



Compliance with the SBP Framework: Public Summary Report

Preferred by Nature OÜ
Evaluation of Meža Energija SIA

Re-assessment

Sustainable Biomass Program
sbp-cert.org





Completed in accordance with the CB Public Summary Report Template Version 2.1 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

Certification Body (CB) Name:	Preferred by Nature OÜ
Primary CB contact for SBP:	Pilar Gorria Serrano
Primary CB contact email:	pgorria@preferredbynature.org
Audit team leader:	Girts Karss
Audit team members:	Çirts Karss
Name of the Company:	Meža Energija SIA
Company legal address:	Skolas iela 12A - 1, LV-1010 Riga, Latvia
Company contact for SBP:	Artis Šteinbergs
Company contact email:	artis@mezaenergija.lv
Company website:	https://www.mezaenergija.lv
Date of installation:	20 Sep 2023
SBP Certificate Code:	SBP-08-54
Date of certificate issue:	22 Sep 2026
Date of certificate expiry:	21 Sep 2031
Audit closing meeting date:	03 Sep 2026
Audit cycle:	Re-assessment

2 Audit conclusions

2.1 Certification decision

Based on the auditor's recommendation and the Certification Body's technical review, the following certification decision is taken:

Certification decision:	Certification approved
Certification decision by (name of the person):	Liene Suveizda
Date of decision:	21 Sep 2026
Other comments:	N/A

2.2 Open non-conformities and observations

2.2 Closed non-conformities

NC number 9641 copied from 8749 copied from 7377	
NC Grading: Minor	
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.5 The Organisation shall maintain documented procedures (i.e., work instructions or equivalent documentation), covering all relevant requirements within the scope of the certificate and reflecting current Organisational activities. Documented procedures shall include at a minimum: – training, – internal audits, – record-keeping, – stakeholder engagement, including management of comments and complaints, – handling non-conforming products and non-appropriate documentation, – material receipt: input/purchasing, – material accounting, – sales transactions: output/sales, – claims, – business integrity, social, and health and safety requirements, – subcontracting activities/subcontractors (where applicable), and – collection and communication of data for energy and carbon balance calculations. N/A N/A
Description of Non-conformance and Related Evidence:	
During the audit, processes were briefly discussed with responsible personnel at the organization. It has been concluded that the principal elements of the SBP standard requirements are covered in BP's documented procedures. Review of documented procedures shows several deficiencies: • Collection and communication of GHG data – provisions that are outlined in section 15 of procedure "SBP sertifikācijas sistēmas apraksts", v.2, maijs 2025) and refer to production batches are outdated and are not compliant with the requirements of the actual SBP Standard No. 5 (v.2.0) and related SBP Instruction document 5E v.2.1. • BP's requirements for biomass sales process had not been updated to the SBP Standard 5 v.2.0 and SBP Instruction Document 5E v2.1 requirements (section 14)	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Documented procedure "SBP sertifikācijas sistēmas apraksts" (v.2., maijs 2026)
Findings for Evaluation of Evidence:	The organization had updated documented procedures during the audit period and made available to auditor during the reassessment audit. Review of the documented procedures show that BP had updated provisions in relation to collection and communication of GHG data (Section 15) as well as biomass sales procedures (Section 14). Interviews with responsible personnel (SBP responsible person, person responsible for sales) show that the responsible personnel is aware of updated procedures. Based on this auditor took the decision to close the non-conformity.
NC Status:	Closed
Original Due Date:	2027-09-21
Closing Date:	2026-09-21
Upgrade Date:	N/A
Update Date:	N/A

NC number 9642 copied from 8750 copied from 7378 NC Grading: Minor	
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.15 The Organisation shall implement a documented complaint procedure, which is available upon request and part of its SEP. The procedure shall clarify that the complaints must be applicable to the scope of the Organisation's certificate, and include at least the following: – the person(s) or position(s) responsible for managing complaints; – a timeline for confirming receipt, not to exceed 10 calendar days; – provision for reviewing the complaint, determining the appropriate actions and responding to the complainant; and – provision for monitoring the effectiveness of actions taken. N/A N/A
Description of Non-conformance and Related Evidence:	
BP documented procedure "SBP sertifikācijas sistēmas apraksts", v.2, maijs 2025) (section 21) includes procedure for handling complaints. Review of the procedure shows that the requirements of the standard are not fully followed. In particular, a timeline for confirming receipt is not specified, as well as provisions for monitoring of effectiveness of actions taken. A minor non-conformity raised.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Documented procedure "SBP sertifikācijas sistēmas apraksts" (v.2., maijs 2026)
Findings for Evaluation of Evidence:	The organization had updated documented procedures during the audit period and made available to auditor during the reassessment audit. Review of the documented procedures show that BP had updated provisions in relation to SBP requirements for handling complaint (Section 21, documented procedures). The procedure has been updated so that to ensure compliance with the SBP standard 4 (p.1.15). Interviews with responsible personnel (SBP responsible person, person responsible for sales) show that the responsible personnel is aware of updated procedures. Based on this auditor took the decision to close the non-conformity.
NC Status:	Closed
Original Due Date:	2027-09-21
Closing Date:	2026-09-21
Upgrade Date:	N/A
Update Date:	N/A

