Supply Base Report:

ACA Timber SIA NCR-verification audit

Sustainable Biomass Program
sbp-cert.org



Completed in accordance with the Supply Base Report Template Version 2.2 and SBP Bridging Requirements for Meeting the Directive EU/2023/2413 (REDIII)

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

Document history

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1 Overview

Producer name:	ACA Timber SIA
Producer address:	Vienības gatve 87E, LV-1004 Rīga, Latvia
SBP Certificate Code:	SBP-07-37
Geographic position:	56.913937, 24.083851
Primary contact:	Armands Apfelbaums, +371 202 627 56, apfelbaums@acatimber.lv
Company website:	http://www.acatimber.lv/
Date report finalised:	01 Jul 2025
SBR reporting period from:	01 Aug 2024
SBR reporting period to:	30 Jun 2025
Name of the Certification Body:	Preferred by Nature OÜ
Certification Body Approval date:	11 May 2026
SBP Standard(s) used:	SBP Standard 1: Feedstock Compliance v2.0, SBP Standard 2: Feedstock Verification v2.0, SBP Standard 4: Chain of Custody v2.0, SBP Standard 5: Collection and Communication of Data v2.0, Instruction Document 1A: SBP Requirements for Primary Feedstock from Trees Outside Forests (TOF) v1.0, Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1, Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413
Feedstock origin (countries)	Latvia (all region)
Weblink to Standard(s) used:	https://sbp-cert.org/documents/standards-documents/standards

2 Description of the Biomass Producer and the Supply Base

2.1 Description of the company

During these years, ACA Timber has expanded into international markets. Currently, ACA Timber is more focused on timber trade and logistics. This means that we are able to provide all stages of the logistics chain – solving problems from forests till producers. We offering suitable solutions for the use of ships, rail and road transport.We have set the delivery of certified and controlled wood as one of the most important basic principles of the company (SBP, FSC, PEFC)

Products included in the scope of SBP Certification: *WB 2.1 Wood chips*

Number of employees: *7*

Annual maximum production capacity (metric tonnes): *34654*

Number of direct feedstock suppliers: *54*

Approximate number of feedstock sub-suppliers: *20*

Description of the chain-of-custody and upstream supply chain:

Purchase of woody biomass after harvesting, purchase of wood chips from roadside forests, and wood chips after processing. Biomass is delivered and purchased from ~69 suppliers, with deliveries and biomass collection taking place via two ports in Riga and Ventspils. SBE refers to forest biomass meeting the criteria of SBP or SBP-controlled biomass.

2.2 Detailed description of the Supply Base

Guidance: Tables below have been generated automatically for each sourcing country based on the selection of 'Feedstock origin (countries)' in section 1 above.

Annex 1 is generated by the system if the SBP SBE is used without Regional Risk Assessment(s) (RRAs). In case RRA(s) is used, further details shall be given only in section 3 below.

Annex 2 is generated if EU RED SBE is in the scope for each country separately.

Country	Latvia
Area/Region	all region
Exclusions	NA
Feedstock types	Primary feedstock, Processing residues
Feedstock Product Groups	Forest feedstock (1A), Trees outside forest (TOF) - Urban and landscape feedstock (2A), Processing residues feedstock (4A)
Feedstock inputs	SBP Compliant feedstock , SBP Controlled feedstock
Is the forest managed to supply energy and non-energy markets?	Yes - Majority
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

Risk assessment(s)	Yes – Regional Risk Assessment (RRA) used, Yes – Biomass Producer's own risk assessment used (SBE)
Provide a concise summary of why a SBE was determined to be required or not required here:	
SBE is the default for biomass supply as most biomass is sourced from non-certified forest areas, and primary biomass is not bound by FSC or PEFC certified biomass. Insofar as SBP land risks are partially applicable to certified wood, all forest biomass is verified under the scope of SBE	
Feedstock types included in SBE:	Primary feedstock
Includes EU RED SBE:	Yes
Includes EU RED II SBE grandfathering	No
Includes EU RED TOF:	Yes
Includes EU RED II TOF grandfathering	No
Size of Supply Base area (million ha):	3.4000
Map(s) of the Supply Base area:	



2.3 Feedstock information

a. **Total volume of Feedstock:** 800,000-1,000,000 m3

b. **Volume of primary feedstock:** 800,000-1,000,000 m3

c. **List of all the species in primary feedstock, including scientific name:**

Betula pubescens	Birch
Betula pendula	Birch
Alnus glutinosa	Alder
Alnus incana	grey Alder
Pinus sylvestris	Scots Pine
Picea abies	Spurce
Populus tremula	Aspen

d. **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: Every year in Latvia, sanitary felling is carried out in areas damaged by diseases or pests. There is a possibility that material from such locations may be included in the supply chain. In 2023, a total of >20,000 ha of sanitary felling was carried out in Latvia. Such sanitary felling is carried out to avoid diseases or pest epidemics in forest areas.

e. **Hardwood (i.e. broadleaf trees): specify proportion of feedstock from (%)**: 75.00

f. **Softwood (i.e. coniferous trees): specify proportion of feedstock from (%):** 25.00

g. **Proportion of feedstock composed of or derived from saw logs by weight (%):** 0.00

h. **Indicate how you determine the proportion of saw log:** Specification issued by a body exercising functions of a public nature and issued for use by sawmills in the area in which the wood was grown.

i. **Roundwood from fellings from forests with > 40 yr rotation times - Average % volume of fellings delivered to BP (%):** 75.00

j. **Select forest type(s) where the primary feedstock was sourced from:** Mix of The Above

k. **Select the main harvesting system(s) used for the sourced primary feedstock:** Mix of the above

l. **Volume of primary feedstock from primary forest:** 0 m3

m. **Volume of processing residues feedstock:** 800,000-1,000,000 m3
Physical form of the feedstock: Chips

n. **Share of SBP-recognised system claim for processing residues:**

90.00 % FSC

10.00 % PEFC

o. **Volume of post-consumer feedstock:** 0
Physical form of the feedstock: Chips

p. **Estimated amount of EU RED-compliant sustainable feedstock that could be collected annually by the BP:** 800000 m3

q. **What is the estimated amount of EU RED-compliant sustainable feedstock that could be harvested annually in a Supply Base (estimated):** 800000.00 m3

Explanation:

3 Supply Base Risk Assessments and Risk Management Measures

Guidance: Biomass Producers shall demonstrate that any specified risks of sourcing feedstock not in compliance with SBP Standard 1 have been adequately reduced to low risk, following Standard 2 requirements. Following section applies to Biomass Producer's implementing SBP Supply Base Evaluation (SBP RRA or company own risk assessment). EU RED Supply Base Evaluation details are reported in Annex 2.

☐ **Not Applicable – Supply Base Evaluation not implemented**

3.1 Summary of the Supply Base Evaluation

Forest feedstock: ACA Timber SIA applied Sustainable Biomass Program (SBP) Revised Regional Risk Assessment for Latvia Version 2.0 Effective date: 12 July 2024
Trees Outside Forest: SIA ACA Timber had conducted own risk assessment for feedstock originating from non-forest lands, which is classified as Trees Outside Forest feedstock. The risk assessment has been conducted in accordance with SBP instruction document 1A.

3.2 Conflicts with applicable national and sub-national legislation

N/A, none identified

3.3 Risk Management Measures

Guidance: Please provide more details about specified risk indicators in each supply country and describe mitigation measures taken to address all specified risks associated with indicators.

Country: Latvia	
Area/sub-scope: All	
Risk Assessment used:	
	☐SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☒SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	

2.1.1 Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified.

Description of the specific risk:

ACA Timber SIA applied Sustainable Biomass Program (SBP) Revised Regional Risk Assessment for Latvia Version 2.0 Effective date: 12 July 2024
In Latvia, the Nature Conservation Agency conducted country-wide mapping of the habitats of the EU importance during 2017-2022. According to the consultation with the Nature Conservation Agency, within the project, “Preconditions for better biodiversity preservation and ecosystem protection in Latvia”, or simply the “Nature Census” (co-funded by the European Union Cohesion Fund), 854,426 ha of forests in Latvia were surveyed. The forest habitats of EU importance are found on 334,597 ha and about 37.5% of areas are located in Natura 2000 territories.
A significant majority (80%) of the identified forest habitats of EU importance is located in state-owned forests, just 1% are found in municipal properties, and the remaining 19% are in private forests. In Latvia not all Specially Protected Nature Territories (SPNT) are designated as Natura 2000 sites. According to the data provided by the Nature Conservation Agency, 42% of the forest habitats of EU importance are located in the SPNT (including the Northern Vidzeme Biosphere Reserve) and 8% of the forest habitats of EU importance are included in strict nature reserves, strict regime, regulated regime or nature reserve zones of protected areas where regulations prohibit or restrict forest timber harvesting. Additionally, about 5.3% of the forest habitats of EU importance are located in micro-reserves outside Natura 2000 areas.
Therefore, more than half of forest habitats of EU importance in Latvia are without any legal protection status and thus can be harvested for timber production. The above essentially means forest harvesting is allowed in the forest habitats of the EU importance if they are not included within limited management zones of the Specially Protected Nature Territories.
Under the Nature Census, the mapping of the habitats of EU importance in Latvia was undertaken during 2017-2022. However, mapping the protected species was not the task of the Nature Census. Therefore, data on protected species was not collected comprehensively during Nature Census surveys.
Consequently, as the consultation with the Nature Conservation Agency suggests, the data on protected species is fragmented, and not all locations of the protection of species are mapped and protected. While data on locations of the protected species are updated on a regular basis, operators must establish robust routines to evaluate the location of origin of energy wood to prevent supplies from HCV category 1.
According to the Nature Conservation Agency (Prioritised action framework (PAF) for Natura 2000 in Latvia13), suitable protection areas could not yet be designated for three species (Uniocrassus, Osmoderma eremita, Barbastella barbastellus) and seven habitat types of the EU importance (1 marine, 6 terrestrial). Moreover, the procedure to make legal protection status is slow and landowners can still carry out cutting in an area while it is being legally established as a protected area. Consultation with the Nature Conservation Agency suggests about 5,000 ha of forest habitats of EU importance in Latvia have been lost due to clearcutting since 2017 (see, Nature Census data: In Latvia, grasslands are the worst at the moment, other habitat groups also need thoughtful long-term management | Nature Conservation Agency (daba.gov.lv)).
The risk mitigation measures are provided for the HCV category 1.

Mitigation measure:

The scale of the assessment identifies key species, habitats, ecosystems and areas of high conservation value (HCV) pertaining to the biodiversity in the Supply Base.
Means of verification: ACA Timber is identifying sites and locations of HCV categories 1, and, if necessary - conducts a compliance evaluation with or without expert advice.
The following sources of information are used: database "Ozols", field inspections, monitoring records, interviews with supplier staff, stakeholders, communication with experts, species protection plans/maps,

regional, publicly available data from trusted third parties, environmental NGO reports/maps, relevant Compliance with the SBP Framework
Supply Base Report 11 websites of the State Forest Service, the Nature Conservation Agency and EU agencies, relevant Latvian national and EU legislation, laws and regulations.
Feedstock origin data: the BP is always requesting the Cadastre Number information for each sourced load or logging site and verifies it. Cadastre data is obtained from Felling Permits and purchase agreements. A crucial step in the mitigation process involves verifying the accuracy of feedstock origin data (cadastre number of FMU, location of timber loading etc.). This is achieved by using the official data provided by the Latvian State Forest Service, available at database “Ozols” and other services (LVM GEO, Felling permit verification service at the State Forest Service etc.). This process ensures that the feedstock origin is accurately documented and verified.
The purchasing specialist checks the database Ozols when receiving the load along with the Felling Permit (without the Felling Permit the BP is not accepting the load), checks the feedstock origin data. The following approach is used to identify the risks related to High Conservation Value category 1 as per SBP revised Regional Risk Assessment for Latvia (v.2.0):
HCV category 1 If a habitat of a RTE (Rare, Threated or Endangered) species is identified in the feedstock origin data (red dot – occurrence of specially protected species, for example bird's nesting site, etc.), an onsite inspection
shall be carried, to verify that the RTE species area have been preserved according to the requirements (legislation), had not been destroyed as a result of forest management activities, and the supplier had taken into account the peculiarities of the habitat of the RTE species of concern and had followed careful logging practices. If necessary, the expert opinion shall be requested. Feedstock is accepted as SBP-compliant only in case the HCV 1 risks have been mitigated.

