

Supply Base Report: UAB “Gairelita”

Fourth Surveillance Audit

www.sbp-cert.org



Completed in accordance with the Supply Base Report Template Version 1.3

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: Joint Stock Company “Gairelita”
Producer location: Zironu 12, LT-82043, Radviliskis, Lithuania
Geographic position: 55.827943, 23.530704
Primary contact: Mr. Kestutis Burdulis, +370 422 60080, pellets@gairelita.lt
Company website: www.gairelita.lt
Date report finalised: 17/Sep/2019
Close of last CB audit: 20/Sep/2019
Name of CB: NEPCon UAB
Translations from English: Yes
SBP Standard(s) used: SBP Standard 2-V1.0 ; SBP Standard 4-V1.0. ; SBP Standard 5-V1.0 (instructions documents 5A;B;C V1.1.)
Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/>
SBP Endorsed Regional Risk Assessment: N/A
Weblink to SBE on Company website: NA

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations				
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X

2 Description of the Supply Base

2.1 General description

GARELITAS UAB receives the most part of feedstock from Latvia and Lithuania as wood residues after wood processing.

SBP-compliant primary feedstock: 0 %

SBP-compliant secondary feedstock, 34 % (Wood industry residues/ Chips from 12-15 suppliers)

SBP-compliant secondary feedstock, 50 % (Wood industry residues/ sawdust wet from 20-28 suppliers)

SBP-compliant tertiary feedstock: 16 % (from 5-8 suppliers)

SBP-noncompliant feedstock: 0 %

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.)

Information about LATVIAN forest resources

Forests in Latvia cover 3,056,578 ha. According to the data of the State forest service (regarding the areas under consideration, which are subject to economic activity regulated by the Forest Law), the forest territory occupies 51.8 % (the percentage of the forest land area (3,347,409 ha) to the total area of the State territory). In Latvia, the State owns the forest, area of which is 1,495,616 ha (48.97% of the total forest area), while the total area of forests of other owners is 1,560,961 ha (51.68 % of the total forest area). The number of private forest land owners in Latvia is about 144 thousand.

The area occupied by forests is increasing. The increase in forest areas occurs both naturally and artificially by afforestation of barren and non-agricultural land.

Wood production in the last decade in Latvia varies from 9 to 13 million cubic meters (the State forest service: vmd.gov.lv, 2015).

Forest lands consist of:

- forests: 3,056,578 ha (91.3 %);
- marshes: 175,111.8 ha (5.3 %);
- clearings: 35,446.7 ha (1.1 %);
- flooded territories: 18,453.2 ha (0.5 %);
- infrastructure facilities: 61,813.4 ha (1.8 %).

(the State forest service: vmd.gov.lv, 2015)

Breakdown of forests by dominant species:

- Pine: 34.3 %
- Spruce: 18.0 %
- Birch: 30.8 %
- Black alder: 3.0 %
- White alder: 7.4 %
- Aspen: 5.4 %
- Oak: 0.3 %
- Ash: 0.5 %
- Other species: 0.3 %

(the State forest service: vmd.gov.lv, 2015)

Share of tree species in forest renewal, breakdown by area (2014):

- Pine: 20 %
- Spruce: 17 %
- Birch: 28 %
- White alder: 12 %
- Aspen: 20 %
- Other species: 3 %

(the State forest service: vmd.gov.lv, 2015)

Wood extraction according to types of cutting, breakdown by volume of production (2014):

- Final harvest: 81.00 %
- Thinning: 12.57 %
- Sanitary clear cutting: 3.63 %
- Sanitary selective cutting: 1.43 %
- Deforestation cutting: 0.76 %
- Other types of cutting 0.06 %

(the State forest service: vmd.gov.lv, 2015)

Forestry sector

The forestry sector in Latvia is managed by the Ministry of agriculture, which, in cooperation with the sector interest groups, develops forest policy, sector development strategy as well as forest management, forest resource use, nature conservation and hunting draft regulatory enactments (the Ministry of agriculture: www.zm.gov.lv).

The implementation of the regulatory requirements included in the Latvian laws and the Cabinet of ministers regulations in the management of forests, regardless of the type of property, is controlled by the State forest service under the supervision of the Ministry of agriculture (the State forest service: www.vmd.gov.lv).

Management of the State-owned forests is ensured by JSC Latvijas valsts meži, established in 1999.

The company pursues national interests by ensuring the preservation and enhancement of the value of the forest as well as by increasing the contribution of the forest sector to the national economy ((www.lvm.lv).

