



Supply Base Report: Holzkontor und Pelletierwerk Schwedt GmbH

Fourth Surveillance Audit

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Completed in accordance with the Supply Base Report Template Version 1.5

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

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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**
- Annex 2: Detailed findings for REDII**

1 Overview

Producer name: Holzkontor und Pelletierwerk Schwedt GmbH

Producer address: Passower Chaussee 111, Str. K, 16303 Schwedt, Germany

SBP Certificate Code: SBP-07-44

Geographic position: 53.089600, 14.225500

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Company website:

Date report finalised: 19 Dec 2023

Close of last CB audit: N/A

Name of CB: Preferred by Nature 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 1.5

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

SBP Endorsed Regional Risk Assessment: Not applicable

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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

2 Description of the Supply Base

2.1 General description

Feedstock types: Primary, Secondary, Tertiary

Includes Supply Base evaluation (SBE): No

Includes REDII: Yes

Includes REDII SBE: Yes

Feedstock origin (countries): Germany, Poland, Czech Republic, Sweden, Finland

2.2 Description of countries included in the Supply Base

Country: Germany

Area/Region: Whole country

Sub-Scope: N/A

Exclusions: No

Holzkontor und Pelletierwerk Schwedt GmbH (HPS)

HPS is a wood pellet producer situated in the German municipality Schwedt/Oder on the Polish border. The pelletizing plant has an annual production capacity of 120,000 tonnes and produces 6 mm pellets according to the ENplus A1 and/or SBP standards.

The production plant was founded in 2006. In spring 2022, 100% of HPS's shares were bought by LEAG - the largest power plant operator in eastern Germany, and, at the same time, the German division of the Czech Slovak energy utility EPH.

HPS is a PEFC certified pellet producer. HPS has around 15 direct suppliers, which are all PEFC or FSC certified. Indirectly the wood comes from around 40 to 50 suppliers, mainly sawmills and vertically integrated wood processors. 6.7% was SBP-compliant Primary Feedstock, 57.3% SBP-compliant Secondary Feedstock, 35.6% SBP-controlled Secondary Feedstock, and 0.4% SBP-controlled Tertiary Feedstock.

HPS has no direct impact on forest management practices. However, by buying from PEFC and/or FSC certified companies, HPS does promote best practices are promoted and no locally protected tree species are harvested.

Regarding the regional forest and wood sector, HPS is a medium-sized company. Considering specifically the use of wood residues, there are a few companies similar in size in the region. By producing wood pellets, HPS adds value to low-grade wood residues and creates jobs.

Germany

In Germany the forest area is 11.42 million hectares, which is 33% of the total land area. Between 1990 and 2020 the forest area increased by 119 thousand hectares, an increase of 1.1% (FOAstat, 2023). The forests are in the temperate zone (forest biome). In biogeographic terms, the forests relate to Germany's Atlantic, continental or alpine regions.

Mixed forests with both deciduous and coniferous trees cover 76% of the total forest area. Spruce, pine, beech and oak account for 73% of the forests. At present deciduous trees account for 43% of the forest cover and coniferous trees 57%. Spruce is present all over the country but mainly from the foothills of the Alps to the highlands of the south and south-west of Germany and the central uplands. Pine is found mainly in the north-east lowlands, from Lower Saxony to Brandenburg and Saxony.

Social and economic aspects

According to the third National Forest Inventory, of the 11.4 million hectares of forest in Germany 67% is private property (of which 19% is owned by corporations) and 33% is public property (4% is owned by the Federal Government, 29% by the provinces). Private woodlands in Germany are predominantly small and fragmented. About half of the private forest plots are less than 20 hectares.

According to FAOstat, Germany put on the market an estimated 9,264,898 m³ of coniferous wood fuel and 13,959,003 m³. In 2021, Germany put on the market an estimated 9,264,898 m³ of coniferous wood fuel and 13,959,003 m³ of non-coniferous wood fuel. Official trade data indicate 53,590 m³ of wood fuel were imported more, than were exported (2021). In 2022, Germany put on the market 3,6 million tons of wood pellets. Germany exported 206 thousand tons of wood pellets more than it imported.

According to EUROstat, 53.67 thousand people were employed in the German forestry and logging sector in 2021. The forest and timber industry, including wood processing and paper production, accounts for nearly 1.1 million jobs with an annual turnover of about 170 billion euro. The number of corporative and private forest owners in Germany is about 2 million. Small- and medium-sized forest based enterprises play a major role in rural employment structures. Surveys in rural areas as the Black Forest and in the Sauerland showed that around 25% of all jobs depend on the forest and wood sector.

There are no indigenous people living from the forests in Germany. Germany ranks high on the Worldwide Governance Indicator (WGI) with excellent scores on 'rule of law' and 'control of corruption'. Germany has a Corruption Perception Index of 80 points (2021), ranking on the 10th place of least corrupt countries in the world.

Forest management

Most forests are managed with a multi-functional approach. A broad array of silvicultural methods are applied. Small clear cuts are used in most cases, but selective cutting systems are used also. German forests belong to the most productive in Europe. Most forest operations are done with specialized machinery, such as harvesters and forwarders.

Of the forest area 14.5% is classified very natural and 21,3% as natural. The proportion of natural forest areas in state forests is around 40%, in private forests around 30%.

The forests are in average 77 years old. Oak forests are in average 102, beeches 100, and firs 96 years old. Douglas fir forests are the youngest at 45 years old in average. Almost a quarter of the forest is older than 100 years and 14% is older than 120 years. German forests hold in average 20.6 m³ deadwood per hectare (around 224 million m³ of deadwood in total). The deadwood stock has reached 6% of the living timber stock. Natural regeneration is predominant in Germany, planting accounts only for 13% of the young stock.

Timber stocks amount to 3.7 billion m³ in total and 336 m³ per hectare in average, and are growing. The increment of timber is in average 11.2 m³ per hectare a year and 121.6 million m³ per year in total. 87% of the annual increment is used. The forests in Germany are acting as a carbon sink and relieves the atmosphere of around 52 million tons of carbon dioxide annually. The amount of stored carbon in living biomass in German forests increased by 111 million tons (+10%) from 2008 till 2019 (FAOstat, 2022).