Monitoring and outcomes:

The BP uses the SBP- endorsed Regional Risk Assessment for Latvia (version 2). In consultation with stakeholders, communicating with logging and wood processing companies on risk mitigation options, a specified risk mitigation procedure was developed for inclusion in the risk assessment. The procedure determines the procedure for field/on-site inspections and documentation requirements.
Only feedstock supplies from suppliers that have been identified as eligible for the ACA Timber SIA is recognized as SBP-compliant biomass. All SBP-compliant biomass suppliers have a written agreement in place to take the necessary risk mitigation measures and inspections prior to the start of deliveries to ensure that the supplier is prepared to take these measures. All biomass suppliers are subject to inspection visits at regular intervals according to the procedure.
Third parties have access to documentary evidence of the inspections performed, which allows obtaining information on the level of supply risks of each supplier, as well as allows timely identification of potential risks in one of the specified risk indicators.
The number of suppliers of non-certified/non-SBP-compliant feedstock has decreased over the past year. The suppliers have taken into account ACA Timber recommendations and are monitoring the biologically valuable lands themselves. About 25 FMUs were surveyed in nature to make sure that biologically valuable land and habitats of species have been preserved and not affected.
Before accepting the load, the BP checks all information contained in the Felling Permits in the database “Ozols”. If any certification is invalid, the cargo will not be accepted. During the year, we have refused about 5-6 loads, due to presence of HCVs in the feedstock origin locations identified in the Felling Permit.
In situations when a field inspection is necessary to confirm the low risk with regards to the HCVs, field inspection is carried out by the BP or a supplier. For the latter the BP is conducting a verification field visits on a random basis. The supplier is requested to provide as much information as possible (questionnaires, photo recording) that biologically valuable areas, large trees or species habitats are preserved.

Felling Permits are registered in a dedicated register, in MS Excel table.

Country: Latvia	
Area/sub-scope: All	
Risk Assessment used:	
	☐SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☒SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed ☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment
Indicator with specified risk:	
2.1.2 Threats to and impacts on the identified key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified and evaluated.	
Description of the specific risk:	
ACA Timber SIA applied Sustainable Biomass Program (SBP) Revised Regional Risk Assessment for Latvia Version 2.0 Effective date: 12 July 2024. Latvia has a legal and institutional framework to protect forests with high nature conservation values, aligned with EU directives, the Convention on Biological Diversity (CBD), and other international agreements. The Law on the Conservation of Species and Biotopes and regulations on Specially Protected Nature Territories (SPNT) govern protected areas. Forest management and harvesting practices are regulated under the Law on Forests, which imposes stricter requirements in sensitive areas, such as increased tree-cutting ages and limited felling techniques to protect soil, air, water, and biodiversity. Specific provisions ensure the protection of nesting sites for endangered birds and require leaving trees and deadwood during logging. However, not all important forest habitats are adequately protected. Only 37.5% of EU-important forest habitats in Latvia are within Natura 2000 sites, with 80% located in state-owned forests, 19% in private forests, and just 1% in municipal areas. Many habitats remain without legal protection, and inclusion in Natura 2000 zones does not automatically enforce restrictions. Effective protection depends on specific regulations limiting economic activities, which vary across territories. Mapping efforts under the Nature Census (2017–2022) identified EU-important habitats but did not comprehensively survey protected species, leaving fragmented data. Additionally, some species and habitat types, such as Unio crassus, Osmoderma eremita, and Barbastella barbastellus, lack designated protection areas. The slow process of granting legal protection allows continued logging in these areas, leading to	

significant habitat loss. Since 2017, approximately 5,000 hectares of EU-important forest habitats have been destroyed due to clear-cutting.
Destructive practices, such as deliberately destroying bird nests to avoid protection measures, further threaten biodiversity. The Latvian Ornithological Society estimates that logging activities in state forests destroy around 51,000 bird nests annually, affecting species like the black stork and lesser spotted eagle. These issues have been highlighted in court cases, with evidence of nest destruction submitted by conservation organizations.
Although some critical habitats overlap with protected nature territories, many of these areas allow active forest management, including clear-cutting, due to less stringent regulations. This weak protection regime Compliance with the SBP Framework Supply Base Report 13 mirrors commercial forests outside protected zones, with rare species and habitats relying mainly on microreserves. Intensive logging and insufficient conservation measures are linked to the decline of rare and endangered species, such as the black stork and lesser spotted eagle, and contribute to the unfavorable status of forest bird populations.
In summary, Latvia's forest conservation framework faces challenges, including fragmented species data, insufficient legal protections, and conflicts between commercial interests and biodiversity needs. These issues compromise the protection of high conservation value areas and species dependent on them.
The assessment is provided for the categories of HCVs 1 and 3 that are related to the ecosystem and biodiversity.

Mitigation measure:

Scale of the assessment: The scale of the assessment covers threats and impacts to identified key species, habitats, ecosystems, and HCV sites relevant to biodiversity in legally designated Latvian forests.
Means of verification: AC Timber conducts a desk evaluation and onsite supplier/forest manager audits on the property, assessing threats to HCV sites and HCV areas, and conducts a compliance opinion with or without expert advice.
Information sources used in the desk evaluation are described under the indicator 2.1.1 Feedstock origin data: the BP is always requesting the Cadastre Number information for each sourced load or logging site, and verifies it. Cadastre data is obtained from Felling Permits and purchase agreements. A crucial step in the mitigation process involves verifying the accuracy of feedstock origin data (cadastre number of FMU, location of timber loading, etc.). This is achieved by using the official data provided by the Latvian State Forest Service, available at https://www.daba.gov.lv/public/lat/dati1/dabas/ozols/database
“Ozols” and other services (LVM GEO, Felling permit verification service at the State Forest Service, etc.).
This verification process ensures that the feedstock origin is forest management activities are accurately documented and verified.
The purchasing specialist checks the database “Ozols” when receiving the load, along with the Felling Permit (without the Felling Permit, the BP is not accepting the load) , and checks the feedstock origin data.
The following approach is used to mitigate the risks related to High Conservation Value categories 1 and 3 as per the SBP revised Regional Risk Assessment for Latvia (v.2.0):
HCV category 1:
If there is a habitat of a RTE (Rare, Threated or Endangered) species is identified in the feedstock origin data in the database of the cadastral area specified by the Felling Permit in Ozols (red dot -– occurrence of habitat of specially protected species, for example bird's nesting site, caves, etc.), an onsite inspection shall be carried, to verify that the RTE species area have been preserved according to the requirements (legislation), had not been destroyed as a result of forest management activities, and the supplier had taken into account the peculiarities of the habitat of the RTE species of concern and had followed careful logging practices. If necessary, the expert opinion shall be requested. Feedstock is accepted as SBP-compliant only in case the HCV 1 risks have been mitigated. If all the steps taken turn out positive, wood is accepted.
HCV category 3

If a protected forest habitat of EU importance (Woodland key habitat) is identified in the felling permit feedstock origin data (FMU of concern), at least in one of the compartments, the BP acts according to the procedure "Criteria for acceptance of biomass SBP compliant for acceptance". The feedstock from HCV category 3 areas shall not be accepted as SBP-compliant. In situations when the forest management activities are targeted at improving the quality of the habitat, the procedure requires the BP to carry out an inspection in the field. If the criteria are met, then the feedstock may be registered as SBP-compliant. In all such cases, the expert opinion in writing is required.
Monitoring and outcomes:
The BP uses the SBP-endorsed Regional Risk Assessment for Latvia (version 2). In consultation with stakeholders, communicating with logging and wood processing companies on risk mitigation options, a specified risk mitigation procedure was developed for inclusion in the risk assessment. The procedure determines the procedure for field/on-site inspections and documentation requirements. Only feedstock supplies from suppliers that have been identified as eligible for the ACA Timber SIA is recognized as SBP-compliant biomass. All SBP-compliant biomass suppliers have a written agreement in place to take the necessary risk mitigation measures and inspections prior to the start of deliveries to ensure that the supplier is prepared to take these measures. All biomass suppliers are subject to inspection visits at regular intervals according to the procedure. Third parties have access to documentary evidence of the inspections performed, which allows obtaining information on the level of supply risks of each supplier, as well as allows timely identification of potential risks in one of the specified risk indicators. The number of suppliers of non-certified/non-SBP-compliant feedstock has decreased over the past year. The suppliers have taken into account ACA Timber recommendations and are monitoring the biologically valuable lands themselves. About 25 FMUs were surveyed in nature to make sure that biologically valuable land and habitats of species have been preserved and not affected. Before accepting the load, the BP checks all information contained in the Felling Permits in the database “Ozols”. If any certification is invalid, the cargo will not be accepted. During the year, we have refused about 5-6 loads, due to the presence of HCVs in the feedstock origin locations identified in the Felling Permit. In situations when a field inspection is necessary to confirm the low risk with regard to the HCVs, a field inspection is carried out by the BP or a supplier. For the latter,the BP is conducting verification field visits on a random basis. The supplier is requested to provide as much information as possible (questionnaires, photo recording) so that biologically valuable areas, large trees, or species habitats are preserved. Felling Permits are registered in a dedicated register, in an MS Excel table.

Country: Latvia	
Area/sub-scope: All	
Risk Assessment used:	
	☐SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim ☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim ☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim ☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed ☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim ☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed ☒SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed

	☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed ☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim ☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim ☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim ☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim ☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim ☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim ☐ Biomass Producer's own risk assessment

Indicator with specified risk:

2.1.3 Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be maintained or enhanced.

Description of the specific risk:

ACA Timber SIA has applied the Sustainable Biomass Program (SBP) Revised Regional Risk Assessment for Compliance with the SBP Framework Supply Base Report Latvia Version 2.0, Effective date: 12 July 2024.
Latvia's forest management and conservation are regulated by the Law on Forests, the Law on the Conservation of Species and Biotopes, and the General Regulations on Protection and Use of Specially Protected Areas.
Protected Nature Territories (SPNT). These laws determine restrictions for forest use based on the management and protection regime of specific territories. For forests in protected areas, management plans are mandatory and include detailed provisions for conserving species, habitats, and high conservation values (HCVs). These plans integrate data on protected species and environmental values, specifying measures that are mapped and prescribed for operational use.
The preparation of forest management plans involves analyzing previous management cycles and incorporating updated data from state institutions like the State Forest Service and Nature Conservation Agency. Plans for state forests also address fire prevention, biodiversity conservation, soil protection, and recreational use. Regulations govern seasonal forest operations, prohibiting certain thinning and felling activities, and emphasizing biodiversity measures, such as leaving trees and deadwood on logging sites. However, some practices, like forest felling during the bird nesting season (April 1–July 1), remain permitted, which impacts rare and endangered bird species despite guidelines to protect their nesting sites. Additional conservation requirements include maintaining buffer zones along watercourses and addressing soil erosion. Forest owners in protected areas must consult with managing authorities to align activities with conservation objectives. The State Forest Service monitors the implementation of these legal requirements to ensure compliance.
Challenges to biodiversity persist due to pressures like logging for rural income, road construction, and land drainage (melioration). The 5th National Report to the Convention on Biological Diversity highlights the economic reliance of rural communities on forestry, often leading to unsustainable practices. Furthermore, the lack of natural disturbances in certain habitats negatively impacts biodiversity. Assessments of HCV categories under indicators 2.1.1 and 2.1.2 reveal gaps in identifying and evaluating risks to key species and habitats. Without comprehensive evaluations, there is a risk that these species and habitats cannot be adequately conserved or enhanced. The sustainable management of forests is therefore hindered by economic pressures and insufficiently detailed conservation planning.

Mitigation measure:

Scale of the assessment: The scale of the assessment identifies key species, habitats, ecosystems, and areas of high conservation value pertaining to biodiversity in the Supply Base that need to be maintained or enhanced.

Means of verification: AC Timber conducts a desk evaluation and onsite supplier/forest manager audits on the property, assessing threats to HCV sites and HCV areas, and conducts a compliance opinion with or without expert advice.
Information sources used in the desk evaluation are described under the indicator 2.1.1 Feedstock origin data: the BP is always requesting the Cadastre Number information for each sourced load or logging site, and verifies it. Cadastre data is obtained from Felling Permits and purchase agreements. A crucial step in the mitigation process involves verifying the accuracy of feedstock origin data (cadastre number of FMU, location of timber loading, etc.). This is achieved by using the official data provided by the Latvian State Forest Service, available at the database “Ozols” and other services (LVM GEO, Felling permit verification service at the State Forest Service, etc.). This process ensures that the feedstock origin is accurately documented and verified.
The purchasing specialist checks the database Ozols when receiving the load, along with the Felling Permit (without the Felling Permit, the BP is not accepting the load), and checks the feedstock origin data. The following
approach is used to identify the risks related to High Conservation Value category 1 as per the SBP revised Regional Risk Assessment for Latvia (v.2.0):
Compliance with the SBP Framework Supply Base Report HCV category 1
If a habitat of a RTE (Rare, Threated or Endangered) species is identified in the feedstock origin data (red dot – occurrence of specially protected species, for example bird's nesting site, etc.), an onsite inspection shall be carried, to verify that the RTE species area have been preserved according to the requirements (legislation), had not been destroyed as a result of forest management activities, and the supplier had taken into account the peculiarities of the habitat of the RTE species of concern and had followed careful logging practices. If necessary, the expert opinion shall be requested. Feedstock is accepted as SBP-compliant only in case the HCV 1 risks have been mitigated.
HCV category 3
If a protected forest habitat of EU importance (Woodland key habitat) is identified in the felling permit feedstock origin data (FMU of concern), at least in one of the compartments, the BP acts according to the procedure "Criteria for acceptance of biomass SBP compliant for acceptance". The feedstock from HCV category 3 areas shall not be accepted as SBP-compliant. In situations when the forest management activities are targeted at improving the quality of the habitat, the procedure requires the BP to carry out an inspection in the field. If the criteria are met, then the feedstock may be registered as SBP-compliant. In all such cases, the expert opinion in writing is required.

