



**Asia-Pacific
Economic Cooperation**

**Advancing Free Trade
for Asia-Pacific Prosperity**

APEC Experts Group on Illegal Logging and Associated Trade (EGILAT)

Timber legality guidance template for Japan

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The purpose of this guidance template document is to provide APEC member economies with guidance on compiling the appropriate information for businesses and governments within the APEC region regarding timber legality laws and regulations in place in Japan. It follows from multiple discussions at EGILAT meetings in which it was recognised that it would be beneficial to compile the laws or regulations of APEC economies governing timber production and trade with a goal of supporting legal timber trade between APEC members.

Timber Legality Guidance Template

- Japan -

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Timber Legality Guidance Template

1. Current State of Forests and Forestry

Approximately two-thirds of Japan’s total land area (25 million hectares) is covered with forests. The Japanese archipelago, stretching over 3,000 kilometers long from north to south, encompasses a variety of forest biomes including boreal, temperate and subtropical forests.

Of the total forest area, natural forests and planted forests account for 53% and 41% respectively, while the remaining 5% are temporarily unstocked forests, bamboo forests as well as forests with scattered tree cover, including those in alpine regions and rocky terrain.

As for the forest ownership, state-owned forests owned by the government and other public forest owned by the local governments comprise 31% and 12% of the total forest areas respectively, while private forests account for the remaining 58%.

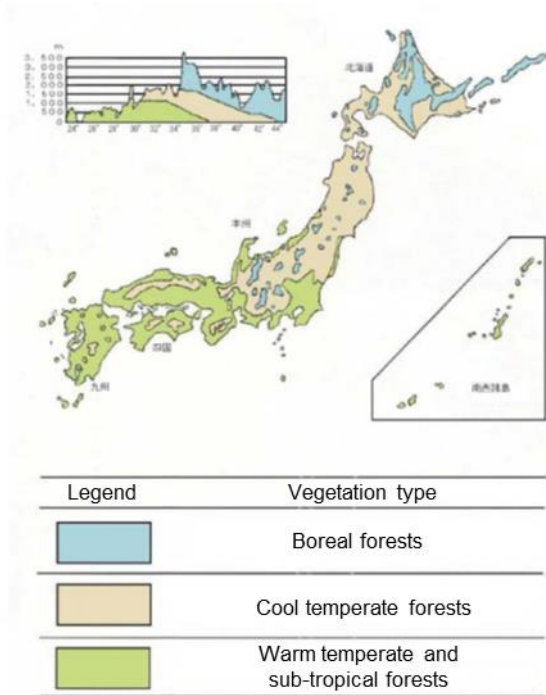


Figure 1: Land area

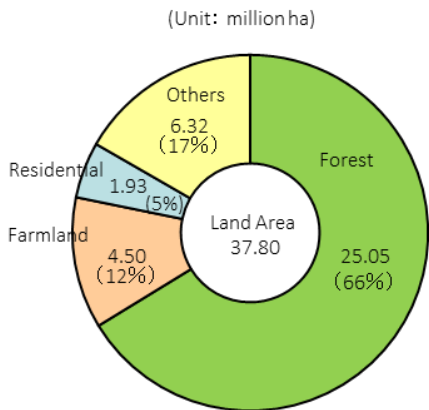
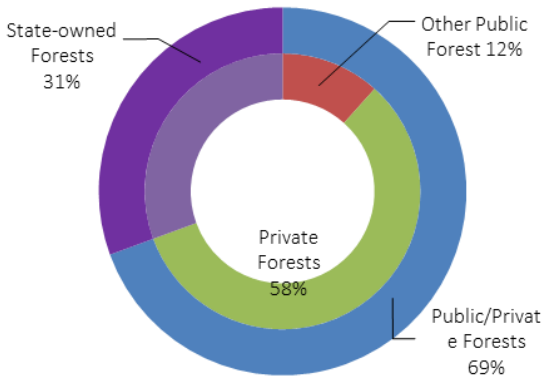


Figure 2: Forest land area



The local governments consist of 47 prefectures and 1,718 municipalities.

