

SBP

Sustainable Biomass Partnership

Regional Risk Assessment for Estonia: SBP Response to Consultation



April 2016

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

Document history

Published 22 April 2016

© Copyright The Sustainable Biomass Partnership Limited 2016

Contents

1	Introduction	1
2	Regional Risk Assessment Procedure	2
3	SBP public consultation	3
3.1	Consultation period	3
3.2	Comments received	3
3.3	Summary and consideration of comments received	3
3.3.1	Stakeholder comments	3
4	SBP internal review	6
5	Approval and endorsement of Regional Risk Assessment	7

1 Introduction

Regional Risk Assessments (RRAs) are a key part of SBP's focus on identifying and mitigating risks associated with sustainably sourcing feedstock for biomass pellet and wood chip production. The SBP Framework is designed to provide assurance that feedstock is sourced legally and sustainably.

Feedstock certified at the forest level through FSC[®] or PEFC schemes is considered SBP-compliant. All other feedstock must be evaluated using a risk-based approach if it is to count towards an SBP-compliant claim.

The Biomass Producer – typically a pellet mill or wood chip producer – is responsible for carrying out the risk assessment and putting in place mitigation measures to manage any specified risks such that the risks can be considered to be controlled and hence low risk. It is the role of an independent, third-party Certification Body, approved by SBP, to check that the feedstock evaluation has been correctly undertaken and that any mitigation measures are being effectively implemented.

The purpose of an RRA is to evaluate an entire geographic region and determine the risks associated with sourcing feedstock for biomass pellet or wood chip production from that region. Thus, the need for individual Biomass Producers to conduct risk assessments is avoided and, therefore, consistency between Biomass Producers' risk assessments guaranteed. The SBP RRA Procedure also ensures active engagement with a diverse range of stakeholders in the region.

Following a successful pilot, SBP commissioned RRAs for the three Baltic States – Estonia, Latvia and Lithuania. Existing FSC[®] risk assessments formed the basis of the RRAs, which were then supplemented with the additional elements required by SBP.

This SBP response to consultation concerns the RRA for Estonia.

2 Regional Risk Assessment Procedure

The SBP Regional Risk Assessment (RRA) Procedure specifies the requirements and processes that must be followed in order to develop and endorse SBP risk assessments of regions or countries.

The Procedure requires that a Working Body (WB) be appointed by SBP to conduct an RRA. Having sufficient, suitably qualified staff to perform the risk assessment, demonstrated competence with the SBP Framework, and relevant knowledge of the language, laws and customs of Estonia, Latvia and Lithuania, NEPCon was appointed as the WB responsible for conducting the RRAs for the three Baltic states.

At the end of August 2015, NEPCon submitted a draft RRA report for Estonia to SBP. SBP then undertook its own public consultation and internal review of the draft RRA – see Sections 3 and 4.

3 SBP public consultation

3.1 Consultation period

On 17 September 2015, the draft Regional Risk Assessments for Estonia, Latvia and Lithuania were published on the SBP website at: <http://www.sustainablebiomasspartnership.org/documents/consultation-documents/draft-regional-risk-assessments>. Interested parties were invited to provide written comments on the drafts and the Regional Risk Assessment Procedure by 16 October 2015.

3.2 Comments received

Comments on the draft RRAs were received from the following organisations/individuals:

Estonia RRA

- Purutuli, Ardor and Warmeston (joint response)
- Estonian Forest and Wood Industries Association
- Stora Enso

Latvia RRA

- Latvian Forest Owners Association (LFOA)
- JSC Latvia's State Forest (LVM)
- Latgran and Graanul Invest (joint response)

Lithuania RRA

- No comments received

General RRA

- Timber Biofuel Industries, LLC

Draft RRA Procedure

- No comments received

3.3 Summary and consideration of comments received

3.3.1 Stakeholder comments

Indicator 2.1.2

Stakeholders' view

All of the three stakeholders commenting specifically on the RRA for Estonia raised concerns over indicator 2.1.2 of SBP Standard 1: Feedstock Compliance Standard v1.0.

Indicator 2.1.2 states that:

“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.”