NC number 9643 copied from 8751 copied from 7379 NC Grading: Minor	
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.20 Where non-conforming products and/or associated claims are detected after they have been delivered, the Organisation shall undertake the following activities: a. notify its CB and all affected direct customers in writing within five (5) business days of the non-conforming product claim and maintain records of that notice; b. analysis of causes of the occurrence of non-conforming products claims, and

	implement measures to prevent their re-occurrence; and c. cooperate with its CB in order to allow them to confirm that appropriate actions were taken to correct the non-conformance. N/A N/A
Description of Non-conformance and Related Evidence:	
BP's documented procedures contain provisions for the management of non-conforming products. See the procedure in Exhibit 1. Review of the procedure shows that it does not comply with the requirements of the standard. In particular, the BP's procedure is lacking provisions to notify the CB and affected customers in writing within 5 days. Furthermore, there is no explicit provision to conduct an analysis of the cause of the occurrence of non-conforming product claims. A minor non-conformity report (NCR) raised.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Documented procedure "SBP sertifikācijas sistēmas apraksts" (v.2., maijs 2026)
Findings for Evaluation of Evidence:	The organization had updated documented procedures during the audit period and made available to auditor during the reassessment audit. Review of the documented procedures show that BP had updated provisions in relation to SBP requirements for handling non-conforming products (Section 20, documented procedure). The procedure has been updated so that to ensure compliance with the SBP standard 4 (p.1.20) and the deficiencies outlined in the description of the non-conformity. Interviews with responsible personnel (SBP responsible person, person responsible for sales) show that the responsible personnel is aware of updated procedures. Based on this auditor took the decision to close the non-conformity.
NC Status:	Closed
Original Due Date:	2027-09-21
Closing Date:	2026-09-21
Upgrade Date:	N/A
Update Date:	N/A

NC number 9644 copied from 8752 copied from 7380		NC Grading: Minor	
Standard:	SBP Standard 4: Chain of Custody v2.0		
Requirement:	1.24 The Organisation shall maintain an up-to-date self-assessment covering the implementation of 1.21, 1.22 and 1.23. N/A N/A		
Description of Non-conformance and Related Evidence:			
According to information from the responsible personnel, the organization has done a self-assessment and was able to provide details on compliance with SBP Standard 1 indicators 1.21, 1.22, and 1.23. The BP also provided the document “SBP v.2.0 un RED III Pretkorupcijas pašnovērtējums” as evidence of the conducted self-assessment. Review of the document reveals the template with questions relevant to SBP Standard 1 indicators 1.21, 1.22, and 1.23. However, no answers or details of information were provided in the document. A minor NCR raised considering			

the fact that the interviewed BP's responsible personnel were able to provide meaningful information on BP's compliance with the mentioned requirements of SBP Standard 1.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Document "SBP darba pamatprasību pašnovērtējums" (29.05.2026)
Findings for Evaluation of Evidence:	The organization had prepared a self-assessment concerning the implementation of requirements of SBP Standard No. 4 p. 1.21, 1.22 and 1.23 and submitted to auditor for review during the audit According to information from the responsible personnel, the organization has done a self-assessment and were able to provide details on compliance with SBP Standard No. 4 indicators 1.21, 1.22 and 1.23. Review of the document shows that all aspects of p. 1.21, 1.22 and 1.23 had been covered in sufficient detail. Interviewed BP's responsible personnel were able to provide meaningful information on BP's compliance with mentioned requirements of SBP Standard No. 4 and hence the non-conformity is considered closed.
NC Status:	Closed
Original Due Date:	2027-09-21
Closing Date:	2026-09-21
Upgrade Date:	N/A
Update Date:	N/A