State-owned forests are managed by 7 Regional Forest Offices, functioning as local branches of the Forestry Agency, under which 98 District Forest Offices have primary responsibilities to manage state-owned forests within their own jurisdictions.

2. Outline of major legislation related to legality check

2-1. Forest and Forestry Basic Act

Forest and Forestry Basic Act prescribes the basic principles and basic matters for realization of policies on forest and forestry in Japan. The government of Japan establishes Forest and Forestry Basic Plan under the Act.

2-2. Forest Act

Forest Act prescribes Forest Planning System and Protection Forest System in order to promote the sustainable management and conservation of forests and enhance forest productivity. Rules and regulations concerning prior logging permission by and after-logging notification to local authorities, when applicable, are stipulated in those Systems.

2-2-1. Forest Planning System

Forest plans are to be formulated in order to promote forest management in a well-planned and appropriate manner with a long-term perspective. Under the principle that forest management practices are carried out based on forest owners' own motivation, forest plans are formulated by the state, prefectural and municipal governments. Those governmental bodies take necessary measures in order to fulfill their plans. Figure 3 illustrates this Forest Planning System.

Public and private forests are managed based on this System. As indicated in Figure 3, municipal governments develop respective Municipal Forest Management plans every 10 years. In order to ensure sustainable and conservation of forests in accordance with those Plans, measures such as "notification system of logging and after-harvest reforestation" and "Forest Management Planning System" are put in place.

a. Notification system of logging and after-harvest reforestation

Forest owners and/or forest practitioners are obliged to notify municipal governments of their logging and post-harvest reforestation plans in advance of their logging practices.

Municipal mayors may order to the notifiers to change or to observe their logging and after-harvest reforestation plans in case their planned operations do not meet the rules and guidelines set out in the Municipal Forest Management Plans. If forest owners and/or forest practitioners cut trees without submitting relevant notifications, municipal mayors may order to suspend logging and to undertake necessary reforestation.