Monitoring and outcomes:

The BP uses the SBP-endorsed Regional Risk Assessment for Latvia (version 2). In consultation with stakeholders, communicating with logging and wood processing companies on risk mitigation options, a specified risk mitigation procedure was developed for inclusion in the risk assessment. The procedure determines the procedure for field/on-site inspections and documentation requirements.
Only feedstock supplies from suppliers that have been identified as eligible for the ACA Timber SIA are recognized as SBP-compliant biomass. All SBP-compliant biomass suppliers have a written agreement in place to take the necessary risk mitigation measures and inspections before the start of deliveries to ensure that the supplier is prepared to take these measures. All biomass suppliers are subject to inspection visits at regular intervals according to the procedure.
Third parties have access to documentary evidence of the inspections performed, which allows obtaining information on the level of supply risks of each supplier, as well as allows timely identification of potential risks in one of the specified risk indicators.
The number of suppliers of non-certified/non-SBP-compliant feedstock has decreased over the past year. The suppliers have taken into account ACA Timber recommendations and are monitoring the biologically

valuable lands themselves. About 25 FMUs were surveyed in nature to make sure that biologically valuable land and habitats of species have been preserved and not affected.
Before accepting the load, the BP checks all information contained in the Felling Permits in the database "Ozols". If any certification is invalid, the cargo will not be accepted. During the year, we have refused about 5-6 loads, due to the presence of HCVs in the feedstock origin locations identified in the Felling Permit.
In situations when a field inspection is necessary to confirm the low risk with regard to the HCVs, a field inspection is carried out by the BP or a supplier. For the latter, the BP is conducting verification field visits on a random basis. The supplier is requested to provide as much information as possible (questionnaires, photo recording) so that biologically valuable areas, large trees, or species habitats are preserved. Felling Permits are registered in a dedicated register, in an MS Excel table.

Country: Latvia

Area/sub-scope: All

Risk Assessment used:

☐SBP-RRA-AS-VN-FOR_v1.0 RRA for Vietnam FOR_Interim
☐SBP-RRA-US-NF-FOR_v1.0 RRA for US National FOR_Interim
☐SBP-RRA-US-PF-FOR_v1.0 RRA for US Private FOR_Interim
☐SBP-RRA-EU-DK-FOR_v2.0 RRA for Denmark FOR_Endorsed
☐SBP-RRA-EU-DK-TOF_v1.0 RRA for Denmark TOF_Interim
☐SBP-RRA-EU-EE-FOR_v2.0 RRA for Estonia FOR_Endorsed
☒SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed
☐SBP-RRA-EU-LT-FOR_v2.0 RRA for Lithuania FOR_Endorsed
☐SBP-RRA-CA-QC-FOR_v2.0 RRA for Quebec FOR_Interim
☐SBP-RRA-CA-AB-FOR_v1.0 RRA for Alberta FOR_Interim
☐SBP-RRA-CA-BC-FOR_v2.0 RRA for British Columbia FOR_Interim
☐SBP-RRA-CA-NB-FOR_v1.0 RRA for New Brunswick FOR_Interim
☐SBP-RRA-CA-NS-FOR_v1.0 RRA for Nova Scotia FOR_Interim
☐SBP-RRA-EU-NO-FOR_v1.0 RRA for Norway FOR_Interim
☐ Biomass Producer's own risk assessment

Indicator with specified risk:

3.2.3 feedstock shall not be sourced from forest areas in the Supply Base which, according to local definitions or norms, are classified as having combined attributes of high carbon stocks and high conservation value (HCV).

Description of the specific risk:

ACA Timber SIA applied Sustainable Biomass Program (SBP) Revised Regional Risk Assessment for Latvia Version 2.0 Effective date: 12 July 2024
The EU identifies forests, wetlands, and peatlands as critical carbon sinks, with mature and old-growth forests being particularly significant for their high carbon storage and biodiversity value. EU policies, including the European Green Deal and Biodiversity Strategy for 2030, stress the need to protect these forests while improving forest quality and resilience. In Latvia, old-growth forests and wetland forests are key conservation priorities, though much of the forest area has been influenced by human activity, leaving only 8% as mature stands over 100 years old. Wetland forests make up 20% of Latvia's forested area and include habitats such as bog woodlands and deciduous swamp woods, both protected under EU law.
Forest conservation in Latvia began in the early 20th century, expanding significantly before its EU

accession in 2004. The Nature Census (2017–2022) improved habitat mapping, integrating data into national systems like Ozols. Natura 2000 sites and other protected areas safeguard representative ecosystems, but gaps remain. Many high-conservation-value (HCV) areas, including EU-important habitats, lie outside protected zones, particularly in private forests. Current management often fails to adequately address biodiversity needs due to incomplete data, insufficient integration of biodiversity into sectoral policies, and limitations in protected area governance.
Economic pressures, such as demand for firewood, can drive logging in ecologically sensitive areas like wetlands. Although harvesting is limited in excessively moist regions due to high costs and low-quality yields, it occurs during periods of high demand. Additionally, logging is permitted in some protected zones that lack strict regulations, and not all critical habitats, such as bird nesting sites, are fully identified or protected.
Despite advances in habitat mapping and policy efforts, Latvia faces challenges in effectively protecting biodiversity. Old-growth forests and wetland habitats remain at risk due to insufficient legal safeguards, economic exploitation, and inadequate integration of conservation priorities into broader policies.

Mitigation measure:

Scale of the assessment: The scale of the assessment covers identifying species, habitats, ecosystems, and HCV sites (see 2.1.1-2.1.3) relevant to biodiversity and having high carbon stock attributes.
The BP uses the SBP-endorsed Regional Risk Assessment for Latvia. In consultation with stakeholders, communicating with logging and wood processing companies on risk mitigation options, a specified risk mitigation procedure was developed. The procedure determines the methodology for field/on-site inspections as well as requirements for documentation.
Compliance with the SBP Framework Supply Base Report
Means of verification: ACA Timber conducts a desk audit regarding the presence of HCVs and high carbon stocks. Furthermore, the BP may conduct supplier/forest manager audits onsite, as per sections in 2.1.1-2.1.3, by assessing threats to HCV sites and HCS areas, and conduct a compliance opinion with or without expert advice. The BP also evaluates the carbon stock in the area of interest using the data from the forest inventory databases and historic spatial data/remote sensing imagery.
The company will not buy biomass if it is sourced as a result of deforestation or drained wetlands.
Records of field inspections carried out so far:

- Monitoring records
- Interviews with FME staff, stakeholders, and the nature data management system "Ozols" (OZOLS. Communication with experts from the Nature Conservation Agency.
- Maps, interviews, regional, publicly available data from trusted third parties. Environmental NGO reports and maps.
- Relevant websites of the State Forest Service, the Nature Conservation Agency, and the EU, Rural Support Service (Lauku atbalsta dienests) .
- Relevant Latvian national and EU legislation, laws, and regulations.
- HCV area identification is conducted as per the procedure described in the 2.1.1-2.1.3 (see above).

Areas with high carbon stocks are identified as per “High Carbon Stock” definition in the national legislation (Cabinet of Ministers No. 686 “Noteikumi par ilgtspējas un siltumnīcefekta gāzu emisiju ietaupījuma kritērijiem, no biomasas kurināmā ražotās elektroenerģijas kritērijiem un kārtību, kādā pamatojama, apliecināma un uzraugāma atbilstība minētajiem kritērijiem” 02.11.2022). The BP is considering areas compliant with definition as “high carbon stock”.
All information about the feedstock origin, risk mitigation measures, CoC, and amount of feedstock sourced is entered in the BP’s register(s); the amount of received wood is entered into the volume register only if the delivered wood corresponds to the low-risk category and all SBP-compliant low-risk conditions are met.

Monitoring and outcomes:

Only suppliers that have been identified as eligible by the ACA Timber SIA is recognized as suppliers of “SBP-compliant” biomass. All “SBP-compliant” biomass suppliers have a written agreement in place to take the necessary risk mitigation measures and inspections are carried out prior to the start of deliveries to ensure that the supplier is prepared to take these measures. All biomass suppliers are subject to inspection visits at regular intervals according to the BP procedures.
Third parties have access to documentary evidence of the inspections performed, which allows obtaining information on the level of supply risks of each supplier, as well as allows timely identification of potential risks in one of the specified risk indicators.
There are no directly usable data sources or lists available that can be used to check for feedstock from high carbon areas in Latvia. To mitigate the risk, guidelines from the Renewable Energy Directive are used to define what constitutes a high carbon area. The local transposed legislation act is Cabinet of Ministers No. 686 “Noteikumi par ilgtspējas un siltumnīcefekta gāzu emisiju ietaupījuma kritērijiem, no biomasas kurināmā ražotās elektroenerģijas kritērijiem un kārtību, kādā pamatojama, apliecināma un uzraugāma atbilstība minētajiem kritērijiem” 02.11.2022). 686 ACA Timber shall consider changes in land use since January 2008 when accepting biomass.
During the review of the reference period, no biomass purchases from areas with high carbon stocks were identified. See monitoring of risk mitigation measures in findings of 2.1.1-2.1.3 above.

4 Stakeholder engagement

4.1 General description

Biomass Producer's stakeholder engagement start date: 25 Apr 2025

Biomass Producer's stakeholder engagement end date: 26 May 2025

Total number of stakeholders contacted:

Give a general description of the process of Stakeholders Engagement, including stakeholders contacted, method of communication and a summary of the comments received:

Stakeholder consultation was conducted electronically via email communication and direct communication, through meetings with the stakeholder(s) directly. An informative e-mail was sent to relevant stakeholders asking to provide opinion about the risk assessment and risk mitigation measures. In case of direct communication, the risk assessment and risk mitigation measures were discussed during the direct meeting(s).
No direct response or comments were received from stakeholders, as well as complaints or suggestions. The company had communicated and discussed the risk assessment and risk mitigation measures with the Nature Protection Board, where advice on risk assessment and mitigation measures was received. The company had sent an e-mail notification and information to interested parties, with a total of ca 80 recipients.

4.2 Response to stakeholder comments

Stakeholder description: NA

Stakeholder comment: NA

Response to the stakeholder: NA

5 Report updates and approval

This document is: New Supply Base Report (Assessments/reassessments)

Summary of changes: N/A

Name	Matīss Kreklis
Title	Management representative
Date of report approval	01 Jul 2025

Annex 1: Detailed findings for Supply Base Evaluation indicators

Latvia all region	Indicator
1.1.1	Operations related to feedstock sourcing and biomass production shall comply with all existing applicable laws and regulations.
Supply Base Verifiers	Law on Protective Zones Law on Specially Protected Nature Territories Land Management Law Cabinet Regulation No. 309 “Regulations Regarding Tree Felling Outside Forests Audit reports conducted by the company The company’s verification procedures include confirming the origin documentation for each load of primary wood. As proof of origin, either a felling permit issued by the State Forest Service is accepted for forest-sourced wood, or a document compliant with Cabinet Regulation No. 309 is accepted for wood harvested outside forest areas. Additionally, the company monitors the total volumes of feedstock obtained from each origin location to ensure legality of origin and consistency of declared quantities. In addition the company performs periodic, random checks of full supply chain documentation, including contracts between landowners and harvesting operators.
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelter belts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. Wood harvesting both in forests and outside forest areas is regulated by a comprehensive set of laws covering land ownership, felling permits, taxation, and environmental restrictions. These legal requirements are enforced by national and regional authorities. For land outside forests, the applicable framework includes the Land Management Law, the Law on Protective Zones, and the Law on Specially Protected Nature Territories. Tree felling outside forests is regulated by Cabinet Regulation No. 309. There is no separate information available regarding illegal activities related to wood harvested outside forests. According to the annual public reports of the State Forest Service, since 2020, illegally harvested wood accounts for between 0.01% (in 2023) and 0.09% (in 2020) of the total volume of harvested wood. Furthermore, during the entire period of SIA ACA Timber operations, no requests have been received from the State Police or other competent authorities regarding potentially illegally harvested wood from outside forest areas.

