

Summary

Japan has made considerable progress in its response to illegal logging and related trade since the previous assessment in 2013. The Clean Wood Act, which came into force in May 2017, is designed to promote the use and distribution of legally harvested wood and wood products in Japan. Under the Act, all business entities are required to endeavour to use legally harvested wood and wood products, not only in government procurement but also for private sector purchases. While the Act is a promising step, due diligence requirements do not explicitly explain the types of risks to be considered, and the Act does not provide clear guidance on how to assess them. Furthermore, while businesses face fines for false reporting and non-compliance with the due diligence requirements, there are no penalties for trading in illegal wood and wood products. A lack of collaboration between competent authorities and customs, and a lack of enforcement agents at the local level, may limit effective monitoring and enforcement.

Inter-ministerial liaison meetings are held annually to discuss the implementation status and challenges of the Act. The sub-committees and working groups of major political parties were proactive during the process of developing the Act. However, there has been no notable follow-up action on the issues of timber legality and trade by the members of National Diet since the enactment of the Act.

In terms of multi-stakeholder engagement, non-governmental organizations (NGOs) and industry representatives fed into government discussions, and their inputs informed the development of the Act. Since the Act came into force, multi-stakeholder forums at the national and regional levels have been held, involving government agencies, industry associations, researchers and an NGO to exchange information and views to promote the use of legally harvested wood and wood products.

The Basic Policy on Promoting Green Purchasing included wood and wood products in the scope of the Act in 2006, and the Guideline for Verification on Legality and Sustainability of Wood and Wood Products (the Guideline) was provided as the standard for wood and wood products in the same year. The policy was revised in 2016 to refer to the Clean Wood Act. The policy is mandatory for ministries and agencies, independent administrative institutions, special legal entities and other national institutions. However, there is no penalty for non-compliance. The Ministry of Environment (MOE) monitors the implementation of the Act on Promoting Green Procurement, and uptake has reportedly been high.

Key Forest Policies and Resources

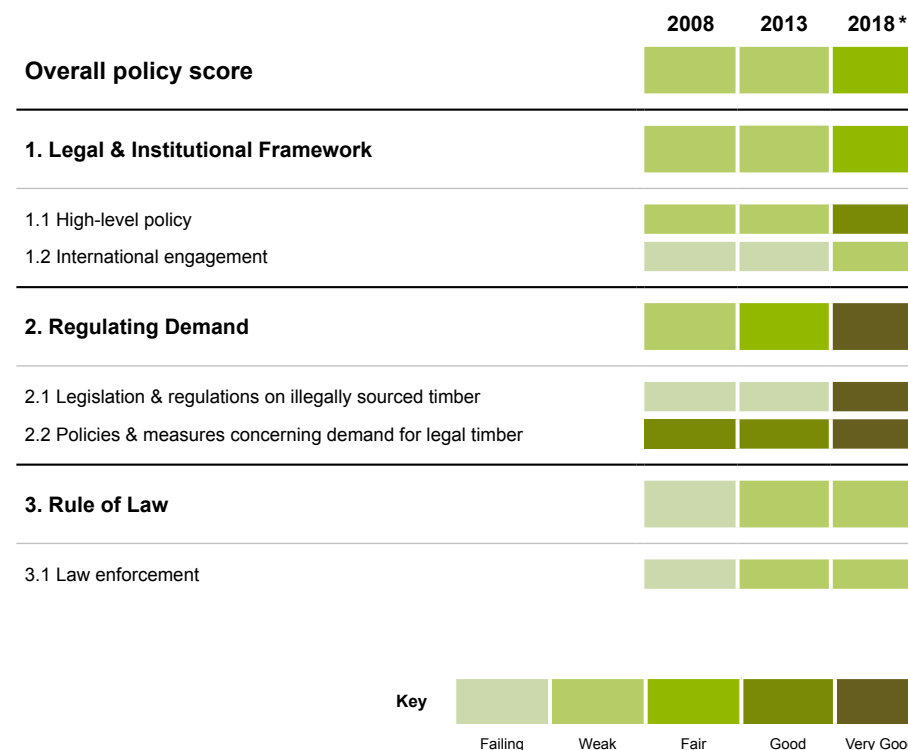
The Forest and Forestry Basic Plan 2016, <https://www.rinya.maff.go.jp/j/kikaku/plan/attach/pdf/index-2.pdf>.

Act on Promotion of Use and Distribution of Legally-harvested Wood and Wood Products (the Clean Wood Act) 2017, <https://www.rinya.maff.go.jp/j/riyou/goho/english/english-index.html#:~:text=The%20Act%20on%20Promotion%20of,the%20laws%20and%20regulations%20of>.

Basic Policy on Promoting Green Purchasing 2016, https://www.env.go.jp/en/laws/policy/green/2_2016feb.pdf.

Guideline for Verification on Legality and Sustainability of Wood and Wood Products (the Guideline) 2006, https://www.goho-wood.jp/world/guideline/doc/guideline_en.pdf.

Figure 1: Summary of the Japan's forest policy assessment



* A number of questions were added to the assessment in 2018 (noted in the list of questions below and marked with '-' for 2008 and 2013 where applicable). Consequently, the overall scores for 2018 are not directly comparable with those from the previous assessments.

About

Chatham House is monitoring forest governance to assess the effectiveness of government and private sector efforts to tackle illegal logging and trade. An assessment was undertaken of Japan's forest policy framework to evaluate the government's response to illegal logging and the related trade. A standard list of questions was used in the policy assessment, and answers were scored against three criteria: existence (scoring between 1 and 2, whereby 1 indicates partial coverage or a policy under development, and 2 indicates a policy is in place); design (scoring between 1 and 5, whereby 5 indicates very well designed); and implementation (scoring between 1 and 5, whereby 5 indicates consistent and comprehensive implementation).

