



ENERGY PEAT EUROPE Code of Practice for Responsible Peat Management



INTRODUCTION

The Energy Peat Europe Association - EPE - represents companies producing or using energy peat as well as national associations working for energy peat.

EPE is committed to the highest environmental practices in peat extraction and to the responsible use of peat as a local energy source.

EPE, within this Code of Practice, has codified its commitment to apply the highest standards and best practices to the production of peat by its members. All members will comply with the Code of Practice in a responsible manner.

This voluntary Code of Practice has been designed to monitor industrial energy peat production chains. EPE will take a step by step approach to introduce a mechanism to enforce this internal system, in order to guarantee higher quality to customers and consumers and to constantly raise the environmental standards of peat production.

Code of Practice has been drafted by Indufor (www.indufor.fi).

PURPOSE

The Code of Practice (CoP) for Responsible Peatland Management describes the core principles and commitments the EPE member companies apply in their operations¹. The member companies are committed to adopting this Code of Practise and to integrating it into the relevant parts of their management procedures.

The Code defines the principles for responsible management for the first stages of the production chain including site selection and preparation, peat extraction, and after-use of peatlands (Figure 1.1).

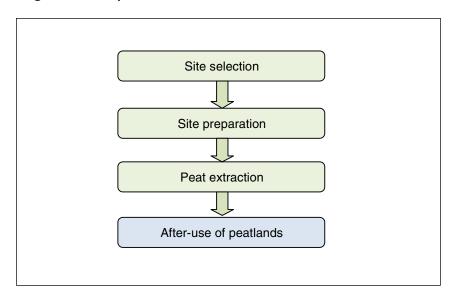


Figure 1.1 Scope of the EPE Code of Practice

Implementation of the Code also increases information to trading and processing enterprises on the responsible production methods of supplying companies. Peat production methods and their impacts are of interest to customers using energy peat products.

¹This Code of Practice does not form part of any contract between an EPE Member and a purchaser of the Member's goods & services

TABLE OF CONTENTS

| 1. | COD | DE OF PRACTICE FOR RESPONSIBLE PEATLAND MANAGEMENT | 5 |
|----|-----|--|---|
| | 1.1 | Compliance with Legislation | 5 |
| | 1.2 | Selection of Production Sites | 6 |
| | 1.3 | Peat Production | 7 |
| | 1.4 | Cooperation with Stakeholders | 8 |
| | 1.5 | After-use of Peatlands | 8 |
| | 1.6 | Climate Change Mitigation | 9 |
| | 1 7 | Good Governance | 9 |

1. CODE OF PRACTICE FOR RESPONSIBLE PEATLAND MANAGEMENT

1.1 Compliance with Legislation

Peat extraction in European Union (EU) member countries is comprehensively regulated by EU and national level legislation. In most EU countries, regulation of peat extraction is based on permits issued for specific sites.

Conditions for permits and rules for peat extraction usually require detailed impact assessments and measures to mitigate potential adverse impacts. Legislation and the licensing process also set provisions for after-use of peatlands. Compliance with permit or license conditions and other regulations is regularly monitored by national authorities.

The most relevant EU Directives for the peat industry include:

♦ Environmental Impact Assessment (EIA) Directive— Council Directive 85/337/EEC of 27th June 1985 on the assessment of the effects of certain public and private projects on the environment as amended by Council Directive 97/11/EC of 3rd March 1997 (same title)

The EIA Directive aims to ensure that before a decision is made about whether to allow a development (peat extraction) to proceed, the national authority making the decision has the maximum amount of information about the environmental effects of the project.

❖ Habitats Directive – Council Directive 92/43/EC of 21st May 1992 on the conservation of natural habitats and the populations of wild fauna and flora listed in the Directive

The Habitats Directive deals with the obligations of member states to list and designate sites to be included in a European network of Special Areas of Conservation to be known as Natura 2000. The aim is to maintain or restore the natural habitats and the populations of wild flora and fauna in EU member states. Some pristine peatlands are conserved as Special Areas of Conservation, as well as some peatlands which are restored after peat extraction

❖ Birds Directive- Council Directive 79/409/EEC of 2nd April 1979 on the conservation of wild birds. The Directive obliges member states to take requisite measures to establish a general system of protection for all species of naturally occurring wild birds in the EU.

Some pristine peatlands are conserved as Special Protection Areas for birds, as well as some peatlands which are restored after peat extraction.

❖ Integrated Pollution Prevention and Control (IPPC) Directive — Council Directive 96/61/EC of 24th September 1996 and Directive 2008/1/EC of the European Parliament and of the Council of 15 January 2008 concerning integrated pollution prevention and control.

The IPPC Directive aims to achieve integrated prevention and control of pollution arising from specified activities. Although the peat industry does not belong to the group of industries mentioned in the Directive, national level legislation implementing the Directive may specify peat extraction.

❖ Water Framework Directive- Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy. The Water Framework Directive aims at maintaining and improving the aquatic environment in the Community for example by establishing River Basin District Management Plans.

National legislation in EU member countries translates the EU Directives into national conditions and emphasizes national level priorities. In addition, countries have their own national legislation and environmental policy guidelines for peat extraction.

Code of Practice for Compliance with Legislation

- Member companies shall adhere to the requirements stated in relevant EU Directives, and national legislation and policy guidelines regulating the member companies' activities.
- 2. Member companies shall carry out environmental impact assessments for new peatland development in accordance with regulations, and thoroughly address all the required aspects.
- 3. Member companies shall adhere to the conditions issued in site specific permits, licenses or other corresponding documents.
- 4. Member companies shall adhere to the highest professional standards when carrying out any assessments, reviews or planning procedures required by legislation or other regulations.