	SIA ACA Timber only accepts primary feedstock accompanied by appropriate origin documentation—either a felling permit issued by the State Forest Service for forest-sourced material or documentation in accordance with Regulation No. 309 for feedstock from non-forest areas. The company also monitors the volumes obtained from each origin location. In addition the company performs periodic, random checks of full supply chain documentation, including contracts between landowners and harvesting operators. A detailed risk assessment is available upon request at the company.
Risk Rating	Low Risk

Latvia all region	**Indicator**
1.1.2	Legal ownership of land and resource use rights shall be respected.
Supply Base Verifiers	Land Management Law Law on Protective Zones State Land Service Public Report 2023 State Land Service Report on Cadastral Surveying Works in 2023 Open Data Portal Cabinet Regulation No. 309 “Regulations Regarding Tree Felling Outside Forests” (adopted in Riga on 2 May 2012) Audit reports conducted by the company
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. According to the Land Management Law, landowners have rights and obligations regarding land use, in compliance with regulations and spatial planning documents. The Protection Zones Law may restrict landowners’ rights if the land lies within a protected zone. Tree felling outside forests must comply with ownership rights and require permits where applicable. The State Land Service (SLS) oversees land use registration and property rights verification. In 2022, SLS introduced an electronic system for reporting data issues and requesting consultations via Kadastrs.lv and the Open Data Portal. In 2023, 194 reports were submitted—39% confirmed cadastral data errors; 27% were unconfirmed. The 2023 SLS report notes a 6% decrease in measured land units compared to 2022, though a 37% increase is observed over nine years, indicating continued progress. SIA ACA Timber only accepts feedstock accompanied

	by appropriate proof of origin—either a felling permit issued by the State Forest Service for forest-sourced feedstock or a document compliant with Cabinet Regulation No. 309 for non-forest areas. In addition to volume control, the company performs periodic, random checks of full supply chain documentation, including contracts between landowners and harvesting operators. A detailed risk assessment is available upon request at the company. Conclusion: The company ensures compliance with land ownership and resource use requirements. The risk of receiving non-conforming feedstock is low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
1.1.3	Feedstock shall be legally harvested, supplied and produced, including in compliance with CITES, EUTR and other applicable legal trade requirements.
Supply Base Verifiers	Forest Law European Union Timber Regulation (EUTR) European Union Deforestation Regulation (EUDR) CITES Convention Nature Conservation Agency CITES Species Cabinet Regulation No. 309 “Regulations Regarding Tree Felling Outside Forests” (adopted in Riga on 2 May 2012) State Land Service Public Report 2023 Contracts between suppliers and SIA ACA Timber
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. The legal harvesting and production of wood in Latvia is regulated by national legislation, as outlined earlier. European Union Timber Regulation (EUTR) requirements are in force in Latvia and are implemented at SIA ACA Timber . EUTR sets out the requirements that only legally harvested wood may be placed on the market. The company verifies the legality of documentation for each load. For wood harvested outside forests, documents must comply with Cabinet Regulation No. 309 on tree felling. CITES requirements apply to the trade of protected species, and must be followed when tree species are listed. In Latvia, the responsible authority is the Nature Conservation Agency, which issues permits and certificates,

	coordinates interagency cooperation, and maintains a species-specific database. The company does not purchase any species listed under CITES. Starting from 1 January 2025, SIA ACA Timber group companies included in their contracts the obligation for suppliers to provide, upon request, the geographical location data of the origin of the wood in accordance with the EU Deforestation Regulation (EUDR). A detailed risk assessment is available upon request at the company. Conclusion: Given the above, the risk of sourcing illegally harvested wood is low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
1.1.4	Payments for harvest rights and feedstock, including duties, relevant royalties and taxes related to timber harvesting shall be complete and up-to-date.
Supply Base Verifiers	Cabinet Regulation No. 309 “Regulations Regarding Tree Felling Outside Forests” State Revenue Service report “Key Annual Report Indicators Declared by Taxpayers for 2023” State Revenue Service public tax debtor database
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. Cabinet Regulation No. 309 sets the methodology for calculating compensation for tree felling in urban and village areas. Landowners and land users are required to pay all applicable taxes and fees related to tree felling outside forest areas. According to publicly available data from the State Revenue Service (SRS) for 2023, the forestry sector is fulfilling its tax obligations. The sector's net turnover in 2023 amounted to over EUR 1.9 million. There is no evidence of unpaid taxes or royalties related to timber harvesting. Before entering into contracts for the transfer or use of timber harvesting rights, SIA ACA Timber companies verify that the contracting party is registered with the SRS and has no outstanding tax debts. This verification is performed using the SRS public tax debtor database by entering the registration number of the individual or company. This approach not only ensures compliance with legal requirements but also supports assessment of the contractor’s financial reliability and reduces risks of non-performance.

	A detailed risk assessment is available upon request at the company. Conclusion: The risk that SIA ACA Timber would purchase timber for which taxes have not been paid is low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
1.1.5	There shall be adequate protection of the Supply Base from unauthorised and illegal activities, such as illegal logging, mining, and encroachment.
Supply Base Verifiers	Land Management Law Cabinet Regulation No. 309 “Regulations Regarding Tree Felling Outside Forests” State Land Service Public Report 2023 Booklet “Forest Sector in Numbers and Facts” Audit reports conducted by the company
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. The Land Management Law provides for land protection measures to prevent degradation and illegal activities. Cabinet Regulation No. 309 authorizes municipalities and competent authorities to supervise tree felling outside forest areas. Municipalities may also impose additional local rules. There is no specific data on illegal activities related to non-forest wood harvesting. However, according to annual public reports by the State Forest Service, illegally harvested wood accounted for only 0.01% (in 2023) to 0.09% (in 2020) of total harvested volume. SIA ACA Timber only accepts wood accompanied by proper origin documentation. Most of the feedstock is sourced from long-standing, verified suppliers, while new suppliers are subject to pre-contract evaluation to ensure compliance with FSC, PEFC, and SBP standards. For selected deliveries, full supply chain legality checks are conducted, including verification of contracts between the harvester and the landowner. A detailed risk assessment is available upon request at the company. Conclusion: The risk of sourcing wood from illegal logging is very low.
Risk Rating	Low Risk

Latvia all region	**Indicator**

2.1.1	Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified.
Supply Base Verifiers	Law on Specially Protected Nature Territories Nature Data Management System “Ozols” SBP Regional Risk Assessment for Latvia (2024) Audit reports conducted by the company
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. Criteria 2.1.1 to 2.1.3 are analysed together, as they include the requirement to identify key species, habitats, ecosystems, and areas of high conservation value, assess the impact on them, and ensure their maintenance or enhancement. Therefore, the first step is to identify these areas, and by maintaining or enhancing the identified areas, compliance with all three criteria is ensured simultaneously. Latvian legislation protects specially protected habitats. These are habitats with particular ecological value or vulnerability. However, not all habitats are included in this list, and therefore not all are legally protected. From 2017 to 2022, the Nature Conservation Agency (NCA) implemented the national habitat mapping initiative “Dabas skaitīšana” (“Nature Census”), which revealed that: • A total of 334,597 ha of EU-priority forest habitats were identified in Latvia, of which 19% are located on private land. • Approximately 5,000 ha of these habitats have been lost or converted into clearcuts since 2017. • Sources of feedstock from outside forests partially overlap with these areas. The "Ozols" Nature Data Management System (https://ozols.gov.lv/pub) stores and manages the data obtained during the habitat mapping, including information on protected areas, meadow habitats, species, microreserves, and conservation measures. It also includes data on habitats that are not legally protected but have significant ecological or scientific value. The system provides up-to-date data for nature conservation planning and biodiversity protection in Latvia. Company representatives consulted with the Nature Conservation Agency in person regarding the risks related to compliance with these criteria. The NCA representative explained that, for non-forest areas, the removal of overgrowth is not only desirable but necessary for the preservation of EU-priority grassland habitats. However, the removal must be carried out in a way that preserves biodiversity. Both stump removal and soil milling are allowed to level the land, which supports future use for mowing or grazing. SIA ACA Timber representatives discussed the planned mitigation measures with the NCA representative and received confirmation that the information available in the "Ozols" Nature Data Management System must be used to identify valuable habitats outside the forest.

	Although the Nature Census has provided consolidated data on key species, habitats, ecosystems, and areas of high conservation value in the "Ozols" system, a high risk is assigned to obtaining wood from these areas, as harvesting is not fully protected by national legal instruments. There is a possibility that ecologically valuable areas not protected by law may be altered or degraded, thus potentially threatening species and habitats of high conservation value. In the SBP-published Regional Risk Assessment for Latvia (RRA, 2024), when assessing risks for forest-based biomass, it is concluded that not only habitats but also specially protected and threatened species must be identified, including nesting birds, whose habitats may also be affected in non-forest areas such as grasslands and overgrown meadows. The document emphasizes that operations like overgrowth removal during the nesting season can negatively impact species populations if not performed with seasonal restrictions or without prior verification of species presence. Therefore, it is justifiable to conclude that non-forest areas, from which biomass may be sourced (e.g. grasslands, overgrown agricultural land), pose similar environmental risks as forest areas. These areas are often important for bird migration, foraging, or nesting, where biodiversity conservation is essential. Based on the above, a high risk is assigned to criteria. The fulfilment of all three criteria is ensured by identifying the respective areas and maintaining their conservation status. To ensure that wood is not sourced from EU-priority habitats that are not legally protected, the company uses the Nature Data Management System “Ozols” to identify such areas and evaluates the origin of each delivery based on the cadastral number. Additionally, the available database information on bird habitats is also assessed. The company has set a requirement for its suppliers to carry out harvesting in a way that does not negatively impact biodiversity and to avoid damaging protected bird habitats. In selected cases, the company conducts field inspections in such areas to ensure that the removal of overgrowth has not caused negative impacts and that the nesting sites of protected bird species within the area have not been destroyed. Based on the evaluation of implemented actions and audit results carried out since 2018, it can be concluded that the company's operations ensure a low risk for this criterion.
Risk Rating	Low Risk

Latvia all region	**Indicator**
2.1.2	Threats to and impacts on the identified key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified and evaluated.
Supply Base Verifiers	Law on Specially Protected Nature Territories Nature Data Management System “Ozols” SBP Regional Risk Assessment for Latvia (2024)

	Audit reports conducted by the company
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. Criteria 2.1.1 to 2.1.3 are analysed together, as they include the requirement to identify key species, habitats, ecosystems, and areas of high conservation value, assess the impact on them, and ensure their maintenance or enhancement. Therefore, the first step is to identify these areas, and by maintaining or enhancing the identified areas, compliance with all three criteria is ensured simultaneously. Latvian legislation protects specially protected habitats. These are habitats with particular ecological value or vulnerability. However, not all habitats are included in this list, and therefore not all are legally protected. From 2017 to 2022, the Nature Conservation Agency (NCA) implemented the national habitat mapping initiative “Dabas skaitīšana” (“Nature Census”), which revealed that: • A total of 334,597 ha of EU-priority forest habitats were identified in Latvia, of which 19% are located on private land. • Approximately 5,000 ha of these habitats have been lost or converted into clearcuts since 2017. • Sources of feedstock from outside forests partially overlap with these areas. The "Ozols" Nature Data Management System (https://ozols.gov.lv/pub) stores and manages the data obtained during the habitat mapping, including information on protected areas, meadow habitats, species, microreserves, and conservation measures. It also includes data on habitats that are not legally protected but have significant ecological or scientific value. The system provides up-to-date data for nature conservation planning and biodiversity protection in Latvia. Company representatives consulted with the Nature Conservation Agency in person regarding the risks related to compliance with these criteria. The NCA representative explained that, for non-forest areas, the removal of overgrowth is not only desirable but necessary for the preservation of EU-priority grassland habitats. However, the removal must be carried out in a way that preserves biodiversity. Both stump removal and soil milling are allowed to level the land, which supports future use for mowing or grazing. SIA ACA Timber representatives discussed the planned mitigation measures with the NCA representative and received confirmation that the information available in the "Ozols" Nature Data Management System must be used to identify valuable habitats outside the forest. Although the Nature Census has provided consolidated data on key species, habitats, ecosystems, and areas of high conservation value in the "Ozols" system, a high risk is assigned to obtaining wood from these areas, as harvesting is not fully protected by national legal instruments. There is a possibility that ecologically valuable areas not protected by law may be altered or degraded, thus potentially threatening species and habitats of high conservation value.