NC number 9645 copied from 8753 copied from 7381		NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody v2.0	
Requirement:	4.12 When the Organisation is a BP, the Organisation shall categorise product type (e.g., woodchips, pellets) into product groups for the purpose of mass balancing and controlling claims. Each product group may include one or more feedstock groups. As a minimum, the BP shall create separate product groups for each product type (e.g., pellets, wood chips) and assign a unique 2-digit product group ID under the following feedstock classifications' rules: – Forest feedstock (1A) – Trees Outside the Forest (TOF) – Urban and landscape feedstock (2A) – Trees Outside the Forest (TOF) – Agricultural land feedstock (3A) – Processing residues feedstock (4A) – Post-consumer feedstock (5A) N/A N/A	
Description of Non-conformance and Related Evidence:		
The BP had submitted the mass balance system at the time of the audit. Review of the mass balance system shows that the mass balance system lacks product group allocation as per standard requirements. The current mass balance setup contains the total volumes allocated by the certification status (FSC 100%, FSC Controlled Wood, controlled material) and the feedstock type – forest feedstock and TOF feedstock for both the input and output parts of the mass balance system. A NCR 2025-010904 raised. The NCR is graded as minor since the non-conformity is related to the form of the mass balance system, not the content, as the information on the product groups is available in the mass balance system, though not formatted as per the requirements of the standard.		
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date	

Evidence Provided by Company to close NC:	Mass balance system table (see Exhibit 5)
Findings for Evaluation of Evidence:	During the office audit auditor reviewed the mass balance system table. Review of the mass balance system shows that the mass balance system has been complemented with product groups as per BP's SBP product group and standard requirements. The mass balance setup contains the information on feedstock volumes allocated by the certification status (FSC 100%, controlled material) and the feedstock type – forest feedstock for both the input and output parts of the mass balance system. The NCR is thus considered closed.
NC Status:	Closed
Original Due Date:	2027-09-21
Closing Date:	2026-09-21
Upgrade Date:	N/A
Update Date:	N/A

2.3 Actions taken by Organisation Prior to Report Finalisation

None

2.4 Notes for the next Audit

None

3 Scope of the audit and SBP certificate

Scope item	Check all that apply to the Certificate scope
Primary activity	Biomass Producer
Secondary activity	Trader
Approved Standards	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 5E: Collection and Communication of Energy and Carbon data. v2.1; Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413
Product Group IDs	☒ Forest feedstock (1A) ☐ Trees outside forest (TOF) - Urban and landscape feedstock (2A) ☐ Trees outside forest (TOF) - Agricultural land feedstock (3A) ☐ Processing residues feedstock (4A) ☐ Post-consumer feedstock (5A) ☐ Other (please specify)
SBP Feedstock types	☒ SBP Compliant; ☒ SBP Controlled
Includes Supply Base Evaluation (SBE)	Yes
Includes EU RED Scheme	Yes
Includes EU RED Supply Base Evaluation (SBE)	Yes
Products	WB 2.1 Wood chips
Feedstock origin (countries):	Latvia
SBP-endorsed Regional Risk Assessments used: Public link: https://sbp-cert.org/documents/standards-documents/risk-assessments/	SBP-RRA-EU-LV-FOR_v2.0 RRA for Latvia FOR_Endorsed
Chain of custody system	☐ Physical separation ☒ Mass balance
Outsourcing	No
Changes in the scope	None

3.1 Description of the company

Guidance: Please describe the type, structure and operations of the company including its role in the supply chain, its inputs and outputs as they related to SBP Standards.

SIA Meža Enerģija is an FSC FM group manager and biomass trading company. One of the business operations is the production of wood chips and trading. The BP operates an office in Riga city and the biomass storage facilities situated in Salacgrīva harbour, Mērsrags harbour and Riga port. The main business activity of the organization is forest management, including timber harvesting. In addition to this Organisation is dealing with timber trading, biomass production, and trading activities. The organization produces wood chips from forest logging residues (twigs, branches), and low-quality roundwood (diseased wood, thinning, firewood). All primary feedstock originates from the territory of Latvia. The BP is implementing the FSC credit system. FSC feedstock from the own forest management group and non-certified primary feedstock within the SBE system is used for SBP feedstock production. Mass balance system implemented for RED-compliant biomass (forestry residues). All feedstock is delivered to port terminals by truck, where chips are stored. The transshipment and loading of chips onto vessels is taking place next to the wood chips storage site. Biomass (wood chips for energy production) is sold on FOB incoterm conditions.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
Salacgrīva harbour terminal	Ostas iela 1C, Salacgrīva	Biomass storage	☐
Riga port Vega stīdors terminal	Ezera iela 22, Rīga LV-1034	Biomass storage	☐
Riga port Extron Baltic terminal	Daugavgrīvas iela 93, Rīga LV-1007	Biomass storage	☒
Riga port KS Terminal	Zilā iela 22, Rīga LV-1007	Biomass storage	☒
Mērsrags harbour terminal	Lielā iela 62, Mērsrags, Talsu nov., LV-3284	Biomass storage	☐
SIA Meža Enerģija	Skolas iela 12A - 1, Rīga, LV-1010	Office, administration	☐

3.3 Detailed description of the Chain of Custody system and Product Groups

Guidance: Please describe the operation of the CoC system including details of the mass balance management and a list of established Product Groups.