Regarding 'adjacent land use' and 'forestry management practices or land management practices' inside the country (thus, other users of the forests, or users of adjacent lands), or in the surrounding countries. Adjacent land use concerns the typical agricultural systems for Europe, nature protection zones, and urban areas. The profile of forest management systems are the same (in the country), or similar (surrounding countries); most is replanted, but natural regeneration systems are becoming more common. German forests have suffered from drought and insect pests, what accelerated the shift away from monocultures. Sanitary cuts have temporarily increased the availability of roundwood of various quality. There are practically no wood energy plantations in these regions, the feedstock used for the bioenergy sector are sawmill and wood industry residues, forestry residues, and fuel wood from sanitary feelings.

December 2023, 8,275,727 ha were PEFC certified, and 1,553,728 ha FSC certified. State forests are generally certified according to the requirements of the PEFC or FSC certification systems. The present FSC Controlled Wood National Risk Assessment for Germany does not state any specified risks.

Protected species and conservation areas

For Germany, CITES and IUCN list many flora and fauna species that need protection; CITES, however, does not list any tree species, IUCN lists 5 tree species in the category 'vulnerable', 8 in the category 'endangered', and 14 in the category 'critically endangered'.

Germany, has adopted a Red List classification of species in accordance with the criteria of the International Union for Conservation of Nature (IUCN). The forests are biodiverse and comprise of habitats for many wild animals and plants.

Nature conservation and species protection as well as biodiversity conservation are incorporated in the German legislation. For example, the German Federal Nature Conservation Act regulates the general protection of nature and landscapes, as well as of wild flora and fauna. Each federal state has its own land conservation law, which is linked to the Federal Nature Conservation Act.

Forest management measures are subjected to the Federal Forest Act and the State Forest Acts, which require management and site planning. The occurrence of special conservation values is considered. Federal Forest Act also requires to consider the functions of forest ecosystems in forest management activities.

Germany has 16 National Parks covering approximately 2145 km² (not including the North Sea and Baltic areas). This is 0.6% of the total land area. About 17% of the German forest consists of protected areas according to the European Directive on Fauna Flora Habitat (FFH Directive) thus forming part of the European protected area network 'Natura 2000'. There are specially protected biotopes over some 593 thousand hectares, i.e. 5% of the forest area. These are in most cases (77%) forest mire, marsh woods or floodplain forests, as well as other wetland biotopes.

105 nature parks cover a total area of 10.1 million ha, equal to 28.4% of Germany's land surface. The share of land covered by nature parks increased by 42% (about 3.0 million ha) between 1998 and 2017. Protected areas account for 56% and nature conservation areas for 5% of the nature parks.

Country:Sweden

Area/Region: whole country

Sub-Scope: N/A

Exclusions: No

Sweden has 28.10 million hectares of forests, which is 69% of the total land cover. 23.5 million ha are 'productive forest land'. Productive forest land is the most dominant land category followed by Alpine areas (5.1 million ha) and agricultural land.

Almost the whole country is within the boreal region (95%), a small part in the south is considered the temperate region (forest biome). Sweden's forests are dominated by Norway spruce and Scots pine.

Socio-economic aspects

According to official data of the Swedish Forestry Agency (2020), ownership of the productive forest was divided as follows:

- 48% by individual owners;
- 24% by private-owned limited liability companies;
- 21% by public owners;
- 6% by "other private owners";
- 1% by "other public owners".

In Sweden 313 084 'natural persons' are forest owners. The 'right of public access' gives people the possibility to gather mushrooms, berries and flowers that are not protected in the forests.

The forest products industry is significant for the Swedish economy, and accounts for 9 to 12% of the Swedish industry's total employment. Sweden was the third largest exporter of sawn wood in the world, after Russia and Canada (FAO, 2018). According to the Swedish Forest Agency, 28,300 people worked in forestry (in 2020) and 48,700 people earned their income in the forestry sector (in 2019).

Eurostat indicates 19 thousand people were working in the Swedish forestry and logging industry, and 13 thousand in the furniture industry in 2020. In 2020, there were 110 reported occupational injuries in the Swedish forestry sector.

In 2022, Sweden harvested an estimated 6.0 million m³ of low grade wood fuel and imported 49 thousand m³ of wood fuel more than it exported. In 2021, Sweden produced 1.9 million tons of wood pellets; it imported 153,552 tons, and exported 137,503 tons of pellets.

The Timber Measurement Act, gives the seller and buyer of logs a tool to evaluate the price of the logs delivered to the industry. The law does not provide a basis for taxes and fees, however, does contribute to a credible and transparent market for logs.

Sweden ranks high on the Worldwide Governance Indicator (WGI) with excellent scores on 'rule of law' and 'control of corruption'. With a Corruption Perception Index (CPI) score of 85 points (in 2020), Sweden is in the top three of least corrupt countries in the world.

Forest management

The forest rotation period is usually 60-100 years, mostly with 2-3 intermediate thinnings. Planting and natural regeneration are both commonly used. GMO tree species are not used in forestry. In recent years, continuous cover forestry methods are also applied. Continuous cover forestry is based on a 15-20 years harvesting cycle using selective harvesting techniques or the felling of small sites of less than 0.5 ha.

In 2020, 18.3 million hectares was covered by a forest management plan. Around 664 thousand hectares were covered by non-clearcut harvesting systems (Swedish Forestry Agency). Regarding regeneration, in the last years, 85% was planted, 4% was seeded, and around 10% was covered by natural regeneration.

The total forest harvesting volume in Sweden is around 80 million m³ annually, which is below the annual increment of forests. Calculated as dry weight, the total volume is 2,642 million tons. Up until the 1970's an increase in standing stock was realized by spruce, since then the volumes of spruce, pine and broadleaves have all increased. In 2021, production of sawlogs and veneer logs was over 37 million m³, and pulpwood over 32 million m³ (FAOstat)

All forestry activities in Sweden are subject to the same legislation and requirements. The Swedish Forestry Act aims at promoting high long-term wood production as well as environmental protection during forestry activities. It contains:

- an obligation to regenerate forest on forest land;
- a ban to harvest trees under certain ages;
- limitations to the size of clear cuts and young forest within an estate; and
- requirements to prevent outbreaks of pests.