1.2 Selection of Production Sites

In some EU countries, strict national regulations limit in general peat production to certain areas. Furthermore, land use planning and various conservation programmes specifically prohibit peat extraction in a number of areas. Sites available for peat production are subject to national licensing and permission procedures before any site preparation for extraction may take place.

In other EU countries, whereas the use of peatlands for peat production is not limited by national policy, the permitting protocols, influenced in particular by EU-based legislation, effectively imposes a limit.

Code of Practice for Selection of Production Sites

- 1. Member companies shall agree to establish new production sites, where possible, on peatlands that are already ditched or in other ways affected by man.
- 2. Member companies shall support the conservation of peatland types recognised as biologically valuable by national legislation.
- 3. Member companies must not apply for licenses to open new production sites on peatlands belonging to the Natura 2000 Network at the time of application, if extraction would have a significant effect on the site's conservation objectives ³

1.3 Peat Production

The basic condition for peat extraction is the naturally accumulated peat deposit. Peat deposits can be found in very different ecosystems. Legislation together with companies' policies on site selection guides the allocation of peat production sites.

Member companies avoid, and if this is not possible, reduce any significant adverse impacts on human beings, fauna and flora, soil, water, air, climate, landscape, material assets and cultural heritage.

Code of Practice for Peat Production

- 1. In planning for site preparation and peat production, member companies shall seek to mitigate any potential adverse impacts to the environment and local people. Special emphasis is given to minimizing suspended solids runoff to water bodies, to the control of dust emissions, fire, and excess noise.
 - Member companies commit to minimising suspended solids movement to surface water systems, by adopting production practices which minimise the spillage of loose peat into drains, and by managing the peatland drainage system at the discharge points to external water bodies
 - Member companies commit to reducing dust emissions to air by adopting production practices that minimise dust generation in dust sensitive areas.
 - Member companies commit to reducing noise generation in noise sensitive areas and/or comply with the daily time limits for production activities according to site specific needs.

³ Some cutaway (i.e. post-peat extraction) peatland areas have been designated as Natura 2000 sites.

- 2. Member companies shall adopt appropriate handling and storage procedures to prevent spillage of fuel, oil, or other contaminants to ground.
- 3. Member companies shall control and reduce waste generation, and dispose of waste in an environmentally appropriate manner.
- 4. Member companies shall prevent wastage and uncontrolled emissions by applying storage methods that minimize self-heating in stockpiles.
- 5. Member companies shall apply precautionary measures according to site specific needs when operating close to peatland habitats recognized as biologically valuable by national legislation and/or EU Directives, to ensure that peat production does not alter or deteriorate the ecological values of these habitats.

1.4 Cooperation with stakeholders

The planning of new extraction sites is a transparent process taking into consideration local feedback.

Code of Practice for Cooperation with Stakeholders

- Member companies shall consult local communities and people when planning to open new peat production sites. The consultation procedures are well planned, transparent and documented. The views and recommendations received during the consultation are documented.
- 2. Member companies shall have procedures to receive and consider feedback from stakeholders on their operations.

1.5 After-use of Peatlands

Traditions for peatland use and ecological conditions vary between countries. Therefore different perspectives exist on the after-use of peat extraction sites. After-use may include rehabilitation of the peatland ecosystem, alteration of land use to forestry, agriculture, recreation or urban development or a combination of different land use forms.

National legislation, land owners, and environmental policy guidelines set the outlines for possible after-use regimes in many countries.

Code of Practice for Responsible After-use of Peatlands

1. Member companies shall address the preliminary framework for after-use at an early stage of the permit or licensing procedure.

- 2. Member companies shall take into account in planning of after-use the current scientific knowledge of peatland ecosystem functions, and stakeholder views on the future use of peatland.
- 3. Where peatland rehabilitation is the chosen after-use strategy, member companies shall aim for a high level of conservation of biodiversity and peatland ecosystem function.
- 4. Where member companies are the landowners, they shall take responsibility for the planning and implementation of after-use, while taking into account the views of local or national authorities and stakeholders.
- 5. Where member companies are not the landowners and do not have the responsibility and mandate to decide on the after-use, they shall provide landowners with advice on after-use possibilities and the most suitable form of land-use for cutaway areas.

1.6 Climate Change Mitigation

Member companies take into consideration greenhouse gas (GHG) emissions throughout the production chain and encourage research to gain better understanding on the impacts of peat extraction on climate change.

Code of Practice for Climate Change Mitigation

- 1. Member companies shall establish, where possible, production sites on areas that currently emit greenhouse gases.
- 2. Member companies develop technologies that are efficient in controlling and minimizing GHG emissions and use it when economically possible.
- 3. Member companies take into consideration the GHG implications of the chosen after-use
- 4. Member companies support research that increases our knowledge of greenhouse gas balances during the life cycle of managed peatlands and contributes to the mitigation of greenhouse gas emissions in peatland management.

1.7 Good Governance

Member companies aspire to be honest, transparent, and ethical in their operation of this Code, to adhere to the highest standards in their management practices, and to behave responsibly towards the health, safety and welfare of their employees and to the environment

Code of Practice for Good Governance

- 1. Member companies shall apply professional management procedures that cover all phases of peat extraction: planning, consultation, site selection and preparation, extraction, monitoring, and after-use. These include:
 - a. defined procedures for all activities within the production chain
 - b. defined and allocated responsibilities and resources
 - c. commitment to apply where economically and practically possible the best available techniques not entailing excessive costs (BATNEEC)
- 2. Member companies shall operate management systems that require regular and adequate risk assessments and apply effective measures to prevent any accidents that may harm nature, produce uncontrolled emissions, or cause risk to human health. Any accidents are documented, reported and reviewed.
- 3. Member companies shall ensure that their staff have adequate training and resources for high quality and safe work and are given the guidance to implement this Code of Practice in their work.

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