The draft RRA, based on the information available during the risk assessment process, assigned a ‘specified’ risk for indicator 2.1.2. The stakeholders’ comments received argued that the risk level should be considered ‘low’ for the following reasons:

- less than 1% of the total area of the Woodland Key Habitats (WKHs) are potentially harvested;
- from 1999 to 2015 the total area of WKHs in Estonia has increased by 3.4%;
- risk related to WKH is managed and monitored at the state level;
- motivation to commercially harvest WKHs is practically non-existent as WKHs are located in areas that are not easily accessible, such as swamps, hills or where no road infrastructure is available; and
- certain companies commit not to harvest wood from any WKHs, for example, since 2007 Stora Enso Eesti has had such an agreement with Estonian Fund for Nature

The above reasoning was supported by reference to work carried out by the Estonian Ministry of Environment and the Environmental Agency.

NEPCon’s view

It is NEPCon’s considered view that it is not possible to evaluate the risk related to indicator 2.1.2 as ‘low’ since Estonia legally allows the harvest of Woodland Key Habitats (WKHs) in private forests. Further, the number of issued felling permits to forest stands containing WKHs shows that these areas are harvested, and according to available statistics the number of such felling permits issued in recent years is increasing.

Statistics show that 76.4% of WKHs are situated in state forest and are thus protected. The remaining WKHs are to be found in private forest areas. In private forests some of the WKHs are situated in protected areas, for example, some in FSC or PEFC-certified forests and a further 204 WKHs are protected by a protection contract – a voluntary agreement between the forest owner and the state). The timber in WKHs situated in private forests amounts to approximately 400,000 m³. The amount that may end up in biomass production is, therefore, very small compared to the total amount of material used.

NEPCon requested additional information from the Environmental Agency and from the Ministry of Environment concerning felling in WKHs. Felling permits for 2-2.5% per year for WKHs in private forests that are not covered by protection contracts have been issued during the last three years. It should be noted that not all forests covered by these felling permits will be harvested. According to studies from 2011, 60-80% of the issued felling permits are likely to be used, but compared to the total WKHs without a protection contract this amount is considered high.

WKHs with a protection contract are considered protected, but WKHs situated in protected areas without a protection contract are not necessarily protected. According to studies by the Private

Forest Owners Union approximately 30% of WKHs are situated in protection zones that allow management activities, such as harvesting.

SBP conclusion

SBP has considered the comments made by the stakeholders and reviewed NEPCon's view and concluded that 'low' risk cannot be assigned to indicator 2.1.2. As a result, Biomass Producers sourcing feedstock from Estonia must mitigate the risk of material from WKHs entering their production.

Remote sensing technology

Stakeholders' views

A general comment was submitted suggesting that remote sensing technology (satellite and aerial imagery) should be a basic requirement in Regional Risk Assessments for establishing baseline forest cover characteristics and sustainability goals.

It was argued that both current and historical (1-20 years) land cover and land use data are important data sources for determining sustainability and claims for continued sustainable forest management. Further, that the use of remote sensing technology can generate data cost effectively to provide consistent and objective land cover information pertaining to areas of interest within the geographic scope of RRAs – information that is a central component to risk assessment.

NEPCon's view

In conducting the RRA for Estonia, certain of the studies used in the process had, indeed, utilised remote sensing technology. The value of the technology is recognised and where available the results can be put to good use.

SBP conclusion

SBP concludes that RRAs are not designed to specify which technology should be used to meet sustainability and other goals; this is considered to be overly prescriptive. There are pros and cons associated with all technologies and the evidence should be evaluated accordingly.

4 SBP internal review

Following the close of the public consultation period, SBP performed an internal review of NEPCon's draft RRA report for Estonia against the procedural requirements. The independent Technical Committee also reviewed the draft RRA report as part of the internal review process. Comments arising from the internal review were directed back to NEPCon. NEPCon provided a complete response to each of the issues raised and revised the draft RRA report to include additional clarifications and/or explanations as necessary. SBP is satisfied that the RRA was conducted in line with the Procedure.

5 Approval and endorsement of Regional Risk Assessment

SBP has approved and endorsed the RRA for Estonia as published alongside this document on 22 April 2016. The endorsed RRA will remain valid for a period of five (5) years from the approval date, although it may be superseded if a new RRA is completed within the five (5) year period.