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Economic Cooperation

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Agenda Item: II.C

Japan's Efforts to Combat Illegal Logging and Promote Trade in Legal Forest Products

Purpose: Information
Submitted by: Japan

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KOREA

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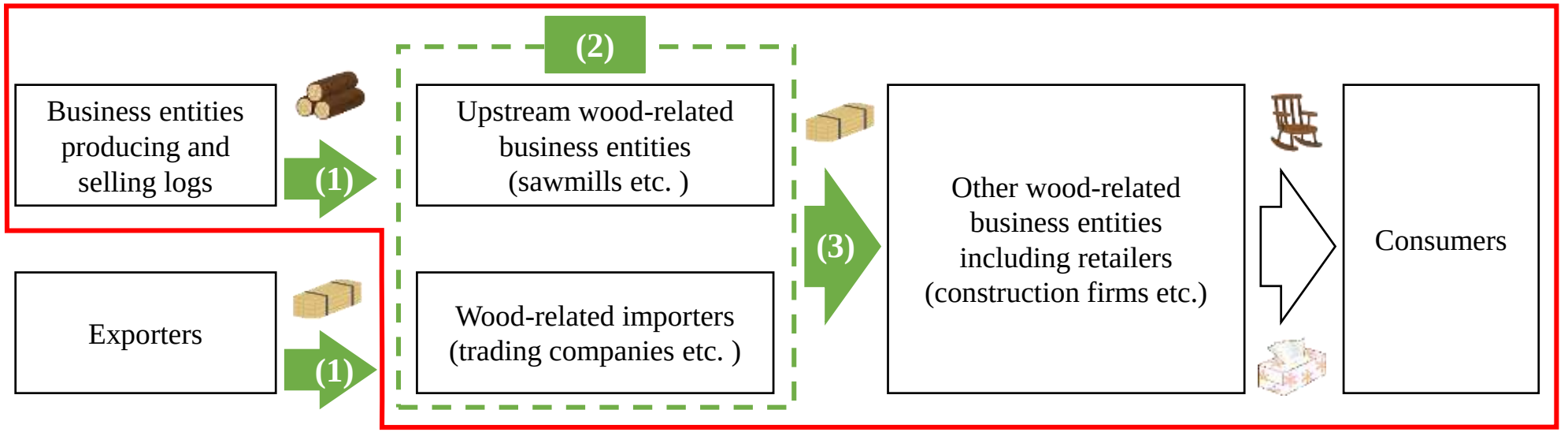
Japan's Efforts to Combat Illegal Logging and Promote Trade in Legal Forest Products

February 2025

Forestry Agency, MAFF, Japan

Amended Clean Wood Act

1. Background
   - Illegal logging of forests and distribution of wood produced by illegal logging may
     - ➢ Have adverse effects on multiple functions of forests
     - ➢ Harm fair transactions in the wood market
   - To further strengthen Japan's efforts, the Government of Japan amended the "Clean Wood Act"
2. Amended Clean Wood Act
   - Into force on 1st April 2025
   - Upstream wood-related business entities and wood-related importers are required to
     (1) Collect information on raw materials
     (2) Confirm legality
     (3) Communicate the result of legality confirmation etc.



* This diagram shows only part of the scheme of the amended clean wood act.

Obligations for Upstream wood-related business entities and wood-related importers

(1) Collection of information on raw materials

Information on raw materials consists of

- The name of the tree species
  - Acceptable✔: western hemlock, white spruce
  - Unacceptable✖: softwood, hardwood

- The area where the trees are logged: economy name (e.g. Canada, the U.S.)

- Certificate: certificate of legality of logging
  (e.g. cutting permit, export permit, forest certification etc.)

(2) Confirmation of legality

Conducted on the basis of

- Information on raw materials collected
- Relevant information such as transaction history, web information provided by the Government of Japan

(3) Communication to other wood-related business entities

The results of (1) and (2) are delivered to other wood-related business entities

Examples of documents that can be used as certificates

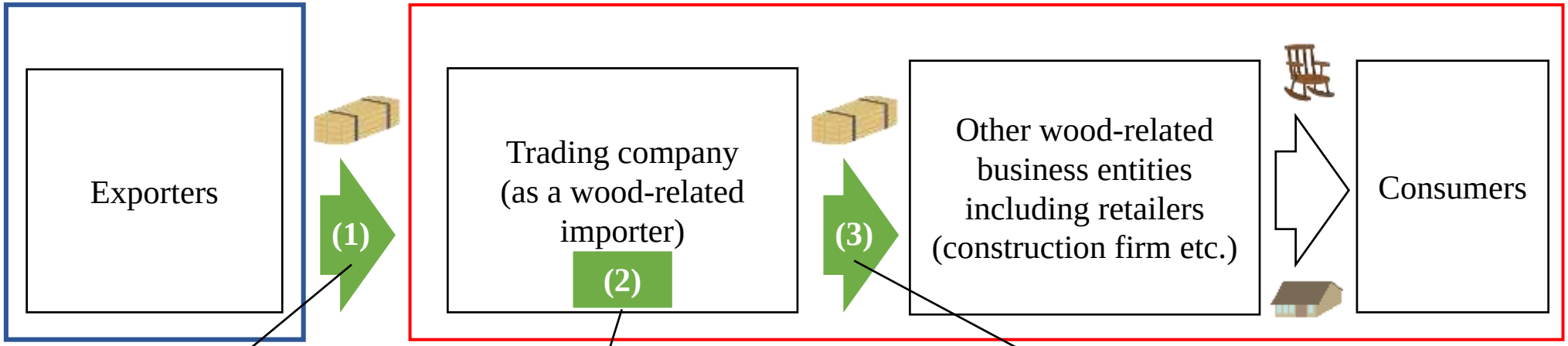
- Basically, only the following documents can be used as the certificates under the act
  - Permit issued by the governmental organisation and organisation equivalent to the governmental organisation
  - Notification made to these organisations

