

LATVIAN PEAT ASSOCIATION

CERTIFICATION REGULATIONS OF PEAT EXTRACTION

APPROVED

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INTRODUCTION

The framework for sustainable, rational, legal and efficient management of peat extraction sites, while ensuring the manufacturing of high-quality peat production, is to respect and ensure all processes related to peat production that meet a set of criterions. These criterions include compliance with the requirements stipulated in the regulatory enactments regulating the industry, as well as compliance with good practice at the peat extraction sites and within production processes, environmental protection requirements and compliance with labour law.

The criterions for the certification of peat extraction sites and processes are set in the following fields:

- required documentation and determination of peat extraction site in the area;
- hydrotechnical system and technical condition of peat fields;
- preventing weeds growing on horticulture peat fields;
- compliance with fire safety requirements;
- compliance with environmental requirements;
- qualification of personnel;
- considering the work safety and labour rights.

A certification committee is established to certify the peat extraction site.

When starting the certification process of an extraction site, firstly, the compliance of the submitted documentation with the established criterions is assessed. After checking the submitted documents, the certification committee decides on the rejection of the submitted application and return to the applicant for elimination of deficiencies or inspection of the peat extraction site in the area.

The condition of the peat extraction site is assessed mainly visually but also according to the existing technical and other documentation. Compliance with the criterion for which specific numerical values are specified is determined by control measurements at the peat extraction site.

The entire area of the extraction site is being certified, regardless of the type of production to be obtained.

1. General questions

- 1.1. Certification Procedure for Peat Extraction (hereinafter also referred to as the KRASS) (hereinafter — Regulations) sets out the procedures and criteria for evaluating the management processes of the peat extraction site and peat extraction processes to ensure sustainable, legal, efficient and rational management of peat extraction sites by providing extraction of a high quality peat resources.
- 1.2. The objectives of peat extraction certification are:
 - 1.2.1. to ensure and improve the qualitative and efficient management of peat extraction sites by increasing the efficiency of peat extraction processes, promoting rational, environmentally friendly peat extraction in compliance with the requirements of work safety and employment;
 - 1.2.2. to evaluate whether peat is extracted in accordance with the requirements of regulatory enactments, efficiency of peat extraction, while ensuring extraction of high quality peat production raw material;
 - 1.2.3. to ensure compliance with the regulatory framework of environmental protection and labour rights in the management, maintenance of peat extraction site and within peat extraction processes;
 - 1.2.4. to provide recommendations to the peat extraction company in order to adjust production processes;
 - 1.2.5. to provide information to consumers on the principles of good practice and criterion for the management of peat extraction sites, which certifies that peat comes from the extraction site that is managed in economically beneficial manner, is socially fair and in compliance with the established environmental protection conditions;
 - 1.2.6. to facilitate the supervision and control opportunities for state authorities and institutions;
- 1.3. The certification procedure of peat extraction applies to peat extraction sites where peat extraction is carried out in accordance with regulatory enactments;
- 1.4. Participation in the Latvian Peat Association's certification (hereinafter – LPA) is voluntary;
- 1.5. The certification of peat extraction site is carried out according to the criteria approved in this Regulations. Criteria ensure that the objectives referred to in subparagraph 1.2 are being met;
- 1.6. The economic potential of the company is not assessed.

2. Terms

- 2.1. **Applicant** — a natural or legal person who has applied for the certification of a peat extraction site in accordance with the procedures specified in these Regulations;
- 2.2. **Certificate holder** — an applicant who has received the Certificate for Peat Extraction in accordance with the prescribed procedure;
- 2.3. **Peat extraction site** — the license area for the use of subterranean depths for peat extraction or the part thereof for which a peat extraction certificate has been issued in accordance with the procedures specified in these Regulations;
- 2.4. **Certification Committee** — a committee established in accordance with the procedures specified in this Regulations, which carries out the certification of the peat extraction site and the supervision of the granted certificate.

3. Duration of the certificate and its monitoring

- 3.1. The term of validity of the certificate for peat extraction (Annex 1) shall correspond to the term of the licence of the use of subterranean depths or until the company submits an application for withdrawal of the certificate.
- 3.2. In order to ensure the fulfilment of the certification criteria at the certified peat extraction site and within peat extraction processes, the certification committee carries out monitoring of the peat extraction site at least once every three years.

