



# Supply Base Report:

## JSC SILALES MEDIENA

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# Completed in accordance with the Supply Base Report Template Version 1.3

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

## *Document history*

*Version 1.0: published 26 March 2015*

*Version 1.1 published 22 February 2016*

*Version 1.2 published 23 June 2016*

*Version 1.3 published 14 January 2019; re-published 3 April 2020*

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# 1 Overview

On the first page include the following information:

Producer name: **Joint Stock Company “Silales mediena”**

Producer location: Raganines str. 26, LT-75283 Tubuciai village, Pajuris subdistr., Silale distr.

Geographic position: 55.4537° N 22.0581° E

Primary contact: Mr. Vaidotas Benėta, +37068786697 info@silalesmediena.eu

Company website: www.silalesmediena.eu

Date report finalised: 2020.10.28

Close of last CB audit: 2020.10.31 Silale

Name of CB: JSC “NEPCon Lt”

Translations from English: Yes

SBP Standard(s) used: SBP Standard 2-V1.0 ; SBP Standard 4-V1.0. ; SBP Standard 5-V1.0 (instructions documents 5A;B;C V1.1.)

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

SBP Endorsed Regional Risk Assessment: N/A

Weblink to SBE on Company website: N/A

Indicate how the current evaluation fits within the cycle of Supply Base Evaluations					
Main (Initial) Evaluation	First Surveillance	Second Surveillance	Third Surveillance	Fourth Surveillance	Reassessment
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>X</b>

## 2 Description of the Supply Base

### 2.1 General description

Silales mediena UAB receives all feedstock from own sawmill next to pellet factory as wood residues after wood processing.

SBP-compliant primary feedstock: 0 %

SBP-compliant secondary feedstock, 30 % (Wood industry residues/ Chips)

SBP-compliant secondary feedstock, 70 % (Wood industry residues/ sawdust wet)

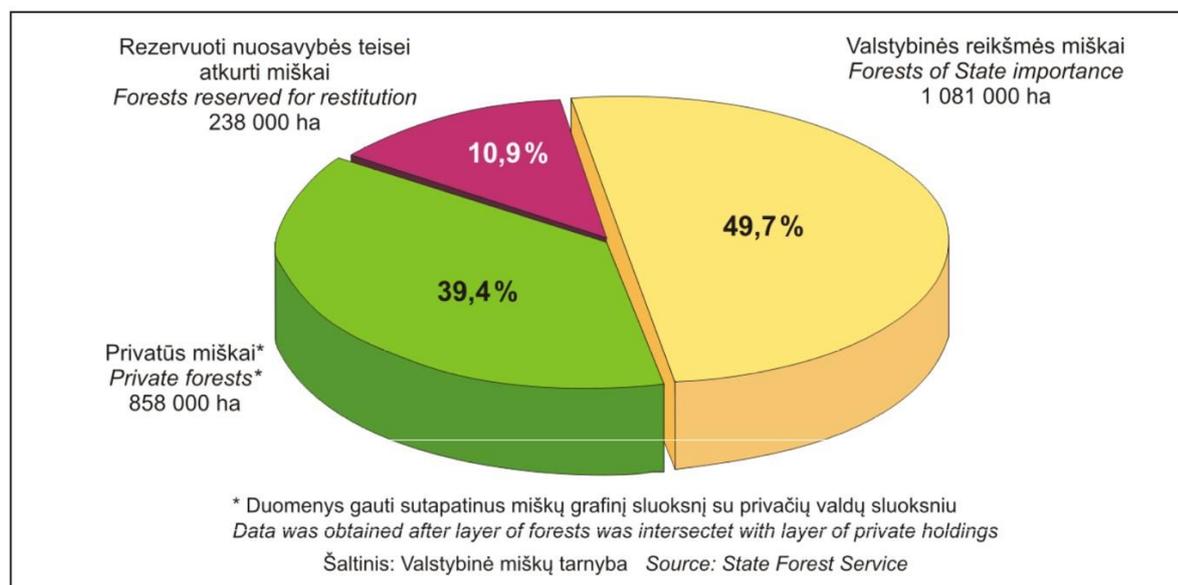
SBP-compliant tertiary feedstock: 0%

SBP-noncompliant feedstock: 0 %

Species: *Picea abies* (L.) H. Karst.; *Pinus sylvestris* (L.);

