# Japan's Clean Wood Law - The current status -

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#### New Law

"The Law Concerning Promotion of the Distribution and Use of Legally Logged Wood, etc."

- Implementation since May 2017
- Competent Authorities MAFF (wood), METI (furniture), MLIT (construction)
- FA



#### Key Points

- Objective: <u>Promotion of legal timber</u>
- No prohibition, no penalty for trading in illegal timber
- Wide scope of products and "operators"
- Voluntary DD
- Voluntary registration system (incentive)
- Some enforcement measures
- Various projects to facilitate the implementation

# Scope of Products

	Timber	Furtniture	Others	Pulp	Paper
Clean Wood Law 2016	Round logs Veneer Pellets Chips/small pieces	Those specified in GPL for domestic use	Siding board	Wood- pulp	Toilet paper Tissue paper
PPP ("Green Purchase Law") 2006	Sawn timber Laminated lumber Timber from thinning operations Plywood LVL	Office chair, desk and shelve Office fixtures Low partition Coat hunger Umbrella stand Sign board and blackboard Bedframe	Flooring Wood- based cement board		Photocopy paper Form paper Printing paper Printing paper for inkjet colour printer

#### Scope of Operators

Almost everyone...! (Art. 2)

Type 1	Type 2
• Importers	<ul> <li>Other processing factories (e.g. laminated</li> </ul>
• Lumber markets	lumber factories, pre-cut
<ul> <li>Sawmills, processing</li> </ul>	factories)
factories, wood chip	<ul> <li>Distributors</li> </ul>
factories (that purchase	<ul> <li>Manufacturers of final</li> </ul>
raw logs)	products (e.g. housing
	manufacturers, furniture
	makers)

# Effort Obligations'

Type 1	Type 2
DD check on all products	DD check within the scope set by individual entities
Registration as an entity	Partial registration allowed (e.g. department or product level)

#### Registration

- Starts this autumn
- The Government issued guidance for registration bodies regarding: qualification, fee, forms
- 7 or 8 entities interested
- ISO/IEC capabilities or equivalent
- Desk-based assessment & renewal + on-spot check
- Registration fee to be set individually
- Who would register?

#### Enforcement

- Non-approval, withdrawal, cancellation and elimination of registration (Art. 11, 13, 14)
- Guidance and advice by competent ministers (Art. 7)
- Reporting and inspection for businesses and registration bodies (Art. 33)

## Penalty

- Penalties for operators
  - less than 2800 USD fine for the misuse of "registered operator"
  - less than 1890 USD fine for noncompliance regarding reporting and inspection measures
- Penalties for registration bodies (e.g. 1 year imprisonment & less than 4600 USD fine for violating suspension order)

#### "Clean Wood NAVI"

- Created by Forestry Agency
- Management commissioned to Japan
   Federation of Wood Industry Association



#### "Clean Wood NAVI"

- Basic information (Law, rules, registration)
- Country-specific information
  - Domestic
  - China
  - Indonesia, Malaysia (3 regions), PNG, Solomon Islands, Vietnam
  - Russia
  - Chile
  - USA, Canada,
  - EU

#### Projects under CWL

- Research on Malaysia, Vietnam and Chile (2015, Japan Lumber Inspection & Research Association)
- Strengthening Anti-Illegal Logging Measures (2016, JFWIA & IGES): China & surveys on Goho-Wood
- Research on consumer countries (USA, Australia and EU) (2017, Biomass Association)
- Promotion of Anti-Illegal Logging Measures (2017, JFWIA): Seminars etc. to facilitate registration
- Developing and managing Clean Wood NAVI (2017, JFWIA)
- Research on producer countries (Indonesia, Malaysia and Peru) (2017, Japan Forest Technology Association)

### Challenges

- "Unconfirmed timber"
- > DD rules and standards still to be laid down
- > The legality definition still rather unclear
- Confusion as to how the FA's Legality Guideline is treated (mixed info)
- Mixed reactions by the industries
- ➤ Large corporations will probably register but SMEs?
- > NGOs critical
- Adds little to the existing Goho Wood system unless implemented well
- ➤ Enforcement only on "good companies"

#### Legality Definition

 "wood derived from trees logged in compliance with laws and regulations of Japan or the country of origin"

(Art. 2)

- ➤ Would this include laws not relating to logging? Such as tariff?
- "Information to be checked" under DD distribution, forest sustainability, trade and others (Art. 2)

# Thank you!