In 2016, export reached EUR 2.084 billion in revenue (www.zm.gov.lv).

Biodiversity

Historically, the extensive use of Latvian forests for economic purposes began relatively later than in many other European countries, therefore, greater biodiversity has been preserved in Latvia.

For the preservation of nature values, 683 specially protected nature territories have been created. Part of these territories is included in the Natura 2000, unified network of protected territories of European importance. The most part of the protected territories are in State ownership.

In order to ensure the protection of a specially protected species or a biotope outside specially protected nature territories, micro-reserves are created, if any of the functional zones does not provide it. According to the State forest service, the total area of the micro-reserves in October 2016 was 43,217.30 ha. The identification of biologically valuable forest stands and the implementation of protective measures are performed continuously. In turn, for the conservation of biodiversity in the forest management process, general nature conservation requirements have been developed that apply to all forest managers. They stipulate that during logging work the older and larger trees, dead wood, underwood and brushwood must be kept separately in wet micro-lowlands and other structures to promote the preservation of many habitats.

Latvia has ratified the CITES Convention (the Convention on International Trade in Endangered Species of Wild Fauna and Flora) in 1997. In Latvian, as well as in Lithuanian forests, the species of trees mentioned in the CITES lists do not grow.

FOREST AND SOCIETY

Forest territories in which provision of recreation is one of the main objectives of forest management account for up to 8 % of the total forest area or 293,000 hectares (2012). Sight towers, cognitive trails, cultural heritage natural sites and recreational areas – these are just a few of the recreational infrastructure facilities available in forests that can be used by anyone. Particular attention to development of such territories is paid in the State-owned forests. Recreation functions are also performed by specially protected nature territories (except in areas with a strict nature conservation regime) – national parks, nature parks, protected landscape areas, protected dendrological plantations and protected geological and geomorphologic objects, nature parks of local importance, protection zones of the Baltic Sea coastal dunes, protective zones around cities, forests in administrative territories of cities, etc. The management of the specially protected nature territories (SPNT) of Latvia is provided by the Nature protection board under the authority of the Ministry of environmental protection and regional development. Some of the specially protected nature territories (SPNT) of Latvia are managed by the Nature protection board and some of them – by land owners, legal possessors. In addition, land owners, legal possessors establish rest areas in forests also outside specially protected nature territories (for example, Latvijas valsts meži – see <http://www.lvm.lv/par-mums/sociala-atbildiba/atputasplaces> [1]).

