system;
- the SBP-approved supply chain in compliance (CoC) with system requirements;
- the SBP-approved supply after processing as wood residues.

The results of the risk assessment were obtained through audits of logging companies, which confirmed the necessary actions to be taken in order to reduce risks.

When confirming the fulfilment of the SBP requirements and assessing the competence of suppliers, loggers and processors, the experts were involved, both for occupational safety and for the identification of biotopes and bird nests as well as for identification of potential cultural heritage objects.

The company has developed and applies a risk mitigation procedure that describes the identified risk mitigation measures and tools.

The company has prepared and applied verification questionnaires for each risk indicator in order to objectively evaluate and obtain general information for each wood extraction site that has been approved or not approved as the SBP-compliant biomass.

The frequency and plan of the audits has been developed in such a way that the wood from the cutting sites (forest management units), which came from approved suppliers (using the testing tools Ozols) has been audited during the six-month period. Audits are carried out before, after and during logging. The audit procedure is available in the company only on request, subject to confidentiality, and is presented and discussed with stakeholders in order to effectively improve it.

SBE system development for supply assessment and risk mitigation measures are performed by Baltic Forest SIA company manager. Baltic Forest SIA is the company with 23 years long experience in the procurement market of Ltavia, long-term experience in maintaining FSC system and assessment of wood origin at forest management and 23 years long experience and knowledge in forestry, supplies of wood, procurement and legislation.

As the basis for the establishment of the SBP and SBE risk mitigation system, there were taken requirements of the FSC supply and FSC Forest certification system standards, staff competence in the wood supply chain as well as knowledge in forestry, wood industry and the legality of wood supplies.

6 Stakeholder consultation

Not applicable for annual audits.

6.1 Response to stakeholder comments

Not applicable for annual audits.

7 Mitigation measures

7.1 Mitigation measures

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
Specific risk description:
Wood from forests where HCVs are threatened by management activities has not been completed.

Mitigation measure:

Risk mitigation measures refer to the following feedstock categories:

- Primary feedstock supplies from Latvian forest properties prior to and after logging;
- Primary feedstock supplies from Latvian overgrown agricultural land areas;
- Not applicable to secondary feedstock and other regions of origin;
- Primary biomass is not qualified and is not applicable to tree species such as oak, ash, maple, wych, fluttering elm, if the diameter on the stump exceeds 70cm.

Risk mitigation measures refer to the following biomass supply risk categories:

- Identification of the signs of forest biotopes and natural forest biotopes of European significance,
- Identification of cultural and historical monuments and objects of cultural and historical value in the process of logging,
- Identification of bird nesting sites,
- Mitigation of work protection and work safety risks.

General measures of risk mitigation 2.1.1.:

- The purchase of FSC certified wood as priority for procurement of SBP-compliant biomass.
- Signing suppliers' self-declaration and including the conditions of SBP standards for biomass supply, identifying and decreasing in a timely manner the risks of supplying SBP non-compliant feedstock.
- Performing biotope risk assessment procedures prior to logging,during or after logging, which includes the following measures;
- Checking cadastre numbers prior to logging, during or after logging, using the Natural data management system "Ozols" http://ozols.daba.gov.lv/pub/ to determine if protected forest biotope may be present or environmental protection limitations established.

  For all property plots that have protected forest biotope may be present or environmental protection limitations established, are physically visited in real life.

  For property plots that have protected forest biotope may be present or environmental protection limitations established, during the audit, biotope expert confirmed audit forms are checked and filled in (check page, control page). For the plots audited after or before logging and where signs of possible biotopes are found, the material is separated separately. If a possible biotope is confirmed, the company assesses future cooperation with the supplier, does not accept the wood from the corresponding cadaster plot, in case of delivery cancels the amount of the corresponding assortment. In the risk mitigation process, when assessing plots before logging, adjacent plots are also examined to check for the presence of possible bird nests or historical and cultural objects.

- Observations are made in nature: presence of large bird nests, distance, characteristics of cultural and historical objects; wood with a diameter of > 80 cm at breast height. An observation in nature is marked on the ozols.gov.lv printout of the database.
- Trainings and seminars are provided for the company employee. The objective of the trainings is to teach to recognize the signs of potential possible biotopes, bird nesting sites, cultural and historical objects.
  Cultural heritage are checked in database https://karte.mantojums.lv/.
- Are checked work safety. Information on the involvement of subcontractors in logging is obtained from all suppliers. Work safety risk mitigation audits are planned or performed spontaneously for all suppliers which outsource or do the logging themselves with manual teams.

