

Supply Base Report: SIA PATA

First Surveillance Audit
Scope Change Audit

www.sbp-cert.org



Completed in accordance with the Supply Base Report Template Version 1.2

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: SIA "PATA"
Producer location: Cesu iela 14, Riga, LV-1012, Latvia
Geographic position: Lat N 56 degrees 57 minutes, Long E 24 degrees 8 minutes
Primary contact: Vita Rudzīte, vita.rudzite@pata.lv, + 371 29157044
Company website: www.pata.lv
Date report finalised: 27/Apr/2018
Close of last CB audit: 13/Jul/2017
Name of CB: SCS Global Services
Translations from English: Yes - Latvian
SBP Standard(s) used: Standard 1v1.0
 Standard 2v1.0
 Standard 4v1.0
 Standard 5 v1.0
Weblink to Standard(s) used: <https://sbp-cert.org/documents/standards-documents/standards>
SBP Endorsed Regional Risk Assessment: <https://sbp-cert.org/documents/risk-assessments>
Weblink to SBE on Company website: <http://pata.lv/eu/lv/sectionpost/aktualitates/>

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

2 Description of the Supply Base

2.1 General description

SIA PATA holds valid PEFC and FSC COC certificates, covering physical segregation method (PEFC) and transfer system (FSC); all feedstock used for biomass production and trade with SBP claims is sourced under the existing FSC or PEFC CoC systems. All of certified material is stored separately from any other material SIA PATA might have sourced.

For the scope of SBP certification SIA PATA includes following roles:

- Biomass Producer that creates biomass (woodchips) from feedstock inputs – wood chips are produced using portable woodchipper.

SIA PATA use 2 mobile woodchippers. Mobile woodchippers travel around storage facilities and make chipping operation – produce “SBP-compliant” biomass from “SBP-compliant” feedstocks. Mobile woodchippers are used from others SIA PATA storage sites also.

- Trader that takes legal ownership of biomass (woodchips) and supplies it to another Legal Owner – wood chips are purchased from wood chips suppliers.

Feedstock inputs SIA PATA uses consists of roundwood and fuel wood (for biomass production and sale) and woodchips (for biomass purchase and sale). Presented species are birch, spruce, pine, alder, aspen. No CITIES or IUCN species presented.

SIA PATA purchases feedstock from private forests and also from state owned forests.

The input material used by SIA PATA for the scope of SBP contains primary and secondary feedstock supplied by suppliers from Latvia, Lithuania and Estonia. Material are sourced in compliance with states legal requirements and EUTR.

Description of supply regions:

Latvia

In Latvia, forests cover area of 3,07 million ha. According to the data of the State Forest Service (concerning the surveyed area allocated to management activities regulated by the Forest Law), woodness amounts to 52 %. Latvia is one of the most forested EU member states.

The Latvian State owns 1,5 million ha of forest (49 % of the total forest area), while the other 1,57 million ha (51. % of the total forest area) belong to other owners. Forests owned by the state are managed by state stock company Latvijas Valsts Meži (Latvian State Forests). Private forest owners in Latvia amount to approximately 144,000.

Forest land consists of:

- forests 3,07m ha (91.3%);
- marshes 0,18m ha (5.3%);
- open areas 0,035m ha (1.1%);

- flooded areas 0,018m ha (0,5%);
- objects of infrastructure 0,062m ha (1.8%).

For most of forest the dominant tree species are coniferous trees - pine and spruce. Latvia forests mainly consists of coniferous trees, but significant part are also occupied by other species.

Forest area by dominant species:

- pine 35 %;
- spruce 18.1 %;
- birch 30.6 %;
- gray alder 7.2 %;
- black alder 2.9 %;
- aspen 5.0 %;
- oak 0.3 %;
- ash 0.5 %;
- other species 0.3 %.

The amount of forestland is constantly expanding, both naturally and thanks to afforestation of infertile land and other land that is not used for agriculture.