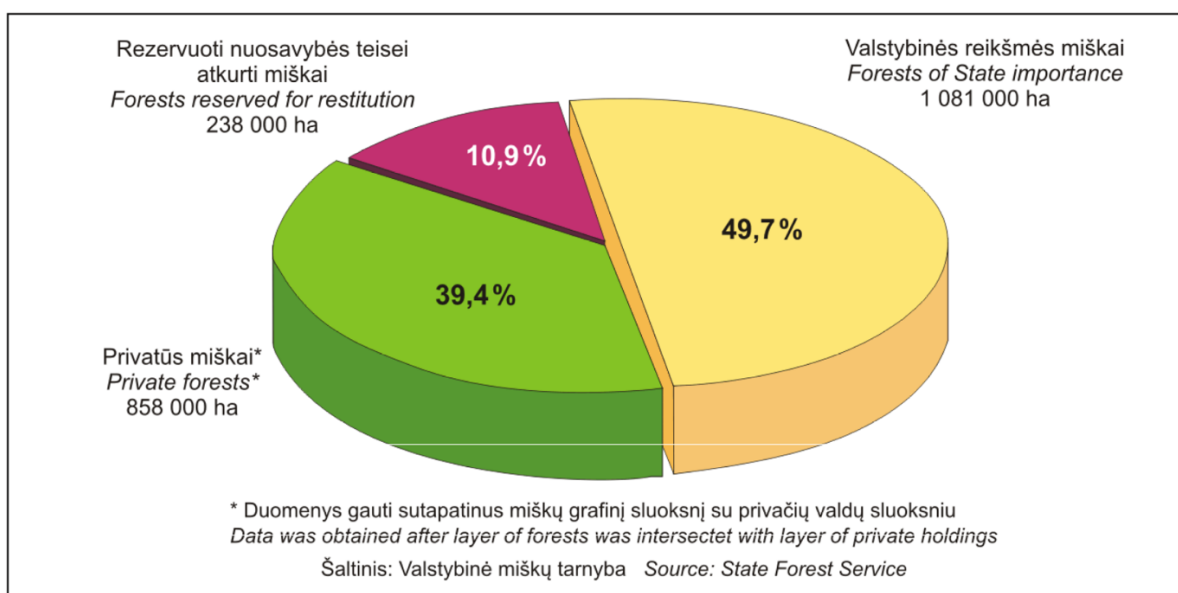
Certification

Forests of JSC Latvijas valsts meži and private owners are certified according to FSC and PEFC certification systems. Approximately 1.737 million ha of Latvian forests from the total forest area of 3,056,578 ha are certified according to FSC and/or PEFC certification systems. Both these systems are operating in Latvia.

Information about LITHUANIAN forest resources

Agricultural land covers more than 50 % of Lithuania. The forested land occupies about 28 % or 2.18 million ha, while the land classified as forest occupies about 30 % of the total land area. The south-eastern part of the country is most heavily forested, and here forests cover about 45 % of the land. The total land area belonged to the State forest enterprises is divided into forest and non-forest land. Forest land is divided into forested and non-forested land. The total value added in the forestry sector (including manufacture of furniture) reached LTL 4.9 billion in 2013 and was 10 % higher than in 2012.

FOREST LAND BY OWNERSHIP 01.01.2014



Forest land is divided into four protection categories: reserves (2 %), ecological category (5.8 %), protected category (14.9 %) and commercial category (77.3 %). All types of cuttings are prohibited in reserves. Clear cuttings are prohibited in national parks, while thinning and sanitary cuttings are allowed there. Clear cutting

is permitted, however, with certain restrictions, in protected forests; and thinning as well. Almost no restrictions as to logging methods exist in the forests of commercial category.

Lithuania has signed the CITES Convention in 2001. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Lithuania.

Lithuania is situated within the so-called mixed forest belt with a high percentage of broadleaves and mixed conifer-broadleaved stands. Most of the forests – especially spruce and birch – often grow in mixed stands. Pine forests are the most common type of forests, covering about 38 % of the woodland. Spruce and birch forests account for 24 % and 20 % respectively. Alder forests occupy about 12 % of the forest area, which is a relatively high figure that indicates the moisture level on specific sites. Oak and ash account for about 2 % of the forest area each. The area occupied by aspen stands is almost 3 %.

The growing stock in Lithuanian forests is about 180 m³ per hectare. In nature stands, the average growing stock in all Lithuanian forests is 244 m³ per hectare. Total annual growth is almost 11,900,000 m³ and the average annual wood increase has reached 6.3 m³ per hectare.

The expected annual logging volume is 5.2 million m³, 2.4 million m³ of which are sawn wood and the remaining 2.8 million m³ are small dimension wood for production of paper pulp or boards or for using as firewood. The calculations refer to the nearest 10-year period. If more intensive and efficient forest management systems are implemented, successful growth should be achieved.

Certification of all State forests in Lithuania is performed according to the strictest certification system in the world – the FSC (Forest Stewardship Council) certificate. The audit of this certification confirms the fact that Lithuanian State forests are managed responsibly, in compliance with the requirements of protection and conservation of biodiversity.

(Source: <http://www.fao.org/docrep/w3722e/w3722e22.htm>)

Belorussia

In Belorussia forests cover area of 9,5 milj hectares. According to the data of the State Forest Ministry Woodedness amounts to 39,3 %

Country area 20760 (1000 Ha);

Agricultural area 8796 (1000 Ha);

Land area 20291 (1000 Ha);

Forest area 8707.6 (1000 Ha);

Forest industry input into IKP is 1,1%;

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

Within the last decade, the timber production in Belorussia has fluctuated aprox., 11 million cubic metres (<http://www.mlh.by>, 2015.)

Forest land consists of:

Area (1000 hectares)

Forest	7,894
Other wooded land	914
Forest and other wooded land	8,808
Other land	11,94
Total land area	20,748
Inland water bodies	12
Total area of country	20,76

Source: <http://www.mlh.by>, 2015.

Distribution of forests by the dominant species:

- pine 50,4%;
- spruce 9,2%;
- birch 23,1%;
- black alder 3,3%;
- grey alder 3,3 %;
- aspen 2,1%;
- other species 3,3%.

Source: <http://www.mlh.by> , 2015.

Timber production by types of cuts, by volume produced (2013):

- final cuts 34,5 %;
- thinning 45,79 %;
- other types of cuts 19,62 %.