4. Certification procedure

- 4.1. Any natural or legal person (hereinafter — Applicant) who meets the following requirements shall be eligible for a peat extraction certificate:
 - 4.1.1. registered in the Register of Enterprises of the Republic of Latvia in accordance with the procedures specified in regulatory enactments, if the applicant is not a natural person;
 - 4.1.2. is a land owner or a person who has entered into a contract with the landowner, possessor or authorized person specifying the type of use of subterranean depths;
 - 4.1.3. for the applicant a license for the use of subterranean depths for the extraction of peat for the certified peat extraction site has been issued and is valid;
 - 4.1.4. the insolvency proceedings have not been initiated or no liquidation has been initiated for the applicant;
- 4.2. The certification committee assesses compliance with each of the criteria set out in paragraph 8 of this Regulations, but not with its individual requirements, by awarding an evaluation of “complies” or “does not comply”;
- 4.3. The evaluation "complies" is awarded if the requirements specified in the criterion are met by more than 80 percent, the evaluation "does not comply" is assigned if the requirements set in the criterion are met by less than 80 percent of the criterion;
- 4.4. In order to receive the certificate, the applicant shall apply for certification of the peat extraction site (hereinafter — application) (Annex 2). The application and other documents

referred to in this Regulations may be submitted electronically. The application shall be accompanied by the following documents or copies thereof:

- 4.4.1. a license for the use of subterranean depths issued by a competent authority and the passport of the peat deposit, if they are to be received in accordance with regulatory enactments regarding the use of subterranean depths;
 - 4.4.2. a decision by a competent authority confirming that the applicant has a valid project for the extraction of mineral resources, or the applicant has confirmation that the project for the extraction of mineral resources has been developed before August 25 of 2012¹ in compliance with applicable requirements of respective regulatory enactments, and is valid until the end of its implementation, and does not contradict the provisions of the licence for the use of subterranean depths;
 - 4.4.3. documents certifying the ownership of the land, if the application is submitted by the land owner, or a valid land lease contract, if the rights to use the subterranean depths are granted on the basis of a land lease agreement concluded between the user of subterranean depths and the land owner, legal possessor or authorized person;
 - 4.4.4. the boundary scheme of the peat extraction site to be certified;
 - 4.4.5 a copy of the payment document confirming the payment of fee defined in the subparagraph 4.12 of these Regulations;
 - 4.4.6.the Applicant's declaration that it has not been subject to insolvency or liquidation proceedings;
 - 4.4.7. other documents at the discretion of the applicant;
- 4.5. A representative of the certification committee may request additional information and documents from the applicant.
- 4.6. The certification committee shall evaluate the documents submitted by the applicant within five working days. If the certification committee detects deficiencies in the composition and presentation of the submitted documents, the submitted documents shall be returned for correction after the evaluation period referred to in this paragraph, indicating the deficiencies to be rectified;
- 4.7. If the certification committee finds non-essential deficiencies in the documents submitted by the applicant and the applicant can remedy them within 14 working days from the adoption of the decision by the certification committee, the certification committee shall be entitled to take a decision regarding the inspection and survey of the peat extraction site.
- 4.8. Upon receipt of the complete application, the certification committee shall, within 30 (thirty) days, inspect the peat extraction site and, on the basis of the submitted documents and the results of the surveying of peat extraction site, assess the compliance of the peat extraction site with the certification criterion and decide on the issue, extension or refusal of the certificate.

¹ The date of entry into force of the Cabinet Regulations No. 570 of 21 August 2012 "Procedure for Extraction of Mineral Resources"

- 4.9. If the certification committee refuses to issue a certificate, it shall send a written notice to the applicant within ten working days indicating the reasons for the refusal to issue the certificate;
- 4.10. If the applicant has received a refusal to grant a certificate, it may submit a repeated application for the certification of the peat extraction site only after rectification of the deficiencies indicated in the refusal, but not earlier than two months after the receipt of the refusal;
- 4.11. An application for renewal of a certificate shall be submitted not later than 15 working days before the expiry of the certificate. If the application for extension of the certificate is submitted later than 15 working days before the expiry of the certificate, the certification commission may only consider issuing a new certificate.
- 4.12. The fee for certification, extension and supervision of a certificate is as follows:
 - 4.12.1. certification of one peat extraction site — 3000 *euro*;
 - 4.12.2. supervision of certified peat extraction site — 1500 *euro*;
 - 4.12.3. re-evaluating the peat extraction site — 1500 *euro*;
 - 4.12.4. if the certification committee attracts an expert, the fee for the expert's work shall be borne by the applicant.

