

For Exporters of wood and wood products to Japan

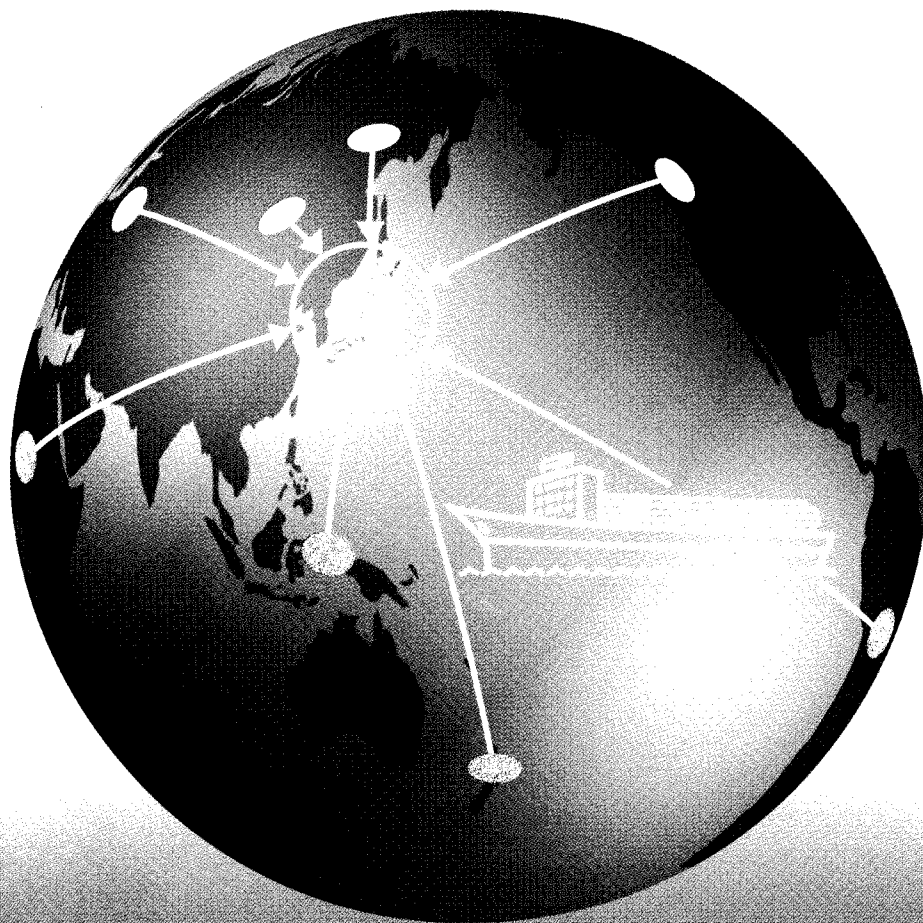
敬告向日本出口木材及木材产品的同行们

Kepada Yth. Bapak-Ibu
pengekspor kayu dan produk kayu ke Jepang

Уважаемые поставщики, экспортирующие
лесоматериалы и лесопродукцию в Японию!