Source: <http://www.mlh.by>,

The field of forestry

Management of the state-owned forests is performed by different types of state organisations.

Biological diversity

Belorussia has been a signatory of the CITES Convention since 1995. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Belorussia.

Forest regeneration is carried out annually over an area of 32,000 ha, including 81% of the forest planting and seeding and 19% by natural regeneration. <http://belstat.gov.by/> (2015.y.)

There are 2 strictly protected Nation reserves and 4 National parks present in Belarus at the moment. Area of National reserves accounts 2,98 milj ha and area of National parks is 3,98 milj ha.

Forest and community

In 2014 in all kinds of felling there were harvested 12,5 million m³ marketable timber.

Foreign trade surplus made USD 104 million. 1.9 million cubic meter round timber and 191.8 thousand cubic meter sawn timber were sold abroad.

Forest products and services were exported to 25 states, including 95,3% to the near abroad and 4,7% to the remote countries. Among the main forest export directions are Poland (47,9% of the total export volume in value terms), Germany (11,4%), Lithuania (10%), Latvia (8,62%), the Netherlands (3,3%), Belgium (3,46%), Sweden (3,25%).

Certification

All forest area is certified by PEFC certification scheme. 7,7 milj. ha (83 forestries) are certified according to PEFC. 5milj. ha (61 forestries) are certified according to FSC FM standards.

Both the FSC and PEFC systems have found their way into Belorussia.

Norway , forest resources

Forest facts

About 38% of the surface area in Norway is covered by forest. The total forested area amounts to 12 million hectares, including more than 7 million hectares of productive forest. 15% of the productive forest has been estimated as non-economic operational areas due to difficult terrain and long distance transport, which means that economical forestry may only be operated in about 50% of the forested area. The most important species are Norway spruce (47%), Scots pine (33%) and birch (18%).

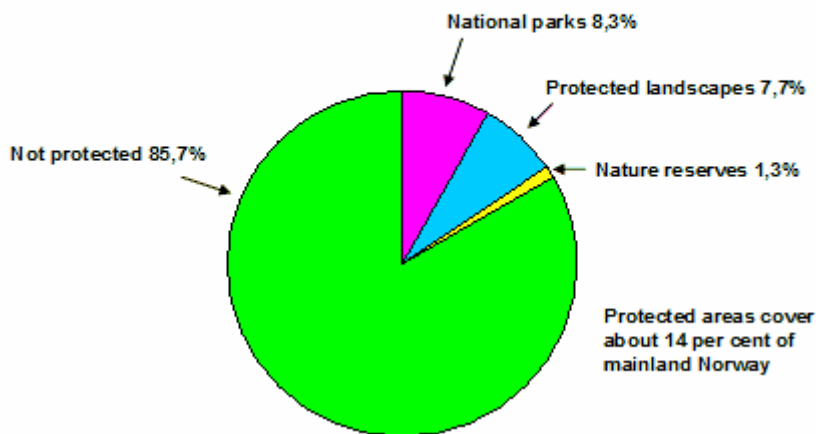
From the forest area: Privately owned forests 80 % ; State and municipalities 12 %
Industrial private 4 %; Local common land 4 %

Forest certification

All productive forests in Norway are certified, i.e. 7.397.000 hectares. The number of certified forest owners is approximately 43.000 (private, municipalities, state).

Forest protection

Areas protected under the Nature Conservation Act 2008



Areas protected under the Nature Conservation Act 2008

Biodiversity

Approximately 6.4% of mainland Norway has protected area status. In addition, 15,000 square km of Spitsbergen is designated as conservation area - national parks, nature reserves or other kinds of protected area cover 10-12% of the area of the remote islands.

The total number of species in Norway is estimated to be 45,000, of which approximately 33,000 are known and described. It exists information enough to estimate whether a species is threatened or not for only 10,000 species. Of these, 150 are threatened by extinction, 279 are deemed vulnerable, 800 are categorized as rare (the last number also includes species which are rare of natural causes, and not only because of human intervention). 359 are deemed species of special concern, 36 species are indeterminate, while 169 species are classified as insufficiently known.

Species "Red lists" can be used to point out the habitats containing an especially rich variety of endangered species. Red list species have often proved to be the red warning lights of nature to tell us that a biotope is threatened or something else is wrong in nature. The red lists also give us a

picture of the condition of our flora and fauna, and may contribute to the efforts of securing and improve the ecosystem for these species. http://www.borealforest.org/world/world_norway.htm

In the country there are areas of endangered high conservation value forests. More specifically there are Global200 and IFL areas in the northern mountain regions.