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:
Wood from forests where HCVs are threatened by management activities has not been completed.

Mitigation measure:

General measures of risk mitigation 2.1.2.:

- The purchase of FSC certified wood as priority for procurement of SBP-compliant biomass.
- Signing suppliers' self-declaration and including the conditions of SBP standards for biomass supply, identifying and decreasing in a timely manner the risks of supplying SBP non-compliant feedstock.
- Performing biotope risk assessment procedures prior to logging, during or after logging, which includes the following measures.
- Checking cadaster numbers prior to logging, during or after logging, using the Natural data management system "Ozols" http://ozols.daba.gov.lv/pub/ to determine if protected forest biotope may be present or environmental protection limitations established.
  For all property plots that have protected forest biotope may be present or environmental protection limitations established, are physically visited in real life.
  For property plots that have protected forest biotope may be present or environmental protection limitations established, during the audit, biotope expert confirmed audit forms are checked and filled in (check page, control page). For the plots audited after or before logging and where signs of possible biotopes are found, the material is separated separately. If a possible biotope is confirmed, the company assesses future cooperation with the supplier, does not accept the wood from the corresponding cadaster plot, in case of delivery cancels the amount of the corresponding assortment. In the risk mitigation process, when assessing plots before logging, adjacent plots are also examined to check for the presence of possible bird nests or historical and cultural objects.
- Observations are made in nature: presence of large bird nests, distance, characteristics of cultural and historical objects; wood with a diameter of > 80 cm at breast height. An observation in nature is marked on the ozols.gov.lv printout of the database.
- Trainings and seminars are provided for the company employee. The objective of the trainings is to teach to recognize the signs of potential possible biotopes, bird nesting sites, cultural and historical objects.
  Cultural heritage are checked in database https://karte.mantojums.lv/.
- Are checked swork safety. Information on the involvement of subcontractors in logging is obtained from all suppliers. Work safety risk mitigation audits are planned or performed spontaneously for all suppliers which outsource or do the logging themselves with manual teams.

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:
Health & Safety.

Mitigation measure:

General measures of risk mitigation 2.8.1.

- The purchase of FSC certified wood as priority for procurement of SBP-compliant biomass.
- Collect information from suppliers about logging company, which harvested delivered material. on the involvement of subcontractors in logging is obtained from all suppliers. Work safety risk mitigation audits are planned or performed spontaneously for all suppliers which outsource or do the logging themselves with manual teams. Taking into account the deficit of human resources in logging, companies use forest machinery more and more. Approximately 40% of all supplies are made with forest machinery.
- The process of work protection and work safety risk assessment takes place during logging, during which a competent person performs checks according to a special form that includes minimal requirements for maintaining work safety in the forest.

7.2 Monitoring and outcomes

Before the material is included in the SBP material flow, its origin is assessed: the forest unit has been tested in the public database of the Nature Protection Board “Ozols”.

Suppliers are signed self-declarations, which demonstrate understanding of the company's policies and procedures for high-value forests.

- Labour protection and occupational safety supervision risk programme

In the period from 01.04.2023 to 31.03.2024 labour protection audits were carried out - 5 audits of non-certified logging companies were carried out during logging work, previously requesting information from suppliers on logging sites and service providers. Suppliers or their contactors are performing logging forest feelings using hand motor-saws. Audits did not find significant discrepancies in work safety. The regions included in the audit programme are: Vidzeme. Records and observations have been made for each supplier’s audit performed.

After the performed audits, it can be concluded that the requirements of occupational safety and health are observed, and no significant violations were found if the logging was performed with hand-held chainsaws.

Total results of audits confirm that risk is low and mitigation measures are effective.

- Biotopes, bird habitats and cultural heritage objects identification and supervision risk programme.

In 2023 year within the framework of the programme approximately 27 potential habitats were tested (taking into account the age of the wood and the composition of the soil) , before the beginning of the logging work. during logging or after logging.