Agricultural land covers more than 50 % of Lithuania. The forested land occupies about 28 % or 2.18 million ha, while the land classified as forest occupies about 30 % of the total land area. The south-eastern part of the country is most heavily forested, and here forests cover about 45 % of the land. The total land area belonged to the State forest enterprises is divided into forest and non-forest land. Forest land is divided into forested and non- forested land. The total value added in the forestry sector (including manufacture of furniture) reached

**FOREST LAND BY OWNERSHIP 01.01.2014**



LTL 4.9 billion in 2013 and was 10 % higher than in 2012. Forest land is divided into four protection categories: reserves (2 %), ecological category (5.8 %), protected category (14.9 %) and commercial category (77.3 %). All types of cuttings are prohibited in reserves. Clear cuttings are prohibited in national

parks, while thinning and sanitary cuttings are allowed there. Clear cutting is permitted, however, with certain restrictions, in protected forests; and thinning as well. Almost no restrictions as to logging methods exist in the forests of commercial category.

Lithuania has signed the CITES Convention in 2001. CITES requirements are respected in forest management, although there are no species included in the CITES lists in Lithuania.

Lithuania is situated within the so-called mixed forest belt with a high percentage of broadleaves and mixed conifer-broadleaved stands. Most of the forests – especially spruce and birch – often grow in mixed stands. Pine forests are the most common type of forests, covering about 38 % of the woodland. Spruce and birch forests account for 24 % and 20 % respectively. Alder forests occupy about 12 % of the forest area, which is a relatively high figure that indicates the moisture level on specific sites. Oak and ash account for about 2 % of the forest area each. The area occupied by aspen stands is almost 3 %.

The growing stock in Lithuanian forests is about 180 m<sup>3</sup> per hectare. In nature stands, the average growing stock in all Lithuanian forests is 244 m<sup>3</sup> per hectare. Total annual growth is almost 11,900,000 m<sup>3</sup> and the average annual wood increase has reached 6.3 m<sup>3</sup> per hectare.

The expected annual logging volume is 5.2 million m<sup>3</sup>, 2.4 million m<sup>3</sup> of which are sawn wood and the remaining 2.8 million m<sup>3</sup> are small dimension wood for production of paper pulp or boards or for using as firewood. The calculations refer to the nearest 10-year period. If more intensive and efficient forest management systems are implemented, successful growth should be achieved.

Certification of all State forests in Lithuania is performed according to the strictest certification system in the world – the FSC (Forest Stewardship Council) certificate. The audit of this certification confirms the fact that Lithuanian State forests are managed responsibly, in compliance with the requirements of protection and conservation of biodiversity.

(Source: <http://www.fao.org/docrep/w3722e/w3722e22.htm>)

## 2.2 Actions taken to promote certification amongst feedstock supplier

For the production of SBP pellets are mostly used FSC certified supplier material (51%). The company policy is to give a preference to certified suppliers. Raw material consists of wood logs from main production of suppliers. Therefore, uncertified and new suppliers are invited to certify their base production and get additional benefit.

## 2.3 Final harvest sampling programme

Not applicable

## 2.4 Flow diagram of feedstock inputs showing feedstock type [optional]

*Coniferous species - 100 %*

*Wood logs Picea abies – 85%*

Wood logs *Pinus sylvestris* – 15%

Wet sawdust - 70%

Wood chips – 30%

## 2.5 Quantification of the Supply Base

Provide metrics for the Supply Base including the following. Where estimates are provided these shall be justified.