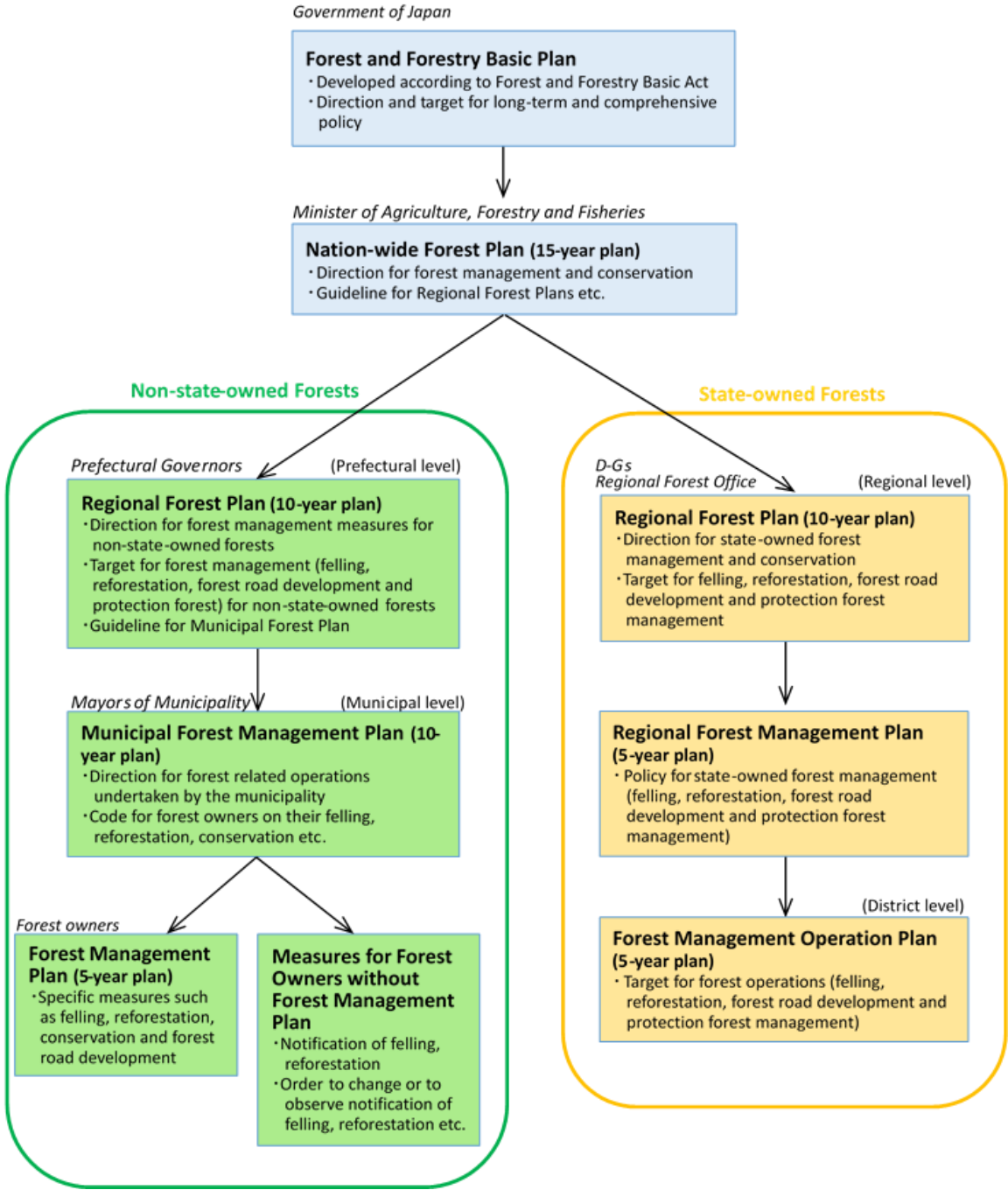
b. Forest Management Planning System

Forest Management Plans are forest management and conservation plans developed by forest owners or those who are entrusted to manage forests by forest owners. The plans include

forestry and conservation measures for entire forests that they plan to manage.

The plans can be approved by respective municipal mayors when they comply with and meet certain rules and guidelines of respective Municipal Forest Management Plans. When forests are managed under this Forest Management Planning System, forest owners are exempted from submitting prior notifications of logging to respective municipal mayors, while they are requested to submit their notification after logging.

Figure 3: Forest Planning System



2-2-2. Protection Forest System

Protection Forest System is established with the aim to secure public benefits provided by forests such as watershed conservation, erosion prevention and living environment conservation. Under this System, forests, which are essential for providing such public benefits, are designated as “protection forests” in accordance with the Forest Act. In order to secure proper conservation and management of protection forests, particular activities such as logging and site development are strictly regulated.

Major restricted activities in protection forests include control on logging and regulation of forest land development. When designating forests as “protection forests”, specific regulations, standards and codes of conduct such as ways and maximum harvest volume of logging, ways of planting after harvest including by when to be reforested and/or tree species to be planted are set in order to achieve objectives of concerned protection forests.

When forest owners and/or forest practitioners plan to cut trees in protection forests, they need to obtain permissions from the authorities. Such permissions are only issued when the planned activities are considered in conformity to the specified regulations, standards and codes of conduct.

2-2-3. National Forest Management Act

National Forest Management Act prescribes matters on proper and efficient management of the state-owned forests as well as acquisition, conservation, preservation and operation of the state-owned forests. According to the Act, the Director-Generals of the Regional Forest Offices shall establish respective 5-year Regional Forest Management Plans by forest planning zone, which describe forest management policies for both forests and non-forest lands.