Examples of documents that can be used as certificates
• Export permit issued by the Government of Canada
▪ Forest licence/Cutting permit issued by the Government of British Columbia
• Certificate of Timber/Lumber Origin by the Government of Philippines
• Export Authority issued by the Government of Philippines
• V-legal issued by LVLK (Indonesia)
• Certificate of forest management or CoC (FSC, PEFC)

※ Documents only need to be copied in the relevant section
※ Information in this table is examples and others can be used as certificate of raw material information so long as it is conformed by the article

Obligations for Upstream wood-related business entities and wood-related importers

Example: A trading company imports lumber from an exporter established outside Japan.



(1) Collect

- White spruce
- Canada
- Forest certification

(2) Confirm

- legality-confirmed wood on the basis of
  - (1) and
  - historical transaction

(3) Communicate

- Collected all the information
- legality-confirmed wood

Dissemination and enlightenment of Clean Wood Act

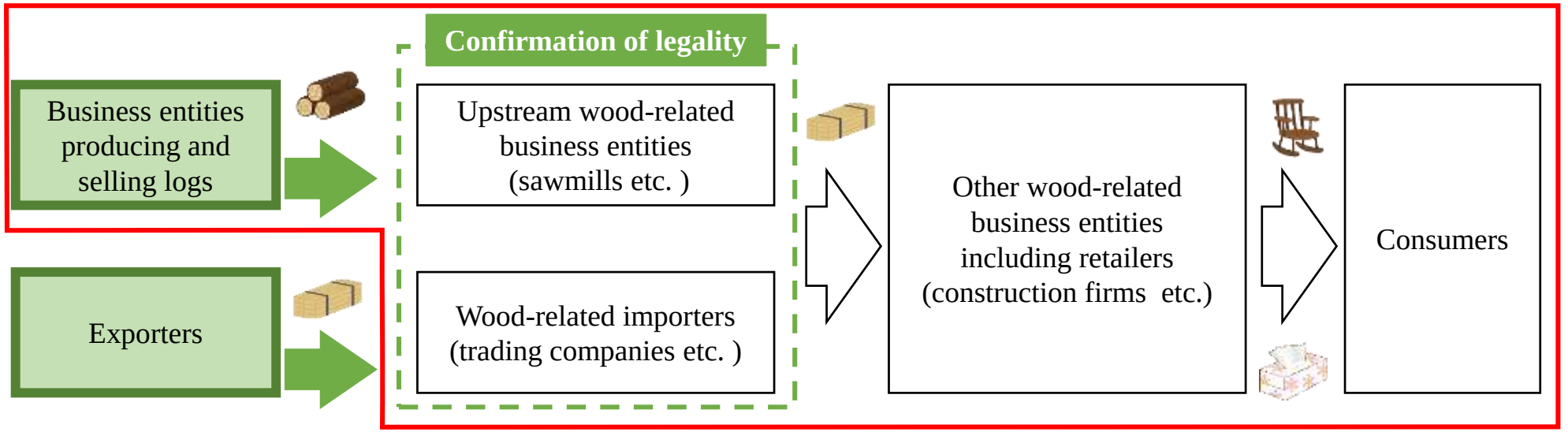
To promote the distribution and use of legally harvested wood and wood products, the Forestry Agency has set up an information site, "Clean Wood Navi".

- Clean Wood Navi provides an overview of the system and information on laws and regulations related to wood harvesting in major timber exporting economies.
- In addition to providing explanations of the system of the Act, methods of registering wood-related business entities, a list of registered business entities, guides and Q&A regarding methods of confirming legality.
- As economies' information, about 38 economies and regions (as of July 2024), the production and distribution status of timber, laws and procedures related to legally harvested timber, and examples of the documents that can be used to confirm legality are posted.

☐ Forestry Agency information site **"Clean Wood Navi"**
（https://www.rinya.maff.go.jp/j/riyou/goho/index.html）

- ✓ Some English pages are available.
- ✓ If your economy provides us with information, we would consider to post it on our website at the appropriate time.

Cooperation from APEC economies is much appreciated!