POR LOS EXPORTADORES DE MADERAS
Y/O PRODUCTOS MADEREROS A JAPÓN

日本に木材・木材製品を輸出される方々へ



Council for Tackling Illegal Logging Issue

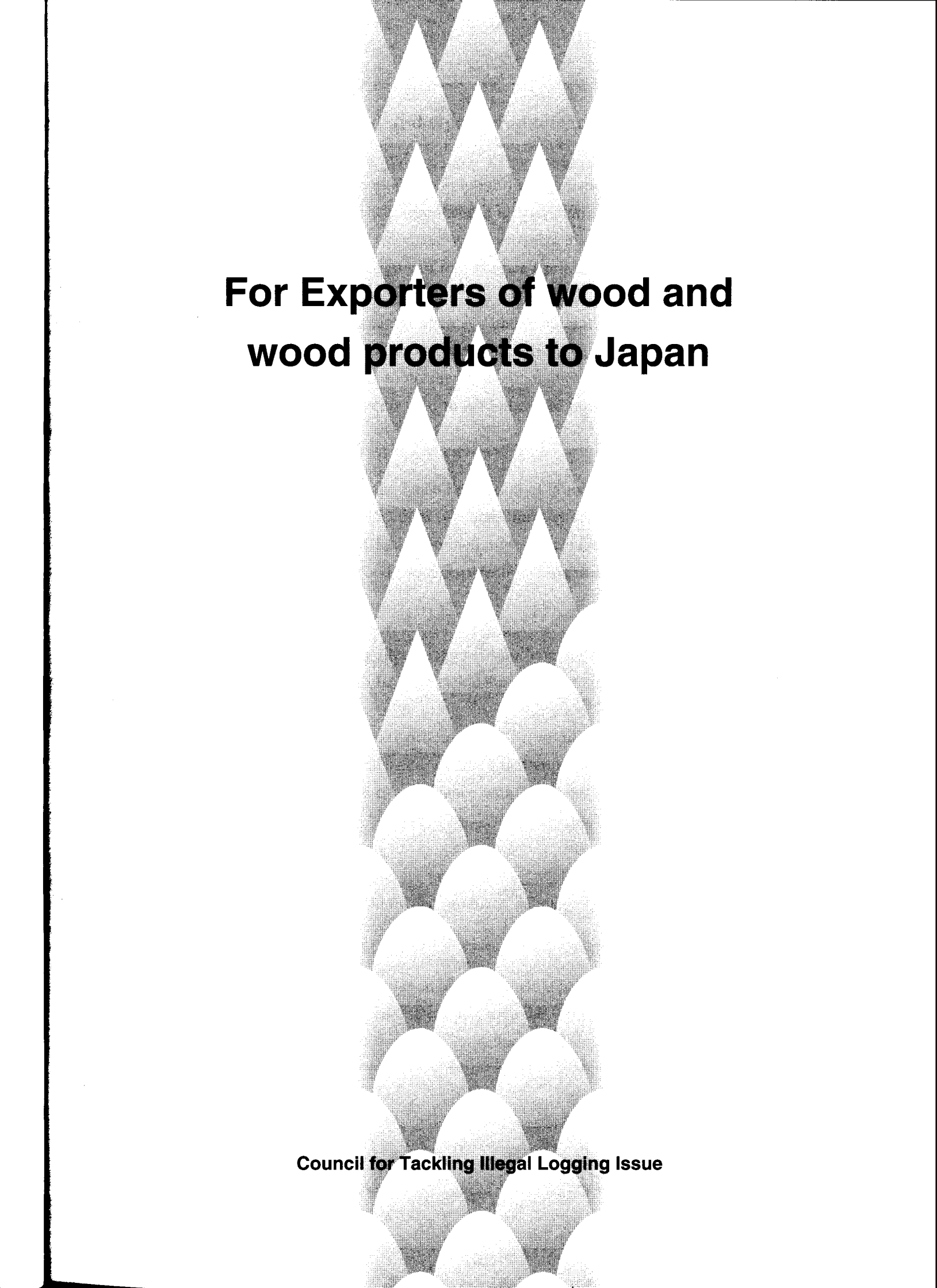
日本非法采伐综合对策推进协议会

Forum Pemberantasan Penebangan Liar Terpadu

Совет по содействию проведения общих мероприятий в борьбе
с нелегальной вырубкой леса

La Comisión de Promoción de Medidas Globales contra la Tala Ilegal

違法伐採総合対策推進協議会



**For Exporters of wood and
wood products to Japan**

Council for Tackling Illegal Logging Issue

For Exporters of wood and wood products to Japan

For the purpose of contributing to a solution for international illegal logging, the government of Japan has introduced a new system to give a priority to governmental purchases of wood and wood products that can be identified by their legality based on the logging of forests since April, 2006.

This system puts governmental agencies under obligation to purchase the legalized wood and its related products as a top priority and requests that local government to make efforts to do the same although it is not compulsory to them. This system is also expected to spread to the procurement of private enterprises.

Japanese industries such as the Japan Federation of Wood industry Association and nearly 140 related organizations of woods, forestry and timber industries in a central and local areas of Japan, decided on a self course of action to supply the legalized wood and wood products which tackled the issue of the illegal logging.

We, the Council for tackling illegal logging issue hope for exporters who export wood and wood products to Japan to tackle this issue with us.

Regarding the governmental procurement of wood and wood products, Government of Japan established a standard that unprocessed timbers used as materials must be legalized in accordance with the forest acts of their country of origin.

The Forestry Agency of Japan has prepared "A guideline to prove the legality and sustainability of wood and wood products, February 15, 2006" as evidence of proof.

The following is an entire translation of this guideline from Japanese to English. We would like to strongly request you to prove the legality of your wood and wood products in accordance with the guideline if you export wood and wood products to Japan.