Furthermore the Director-Generals of the Regional Forest Offices formulate respective Forest Management Operation Plans regarding specific areas and ways of logging and afforestation/reforestation to be carried out during the 5 year. Standing trees and logs harvested in the state-owned forests are properly treated in accordance with these Plans.

To make sales contracts for standing trees and logs, necessary procedures are to be carried out in accordance with relevant rules such as those under the Protection Forest System. The completion of such procedures needs to be explicitly stated in sales contracts, so that the legality of standing trees and logs harvested in state-owned forests will be checked by sales contracts.

3. The Act on Promotion of Use and Distribution of Legally-Harvested Wood and Wood Products

3-1. Outline of the Clean Wood Act

The Act on Promotion of Use and Distribution of Legally-Harvested Wood and Wood Products (“the Clean Wood Act”) came into force on 20 May 2017 aiming at promoting use and distribution of legally-harvested wood and wood products in accordance with laws and regulations of Japan or the jurisdiction where the wood was harvested.

3-2. What are Wood-related Business Entities?

Under the Clean Wood Act, Wood-related Business Entities are those who manufacture, process, import, export or sell (excluding sales to consumers) wood and wood products, those who construct buildings and other structures using wood, and those who generate electric power using wood biomass.

3-3. Definition of “Wood and Wood Products”

Timber and timber products

- Logs
- Sawn boards and square timber
- Veneer
- Plywood, laminated veneer lumber and laminated wood
- Wood pellets, woodchips and wood particles

Furniture, paper and other goods

- a. Chairs, desks/tables, shelves, storage furniture, low partitions, coat hangers, umbrella stands, bulletin boards, blackboards, whiteboards and bed frames that contain wood as their main component material
- b. Wood pulp
- c. Copier paper, forms, coated paper for inkjet color printers, uncoated printing paper, coated printing paper, tissue paper and toilet paper that use wood pulp
- d. Flooring that uses wood as its base materials
- e. Wood cement boards
- f. Siding boards that use wood
- g. Intermediate goods that are produced using wood or wood pulp during the process of manufacturing or processing the goods listed above and eventually made into such goods through subsequent manufacturing or processing processes

3-4. How to check the legality of wood and wood products

3-4-1. Wood-related Business Entities

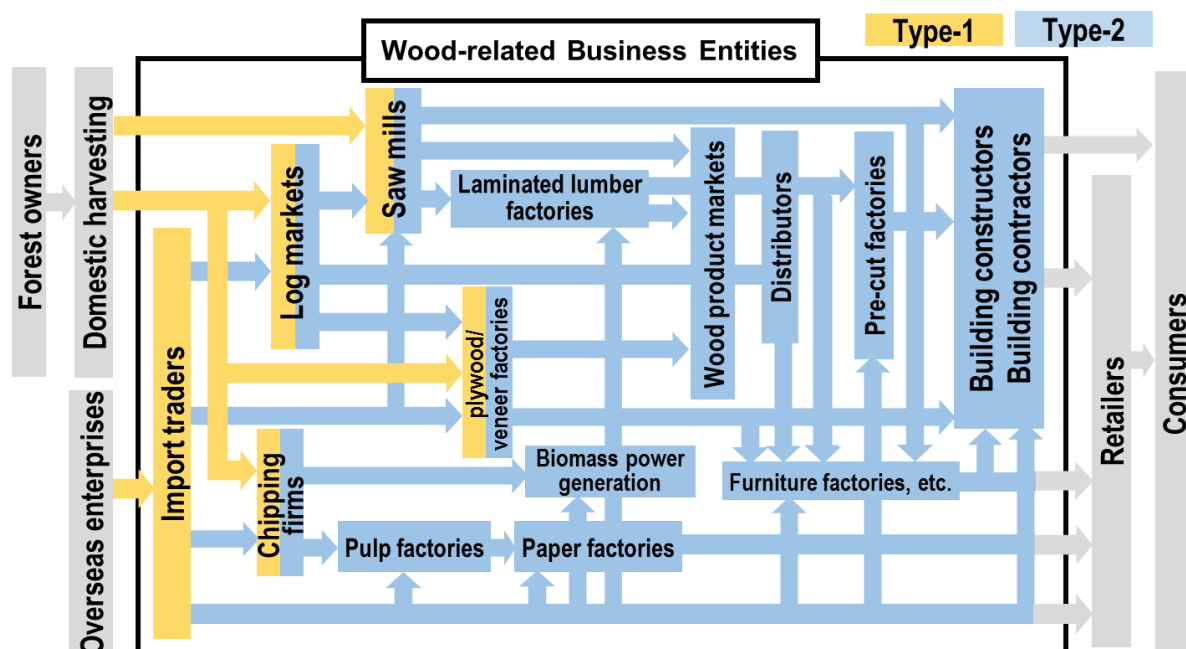
All Wood-related Business Entities shall check the legality of wood and wood products they handle in accordance with the Ministerial Ordinance Specifying the Standards of Judgement