Timeframe for the research

This assessment is based on the situation at the end of 2018, and the scores refer to this date. However, where there have been significant developments in 2019, these have been noted in the text. The research was undertaken in 2019 and finalized in December 2019.

Acknowledgements

The 2018 policy assessment for Japan was carried out by Taiji Fujisaki, Hiromitsu Samejima and Makino Yamanoshita (Institute for Global Environmental Strategies, IGES). Oversight was provided by Alison Hoare (Chatham House). The final assessment was edited by Alison Hoare, and the results were peer reviewed by independent experts. The editor is responsible for the final text and scores.

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Acronyms and Abbreviations

APEC	Asia-Pacific Economic Cooperation	METI	Ministry of Economy, Trade and Industry
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora	MLIT	Ministry of Land, Infrastructure, Transport and Tourism
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership	MOE	Ministry of Environment
EGILAT	APEC Expert Group on Illegal Logging and Associated Trade	MOF	Ministry of Finance
EPA	Economic Partnership Agreement	MOFA	Ministry of Foreign Affairs
IGES	Institute for Global Environmental Strategies	MoU	memorandum of understanding
ITTO	International Tropical Timber Organization	NGO	non-governmental organization
JAFTA	Japan Forest Technology Association	REDD+	reducing emissions from deforestation and forest degradation, plus the sustainable management of forests, and the conservation and enhancement of forest carbon stocks
JFWIA	Japan Federation of Wood Industry Associations		
JFY	Japanese fiscal year		
JICA	Japan International Cooperation Agency		
JLIRA	Japan Lumber Inspection & Research Association		
LDP	Liberal Democratic Party		
MAFF	Ministry of Agriculture, Forestry and Fisheries		

Table 1: Japan's Forest Policy Assessment

1. Legal and Institutional Framework

1.1 High-level policy	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
1.1.1 Does the country have high-level political and governmental mechanisms in place to tackle illegal logging?					
<i>a. Has a review been carried out which both assesses the impact of the country's market activities on the problem of illegal logging and related trade and also investigates the extent and sources of potential illegal imports?</i>	2008	0	not applicable (n/a)	n/a	Existence
	2013	1	3	1	Several reviews have been carried out regarding Japanese imports of wood and wood products, and timber legality and trade, with funding from the Forestry Agency of Japan's Ministry of Agriculture, Forestry and Fisheries (MAFF). ¹ However, the aim of the reviews was not directly to assess the impact of market activities. The reviews included the following: <ol style="list-style-type: none"> 1. A survey on the implementation status of the Act on Promotion of Use and Distribution of Legally-harvested Wood and Wood Products (the Clean Wood Act), commissioned by the Japan Federation of Wood Industry Associations (JFWIA) in Japanese fiscal year (JFY)² 2019. 2. Research into wood-producing countries commissioned by the Japan Forest Technology Association (JAFTA), the Institute for Global Environmental Strategies (IGES), the Japan Lumber Inspection & Research Association (JLIRA) and the International Tropical Timber Organization (ITTO) in JFY 2017, 2018 and 2019. 3. A study of Advanced Examples of Risk Mitigation Measures for Timber Legality and Trade, commissioned by IGES, JAFTA and JLIRA, in JFY 2019. 4. A project on the Response to Illegal Logging and Promotion of Legally Verified Woods, commissioned by JFWIA from JFY 2006 to JFY 2016, which included a number of reviews and studies.
	2018	2	3	3	
Design					
<ol style="list-style-type: none"> 1. The survey aims to understand the status of the implementation of the Clean Wood Act, enacted in May 2016, which is Japan's main policy instrument to combat illegal logging and trade.³ The survey consisted of a questionnaire and interviews with wood-related companies to understand their business and products, and to identify measures they take to ensure the legality of harvest and any associated challenges. It involved about 300 companies from across the supply chain, including importers and firms in the furniture and construction sectors. 2. The research aimed to support Japanese wood-related businesses by providing information on supplier countries, so that the businesses can check whether wood has been legally sourced. The research covered the production and distribution of wood and wood products, laws and regulations concerning harvesting, processing, trade, legality certification schemes and paperwork, and reported cases of illegal logging and trade. An expert committee including researchers, industry associations and an NGO, as well as the Forestry Agency as an observer, brought diverse and balanced perspectives to the country studies. As of JFY 2019, the government had published reports on 20 countries that are major suppliers of timber to Japan. 					

¹ See <https://www.rinya.maff.go.jp/rivou/goho/jouhou/sankou.html>.

² Japanese fiscal year (JFY): in Japan the government's financial year is from 1 April to 31 March of the next year.

³ See <https://www.rinya.maff.go.jp/rivou/goho/english/english-index.html#:~:text=The%20Act%20on%20Promotion%20of,the%20laws%20and%20regulations%20of>.