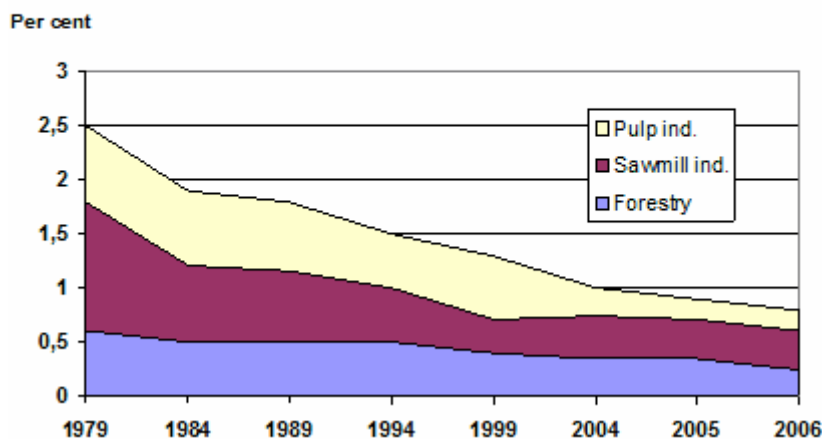
Those regions identified by Conservation International as a Biodiversity Hotspot <http://www.biodiversityhotspots.org/xp/hotspots/Pages/default.aspx> Those forest, woodland, or mangrove ecoregions identified by World Wildlife Fund as a Global 200 Ecoregion and assessed by WWF as having a conservation status of endangered or critical. Those regions identified by the World Resources Institute as a Frontier Forest Intact Forests Landscapes, as identified by Greenpeace (www.intactforests.org)

Forest sector in Norway’s national economy

In 2006 forestry and the forest industries accounted for about 0.8% of the Gross National Product in Norway. Of the total employment of 2.443.000 persons in Norway approximately 40.000 people receive their income from forestry and from the forest industry. 6.700 persons (0.3%) are directly employed in forestry.

About 50 percent of the Norwegian round wood harvested is used by sawmills. There are 225 sawmills in Norway operating on an industrial scale.

**Forestry and forest industry as part of GNP
1979-2006**



Forestry and forest industry as part of the GNP 1979-2006

A lot of people use the forest for recreational activities, both traditional and modern, including walking, picking berries and mushrooms, hunting and fishing.

SWEDEN

Forest resources

Sweden is parliamentary constitutional monarchy that joined EU in 1995. The Swedish Forest Agency is the national authority responsible for matters relating to the forest. It strives to

ensure that the nation's forests are managed in such a way as to yield an abundant and sustainable harvest while at the same time preserving biodiversity. The Agency also strives to increase awareness of the forest's significance, including its value for outdoor recreation. The Agency has offices throughout the country. Its most important tasks are to give advice on forest related matters, supervise compliance with the Forest Act, provide services to the forest industry, support nature conservation efforts and conduct inventories. Sweden has Europe's second biggest afforested area after Russia. Sweden's productive forests cover about 23 million hectares. However, if this area is calculated according to international forest land definitions, it is 27 million hectares. Spruce and pine are by large the predominant species in Swedish forests. These two species count more than 80 % of the timber stock. In northern Sweden pine is the most common species, whereas, spruce, mixed with some birch, dominates in southern Sweden. Due to effective and far-sighted forest management, the timber stock in Sweden has increased by more than 60 % in the last hundred years and it is now 300 million m³. In recent years felled quantities have been between 85 and 90 million m³, whereas annual growth amounts approximately to 120 million m³.

Biological diversity

The amount of protected forests in Sweden amounts to circa 1.9 million hectares. A great extent, about 90 % of these forests are the kind of forests in which minor interventions are allowed. The share of strictly protected forests, where no human interventions are allowed is 0.3 % from the forest area. National parks, nature reserves and nature conservation areas cover an area of 4.2 million hectares, i.e. 10% of Sweden's land area. There are at least 220.000 hectares of protected forests which still in terms of forest growth are productive. In addition, there are about 12.000 hectares of protected habitat types and 25.000 hectares of wood land set aside and protected by environment conservation agreements. Large forest areas are also protected through forest owners' voluntary activities. Sweden signed the Convention on International Trade in Endangered Species of Wild Fauna and Flora in August 1974 and the convention entered into force in July 1975. Sweden has also established an IUCN National Committee.