As a priority, those properties and plots are visited that show signs of potential biologically valuable stands, bird nests, cultural and historical sites.

The audit programme includes Vidzeme. Records and observations have been made for each audit.

The following conclusions were made from the performed audits:

1) All suppliers (certified and non-certified) have an understanding of the biotope evaluation mechanism, suppliers are aware of the need for a biotope evaluation audit before the beginning of the logging work. Potential cutting sites in managed forests or on agricultural lands, where there was a small possibility for the existence of a forest biotope, have been inspected in audits on site. In 2 forest plots it was determined the habitat. It was found that the habitat is intact after checking one forest plot in nature, but the material from the other forest plot was not included in the SBE system.

2) There were no sites of cultural heritage value found in the forest plots selected during the testing process, it was checked in database https: karte.mantojums.lv. The audits found that suppliers are aware that the protection of cultural heritage values is regulated by the legislation of the Republic of Latvia. A survey of not-certified logging companies concluded that if a cultural heritage object was detected on the cutting site during the logging work, the State Forest service and the relevant local government are informed about it in writing. The logging work is terminated until the relevant decision is received from the responsible authorities.

3) No large bird nests (over 50 cm) were found on the cutting sites visited during the audit. There were no identified any case when the birds' nest be destroyed.

All suppliers have an understand of what to do if they spot large bird nests (over 50 cm). All logging companies understand the need to leave dead wood and ecological trees on the cuttings sites as well as to comply with other requirements for nature conservation in forest management. Audits have found that various logging restrictions imposed by the administrative territory are being observed.

Company uses the SBP- endorsed Regional Risk Assessment for Latvia.

If the supplier does not wish to cooperate with SIA Baltic Forest in identifying the presence of habitats, protected bird species, cultural and historical objects, and compliance with occupational safety requirements, thus reducing the risks of SBP non-compliant raw material supply, it is not approved for SBP timber deliveries.

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 ☐ No

9 Review of report

9.1 Peer review

The company uses the database "Ozols" to identify forest habitats. The assessment is performed for all plots specified in cutting license by analysing forest taxation data and soil composition. An independent forest habitat expert (Aija Karlivāne) found this inspection mechanism appropriate.

9.2 Public or additional reviews

No additional information has been received.

10 Approval of report

Approval of Supply Base Report by senior management			
Report Prepared by:	***Dana Ramba***	***Cheef accountant***	***05.06.2024.***
	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:	***Andris Gailums***	***Chairman of the board***	***05.06.2024.***
	Name	**Title**	**Date**
Report approved by:	***[name]***	***[title]***	***[date]***
	Name	**Title**	**Date**
Report approved by:	***[name]***	***[title]***	***[date]***
	Name	**Title**	**Date**

Annex 1: Detailed findings for Supply Base Evaluation indicators

	Indicator
1.1.1	The Biomass Producer's Supply Base is defined and mapped.
Finding	[Brief description of the rationale behind the outcome, for example reference to determination of low risk at RA, or SVP, the implementation of existing management systems or the implementation of mitigation measures.]
Means of Verification	[Include the Locally Adapted Verifiers]
Evidence Reviewed	[Reference to the actual evidence reviewed, e.g. specific maps or documents.]
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	[Optional comment on the indicator in the context of the SB or a brief description of mitigation measures implemented and actual/planned monitoring of their effectiveness.]

	Indicator
1.1.2	Feedstock can be traced back to the defined Supply Base.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
1.1.3	The feedstock input profile is described and categorised by the mix of inputs.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
1.2.1	The Biomass Producer has implemented appropriate control systems and procedures to ensure that legality of ownership and land use can be demonstrated for the Supply Base.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
1.3.1	The BP has implemented appropriate control systems and procedures to ensure that feedstock is legally harvested and supplied and is in compliance with EUTR legality requirements.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
1.4.1	The Biomass Producer has implemented appropriate control systems and procedures to verify that payments for harvest rights and timber, including duties, relevant royalties and taxes related to timber harvesting, are complete and up to date.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
1.5.1	The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is supplied in compliance with the requirements of CITES.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
1.6.1	The Biomass Producer has implemented appropriate control systems and procedures to ensure that feedstock is not sourced from areas where there are violations of traditional or civil rights.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk at RA** ☐ **Unspecified Risk**
Comment or Mitigation Measure	