In historical terms, the intensive use of Latvia's forests for economic purposes began comparatively later than in many other European countries, and that has allowed to preserve extensive biological diversity. Limitations on economic activity apply to 12% of Latvia's forests at this time, and most of this territory is owned by the state. 683 especially protected environmental territories have been set aside to protect nature. Many of the areas have been included in the European network of protected areas Natura 2000. 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 forest sector in Latvia is under the supervision of the Ministry of Agriculture. It works with stakeholders to draft forest policies, development strategies for the sector, as well as regulations on forest management, the use of forest resources, environment protection and hunting.

The state forest service, under the ministry of agriculture, is the responsible agency for supervising how the provisions of the laws and regulations are observed in forest management irrespective of the ownership type.

State-owned forests are managed by stock Company "Latvian State Forests", which was established in 1999. It implements the state's interests in terms of preserving and increasing the value of the forest and enhancing the contributions of the forest to the national economy.

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 on the basis of 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 September 2016 total PEFC Certified Forest Area in Latvia was 1,683,604 hectares and 44 Chain of Custody Certificates. (PEFC Global Statistics: SFM & CoC Certification, September 2016).

In November 2016 total FSC Certified Forest Area in Latvia was 1,299,477 hectares and 300 Chain of Custody Certificates. (FSC Facts & Figures, November 3, 2016)

CITES came into force in Latvia on 12/05/1997.

Resources:

www.zm.gov.lv

<http://www.vmd.gov.lv/valsts-meza-dienests/statiskas-lapas/-meza-apsaimniekosana-?nid=1472#jump>

<http://www.liaa.gov.lv/en/trade/industry-profiles/forest-industry>

PEFC Global Statistics: SFM & CoC Certification, September 2016

FSC Facts & Figures, November 3, 2016

Lithuania

Forests cover amounts to 33.3 per cent of the territory of the Republic of Lithuania and forest land constitute an area of 2 177 000 hectares as of 1st January 2014. Expansion of the forest area has been one of the main objectives of Lithuanian forestry policy over the last years. Due to the implementation of sustainable forest management and national afforestation measures, forest coverage in Lithuania has increased by 2 per cent since 2003.

Approximately a half of forest land in Lithuania is owned by the State and managed by 42 State Forest Enterprises and the Directorate General of State Forests. Respectively, around 40 per cent of forest land is privately owned and the rest 10 per cent is still reserved for restitution.

Occupying 1 152 400 ha, coniferous stands prevail in Lithuania, covering 56.1 per cent of the forest area. They are followed by softwood deciduous forests (827 500 ha, 40.3 per cent) and hardwood deciduous forest (75 800 ha, 3.7 per cent). The dominant tree species are pine (occupying 720 300 ha) and spruce (429 600 ha). Birch stands are prevalent among deciduous trees, covering an area of 459 700 ha.

Sustainable forest management is the overriding objective for forest policy and practise in Lithuania. Therefore, forest resources are used responsibly and annual timber harvest rate does not exceed the annual increment. Lithuania's forests produce around 18 million m³ of stem wood (over bark). Annual fellings do not exceed 60 per cent of gross total annual increment.

Forests are divided into groups upon the objectives of the economic activities, their regime and the major functional purpose.

Group I – strict reserves forests. These are the strict reserves and small strict reserves forests on the territories of state strict nature reserves, state parks and biosphere monitoring territories. Objective of economic activities – to preserve the forests for a natural growth.

Group II – forests of special purpose, split into the following: A – ecosystem protection forests. Landscape, botanical, forest genetic, zoological, botanical-zoological reserves and reserves of these types in state parks

and biosphere monitoring territories. Objective of economic activities – to preserve or restore forest ecosystems or separate ecosystem components. B – recreational forests. Recreational forests cover forest parks, urban (city) forests, forests of recreation zones of the state parks, recreational forest areas and other forests defined for recreation. Objective of economic activities – to form and preserve the recreational forest environment.

Group III – protective forests. These are the forests in the territories of geological, geomorphological, hydrographical, and cultural reserves, forests of protection zones. Objective of economic activities – to form productive forest stands capable of performing the functions of protection of soil, air, water and human living surroundings.

Group IV – commercial forests, split into the following: A – commercial forests of normal cutting age. Objective of economic activities – to form productive forest stands and supply wood continuously following the requirements of environmental protection; B - forest plantations. Objective of economic activities – to grow as much wood as possible in the shortest period of time.

FSC and PEFC certificates are used in Lithuania.