### Supply Base

- a. Total Supply Base area 2,18 milj (ha): Cumulative area of all forest types within SB
- b. Tenure by type (ha): Government 1088,6 thousand ha; Privately owned 882.9 thousand ha; other 295.5 thousand ha
- c. Forest by type (ha): Boreal
- d. Forest by management type (ha): Managed Natural 2.18 million
- e. Certified forest by scheme (ha): 1088,6 thousand/ ha FSC certified forest

### Feedstock

- f. Total volume of Feedstock: 134224 m<sup>3</sup>
- g. Volume of primary feedstock: 0 tonnes
- h. List percentage of primary feedstock (g), by the following categories. – 0% Subdivide by SBP-approved Forest Management Schemes:
  - Certified to an SBP-approved Forest Management Scheme 0%
  - Not certified to an SBP-approved Forest Management Scheme )%
- i. List all species in primary feedstock, including scientific name

*Picea abies* (L.) H. Karst.; *Pinus sylvestris* (L.)

Volume of primary feedstock from primary forest 0 %

- j. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:
  - Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme
  - Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme

k. Volume of secondary feedstock: total Sawdust wet and chips 134 224 m3

(Sawmill residue) Sawdust 93956,8 m3, Wood chips 40267,2 m3 feedstock as production waste

# 3 Requirement for a Supply Base Evaluation

SBE completed	SBE not completed
<input type="checkbox"/>	<input checked="" type="checkbox"/>

*Provide a concise summary of why a SBE was determined to be required or not required.*

## 4 Supply Base Evaluation

### 4.1 Scope

*Provide a concise summary of the scope of the evaluation.*

### 4.2 Justification

*Provide a justification for the approach used in the evaluation.*

### 4.3 Results of Risk Assessment

*Give a brief summary of the results of the risk assessment.*

### 4.4 Results of Supplier Verification Programme

*Give a brief summary of the results of the SVP.*

### 4.5 Conclusion

*Give a concise summary of the overall conclusions from the SBE as to whether the organisation meets SBP requirements. This summary should include a discussion of the main strengths and weaknesses of the supply base evaluation, and a statement about the confidence that the evaluators have that the Biomass Producer can ensure that all specified feedstock are in full compliance with SBP Standards.*

## 5 Supply Base Evaluation Process

*Give a general description of the process for Supply Base Evaluation including any relevant consultations with stakeholders. Specify whether the SBE was performed 'in house' or whether an external party was contracted to perform the SBE. If the latter, give a full description of the competencies of the contracted party that includes a justification for the appointment of personnel to the evaluation team.*

*Although not required by SBP, it is likely that the verification system will also include a sampling plan for assessing forest operations within the Supply Base. If such a plan has been developed for monitoring suppliers, it should be described here.*

# 6 Stakeholder Consultation

*Give a general description of the process of Stakeholder Consultation, including stakeholders contacted and method of communication.*

## 6.1 Response to stakeholder comments

*Provide a summary of all stakeholder comments received and how the comments were taken into consideration in the SBE process.*

*Comment 1:*

*Response 1:*

*Comment 2:*

*Response 2:*

# 7 Overview of Initial Assessment of Risk

Briefly describe the results of the Risk Assessment. This represents the initial evaluation of risk done prior to the SVP and prior to any mitigation measures.

This section provides an opportunity to detail how the BP's management system is effective in reducing risk.

List the result for each Indicator in Table 1.

Where multiple sub-scopes are involved, prepare a separate overview table for each sub-scope showing the initial risk ratings for each Indicator.