However, the law does not contain requirements on silviculture measures, such as pre-commercial or commercial thinnings.

Since 1993, the production and environmental function of forests are given equal importance in the opening paragraph of Sweden's Forestry Act.

The Swedish Forest Agency is responsible for enforcing requirements concerning environmental protection. Besides, the Forest Agency, the County Administrative Board, and the Municipality's environmental authorities supervise several forestry related activities. The Forest Agency processes approximately 60 thousand Timber Harvesting Notifications annually, which are inspected within a 6-week period allocated for this purpose. Harvesting permits are only required for specific forest lands, e.g. mountainous forests. However, final fellings on areas larger than 0.5 ha must be notified in advance to the Swedish Forest Agency.

The Swedish interpretation of 'illegal harvested timber' in the EU Timber Regulation, as given in the Law on Trade with Timber and Wood products (2014:1009), includes only activities not complying with legal requirements subject to direct sanctions, such as fines or imprisonment. To define which forestry actions are legal is complicated. Most of the detailed requirements regulated by authorities such as the Swedish Forest Agency and the Swedish Work Environment Authority are used as references to issue injunctions to forest owners or buyers. The injunctions normally have a preventive character. Actions deviating from some regulations are not always regarded as illegal. Transgressing requirements of the Forest Agency could however be subject to injunctions on repairing measures, e.g. restoring disturbed waterways or clearing frequently used trails.

Considered here is the total forest area of Sweden. Regarding 'adjacent land use' and 'forestry management practices or land management practices' inside the country (thus, other users of the forests, or users of adjacent lands), or in the surrounding countries:

- Adjacent land use concerns the typical agricultural systems for the north of Europe, nature protection zones, and urban areas, which tend to claim more space in the south;
- The profile of forest management systems are the same (in the country), or very similar (surrounding countries); most is replanted, but natural regeneration systems are becoming more common. Denmark has less forests and it is in the temperate biome, but its silvicultural methods are similar in many ways anyway.
- There are practically no energy plantations in these regions, the feedstock used for the bioenergy sector are sawmill and wood industry residues, and forestry residues. There are scientists, however, who claim it would be useful short-rotation plantations would be developed in the north of Europe; they found the most potential for energy plantations in Denmark.

In December 2023, 16,522,111 ha were PEFC certified, and 19,453,251 ha FSC certified. Over half of all Swedish forests are PEFC-certified, and most of the PEFC certified forests are also FSC certified.

According to official data of the Swedish Forestry Agency, 1.3 million hectares were voluntary set-aside in 2020.

The Sámi people

The Sámi live in the northern part of Sweden, covering a living space of 35 to 52% of Sweden (dependent on the source of information). The Sámi people are the only ethnic group that has the status of indigenous people (Swedish Constitution). The Sámi culture is related to traditional reindeer husbandry.

The Sámi people's rights to use private and state-owned land when practising reindeer husbandry, hunting, and fishing are defined in the Reindeer Husbandry Act.

Sweden did not ratify ILO Convention 169 on "Indigenous and Tribal Peoples Convention (1989)" and there are indications that the legislative framework for the area of the Sámi does not cover all the key provisions of ILO and United Nations Declaration on the Rights of Indigenous Peoples.

Laws and regulations are in place to resolve conflicts, but participation of the Sámi in the decision-making sometimes fails. Conflict resolutions are not broadly accepted. There have been conflicts, of which some have been resolved in court, between the Sámi people and landowners regarding what are the traditional Sámi territories.

According to the Swedish Forestry Act forestry activities such as harvesting must take the interests of reindeer husbandry into consideration. Many of the specific regulations on this matter are to be considered by the Swedish Forest Agency when dealing with Timber Harvesting Notifications (Swedish Forestry Act,

section 13b, 14, 16, 18a, 18b, 31). When timber harvesting is carried out in continuous reindeer husbandry areas, consultation with the concerned Sámi community is required.

Protected species and conservation areas

CITES does not red list any tree species in Sweden; it does list plant and animal species in different classes of risk. IUCH has one tree species listed, one as 'critically endangered' and two as 'vulnerable' in Sweden.

A complete list of all species that are protected throughout Sweden is available on the website of the Environmental Protection Agency. At present, there are about 300 species with the protected status throughout the country, and an additional fifty in one or more counties.

The Swedish Forestry Agency has laid down regulations on detailed requirements in order to protect species and the environment. However, such requirements may not lead to any significant economic loss for the landowner. The Swedish Forest Agency (SFA) uses satellite imagery; the imagery is essential to detecting illegal activities and to train forest owners in best management practices. This approach has proven to have a positive impact on forest productivity and on wild-life conservation.

Sweden is active on planning and implementing forest protection through the establishment of national parks, nature reserves, habitat protection, Natura 2000-areas and nature conservation agreements. Whereas national parks only may be established on state land, nature reserves, habitat protection, Natura 2000-areas or nature conservation agreements can be established on forest land that continues to be privately owned.

A natural conservation agreement is a civil contract between the state and a forest owner through which the latter undertakes to limit its forestry activities or make specific conservation measures. In 2020, the number of habitat protection and nature conservation agreements has risen to around 14 thousand and the total amount of compensation granted surpassed 300 million euro.

According to a regulation of the Swedish Forestry Agency, harm to sensitive biotopes due to forestry activities must be avoided, or limited. The Agency has specified biotope types that it considers sensitive. Harming such biotopes during forestry activities is, however, not subject to legal sanctions, if no prior injunction was issued by the Agency.

Country:Finland

Area/Region: whole country

Sub-Scope: N/A

Exclusions: No

Finland's forest area is ca. 22.22 million ha. It is the most forested country in Europe, with 73.1% of the land area under forest cover.

