



# Supply Base Report: Bio Wood UAB

First Surveillance Audit

[www.sbp-cert.org](http://www.sbp-cert.org)



**The promise of good biomass**



## Completed in accordance with the Supply Base Report Template Version 1.4

*For further information on the SBP Framework and to view the full set of documentation see [www.sbp-cert.org](http://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; re-published 3 April 2020*

*Version 1.4 published 22 October 2020*

# Contents

- 1 Overview**
  - 2 Description of the Supply Base**
    - 2.1 General description
    - 2.2 Description of countries included in the Supply Base
    - 2.3 Actions taken to promote certification amongst feedstock supplier
    - 2.4 Quantification of the Supply Base
  - 3 Requirement for a Supply Base Evaluation**
  - 4 Supply Base Evaluation**
    - 4.1 Scope
    - 4.2 Justification
    - 4.3 Results of risk assessment and Supplier Verification Programme
    - 4.4 Conclusion
  - 5 Supply Base Evaluation process**
  - 6 Stakeholder consultation**
    - 6.1 Response to stakeholder comments
  - 7 Mitigation measures**
    - 7.1 Mitigation measures
    - 7.2 Monitoring and outcomes
  - 8 Detailed findings for indicators**
  - 9 Review of report**
    - 9.1 Peer review
    - 9.2 Public or additional reviews
  - 10 Approval of report**
- Annex 1: Detailed findings for Supply Base Evaluation indicators**

# 1 Overview

**Producer name:** Bio Wood UAB

**Producer address:** Palangos pl. 23, Vigantiškių k., LT-88438 Telšių raj., Lithuania

**SBP Certificate Code:** SBP-01-06

**Geographic position:** 55.979500, 22.267300

**Primary contact:** Indrė Stonytė, +370 6867 4767, uab.biowood@gmail.com

**Company website:** www.biowood.eu/

**Date report finalised:** 01 Jun 2021

**Close of last CB audit:** 25 May 2021

**Name of CB:** NEPCon OÜ

**SBP Standard(s) used:** SBP Standard 2: Verification of SBP-compliant Feedstock, SBP Standard 4: Chain of Custody, SBP Standard 5: Collection and Communication of Data Instruction, Instruction Document 5E: Collection and Communication of Energy and Carbon Data 1.4

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

**SBP Endorsed Regional Risk Assessment:** N/A

**Weblink to SBR on Company website:** N/A

## Indicate how the current evaluation fits within the cycle of Supply Base Evaluations

Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance	Re-assessment
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## 2 Description of the Supply Base

### 2.1 General description

**Feedstock types:** Secondary

**Includes Supply Base evaluation (SBE):** No

**Feedstock origin (countries):** Lithuania, Latvia

### 2.2 Description of countries included in the Supply Base

**Country:**Lithuania

**Area/Region:** Lithuania

**Exclusions:** No

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 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 m<sup>3</sup> per hectare. In nature stands, the average growing stock in all Lithuanian forests is 244 m<sup>3</sup> per hectare. Total annual growth is almost 11,900,000 m<sup>3</sup> and the average annual wood increase has reached 6.3 m<sup>3</sup> per hectare.

The expected annual logging volume is 5.2 million m<sup>3</sup>, 2.4 million m<sup>3</sup> of which are sawn wood and the remaining 2.8 million m<sup>3</sup> 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>)

The food and agriculture organization of the united nations global forest recourse resources assesment 2015 report for Lithuania indicates the total wood fuel energy use of all wood removals from forests between 16-32 percent in recent history.

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.

**Country:**Latvia

**Area/Region:** Latvia

**Exclusions:** No

Forests in Latvia cover 3 036475 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 350684 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 ~135 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](http://vmd.gov.lv), 2019).

Forest lands consist of:

- forests: 3 036475 ha (91.3 %);
- marshes: 168 424,67 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, 2018)

Breakdown of forests by dominant species:

- Pine: 33 %
- Spruce: 19 %
- Birch: 30 %
- Black alder: 3 %
- White alder: 7 %
- Aspen: 7 %
- Other species: 1 %

(the State forest service: vmd.gov.lv, 2019)

Share of tree species in forest renewal, breakdown by area (2017):

- Pine: 15 %
- Spruce: 19 %
- Birch: 30%
- White alder: 14 %
- Aspen: 18 %
- Other species: 4 %

(the State forest service: vmd.gov.lv, 2019)

Wood extraction according to types of cutting, breakdown by volume of production (2017):

- Final harvest: 45,3 %
- Thinning: 33,8 %
- Sanitary clear cutting: 14,5 %
- Deforestation cutting: 0.04 %
- Other types of cutting 6,3 %

(the State forest service: vmd.gov.lv, 2019)

## **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](http://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](http://www.vmd.gov.lv)).

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

The forest sector is one of the cornerstones of the country's economy. In 2017, the share of forestry, wood processing and furniture production in the gross domestic product made up 4.8%, while the export volume reached 2.2 billion euros - 20% of the country's total exports.

## **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 total, the protected areas occupy 28.2% of the total forest area. In just over half of these areas, there are no restrictions on forestry activities. 6.9% of the total forest area is forbidden clearing, 1.2% forbidden main felling, and 2.3% forbidden care and main felling. Only 100.3 thousand hectares, corresponding to 3.3% of the total forest area, is subject to a complete limitation of forestry activities. Most of the protected areas with restrictions on economic activity are owned by the state.