5. Activity of the certificate

- 5.1. The certificate issued by the certification committee certifies that the applicant has fulfilled the certification criteria specified in this Regulation.
- 5.2. The certificate is a proof of the quality of the place of origin and extraction of peat. During the validity period of the certificate, the certificate holder has the right to mark its production with the KRASS brand (Annex 3).
- 5.3. The certificate holder has the right to present the certificate number in the business documentation of the company.

6. Liability of the certificate holder, verification of the criteria and cancellation of the certificate

- 6.1. The certificate holder is responsible for compliance with the certification criteria.
- 6.2. Certificate is cancelled:
 - 6.2.1. if written reports from the state or local government supervision or control authorities or individual companies have received on the non-compliance of the activity of the certificate holder with the peat extraction licence or the certificate holder has provided false information, the certification committee shall examine the information received and, if necessary, decide on the cancellation of the certificate;
 - 6.2.2. if, in accordance with the requirements of regulatory enactments, the competent authority has made decisions on limitation or suspension of use of subterranean depths or cancellation of a licence;

- 6.2.3. if a decision has been made on liquidation of the company;
- 6.3. The certification committee shall inform the certificate holder in writing about the cancellation of the certificate not later than within three working days after the decision is made.
- 6.4. The certification committee is entitled to check the fulfilment of any certification criterion at the certified peat extraction site during the validity period of the certificate.

7. Certification committee and its operation

- 7.1. For certification of peat extraction site in accordance with these Regulations, a certification committee consisting of five members shall be established, one of the members of the committee shall be an employee of the Latvian Peat Association;
- 7.2. The members of the certification committee are nominated by the Board and approved by the Council of LPA;
- 7.3. The certification committee is entitled to invite independent experts. The expert opinion is of a recommendation nature;
- 7.4. For their activity in the certification committee, its members and independent experts receive remuneration;
- 7.5. Certification committee's work is financed and technically ensured by the LPA;
- 7.6. The certification committee, when commencing peat extraction certification at a particular site, elects the chairman of the committee.
- 7.7. During the certification, the Applicant's Representative(s) shall present the certification committee with all the documents referred to in this Regulations (project, journals, inventory logs, instructions, etc.) and be able to answer the questions asked by the committee.
- 7.8. About the results of certification, the certification committee shall write minutes that reflects its decision on issuing or not issuing the certificate to the Applicant. The minutes are signed by all members of the committee.

8. Criteria for certification

8.1. Criterion - Documentation of the peat extraction site

- 8.1.1. The peat extraction site shall have a license for the use of subterranean depths issued by the competent authority, the limit for extraction of peat, the passport of the deposit, if such documents must be received in accordance with the regulatory enactments regarding the use of subterranean depths;
- 8.1.2. A peat extraction project has been developed and coordinated in the procedure stipulated in the regulatory enactments, or a peat extraction project has been prepared for the peat extraction site before August 25 of 2012³ in compliance with applicable requirements of respective regulatory enactments, and is valid until the

end of its implementation, and does not contradict the provisions of the license for the use of subterranean depths.

8.1.3. At the peat extraction site, the employee responsible for the extraction process and accounting for the volume or quantity of the extracted peat is assigned;

8.1.4. According to the regulatory enactments the accounting of the obtained peat is carried out. There is an inventory log for extraction of peat;

8.2. Criterion - Determination of peat extraction site in the area

8.2.1. A person certified for geodetic works has set in the area the boundaries of the license area of the peat extraction site and an act has been drawn up for setting the boundaries;

8.2.2. The license area of the peat extraction site in accordance with the requirements of regulatory enactments is fixed with the boundary marks of a certain sample;

8.2.3. Informative stand has been installed displaying the name of the site, data about the addressee of the license;

8.3. Criterion - Hydrotechnical system of peat extraction site

8.3.1. The collecting ditches, collector ditches and diversion ditches of the peat extraction drainage system are maintained in a technical condition that ensures free drainage of water on the self-flow away, except when the discharge of water from the peat extraction site is provided by a pumping station;