	Indicator
2.1.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that forests and other areas with high conservation values are identified and mapped.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.1.2	The Biomass Producer 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.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.1.3	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not sourced from forests converted to production plantation forest or non-forest lands after January 2008.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.2.1	The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is sourced from forests where there is appropriate assessment of impacts, and planning, implementation and monitoring to minimise them.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk at RA** ☐ **Unspecified Risk**
Comment or Mitigation Measure	

	Indicator
2.2.2	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is sourced from forests where management maintains or improves soil quality (CPET S5b).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.2.3	The Biomass Producer has implemented appropriate control systems and procedures to ensure that key ecosystems and habitats are conserved or set aside in their natural state (CPET S8b).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.2.4	The Biomass Producer has implemented appropriate control systems and procedures to ensure that biodiversity is protected (CPET S5b).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.2.5	The Biomass Producer has implemented appropriate control systems and procedures for verifying that the process of residue removal minimises harm to ecosystems.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.2.6	The Biomass Producer has implemented appropriate control systems and procedures to verify that negative impacts on ground water, surface water and water downstream from forest management are minimised (CPET S5b).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.2.7	The Biomass Producer has implemented appropriate control systems and procedures for verifying that air quality is not adversely affected by forest management activities.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.2.8	The Biomass Producer has implemented appropriate control systems and procedures for verifying that there is controlled and appropriate use of chemicals, and that Integrated Pest Management (IPM) is implemented wherever possible in forest management activities (CPET S5c).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.2.9	The Biomass Producer has implemented appropriate control systems and procedures for verifying that methods of waste disposal minimise negative impacts on forest ecosystems (CPET S5d).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.3.1	Analysis shows that feedstock harvesting does not exceed the long-term production capacity of the forest, avoids significant negative impacts on forest productivity and ensures long-term economic viability. Harvest levels are justified by inventory and growth data.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.3.2	Adequate training is provided for all personnel, including employees and contractors (CPET S6d).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.3.3	Analysis shows that feedstock harvesting and biomass production positively contribute to the local economy, including employment.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.4.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that the health, vitality and other services provided by forest ecosystems are maintained or improved (CPET S7a).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.4.2	The Biomass Producer has implemented appropriate control systems and procedures for verifying that natural processes, such as fires, pests and diseases are managed appropriately (CPET S7b).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.4.3	The Biomass Producer has implemented appropriate control systems and procedures for verifying that there is adequate protection of the forest from unauthorised activities, such as illegal logging, mining and encroachment (CPETS7c).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.5.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that legal, customary and traditional tenure and use rights of indigenous people and local communities related to the forest are identified, documented and respected (CPET S9).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.5.2	The Biomass Producer has implemented appropriate control systems and procedures for verifying that production of feedstock does not endanger food, water supply or subsistence means of communities, where the use of this specific feedstock or water is essential for the fulfilment of basic needs.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.6.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that appropriate mechanisms are in place for resolving grievances and disputes, including those relating to tenure and use rights, to forest management practices and to work conditions.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.7.1	The Biomass Producer has implemented appropriate control systems and procedures for verifying that Freedom of Association and the effective recognition of the right to collective bargaining are respected.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.7.2	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not supplied using any form of compulsory labour.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.7.3	The Biomass Producer has implemented appropriate control systems and procedures to verify that feedstock is not supplied using child labour.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.7.4	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is not supplied using labour which is discriminated against in respect of employment and occupation.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.7.5	The Biomass Producer has implemented appropriate control systems and procedures for verifying that feedstock is supplied using labour where the pay and employment conditions are fair and meet, or exceed, minimum requirements.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.8.1	The Biomass Producer 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).
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.9.1	Biomass is not sourced from areas that had high carbon stocks in January 2008 and no longer have those high carbon stocks.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.9.2	Analysis demonstrates that feedstock harvesting does not diminish the capability of the forest to act as an effective sink or store of carbon over the long term.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	

	Indicator
2.10.1	Genetically modified trees are not used.
Finding	
Means of Verification	
Evidence Reviewed	
Risk Rating	☐ **Low Risk** ☐ **Specified Risk** ☐ **Unspecified Risk at RA**
Comment or Mitigation Measure	