Organization's SBP product group includes 2 product groups: chips produced from logging residues, final felling (1A - 10), and chips produced from logging residues, thinnings (1A - 11). All feedstock categories are sourced at Rīga and Salacgrīva ports. All product groups are produced from logging residues in "forest gate". SBP's mass balance system is used to control the claims and physical stock in port storage sites (3 terminals in Riga port, 1 terminal in Salacgrīva harbour). The BP also operates a storage site in Mērsrags harbour. Separate mass balance systems are implemented in each port. All biomass sourced and stored in Riga port and Salacgrīva harbour is SBP-Compliant or SBP-Controlled, hence no physical segregation. All feedstock and biomass received is RED compliant, which is ensured through the SBP RED SBE process. The feedstock is delivered to storage sites by trucks. Woodchips are sold on FOB incoterms from both Riga port and Salacgrīva harbour with SBP-Compliant



and RED-Compliant status claims.

4 Specific objective of the audit

The specific objective of the re-assessment is to confirm that the Biomass Producer's management system is capable of ensuring that all requirements of the specified SBP Standards are implemented across the entire scope of certification. Evaluation of the practical implementation of the requirements of the applicable standards.

- Review of the BP's management procedures;
- Review of the production processes,
- storage site visits in port/harbour terminals;
- Review of mass balance system control points;
- Interviews with responsible staff;
- Review of the records, calculations, and conversion coefficients;
- GHG data collection analysis and review of the applicable reports;
- Review of the BP's management procedures, including requirements designated in SBP standards: SBP Standard #1 V2.0; SBP Standard #2 V2.0; SBP Standard #4 V2.0, SBP Standard #5 V2.0, and related SBP instruction documents: Instruction Document 1A: SBP Requirements for Primary Feedstock from Trees Outside Forests (TOF), Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1, and Instruction Document EU RED: Bridging Requirements for Meeting the Renewable Energy Directive (EU/2023/2413)
- Review of the updated Supply Base Report;
- Review and validation of SBP SBP Audit Report (SAR) on Energy and Carbon Data for Woodchips with Mobile and/or Stationary Chipping;
- Evaluation of mitigation measures implemented for primary feedstock - forest based feedstock;
- Field visits of the primary and secondary feedstock suppliers;
- Interviews with responsible staff;
- Review of the reports and records,

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	Auditors	Auditor hours
1. Preparation	GK	2.0
2. On-site (excl. travel time)	GK	16.0
3. Report writing	GK	16.0
4. Other	GK	1.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	Role	Qualification
Ģirts Karss	Auditor	Works for NEPCon since 2011 Ģirts Karss holds MSc in Environmental Science from the Lund University and the University of Latvia. Completed Rainforest Alliance lead assessor training course in FSC Forest Management and FSC Chain of Custody operations and obtained the FSC Forest Management and Chain of Custody lead auditor qualification. Completed SBP auditor training in 2016 and acquired SBP auditor qualification. Participated in capacity of auditor and lead auditor in SBP assessments and annual audits with Supply Base Evaluation in scope in biomass processing companies in Latvia and other countries.

5.3 Description of evaluation activities

Day 1 (August 26, 2026)

The reassessment audit began with a remote opening meeting attended by the CEO and the Data Processing Specialist. During the opening meeting, auditor introduced the audit agenda, provided information about the audit plan, methodology, confidentiality issues, and assessment methodology, and clarified verification scope. During the opening meeting, the auditors explained CB's accreditation-related issues and discussed the audit timetable and planned activities.

After the opening meeting auditor reviewed the implementation of all applicable requirements of the SBP standards No 1, 2. During the process, the overall responsible person for the SBP system and other responsible staff having key responsibilities within the system were interviewed.

Day 2 (September 2, 2026)

Auditor briefly discussed the SBP system documents that were submitted by the BP before. SBP SBE management system was reviewed. Review of SBR, internal audit results, and implementation of RED requirements. Review of the applicable SBP documentation, including SBP procedures, instructions, training

records, feedstock descriptions, supplier lists, and others. SBP SBE system analysis. Review of procedures, documents.