February 2007

Council for Tackling Illegal Logging Issue

Guideline for Verification on Legality and Sustainability of Wood and Wood Products (Provisional Translation)

February 2006
Wood Products Division
Forestry Agency of Japan

1. Summary

Illegal logging is a very important problem to be solved for the world wide preservation of environment and sustainable forest management. The Japanese government has been tackling this problem based upon the principle that 'illegally harvested timber should not be used'. Cooperation at bilateral, regional and multilateral phase, developing technology for distinguishing illegally harvested timber, supporting measures in private sector and so forth have been carried out as countermeasures against illegal logging.

Besides, G8 Gleneagles Summit held in UK July 2005 endorsed the outcome of the G8 Environment and Development Ministerial Conference which committed to a range of actions to adopt public procurement policy, to control illegal logging and associated trade, and to assist timber producing countries. And in "JAPAN'S CLIMATE INITIATIVE", it is also referred to that actions should be taken to tackle illegal logging through government procurement policy and other related policies.

Under these circumstances, Government of Japan set methods for verifying legality and sustainability of wood and wood products and decided to promote verified products as appropriate items for procurement of ministries and agencies, independent administrative institutions, special legal entities and so forth, by means of amending "Basic Policy on Promoting Green Purchasing" of "Law Concerning the Promotion of Procurement of Eco-Friendly Goods and Services by the State and Other Entities" (Law No.100 of 2000).

This guideline is drawn up to indicate some points which the supplier of wood and wood products should pay proper attention to when they verify legality and sustainability of their supply.

2. Definition

The definition of each terms in this guideline are as follows.

(1) Legality

The timber to be procured should be harvested in legal manner consistent with procedures in the forest laws of timber producing countries and areas.

(2) Sustainability

The timber to be procured should be harvested from the forest under sustainable management.

(3) Forest Certification System

System in which third party institution assesses and certifies the forest management level based on the standard settled by the independent forest certification institution.

(4) CoC (Chain of Custody) Certification System

System in which third party institution assesses and certifies the company about its way of custody to separate wood and wood products which originated in forest with certification properly from those not.

(5) Separative Custody Management

The way of custody to manage wood and wood products verified with legality and sustainability separated from those not.

3. Methods of Verification

Examples of methods of verification on legality and sustainability of wood and wood products are as follows.

(1) Forest certification system and chain of custody system

① Outline

This method utilizes a forest certification system and chain of custody system in which the third party institution assesses and certifies the forest under sustainable management and wood and wood products harvested from such forest are under separate custody and consumers could purchase these items selectively. (Reference No.1)

② Notes

Legality and sustainability need to be verified by the certification seal on wood and wood products, payment or receiving slips and so forth connecting with CoC certification.

(2) Verification method by company under the authorization of association

① Outline

Associations for forest owners, forestry or wood industry make their voluntary code of conduct for supplying wood and wood products verified with legality and sustainability.

Under these voluntary code of conduct, the scheme to guarantee the association member's adequate way of supplying wood and wood products verified with legality and sustainability (for example, scheme to assess and guarantee the system for separate management, document management, etc.) and points to be paid proper attention when supplying wood and wood products and other articles should be prescribed and announced publicly.

In more concrete term, guaranteed company issues the paper (verification), to the related company closest in commercial process, which verifies that wood and wood products they supply are with legality and sustainability and under separate custody management.

And verification are issued repeatedly and mutually at each supply stage to make chain of verification on legality and sustainability. (Reference No.2)

② Notes

a. General notes

In the verification at each stage on legality and sustainability, the given number when verified should be described in addition to the basic information about list of items amount and so forth of objective wood and wood products.

b. Notes at harvesting stage

At harvesting stage, in addition to the basic subjects in general notes (a. above), the name of site where the timber was harvested should be described and legality and sustainability should be verified as indicated below.

a) Regarding legality, it should be described in the verification that the timber was harvested in legal manner consistent with procedures in the forest laws of timber producing countries and areas.

b) Regarding sustainability, it should be described in the verification that the timber was harvested from the forest under sustainable management.

c. Notes at processing and distributing stage

At processing and distributing stage, in addition to the basic subjects in general notes (a. above), it should be described in the verification that the products are verified with legality and sustainability or made from materials verified.

d. Notes at delivery stage

At delivery stage, on requests from purchaser, in addition to the basic subjects in general notes (a. above), it should be described in the verification that wood and wood products for delivery are verified with legality and sustainability.

e. Notes for other points

a) Verification of legality and sustainability needs the description of necessary subjects, but statement of delivery with necessary description of these subjects could be substituted for the verification.

b) Part of description of subjects in the verification could be omitted if the copy of existing documents (such as statement of delivery) with the same contents as verification are attached.