1.1 High-level policy	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
					<p>3. The study of Advanced Examples of Risk Mitigation Measures for Timber Legality and Trade aims to collect information on policies and national systems for combating illegal logging and trade. It aims to collect information on good practice in respect of risk mitigation measures in five countries (the UK, the Netherlands, Germany, Finland and Sweden) in the context of EU timber regulation. It covers both policy measures and due diligence systems implemented by operators in each country. The expert committee (noted in the previous paragraph) also oversees this research.</p> <p>4. The research project on the Response to Illegal Logging and Promotion of Legally Verified Woods investigated timber legality verification systems in China, Indonesia, Laos, Malaysia, Russia and Vietnam – all of which are major timber exporters to Japan – and the implementation of legal verification systems in Japan. The expert committee (noted above) also oversees this research.</p> <p>Implementation</p> <p>1. The survey on the implementation of the Clean Wood Act is currently being implemented.</p> <p>2. The research into wood-producing countries is complete. The government has made the survey findings available to the public through the Clean Wood Navi website.⁴ Public seminars were held each year to report on the findings. It should be noted that research into wood-producing countries has been conducted on an annual basis since JFY 2017, and that the number of producing countries to be studied has increased during this period.</p> <p>3. The study of Advanced Examples of Risk Mitigation Measures for Timber Legality and Trade was completed in March 2020 and covered five countries. It should be noted that the study has been carried out annually since JFY 2019, and that the number of importing countries to be studied has increased during this period.</p> <p>4. The project on the Response to Illegal Logging and Promotion of Legally Verified Woods is complete. The findings did not directly lead to the development of new policies or regulations. However, they did feed into the Guideline for Verification on Legality and Sustainability of Wood and Wood Products (the Guideline) under the Law Concerning the Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities (the Green Procurement Law, Law No. 100 of 2000). This Guideline sets out the rules for the system of legality verification in place prior to the Clean Wood Act.</p>
<i>b. Is a national action plan in place for preventing illegally sourced timber from being imported or sold?</i>	2008	0	n/a	n/a	Existence
	2013	0	n/a	n/a	In accordance with the Forest and Forestry Basic Act (revised in July 2001), the government revised its Forest and Forestry Basic Plan in May 2016. The Plan guides forestry policies for the next 20 years but can be reviewed and modified every five years.
	2018	2	2	5	Design The 2016 Forest and Forestry Basic Plan ⁵ addresses forestry industry, forest management and protection, the wood supply chain, rural development, forest ecosystems, and issues such as climate change mitigation and biodiversity conservation, rather than focusing on illegal logging and trade. Accordingly, it does not describe in detail activities for preventing illegally sourced timber from being imported or sold. Illegal logging and trade are mentioned in the section on international cooperation and contribution, with the following priorities listed for the government: 1) actively participate in international dialogues and promote international cooperation to prevent illegal logging and trade; 2) promote the use and distribution of legally harvested wood and wood products; and 3) carry out and improve information collection on illegal logging in producing countries.

⁴ See <http://www.rinya.maff.go.jp/riyou/goho/kunibetu/index.html>.

⁵ See <https://www.rinya.maff.go.jp/kikaku/plan/attach/pdf/index-2.pdf>.

1.1 High-level policy	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
					<p>Implementation</p> <p>Actions to combat illegal logging and trade have been implemented as follows:</p> <ol style="list-style-type: none"> 1. The government has participated in international dialogues, such as the Expert Group on Illegal Logging and Associated Trade (EGILAT) under the Asia-Pacific Economic Cooperation (APEC) grouping. In 2019, the government funded and supported the UN Food and Agriculture Organization (FAO) in developing a set of Guiding Legal Elements for forest management, timber production and trade, and in establishing an online FAO database (Timber-Lex) on forest-related legislation for timber-trading countries. The Japanese government has also contributed to multilateral and bilateral schemes to combat illegal logging and trade, including making a financial contribution to ITTO and providing technical support through the Japan International Cooperation Agency (JICA), for example, for a capacity-development project for operationalization of the Papua New Guinea Forest Resource Information Management System in 2014–19. Japan was the fourth-largest donor to the international forestry sector in 2016. 2. The Clean Wood Act, which was enacted in May 2016 and came into force in May 2017, is the main policy instrument for addressing illegal logging and trade in Japan. 3. The government has funded studies of the forest sectors of producer countries; as of JFY 2019, 20 countries have been studied (see 1.1.1 a).
<i>c. Does a formal process exist for high-level coordination of action on illegal logging across departments and sectors (e.g. a parliamentary committee or inter-ministerial taskforce)?</i>	2008	2	4	3	<p>Design</p> <ol style="list-style-type: none"> 1. An inter-ministerial liaison meeting was established in May 2018 between the three competent authorities for the Clean Wood Act, namely the Forestry Agency of MAFF, the Ministry of Economy, Trade and Industry (METI), and the Ministry of Land, Infrastructure, Transport and Tourism (MLIT). This is a high-level meeting, with each ministry or agency represented at the level of director general. However, the Ministry of Environment (MOE), which is the competent authority for public procurement policy, is not involved. The Clean Wood Act requires the competent authorities to consult in advance with MOE and heads of other relevant government agencies when establishing or revising basic policies of the Act. 2. Committees and working teams of members of the National Diet of Japan (Japan's bicameral legislature) used to meet to discuss policy measures to address illegal logging and trade. In May and June 2012, the Sub-Committee on Studying Forestry under the Liberal Democratic Party (LDP – the ruling party since 2012 in coalition with other parties) held six meetings to discuss potential policy measures on illegal logging. There was no follow-up by the Sub-Committee until 2015, although some members continued to engage with the issue. In 2015, a Working Team to Combat Illegal Logging was set up within the Sub-Committee. The working team held nine meetings between then and April 2016. Also, the Democratic Party of Japan (another major political party from 1998 to 2016) established a Working Team on Forest and Forestry Policies and held four meetings to discuss policies to address illegal logging and trade. However, after the enactment of the Clean Wood Act in 2016, the working teams and sub-committees have not been active on the issues of timber legality and trade, and their focus has shifted to other forest-related matters.
	2013	2	2	2	
	2018	2	4	3	

