

**BILATERAL COOPERATION BETWEEN JAPAN AND INDONESIA  
IN COMBATING ILLEGAL LOGGING**

Communication from Japan

**I. BACKGROUND**

1. In the regular session of the Committee on Trade and Environment held in June last year, Japan submitted a paper entitled "Issues on Forestry Products Trade and Environment" (WT/CTE/W/211). In the paper, we proposed that, when addressing the issue of illegal logging, it is important to examine possible international approaches from a trade perspective as well as the implementation of domestic measures taking into account the discussions in the relevant international organizations and fora.

2. On 24 June this year, "Joint Announcement" and "Action Plan" on the Cooperation in Combating Illegal Logging and the Trade in Illegally Logged Timber and Wood Products were signed between Japan and the Republic of Indonesia. In this paper, we would like to introduce these initiatives with the aim of enhancing similar activities in other regions. We hope that these initiatives contribute to the promotion of sustainable forest management in the world as well as global environmental protection, while keeping balance with the development of forest products trade.

3. Illegal logging and associated illegal trade affect the efforts toward sustainable forest management as well as global environmental protection. Since the G8 Summit held in Okinawa in 2000, Japan has been reaffirming its commitment to tackle this issue in various international fora, based upon the fundamental idea that illegally harvested timber should not be used.

4. G8 Members are committed to promoting actions against illegal logging and associated illegal trade in the G8 Action Programme on Forests: Final Report 2002, which was submitted to the G8 Foreign Ministers Meeting and discussed in the G8 Summit in 2002.

5. In addition, at the World Summit on Sustainable Development (WSSD) held in Johannesburg, South Africa, in August-September 2002, participating countries adopted the Plan of Implementation, which reaffirmed the importance of taking international actions against illegal logging, including forest law enforcement and actions against illegal international trade in forest products.

6. Following these results in the G8 Summit and the WSSD, Japan and Indonesia, sharing an understanding that the issue of illegal logging has shifted from the phase of building international consensus on the importance of this issue to the phase of implementing concrete actions, signed the "Joint Announcement" and "Action Plan" on the Cooperation in Combating Illegal Logging on 24 June this year.

## **II. "JOINT ANNOUNCEMENT" AND "ACTION PLAN"**

### **A. "JOINT ANNOUNCEMENT"**

7. The "Joint Announcement" is a document describing the principle of bilateral cooperation between Japan and Indonesia to combat illegal logging and the following outline of the "Action Plan".

### **B. "ACTION PLAN"**

8. The "Action Plan" includes various measures for bilateral cooperation between Japan and Indonesia to combat illegal logging, which are to be implemented in the short, medium, and long-term. The main contents of the Action Plan are as follows:

#### **(a) Development of a mechanism to verify and track legally harvested timber**

Building a mechanism to distinguish legally harvested timber from illegally harvested timber in the exporting country through the identification of legally harvested and processed timber, from the stages of harvesting, processing and distribution to the exporting stage.

#### **(b) Monitoring and inspection of the implementation of the mechanism through the participation of civil society**

Encouraging the involvement of civil society, including NGOs, in the areas of cooperation with the authorities which implement the mechanism to verify legally harvested timber and with the law enforcement authorities in charge of monitoring of harvesting activities. Various activities, including information gathering and distribution on the mechanism, are pursued by civil society.

#### **(c) Studies on the necessary measures against distribution and export of illegally harvested timber**

Pursuing study on feasible trade measures against illegally harvested and processed timber which are consistent with the WTO rules.

## **III. FUTURE ACTIONS**

9. For the implementation of the "Action Plan," Japan and Indonesia are going to take advantage of various supporting measures, including fund donations to relevant International Tropical Timber Organization (ITTO) projects, bilateral cooperation between Indonesia and Japan, and cooperation with Asia Forest Partnership (AFP) activities.

10. For the implementation of trade measures against illegally harvested timber in Indonesia and for Japan's cooperation for this measure, it is indispensable, as a prerequisite, to develop a mechanism to distinguish legally harvested timber from illegally harvested timber by tracking legally harvested timber from the distribution and processing phase to the exporting phase throughout Indonesia and Japan, in respect of harvested and processed timber imported directly or indirectly from Indonesia.

11. This bilateral cooperation between Japan and Indonesia is one of our contributions to the discussion on forest products trade and environment. In order for the measures against illegal logging under the "Joint Announcement" and "Action Plan" to become effective, trade measures against illegally harvested timber by Indonesia, and Japan's cooperation to this action are indispensable. Needless to say, these measures must be prepared in consistence with the WTO rules.

12. We would like to make a further contribution to the CTE so that we can develop the discussion on what kinds of trade measures against illegally harvested timber could be effective and consistent with the WTO rules and what elements could be incorporated in these measures.

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