8.3.2. The culverts of field ditches must be equipped with protective devices against debris;

8.3.3. The depth of the peat extraction site's field ditches ensures the necessary drainage rate;

8.3.4. Regular maintenance and repair of the hydrotechnical system elements of the peat extraction site;

8.3.5. Flow-away or pumping station must provide a suitable hydrological regime for continuous peat extraction during the peat extraction season;

8.3.6. Flow-away or pumping station shall ensure that the discharge of water from the site does not impair the water regime in adjacent areas;

8.3.7. All runoff from the extraction site must be led through sedimentation basins or other types of structures or equipment to limit the flow of peat fine particles and other biogenic elements into reservoirs or watercourses;

8.3.8. The hydrotechnical systems of the peat extraction site and the status of the water runoff are assessed visually;

8.4. Criterion - Technical condition of peat extraction fields and extraction of peat

8.4.1. Regular profiling of peat extraction fields is ensured by displacing pits created during the exploitation of peat extraction fields, levelling of peat extracted from field ditches, transfer of peat from stacks to production field and gliding, forming a curved surface of the production fields;

- 8.4.2. The presence and dispersion of mineral soil shall not be allowed on the surface of the peat extraction field;
- 8.4.3. The technical condition of the field ditches and their elements (culverts) must provide the necessary drainage rate in accordance with the applicable peat extraction technology and the moisture content of the extracted peat (except for the areas under repair);
- 8.4.4. According to the chosen technology for extraction of cut peat the planned zones must be levelled or released from peat with a disrupted natural structure or released from the surface vegetation;
- 8.4.5. The technological roads of peat extraction sites and related temporary structures, except for winter roads, are in a technical order and ensure smooth and safe movement of peat extraction machines and other vehicles.

8.5. Criterion - Protection of horticultural peat fields from weeds

- 8.5.1. The necessary measures are taken and provided to prevent and reduce the spread of unwanted plants (weeds) at the peat extraction site where the extracted peat is used for horticulture. The names and pictures of most characteristic unwanted plants (weeds) found in Latvian peat extraction sites are listed in Annex 4;
- 8.5.2. Employees are trained to limit the spread of unwanted plants (weeds) in peat extraction fields. Methodological materials on weeds are available to employees.
- 8.5.3. Measures for limiting the spread of plants (weeds), which are not characteristic to the bog environment, are regularly taken in the drainage systems of the extraction site, technological road lines and technical storage areas;
- 8.5.4. The use of such peat extraction machinery or equipment that has been engaged in economic activities outside the peat extraction site, without further purification from the plant and soil particles, which may lead to the growth of non-peatland vegetation at the peat extraction site, shall not be permitted in peat extraction fields;

8.6. Criterion - Fire safety requirements

- 8.6.1. Fire safety measures are implemented at the peat extraction site to prevent and successfully eliminate fires and to mitigate their consequences. The provision of fire safety measures for peat extraction sites is organized in accordance with the requirements of regulatory enactments (Cabinet Regulation No. 238 of April 19, 2016 "On Fire Safety");
- 8.6.2. Fire risk factors are identified at the peat extraction site, and measures are taken to mitigate the impact of these risk factors;
- 8.6.3. A fire safety plan for the peat extraction site has been developed;
- 8.6.4. According to the peat extraction project, the necessary number and volume of fire-fighting water-taking basins has been established and maintained. Installed water-taking basins for fire-fighting purposes are equipped with special instructions. Access roads to fire-fighting water-taking basins in the peat extraction area are in order to ensure unhindered access by the fire-fighting equipment;

- 8.6.5. Technique used in peat extraction and transportation processes is equipped with spark arresters and individual fire extinguishers, bucket and 5 m long rope;
- 8.6.6. in the peat extraction area, a responsible person has been appointed for compliance with fire safety regulations in the production area;
- 8.6.7. the required fire-fighting equipment and equipment, which is specified in the regulatory enactments regulating fire safety requirements at the production facilities, are located in the peat extraction area;
- 8.6.8. the peat temperature control in the peat extraction area or peat storage facility is organized according to the procedure of the technological process. When detecting a dangerous increase in the temperature of the peat, measures shall be taken to prevent the occurrence of the fire;
- 8.6.9. measures to prevent self-ignition are observed and organized, including:
 - 8.6.9.1. the place where peat is to be stored is cleaned of combustible waste and plant residues, soil is levelled and compacted;
 - 8.6.9.2. controls the temperature in the peat stacks. If the temperature reaches 30° C, the warmed-up material is removed, or measures are taken for cooling;
- 8.6.10. In order to ensure a qualitative organization of fire safety measures, the applicant cooperates with the local forest office of the State Forest Service and the local division of the State Fire and Rescue Service by informing about the planned activities in the peat bog.

