



Supply Base Report:

HMPK OÜ Main (Initial) Audit

Sustainable Biomass Program
sbp-cert.org





Completed in accordance with the Supply Base Report Template Version 2.0

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:	HMPK OÜ
Producer address:	Lubjaahju 3, 92411 Kärkla, Estonia
SBP Certificate Code:	
Geographic position:	59.006320, 22.744640
Primary contact:	Andrus Ilumets, +37256488606, andrus@hmpk.ee
Company website:	
Date report finalised:	26 Jul 2024
SBR reporting period from:	19 Jun 2023
SBR reporting period to:	19 Jun 2024
Name of the Certification Body:	Control Union Certifications BV
Certification Body Approval date:	
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 5E: Collection and Communication of Energy and Carbon Data v2.0
Feedstock origin (countries)	Estonia
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

HMPK OÜ founded in 1997, based in Hiiumaa island, Estonia. HMPK OÜ specializes in forest harvesting and forest management, have been active in heavy duty storm (hurricane) clearings in France, Germany, Poland and Sweden. HMPK OÜ have been an experienced producer and supplier of biomass over 27 years. HMPK OÜ is shiptrader, as well the company performs the feedstock to local consumers. HMPK OÜ have been a business partner to most of forest concerns, pulp- and timber industries of the region of Baltic Sea.

Products included in the scope of SBP Certification: *Chips*

Number of employees: *21*

Annual maximum production capacity (metric tonnes): *100000*

Number of direct feedstock suppliers: *42*

Approximate number of feedstock sub-suppliers: *21*

HMPK OÜ is FSC and PEFC certified. Average number of DDS tires in the supply chain is 1,654. Risk assessment is executed on regular basis and mitigation for mixing in the supply chain evaluated as low risk, no findings from field verifications if undertaken as a control measure during all certified past of the company (HMPK OÜ).

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 RED II SBE is in the scope for each country separately.

Country	Estonia
Area/Region	Islands of Hiiumaa & Saaremaa & mainland counties
Exclusions	
Feedstock types	Primary
Feedstock Product Groups	Forest feedstock (1A)
Feedstock inputs	SBP Compliant feedstock , SBP Controlled feedstock
Is the forest managed to supply energy and non-energy markets?	N/A
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
Provide a concise summary of why a SBE was determined to be required or not required here:	
Forest feedstock is sourced from country Estonia where RRA has identified specified risks. SBE determined to mitigate the specified risks to low.	
Feedstock types included in SBE:	Primary
Includes RED II SBE:	Yes
Includes RED II TOF:	No
Size of Supply Base area (million ha):	-2.3250
Map(s) of the Supply Base area:	
Supply Base area and related FMU are be identified through Forest Portal http://register.metsad.ee/avalik/	

2.3 Feedstock information

a. **Total volume of Feedstock:** 1-200,000 tonnes

b. **Volume of primary feedstock:** 1-200,000 tonnes

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

Alnus glutinosa	Black Alder
Alnus incana	Grey Alder
Betula pendula	Birch
Betula pubescens	Swamp Birch
Fraxinus excelsior	Ash
Acer platanoides	Maple
Picea abies	Spruce
Pinus sylvestris	Pine
Populus tremula	Aspen
Tilia cordata	Linden
Ulmus glabra	Elm
Salix spp	Willow
Larix spp	Larch
Quercus robur	Oak

d. **Was the feedstock used in the biomass removed from a forest as part of a pest/disease control measure or a salvage operation?** N/A

Explanation: Feedstock used in the biomass is the part of Regular harvesting

e. **Hardwood (i.e. broadleaf trees): specify proportion of feedstock from (%):** 65.00

f. **Softwood (i.e. coniferous trees): specify proportion of feedstock from (%):** 35.00

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 (%):** 24.60

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:** 3750 tonnes

m. **Volume of processing residues feedstock:** 0

Physical form of the feedstock:

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

o. Volume of post-consumer feedstock: 0

Physical form of the feedstock:

p. Estimated amount of REDII-compliant sustainable feedstock that could be collected annually by the BP: 100000 tonnes

q. What is the estimated amount of REDII-compliant sustainable feedstock that could be harvested annually in a Supply Base (estimated): 2500000.00tonnes

Explanation: Sustainable feedstock of entire Supply Base

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). RED II Supply Base Evaluation details are reported in Annex 2.