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**



· Areas where recreation is one of the main forest management objectives add up to 8 % of the total forest area or 293 000 ha (2012y). Observation towers, educational trails, natural objects of culture history value, picnic venues: they are just a few of recreational infrastructure objects available to everyone free of charge. Special attention is devoted to creation of such areas in state-owned forests. Recreational forest areas include national parks (excluding strictly protected areas), nature parks, protected landscape areas, protected dendrological objects, protected geological and geomorphologic objects, nature parks of local significance, the Baltic Sea dune protection zone, protective zones around cities and towns, forests within administrative territory of cities and towns. Management and governance of specially protected natural areas in Latvia is co-ordinated by the Nature Conservation Agency under the Ministry for Environmental Protection and Regional Development.

## **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. In Latvia, more than 300 FSC supply chain certificates have been issued to more than 550 companies. Most of the largest forest industry companies have FSC certification. Both these systems are operating in Latvia.

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.

## **2.3 Actions taken to promote certification amongst feedstock supplier**

For the production of SBP pellets, the company used FSC certified supplier material (100%). 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

## **2.4 Quantification of the Supply Base**

### **Supply Base**

- a. Total Supply Base area (million ha):** 5,24
- b. Tenure by type (million ha):** 2.44 (Privately owned), 2.80 (Public)
- c. Forest by type (million ha):** 5.24 (Temperate)
- d. Forest by management type (million ha):** 5.24 (Managed natural)
- e. Certified forest by scheme (million ha):** 2.88 (FSC), 1.74 (PEFC)

**Describe the harvesting type which best describes how your material is sourced:** Mix of the above

**Explanation:** Regional forestry uses clearcutting and thinning.

**Was the forest in the Supply Base managed for a purpose other than for energy markets?** Yes - Majority

**Explanation:** Region has an active mechanical wood processing industry

**For the forests in the Supply Base, is there an intention to retain, restock or encourage natural regeneration within 5 years of felling?** Yes - Majority

**Explanation:** Requirements are defined in the local law requirements

**Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation?** No

**Explanation:** n/a

## Feedstock

**Reporting period from:** 01 Jan 2020

**Reporting period to:** 31 Dec 2020

- a. **Total volume of Feedstock:** 1-200,000 tonnes
- b. **Volume of primary feedstock:** 0 N/A
- c. **List percentage of primary feedstock, by the following categories.**
  - Certified to an SBP-approved Forest Management Scheme: N/A
  - Not certified to an SBP-approved Forest Management Scheme: N/A
- d. **List of all the species in primary feedstock, including scientific name:** N/A
- e. **Is any of the feedstock used likely to have come from protected or threatened species?** N/A
  - Name of species: N/A
  - Biomass proportion, by weight, that is likely to be composed of that species (%): N/A
- f. **Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%):** N/A
- g. **Softwood (i.e. coniferous trees): specify proportion of biomass from (%):** N/A
- h. **Proportion of biomass composed of or derived from saw logs (%):** N/A
- i. **Specify the local regulations or industry standards that define saw logs:** N/A
- j. **Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** N/A
- k. **Volume of primary feedstock from primary forest:** N/A N/A
- l. **List percentage of primary feedstock from primary forest, by the following categories. Subdivide by SBP-approved Forest Management Schemes:**
  - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme: N/A
  - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme: N/A
- m. **Volume of secondary feedstock:** 1-200,000 tonnes
  - Physical form of the feedstock: Chips, Sawdust
- n. **Volume of tertiary feedstock:** 0 N/A
  - Physical form of the feedstock: N/A

**Proportion of feedstock sourced per type of claim during the reporting period**

<b>Feedstock type</b>	<b>Sourced by using Supply Base Evaluation (SBE) %</b>	<b>FSC %</b>	<b>PEFC %</b>	<b>SFI %</b>
Primary	0,00	0,00	0,00	0,00
Secondary	0,00	100,00	0,00	0,00
Tertiary	0,00	0,00	0,00	0,00
Other	0,00	0,00	0,00	0,00

### 3 Requirement for a Supply Base Evaluation

Is Supply Base Evaluation (SBE) is completed? No

N/A

## 4 Supply Base Evaluation

### 4.1 Scope

**Feedstock types included in SBE:** N/A

**SBP-endorsed Regional Risk Assessments used:** N/A

**List of countries and regions included in the SBE:**

**Country:** N/A

**Indicator with specified risk in the risk assessment used:**

N/A

**Specific risk description:**

### 4.2 Justification

N/A

### 4.3 Results of risk assessment and Supplier Verification Programme

N/A

### 4.4 Conclusion

N/A

# 5 Supply Base Evaluation process

N/A

## **6 Stakeholder consultation**

N/A

### **6.1 Response to stakeholder comments**

N/A

## **7 Mitigation measures**

### **7.1 Mitigation measures**

N/A

### **7.2 Monitoring and outcomes**

N/A



## 8 Detailed findings for indicators

Detailed findings for each Indicator are given in Annex 1 in case the Regional Risk Assessment (RRA) is not used.

**Is RRA used?** N/A

## **9 Review of report**

### **9.1 Peer review**

N/A

### **9.2 Public or additional reviews**

N/A

## 10 Approval of report

Approval of Supply Base Report by senior management			
Report Prepared by:	Neda Monstaviciute	Commerce manager	01 Jun 2021
	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:	Neda Monstaviciute	Commerce manager	01 Jun 2021
	Name	Title	Date

# **Annex 1: Detailed findings for Supply Base Evaluation indicators**

N/A