Forest and community

Private forest owner families hold about 50 % of Swedish forests, privately owned forestry companies about 25 % and the State and other public owners have the remaining 25 %. The ownership of forests in Sweden varies between regions. In Southern parts of the country forests are mainly owned by private persons whereas in Northern Sweden companies own more significant amounts of forests.¹¹

Certification

Focusing on sustainable sourcing solutions 80 % of the Swedish forest land is certified under either the FSC or under PEFC certification schemes. FSC certified forests amount to 10.2 million hectares and PEFC certified to 7.5 million hectares. Of the total 7.5 million hectares certified under the PEFC scheme, 3 million hectares are family owned.

RUSSIA

The total area of FSC forest land on the territory of the Russian Federation is 764 million hectares, accounting for about 21% of world reserves of standing timber. Forests cover 46.6% of the area of the Russian Federation, which is 1183.3 million hectares. Forests are mainly boreal. The main wood species are pine, spruce, birch, aspen. Areas occupied by the main wood species plantations remain rather stable within last decades. Hardwood species compose 68.4%, softwood – 21,7%. Other wood species compose less than 1% of the forests. The total reserve of the wood in the forests located on forest fund land is 80 billion m³. In accordance with Russian legislation all forest fund land are state property. Legal entities can use forest areas in lease and short-term use. Lease relations are the dominant legal form of forests using. The lease term may

continue from 10 to 49 years. The using of forests as an entrepreneurial activity, can be given to entities registered in the territory of the Russian Federation as a legal entity or individual entrepreneur (in accordance with the legislation of the Russian Federation). Entering into the lease agreement or sale contract of forest plantations is carried out at the auction for the selling the right to enter into such agreements. Forest areas for a lease must pass a state cadastral registration. According to the Forest Code of the Russian Federation each forest user taking a lease forest land obliged:

- to carry out the activities on protection and reproduction of forests;
- to provide annual forest declaration;
- to issue a project of forest assimilation;
- to provide a report on the use of forests, their protection and reproduction.

Allowable wood-cutting area in the Russian Federation is about 660 million m³, including softwood - 370 million m³. Using the allowable wood-cutting area does not exceed 35% of the country territory. According to Rosleskhoz (Russian Forestry) data the total recourses of increased volumes of cutting with the aim of cutting within the country is about 400 million m³ per year. High quality reproduction of forest resources and protective forestation is a prerequisite for use of forests. All reforestation activities in leased forest areas are planned and carried out by forest users at their own expense in accordance with the forest management projects. The main way of reforestation in the Russian Federation is the procurement of natural regeneration. Artificial reforestation is carried out by creating forest plantations: planting or seeding of forest plants in the region of the supply base where active wood-cutting is taking place. As well all forest users plan and implement a set of fire-prevention measures aimed at preventing and reducing the after-effects of forest fires in the summer period.

According to the forest legislation of the Russian Federation the species listed in the Red Book shall be preserved as well as their habitats when harvesting. Banned is harvesting of precious, become extinct and specially protected wood species.

Traditionally in Russia softwood is harvested. However, for the pellets production a substantial part of the raw material is hardwood.

Forest complex of the Russian Federation, including the forestry and forest industry of harvesting and wood handling occupies an important place in the economy of the country. Products of forest complex are widely used in many industries, construction, agriculture, printing, trade and medicine.

The forest complex of the Russian Federation employs about 60 thousand of large, medium and small enterprises in all regions of the country.

The share of the forestry sector accounts 1.3% of GDP; 3.7% of the total industrial output, 2.4% of foreign profits in the scale of the Russian Federation. The total number of employees in the forest complex of Russia is about 1 million people.

From the total production of forest complex of the Russian Federation about 60% products are for the domestic market and 40% - for export.

The consumers of the forest products at shaped and expanding markets require from their suppliers to refuse from the participation in the harvesting of forest products of dubious origin, as well their processing and marketing.