1.1 High-level policy	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
					<p>Implementation</p> <ol style="list-style-type: none"> The inter-ministerial liaison meeting is being held annually to share and discuss the implementation status of, and challenges associated with, the Clean Wood Act. The first meeting was held in May 2018, when the following issues were discussed: how wood-related business entities are implementing due diligence, and the challenges they face; actions to increase the number of registered business entities under the Clean Wood Act; and actions to promote the use and distribution of legally harvested wood and wood products in Japan. The minutes and documents are not publicly available. The sub-committees and working groups of major political parties were proactive in identifying and considering relevant issues, resulting in the development of a new policy to combat illegal logging and trade. The LDP's sub-committee meetings were attended by representatives of a range of ministries, including MAFF, MOE, the Ministry of Foreign Affairs (MOFA), METI, the Ministry of Finance (MOF) and MLIT. Industry groups representing the importer, paper, furniture and construction sectors, as well as NGOs, were invited to provide their views. There has been no notable follow-up action on the issues of timber legality and trade by the members of National Diet since the enactment of the Clean Wood Act in May 2016.
<i>d. Are formal consultation processes in place for multi-stakeholder involvement in developing policy and legislation to tackle illegal logging? These processes should ensure that viewpoints of stakeholders affected by legislation are taken into consideration.</i>	2008	2	3	3	<p>Existence</p> <p>During the development of the Clean Wood Act, NGOs and industry representatives fed into the discussions of the LDP sub-committee, and their inputs informed the shape of this policy (see also 1.1.1. c.)</p>
	2013	2	3	3	
	2018	2	4	3	<p>Following the entry into force of the Act in May 2017, multi-stakeholder forums at the national and regional level have been held since 2018 with funding from the Forestry Agency of MAFF, involving government agencies, industry associations, researchers and an NGO to exchange information and views to promote the use of legally harvested wood and wood products. The JFWIA acts as secretariat for the conference. The multi-stakeholder forums aim to promote the use and distribution of legally harvested wood and wood products, and to support effective implementation of the Clean Wood Act. Thus, the forums offers an opportunity for invited industry representatives and an NGO to express their concerns and make inputs to the government.</p> <p>Supplementary Provisions of the Clean Wood Act indicate that the government will review the status of enforcement of the Act and take necessary measures based on the results of this review, approximately five years after the Act came into effect. It is not yet clear what the review process will look like, who will participate or what influence it will have.</p>

1.1 High-level policy	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
					<p>Design</p> <p>The forums include a wide range of stakeholders at both national and regional levels. The first national forum was held in December 2018, and the second in August 2019. Participants at the first forum included timber import associations, forest union and industry associations dealing with different forest products (e.g. plywood, paper, wood chips, flooring, laminated timber and furniture), Registering Organizations of the Clean Wood Act, research organizations and an NGO, as well as the Forestry Agency as an observer. METI and MLIT also participated as observers in the second forum. In addition, local stakeholders have been involved through regional forums, with participants from local industry associations and the provincial government as an observer. The first regional forum was held in Miyazaki prefecture in December 2018. This was followed in March 2019 by a forum in Yamanashi prefecture.</p> <p>Implementation</p> <p>The national forum is held once or twice a year. JFWIA identifies stakeholders to be invited and sends invitations. Attendance is by invitation only and the event is not open to the public. Afterwards, the meetings, minutes and documents are included in reports made available on a website called Goho Wood Navi,⁶ which is managed by JFWIA. The main purposes of the forum are to exchange information and opinions about the use and distribution of legally harvested wood and wood products, and to develop effective measures for implementation of the Clean Wood Act. The forum is not intended for discussions on reviewing policies to combat illegal logging and trade.</p>
<i>e. Are formal processes/policies in place aimed at ensuring a balanced participation of men and women in the development and implementation of forest sector policies? (Question added in 2018)</i>	2008	–	–	–	<p>Existence</p> <ol style="list-style-type: none"> In 2014, MAFF developed a plan to enhance opportunities for women and improve work–life balance; this plan was revised in 2017. In accordance with the Basic Act for Gender Equal Society (1999), the government has formulated the Basic Plan for Gender Equality. The latest version of the Basic Plan, which was adopted in 2015, stipulates the participation of women in decision-making processes in the agriculture and forestry sectors. It focuses on regional, municipal and district levels. It has less of a national focus vis-à-vis the agriculture and forestry sectors. <p>Design</p> <ol style="list-style-type: none"> MAFF’s plan aims to correct the gender gap seen in the workplace and to establish equal opportunities and treatment for men and women within the ministry (e.g. to increase the proportion of female staff recruited at section chief and general manager levels), rather than to ensure balanced gender participation in the development and implementation of forest sector policies. The Basic Plan for Gender Equality established indicators and targets for the participation of women in decision-making in the agriculture and forestry sectors at regional, municipal and district levels. Targets for 2020 included the proportion of female heads of community associations; the proportion of local governments with established promotion plans in place; the proportion of female members of agricultural committees; and the proportion of female executive officers in agricultural cooperatives. <p>Implementation</p> <p>The Gender Equality Bureau Cabinet Office monitors the progress of the Basic Plan for Gender Equality, and makes information available to the public on its website.⁷ The figures suggest that the participation of women in decision-making in the agriculture and forestry sectors has been slightly increasing at regional, municipal and district levels.</p>
	2013	–	–	–	
	2018	2	2	2	

⁶ <https://www.goho-wood.jp/>.

⁷ http://www.gender.go.jp/english_contents/basic_data/indicators/index.html.