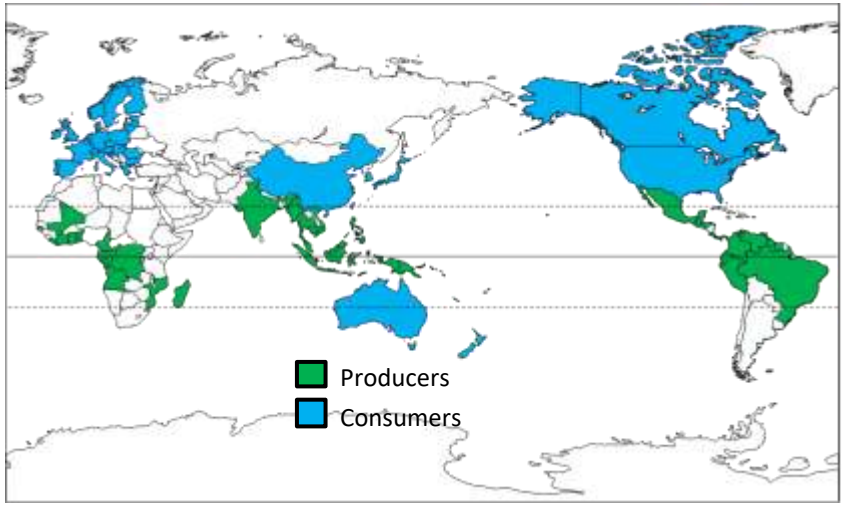
- The Act is one of Japan's effort to combat illegal logging
- Information on raw materials is essential to the efforts(due diligence) under the act
- Due diligence of wood legality contributes to
  - Eliminating illegal logging
  - Raising reputation of both exporting and importing economies

Forestry Agency would like APEC economies to cooperate in providing information on raw materials

Japan's Efforts to Combat Illegal Logging and Promote SFM

（1）Assistance to Tropical Timber Producing Areas through ITTO

- Japan continues to provide funding for **ITTO projects** aimed at improving **forest governance, ensuring wood legality** and promoting **SFM** in tropical areas for long years.
- In 2021, Japan started to support ITTO **Sustainable Wood Use (SWU) promotional activities**.



（2）Contribution to FAO

- Japan **provided funding to FAO** for the project of "Building global capacity on halting deforestation and conversions from agricultural commodities(2023-2025).
- The project includes the **development of a toolkit** for global members of policymakers, suppliers and producers **named "Solutions- tree"** which includes training modules to improve global knowledge & institutional and technical capacity of governments on effective measures to halt deforestation and decouple agricultural supply chains from deforestation.

ITTO projects : Sustainable Wood Use (SWU) Promotion

- Wood is **a renewable natural resource** that can be sustainably produced from properly managed forests. **Wood use contributes to the realization of "decarbonized society**" through its functions of ①carbon storage, ②consume relatively less energy during manufacturing process, and ③substitution of fossil fuels.
- Besides, **developing domestic wood market** helps alleviate negative impacts of uncertainties of the international markets and **build stable timber supply chains**.

➢ ***Conducted in Viet Nam, Thailand, Indonesia and Malaysia so far;***

These projects include the three main activities;

1. Improvement of Policy Frameworks to Promote Wood Use
2. Assist Wood Use Promotional Activities
3. Capacity Building of the Stakeholders

Support the Forest Cooperative in installing improved irrigation systems at their nursery for producing high-quality seedlings (ITTO Project in Vietnam)

Support the Teak Processing Community Enterprise in Northern Thailand in upgrading their capacity (ITTO Project in Thailand)

Exhibition Event for raising consumers' awareness about benefits of using wood products (ITTO Project in Indonesia)

ITTO's Policy Brief on Encouraging Greater Domestic Use of Legal and Sustainable Tropical Wood

Global Sustainable Wood Use

ITTO projects : Improve Traceability in the Forest Production Chain

From 2020 to 2024, Japan has supported the development of mechanisms to enhance timber supply chain traceability in **Guatemala** through ITTO, with a total contribution of $396,080.

Purpose

- ✓ Guatemala has approximately 40% of its land covered by forests, with most forest products consumed domestically as fuelwood or charcoal. However, deforestation poses a significant threat due to illegal logging and other factors.
- ✓ Especially, small-scale forest owners and timber-related businesses in the economy don't have sufficient incentives to comply with forest laws.

Outcomes

- ✓ Developed simple forest management plans for small-scale forest owners with an annual production of 50m³ or less.
- ✓ Conducted awareness-raising activities targeting small-scale wood processors and trader, encouraging their registration in the SEINEF (Electronic Information System for Forestry Companies).
- ✓ Provided training on production management to small-scale processing businesses, and organized B2B events and business matching meetings involving forest owners, sawmill operators, and furniture manufacturers to revitalize the timber business under legal frameworks.
- ✓ Strengthened timber distribution management and monitoring by developing a smartphone app (CUBIFOR) which allows to estimate timber volume through simple photography and measurement.
- ✓ Developed a standardized registry of operators exempted from forestry licenses, who mainly produced fuelwood for household consumption.

volume estimation app in use

Logs labeled with barcodes recording diameter and volume data

Legality certificate issued for purchased timber

Thank you!