Field inspections were conducted by visiting the FMUs where the BP had conducted risk mitigation measures. Biomass storage site visits were conducted in Riga port terminals.

Day 3 (September 4, 2026)

Auditor continued with the remaining questions from SBP standards No. 2 and No. 4, including outcomes of the risk mitigation measures as per requirements of SBP standards #1, #2, and EU RED Bridging document. Auditor verified risk mitigation measure effectiveness, CoC system and finalization of SBRs review. Auditor reviewed applicable requirements of the SBP standards nr.2, 4, existing chain of custody and controlled wood system, management system, CoC, recordkeeping/mass balance requirements, categorization of input, and verification of SBP compliant and SBP Controlled feedstock/ biomass. Chain of Custody implementation at the HQ level. In particular, the feedstock classification, identification of feedstock origin, production process with the conversion factors associated, mass balance, final product storage, and sales were discussed and the recorded volumes were verified with the accounting records. During the process, the responsible persons were interviewed. Auditor evaluated compliance with the SBP Std No. 5 and Instruction Document 5E requirements with regard to GHG data collection and communication via SAR document. The SAR document was reviewed and verified. The closing meeting was conducted remotely via MS Teams platform. Audit findings were summarised and audit conclusions based on the use of 3 angle evaluation method were provided to the responsible persons at the company – the CEO and the Data processing specialist.

5.4 List of forest management units and feedstock suppliers visited

☐ N/A – No forest sites or suppliers visited during this evaluation

Site name
FMU "Klešas"
Site location
Cadastral No. 94760070025
Site description
Observation of Black woodpecker (<i>Dryocopus martius</i>) registered in data base "Ozols" data layer for protected bird species in the compartment No. 14.
Rationale and focus of visit
The focus of the inspection: evaluating BP's approach in implementing the risk mitigation measures for SBP risk indicators 2.1.1, 2.1.2., and 2.1.3 according to Revised Regional Risk Assessment (RA) for Latvia from July 8, 2024 related to identification and protection of HCVF category 1.
Description of audit activity
Observations in the field do not contradict the BP's findings, confirming low risks regarding the High Conservation Values in the area of feedstock origin.

5.5 Describe audit sampling methodology used

Auditor sampled the suppliers and FMUs for field inspections. Auditors made a plan for field inspections based on sampling, selecting for inspection feedstock suppliers included in the Supply Base Evaluation. The following considerations have been taken into account to establish a sample and the sampling intensity: 1) Geographical area; 2) Type of operations and activities; 3) Risk mitigation measures related to origin and mixing. Geographical area: BP sources the primary feedstock included in SBE from Latvia. The BP is sourcing feedstock primarily from the Vidzeme area (North Latvia). So, FMUs and properties of forest lands from the Vidzeme region shall be included in the sample. Type of operations and activities: The SBE covers the sourcing of primary feedstock (logging residues, branches, low-quality roundwood, etc.) from forest land. Thus, FMUs in forest lands shall be included in the sample. Risks identified in the SBP risk assessment for Latvia: the following risks are considered as specified in the Regional Risk Assessment for Latvia endorsed by SBP: 2.1.1. Key species, habitats, ecosystems, and areas of high conservation value (HCV) pertaining to biodiversity in the Supply Base shall be identified. 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. 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. 3.2.3. Primary 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). Field inspections are planned to verify the BP's risk mitigation measures, primarily related to preserving High Conservation Values. To evaluate the risk mitigation measures implemented by BP for indicators 2.1.1, 2.1.2 and 2.1.3, planned harvesting sites and sites after harvesting should be included in the sample. Auditors carried out a desk-based evaluation of the feedstock origin data for risks outlined in the RRA Latvia. All feedstock origin data have been checked for HCV presence using desk tools. FMUs containing HCV attributes (compartments of HCV in the felling permit) have been selected as a pool for sampling for field inspections. This approach, in the auditor's opinion, is efficient and sensible since only those FMUs/compartments that have a justified reason to be inspected in the field are selected. It is considered sufficient to cover all major risk aspects and provide a sufficient level of assurance for compliance with the standard. Auditors checked the pool of feedstock origin data and selected sites for field inspections. The entire pool of feedstock origin data was verified using the database "Ozols" for the presence of High Conservation Values. As a result of desk data evaluation, 1 FMUs containing HCVs of category 1 (potential habitat of RTE bird species) was identified. 1 FMU was visited onsite in the field to evaluate for compliance with BP's SBE procedures. The documents related to SBP Standards 4 and 5 were sampled using a general, Preferred by Nature's adopted random sampling approach.