	In the SBP-published Regional Risk Assessment for Latvia (RRA, 2024), when assessing risks for forest-based biomass, it is concluded that not only habitats but also specially protected and threatened species must be identified, including nesting birds, whose habitats may also be affected in non-forest areas such as grasslands and overgrown meadows. The document emphasizes that operations like overgrowth removal during the nesting season can negatively impact species populations if not performed with seasonal restrictions or without prior verification of species presence. Therefore, it is justifiable to conclude that non-forest areas, from which biomass may be sourced (e.g. grasslands, overgrown agricultural land), pose similar environmental risks as forest areas. These areas are often important for bird migration, foraging, or nesting, where biodiversity conservation is essential. Based on the above, a high risk is assigned to criteria. The fulfilment of all three criteria is ensured by identifying the respective areas and maintaining their conservation status. To ensure that wood is not sourced from EU-priority habitats that are not legally protected, the company uses the Nature Data Management System "Ozols" to identify such areas and evaluates the origin of each delivery based on the cadastral number. Additionally, the available database information on bird habitats is also assessed. The company has set a requirement for its suppliers to carry out harvesting in a way that does not negatively impact biodiversity and to avoid damaging protected bird habitats. In selected cases, the company conducts field inspections in such areas to ensure that the removal of overgrowth has not caused negative impacts and that the nesting sites of protected bird species within the area have not been destroyed. Based on the evaluation of implemented actions and audit results carried out since 2018, it can be concluded that the company's operations ensure a low risk for this criterion.
Risk Rating	Specified Risk

Latvia all region	**Indicator**
2.1.3	Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be maintained or enhanced.
Supply Base Verifiers	Law on Specially Protected Nature Territories Nature Data Management System "Ozols" SBP Regional Risk Assessment for Latvia (2024) Audit reports conducted by the company
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. Criteria 2.1.1 to 2.1.3 are analysed together, as they include the requirement

	to identify key species, habitats, ecosystems, and areas of high conservation value, assess the impact on them, and ensure their maintenance or enhancement. Therefore, the first step is to identify these areas, and by maintaining or enhancing the identified areas, compliance with all three criteria is ensured simultaneously. Latvian legislation protects specially protected habitats. These are habitats with particular ecological value or vulnerability. However, not all habitats are included in this list, and therefore not all are legally protected. From 2017 to 2022, the Nature Conservation Agency (NCA) implemented the national habitat mapping initiative “Dabas skaitīšana” (“Nature Census”), which revealed that: • A total of 334,597 ha of EU-priority forest habitats were identified in Latvia, of which 19% are located on private land. • Approximately 5,000 ha of these habitats have been lost or converted into clearcuts since 2017. • Sources of feedstock from outside forests partially overlap with these areas. The "Ozols" Nature Data Management System (https://ozols.gov.lv/pub) stores and manages the data obtained during the habitat mapping, including information on protected areas, meadow habitats, species, microreserves, and conservation measures. It also includes data on habitats that are not legally protected but have significant ecological or scientific value. The system provides up-to-date data for nature conservation planning and biodiversity protection in Latvia. Company representatives consulted with the Nature Conservation Agency in person regarding the risks related to compliance with these criteria. The NCA representative explained that, for non-forest areas, the removal of overgrowth is not only desirable but necessary for the preservation of EU-priority grassland habitats. However, the removal must be carried out in a way that preserves biodiversity. Both stump removal and soil milling are allowed to level the land, which supports future use for mowing or grazing. SIA ACA Timber representatives discussed the planned mitigation measures with the NCA representative and received confirmation that the information available in the "Ozols" Nature Data Management System must be used to identify valuable habitats outside the forest. Although the Nature Census has provided consolidated data on key species, habitats, ecosystems, and areas of high conservation value in the "Ozols" system, a high risk is assigned to obtaining wood from these areas, as harvesting is not fully protected by national legal instruments. There is a possibility that ecologically valuable areas not protected by law may be altered or degraded, thus potentially threatening species and habitats of high conservation value. In the SBP-published Regional Risk Assessment for Latvia (RRA, 2024), when assessing risks for forest-based biomass, it is concluded that not only habitats but also specially protected and threatened species must be identified, including nesting birds, whose habitats may also be affected in non-forest areas such as grasslands and overgrown meadows. The document emphasizes that operations like overgrowth removal during the

	nesting season can negatively impact species populations if not performed with seasonal restrictions or without prior verification of species presence. Therefore, it is justifiable to conclude that non-forest areas, from which biomass may be sourced (e.g. grasslands, overgrown agricultural land), pose similar environmental risks as forest areas. These areas are often important for bird migration, foraging, or nesting, where biodiversity conservation is essential. Based on the above, a high risk is assigned to criteria. The fulfilment of all three criteria is ensured by identifying the respective areas and maintaining their conservation status. To ensure that wood is not sourced from EU-priority habitats that are not legally protected, the company uses the Nature Data Management System "Ozols" to identify such areas and evaluates the origin of each delivery based on the cadastral number. Additionally, the available database information on bird habitats is also assessed. The company has set a requirement for its suppliers to carry out harvesting in a way that does not negatively impact biodiversity and to avoid damaging protected bird habitats. In selected cases, the company conducts field inspections in such areas to ensure that the removal of overgrowth has not caused negative impacts and that the nesting sites of protected bird species within the area have not been destroyed. Based on the evaluation of implemented actions and audit results carried out since 2018, it can be concluded that the company's operations ensure a low risk for this criterion.
Risk Rating	Specified Risk

Latvia all region	**Indicator**
2.2.1	Feedstock shall not be sourced from land that had one of the following statuses in January 2008 and no longer has that status due to land conversion: a. Forests b. Wetlands c. Peatlands d. Highly biodiverse grasslands.
Supply Base Verifiers	Land Management Law Spatial Development Planning Law Cabinet Regulation No. 47 "Regulations on the Procedure and Scope for Submitting Information Required for the Maintenance of the State Cadastre Information System" Cabinet Regulation No. 562 "Regulations on the Classification of Land Use Types and Criteria for Their Determination" Cabinet Regulation No. 628 "Regulations on Municipal Spatial Development Planning Documents" SBP Regional Risk Assessment for Latvia (2024)
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on

	agricultural land that are not classified as fast-growing energy crops. In Latvia, land-use change is a regulated process requiring municipal approval and compliance with spatial planning documents. To change the land-use purpose, a landowner must submit an application to the municipality along with required documents (e.g., proof of ownership and land boundary plan). If compliant with legal and planning regulations, the change is approved and recorded by the State Land Service. According to the SBP Regional Risk Assessment for Latvia (2024), wood obtained from forest land converted after 2008 is considered low risk. In practice, non-forest wood originates mainly from overgrown or abandoned agricultural land, pastures, or infrastructure zones. Although theoretical land-use change is possible, there is no evidence of systematic land conversion after 2008 for the purpose of wood harvesting. Furthermore, regulations tightly restrict forest-to-other-use conversions. A detailed risk assessment is available upon request at the company. Conclusion: The risk of sourcing non-conforming wood due to land-use change is low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
2.2.2	Ecosystems, their health, vitality, functions and services in the Supply Base shall be maintained or enhanced.
Supply Base Verifiers	Law on Protective Zones Water Management Law Environmental Protection Law Cabinet Regulation No. 309 “Regulations Regarding Tree Felling Outside Forests” SBP Regional Risk Assessment for Latvia (2024)
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the compan: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. In Latvia, the protection of ecosystem functions is embedded in national legislation and land management practices. Areas near water bodies are designated as protective zones regulated by the Law on Protective Zones and the Water Management Law. These laws aim to preserve ecosystem continuity, prevent erosion and pollution, and ensure habitat integrity. Regarding non-forest feedstock, such as vegetation near water bodies, harvesting is typically carried out to improve ecosystem conditions—for example, to prevent invasive species spread or maintain open landscapes. These activities are guided by land and landscape management plans and must follow environmental authority guidelines and legal requirements. The SBP Regional Risk Assessment for Latvia (2024) indicates that the risk of reduced ecosystem services from forest operations is low due to strong

	legislation and oversight—especially in protected zones near water bodies. This reasoning also applies to non-forest areas, where harvesting is done to maintain or enhance ecosystems, not for commercial purposes. A detailed risk assessment is available upon request at the company. Conclusion: When legal requirements are respected, wood harvesting from non-forest areas for landscape maintenance and protective zone management poses a low risk to ecosystem functionality.
Risk Rating	Low Risk

Latvia all region	**Indicator**
2.2.3	Soil quality in the Supply Base shall be maintained or enhanced
Supply Base Verifiers	Law on Protective Zones Water Management Law Environmental Protection Law Cabinet Regulation No. 309 “Regulations Regarding Tree Felling Outside Forests”
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops In Latvia, soil and water resource protection is ensured through the designation of protective zones around water bodies and the implementation of erosion control measures. According to the Law on Protective Zones and related legislation, strict conditions apply to tree felling near watercourses and water bodies to prevent soil erosion, nutrient runoff, and other negative impacts on water quality. Soil disturbance in such areas is typically minimal or absent, and tree removal is carried out primarily for landscape maintenance or to mitigate risks from hazardous trees near infrastructure. In practice, this type of wood harvesting is low-intensity and has limited environmental impact, with no systematic degradation of soil or water quality observed. The existing regulatory framework in Latvia sets sufficient requirements for protecting soil and water resources in areas where non-forest wood is harvested. There are control mechanisms and permit systems in place that further reduce potential risks. A detailed risk assessment is available upon request at the company. Conclusion: The risk associated with wood harvested from protective zones near water bodies is considered low.
Risk Rating	Low Risk

Latvia all region	Indicator
2.2.4	Where the removal of harvest forest residues and/or stumps occurs, this shall not lead to irreversible negative impacts to the ecosystem.
Supply Base Verifiers	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops In non-forest areas relevant to this criterion, wood harvesting is carried out at low intensity and typically without the use of chemical substances. The most common activities include shrub removal and manual or mechanical treatment. The use of chemicals is regulated under national and EU legislation. Latvia has a legal framework governing the circulation and application of chemicals, as well as air quality standards. These include safety requirements and restrictions on usage near water bodies and populated areas. Compliance with these regulations ensures minimal or no environmental and air quality impact. There is no evidence of systematic or significant chemical use in wood harvesting from such non-forest areas. Harvesting is done occasionally as part of landscape management and does not have a lasting effect on air quality. A detailed risk assessment is available upon request at the company. Conclusion: Due to the limited use of chemicals and low operational intensity, the risk of uncontrolled chemical application or negative impact on air quality is considered low.
Risk Rating justification	Environmental Protection Law Law on Chemical Substances Cabinet Regulation No. 309 “Regulations Regarding Tree Felling Outside Forests” Cabinet Regulation No. 318 “Monitoring and Control Procedure for CE-marked EU Fertilising Products”
Risk Rating	Low Risk

Latvia all region	Indicator
2.2.5	Quality and quantity of ground water, surface water and water downstream shall be maintained or enhanced.
Supply Base Verifiers	Law on Protective Zones Water Management Law SBP Regional Risk Assessment for Latvia (2024)

Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops Latvia's regulatory framework establishes clear requirements for the management of water bodies and their buffer zones. The Law on Protective Zones and the Water Management Law impose restrictions on activities in riparian zones, including tree felling and soil disturbance. These rules are designed to maintain water quality and natural hydrological regimes. Tree felling in these areas is carried out in accordance with legal procedures, and in specific cases, must be coordinated with the Nature Conservation Agency or the State Environmental Service. There is no evidence that landscape maintenance in such zones has resulted in significant changes to groundwater levels or surface water quality. As stated in the SBP Regional Risk Assessment for forest land, the risk to water resources is low—and this is equally applicable to non-forest areas where activity intensity is lower and subject to the same legal controls. Conclusion: Based on activity type, scale, regulation, and oversight, wood harvesting in these areas does not pose a risk to water quality or availability. The risk is considered low. A detailed risk assessment is available upon request at the company.
Risk Rating	Low Risk

Latvia all region	**Indicator**
2.2.6	Air emissions shall comply with national legislation or in the absence of national legislation with industry best practice.
Supply Base Verifiers	Environmental Protection Law Law on Pollution Cabinet Regulation No. 614 "Regulations on the Reduction and Accounting of Emissions of Common Air Pollutants" SBP Regional Risk Assessment for Latvia (2024)
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. In Latvia, there are no recorded cases where non-forest wood harvesting has resulted in significant air pollution. No examples have been identified where activities in such areas violated emission control requirements or

	environmental air quality regulations. Air protection and emissions are regulated by the Environmental Protection Law and related legal acts, which define emission limits for technological processes, including those outside industrial operations. Due to the nature of activities—low intensity and dispersed across small areas—these operations differ significantly from industrial or high-intensity forestry practices. Therefore, they do not pose a significant risk. Although the SBP Regional Risk Assessment for Latvia discusses emissions in the context of forestry, the observations apply equally to non-forest areas, where the scale and impact are even lower. A detailed risk assessment is available upon request at the company. Conclusion: Emissions and air pollution risks related to non-forest wood harvesting are considered low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
2.2.7	Pesticides shall only be used as part of an Integrated Pest Management (IPM) plan in compliance with national legislation, chemical safety data sheets and industry best practice. Banned pesticides shall not be used.
Supply Base Verifiers	Environmental Protection Law Chemical Substances Law Plant Protection Law Cabinet Regulation No. 950 “Regulations on the Use of Plant Protection Products” Latvian Official List of Banned Plant Protection Products (VAAD) SBP Regional Risk Assessment for Latvia (2024) Cabinet Regulation No. 1056 – Requirements and Control Procedures for the Integrated Production, Storage, and Labelling of Agricultural Products List of Plant Protection Products Registered in the Republic of Latvia for 2025 2023 Annual Report of the State Plant Protection Service of Latvia
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. In Latvia, pesticide use is regulated under integrated pest management (IPM) principles and national legislation. Only substances approved in EU regulations and listed in safety data sheets may be used. Pesticide use on non-forest wood sources—such as overgrown meadows or pastures—is minimal due to low-intensity land use. Such wood harvesting typically involves shrub or tree clearing without the need for regular pest control. Relevant legislation includes the Chemical Substances Law and Cabinet Regulation No. 950 on the use of plant protection products (PPPs). Only registered PPPs are allowed, and all use must comply with environmental

	and health safety standards. The Plant Protection Service maintains a register of approved and banned products. As of 2025, 564 PPPs are registered (480 chemical, 72 biological, 11 microbiological). According to the 2023 Plant Protection Service report: • 36 licensing decisions were made for PPP distribution. • 1224 inspections were conducted. • Illegal use of unregistered PPPs was found in only 0.2% of cases, all on active farmland. SIA ACA Timber sources wood from abandoned agricultural lands with no active farming, thus reducing the risk of pesticide presence. Since landscape maintenance and infrastructure areas are exempt, only wood from former agricultural land may be assessed. Pesticides, if used, must follow IPM principles—only as a last resort and with targeted application. No evidence suggests systematic or unauthorized pesticide use in non-forest wood harvesting. Given the low-intensity activity, existing controls, and legal framework, the risk is considered low, similar to forest sector assessments in SBP risk evaluations. A detailed risk assessment is available upon request at the company. Conclusion: The risk related to pesticide use in non-forest wood harvesting is low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
2.2.8	Waste shall be disposed of in an environmentally appropriate manner.
Supply Base Verifiers	Waste Management Law SBP Regional Risk Assessment for Latvia (2024)
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. In Latvia, waste management is regulated by the Waste Management Law, which establishes requirements for safe and environmentally responsible collection, sorting, and processing of waste. Biodegradable residues from wood processing—such as sawdust and bark—are commonly used as biofuel or for other beneficial purposes. Non-utilized or hazardous waste (e.g., plastic packaging, oil filters, household waste) must be disposed of in accordance with specific rules to ensure minimal environmental impact. Oversight is provided through regulatory frameworks and enforcement mechanisms implemented by local governments and institutions under the