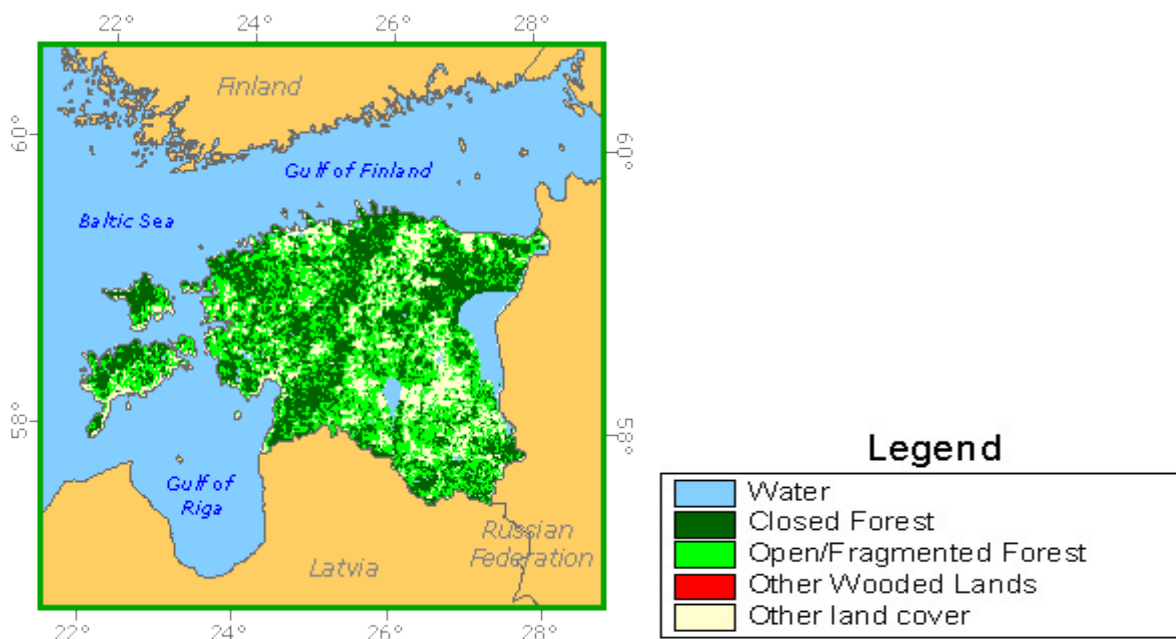
Forest certification is an effective tool for combating against illegal harvesting and illegal wood trade. The forest certification FSC (Forest Stewardship Council) is widely used in Russia. Also the certification system PEFC (Program for the Endorsement of Forest Certification Schemes) is used but less extensively. Certified forest area in Russia is about 40 million hectares, or 30% of the total number of forest under lease. Certified forests are located in 25 regions of Russia. The number of FM certificates on forest management is 121, the number of chain of custody certificate CoC is 320. Also the number of certificates for controlled wood is growing steadily, according to recent data it was about 140. The dynamics of forest certification in Russia points to the ever-increasing activity of wood companies, which indicates to the responsibility to ensure the legality of wood harvested and compliance with environmental and other requirements.

Estonia's Forest Resources

Focusing on sustainable sourcing solutions

Estonia is a member of the European Union since 2004. The Estonian legislation is in compliance with the EU's legislative framework and directives. National legislative acts make references to the international framework. All legislation is drawn up within a democratic system, subject to free comment by all stakeholders. The Estonian legislation provides strict outlines in respect to the usage of forestry land and the Estonian Forestry Development Plan 2020 has clear objectives and strategies in place to ensure the forestland is protected up to the standards of sustainable forest management techniques.

The Ministry of the Environment coordinates the fulfilment of state duties in forestry. The implementation of environmental policies and its supervision are carried out by two separate entities operating under its governance. The Estonian Environmental Board monitors all of the work carried out in Estonia's forests whereas the Environmental Inspectorate exercises supervision in all areas of environmental protection.



The forest is defined in the Forest Act. There are three main forest categories described in this legislation: commercial forests, protection forests and protected forests. According to the ownership, forests are also divided into private forests, municipality forests and state owned forests. The state owned forest represent approximately 40% of the total forest area and are certified according to FSC and PEFC forest management and chain of custody standards in which the indicators related to forest management planning, maps and availability of forest inventory records are being constantly evaluated and addressed. The state forest is managed by State Forest Management Centre (RMK) which is a profit-making state agency founded on the basis of the Forest Act and its main duty lies in a sustainable and efficient management of state forest. Overall there is 1 491 863 ha⁵ of FSC certified and 1 241 612 ha⁶ of PEFC certified forest.