(3) Verification method by original measure of each company

① Outline

A company such as a large scale one, not adopting the method (1) or (2) above, verify legality and sustainability by means of its original measure under comprehension of distribution process from harvesting to delivery.

② Notes

Regarding legality and sustainability, the same level of reliability needs to be secured as the verification method by the company under the authorization of association for forest owners, forestry or wood industry.

4. Preservation of Verification

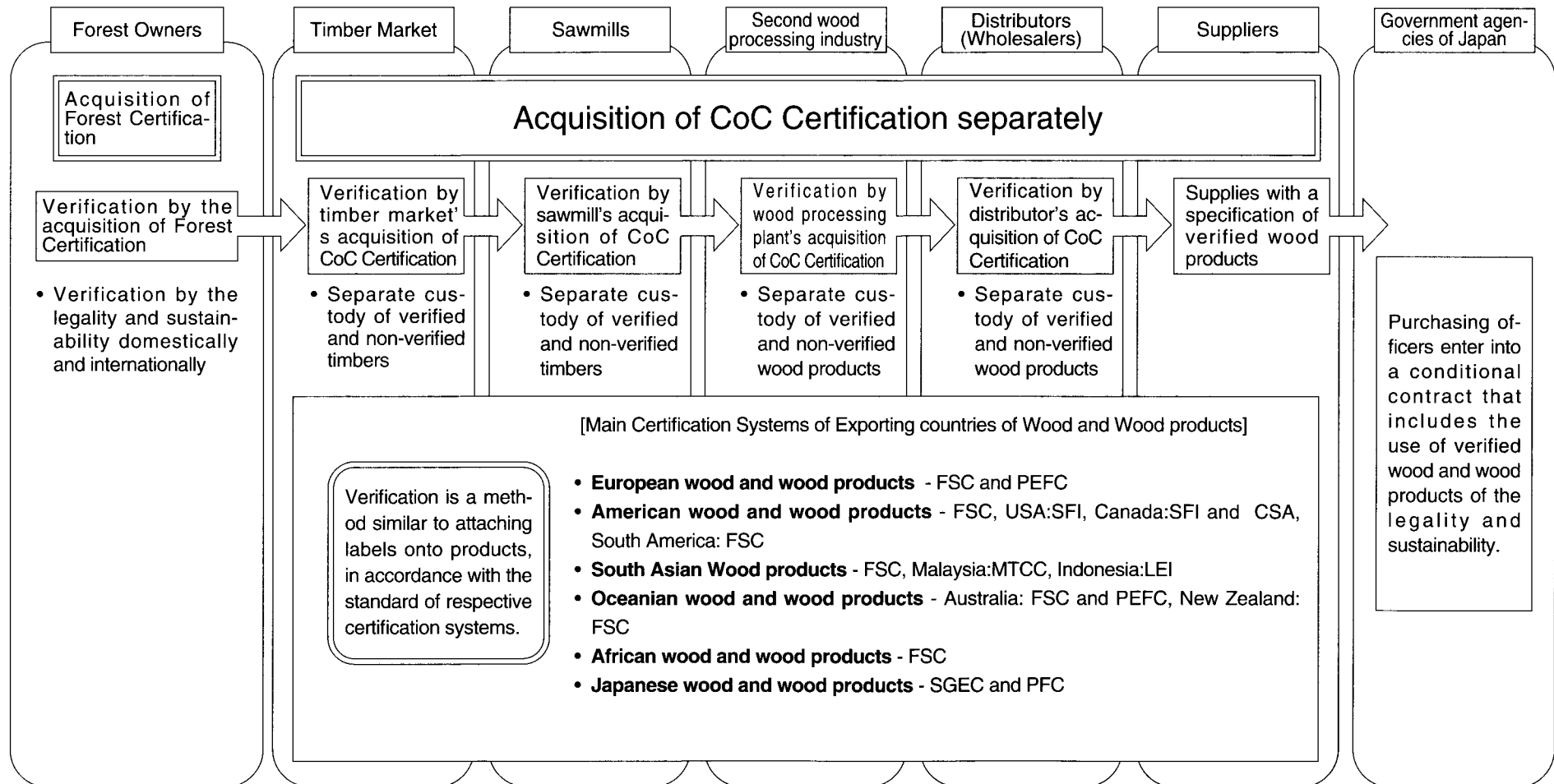
Related company should preserve verification they issued during definite terms and present underlying documents if required.

