

Supply Base Report: PUSBROLIAI UAB

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

Version 1.0: published 26 March 2015

Version 1.1 published 22 February 2016

Version 1.2 published 23 June 2016

Version 1.3 published 14 January 2019

© Copyright The Sustainable Biomass Program Limited 2019

Contents

Contents	iii
1 Overview	1
2 Description of the Supply Base	2
2.1 General description	2
2.2 Actions taken to promote certification amongst feedstock supplier	5
2.3 Final harvest sampling programme	5
2.4 Flow diagram of feedstock inputs showing feedstock type [optional]	5
2.5 Quantification of the Supply Base	6
3 Requirement for a Supply Base Evaluation	8
4 Supply Base Evaluation	9
5 Supply Base Evaluation Process	10
6 Stakeholder Consultation	11
7 Overview of Initial Assessment of Risk	12
8 Supplier Verification Programme	13
9 Mitigation Measures	14
10 Detailed Findings for Indicators	15
11 Review of Report	16
11.1 Peer review	16
11.2 Public or additional reviews	16
12 Approval of Report	17
13 Updates	18
13.1 Significant changes in the Supply Base	18
13.2 Effectiveness of previous mitigation measures	18
13.3 New risk ratings and mitigation measures	18
13.4 Provide an update of risk ratings for all relevant Indicators	18
13.5 Actual figures for feedstock over the previous 12 months	18
13.6 Projected figures for feedstock over the next 12 months	18

1 Overview

Producer name: UAB PUSBROLIAI
Producer location: Silutes pl. 2-510, LT-91111 Klaipeda, Lithuania
Geographic position: 55.703563, 21.162145
Primary contact: Gintautas Juska – director, gintautas@pusbroliai.eu; +370 600 06250
Company website: <https://pusbroliai.eu>
Date report finalised: 1/Sep/2019
Close of last CB audit: [Date and location of the closing meeting CB]
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/standards>
SBP Endorsed Regional Risk Assessment: NA
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
X	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2 Description of the Supply Base

2.1 General description

PUSBROLAI UAB purchases the most of its feedstock for production of biomass (woodchip), wood residues after processing, after the branches as wood residues, barks and branches from forest and non-forest lands, also firewood for chipping, post-consumer material old palets.

The region of biomass origin is Lithuania and Latvia.

Data from deliveries period: From 31. July 2019 till 31. Septmebr 2019

Controlled Feedstock:

SBP-compliant Primary Feedstock: ~80% (~10 suppliers, as FSC 100%; or FSC Mix Credit)

SBP-controlled Primary Feedstock:-0%

SBP-compliant Secondary Feedstock: 10% (~5-12 suppliers, as FSC 100% or FSC Mix Credit)

SBP-controlled Secondary Feedstock: 0%

SBP-compliant Tertiary Feedstock:- 10% Post consumer old palets (FSC Recyycled)

SBP non-compliant Feedstock: 0 %

Generic: 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.)

Actions taken to promote certification amongst feedstock supplier

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.

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

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%);;

haFocusing on sustainable sourcing solutions

- 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:

- pine35%;;
- spruce 18.1 %;;
- birch 30.6 %;;
- gray alder 7.2 %:
- black alder 2.9 %;;
- aspen 5.0 %;;
- oak0.3%;;
- ash0.5%:
- 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>;
<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.

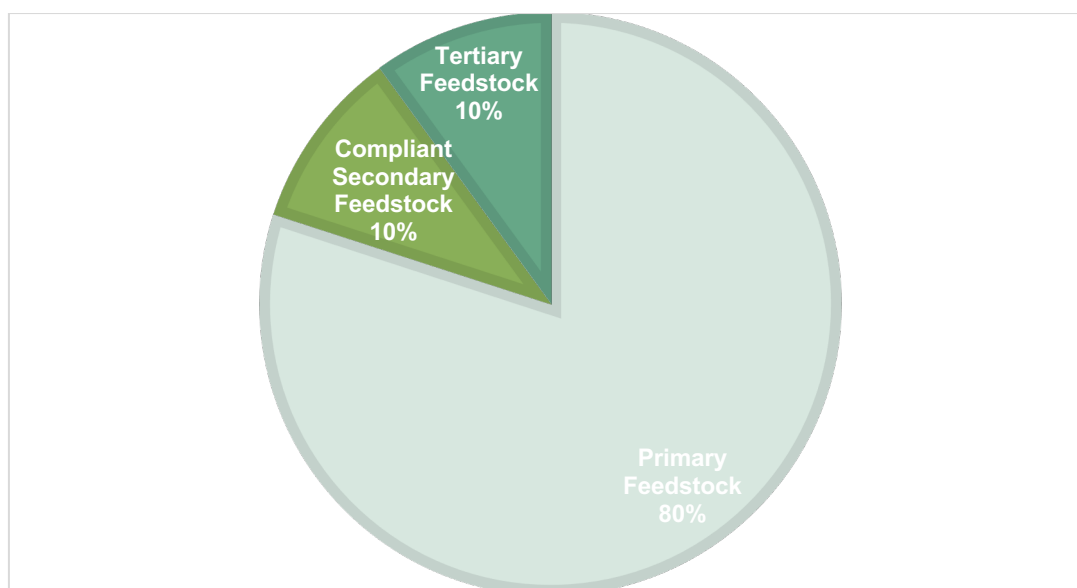
2.2 Actions taken to promote certification amongst feedstock supplier