1.1 High-level policy	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
<i>f. Is illegal logging/trade considered in the country's climate change strategy (NDC or other climate change national policies – e.g. in relation to embedded deforestation in imports)?</i> (Question added in 2018)	2008	–	–	–	<p>Existence</p> <p>Japan's Global Warming Countermeasures Plan (2016)⁸ recognizes illegal logging as a cause of deforestation in developing countries, and as a reason to provide international support to REDD+ to contribute to emissions reduction overseas. Japan's Nationally Determined Contribution and long-term strategy for climate change (2019) do not mention illegal logging specifically; however, the latter emphasizes the importance of emissions reduction in the global supply chain, as well as the importance of ethical consumption.</p> <p>Implementation</p> <p>Japan has provided international cooperation and support to developing countries for sustainable forest management and REDD+. Some of Japan's official development assistance projects addressed illegal logging; one example was a project on the use of satellite images to combat illegal deforestation in the Brazilian Amazon.</p>
	2013	–	–	–	
	2018	1	1	1	

⁸ See <https://www.env.go.jp/en/headline/2238.html> and <https://www.env.go.jp/press/files/jp/102816.pdf>.

1.2 International engagement	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
1.2.1 What level of international cooperation is shown by the country?					
<i>a. Does the country have formalized trade or customs arrangements with major trading partners e.g. FLEGT VPAs or free-trade agreements (FTAs) which include specific provisions on illegal logging?</i>	2008	0	n/a	n/a	Existence
	2013	0	n/a	n/a	Japan has two formalized trade agreements that include provisions on illegal logging:
	2018	2	2	1	<ol style="list-style-type: none"> 1. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). 2. The EU–Japan Economic Partnership Agreement (EU–Japan EPA). <p>Japan also has two cooperation agreements:</p> <ol style="list-style-type: none"> 3. The Action Plan for Cooperation in Combating Illegal Logging Between Japan and Indonesia. 4. A memorandum of understanding (MoU) with the Chinese government. <p>Design</p> <ol style="list-style-type: none"> 1. CPTPP is a trade agreement between 11 countries: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. It came into force on 30 December 2018 after ratification by seven countries, including Japan. The CPTPP’s ‘environment chapter’ aims to promote sustainable development through mutually supportive trade and environment policies, and to achieve higher levels of environmental protection in CPTPP countries. The chapter includes provisions on the following areas related to illegal logging and associated trade: the exchange of information and experiences; the undertaking, as appropriate, of joint activities on conservation; and efforts to implement, as appropriate, CITES resolutions. 2. The EU and Japan signed an EPA on 17 July 2018; the agreement came into force on 1 February 2019. The EPA includes provisions promoting: trade in timber and timber products harvested in accordance with the laws and regulations of the country of harvest; efforts to combat illegal logging and related trade including, as appropriate, trade with third countries; and the exchange of information and sharing of experiences at bilateral and multilateral levels. 3. In 2003, the Japanese and Indonesian governments signed the Action Plan for Cooperation in Combating Illegal Logging. The action plan covers: the development of a tracking system for wood and wood products in Indonesia; participatory monitoring of the tracking system and illegal logging; and research on possible trade arrangements. However, the action plan is not legally binding. 4. In 2011, the Japanese government signed an MoU with the Chinese government to tackle illegal logging. The MoU aims to promote timber trade, information exchange and cooperation in combatting illegal logging and trade.

1.2 International engagement	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
					<p>Implementation</p> <ol style="list-style-type: none"> 1. The CPTPP is still at a very early stage. Following its entry into force in December 2018, the CPTPP Commission held two meetings in 2019 focusing on how to monitor and ensure the full and proper implementation of the agreement. 2. The EU–Japan EPA is still at a very early stage. Following the establishment and first meeting of the Japan–EU EPA Joint Committee in Tokyo on 10 April 2019, specialized committees and working groups were created. However, the issues of timber and trade have not yet been discussed. 3. Following the signing of the Action Plan, Japan’s Forestry Agency provided finance between 2005 and 2008 for the development of a timber tracking system in Indonesia – the system was subsequently used in the country’s timber legality assurance system, established in 2013. 4. There have been no significant actions implemented under this MoU.
<i>b. Does the country have a formalized system in place for sending and receiving enforcement alerts regarding illegal shipments in transit to destination countries?</i>	2008	0	n/a	n/a	There is no formalized system of alerts for illegal shipments, other than for CITES. The Office of Trade Licensing for Wild Animals and Plants of METI serves as the management authority for CITES.
	2013	0	n/a	n/a	Following a proposal from APEC EGILAT, the government has designated a law enforcement contact point. The role of the contact point is to direct enquiries on illegal logging and trade from other APEC countries, but the system’s effectiveness is yet to be established.
	2018	1	1	n/a	