5.6 CB stakeholder engagement

☐ N/A – Certification Body stakeholder consultation not applicable for this evaluation

Guidance: Please specify the number and types of stakeholders engaged, method of engagement and its outcomes.

The BP had conducted the stakeholder consultations in July-August, by communicating stakeholders the risk mitigation measures for forest feedstock as per the SBP Regional Risk Assessment for Latvia (July 12, 2024), The BP sent out information by e-mail to a number of stakeholders. No comments from the stakeholders have been received.

5.7 Stakeholder feedback and response

☐ N/A – Certification Body stakeholder consultation not applicable for this evaluation

The CB sent out information by e-mail to a number of stakeholders. No comments from the stakeholders have been received.

5.8 Main strengths and weaknesses of the management system and operations

Strengths: Organisation profile: organisation is an FSC forest certification group manager sourcing FSC certified feedstock from its own managed and FSC certified forests. A small number of staff are involved in the management of the SBP system.

Weaknesses: see NCR section.

5.9 Summary of evaluation activities for robustness of the Supply Base Evaluation

☐ N/A – Standard 1 not in the scope of the evaluation

SIA Meža Enerģija is implementing the Supply Base Evaluation process for primary feedstock originating from Latvia and received without SBP-approved Forest Management Scheme claim, SBP-approved Forest Management partial claim, SBP-approved Chain-of-Custody (CoC) System claim. Risk mitigation measures have been elaborated and are being implemented for feedstock originating from forest land (material sourced under FSC Controlled Wood system) as well as non-forest land.

The BP is applying the SBP-revised regional risk assessment for the feedstock supply base covering SBE – the Republic of Latvia. Based on the “specified risks” in the risk assessment, the organization has suggested several mitigation measures, which were consulted with relevant stakeholders prior to implementing. Risk mitigation measures are relevant in addressing risks. It was evaluated at the time of the audit that BP has evaluated options for risk mitigation measures and selected the appropriate and effective risk mitigation measures out of those referenced in the risk assessment. In fact, the most risk mitigation measures outlined in the RRA are used by the BP.

The BP had undertaken the implementation of the mitigation measures for individual SBP standard indicators. As to feedstock sourced with FSC certification claims, the BP is applying a SBP benchmarking for FSC certification scheme (indicator 3.2.3, classified as “specified risk” indicator in SBP revised regional risk assessment for Latvia and partially compliant in SBP benchmarking for FSC forest certification).

5.10 Summary of evaluation activities for Processing residues and/or Post-consumer feedstock requirements per Standard 2 and EU RED

☒ N/A – processing residues and/or post-consumer feedstock not used.

5.11 Summary of evaluation activities for chain of custody system per Standard 4

The chain of custody system was reviewed during the on-site audit. Critical control points have been evaluated during the process, and the most important critical control points, such as port terminals, have been visited onsite. BP's documented control system has been reviewed during the audit and discussed with BP's responsible personnel. BP's accounting system was reviewed, and information in the CoC registers was verified.

5.12 Summary of evaluation activities for collection and communication of data per Standard 5

The organization has established a system for data collection and recording and has compiled data associated with feedstock sourcing and biomass production, and delivery within the organization's supply chains. The organization has provided a detailed overview of the systems and databases to collect and record data during the audit. Information on GHG has been compiled in the SAR document. All required data evidence was provided to auditors during the on-site audit. Auditors considered it sufficient to fulfil the requirements of the SBP standards.

5.13 Summary of audit findings for competency of involved personnel

Overall, BP staff showed good understanding and knowledge of all applicable SBP and RED (III) requirements. Generally, very few staff members are involved into SBP certification: SBP responsible/ CEO (overall responsibility and management), supported by the Data Processing Specialist (maintaining of the management system, maintaining certification related data, SBP reporting), forest foremen (feedstock procurement and risk mitigation measures), accountant (recordkeeping, sales documents).

5.14 Summary of audit findings for GHG methodology per Standard 6 (if applicable)

☒ N/A – Standard 6 not in the scope

6 Detailed evaluation of BP's Supply Base Evaluation (if applicable)

□ N/A – Supply Base Evaluation not in the scope of the evaluation

6.1 Overview of BP's risk assessments and mitigation measures including EU RED scope

SBP-compliant biomass:

The organization has elaborated and is implementing mitigation measures of risks for non-certified feedstock, including FSC Controlled Wood originating from Latvia. The organization has designed and is implementing mitigation measures for 4 indicators evaluated as specified risk (2.1.1, 2.1.2, 2.1.3 and 3.2.2) as per SBP-endorsed RRA for Latvia (**SBP Revised Regional Risk Assessment for Latvia**, 12 July 2024). The BP is also requiring suppliers to take necessary actions – risk mitigation measures to avoid supplying material of “specified risk”. Mitigation measures planned and implemented by BP can be considered sufficient in order to reduce the risk to “low risk” for the indicators mentioned. See risk ratings in Table 1.