In November 2016 total FSC Certified Forest Area in Lithuania was 1,085,548 hectares and 263 Chain of Custody Certificates. (FSC Facts & Figures, November 3, 2016)

In September 2016 there were 9 PEFC Chain of Custody Certificates. (PEFC Global Statistics: SFM & CoC Certification, September 2016).

CITES came into force in Lithuania on 09/03/2002.

Resources:

<http://www.am.lt/VI/en/VI/index.php#a/759>

PEFC Global Statistics: SFM & CoC Certification, September 2016

FSC Facts & Figures, November 3, 2016

Estonia

Today forests cover around 50% of the territory of Estonia contributing to approximately 2.2 million hectares with the growing stock around 468 million m³. Estonia is in the fifth position in Europe based on forest coverage (share of forestland area in mainland territory) after Finland, Sweden, Slovenia and Latvia.

Estonia lies within the latitude of 59° 00'N in the temperate zone of the Northern Hemisphere. Due to moderate maritime climate conditions for forest growth are very suitable. Estonia belongs primarily to the northern area of the nemoral-coniferous or „mixed forest” belt. Of all the woodlands, 51% of stands are dominated by deciduous species and 49% by coniferous species making landscapes very diverse. Without the limiting influence of humans forests would cover most of Estonia's mainland. In fact, 3,000 years ago more than 80% of the mainland was covered with forests. Due to human activity, 100 years ago forests covered only 30% of 4.5 million hectares of the total area of Estonia.

The diversity of forests in Estonia provides habitats for a large number of species.

“Estonian Forestry Development Program until 2020” is the framework document for the development of forestry in the current decade. The principal goals are to safeguard the productivity and viability of forests and ensure the varied and effective use of forests. In order to achieve these aims, it is important to procure wood in the amount of the increment, to increase the volume of reforestation, to keep at least 10% of forestland area under strict protection and to enhance the variety of protected forests. The share of strictly protected forests in the total area of forests was 10% already in 2010, but further efforts are required to ensure that a variety of forests are represented in the strictly protected areas. (Statistical Yearbook of Estonia 2014 – Statistics Estonia)

Private forest owners manage around 1.01 million ha (47%) of forest land in Estonia with the growing stock of around 275 million m³.

40% of the forests of Estonia belong to the state. These forests are maintained, grown and managed by the State Forest Management Centre (RMK).

FSC and PEFC certificates are used in Estonia.

In September 2016 total PEFC Certified Forest Area in Estonia was 1,131,711 hectares and 59 Chain of Custody Certificates. (PEFC Global Statistics: SFM & CoC Certification, September 2016).

In November 2016 total FSC Certified Forest Area in Estonia was 1,264,503 hectares and 242 Chain of Custody Certificates. (FSC Facts & Figures, November 3, 2016)

CITES came into force in Estonia on 20/10/1992.

Resources:

<http://www.eramets.ee/en/forests-in-estonia/>

<https://www.rmk.ee/organisation/operating-areas>

PEFC Global Statistics: SFM & CoC Certification, September 2016

FSC Facts & Figures, November 3, 2016

2.2 Actions taken to promote certification amongst feedstock supplier

SIA PATA informs suppliers about criteria and importance of FSC and PEFC certificates.

SIA PATA also is informing suppliers about SBP objectives and requirements and importance to comply with them.

2.3 Final harvest sampling programme

The proportion of final fellings which end up in biomass is about 20 % compared to other end uses. This information is derived from the documents and data submitted by suppliers and forest developers.

2.4 Flow diagram of feedstock inputs showing feedstock type [optional]

N/A

2.5 Quantification of the Supply Base

Supply Base

- a. Total Supply Base area (ha): **7.45 million ha**
- b. Tenure by type (ha): **3.47 million ha state owned; 3.45 million ha privately owned; 0.53 - other**
- c. Forest by type (ha): **boreal forest**
- d. Forest by management type (ha): **Managed, partly natural forests 7.45 million ha**
- e. Certified forest by scheme (ha): **3.65 million ha FSC-certified forest / 2.82 million ha PEFC-certified forest**