The forests are fully in the boreal zone. There are four coniferous species native to Finland, and over twenty species of deciduous trees. Almost half of the volume of the timber stock consists of pine (*Pinus sylvestris*). The other most common species are spruce (*Picea abies*) downy birch (*Betula pubescens*) and silver birch (*Betula pendula*). These species make for 97% of total timber volume in Finland.

Socio-economic aspects

Finnish citizens own around 60% of the forestry land. The state owns 26% of the Finnish forests, private industries, such as forest industry companies 9% and other organizations 5%. The state forests are mainly situated in the north of Finland; 45% of those forests are under strict protection. State lands are managed by Metsähallitus.

In 2022, Finland harvested an estimated 9.4 million m³ of low grade wood fuel and imported 51 thousand m³ of wood fuel more than it exported. In 2022, Finland produced 360 thousand tons of wood pellets; it imported 178 thousand tons more than it exported.

In Finland the rare concept of Everyman's rights (*Jokamiehenoikeus*) is in force. This gives everyone, Finns and other nationalities alike, the right to move freely outdoors. Picking berries and mushrooms is permitted on privately owned land. Free forest access provides, in addition to products for local or family consumption, opportunities for those who sell non-wood forest products. This right has traditionally been exercised with due concern for the environment and courtesy to the landowner and people living in the vicinity.

The forest sector is one of key contributors to Finland's economy. Forestry and the forest industry account for ca. 5% of Finland's gross domestic product, and approximately 20% of the exports. The forest sector employs directly about 70 thousand people, which is around 2.8% of Finland's workforce. 20% of Finland's export income comes from the forest industries. More than 60% of the value added generated by the forest industries came from the pulp and paper industries and the rest from wood products industries. Regionally, the importance of the forest sector is the largest in the south-eastern corner of Finland, in Etelä-Savo and the central regions, where the sector produces some 10% of the regional GDP.

Finland ranks high on the Worldwide Governance Indicator (WGI) with excellent scores on 'rule of law' and 'control of corruption'. With a Corruption Perception Index (CPI) score of 85 points (in 2020), Finland is in the top three of least corrupt countries in the world.

Forest management

Finnish forestry is based on the management of native tree species. The management of forests seeks to respect their natural growth and mimic the natural cycle of boreal forests. The objective is to secure the

production of high-quality timber, and to preserve the biological diversity of forests as well as the preconditions for the multiple use of forest. Currently, about 120 thousand ha of forest land are planted or seeded annually favoring almost exclusively native tree species.

According to the 1st national forest inventory (1921–1924), the total growing stock volume was 1,588 million m³. Based on the 11th inventory, this is 2,332 million m³ (103 m³/ha) with annual growth of 105 million m³ (4,6 m³/ha).

The Forest Act regulates the felling of timber in Finland. Regional Forestry Centers control the implementation of the forestry legislation and record forest use declarations in which forest owners inform about the stand characteristics, intended measures, regeneration and ecological concerns on a website before the felling can take place. Forest owners must get an approval for forest use by the regional forest centers.

Considered here is the total forest area of Finland. Regarding 'adjacent land use' and 'forestry management practices or land management practices' inside the country (thus, other users of the forests, or users of adjacent lands), or in the surrounding countries:

- Adjacent land use concerns the typical agricultural systems for the north of Europe, nature protection zones, and urban areas, which tend to claim more space in the south;
- The profile of forest management systems are the same (in the country), or very similar (surrounding countries); most is replanted, but natural regeneration systems are becoming more common.
- Russia has a poorer infrastructure and a less developed forestry and agricultural sector. Per hectare considerably less wood becomes available for the wood industry. The forests are used less intensively, but in a courser manner. Still, there are also many similarities between the forestry management systems between these countries.

Around 75% of Finnish forests have been certified under PEFC. In practice, forest certification requirements determine the standard of silviculture in Finland. Some Finnish forests have also been certified under the Forest Stewardship Council (FSC); however, this forms only approximately 6% of the total forest area.

In December 2023, 19,078,520 ha PEFC and 2,370,631 ha were FSC certified in Finland.

The Sámi people

A group considered as an indigenous people in Finland is the Sámi. Their rights have been secured in many laws e.g. the Constitution, the Sámi Parliament Act, the Act on the Finnish Forest and Park Service and the Act on Reindeer Husbandry.

The Sámi Parliament is the supreme political body of the Sámi in Finland. The Sámi Parliament represents the Sámi in national and international connections, and it attends to the issues concerning Sámi language, culture, and their position as an indigenous people. The Sámi Parliament can make initiatives, proposals

and statements to the authorities. The Sámi Parliament Act also states that the authorities have an obligation to negotiate with the Sámi Parliament for all important measures that concern the Sámi people. These include for example the use of state land and conservation areas.

Protected species and conservation areas

Finland joined CITES in 1976. Nowadays the national legislation for the implementation of CITES and relating EU regulations is the Nature Conservation Act (1096/1996), which came into force on the 1st of January 1997. IUCN National Committee of Finland was approved by IUCN Council in 1999. CITES and the IUCN do not red list any tree species relevant in Finnish forestry.

Finland has a long tradition of maintaining biodiversity through designating areas for protection. The first nature conservation area was established on the Malla fell in the far north as long ago as 1916, while the first national parks and strict nature reserves were founded in 1938. In early 2012, the total number of various protected areas came close to 9 thousand. Small nature reserves on private land account for the majority of these. The number of national parks is 37, of which the newest, those of Sipoonkorpi and the Bothnian Sea, were established in 2011. As far as habitats are concerned, the fell regions of Lapland have the best coverage by national parks.

Finland's nature reserves cover around 9% of the country's surface area. The state-owned protected areas cover 1,496 thousand ha, while 122 thousand ha are on private land. No industrial activity or agriculture are permitted in the protected areas. Although there are many types of protected areas, most of them are strictly protected.