5. Assessment and Review

This guideline will be assessed and reviewed by the multi-stakeholder meeting composed of diverse members such as related associations for forest owners, forestry or wood industry, persons from academic society and environment NGO with examination about the enforcement situation among the persons and companies concerned in wood and wood products sector corresponding to the government procurement based on the "Basic Policy on Promoting Green Purchasing", and proper amendment may be added as occasion demands.

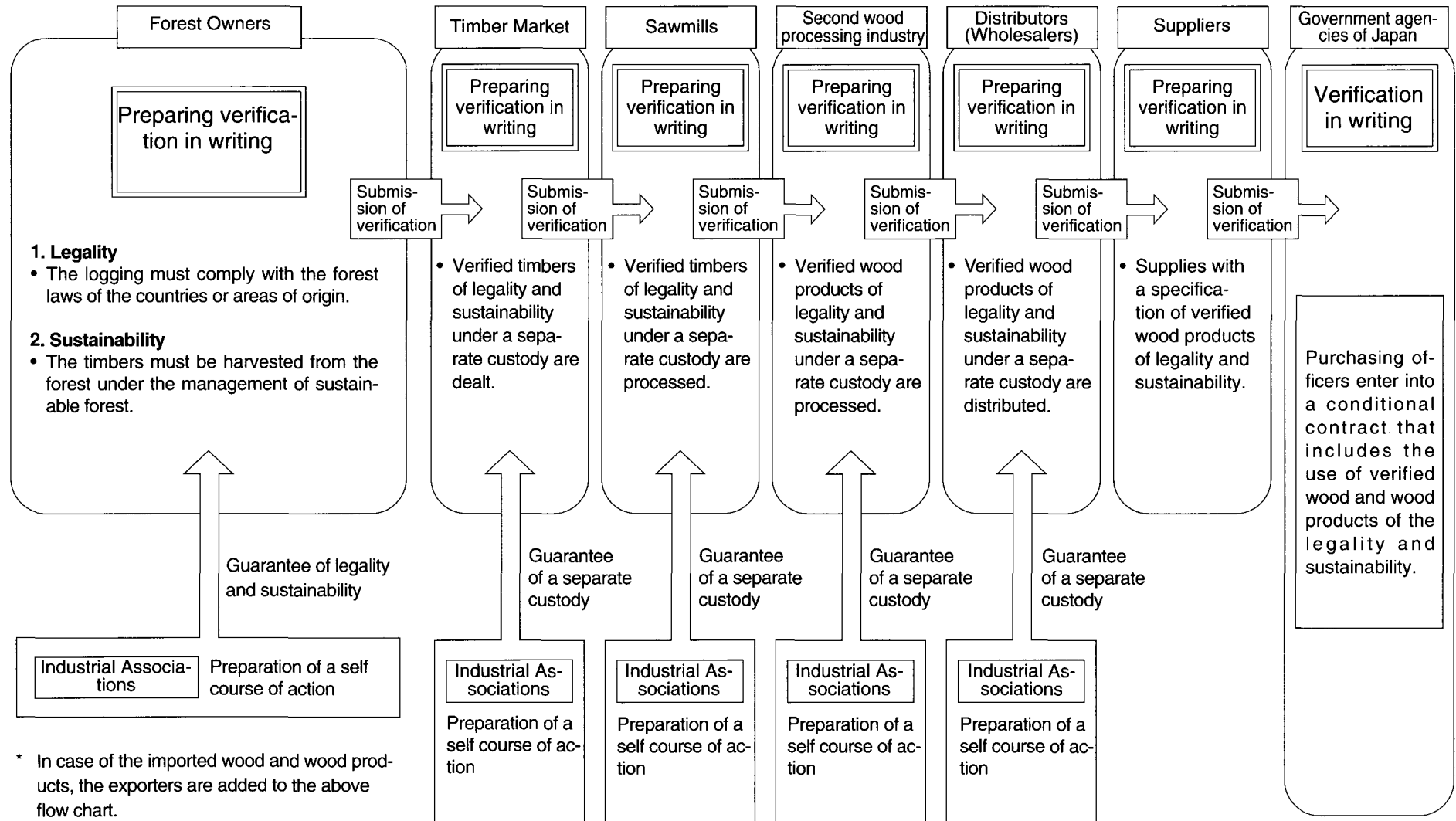
Reference 1

Verification by Forest Certification and CoC (Chain of Custody) Certification Systems (Image drawing)