	Ministry of Environmental Protection and Regional Development. There are no known violations of proper waste handling related to non-forest wood supply. Consistent with the SBP Regional Risk Assessment, where forest sector waste management is assessed as low risk, the same conclusion applies to non-forest sources. A detailed risk assessment is available upon request at the company. Conclusion: The risk related to improper waste management in the non-forest wood supply base is low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
2.2.9	Harvesting levels shall be justified as to how they can be sustained with reference to inventory and growth data for the Supply Base.
Supply Base Verifiers	The requirement does not apply to non-forest feedstock
Risk Rating justification	The requirement does not apply to TOF sources of feedstock.
Risk Rating	Low Risk

Latvia all region	**Indicator**
2.2.10	Harvested areas shall be regenerated
Supply Base Verifiers	Cabinet Regulation No. 309 “Regulations Regarding Tree Felling Outside Forests”
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies In Latvia, tree felling outside forests is regulated by Cabinet Regulation No. 309 “Regulations Regarding Tree Felling Outside Forests. ” This regulation defines the procedure for issuing permits and the conditions under which such permits are required. Landscape restoration requirements are additionally specified in binding local government regulations. These include rules on compensation for biodiversity loss and mechanisms for restoration, encouraging proper landscape management. Since landscape maintenance felling is typically low in intensity and conducted under a permit that outlines specific conditions for landscape protection or restoration, the risk that cleared areas will not be restored in accordance with visual and ecological criteria is considered low.

	A detailed risk assessment is available upon request at the company. Conclusion: The requirement is clearly regulated and enforced—risk is low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
2.2.11	The impacts of natural processes such as fires, pests and diseases shall be managed.
Supply Base Verifiers	The requirement does not apply to TOF sources of feedstock.
Risk Rating justification	The requirement does not apply to TOF sources of feedstock.
Risk Rating	Low Risk

Latvia all region	**Indicator**
2.2.12	Genetically modified trees shall not be used.
Supply Base Verifiers	Law on the Circulation of Genetically Modified Organisms
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. The requirement applies only to agricultural primary production or residues. In Latvia, the use of genetically modified organisms (GMOs) is regulated by the Law on the Circulation of Genetically Modified Organisms, which imposes strict conditions for the research, cultivation, use, import, and sale of GMOs. Any activity involving genetically modified trees or plants requires prior authorization from the competent national authorities. To date, there have been no identified cases of genetically modified trees being cultivated or used in Latvia, including in agricultural or agroforestry contexts. No such species are registered for use in either the forestry or agricultural sectors. A detailed risk assessment is available upon request at the company. Conclusion: Given the legal framework, state oversight, and the absence of GMO tree use in practice, the risk of non-compliance with this criterion in non-forest wood sourcing is considered low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
3.1.1	LULUCF emissions shall be accounted for through one of the following routes: Route A Feedstock may be sourced from a country of origin which is party to the Paris

	Agreement, and which has submitted a Nationally Determined Contribution to the United Nations Framework Convention on Climate Change (UNFCCC) covering carbon emissions and removals from agriculture, forestry and land use which ensure the changes in carbon stock associated with biomass harvest are counted towards the country's commitment to reduce or limit greenhouse gas emissions, or Route B Feedstock may be sourced from a country of origin which is party to the Paris Agreement and has national or sub-national laws in place (developed in accordance with Article 5 of the Paris Agreement and applicable in the area of harvest), to conserve and enhance carbon stocks and sinks, and provided there is evidence that reported LULUCF-sector emissions do not exceed removals, or Route C Feedstock may be sourced from a Supply Base where an assessment demonstrates that both the carbon stock is stable, and the forests' capacity to act as a carbon sink is stable or increasing over the long term.
Supply Base Verifiers	Paris Agreement EU Regulation 2018/841 on GHG Accounting in the LULUCF Sector Summary of Latvia's 2024 Greenhouse Gas Inventory
Risk Rating justification	Latvia has ratified the Paris Agreement and is committed to climate change mitigation, including monitoring and reducing emissions from the LULUCF sector (Land Use, Land-Use Change, and Forestry). In line with EU Regulation (2018/841) and national greenhouse gas (GHG) inventories, Latvia uses the IPCC methodology to account for emissions and carbon removals across land-use categories such as forests, grasslands, and agricultural land. Land-use changes—such as clearing overgrown agricultural lands—may affect GHG balances. However, these changes are accounted for at the national level and reported to the European Commission and UNFCCC. Wood suppliers are not required to conduct LULUCF accounting A detailed risk assessment is available upon request at the company. Conclusion: Because LULUCF emissions are centrally tracked by the state and integrated into internationally approved reporting systems, the risk of unaccounted or inconsistent emissions in the non-forest wood supply chain is considered low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
3.2.1	All feedstock sourcing shall be consistent with either of these two options: Option A. Feedstock may be sourced from Supply Bases where an assessment of the Supply Base shows that the forest carbon stocks are stable or increasing, or Option B. Feedstock may be sourced, if the assessment shows that the forest carbon stocks are declining in the Supply Base, provided that the decline is due to natural processes (fire, pests etc.), and sourcing of feedstock has the aim to recover feedstock that would otherwise be lost or to assist regeneration.
Supply Base Verifiers	The requirement does not apply to TOF sources of feedstock.
Risk Rating justification	The requirement does not apply to TOF sources of feedstock.

Risk Rating	Low Risk

Latvia all region	Indicator
3.2.2	Primary feedstock shall not be sourced from forest areas where site productivity is low and, according to local definitions or norms, the areas are classified as low-productive or difficult to regenerate.
Supply Base Verifiers	The requirement does not apply to TOF sources of feedstock.
Risk Rating justification	The requirement does not apply to TOF sources of feedstock.
Risk Rating	Low Risk

Latvia all region	Indicator
3.2.3	feedstock shall not be sourced from forest areas in the Supply Base which, according to local definitions or norms, are classified as having combined attributes of high carbon stocks and high conservation value (HCV).
Supply Base Verifiers	The requirement does not apply to TOF sources of feedstock.
Risk Rating justification	The requirement does not apply to TOF sources of feedstock.
Risk Rating	Low Risk

Latvia all region	Indicator
3.3.1	Feedstock sourcing shall be in compliance with the principles of cascading use, high quality stem wood shall not be used as feedstock if it is in substantial demand for long-lived products in the Supply Base.
Supply Base Verifiers	The requirement does not apply to TOF sources of feedstock.
Risk Rating justification	The requirement does not apply to TOF sources of feedstock.
Risk Rating	Low Risk

Latvia all region	Indicator
4.1.1	Freedom of association and the right to collective bargaining shall be respected in the workplace.
Supply Base Verifiers	

	Constitution of the Republic of Latvia Labour Law State Labour Inspectorate
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. Latvian legislation fully protects workers' rights to freedom of association and collective bargaining. Article 102 of the Constitution guarantees the right to join public organizations, including trade unions. These rights are further detailed in the Labour Law, which affirms employees' rights to freely establish or join unions and to participate in collective bargaining. The State Labour Inspectorate (SLI) oversees the enforcement of these rights across all sectors. According to its public reports from 2021 to 2023, no violations related to union activity or collective bargaining have been recorded. In 2023, SLI conducted inspections in over 10,000 companies without identifying any systematic or serious infringements. Only two legal strikes occurred, both without incident. A detailed risk assessment is available upon request at the company. Conclusion: Given the legal framework, effective oversight, and the absence of violations, the risk of non-compliance with this criterion in Latvia is low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.1.2	Forced or compulsory labour shall not be used.
Supply Base Verifiers	Constitution of the Republic of Latvia Labour Law State Labour Inspectorate ILO Conventions No. 29 and No. 105
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural

	land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. In Latvia, forced or compulsory labor is explicitly prohibited. Article 106 of the Constitution guarantees everyone the right to freely choose their occupation and workplace, while the Labour Law stipulates that employment relations must be voluntary. Latvia has also ratified ILO Conventions No. 29 and No. 105, which clearly define and prohibit forced labor. The State Labour Inspectorate (SLI) is the competent authority responsible for monitoring labor rights. According to public reports from 2021 to 2023, there have been no identified cases of forced or compulsory labor in Latvia. In 2023, the SLI conducted over 10,000 inspections and found no systemic human rights violations related to employment. A detailed risk assessment is available upon request at the company. Conclusion: Given the robust legal framework, active oversight, and absence of reported violations, the risk of forced labor in Latvia is considered low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.1.3	Child labour shall not be used.
Supply Base Verifiers	Constitution of the Republic of Latvia Law on the Protection of the Rights of the Child Labour Law ILO Conventions State Labour Inspectorate reports
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. In Latvia, the employment of children is regulated by the Labour Law and the Law on the Protection of the Rights of the Child. Children under the age of 13 may not be employed, while employment from age 13 is allowed under strict conditions. These regulations prioritize the protection of children's health, safety, development, and education. Latvia has ratified ILO conventions that set minimum age requirements and prohibit the worst forms of child labor. The State Labour Inspectorate (SLI) monitors compliance. According to its 2021–2023 public reports, no cases of child exploitation or illegal employment have been identified. All registered cases of child employment (mainly during summer) complied with national

	regulations. A detailed risk assessment is available upon request at the company. Conclusion: Given the strict legal framework and active supervision by the Risk Rating SLI, the risk of child labor violations in Latvia — including in the wood and forestry sectors — is considered low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.1.4	Workers shall not be discriminated in hiring, remuneration, access to training, promotion, termination or retirement.
Supply Base Verifiers	Labour Law Constitution of the Republic of Latvia European Convention on Human Rights State Labour Inspectorate reports
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. Discrimination at any stage of employment is prohibited under Latvian law, including the Labour Law, the Constitution, and international human rights instruments ratified by Latvia, such as the European Convention on Human Rights and Council Directive 2000/78/EC. Employers must ensure equal opportunities and prevent both direct and indirect discrimination. Effective legal remedies are available to employees through the State Labour Inspectorate (SLI), the Ombudsman, or the courts. According to SLI reports from 2021–2023, discrimination is not recorded as a significant or systemic issue. Complaints related to discrimination are few and not prominent within the overall pattern of violations. No specific cases have been identified concerning discriminatory practices in hiring, pay, or treatment. A detailed risk assessment is available upon request at the company. Conclusion: Given the robust legal framework, oversight by the SLI, and the low number of complaints, the risk related to employment discrimination in Latvia is considered low.
Risk Rating	Low Risk

Latvia all region	**Indicator**

4.1.5	Wages paid to workers shall meet or exceed the legal minimum wage or where there is no statutory minimum wage industry norms shall be met or exceeded
Supply Base Verifiers	Labour Law Cabinet Regulation No. 656 “Regulations on the Amount of the Minimum Monthly Wage within the Framework of Normal Working Time and the Calculation of the Minimum Hourly Wage Rate” Official Statistics Portal Methodology for Calculating Remuneration Data by Profession Information on Jobs in 2024 According to the Classification of Occupations
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. The minimum wage in Latvia is defined by law (the Labour Law and Cabinet Regulation No. 656 “Regulations on the Amount of the Minimum Monthly Wage within Normal Working Hours and the Calculation of the Minimum Hourly Rate”), and its enforcement is monitored by the State Revenue Service (SRS). Employees in agriculture and other sectors, including those involved in tree felling outside forests, must receive at least the minimum wage. The SRS has published informational materials on its official website, including “Procedure for Calculating Remuneration Data by Occupation” and “Labour Market Information for 2024 by Occupational Classification. ” These documents list all registered professions in 2024, working hours, income, and the number of jobs. According to this statistical data, workers in forestry and related occupations did not receive wages below the legally established minimum. According to the Official Statistics Portal, in 2024, the average gross monthly salary in Latvia was EUR 1,685, while in the agriculture, forestry, and fishing sector, it was EUR 1,632—close to the national average. Regional wage growth in 2024 compared to 2023 was most significant in Latgale (11.9%), Vidzeme (10.8%), and Zemgale (10.5%). A detailed risk assessment is available upon request at the company. Conclusion: Given the legal framework, enforcement, and current salary data, the risk of receiving feedstock harvested in violation of minimum wage standards is low.
Risk Rating	Low Risk