The protected areas include:

- National parks of Finland – 817 thousand ha;
- Strict nature reserves of Finland – 153 thousand ha;
- Mire reserves of Finland – 449 thousand ha;
- Protected herb-rich forest areas – 1.3 thousand ha;
- Protected old-growth forest areas – 10 thousand ha;
- Grey seal protection areas – 19 thousand ha;
- Other state-owned protected areas – 47 thousand ha.

Regional Environment Centres control the implementation of Nature Conservation Act. Finland's National Forest Programme lists measures to promote sustainable forestry and to control illegal logging both nationally and internationally. Illegal logging in Finland is negligible.

The primary aim of the national strategy for the conservation and sustainable use of biodiversity is to halt the loss of biodiversity in Finland. The action plan for the strategy's implementation seeks not only to secure biodiversity by means of traditional nature conservation methods, such as nature reserves, but to make

environmental values an integral part of all decision-making. Areas used for common forestry and agriculture are also considered in pursuing this goal.

Country:Poland

Area/Region: Whole country

Sub-Scope: N/A

Exclusions: No

In Poland the forest area is 9.5 million hectares, which is 31% of the total land area. Between 1990 and 2020 the forest area has grown by 663 thousand hectares, an increase of 6.8% (FOAstat, 2022).

The forests are in the temperate zone (forest biome). Most of the area is central European mixed forests. To the north there is a small amount of Baltic mixed forests and to the south even less western European broadleaf forests and Carpathian montane conifer forests. Coniferous forests account for 55% of the total forest area. The remaining part is covered by broadleaved, mostly mixed forests. Around 3% are alder stands and riparian sites.

The most common species is pine (*Pinus sylvestris*), accounting for over 60% of the forest stands. In the mountains spruce (*Picea abies*) is predominant, or spruce with beech (*Fagus sylvatica*).

Type division of Polish forests:

- 50% Lowland Pine forests;
- 22% Lowland mixed broadleaf, and coniferous forests;
- 13% Lowland broadleaf forests;
- 14% Highland forests;
- 1,4% Mountain coniferous forests.

Socio-economic aspects

In Poland 87% of forests are public property, of which 2% are 23 national parks. 13% is privately owned.

Roundwood production in Poland amounted to nearly 40.6 million cubic meters in 2020, a decrease of 6.2 percent compared to the previous year. Most of the wood (>95%) comes from public forests. In 2015, 36,742,000 m³ of wood was harvested in state forests, compared to 1,406,000 m³ in private forests. The harvest rate in private forests is 0.95 m³ per ha per year, vs. 4.63 m³ per ha per year in state owned ones.

In 2022, Poland harvested an estimated 6.8 million m³ of low grade wood fuel and exported 59 thousand m³ of wood fuel more than it imported. In 2022, Poland produced 1,350 thousand tons of wood pellets; it exported 25 thousand tons more than it imported.

Forestry and the related industrial branches are important elements of the national economy. The State Forest Service gives employment to many people. It cooperates closely with local communities and non-governmental organizations. In recent years Polish State Forestry has achieved excellent economic results. Moreover for most stakeholders the non-production functions of the Polish forests are most important.

In 2020, 72 thousand people were employed in the forestry and logging sector of Poland, this is the highest amount in the EU. Poland exported 3.6 million m³ of roundwood in 2020 for 291 million USD (8th in the world). Poland is also in the top ten of exporters of several wooden products, such as wood passed panels.

In 2020, the wood sector suffered less from the negative effects of the pandemic than the other industries and generated sales of € 33.9 billion. Sold production of the wood industry amounted to 10.7% of the value of manufacturing and to 9.2% of total industry production. The wood sector was dominated by the furniture industry (35%), followed by the pulp and paper industry with a share of 33%. The first half of 2021, sold production increased 26.5% in the furniture industry, 20.8% in the wood industry and 12.5% in the pulp and paper industry.

There are no indigenous peoples and no traditional peoples living from the forest in Poland.

Poland has an above-middle governance score according to the World Bank Governance Index. With a Corruption Perception Index (CPI) score of 56 points (in 2020), Poland ranks on the 45th place in the world. Though Poland does not score very well, the score is above 50 points, what is considered a score that does not give significant concerns over corruption and governance issues in general.

Forest management

Regarding state forests and National Parks, harvesting operations are based on Forest Management Plans and their annual revisions (which are approved by the Ministry of Environment). A permission to harvest and sell wood is achieved through a few steps. Firstly, the annual inventory is approved. Secondly, field inspectors (foresters) check the plans and issue an harvesting permit to contractors. Lastly, the harvested wood is marked by the foresters as legally harvested. Regarding private forests a permission to harvest is given either by a State Forest Officer (forester) or by a State Forest Authority.

the Forestry Act (1992) sets forth rules for forest protection and silvicultural activities. It requires all forest owners and managers to conduct sustainable forest management activities. According to the Forestry Act, forests, in general, cannot be transformed to other types of land use, and must have

a continuity of forest cover (logged forests must be regenerated within five years of harvesting). The Forestry Act – together with ministerial orders – aims for multifunctional use of forests. Wood production is to be treated at the same level of importance as social and natural functions. Clear-cut area shall not

exceed 4 ha. Within the framework of the Forestry Act, so-called 'protective forests' are established separately from protected areas.

The domination of Scots pine (*Pinus sylvestris*) is the heritage of the past forest management policies. Previously, monoculture cultivations were seen as an answer to the expanding need for timber. Such forests, however, are less resistant to climatic changes and fall victim to pests more easily. In Polish forests, the share of other (mostly broadleaved) tree species is growing gradually. The government forestry units do not promote monocultures anymore, instead they adjust the species composition of stands to that occurring naturally in a particular area. The area of broadleaved stands in the State Forests more than doubled to 28.2% in the years 1945-2014. Tree species such as oak, ash, maple, sycamore, elm but also birch, beech, alder, poplar, hornbeam, aspen, linden and willow are now found more often. The average age of the forest stands is around 60 years. There are ever more stands of over 80 years old. Their area has increased from 0.9 million hectares to almost 1.85 million hectares.