RED sustainability criteria for primary feedstock: there is a Level A risk assessment for Latvia elaborated by the Ministry of Agriculture of Latvia and endorsed by SBP, covering sustainable harvesting criteria of Article 29(6) of the Renewable Energy Directive (REDIII) EU/2023/2413 “Izvērtējums par meža biomasas atbilstību ilgtspējības kritērijiem”. (<https://www.zm.gov.lv/lv/izvertejums-par-meza-biomasas-atbilstibu-ilgtspejas-kriterijiem>).

The following risk designations have been specified by the Level A risk assessment of the Ministry of Agriculture:

- (i) The legality of harvesting operations: “**Low risk**”.
- (ii) Forest regeneration of harvested areas: “**Low risk**”.
- (iii) Areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands and peatlands, are protected unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes: “**Low risk**”.
- (iv) That harvesting is carried out considering maintenance of soil quality and biodiversity in accordance with sustainable forest management principles, that avoids harvesting of stumps and roots, degradation of primary forests, and of old growth forests and harvesting on vulnerable soils, that harvesting is carried out in compliance with maximum thresholds for large clear-cuts and ecologically appropriate retention thresholds for deadwood extraction: “**Low risk**”.
- (v) Harvesting maintains or improves the long-term production capacity of the forest: “**Low risk**”.
- (vi 1) Biomass fuel shall not be made from raw material obtained from the primary forest (there is no clearly visible indication of human activity) and old-growth forest (signs of former human activities may be visible) (no-go area): “**Low risk**”.
- (vi 2) Biomass fuel shall not be made from raw material obtained from highly biodiverse forests unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes: “**Low risk**”.
- (vi 3) Biomass fuel shall not be made from raw material obtained from natural, highly biodiverse grassland or non-natural, highly biodiverse grassland unless evidence is provided that the harvesting of the raw material is necessary to preserve its status as non-natural, highly biodiverse grassland (no-go area for natural): “**Low risk**”.
- (vi 4) Biomass fuel shall not be made from raw material obtained from heathland (nogo area): “**Low risk**”.
- (vi 5) Biomass fuel shall not be made from raw material obtained from land that had the status of wetlands in 2008, and no longer has that status: “**Low risk**”.
- (vi 6) Biomass fuel shall not be made from raw material obtained from peatland unless evidence is provided that the cultivation and harvesting of that raw material does not involve drainage of previously

undrained soil: “**Low risk**”.

- (vii) That installations producing biomass fuels issue a statement of assurance that the forest biomass is not sourced from the lands referred to in point (vi): “**Low risk**”.
- LULUCF criteria 29(7): Is a Party to the Paris Agreement: “**Low risk**”.
- LULUCF criteria 29(7): Has submitted a nationally determined contribution (NDC): “**Low risk**”.
- LULUCF criteria 29(7): Has national or sub-national laws in place in accordance with Article 5 of the Paris Agreement: “**Low risk**”.

6.2 CB evaluation of specified risk indicators and mitigation measures

Country
Latvia
Area/Sub-Scope
none
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.
Specified risk description
See the description of the specified risk in the RRA document: https://sbpcert.wpenginepowered.com/wp-content/uploads/2024/07/SBP_RRA_Latvia_12July24_final.pdf
Detailed description of a mitigation measure
Primary Feedstock - forest The scope of the assessment covers the risks and impacts on the identified key species, habitats, ecosystems, and areas with high HCVs relating to biodiversity in legally designated Latvian forests SIA Meža Energija evaluates the feedstock origin data and in case of identified HCVs, conducts field inspections to assess threats to HCV areas in-situ, with or without the expert advice. The expert advice is sought in situations where an expert opinion (on species, habitats is required. The following sources of information are used: records of field inspections carried out, monitoring records, Interviews with staff, stakeholders, "Ozols" nature data management system, 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 EU agencies, relevant Latvian national and EU legislation, laws and regulations
Detailed description of CB evaluation of mitigation measure and its conclusions
Risk mitigation measures were evaluated by the CB by a desk review of feedstock origin data and subsequent validation in onsite field inspections. A sample-based verification of risk mitigation measures did not reveal deficiencies in BP's risk mitigation measures.

