Illegal Logging Countermeasures by the Japan Paper Association

Kiyoshi Kamikawa

Managing Director, Japan Paper Association

The paper manufacturing industry is regulated by the "individual company's voluntary effort" as stated in the guidelines of the Forestry Agency, and individual companies may vary from one another in their approach to illegal logging countermeasures. However, the common trend is to <u>develop a raw material procurement policy and establish a legality verification system</u>. The Japan Paper Association (JPA) discussed and adopted the <u>JPA's Action Policy for Countermeasures against Illegal Logging</u>, at the board of directors meeting on March 20, 2006 and subsequently published it. The Action Policy was developed based on the understanding that it was very important to have a common philosophy throughout the industry to help each individual company develop its own material procurement policy and legality verification system, as our industry is regulated by "individual company's voluntary effort." Our member companies publish their undertakings on their websites, etc., and details of member companies that have developed and published their material procurement policies and legality verification systems can be viewed by visiting the <u>Go-ho (Legal) Wood NAVI</u> website operated by the Council for Tracking Illegal Logging Issue: <u>http://www.goho-wood.jp/kiqyou/jirei1-3.html</u>

Measures by Private Companies

As the paper manufacturing industry is regulated by the "individual company's voluntary effort," individual companies may vary from one another in their approach to illegal logging countermeasures. However, the following actions are generally taken:

1. Development of a Material Procurement Policy

Companies develop their material procurement policies ensuring that they will not deal in illegally harvested wood, and publish the policies on their websites, environmental reports, and other publications. In many cases, the policy includes diffusion of wood from certified forests, diffusion of timber from planted forests, utilization of previously unused wood and other clauses according to each company's material procurement situation.

2. Development of a Legality Verification System

Companies develop their legality verification systems ensuring that they do not deal in illegally harvested wood, and they publish the contents of such systems on their websites and environmental reports, etc. The following is an overview of a verification system.

A. Imported Wood

- The company asks each of its suppliers to submit a memorandum of understanding stating that it does not deal in illegally harvested wood.
- The company asks each of its suppliers to submit a traceability report indicating the site of logging, tree species, and forest management methods, etc.
- Suppliers monitor their logging sites round-the-clock and ensure that there is no illegal logging activity.
- 4) The paper manufacturer regularly inspects the logging sites and ensures that there is no illegal logging activity. The inspection may be delegated to an import company.

 An FM certificate and CoC certificate are acceptable for wood from previously certified forests.

B. Domestic Wood

- If a wood chip supplier is certified by the industry organization, a certificate of the legality of the wood is acceptable.
- If a wood chip supplier is not certified by the industry organization, its supplies of wood will be handled in the same manner as imported wood.

3. Separate Management

The paper manufacturer must use wood that is legally certified. Therefore, there should not be need for separating certified wood from un-certified wood.

4. Safe-keeping of Related Documentation

Companies keep related documentation safe for five years at the minimum and present them, as necessary, for audits, etc.

5. Audit

Companies annually receive third-party audits to check their undertakings against illegal logging, and publish such activities and results on their websites, environmental reports, etc.

Each of these companies has its own voluntary efforts and therefore, its measures may not be uniform throughout the industry. Please refer to their websites for further details.

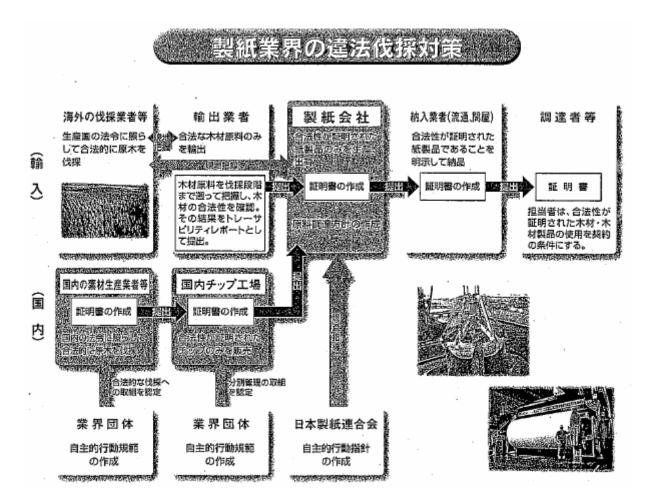


Figure 1. Paper Industry's Illegal Logging Countermeasures

JPA's Action Policy for Countermeasures against Illegal Logging

Forests fulfill an important role to supply wood, maintain ecosystems, and mitigate global warming. JPA recognizes that illegal logging hinders sustainable fulfillment of these functions of forests, and is deeply concerned that illegal logging lowers the image and competitive strength of the paper manufacturing industry. Therefore, JPA has stated nationally and internationally that it would, in cooperation with international forestry and paper manufacturing industry groups, promote countermeasures against harvesting and trading illegally logged wood.

In addition, the government has decided to introduce policy measures to strictly limit government procurement to wood and wood products that are legally verified. This policy is based on the principle of not using illegally logged wood, and is in accordance with the agreement reached at the G8 Summit meeting.

On this backdrop, JPA has decided to clearly express anew its philosophy and countermeasures against illegal logging as follows:

- JPA and its members strongly object to all illegal activities that obstruct sustainable forest management or potentially hinder the maintenance of the forests' ecosystems or otherwise damage the health of forests.
- 2. The JPA members ensure that their logging activities comply with the logging legislations of the country in question.
- The JPA members do not deal in illegally harvested or imported wood or wood products, and thus ensure the exclusion of illegally harvested wood or wood products from the market.
- 4. The JPA members develop their own procurement policies for wood materials (such as pulp and wood chips), and establish systems to verify the legality of the raw materials and end products.
- 5. JPA and its members will cooperate with the national government's countermeasures against illegal logging, and hope that illegal logging countermeasures will be promoted in all wood producing and consuming nations of the world.
- 6. JPA will cooperate with domestic and international forest-related groups in promoting countermeasures against illegal logging.