Reference 2

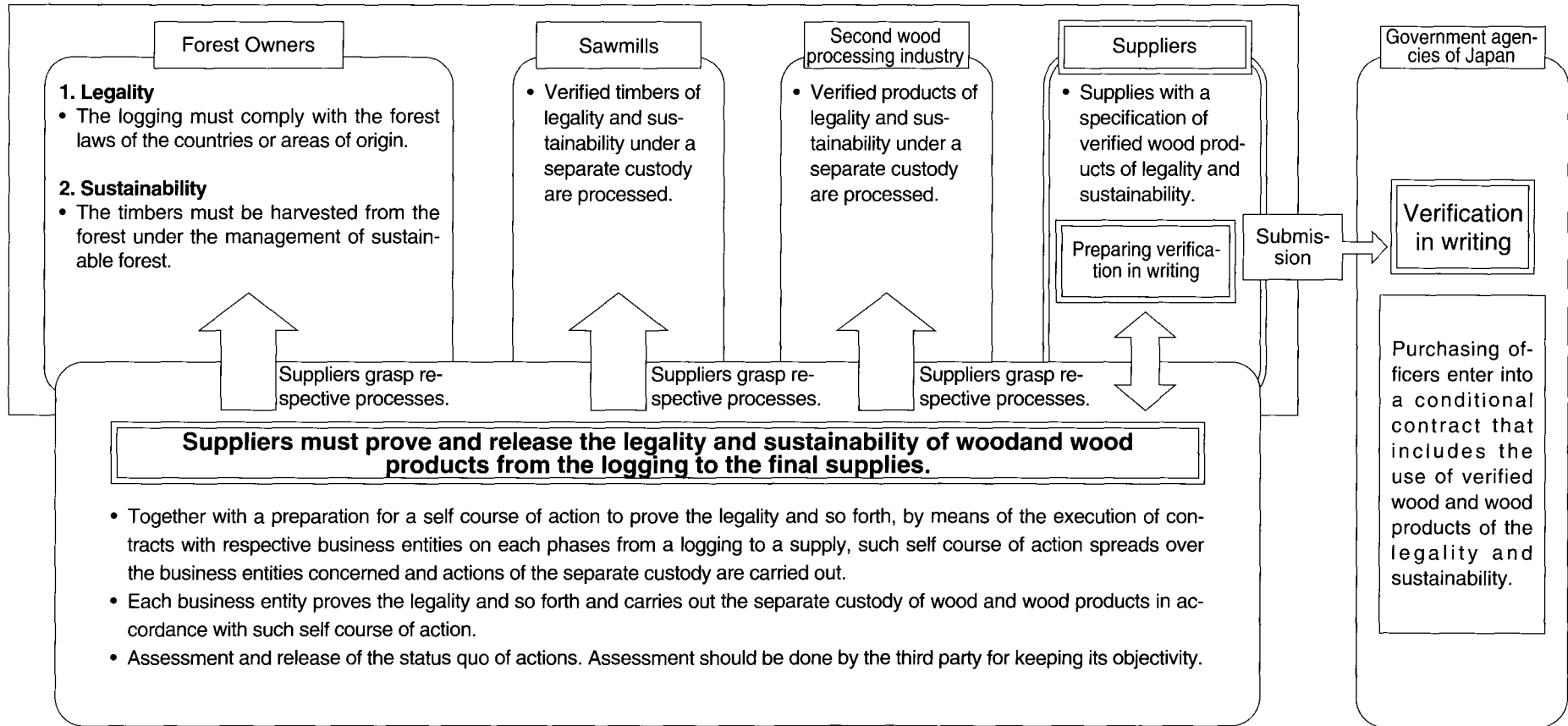
Verification by private enterprises authorized by relative organizations (Image drawing)



Reference 3

Self verification by private enterprises

(Many kinds of self verifications by private enterprises can be supposed. This is one of examples.)



* In case of the imported wood and wood products, the exporters are added to the above flow chart.