2. Regulating Demand

2.1 Legislation & regulations on illegally sourced timber	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
2.1.1 Does the country have adequate legislation and regulations in place to prevent illegally sourced timber from being imported or sold?					
<i>a. Has the country analysed its existing legislation and regulations on preventing imports and sales of illegally sourced timber?</i>	2008	0	n/a		Existence Led by members of the National Diet of Japan, mainly through the LDP's Sub-Committee on Studying Forestry and its Working Team to Combat Illegal Logging, in collaboration with relevant ministries, existing legislation was reviewed in 2015. The review covered implementation of the Green Procurement Law and the Guideline. The review also covered the legal frameworks of other timber-importing countries, such as the EU Timber Regulation, the US Lacey Act and Australia's Illegal Logging Prohibition Act.
	2013	0	n/a		
	2018	3	3		Design The review processes included a range of state and non-state actors. In 2015, the LDP's Sub-Committee held six meetings to discuss policy measures to combat illegal logging and trade; the meetings were attended by a range of ministries including MAFF, MOE, MOFA, METI, MOF and MLIT. Relevant industry groups representing the importer, paper, furniture and construction sectors, as well as NGOs, were invited to provide their views. Also in 2015, the Working Team on Forest and Forestry Policies under the Democratic Party of Japan held four meetings, inviting the Forestry Agency of MAFF, relevant industry groups and NGOs. The content and outputs of these meetings could not be found online. It is, therefore, not possible to comment on their methods or their depth or quality of analysis. On 3 July 2015, the LDP's Sub-Committee produced an interim summary report on further strengthening policy measures against illegal logging and formed the Working Team to Combat Illegal Logging. The Working Team held nine meetings and developed new legislation in communication with the Legislative Bureau of the House of Representatives, with the collaboration of relevant ministries such as the Forestry Agency of MAFF. Consequently, the Clean Wood Act was enacted in May 2016.
<i>b. Has additional legislation been enacted and regulations put in place to prevent illegally sourced timber from being imported or sold?</i>	2008	0	n/a	n/a	Existence The Clean Wood Act came into force on 20 May 2017.
	2013	0	n/a	n/a	Design
	2018	2	3	2	The Act is not intended to crack down on the distribution of illegally harvested wood. Rather, it is designed to promote the use and distribution of legally harvested wood and wood products. There is no penalty for trading in illegal wood and wood products. Under the Act, all business entities are required to endeavour to use legally harvested wood and wood products, not only in government procurement but also for private sector purchases. All wood-related business entities (as specified by the government) are required to carry out checks to ensure that wood has been legally sourced, regardless of whether the businesses are registered under the Act or not. However, the Act allows that even if the legality of products cannot be confirmed, businesses can transfer products as 'unconfirmed' products through the segregated management system (under which businesses separate 'confirmed' and 'unconfirmed' products). When unconfirmed products are mixed with confirmed products, the products should be treated as unconfirmed products.

2.1 Legislation & regulations on illegally sourced timber	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
					<p>In order to implement the Clean Wood Act, the government issued the following measures:</p> <ol style="list-style-type: none"> 1. Ministerial Ordinance No. 1 for Enforcement of the Act on Promotion of Use and Distribution of Legally-harvested Wood and Wood Products, on 1 May 2017. 2. Ministerial Ordinance No. 2 Specifying the Standards of Judgment for the Wood-related Business Entities to Ensure the Use of Legally-harvested Wood and Wood Products, on 23 May 2017; the ordinance describes procedures for due diligence but does not provide relevant risk assessment criteria. 3. Basic Policies for Promoting the Use and Distribution of Legally-harvested Wood and Wood Products, on 23 May 2017. 4. The Guide to the Act on Promotion of Use and Distribution of Legally-Harvested Wood and Wood Products, on 15 September 2017. <p>The Forestry Agency of MAFF has also created the Clean Wood Navi website to support wood-related businesses by providing information on laws and regulations applying to production and trade of timber in key exporting countries (see 1.1.1. a).</p> <p>The Clean Wood Act adopts a voluntary registration system for wood-related businesses. The Act places businesses into two categories: Type 1 businesses, which first receive or buy wood and wood products in Japan (i.e. importers); and Type 2 businesses, which process, sell or export wood and wood products obtained from Type 1 or from other Type 2 businesses, construct buildings using wood, or supply electricity derived from woody biomass. Type 1 businesses are legally required to provide Type 2 businesses with documents mentioning and/or demonstrating that they have checked the relevant information to confirm product legality, and that the legality has been confirmed in the case of confirmed products. For unconfirmed products, Type 1 businesses are requested to inform Type 2 businesses that legality has not been confirmed. Type 2 businesses are required to check the contents of documents provided.</p> <p>Registration of businesses is conducted by third party-organizations known as Registering Organizations, which are designated by the competent authorities on application. These organizations are also entrusted with monitoring the registered businesses. To register, businesses must submit information on their business type, product types, expected annual amount (volume, area, weight or quantity) of product usage, measures to be taken to ensure the use of legally harvested wood and wood products, and the segregated management system. Type 1 businesses must also submit information on tree species used and countries or regions of harvest.</p> <p>Implementation</p> <p>As of 12 September 2018, 134 businesses were registered under the Clean Wood Act, of which 65 were Type 1. As of 31 August 2019, 363 business entities were registered, of which 159 were Type 1. Six Registering Organizations have been designated.</p>