Feedstock

- f. Total volume of Feedstock: **0 – 200,000 m3 round wood**
- g. Volume of primary feedstock: **0 – 200,000 m3 round wood**
- h. List percentage of primary feedstock (g), by the following categories.
 - Certified to an SBP-approved Forest Management Scheme – **70 %**
 - Not certified to an SBP-approved Forest Management Scheme – **30 %**
- i. List all species in primary feedstock, including scientific name – **Birch (Betula pendula), Spruce (Picea abies), Pine (Pinus sylvestris), Alder (Alnus), Aspen (Populus)**
- 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 -- **0**
 - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme - **0**
- l. Volume of secondary feedstock: woodchips 0-200,000 t (as production residues of sawmills)
- m. Volume of tertiary feedstock: **Not applicable**

SIA PATA choose to show interval because of commercial sensitivity of data.

3 Requirement for a Supply Base Evaluation

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

SBP biomass supply evaluation includes:

- Primary wood (round wood and branches chips after logging)
- Secondary wood (chips, sawdust, bark after processing)
- Wood from agricultural lands

SIA PATA defines the biomass received from the approved biomass production sources and supplies as a “SBP-compliant biomass”.

SBP-endorsed Regional Risk Assessments for Latvia, Estonia and Lithuania are used. Company has been developed inspection program for supply risk mitigation.

The risk assessment is divided into: “low risk”, “specified risk” or “unspecified risk”.

4 Supply Base Evaluation

4.1 Scope

4.1.1. Applies to primary feedstock supplies from logging.

4.1.2. Applies to primary feedstock supplies from overgrown agricultural land areas.

4.2 Justification

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

By introducing efficient risk mitigation measures, the company has the option to purchase SBP approved and compliant assortment to produce the required amount of “SBP compliant biomass” products.

SIA PATA as forest company with 20 years experience, integrating leading expertise in forest industry, has developed risk mitigation and control mechanism for the evaluation and confirmation of its biomass which comply with the “SBP compliant biomass” status.

4.3 Results of Risk Assessment

Taking into account the specific characters of Latvia and expert advice and recommendations, “specified risk” was applied in relation to identification and protection of EU importance and natural forest habitats, bird species, identification and protection of cultural heritage objects (HCV category 3) in non-certificate forests and work safety (if work with chainsaw in non-certificate forests).

In Estonia “specified risk” was applied only to biotope protection in non-certificate private forests.

In Lithuania “specified risk” was applied to biotope protection and work safety in private forests.

4.4 Results of Supplier Verification Programme

Supplier Verification Programme does not apply in PATA case, since we did not identify “unspecified risk” in PATA supply base evaluation.

4.5 Conclusion

Since June 1, 2018 when the requirements of SBE standards were initiated and introduced, the compliance of feedstock suppliers to specific risks was reviewed. The suppliers who are informed and competent on

assessment of possible risks, but who are not certified by requirements of PEFC or FSC standards, are approved as SBP wood suppliers.

The volume of FSC or PEFC certified wood is not enough to ensure that 100% of the biomass is a “SBP compliant biomass”.

As a result of risk mitigation measures, SIA PATA has confirmed that the suppliers who logging round wood at self own or other own forests and hand in all requested information, can be provided risk mitigation measures and conform to SBE low-risk category at supply level.

5 Supply Base Evaluation Process

SIA PATA “SBP compliant biomass” assessment refers to supplies from Latvia, Lithuania and Estonia, and obtaining of biomass from:

- SBP-approved forestry certification scheme;
- SBP-approved supply chain (CoC) system;
- SBP low risk feedstocks sourced within SBE system;
- SBP approved supply after processing as wood residues.

The company has developed and implemented a risk mitigation procedure where the identified risk mitigation measures and tools are described.

Checking questionnaires to each specified risk indicator were designed and applied to objectively assess and obtain all information on each wood extraction site, which is approved as “SBP compliant biomass” or “SBP compliant feedstock”.

Check frequency and plan is designed so that timber from felling places is checked one time per year. Approved suppliers cutting places are checked by LATBIO data base - <http://latbio.lv> (in Latvia); <http://register.metsad.ee> (in Estonia) - private forest owners can sign contract with the state and protect WKH or each time before felling forest owners determine the location of WKH and in addition PATA shall get the potential WKH table from FSC Estonia and implement it to PATA SBP checking system; www.geoportals.lt www.natura2000info.lt (in Lithuania) – in Lithuania natural forest habitats and WKH designated as Natura 2000 sites at the EU level or biosphere polygons at the national level.