UAB PUSBROLIAI informs suppliers about criteria and importance of FSC and PEFC certificates. UAB PUSBROLIAI 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]



2.5 Quantification of the Supply Base

Supply Base

- a. Total Supply Base area (ha): ;; Latvia 3,05 mln Lithuania 2, 17 mln;
- b. Tenure by type (ha): Latvia 2,65 mln state forests;; 2,63 mln private forests. Lithuania 238 000 ha forests reseserved for restitution, 858000 ha Private forests, 1,081ml/h
- c. Forest by type (ha): boreal forest
- d. Forest by management type (ha): Managed, partly natural forests 5,2 million ha
- e. Certified forest by scheme (ha): (e.g. hectares of FSC or PEFC-certified forest)

Feedstock

- f. Total volume of Feedstock: 50 000- 120 000 m³ - *
- g. Volume of primary feedstock: 10 000 - 20 000 m³ -
- h. List percentage of primary feedstock (g), by the following categories. - percentages may be shown in a banding between XX% to YY% if a compelling justification is provided*. Subdivide by SBP-approved Forest Management Schemes:
 - Certified to an SBP-approved Forest Management Scheme 100% (FSC and PEFC
 - Not certified to an SBP-approved Forest Management Scheme- 0%
- i. List all species in primary feedstock, including scientific name
Picea abies;; Pinus sylvestris;; Alnus glutinosa;; Alnus incana;; Populus tremula;; Betula pendula;; Betula pubescens;; Fraxinus excelsior;; Tilia cordata;; Salix spp.
- 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: NA
 - 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: specify origin and type – 40 000- 80 000 m³ the volume may be shown as a % of the figure in (f) and percentages may be shown in a banding between XX% to YY% if a compelling justification is provided*.
- m. Volume of tertiary feedstock: specify origin and composition - Post-consumer 40 000- 80 000 m³ the volume may be shown as a % of the figure in (f) and percentages may be shown in a banding between XX% to YY% if a compelling justification is provided*.

* Compelling justification would be specific evidence that, for example, disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage. State the reasons why the information is commercially sensitive, for example, what competitors would be able to do or determine with knowledge of the information.

Bands for (f) and (g) are:

1. 0 – 200,000 tonnes or m³
2. 200,000 – 400,000 tonnes or m³
3. 400,000 – 600,000 tonnes or m³
4. 600,000 – 800,000 tonnes or m³
5. 800,000 – 1,000,000 tonnes or m³
6. >1,000, 000 tonnes or m³

Bands for (h), (l) and (m) are:

1. 0%-19%
2. 20%-39%
3. 40%-59%
4. 60%-79%
5. 80%-100%

NB: Percentage values to be calculated as rounded-up integers.

3 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.

4 Supply Base Evaluation

NA

5 Supply Base Evaluation Process

NA

6 Stakeholder Consultation

NA

7 Overview of Initial Assessment of Risk

NA

8 Supplier Verification Programme

NA

9 Mitigation Measures

NA

10 Detailed Findings for Indicators

NA

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. No comments were received.

11.2 Public or additional reviews

NA

12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	<i>SIA Lodrest, Uldis Žurilo</i>		<i>1.September2019</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:	<i>Gintautas Juška</i>	<i>Director</i>	<i>1.September2019.</i>
	Name	Title	Date

13 Updates

13.1 Significant changes in the Supply Base

NA

13.2 Effectiveness of previous mitigation measures

NA

13.3 New risk ratings and mitigation measures

NA

13.4 Provide an update of risk ratings for all relevant Indicators

NA

13.5 Actual figures for feedstock over the previous 12 months

120 000 m³

13.6 Projected figures for feedstock over the next 12 months

150 000 m³