Latvia	**Indicator**

all region	
4.1.6	Working hours shall comply with legal requirements.
Supply Base Verifiers	Labour Law State Labour Inspectorate Information on Jobs in 2024 According to the Classification of Occupations
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. In Latvia, working hours are strictly regulated by law. The Labour Law establishes a standard working time of 40 hours per week, with reduced limits for hazardous or harmful work. Overtime is allowed only in exceptional cases and with the employee's written consent. The law also defines rules for night work, rest breaks, and general work time organization. The State Labour Inspectorate monitors compliance with labour and occupational safety regulations. According to the State Revenue Service publication on job statistics for 2024, working hours in forestry and related sectors comply with the legal requirements. No systematic violations have been identified. A detailed risk assessment is available upon request at the company. Conclusion: Considering the clear regulatory framework, effective supervision, and statistical confirmation of compliance, the risk of violations regarding working time regulations is assessed as low.
Risk Rating	Low Risk

Latvia all region	Indicator
4.1.7	Workers shall have access to health care provisions, sickness benefits, retirement benefits, invalidity benefits, death benefits, and workers' compensation
Supply Base Verifiers	State Social Insurance Mandatory Contributions Law on State Social Insurance Law on Mandatory Social Insurance Against Accidents at Work and Occupational Diseases
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and

	roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. The statement that employees must have access to healthcare, sickness, pension, disability, death benefits, and compensation for work-related injuries corresponds to the fundamental principles of Latvia's social insurance system. These benefits are provided by the state and regulated by binding legal acts, such as the laws "On State Social Insurance" and "On Mandatory Social Insurance Against Accidents at Work and Occupational Diseases, " which require employers to provide health insurance and comply with provisions regarding pension and disability benefits, among others. These requirements apply across all sectors of employment. State social insurance mandatory contributions are legally prescribed payments to a special budget account, entitling the insured person to receive the legally defined social insurance services. Social insurance is a component of the national social security system. The official website of the State Revenue Service provides publicly accessible information and methodological materials regarding state social insurance mandatory contributions, including procedures for different taxpayer categories. Considering that employees in Latvia have access to health care, sickness, pension, disability, death benefits, and compensation for occupational injuries, the risk associated with this criterion is assessed as low. A detailed risk assessment is available upon request at the company.
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.1.8	Training shall be provided for all workers to allow them to implement the conditions set out in all elements of the SBP Standards relevant to their responsibilities.
Supply Base Verifiers	Labour Law Occupational Safety and Health Law Cabinet Regulation No. 749 "Procedure for Training in Occupational Safety Matters" Cabinet Regulation No. 238 "Fire Safety Regulations" State Labour Inspectorate Annual Report 2023
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on

	agricultural land that are not classified as fast-growing energy crops. According to Latvian legislation (Labour Law, Occupational Safety and Health Law, Cabinet Regulation No. 749 “Procedure for Training in Occupational Safety Matters” , and Cabinet Regulation No. 238 “Fire Safety Regulations”), employers are obligated to provide training in health, safety, and job responsibilities. According to Article 14 of the Occupational Safety and Health Law, the employer must ensure that every employee, upon starting work or changing their workplace, receives training on occupational safety and health, as well as information on potential workplace risks. Training must also be repeated if there are changes in work equipment, technology, or legal acts. According to the 2023 public report of the State Labour Inspectorate, the results of thematic inspections show that employers carry out employee training. Good practices identified in companies include the use of video films for training, placing short reminders about occupational safety requirements near equipment, organizing practical training in production areas, reviewing and optimizing work processes, and posting video instructions in frequently used locations to remind employees of safe work methods. These practices indicate that employee training is increasingly being conducted meaningfully, rather than just formally, and that employers are generally interested in creating a safe working environment. A detailed risk assessment is available upon request at the company. Conclusion: Given the above, this risk is considered low.
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.1.9	Mechanisms shall be in place for resolving grievances and disputes in the workplace.
Supply Base Verifiers	Labour Law Law on Labour Disputes State Labour Inspectorate Strategic Plan 2021–2023 State Labour Inspectorate Annual Report 2023 SBP Regional Risk Assessment for Latvia (2024)
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. In Latvia, employees' rights to file complaints and resolve disputes are clearly

	established in national legislation, including the Labour Law and the Law on Labour Disputes. Workers may file complaints with the employer, State Labour Inspectorate, court, or the Ombudsman. Consultation and social dialogue mechanisms, including trade unions, are also available. The State Labour Inspectorate has an official complaint handling procedure. In 2023, only a small portion of decisions were contested (around 2%), and approximately half were upheld, while the rest were modified or reconsidered. This confirms the functionality and effectiveness of the institutional mechanism. Although an EU-funded project identified weak internal mechanisms in small and medium-sized enterprises and a lack of awareness among workers, this does not imply a lack of legal protection at the national level. The SBP Regional Risk Assessment for Latvia confirms the existence of institutional and legal dispute resolution mechanisms, with no evidence of ineffectiveness or inaccessibility. Thus, even in the context of non-forest feedstock sourcing, the risk related to access to grievance and dispute mechanisms is considered low. A detailed risk assessment is available upon request at the company.
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.1.10	Safeguards shall be put in place to protect the health and safety of workers by developing, communicating and implementing policies and procedures.
Supply Base Verifiers	Exact references with source links are available at the company upon request and are also presented to auditors. Study “Working Conditions and Risks in Latvia 2019–2021” Study “Working Conditions and Risks in Latvia 2017–2018” Labour Protection Law State Labour Inspectorate SBP Regional Risk Assessment for Latvia (2024)
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. In Latvia, the Labour Protection Law requires employers to develop, implement, and communicate occupational safety policies and procedures. Employers are obliged to ensure a safe working environment and to create safety plans that meet legal standards. The State Labour Inspectorate (SLI) oversees compliance with occupational

	safety regulations and conducts nationwide studies. The reports "Working Conditions and Risks in Latvia 2017–2018" and "2019–2021" assess awareness levels, risk culture, and employer engagement in safety practices. These findings support evidence-based policy development in labour protection. The SBP Regional Risk Assessment for Latvia confirms that a strong regulatory framework and supervision system is in place. Since non-forest activities are subject to the same legal obligations, the risk related to occupational health and safety compliance in non-forest wood sourcing is considered low. A detailed risk assessment is available upon request at the company.
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.2.1	Negative social and community impacts shall be identified and avoided.
Supply Base Verifiers	Exact references with source links are available at the company upon request and are also presented to auditors. Labour Law Environmental Protection Law Law on the Development Planning System Latvian National Development Plan 2021–2027 Environmental Policy Guidelines On Environmental Impact Assessment Law on Spatial Development Planning SBP Regional Risk Assessment for Latvia (2024)
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. Latvian legislation, such as the Labour Law and the Environmental Protection Law, requires identification and mitigation of social and environmental impacts. Local municipalities play an active role in project evaluation and public consultations, particularly when projects affect local communities. The Spatial Development Planning Law grants municipalities the right to participate in and influence decisions on projects that impact their territories and residents. It also mandates that planning processes align not only with the principles set out in the Law on Development Planning System but also with the principle of equal opportunities—ensuring that sectoral, territorial,

	and societal interests are balanced to promote sustainable local development. National strategic documents also emphasize the importance of public engagement and addressing regional and social disparities in planning economic activities and development projects. For example, the National Development Plan of Latvia for 2021–2027 (NAP2027) was developed with broad public participation, involving stakeholders from across all regions—sectoral representatives, experts, scientists, NGOs, public administration, municipalities, entrepreneurs, and politicians. The plan stresses the importance of considering public interests, ecosystem balance, and regional development. Similarly, the Environmental Policy Guidelines 2021–2027 call for the development of guidance on the distribution of responsibilities across governance levels to ensure effective land resource use, considering sectoral interests, climate change, and socio-economic development forecasts. Environmental Impact Assessments and Strategic Environmental Assessments in Latvia include analysis of both environmental and social impacts. These processes legally require public notification and participation. The SBP Regional Risk Assessment for Latvia identifies no significant risks related to adverse social or community impacts in connection with forest-sourced biomass. Given that non-forest wood sources often have equal or even lower impact, and the legal framework in Latvia ensures public interest protection in all land types, the risk of sourcing non-compliant material from outside forest areas is considered low. A detailed risk assessment is available upon request at the company.
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.2.2	Feedstock sourcing shall positively contribute to the local economy, including employment.
Supply Base Verifiers	Exact references with source links are available at the company upon request and are also presented to auditors. Brochure “Forest Sector in Numbers and Facts” – Ministry of Agriculture of the Republic of Latvia Official Statistics Portal of Latvia “Forest Figures” – published by Zaļā māja with the support of the Forest Development Fund
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on

	agricultural land that are not classified as fast-growing energy crops. Wood harvesting and processing support local employment, particularly in rural areas. According to Latvian forestry sector statistics, the industry accounted for 6.4% of GDP in 2023. That year, approximately 40,000 people were employed in the forestry sector, including activities on non-forest lands. Various forestry-related specialisations can be acquired at 10 vocational education institutions, the Forest Faculty of the Latvia University of Life Sciences and Technologies (LBTU), and the Institute of Textile Technologies and Design at Riga Technical University. In cooperation with the Latvian Chamber of Crafts, individuals can also obtain informal woodworking education from certified master craftsmen, earning artisan, journeyman, or master diplomas. This promotes both education and employment, including in regional areas. Given this, it is concluded that wood supply has a positive impact on the local economy, including job creation, and the risk related to this criterion is considered low. A detailed risk assessment is available upon request at the company.
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.2.3	Food, water supply or high conservation values (HCV) that are essential for the fulfilment of basic needs of communities shall be maintained or enhanced
Supply Base Verifiers	Water Management Law Cabinet Regulation No. 264 “General Protection and Use Regulations for Specially Protected Nature Areas” Natura 2000 areas in Latvia – Nature Conservation Agency Environmental Policy Guidelines for 2021–2027 SBP Regional Risk Assessment for Latvia (2024)
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Agricultural land feedstock, for example, clearing of overgrown agricultural agricultural land that are not classified as fast-growing energy crops. The Water Management Law regulates the protection of water resources in used sustainably, guaranteeing adequate quantity and quality of water for human health and environmental protection. High-value natural areas in Latvia are includes 333 sites: 4 nature reserves, areas, 37 nature parks, 9 protected landscape areas, 7 marine protected areas to full bans on economic activity in strict nature reserves. Cabinet Regulation No. 264 “General of these areas, including allowed and standards for on-site signage. The Environmental Policy Guidelines 2021–2027 emphasize that natural values should be considered public welfare resources, and call for the preservation of ecosystem services such as clean water, fertile soil, and biodiversity.