☐ Not Applicable – Supply Base Evaluation not implemented

3.1 Summary of the Supply Base Evaluation

Supply Base Evaluation is carried out based on the SBP-endorsed and revised Regional Risk Assessment for Estonia (Version 2.0). Where 4 indicators (2.1.1, 2.1.2, 2.1.3 & 3.2.3) are classified as specified risk.

HMPK OÜ has established mitigation measures for related specified risks to assess and downgrade the risks to low from feedstock originating from such areas where the risks may occur.

3.2 Conflicts with applicable national and sub-national legislation

No conflicts 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: Estonia

Area/sub-scope:

Risk Assessment used:

	<input type="checkbox"/> British Columbia, Canada <input type="checkbox"/> Denmark <input type="checkbox"/> Estonia <input type="checkbox"/> Latvia <input type="checkbox"/> Lithuania <input type="checkbox"/> Quebec, Canada <input type="checkbox"/> 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:	
Most of the key species, ecosystems, and HCVs in forests are generally identified, but some WKHs and Natura 2000 forest land are not inventoried and therefore need identification.	
Mitigation measure:	
<p>HMPK OÜ has established following mitigation measures:</p> <ol style="list-style-type: none"> 1. Signed environmental agreement with each supplier. 2. Control through national databases for identification of Woodland Key Habitats (WKH) and Natura 2000 forest lands. 3. Control through registers established by experts for potential Woodland Key Habitats. 4. Use of experts. 5. On-site field visits. 	
Monitoring and outcomes:	
<p>Established mitigation measures provide following monitoring and outcomes (numbered as per mitigation measure):</p> <ol style="list-style-type: none"> 1. Agreement defines and describes the risk (material originating from HCVA) what shall be avoided. Purpose: to inform suppliers and their sub-suppliers about the risk and material originating from such origin can not be delivered. 2. Before material acceptance control of cutting licenses is carried out through Forest Portal to identify is the cutting license approved and are there any specific restrictions and control through Environmental Portal to identify Natura 2000 areas. Purpose: to identify and avoid material origin from the risk areas. 3. Before material acceptance control of potential Woodland Key Habitat register. Purpose: to identify and avoid material origin from the potential risk areas. 4. In case material may originate from any potential HCVA a licensed expert on-site visit report shall accompany the delivery which states that no potential HCV exists in the specified area. Purpose: to identify and avoid material origin from the potential risk areas. 	

5. HMPK OÜ carries out randomly additional field visits before the harvesting activities to identify any potential risk and to understand the suppliers level of understanding. Purpose: to assess the knowledge of risk indicator & mitigate any potential risks in suppliers and sub-supplier`s level.

Country: Estonia	
Area/sub-scope:	
Risk Assessment used:	
	<input type="checkbox"/> British Columbia, Canada <input type="checkbox"/> Denmark <input type="checkbox"/> Estonia <input type="checkbox"/> Latvia <input type="checkbox"/> Lithuania <input type="checkbox"/> Quebec, Canada <input type="checkbox"/> 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:	
Most of the key species, ecosystems, and HCVs in forests are generally identified, but some WKHs and Natura 2000 forest land are not inventoried and thus, threats to and impacts on the identified HCV pertaining to biodiversity in these areas are not fully known.	
Mitigation measure:	
HMPK OÜ has established following mitigation measures: 1. Signed environmental agreement with each supplier. 2. Control through national databases for identification of Woodland Key Habitats (WKH) and Natura 2000 forest lands. 3. Control through registers established by experts for potential Woodland Key Habitats. 4. Use of experts. 5. On-site field visits.	
Monitoring and outcomes:	
Established mitigation measures provide following monitoring and outcomes (numbered as per mitigation measure):	