Forest functions in Poland are divided into: production forests, protective forests and social forests. Production forests are maintained to ensure their sustainability for regular harvesting of timber and non-timber forest products, development of tourism, income from timber sales, and hunting. Protective forests ensure the protection of biodiversity including a variety of habitats and certain flora and fauna species. Social forests focus mainly on recreational and health services to society.

FAO and FSC report a steady growth of forest area. Moreover, wood stocks in the state forests have increased - 190 cubic meters/ha in 1991 against 254 cubic meters/ha in 2011.

Considered here is the total forest area of Poland. Regarding 'adjacent land use' and 'forestry management practices or land management practices' inside the country (thus, other users of the forests, or users of adjacent lands), or in the surrounding countries:

- Adjacent land use concerns the typical agricultural systems for Europe, nature protection zones, and urban areas;
- The profile of forest management systems are the same (in the country), or very similar (surrounding countries); most is replanted, but natural regeneration systems are becoming more common. In Belarus forestry and the forest economy are more centrally managed, but still, the forests are managed in a similar way.
- There are practically no energy plantations in these regions, the feedstock used for the bioenergy sector are sawmill and wood industry residues, and forestry residues. Primary feedstock can originate from sanitary fellings and forest reconstruction methods.
- Lithuania, Belarus and Poland itself use considerable amounts of wood chips for energy production. Some stakeholders see possibilities to sustainably increase the production of woodchips for renewable energy production, others consider the present level of fuel wood production already too high, and call attention to the risks related to the favorable market conditions to use more wood chips for heat and power production.

In December 2023, 7,231,917 ha were PEFC certified, and 4,087,543 ha FSC in Poland.

Last year, most Polish State Forests were FSC certified. One Regional Directorate of State Forests and three forest districts were not FSC certified. But thirteen Regional Directorates, representing an area of 5.6 million hectares opted to discontinue FSC certification. Representatives of FSC and the state forests authorities have been discussing the current issues.

The present FSC Controlled Wood National Risk Assessment for Poland states 5 specified risks, of which 4 are related to certain forest districts and/or forest management units.

Protected species and conservation areas

Poland is implementing many international and European agreements influencing the biodiversity of forests, inter alia, the Convention on Biological Diversity, EU Birds Directive, EU Habitats Directive (and, resulting from them, the Natura 2000 network), Ramsar Convention, Convention for the Conservation of Migratory Species of Wild Animals and the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

The Polish forests do not include any tree species listed by CITES or the IUCN; however, several forest plant and animal species covered by these 'red lists' are taken into consideration during assessments of the impact of forest management activities on biodiversity.

Poland's system of nature protection under the Nature Conservation Act (2004) consists of ten categories of nature conservation, which may cover entire forest ecosystems or only a small forest habitat.

The State General Directorate for Environmental Protection (GDOS) (<http://geoserwis.gdos.gov.pl>) has on its website advanced geographic information on protected areas of Poland including:

- 23 national parks and buffer zones;
- 122 landscape parks and buffer zones;
- 1498 nature reserves and buffer zones;
- 402 protected landscape areas;
- 260 nature and landscape complexes;
- 174 documentation stands;
- 138 SPAs (special protection areas designated under the Birds Directive 79/409/CEE);
- 843 SACs (special areas of conservation designated under the Habitats Directive 92/43/CEE);
- 7 overlapping areas (SPAs and SACs within common boundaries);
- 16 Ramsar sites.

About one third of the total area of Poland is under environmental protection, including around 20% covered by Natura 2000 sites. Poland has an extensive Natura 2000 conservation network, and close to half of the Natura 2000 sites are found in forests, but only a small fraction covers wetlands. The moist and wet habitats, such as riparian and alluvial forests, are most vulnerable at present. These forest types historically covered 17% of the country; but today they cover only 3%.

In 2014, the Białowieża Forest became the only Polish UNESCO World Heritage Site, owing to its outstanding biodiversity and continuous forest cover, maintained since the last glaciation. It is one of the last surviving primeval forest in Europe. A matter of concern have been cases of illegal logging in the Białowieża Forest.

Country: Czech Republic

Area/Region: Whole country

Sub-Scope: N/A

Exclusions: No

In Czech Republic the forest area is 2.677 million hectares, which is 34.6% of the total land area. Between 1990 and 2020 the forest area increased by 42 thousand hectares, an increase of 1.8% (FOAstat).

The forests are in the temperate zone (forest biome). Mountain forests are an important landscape component. Most present-day forest stands were planted artificially and do not correspond to the original species composition of the forests. They consist mostly of single-species stands with a predominance of spruce and pine. The current share of conifers (72.5%) is more than twice as high as in natural forests. The proportion of deciduous trees is increasing, but is still far from its natural proportion. The dominant tree species are spruce (54%), pine (18%), oak (6%); and beech (5%).

Socioeconomic aspects

76% of the forest area is in public ownership and 24% is private property. Most of the state forests are administrated by the state-owned company 'Forests of the Czech Republic s.p.', the rest by the Czech Army, by the Office of the President and by the Administration of National Parks.

Czechia is in the top ten countries for share of forest area designated primarily for production, 1.975 million hectares, which is 74% of the total forest area.

Forest has increasingly become the important factor of socioeconomic development of Czech society. Besides timber production, multifunctional forest management also fulfils a wide range of other ecological and social functions for the benefit of the public. Forests also represent a significant component of the integrated policy of rural development, mainly for their contribution to income and job opportunities in the areas with a high rate of unemployment.

FAOdata (2021) indicate 18.8 million m³ of sawlogs and veneer logs were harvested, and 7.6 million m³ of pulpwood. Czechia put on the market an estimated 6.7 mln. m³ of low grade wood fuel. The data indicate 92 thousand m³ of wood fuel were imported more, than were exported. In 2022, Czechia produced 475 thousand tons of wood pellets; it exported 334 thousand tons more than it imported.

According to EUROstat, 22 thousand people were employed in the forestry and logging sector in 2021. In the forest and forest based industry 29.2 thousand people were employed.

There are no indigenous people living from the forests in Czech Republic.