2.1 Legislation & regulations on illegally sourced timber	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
<p><i>c. If legislation is in place to prevent the import of illegal timber, how broad is the product scope of this legislation?</i> (Question added in 2018)</p>	2008		–		<p>A broad range of timber products are covered. The Guide to the Clean Wood Act provides a list of products, which includes the following categories: logs; sawn boards and square timber; veneer; plywood, laminated veneer lumber and laminated wood; and wood pellets, woodchips and wood particles, as well as furniture and paper manufactured by processing wood or using wood as the major raw material. The latter category includes: chairs, desks/tables, shelves, storage furniture, low partitions, coat hangers, umbrella stands, bulletin boards, blackboards, whiteboards, bed frames that contain wood as their main component material; wood pulp; copier paper, forms, coated paper for inkjet colour printers, uncoated printing paper, coated printing paper, tissue paper and toilet paper that use wood pulp; flooring that uses wood as its base materials; wood cement boards; siding boards that use wood; and intermediate goods that are produced using wood or wood pulp during the process of manufacturing or processing. The Act excludes wood collected or disposed of after being used once or unused, and wood made of these excluded woods.</p> <p>The scope of the wood and wood products covered by the Act will be reviewed based on the implementation status of enforcement of the Act.</p>
	2013		n/a		
	2018		5		
<p><i>d. If legislation is in place to prevent the import of illegal timber, does it apply only to importers or to all those along the supply chain?</i> (Question added in 2018)</p>	2008		–		<p>All business entities are required to endeavour to procure legally harvested wood and wood products (Art. 5). The requirement to check legality applies to businesses across the supply chain, including importers, traders and retailers (but only where they also act as importers (Type 1) or traders (Type 2)). Consumers are exempt.</p> <p>The Act applies to all business entities that manufacture, process, import, export or sell (excluding sales to customers) wood and wood products; those that construct buildings and other structures using wood; and those that use woody biomass for power generation projects, regardless of whether they are registered under the Act or not. Businesses are expected to take measures to ensure the use of legally harvested wood and wood products in accordance with the laws and regulations of Japan and/or the countries of origin (Art. 6), following procedures determined by Ministerial Ordinance No. 2. It should be noted that only voluntarily registered business entities are required to submit annual reports to Registering Organizations.</p>
	2013		n/a		
	2018		5		
<p><i>e. If legislation is in place to prevent the import of illegal timber, does it include a requirement for businesses to implement due diligence?</i> (Question added in 2018)</p>	2008		–		<p>The Clean Wood Act includes a due diligence requirement for all business entities that first receive or buy wood and wood products in Japan. However, the requirement is not very rigorous: it does not explicitly explain the types of risks to be considered, and the Act does not provide clear guidance on how to assess them.</p> <p>Ministerial Ordinance No. 2 outlines a three-step due diligence process:</p> <ol style="list-style-type: none"> 1. Gather information on product types, tree species, countries or regions of harvest and suppliers, as well as documents proving that logs or trees used were harvested in compliance with the laws and regulations of Japan and/or the countries of origin; 2. Check the legality of wood and wood products by reviewing the above information, referring to the guidance provided by the government (as posted on the Clean Wood Navi website) and considering the performance of suppliers and other relevant information; and 3. Take additional measures (e.g. seek further information from suppliers and conduct supply chain mapping) as necessary to confirm the legality of wood and wood products. <p>Businesses are still allowed to supply wood and wood products even if legality cannot be confirmed, provided that they have a segregated management system for confirmed timber and unconfirmed timber.</p>
	2013		n/a		
	2018		3		

2.1 Legislation & regulations on illegally sourced timber	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
<p><i>f. Is implementation of the policy systematically monitored and assessed?</i> (Question added in 2018)</p>	2008		–		<p>Both registered Type 1 and Type 2 business entities are required to report to Registering Organizations on the use of legally harvested wood products, including the types of products, the volume of confirmed and unconfirmed products, the implementation status of segregated management etc. This must be done at least once a year. In addition, reports from registered Type 1 business entities cover name of species, country of harvest and implementation of due diligence (with examples of documents collected to demonstrate the legality of the products).</p>
	2013		n/a		<p>Under the Clean Wood Act, Registering Organizations are required to systematically monitor registered businesses, and they have the power to cancel their registration. Ministerial Ordinance No. 1 (Art. 15) requires registered businesses to report at least once a year to Registering Organizations on the implementation status of measures to ensure the use of legally harvested wood and wood products (see 2.1.1. b).</p>
	2018		5		<p>The competent authority of the Act – primarily the Forestry Agency of MAFF – may require Registering Organizations to submit annually a summary of the information they have received from registered businesses. However, it is not clearly specified whether this is mandatory.</p> <p>The competent authorities can require wood-related business entities to report on the implementation status of measures to ensure the use of legally harvested wood and wood products, and to carry out on-site inspections, regardless of whether the business entities are registered under the Clean Wood Act (Art. 33). It is unclear, however, whether this power has been executed in practice.</p> <p>The Clean Wood Act includes supplementary provisions which suggest that the government will review the status of enforcement of the Act and take necessary measures, based on the review results, approximately five years after the Act comes into effect.</p>

2.2 Policies & measures concerning demand for legal timber	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
2.2.1 Is there a public procurement policy in place excluding illegal (and/or unsustainable) timber products from government purchasing?	2008	2		2	<p>The Act on Promotion of Procurement of Eco-friendly Goods and Services by the State and Other Entities (Act on Promoting Green Procurement) (Act No. 100 of 2000) was promulgated in 2000 and came into force in 2001. In 2006, wood and wood products were included in the scope of the Act. In the same year, the Forestry Agency of MAFF established the Guideline to support businesses in supplying legally harvested wood as a standard for the Act on Promoting Green Procurement. The verification system for accredited suppliers following the Guideline is called the 'Goho system'. Wood and wood products verified under the Goho system are called Goho Wood ('legal timber' in Japanese).</p> <p>Following the enactment of the Clean Wood Act in 2016, the Basic Policy on Promoting Green Purchasing was revised to refer to the Clean Wood Act as well as a standard of legality for wood and wood products.</p> <p>The Act for Promotion of the Use of Wood in Public Buildings⁹ was introduced in 2010. The Act promotes the use of legally verified timber with reference to the Guideline, and was revised in 2017 to refer to the Clean Wood Act. As well as the Goho Wood system, the Guideline accepts self-verification of legality by wood businesses which are accredited by industry associations.</p>
	2013	2		2	
	2018	2		3	
<i>a. What level of adherence does the policy require?</i>	2008		5		<p>The Act on Promoting Green Procurement is mandatory for ministries and agencies, independent administrative institutions, special legal entities and other national institutions. However, there is no penalty for non-compliance. Also, targets for the proportion of procured products that should consist of legal timber (under the Goho Wood system or via self-verification) are set separately, at the discretion of different agencies.</p>
	2013		5		
	2018		5		
<i>b. Does the policy cover all timber products, including paper?</i>	2008		5		<p>The Basic Policy on Promoting Green Purchasing covers paper, wooden furniture, wooden beds, small round logs, sawn timber, wooden flooring and wood cement boards.</p>
	2013		5		
	2018		5		
<i>c. Does the policy rest on independent certification or verification schemes (or equivalent) for identifying legal products?</i>	2008		1		<p>Forest certification is recognized in the Guideline as one of three modalities for checking the legality of wood and wood products. The Guideline also accepts self-verification of legality by wood businesses which are accredited by industry associations. Forest certification is also recognized as a measure to confirm legality under the Clean Wood Act.</p>
	2013		1		
	2018		3		
<i>d. Is assistance offered to government purchasers (advice, guidance, training, etc.)?</i>	2008		1		<p>MOE provides manuals and documentary materials to support implementation, through the website Act on Promoting Green Procurement.net.¹⁰</p> <p>The JFWIA also provides information through its Goho Wood Navi website (including lists of suppliers of Goho Wood) and seminars. MAFF also provides information through its Clean Wood Navi website and seminars.</p>
	2013		3		
	2018		5		