8.7. Criterion - Environmental protection requirements

- 8.7.1. The environmental protection requirements specified in regulatory enactments, as well as environmental protection requirements set by the landowner or legal possessor, if the peat producer at the place of peat extraction carries out the economic activity on a contract basis, shall be observed at the peat extraction site;
- 8.7.2. Employees have the necessary knowledge and understanding of environmental protection requirements, adequate equipment is available for the effective implementation of environmental protection measures: the technical units involved in peat extraction must be equipped with an environmental kit (oil-absorbing mats, oil-absorbing bonnets, gloves and bags for waste);
- 8.7.3. Processes that have a potential impact on the environment, including the storage and handling of hazardous substances, the identification of alternative approaches and the identification of appropriate remedial actions, have been identified;
- 8.7.4. Peat extraction methods and technologies used at the peat extraction site are selected and applied to minimize the adverse effects of the extraction process on humankind and the environment, including soil, air, water;
- 8.7.5. A waste management plan has been developed and is being followed. Regular collection and disposal of production waste should be ensured by the waste management company. Waste management contract has been concluded;

- 8.7.6. During the construction and operation of the peat extraction site, the movement of peat particles takes place along the detailed drainage network of the peat extraction site and their landing in ditches, especially in the stages with minimal falls. For such reasons, sedimentation basins are created in the collecting ditches at their inflow into the diversion ditches of the drainage network ensuring the capture of fine particles of peat. Sedimentation basins should be regularly cleaned of the peat fines that have been flooded into them;
- 8.7.7. Metal mesh or wooden construction filters are installed at the top of the culverts of the field ditches, which ensure their protection against accumulation and at the same time do not allow the fine particles of peat to flow into the established drainage systems, thus reducing the diversion ditches being obstructed.

8.8. Criterion - Qualification of personnel in peat extraction industry

- 8.8.1. Managing personnel involved in peat extraction (manager, person responsible for extraction, labour protection, environmental protection and fire safety) must have appropriate vocational training, further training or work experience in the field of peat extraction or processing;
- 8.8.2. The technical personnel involved in peat extraction must have the appropriate qualifications and competence, as evidenced by documentation on the relevant qualification (e.g. a certificate issued by a competent authority on the right to drive motor vehicles, machinery and equipment, etc.).

8.9. Criterion - Work safety measures

- 8.9.1. Planning, organizing, implementing, and managing of peat extraction activities must guarantee a safe and healthy working environment. Workplace planning, constructions, technical machinery, their equipment and assemblage are designed so that employees can perform their work duties without compromising their own or other employees' safety and health;
- 8.9.2. Internal monitoring of the work environment is performed, including work environment risk assessment;
- 8.9.3. A compulsory health check is provided for those employees whose health status is affected or may be affected by work-related health hazards and for those employees who have special circumstances at work;
- 8.9.4. Employees are provided with the necessary personal protective equipment;
- 8.9.5. The company provides the employees with regular practical training and instruction on labour protection issues in accordance with requirements Labour Protection Law. The training of the employees shall be carried out by competent persons who, in accordance with the procedures specified in regulatory enactments, are certified for the relevant training;
- 8.9.6. In the course of peat extraction, the employees are provided with the means of first aid according to working conditions.

8.10. Criterion - Labour rights

- 8.10.1. Compliance with labour law;

- 8.10.2. Wages and salary regulations for employees are understandable and fair, as well as complying with regulatory enactments or collective agreement;
- 8.10.3. The number of working hours corresponds to the national standard in accordance with the laws or collective agreement;
- 8.10.4. Employees who have not reached the age of 15 or who continue to acquire primary education before reaching the age of 18 are not employed on a permanent basis. If young people who have reached the minimum age of employment but are under 18 are employed, measures must be taken not to jeopardize the health, safety or morals of young people, and to prevent young people from being exposed to dangerous working conditions or doing jobs that could harm young people's education.