Regarding the Worldwide Governance Indicator (WGI), Czechia has a good score on 'rule of law' (1.13) and an average, but positive score on 'control of corruption' (0.64). Czech Republic has a Corruption Perception Index of 56 points (2022), ranking on the 56th place of least corrupt countries in the world.

Forest management

Most forests are managed with a multi-functional approach. A broad array of silvicultural methods are applied. Small clear cuts are used in most cases, but selective cutting systems are used also. Most forest operations are done with specialized machinery, such as harvesters and forwarders.

EUROstat indicates Czechia was harvesting more than its net increment in 2020. FAOstat, however, indicates that the amount of stored carbon in living biomass forests in Czechia has gradually increased by 17 million tons (+7.1%) from 2008 till 2020 (2023).

Regarding 'adjacent land use' and 'forestry management practices or land management practices' inside the country, or in the surrounding countries: adjacent land use concerns typical agricultural systems for central Europe, nature protection zones, and urban areas. Sanitary cuts due to pests have temporarily increased the availability of roundwood of various quality. There are practically no wood energy plantations in these regions, the feedstock used for the bioenergy sector are forest residues and sawmill and wood industry residues.

In December 2023, 1,818,762 ha were PEFC certified, and 133,560 ha FSC certified. Public forests are commonly PEFC certified.

The present FSC Controlled Wood National Risk Assessment for Czech Republic has 2 specified risks, regarding wood from forests where high conservation values are threatened by management activities.

Protected species and conservation areas

CITES and IUCN list many flora and fauna species that need protection in Czechia. CITES, however, does not list any tree species, IUCN lists 9 'critically endangered' and 8 'endangered' tree species.

Czechia, has adopted a Red List classification of species in accordance with the criteria of the International Union for Conservation of Nature (IUCN).

The responsibility for environmental laws and policies lies with the Ministry of Environment and/or Regional Authorities. The National Biodiversity Strategy of the Czech Republic (2016) defines priorities for conservation of biodiversity and reflects international commitments as well as national measures that span across sectors.

Currently, there are four national parks in the Czech Republic. These parks cover 1190 ha (1.52% of the country's surface area). 26 Protected Landscape Areas (PLAs) cover 14.42%, and small-scale protected areas cover 1.4%. Natura 2000 areas cover 19.0%, with many overlapping with other protected areas. 0.1% of the total forest area are old-growth forests, 0.3% are natural forests and 0.7% are near-natural forests.

2.3 Actions taken to promote certification amongst feedstock supplier

HPS buys from PEFC or FSC certified suppliers. New, potential suppliers and saw mills are requested to get certified with one of the SBP approved certification systems. HPS offers assistance to pass initial audits.

2.4 Quantification of the Supply Base

Supply Base

- a. **Total Supply Base area (million ha):** 73.92
- b. **Tenure by type (million ha):**48.43 (Privately owned), 25.46 (Public)
- c. **Forest by type (million ha):**48.92 (Boreal), 25.00 (Temperate)
- d. **Forest by management type (million ha):**73.50 (Managed natural), 0.42 (Plantation)
- e. **Certified forest by scheme (million ha):**52.93 (PEFC), 27.60 (FSC)

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

Explanation: Clear-felling of small plots is used in many countries. Mainly are used, thinning's and other kinds of maintenance operations, as also selective fellings of mature forests. Clear cuts can occur in monoculture forests. Collecting and chipping the forest residues is normally done by specialized machinery in the forest.

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

Explanation: The main economic drivers in forestry are the timber market (saw mills) and the paper industry. Of importance is also the recreational function of forests.

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: In most cases this is covered by laws and regulations. Forest regeneration is usually checked by the authorities.

Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation? Yes - Minority

Explanation: It can occur that a plot is harvested, because there was a pest/disease or because measures are taken to reduce the risks of occurrence. The amount effected by such disturbances varies per region, country, and year. In Germany it has reached very substantial volumes.

What is the estimated amount of REDII-compliant sustainable feedstock that could be harvested annually in a Supply Base (estimated): 35899621.00 tonnes

Explanation:FAO data on the annual harvest of the lowest grade primary wood in Germany, Poland, and Chechia (REDII Level A reports) indicate a value of around 36 mln. tons in 2022.

Feedstock

Reporting period from: 01 Jul 2022

Reporting period to: 30 Jun 2023

- a. **Total volume of Feedstock:** 1-200,000 tonnes
- b. **Volume of primary feedstock:** 1-200,000 tonnes
- c. **List percentage of primary feedstock, by the following categories.**
 - Certified to an SBP-approved Forest Management Scheme: 80% - 100%
 - Not certified to an SBP-approved Forest Management Scheme: 1% - 19%
- d. **List of all the species in primary feedstock, including scientific name:** Abies alba (Silver fir); Abies grandis (Grand fir); Larix decidua (European larch); Picea abies (Norway spruce); Picea sitchensis (Sitka spruce); Pinus nigra (Black pine); Pinus strobus (Suburban pine); Pinus sylvestris (Scots pine); Pseudotsuga menziesii (Douglas fir); Fraxinus spp (Ash); Ulmus glabra (Mountain elm); Fagus sylvatica (Beech); Quercus spp (Oak);
- e. **Is any of the feedstock used likely to have come from protected or threatened species?** No
 - Name of species: N/A
 - Biomass proportion, by weight, that is likely to be composed of that species (%):
- f. **Hardwood (i.e. broadleaf trees): specify proportion of biomass from (%):** 98.40
- g. **Softwood (i.e. coniferous trees): specify proportion of biomass from (%):** 1.60
- h. **Proportion of biomass composed of or derived from saw logs (%):** 0
- i. **Specify the local regulations or industry standards that define saw logs:** There are no local regulations defining saw logs. The market starts buying stems if they are at least 200 cm long and 5 cm thick (under bark). They need to be straight, and without rot, damage, and contaminations (metal).
- j. **Roundwood from final fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** 6.00
- k. **Volume of primary feedstock from primary forest:** 0 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:** 1-200,000 tonnes
 - Physical form of the feedstock: Offcuts
- o. **Estimated amount of REDII-compliant sustainable feedstock that could be collected annually by the BP:** 200000.00tonnes

Proportion of feedstock sourced per type of claim during the reporting period				
Feedstock type	Sourced by using Supply Base Evaluation (SBE) %	FSC %	PEFC %	SFI %
Primary	0.00	10.84	89.16	0.00
Secondary	0.00	73.46	26.54	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

Note: Annex 1 is generated by the system if the SBE is used without Region Risk Assessment(s). Annex 2 is generated if RED II SBE is in the scope.