⁹ See <https://www.rinya.maff.go.jp/riyou/koukyou/>.

¹⁰ See <https://www.env.go.jp/policy/hozen/green/g-law/shiryou.html>.

2.2 Policies & measures concerning demand for legal timber	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
<i>e. Is implementation of the policy systematically monitored and assessed?</i>	2008		5		MOE has monitored implementation of the Act on Promoting Green Procurement annually since 2001. According to the 2017 report, 100 per cent of sawn timber and concrete forming panels purchased by the government met the standard set out in the Guideline. The figures for other products were: paper – 93.6–99.0 per cent, except tissue paper (76.2 per cent); chairs, tables and shelves – 98.7–99.2 per cent (including non-wooden products).
	2013		5		
	2018		5		
<i>f. Does the procurement policy apply to subnational (provincial, regional, local) government?</i>	2008		3		Under the Act on Promoting Green Procurement, sub-national governments (prefectures, cities, wards, towns and villages) are requested to make efforts to apply the Act, but this is not mandatory.
	2013		3		According to the 2018 monitoring report:
	2018		3		<ul style="list-style-type: none"> 100 per cent of prefectures, 80.4 per cent of cities and wards, and 43.1 per cent of towns and villages procured paper in line with the standard. 100 per cent of prefectures, 44.8 per cent of cities and wards, and 15.3 per cent of town and villages procured furniture (including non-wooden furniture) in line with the standard.

3. Rule of Law

3.1 Law enforcement	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
3.1.1 Do government institutions and agencies have sufficient capacity and resources to monitor trade in timber products and detect and suppress any related crime?					
<p><i>a. Are the relevant law enforcement staff sufficiently resourced for monitoring and enforcement? (Relevant resources include budgets; numbers of staff; communications; equipment; salaries; as well as training in understanding of regulatory framework and knowledge of techniques for monitoring and enforcement.)</i></p> <p><i>i.e. competent authorities for legislation to prevent illegally sourced timber from being imported.</i></p> <p><i>(Question added in 2018)</i></p>	2008		–	–	<p>Design</p> <p>The Clean Wood Act involves three ministries: MAFF, METI and MLIT. The Forestry Agency of MAFF, as the leading competent authority, has set up a new team of three to five staff members under the Wood Utilization Division. METI has appointed one staff member and MLIT has appointed two.</p> <p>The Forestry Agency has the following responsibilities under the Act: 1) gather and provide information; 2) disseminate the registering system; and 3) enhance understanding of business entities and citizens. The total budget allocated for these activities in JFY 2018 was ¥126,568,000 (£948,839).¹¹</p> <p>There is no formal collaboration between the competent authorities and customs, which may limit effective monitoring and enforcement of the Act in relation to imports.</p> <p>Implementation</p> <p>There are no enforcement agents at the local level, for example at the points of import.</p>
	2013		–	–	
	2018		3	2	
<i>b. Are the following officials who are involved in forest sector enforcement trained and kept up to date on relevant forest sector issues? (Question added in 2018)</i>					
<p><i>i. Customs officials</i></p>	2008	0			<p>The Office of Trade Licensing for Wild Animals and Plants within METI has provided customs officials with training every year regarding CITES updates and enforcement, including how to check imports of wood products using CITES timber species.</p>
	2013	1			
	2018	1			
<p><i>ii. Judges and prosecutors</i></p>	2008	–			<p>No training has been provided.</p>
	2013	–			
	2018	0			

¹¹ Using an exchange rate of 1 JPY = 0.00749667 GBP. Converted at xe.com on 24 June 2020.

3.1 Law enforcement	Year	Does policy exist? (1-2)	Quality of design (1-5)	Level of implementation (1-5)	Justification / additional qualitative explanation
3.1.2 Are the penalties/sanctions for non-compliance with legislation to prevent illegally sourced timber from being imported (if in place) proportionate & dissuasive? <i>(Question added in 2018)</i>	2008		–	–	<p>Design</p> <p>While there are no monetary penalties for the use and distribution of wood and wood products of unknown source, the Act applies penalties with fines up to ¥300,000 (£2,249.)¹² for false claims or reports by business entities, as follows: 1) non-registered businesses that claim to be registered; 2) business entities that fail to report on request from the competent ministries, or make a false report, on how they are ensuring the use of legally harvested wood and wood products. Penalties are also applied to businesses that refuse, interfere with, or evade an inspection by the competent ministries.</p> <p>If a registered business is found to be unable to take appropriate and reliable measures to ensure the use of legally harvested wood and wood products, their registration can be refused or revoked by Registering Organizations, which may lead to significant reputational damage.</p> <p>Implementation</p> <p>Monitoring of registered business entities started in JFY 2019. Consequently, it is too early to assess its implementation.</p>
	2013		–	–	
	2018		2	n/a	

¹² Using an exchange rate of 1 JPY = 0.00749667 GBP. Converted at xe.com on 24 June 2020