Table 1. Overview of results from the risk assessment of all Indicators (prior to SVP)

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
1.1.1			
1.1.2			
1.1.3			
1.2.1			
1.3.1			
1.4.1			
1.5.1			
1.6.1			
2.1.1			
2.1.2			
2.1.3			
2.2.1			
2.2.2			
2.2.3			
2.2.4			
2.2.5			
2.2.6			
2.2.7			
2.2.8			
2.2.9			

Indicator	Initial Risk Rating		
	Specified	Low	Unspecified
2.3.1			
2.3.2			
2.3.3			
2.4.1			
2.4.2			
2.4.3			
2.5.1			
2.5.2			
2.6.1			
2.7.1			
2.7.2			
2.7.3			
2.7.4			
2.7.5			
2.8.1			
2.9.1			
2.9.2			
2.10.1			

# 8 Supplier Verification Programme

## 8.1 Description of the Supplier Verification Programme

*Give a general description of the Supplier Verification Program (SVP) including the criteria used for monitoring suppliers (e.g. supplier characteristics, risk factors, or local circumstances) as applicable. Describe how the control system in place will ensure that all Feedstock remains in compliance with SBP Standards. If applicable, explain how the sampling frequency and intensity was chosen, and why certain suppliers were grouped together for sampling purposes.*

## 8.2 Site visits

*Describe any field assessments of Indicators.*

## 8.3 Conclusions from the Supplier Verification Programme

*Summarise conclusions from the SVP.*

# 9 Mitigation Measures

## 9.1 Mitigation measures

*Describe any mitigation measures taken to address specified risks associated with Indicators.*

## 9.2 Monitoring and outcomes

*Describe how the Indicators are being monitoring and what the outcomes are (if known) from that monitoring.*

# 10 Detailed Findings for Indicators

Detailed findings for each Indicator are given in Annex 1.

# 11 Review of Report

## 11.1 Peer review

Valdas Girskis, Forestry technician

## 11.2 Public or additional reviews

*If another type of external review was done prior to finalisation of this report (e.g. publication for comments by stakeholders, NGOs, or other independent third parties), describe the process here.*

## 12 Approval of Report

Approval of Supply Base Report by senior management			
Report Prepared by:	<i>Mr. Vaidotas Benėta</i>	<i>Sales manager</i> 	<i>2020.10.28</i>
	Name	Title	Date
The undersigned persons confirm that I/we are members of the organisation's senior management and do hereby affirm that the contents of this evaluation report were duly acknowledged by senior management as being accurate prior to approval and finalisation of the report.			
Report approved by:	<i>Mr. Kęstutis Žygaitis</i>	<i>Supply manager</i> 	<i>2020.10.28</i>
	Name	Title	Date
Report approved by:	<i>Mr. Virgilijus Žygaitis</i>	<i>Director</i> 	<i>2020.10.28</i>
	Name	Title	Date
Report approved by:	<i>[name]</i>	<i>[title]</i>	<i>[date]</i>
	Name	Title	Date

# 13 Updates

Note: Updates should be provided in the form of additional pages, either published separately or added to the original public summary report.

## 13.1 Significant changes in the Supply Base

*Provide a description of any significant changes to the supply base.*

## 13.2 Effectiveness of previous mitigation measures

*For each mitigation measure identified during the evaluation, give a detailed account of whether the measures were shown to be effective or not.*

## 13.3 New risk ratings and mitigation measures

*Provide an update of risk ratings for all relevant Indicators.*

## 13.4 Actual figures for feedstock over the previous 12 months

*2019.06.01 to 2020.06.01 – 93956,8 m<sup>3</sup> saw dust and 40267,2 m<sup>3</sup> swood chips*

## 13.5 Projected figures for feedstock over the next 12 months

*2020.06.01 to 2021.06.01 – 100000 m<sup>3</sup> saw dust and 40000 m<sup>3</sup> swood chips*

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

Bands are:

1. 0 – 200,000 tonnes or m<sup>3</sup>
2. 200,000 – 400,000 tonnes or m<sup>3</sup>
3. 400,000 – 600,000 tonnes or m<sup>3</sup>
4. 600,000 – 800,000 tonnes or m<sup>3</sup>
5. 800,000 – 1,000,000 tonnes or m<sup>3</sup>
6. >1,000, 000 tonnes or m<sup>3</sup>