Checking are performed prior to or during logging. The checking procedure is available at the company only by request, taking into account confidentiality, and is discussed with interested parties to improve it effectively.

As the basis for the establishment of the SBP and SBE risk mitigation system, there were taken requirements of the PEFC Supply chain and 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

On 27 April 2018, the company published the SBP risk assessments and the draft SBR on its website. An informative letter was sent electronically to the interested parties on the risk assessment and draft SBR. The list of interested parties was created so that it includes the maximum number of recipients that represent economic, social and environmental interests of society, as well as local municipalities. The total number of recipients is 42 correspondents.

SBP risk assessment and draft SBR is available on the company's website:
<http://pata.lv/eu/lv/sectionpost/aktualitates/>

6.1 Response to stakeholder comments

After the stakeholder informed, no recommendations or claims were received regarding the risk assessment and risk mitigation development process.

7 Overview of Initial Assessment of Risk

The table below provides a summary of risk assessments.

SIA PATA overview SBP endorsed Regional Risk Assessments for Latvia, Lithuania and Estonia. After the publication of the risk assessment, company had started risk mitigation process. Results are summarised in section 8 of the report.

Table 1. Overview of results from the risk assessment of all indicators (prior to SVP) - Latvia

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1		X	
1.1.2		X	
1.1.3		X	
1.2.1		X	
1.3.1		X	
1.4.1		X	
1.5.1		X	
1.6.1		X	
2.1.1	X		
2.1.2	X		
2.1.3		X	
2.2.1		X	
2.2.2		X	
2.2.3		X	
2.2.4		X	
2.2.5		X	
2.2.6		X	
2.2.7		X	
2.2.8		X	
2.2.9		X	
2.3.1		X	
2.3.2		X	
2.3.3		X	
2.4.1		X	
2.4.2		X	
2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1	X		
2.9.1		X	
2.9.2		X	
2.10.1		X	

Table 2. Overview of results from the risk assessment of all indicators (prior to SVP) - Lithuania

Indicator	Initial Risk Rating			Indicator	Initial Risk Rating		
	Specified	Low	Unspecified		Specified	Low	Unspecified
1.1.1		X		2.3.1		X	
1.1.2		X		2.3.2		X	
1.1.3		X		2.3.3		X	
1.2.1		X		2.4.1		X	
1.3.1		X		2.4.2		X	
1.4.1		X		2.4.3		X	
1.5.1		X		2.5.1		X	
1.6.1		X		2.5.2		X	
2.1.1		X		2.6.1		X	
2.1.2	X			2.7.1		X	
2.1.3		X		2.7.2		X	
2.2.1		X		2.7.3		X	
2.2.2		X		2.7.4		X	
2.2.3		X		2.7.5		X	
2.2.4		X		2.8.1	X		
2.2.5		X		2.9.1		X	
2.2.6		X		2.9.2		X	
2.2.7		X		2.10.1		X	
2.2.8		X					
2.2.9		X					

Table 3. Overview of results from the risk assessment of all indicators (prior to SVP) - Estonia

Indicator	Initial Risk Rating			Indicator	Initial Risk Rating		
	Specified	Low	Unspecified		Specified	Low	Unspecified
1.1.1		X		2.3.1		X	
1.1.2		X		2.3.2		X	
1.1.3		X		2.3.3		X	
1.2.1		X		2.4.1		X	
1.3.1		X		2.4.2		X	

1.4.1		X	
1.5.1		X	
1.6.1		X	
2.1.1		X	
2.1.2	X		
2.1.3		X	
2.2.1		X	
2.2.2		X	
2.2.3		X	
2.2.4		X	
2.2.5		X	
2.2.6		X	
2.2.7		X	
2.2.8		X	
2.2.9		X	

2.4.3		X	
2.5.1		X	
2.5.2		X	
2.6.1		X	
2.7.1		X	
2.7.2		X	
2.7.3		X	
2.7.4		X	
2.7.5		X	
2.8.1		X	
2.9.1		X	
2.9.2		X	
2.10.1		X	

8 Supplier Verification Programme

8.1 Description of the Supplier Verification Programme

Risk mitigation measures refer to the following feedstock categories:

- Primary feedstock supplies;
- Secondary feedstock supplies.