	The SBP Regional Risk Assessment for Latvia confirms that a functioning legal and institutional framework is in place, allowing public participation in (EIA), public consultations, and municipal involvement in spatial planning. Considering that the harvesting of non-forest wood typically involves land management activities carried out at small scale and without significant supports identification and mitigation of social and environmental risks, the risk associated with this criterion is considered low for non-forest biomass sources as well. A detailed risk assessment is available upon request at the company. land (arable land, meadows, pastures), plantation-type stands established on Latvia. Its aim is to ensure that water resources are protected, improved, and identified and protected through the Natura 2000 network and micro-reserves. The Natura 2000 network in Latvia 4 national parks, 239 nature restricted areas, 9 nature monuments, and 24 micro-reserves. These areas cover 12% (787,729 ha) of Latvia's total land area. They are subject to varying levels of protection and management—from limited restrictions in protected landscape Protection and Use Rules for Specially Protected Nature Territories" defines the overall protection and permitted use prohibited activities, as well as decision-making processes—e.g., through Environmental Impact Assessment impact on local communities, and given Latvia's regulatory environment that
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.2.4	Legal, customary, and traditional tenure and use rights of Indigenous Peoples and local communities related to the Supply Base shall be identified, documented, and respected.
Supply Base Verifiers	Civil Law Land Register Law Spatial Development Planning Law Constitution of the Republic of Latvia SBP Regional Risk Assessment for Latvia (2024)
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. In Latvia, land use rights of residents are protected by national legislation. The Civil Law guarantees the inviolability of property and the right to use and manage land. The Land Register Law ensures public registration of property rights, while the Spatial Development Planning Law grants citizens the right to participate in land use decision-making. There is no known evidence of significant conflicts related to non-forest land use. As the SBP Regional Risk

	Assessment for Latvia does not identify risks in the forest sector, the same low-risk conclusion is extended to non-forest biomass sourcing. A detailed risk assessment is available upon request at the company.
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.2.5	Mechanisms shall be in place for resolving grievances and disputes relating to tenure and use rights of the forest and other land management practices.
Supply Base Verifiers	Administrative Procedure Law Forest Law State Land Service SBP Regional Risk Assessment for Latvia (2024)
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. There are established mechanisms in Latvia for dispute resolution through the courts, local municipalities, and the State Land Service (SLS). Land use conflicts are typically addressed through administrative or legal procedures. The Administrative Procedure Law guarantees every person the right to appeal a decision made by a public authority if it affects their rights or legal interests. The SLS has an official procedure for receiving, reviewing, and resolving complaints, ensuring that stakeholder concerns are addressed in a structured manner. In the SBP Regional Risk Assessment for Latvia concerning forest-sourced biomass, this criterion is classified as low risk, based on the existence and functioning of legal protection mechanisms at the national level. These mechanisms allow landowners, users, and other stakeholders to appeal decisions affecting their rights or interests, including both administrative and judicial channels. The assessment also confirms that these mechanisms are accessible and actively used, citing examples such as formal complaint channels within the State Forest Service and the State Land Service, as well as the legal right to challenge administrative acts under the Administrative Procedure Law. As the sourcing of non-forest biomass (e.g. landscape maintenance, clearing of meadows or utility corridors) is also conducted on legally recognized land with clearly defined ownership and use rights, no evidence of systemic or unresolved conflicts with communities or stakeholders has been identified. In

	the updated version of the SBP risk assessment, the indicator's risk level was revised from "specified" to "low", based on stakeholder input and supportingevidence. Therefore, considering the consistent legal framework and functioning complaint mechanisms, the same conclusion applies to non-forest biomass, and the criterion is also assessed as low risk in this context. A detailed risk assessment is available upon request at the company.
Risk Rating	Low Risk

Latvia all region	**Indicator**
4.2.6	Where Indigenous Peoples' rights are identified in the Supply Base, and Free Prior and Informed Consent (FPIC) has not been achieved for the proposed and planned activities, a consultation and, if required, accommodation process shall be put in place.
Supply Base Verifiers	Spatial Development Planning Law Environmental Protection Law
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. In Latvia, there are no widely recognized indigenous or traditional communities that would require the application of the Free, Prior and Informed Consent (FPIC) process. However, local communities have the legal right to participate in land-use decision-making. For example, the Spatial Development Planning Law establishes that the development of territorial planning documents must include public participation. Additionally, the Environmental Protection Law outlines general public rights in environmental matters, granting these rights to individuals, as well as groups, organizations, and associations. Since non-forest biomass sourcing in Latvia does not involve interaction with any identified indigenous territories or populations—and such groups are not present in the country—there is no requirement to apply the FPIC principle in this context. Considering these factors, and the fact that Latvian legislation provides effective public participation mechanisms, with no known precedents or risks related to the violation of indigenous rights, the risk related to this criterion is considered low for wood sourced from outside forest areas. A detailed risk assessment is available upon request at the company.
Risk Rating	Low Risk

Latvia all region	Indicator
4.2.7	Designated cultural heritage sites shall be preserved.
Supply Base Verifiers	Law "On the Protection of Cultural Monuments" Environmental Protection Law Convention Concerning the Protection of the World Cultural and Natural Heritage Cabinet Regulation No. 518 “Regulations on the Digital Cultural Heritage Platform” Digital Cultural Heritage Platform National Heritage Board State Forest Service Public Report 2023 Audit reports conducted by the company
Risk Rating justification	The assessment carried out for the following TOF sources of feedstock purchased by the company: • Urban and landscape feedstock, for example, biomass from small wooded areas, shelterbelts, trees along water bodies. • Urban and landscape feedstock, for example, cleaning of railway and roadside vegetation, clearing of utility corridors under power lines. • Agricultural land feedstock, for example, clearing of overgrown agricultural land (arable land, meadows, pastures), plantation-type stands established on agricultural land that are not classified as fast-growing energy crops. Cultural heritage sites in Latvia are protected by national and international legal frameworks, including the Law on the Protection of Cultural Monuments, the Environmental Protection Law, and the UNESCO World Heritage Convention. Oversight and enforcement are carried out by the National Heritage Board of Latvia. According to Cabinet Regulation No. 518 “Regulations on the Digital Cultural Heritage Platform” , the platform is designed to ensure unified management, preservation, and dissemination of digital cultural heritage objects, and to facilitate data exchange between core information systems and shared-use systems. The platform also includes a digital library and national union catalogue, providing centralized access to cultural heritage data. The National Heritage Board oversees this platform and is responsible for restricting economic activities in cultural heritage sites, monitoring heritage sites affected by land-use changes, and suspending any activities that endanger protected monuments or violate heritage protection regulations. The 2023 Public Report of the State Forest Service outlines several types of areas with restrictions on economic activity, including zones for the protection of species, habitats, water resources, landscapes, and genetic resources. Restrictions vary from full-year prohibitions on forestry operations to seasonal limits or special felling requirements. In 2023, forests within or near cultural monuments and their buffer zones covered 112.9 thousand hectares. In accordance with the above-mentioned laws, timber harvesting activities

	must comply with cultural and historical protection rules, regardless of land type. From 2018 to 2024, ACA TIMBER required all suppliers in Latvia to identify and protect cultural heritage objects, including those not listed in official registers. As part of compliance monitoring, company representatives conducted on-site field inspections, and no violations regarding the protection of cultural values were recorded—neither in forest areas nor in non-forest biomass sourcing locations. Based on this evidence and legal context, the risk related to this criterion is considered low. A detailed risk assessment is available upon request at the company.
Risk Rating	Low Risk

Annex 2: EU RED Supply Base Evaluation

Countries where EU RED Supply Base Evaluation is used	
Country	Latvia
Area	all region
Sustainable harvesting criteria 29(6)	
(i) The legality of harvesting operations	
Type of Risk Assessment used	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Climate and Energy Ministry Energy Sustanability Department
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	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Climate and Energy Ministry Energy Sustanability Department
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, grasslands, heathland and peatlands, are protected with the aim of preserving biodiversity and preventing habitat destruction, unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes	
Type of Risk Assessment used	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Ministry of Agriculture of the Republic of Latvia (RED III)
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 in accordance with sustainable forest management principles, with the aim of preventing any adverse impact, in a way that avoids harvesting of stumps and roots, degradation of primary forests, and of old growth forests as defined in the country where the forest is located, or their conversion into plantation forests, and harvesting on vulnerable soils, that harvesting is carried out in compliance with maximum thresholds for large clear-cuts as defined in the country where the forest is located, and with locally and ecologically appropriate retention thresholds for deadwood extraction and that harvesting is carried out in compliance with requirements to use logging systems that minimise any adverse impact on soil quality, including soil compaction, and on biodiversity features and habitats	

Type of Risk Assessment used	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Ministry of Agriculture of the Republic of Latvia (RED III)
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	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Climate and Energy Ministry Energy Sustanability Department
Level B management system at the level of the forest sourcing area	N/A
(vi)[1] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(a)* ***primary forest*** *and other wooded land and* ***old growth forest,*** *namely forest and other wooded land of native species, where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed; and old growth forests as defined in the country where the forest is located. If there is no definition of* ***old growth forest*** *at the national level, then the following definition shall apply: A forest stand or area consisting of native tree species that have developed, predominantly through natural processes, structures and dynamics normally associated with late-seral developmental phases in primary or undisturbed forests of the same type. Signs of former human activities may be visible, but they are gradually disappearing or too limited to significantly disturb natural processes.*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Ministry of Agriculture of the Republic of Latvia (RED III)
Level B management system at the level of the forest sourcing area	N/A
(vi)[2] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(b)* ***highly biodiverse forest*** *and other wooded land which is species-rich and not degraded, and has been identified as being highly biodiverse by the relevant competent authority, unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes.*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Ministry of Agriculture of the Republic of Latvia (RED III)

Level B management system at the level of the forest sourcing area	N/A
(vi)[3] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(d) **highly biodiverse grassland** spanning more than one hectare that is: (i) natural, namely grassland that would remain grassland in the absence of human intervention and that maintains the natural species composition and ecological characteristics and processes; or (ii) non-natural, namely grassland that would cease to be grassland in the absence of human intervention and that is species-rich and not degraded and has been identified as being highly biodiverse by the relevant competent authority, unless evidence is provided that the harvesting of the raw material is necessary to preserve its status as highly biodiverse grassland.*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Ministry of Agriculture of the Republic of Latvia (RED III)
Level B management system at the level of the forest sourcing area	N/A
(vi)[4] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (3): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008, whether or not the land continues to have that status:* *(e) **heathland** - Biomass Producer shall use the official definition for Heathland used in the applicable feedstock origin country. In the absence of such a definition, then the following definition shall be applied: Vegetation with low and closed cover, dominated by bushes, shrubs, dwarf shrubs (heather, briars, broom, gorse, laburnum etc.) and herbaceous plants, forming a climax stage of development (Source: EU Copernicus).*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Ministry of Agriculture of the Republic of Latvia (RED III)
Level B management system at the level of the forest sourcing area	N/A
(vi)[5] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (4): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land with high-carbon stock, namely land that had one of the following statuses in January 2008 and no longer has that status:* *(a) **wetlands,** namely land that is covered with or saturated by water permanently or for a significant part of the year (NOTE: Evidence of verification of wetlands should reflect seasonal changes within a year).*	

Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Ministry of Agriculture of the Republic of Latvia (RED III)
Level B management system at the level of the forest sourcing area	N/A
(vi)[6] That forests in which the forest biomass is harvested do not stem from the lands that have the statuses referred to in Article 29(3) points (a), (b), (d) and (e); Article 29(4), point (a), and Article 29(5), respectively under the same conditions of determination of the status of land specified in those paragraphs. *Article 29 (5): biomass fuel produced from agricultural biomass shall not be made from raw material obtained from land that was **peatland** in January 2008, unless evidence is provided that the cultivation and harvesting of that raw material does not involve drainage of previously undrained soil. For a peatland that was partially drained in January 2008, a subsequent deeper drainage, affecting soil that was not fully drained, would constitute a breach of the criterion.*	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Ministry of Agriculture of the Republic of Latvia (RED III)
Level B management system at the level of the forest sourcing area	N/A
(vii) that installations producing biomass fuels from forest biomass, issue a statement of assurance, underpinned by company-level internal processes, for the purpose of the audits conducted pursuant to Article 30(3), that the forest biomass is not sourced from the lands referred to in point (vi).	
Type of Risk Assessment used	☒Level A – proof at national or sub-national level ☐Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Ministry of Agriculture of the Republic of Latvia (RED III)
Level B management system at the level of the forest sourcing area	*Not applicable, requirement only applies to Level A*

LULUCF criteria 29(7)	
Type of Risk Assessment used	☒ Level A – proof at national or sub-national level ☐ Level B – management system at forest sourcing area level
Level A risk assessment description	Level A for Latvia by Climate and Energy Ministry Energy Sustanability Department
Level B management system at the level of the forest sourcing area	N/A

Annex 2a: EU RED II Supply Base Evaluation

Annex 3: SBP Processing residues and/or Post-consumer feedstock requirements

☐ Not Applicable (Processing Residues and/or post-consumer feedstock not used)

Verification and monitoring of suppliers

The BP has 2 suppliers of processing residues. The processing residues are sourced with an FSC Mix Credit claim. The BP has signed the agreements with both suppliers. The company has requested to sign the self-declarations. All feedstock is visually inspected upon receipt.

Feedstock inspection and classification upon receipt

All feedstock of processing residues is visually inspected upon receipt in port terminals. All delivery documentation is available.

Supplier audit for processing residues and post-consumer feedstock

The BP has audited both suppliers of processing residues on-site. Audit process is documented. The feedstock is visually inspected. Supplier audits are conducted to confirm the compliance with the RED requirementsnts for secondary feedstock (processing residues).

Annex 4: EU RED detailed findings for Trees Outside Forest (TOF) feedstock

NOTE: For "Trees outside forests (TOF) – Urban and landscape feedstock" no EU RED sustainability requirements apply, only the GHG savings criteria apply (SBP EU RED Bridging ID v2.0 Section 1.1). The land use category in this case is neither forest land nor agricultural land. For "Trees outside forests (TOF) – Agricultural land feedstock" the applicable criteria are Article 29 paragraphs (2)-(5).

Country: Latvia - All region

Not Applicable - only urban and landscape feedstock is used

Annex 4a: RED II detailed findings for Trees Outside Forest (TOF) feedstock

NOTE: For "Trees outside forests (TOF) – Urban and landscape feedstock" no REDII sustainability requirements apply, only the GHG savings criteria apply (SBP REDII Bridging ID Section 4.2). The land use category in this case is neither forest land nor agricultural land. For "Trees outside forests (TOF) – Agricultural land feedstock" the applicable criteria are Article 29 paragraphs (2)-(5).