Currently more than 2 232 000 ha, equal to 49,3% of the Estonian land territory, is covered by forest. According to FAO data, during 2000 - 2005, average annual change in the forest cover was +0.4 %. Forestry Development Plan 2012-2020 and Yearbook Forest 2014, that gives annual reports and facts about the forest in Estonia, state that during last decade the cutting rate in Estonian forests is from 7 to 11 mill m³ per year. The amount is in line with sustainable development principle when the cutting rate doesn't exceed the annual increment and gives the potential to meet the long-term economic, social and environmental needs. According to the Forestry Development Plan 2012-2020 the sustainable cutting rate is 12-15 mil ha per year.

3 Actions taken to promote certification amongst feedstock supplier

For the production of SBP pellets are mostly used FSC certified supplier material (96.3%). The company policy is to give a preference to certified suppliers. Raw material consists of wood waste from main production of suppliers. Therefore, uncertified and new suppliers are invited to certify their base production and get benefit from residues.

3.1 Final harvest sampling programme

Not applicable

3.2 Flow diagram of feedstock inputs showing feedstock type

Coniferous species - 85 % (sawdust),
Deciduous species 15 % (sawdust).

Wood industry residues/ Chips 44%
Wood industry residues/ sawdust wet 40 %
Tertiary feedstock: 16 %

Wood species Alnus glutinosa; Betula pendula; Betula pubescens; Picea abies; Pinus sylvestris; Populus tremula

3.3 Quantification of the Supply Base

Supply Base

- a. Total Supply Base area 808,1 milj (ha): Cumulative area of all forest types within SB
- b. Tenure by type (ha): Government 791.66 milj. ha; Privately owned 18,16 milj. ha, other 0,28milj.ha
- c. Forest by type (ha): Boreal 808,1 milj,ha
- d. Forest by management type (ha): Managed Natural 808,1 milj., ha
- e. Certified forest by scheme (ha): 59,51 milj. ha FSC and 18,13 milj. ha PEFC-certified forest

Feedstock

- f. Total volume of Feedstock: 400 000 – 600 000 m³
- g. Volume of primary feedstock: 200 000 – 400 000 m³
- h. List percentage of primary feedstock (g), by the following categories. – 0% Subdivide by SBP-approved Forest Management Schemes:
 - Certified to an SBP-approved Forest Management Scheme 0%
 - Not certified to an SBP-approved Forest Management Scheme)%
- i. List all species in primary feedstock, including scientific name
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.)

- j. Volume of primary feedstock from primary forest 0 %
- k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
 - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme
 - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme
- l. Volume of secondary feedstock: total Sawdust wet and chips 200 000 – 400 000 m³
(Sawmill residue) Sawdust 60-79 %, Wood chips 20-39 % feedstock as production waste from producers come from Latvia and Lithuania
- m. Volume of tertiary feedstock: 0 – 200 000 m³

4 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
<input type="checkbox"/>	x

The SBE system of the Organisation is not finished and is not ready at the moment.

5 Supply Base Evaluation

Not applicable.

6 Stakeholder Consultation

Not applicable.

7 Overview of Initial Assessment of Risk

Not applicable.

8 Supplier Verification Programme

Not applicable

9 Mitigation Measures

Not applicable.

10 Detailed Findings for Indicators

Not applicable.

11 Review of Report

11.1 Peer review




Janis Rozitis, Pasaules Dabas Fonds (WWF associated partner)- experience in sustainable forestry practice, assessment

Sigita Girdziušas- Lithuanian Agricultural University, Master of Forestry, forestry specialists.

11.2 Public or additional reviews

Not applicable.

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	<p><i>Mr. Saulius Jakelaitis</i></p> 	<i>Finance Director</i>	<i>16.09.2019</i>
	Name	Title	Date
<p>The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.</p>			
Report approved by:	<p>Mr. Kestutis Burdulis</p> 	<i>Economic Consultant</i>	<i>16.09.2019</i>
	Name	Title	Date
Report approved by:	<p><i>Mr. Edmundas Vilčiauskas</i></p> 	<i>Director</i>	<i>16.09.2019</i>
	Name	Title	Date

13 Updates

13.1 Significant changes in the Supply Base

In 2019 Estonia and Sweden are included in the raw material resource base.

13.2 Effectiveness of previous mitigation measures

Not applicable.

13.3 New risk ratings and mitigation measures

Not applicable.

13.4 Actual figures for feedstock over the previous 12 months

01-08-2018 to 31-07-2019 – 87 345 tonnes

13.5 Projected figures for feedstock over the next 12 months

01-08-2019 to 31-07-2020 88 000 tonnes