SIA PATA divide suppliers in two categories:

1st category – **SBP compliant supplier** – the suppliers who have signed an agreement on the supplies of SBP compliant feedstock. The supplier makes mitigation of risk category, test feedstock supplies from all wood units of origin. If the supplier has not assessed the logging unit and has ignored any of the risk categories that it has not identified or has concealed, the supplier is excluded from SBP compliant feedstock supplier list.

2nd category – **SBP non-compliant supplier** – includes all suppliers that have not performed risk assessment for the entire amount of supplied wood and with whom an agreement has not been signed on SBP compliant feedstock supplies.

An independent auditing company may perform the compliance assessment and verification of the suppliers approved by SIA PATA. If the audit finds that any of the suppliers has ignored risk categories during audit, the assessment programme is reviewed, and the supplier is excluded from SBP compliant feedstock supplier list.

During the development process of SBE certification, the company identified SIA PATA related companies who have agreed and signed an agreement on implementation of SBE requirements.

To make sure that SBP requirements are applicable, big suppliers are checked one time per year, and smaller suppliers in randomly.

Unapproved suppliers that are competent in risk category assessment and have expressed an interest in supplying SBP compliant biomass and fulfilled minimum criteria, are included in SBP compliant feedstock supplier list. The minimum criteria for approving SBP compliant suppliers are described in the company procedures.

During risk mitigation process all the possible felling sites obligatory are inspected by suppliers at the website of potential biotope signs – www.latbio.lv/MBI/.

Based on the inventory of biotopes in Estonia and available documentary information in the accompanying documents, the risk mitigation program for Estonian wood supplies included only a documentary check.

A risk mitigation program for Lithuanian wood supplies includes a documentary approval that woodland key habitats are not identified in the wood material source place and that work safety requirements are met.

8.2 Site visits

Checkings are carried out selectively prior to logging or during logging.

As an obligatory, those properties and forest sites are visited that in LATBIO data base shows signs of potential biologically valuable stands – forest biotopes of European significance, natural forest biotopes.

Method of controlling compliance with work safety requirements: every month are checked $0,8\sqrt{\text{SUPPLY}} = \text{CHECK}$, where

CHECK – number of verified suppliers, felling areas

SUPPLY – number of suppliers in last month

Selection of the territory to be checked and the suppliers is performed in such way that to cover the supply regions and the different logging companies and subcontractors.

At the time of SBR checking not yet done.

8.3 Conclusions from the Supplier Verification Programme

Work protection and work safety risk monitoring programme

Work protection inspections will be started on 01 June 2018. The inspections will be pre-planned and coordinate with suppliers. The inspections areas and suppliers are selected so that supply regions and a variety of wood harvesting companies are maximally covered. Records and observations are made for each supplier inspection.

Work protection and work safety risks related to logging can be divided into two categories:

1. Logging with mechanized multi-operational harvesting machines (harvesters) maximally minimizes risks related to work protection and work safety;
2. A higher work safety and work protection risk was found where logging was performed using hand chainsaws. Suppliers must respect requirements specified in regulations legislation.

Identification and protection of biotopes – monitoring risk programme

The inspections of biotopes monitoring risk programme will be started on 01 June 2018. In the framework of the programme, prior to wood acceptance, the supplier's confirmations will be required that potential possibility of natural forest biotopes was identified in <http://latbio.lv/MBI/search.db>.

The suppliers have an understanding of the biotope evaluation mechanism. In the cutting sites are respected nature protection requirements – preserve dead wood, ecological trees, large bird nests.

On overgrown agricultural lands the opportunity of a protected biotopes is rated as low.

9 Mitigation Measures

9.1 Mitigation measures

Risk mitigation measures are related to the following biomass supply risk categories:

- Identification of the signs of forest biotopes and natural forest biotopes of European significance,
- Protection of identified forest biotopes and natural forest biotopes of European significance,
- Mitigation of work protection and work safety risks.