for Wood-related Business Entities to Ensure Use of Legally-harvested Wood and Wood Products (Ordinance on Standards of Judgement).

Depending on the extent of responsibilities for their legality checks, Wood-related Business Entities are categorized into two types: Type 1 Wood-related Business Entities and Type 2 Wood-related Business Entities (Figure 4).

Type 1 Wood-related Business Entities are the first entities who supply wood and wood products in the Japanese market. Type 2 Wood-related Business Entities are any entities but the Type 1 Wood-related Business Entities. There may be some entities who are doing Type 1 Wood-related Business (e.g. handling wood harvested in Japan, importing wood from overseas) and at the same time Type 2 Wood-related Business (e.g. exporting wood overseas).

Figure 4: Type1 and Type2 Wood-related Business Entities



3-4-2. Type 1 Wood-related Business Entities

Type 1 Wood-related Business Entities shall check general information on wood and wood products that they handle, such as tree species, origin where the wood was harvested, volume and provider's name and address as well as documents concerning compliance with relevant laws and regulations of the jurisdiction where the wood was harvested. The documents used for the legality check of wood harvested in Japan can include notifications of felling submitted according to the Forest Act and certificates of forest certification systems. In case Type 1 Wood-related Business Entities cannot judge the legality at this stage, they shall take actions such as collecting additional information from their providers.

As results of such judgements, there could be both wood and wood products for which the

legality was confirmed and those not confirmed. The former shall be managed separately from the latter and be distributed in the market with documents stating that their legality has been confirmed.

3-4-3. Type 2 Wood-related Business Entities

Type 2 Wood-related Business Entities shall check the contents of documents provided by whom they purchase wood and wood products from. When they transfer wood and wood products to buyers, they shall provide documents which describe the status of their legality, by separately managing wood and wood products whose legality were confirmed from those not confirmed.

3-4-4. Registered Wood-related Business Entities

Wood-related Business Entities who appropriately implement the processes mentioned in (b) and (c) above may register as Registered Wood-related Business Entities at Registering Organizations designated by competent ministers. They are entities who have established appropriate operating systems to ensure use of legally-harvested wood and wood products by, for example, proclaiming use of legally-harvested wood and wood products in their codes of conduct and appointing supervisors. Documents confirming the legality issued by Registered Wood-related Business Entities should be highly reliable.

3-4-5. Timber Legality Scheme for Government Procurement

Forestry Agency of Japan set up the Guideline for Verification on Legality and Sustainability of Wood and Wood Products for government procurement in February 2006. According to the Guideline, companies have verified legality and sustainability of wood and wood products. These methods of verification can be utilized when checking the legality under the Clean Wood Act.

4. Further information

Clean Wood NAVI

(Wood Utilization Division, Forest Policy Planning Department, Forestry Agency)

URL: <http://www.rinya.maff.go.jp/j/riyou/goho/index.html>

5. Contact information

Wood Utilization Division

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