Country
Latvia
Area/Sub-Scope
none
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.
Specified risk description
See the description of specified risk in the SBP Revised Risk Assessment for Latvia, available at https://sbpcert.wpenginepowered.com/wp-content/uploads/2024/07/SBP_RRA_Latvia_12July24_final.pdf
Detailed description of a mitigation measure
Primary feedstock - forest: The scope of the assessment covers the risks and impacts on the identified key species, habitats, ecosystems, and areas with high HCVs relating to biodiversity in legally designated Latvian forests SIA Meža Energija evaluates the feedstock origin data and in case of identified HCVs, conducts field inspections to assess threats to HCV areas in-situ, with or without the expert advice. The expert advice is sought in situations where an expert opinion (on species, habitats) is required. The following sources of information are used: records of field inspections carried out, monitoring records, Interviews with staff, stakeholders, "Ozols" nature data management system, 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 EU agencies, relevant Latvian national and EU legislation, laws and regulations
Detailed description of CB evaluation of mitigation measure and its conclusions
Risk mitigation measures were evaluated by the CB by a desk review of feedstock origin data and subsequent onsite field inspections. A sample-based verification of risk mitigation measures did not reveal deficiencies in BP's risk mitigation measures. See further details in the audit report.

Country
Latvia
Area/Sub-Scope
none
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.

Specified risk description

See the description of the specified risks in the revised SBP risk assessment for Latvia, available at https://sbpcert.wpenginepowered.com/wp-content/uploads/2024/07/SBP_RRA_Latvia_12July24_final.pdf

Detailed description of a mitigation measure

Primary feedstock - forest:

The scope of the assessment covers the risks and impacts on the identified key species, habitats, ecosystems, and areas with high HCVs relating to biodiversity in legally designated Latvian forests

SIA Meža Enerģija evaluates the feedstock origin data and in case of identified HCVs, conducts field inspections to assess threats to HCV areas in-situ, with or without the expert advice. The expert advice is sought in situations where an expert opinion (on species, habitats is required.

The following sources of information are used: records of field inspections carried out, monitoring records, Interviews with staff, stakeholders, "Ozols" nature data management system, 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 EU agencies, relevant Latvian national and EU legislation, laws and regulations

Detailed description of CB evaluation of mitigation measure and its conclusions

Risk mitigation measures were evaluated by the CB by a desk review of feedstock origin data and subsequent onsite field inspections. A sample-based verification of risk mitigation measures did not reveal deficiencies in BP's risk mitigation measures. See further details in the audit report.

Country

Latvia

Area/Sub-Scope

none

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).

Specified risk description

see the description of specified risks in the Revised Regional Risk assessment for Latvia, available at https://sbpcert.wpenginepowered.com/wp-content/uploads/2024/07/SBP_RRA_Latvia_12July24_final.pdf

Detailed description of a mitigation measure

Primary feedstock - forest:

The scope of the assessment covers the risks and impacts on the identified key species, habitats, ecosystems, and areas with high HCVs relating to biodiversity in legally designated Latvian forests

SIA Meža Enerģija evaluates the feedstock origin data and in case of identified HCVs, conducts field inspections to assess threats to HCV areas in-situ, with or without the expert advice. The expert advice is sought in situations where an expert opinion (on species, habitats) is required.

The BP shall not buy biomass if it originates as a result of deforestation activities, or if biomass is sourced from wetlands and the management activities had an impact on the quality of the wetland. In such cases, the biomass shall not be considered SBP-compliant.

During the review of the reference period, no biomass purchases from high-carbon areas were identified.

The BP is also tracking the carbon balance. The carbon balance calculation ensures that biomass sourcing and production do not lead to a decrease in forest carbon stocks, maintaining compliance with SBP and RED III sustainability standards. It compares annual forest growth (P) and harvesting intensity (H) to assess whether harvesting remains within sustainable limits. Using standardized conversion factors to express results in carbon and CO₂ equivalents, the company annually compiles data on harvest volumes, managed area, and growth rates. If the resulting carbon balance is negative—meaning harvesting exceeds growth—the respective biomass cannot be included in the SBP-certified supply chain.

The following sources of information are used: records of field inspections carried out, monitoring records, Interviews with staff, stakeholders, "Ozols" nature data management system, 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 EU agencies, relevant Latvian national and EU legislation, laws and regulations

Detailed description of CB evaluation of mitigation measure and its conclusions

Risk mitigation measures were evaluated by the CB by a desk review of feedstock origin data and onsite field inspections. A sample-based verification of risk mitigation measures did not reveal deficiencies in BP's risk mitigation measures. See further details in the audit report.