The inspections process:

- Inspections are performed selectively for suppliers who supply SBP compliant feedstock,
- After supplier evaluation, a decision is taken on further wood supply. The suppliers that refuse to cooperate with SIA PATA in compliance of the SBP requirements may be excluded from the list of suppliers.

PATA has developed risk mitigation measures:

- Cutting licence and documents for full chain of custody per each cutting sites
- Checking for WKH (woodland key habitat) in LATBIO data base
- Supplier affirmation not to supply wood from HCV and complied to health and safety requirements
- Field audit are made used random selection techniques – PATA field audit sampling methodology – 0,8 sqrt FMU
- On site audit of supplier and decision include supplier in “approved suppliers list”

PATA has made field verification in 16 private forest properties. Initially, the availability of documents was checked – cutting licences and purchase agreements, printouts from the LATBIO database. In the felling area in the forest, the compliance of the completed WKH questionnaires with the nature, conservation of the ecological values. For harvester and forwarder operators, chainsaws operators was checked work safety equipment - the availability of security vests, helmets, first-aid kit, fire extinguisher, bonus kit. No major CARs were found at any of the checking points

SIA PATA gather opinion of forestry sector experts and specialists and create additional informative materials in order to better inform suppliers with SBP-compliant feedstock supply conditions and potential risks, thus reducing delivery risks of feedstock that is not compliant with SBP standards.

General description of risk mitigation system:

- The purchase of PEFC or FSC certified wood as priority for procurement of SBP-compliant biomass (100% PEFC, FSC Mix),
- Signing supply contracts and including the conditions of SBP standards for biomass supply, timely identification and reduction of SBP-noncompliant feedstock supply risks,
- Performing biotope risk assessment procedures prior to logging and checking cadastre numbers using the “Biotope Tool” available in LATBIO database http://latbio.lv/MBI/search_db . An assessment form is designed where all-natural forest biotope structures are included.
- An assessment form is designed where minimal requirements for maintaining work safety in the forest are included.
- Additional informative materials are provided for the biomass suppliers. The objective of informative materials is to teach suppliers to recognize the signs of potential possible biotopes and help to provide work safety requirements at their and service provider companies.

The assessment of the efficiency of risk mitigation measures and results of inspections are available upon request from the interested parties by meeting in person and explaining the mechanism and benefits of general risk mitigation measures, and by promoting further cooperation in the process of identifying risk mitigation.

9.2 Monitoring and outcomes

The suppliers that refuse to cooperate with SIA PATA in the identification of the preserve biotopes, protected bird species, cultural heritage objects and complying with work safety requirements, thus mitigated the risk of supplying SBP non-compliant feedstocks, were not approved for wood supply.

All suppliers are checked in LATBIO database for existing preserve biotopes, thus provide SBP compliant feedstocks supplies.

After SBP risk mitigation inspections, as well as creation of information materials, the supplier and forest owner have developed an understanding of SBE requirements regarding risk categories, their recognition and mitigation mechanism.

10 Detailed Findings for Indicators

Detailed information on each indicator is provided in the risk assessment.

Risk assessment is available at <https://sbp-cert.org/documents/risk-assessments>

11 Review of Report

11.1 Peer review

The final version of SBR was sent to professionals in wood industry, forestry and environment protection.

11.2 Public or additional reviews

No additional information for the time being.

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	<i>Vita Rudzīte</i>	<i>Certification system manager</i>	<i>27.04.2018.</i>
	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:	<i>Janis Mierkalns</i>	<i>Member of the board</i>	<i>27.04.2018.</i>
	Name	Title	Date
Report approved by:	<i>[name]</i>	<i>[title]</i>	<i>[date]</i>
	Name	Title	Date
Report approved by:	<i>[name]</i>	<i>[title]</i>	<i>[date]</i>
	Name	Title	Date

13 Updates

13.1 Significant changes in the Supply Base

Not applicable

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 January – 31 December 2017: 0 tonnes (SIA PATA has not made feedstock deliveries with SBP claim).

13.5 Projected figures for feedstock over the next 12 months

01 January – 31 December 2018: 0-100 000 tonnes (SIA PATA choose to show interval because of commercial sensitivity of data).