1. Agreement defines and describes the risk (material originating from HCVA) what shall be avoided. Purpose: to inform suppliers and their sub-suppliers about the risk and material originating from such origin can not be delivered.
2. Before material acceptance control of cutting licenses is carried out through Forest Portal to identify is the cutting license approved and are there any specific restrictions and control through Environmental Portal to identify Natura 2000 areas. Purpose: to identify and avoid material origin from the risk areas.
3. Before material acceptance control of potential Woodland Key Habitat register. Purpose: to identify and avoid material origin from the potential risk areas.
4. In case material may originate from any potential HCVA a licensed expert on-site visit report shall accompany the delivery which states that no potential HCV exists in the specified area. Purpose: to identify, evaluated and avoid material origin from the potential risk areas.
5. HMPK OÜ carries out randomly additional field visits before the harvesting activities to identify any potential risk and to understand the suppliers level of understanding. Purpose: to evaluate the knowledge of suppliers and sub-supplier`s level regarding risk indicator & mitigate any potential risks.

Country: Estonia	
Area/sub-scope:	
Risk Assessment used:	
	<input type="checkbox"/> British Columbia, Canada <input type="checkbox"/> Denmark <input type="checkbox"/> Estonia <input type="checkbox"/> Latvia <input type="checkbox"/> Lithuania <input type="checkbox"/> Quebec, Canada <input type="checkbox"/> 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:	
The enhancement and maintenance of key species, habitats, ecosystems, and HCVs pertaining to biodiversity in some WKHs and Natura 2000 forest land cannot be guaranteed in some private forest.	
Mitigation measure:	
HMPK OÜ has established following mitigation measures: 1. Signed environmental agreement with each supplier. 2. Control through national databases for identification of Woodland Key Habitats (WKH) and Natura 2000 forest lands.	

3. Control through registers established by experts for potential Woodland Key Habitats.
4. Use of experts.
5. On-site field visits.

Monitoring and outcomes:

Established mitigation measures provide following monitoring and outcomes (numbered as per mitigation measure):

1. Agreement defines and describes the risk (material originating from HCVA) what shall be avoided. Purpose: to inform suppliers and their sub-suppliers about the risk and material originating from such origin can not be delivered and through that the species, habitats, ecosystems and HCV can be maintained or enhanced.
2. Before material acceptance control of cutting licenses is carried out through Forest Portal to identify is the cutting license approved and are there any specific restrictions and control through Environmental Portal to identify Natura 2000 areas. Purpose: to identify and avoid material origin from the risk areas.
3. Before material acceptance control of potential Woodland Key Habitat register. Purpose: to identify and avoid material origin from the potential risk areas.
4. In case material may originate from any potential HCVA a licensed expert on-site visit report shall accompany the delivery which states that no potential HCV exists in the specified area. Purpose: to identify, evaluated and avoid material origin from the potential risk areas.
5. HMPK OÜ carries out randomly additional field visits before the harvesting activities to identify any potential risk and to understand the suppliers level of understanding. Purpose: to evaluate the knowledge of suppliers and sub-supplier's level regarding risk indicator and mitigate any potential risks & through that maintain or enhance the species, habitats, ecosystems and HCV.

Country: Estonia

Area/sub-scope:

Risk Assessment used:

- ☐ British Columbia, Canada
- ☐ Denmark
- ☐ Estonia
- ☐ Latvia
- ☐ Lithuania
- ☐ Quebec, Canada
- ☐ 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:

Most of the key species, ecosystems, and HCVs in forests are generally identified, but some WKHs and Natura 2000 forest land are not inventoried and therefore there may be areas with combined attributes of HCV and high carbon stock which need identification.