Is Supply Base Evaluation (SBE) is completed? No

N/A

Is REDII SBE completed? No

N/A

4 Supply Base Evaluation

Note: Annex 2 is generated if RED II is in the scope.

4.1 Scope

Feedstock types included in SBE:

SBP-endorsed Regional Risk Assessments used: Not applicable

List of countries and regions included in the SBE:

Country:

Indicator with specified risk in the risk assessment used:

Specific risk description:

N/A

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

7 Mitigation measures

7.1 Mitigation measures

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:	Sylwia Senczyszyn	CEO	19 Dec 2023
	Name	Title	Date
Report Prepared by:	Rens Hartkamp	Consultant	19 Dec 2023
	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:	Sylwia Senczyszyn	CEO	19 Dec 2023
	Name	Title	Date

Annex 1: Detailed findings for Supply Base Evaluation indicators

N/A

Annex 2: Detailed findings for REDII

Section 1. RED II Supply Base Evaluation

Country:Germany	
(i) The legality of harvesting operations	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A risk assessment for Germany published by Bundesverband Bioenergie (BBE), the Federal Bioenergy Association.
Level B management system at the level of the forest sourcing area	N/A
(ii) Forest regeneration of harvested areas	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A risk assessment for Germany published by Bundesverband Bioenergie (BBE), the Federal Bioenergy Association.
Level B management system at the level of the forest sourcing area	N/A
(iii) That areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands and peatlands, are protected unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A risk assessment for Germany published by Bundesverband Bioenergie (BBE), the Federal Bioenergy Association.
Level B management system at the level of the forest sourcing area	N/A
(iv) That harvesting is carried out considering the maintenance of soil quality and biodiversity with the aim of minimising negative impacts	

Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A risk assessment for Germany published by Bundesverband Bioenergie (BBE), the Federal Bioenergy Association.
Level B management system at the level of the forest sourcing area	N/A
(v) That harvesting maintains or improves the long-term production capacity of the forest.	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A risk assessment for Germany published by Bundesverband Bioenergie (BBE), the Federal Bioenergy Association.
Level B management system at the level of the forest sourcing area	N/A
LULUCF criteria 29(7)	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-endorsed REDII Level A risk assessment for Article 29(7) LULUCF
Level B management system at the level of the forest sourcing area	N/A

Country: Poland

(i) The legality of harvesting operations

Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Poland by KZR INiG System

Level B management system at the level of the forest sourcing area	N/A
(ii) Forest regeneration of harvested areas	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Poland by KZR INiG System
Level B management system at the level of the forest sourcing area	N/A
(iii) That areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands and peatlands, are protected unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Poland by KZR INiG System
Level B management system at the level of the forest sourcing area	N/A
(iv) That harvesting is carried out considering the maintenance of soil quality and biodiversity with the aim of minimising negative impacts	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Poland by KZR INiG System
Level B management system at the level of the forest sourcing area	N/A
(v) That harvesting maintains or improves the long-term production capacity of the forest.	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Poland by KZR INiG System

Level B management system at the level of the forest sourcing area	N/A
LULUCF criteria 29(7)	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-endorsed REDII Level A risk assessment for Article 29(7) LULUCF
Level B management system at the level of the forest sourcing area	N/A

Country: Czech Republic	
(i) The legality of harvesting operations	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Czech Republic by KZR INiG System
Level B management system at the level of the forest sourcing area	N/A
(ii) Forest regeneration of harvested areas	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Czech Republic by KZR INiG System
Level B management system at the level of the forest sourcing area	N/A
(iii) That areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands and peatlands, are protected unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes	

Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Czech Republic by KZR INiG System
Level B management system at the level of the forest sourcing area	N/A
(iv) That harvesting is carried out considering the maintenance of soil quality and biodiversity with the aim of minimising negative impacts	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Czech Republic by KZR INiG System
Level B management system at the level of the forest sourcing area	N/A
(v) That harvesting maintains or improves the long-term production capacity of the forest.	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Czech Republic by KZR INiG System
Level B management system at the level of the forest sourcing area	N/A
LULUCF criteria 29(7)	
Type of Risk Assessment used	<input checked="" type="checkbox"/> Level A – proof at national or sub-national level <input type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	SBP-endorsed REDII Level A risk assessment for Article 29(7) LULUCF
Level B management system at the level of the forest sourcing area	N/A

Section 2. RED II detailed findings for secondary and tertiary feedstock

10.1 Verification and monitoring of suppliers

Our company verifies all its suppliers.

Every supplier signs a self-declaration and each supplier is visited. Every type of feedstock of each supplier is assessed separately (comprehensive checklist).

This evaluation is performed once a year, and more often if there are risks in the supply chain. Checked is also if the supplier has equipment onsite that could process feedstock in such a way, that it seems to be another feedstock category.

The evaluation reports are recorded and our company has a clear accountancy system on the procurement of REDII compliant feedstock.

10.2 Feedstock inspection and classification upon receipt

See above. REDII compliance on biomass categories is checked before and during procurement.

Our company has determination tables on suppliers and their feedstock categories, to make it easy to check the correctness of the transport documentation and invoices. We check visually if the correct type of feedstock is delivered. Moisture measurements are done continuously. In case there are risks, a reference sample of the biomass category can be kept.

10.3 Supplier audit for secondary and tertiary feedstock

See above.

All secondary feedstock is checked at the place of its first occurrence. Supplier evaluations are done onsite. The processes generating the wood residues are evaluated, as also the available equipment and machinery.