Mitigation measure:

HMPK OÜ has established following mitigation measures:

1. Signed environmental agreement with each supplier.
2. Control through national databases for identification of Woodland Key Habitats (WKH), Natura 2000 forest lands, wetlands and any other protection (and high carbon stock) areas.
3. Control through registers established by experts for potential Woodland Key Habitats.
4. Use of experts.
5. On-site field visits.

Monitoring and outcomes:

Established mitigation measures provide following monitoring and outcomes (numbered as per mitigation measure):

1. Agreement defines and describes the risk (material originating from HCVA and high carbon stock) what shall be avoided. Purpose: to inform suppliers and their sub-suppliers about the risk and material originating from such origin can not be delivered.
2. Before material acceptance control of cutting licenses is carried out through Forest Portal to identify is the cutting license approved and are there any specific restrictions and control through Environmental Portal to identify Natura 2000 areas and any other protection listed areas. Purpose: to identify and avoid material origin from the risk areas.
3. Before material acceptance control of potential Woodland Key Habitat register. Purpose: to identify and avoid material origin from the potential risk areas.
4. In case material may originate from any potential HCVA a licensed expert on-site visit report shall accompany the delivery which states that no potential HCV and high carbon stock area exists in the specified area. Purpose: to identify, evaluated and avoid material origin from the potential risk areas.
5. HMPK OÜ carries out randomly additional field visits before the harvesting activities to identify any potential risk and to understand the suppliers level of understanding. Purpose: to evaluate the knowledge of suppliers and sub-supplier's level regarding risk indicator and mitigate any potential risks.

4 Stakeholder engagement

4.1 General description

Biomass Producer's stakeholder engagement start date: 27 Jun 2024

Biomass Producer's stakeholder engagement end date: 28 Jul 2024

Total number of stakeholders contacted: 13

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

All together 13 direct stakeholders were included in the engagement process. 10 municipalities where majority of the feedstock is sourced, Estonian Private Forest Association (which includes 20 Forest cooperatives and in total more than 9400 forest owners), Estonian Forest and Wood Industries Association (which covers 72 members, including 4 educational institutions, certification bodies and different forest and timber organizations) and local forest society.

Stakeholders were contacted via e-mail to give opportunity and enough time to delve into the topic in case any questions arise.

4.2 Response to stakeholder comments

5 Report updates and approval

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

Summary of changes: N/A

Name	Andrus Ilumets
Title	Management representative
Date of report approval	26 Jul 2024

Annex 1: Detailed findings for Supply Base Evaluation indicators

Annex 2: RED II Supply Base Evaluation

Please add all countries where RED II Supply Base Evaluation is used	
Country	Estonia
Area	Islands of Hiiumaa & Saaremaa & mainland counties
Sustainable harvesting criteria 29(6)	
(i) The legality of harvesting operations	
Type of Risk Assessment used	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	Estonian Forest Law, FSC and PEFC certified
(ii) Forest regeneration of harvested areas	
Type of Risk Assessment used	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	Estonian Forest Law
(iii) That areas designated by international or national law or by the relevant competent authority for nature protection purposes, including in wetlands and peatlands, are protected unless evidence is provided that the harvesting of that raw material does not interfere with those nature protection purposes	
Type of Risk Assessment used	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	Estonian Environmental Department, Ministry of Climate of Estonia
(iv) That harvesting is carried out considering the maintenance of soil quality and biodiversity with the aim of minimising negative impacts	
Type of Risk Assessment used	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	Environmental Department
(v) That harvesting maintains or improves the long-term production capacity of the forest.	

Type of Risk Assessment used	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	Environmental Department , Land Office
LULUCF criteria 29(7)	
Type of Risk Assessment used	<input type="checkbox"/> Level A – proof at national or sub-national level <input checked="" type="checkbox"/> Level B – management system at forest sourcing area level
Level A risk assessment description	N/A
Level B management system at the level of the forest sourcing area	Estonian Ministry of Climate

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

Not used

Feedstock inspection and classification upon receipt

Not used

Supplier audit for processing residues and post-consumer feedstock

Not used

Annex 4: 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).

Not Applicable (RED II TOF not included)