

3 July 2018

Mr. David Morgan,  
Officer-in-Charge,  
CITES Secretariat  
Geneva, Switzerland

Subject: Report on Measures Taken by Japan to Combat Illegal Trade in Ivory

Dear Mr. Morgan,

Further to the letter dated 19 December 2017 from Mr. John E. Scanlon, the then Secretary-General, addressed to Japan's Management Authority, in which Japan is invited to consider providing the Secretariat with a report on measures taken to combat illegal trade in ivory, the Government of Japan has the honor to provide you with the following information.

The enforcement of the amended Law for the Conservation of Endangered Species of Wild Fauna and Flora (LCES) which came into effect on 1 June 2018, and other related initiatives launched in line with that enforcement, have further tightened Japan's regulations on ivory transactions within its own borders, which are already on par with those of other major countries. The Government of Japan emphasizes its firm determination to further contribute to the conservation of elephants by strictly implementing regulations for the import and export of ivory under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) through below mentioned measures and initiatives, and also by continuing to ensure that Japan is not contributing to poaching and illegal ivory trade.

\* As stipulated by the law from before the recent amendment, the ivory items that can be sold legally in Japan are limited to the following, all of which had been brought legally into Japan in the past. This means that ivory transactions within Japan's own borders are not contributing to the current poaching of elephants.

- Whole ivory tusks, cut pieces of ivory and worked ivory products that had pre-existed in Japan ahead of the adoption of CITES trade ban (in 1980\* for Asian elephants and 1990 for African elephant).

\*Japan joined CITES in 1980.

- Whole ivory tusks, cut pieces of ivory and worked ivory products which were imported to Japan with pre-convention certificates issued by exporting countries under CITES.

- Whole ivory tusks which were imported to Japan in 1999 and 2009, as exceptions approved under CITES.

#### 1. Tightening Regulations under the Law

The enforcement of the amended LCES on 1 June 2018 tightened Japan's control over ivory transactions within its own borders. Specifically, business operators handling ivory products are now subject to registration requirements with the government, in order to engage in the business (the registration must be renewed every five years). This represents a change from just having to file a notification previously in entering the business. The registration of business operators involves rigorous examination of each application, which put them under more thorough control.

Furthermore, the following obligations are imposed upon the registered business operators.

- Every single whole ivory tusk is subject to registration requirements. A registration card must be attached on every tusk that is put up for sale.
- A traceability information form must be prepared for every cut piece and every worked product of ivory that weighs over 1kg and exceeds 20cm. The form must be attached on every cut piece and every worked product of ivory that is put up for sale. Business operators must keep a copy of the form for 5 years after the transaction.
- A record must be prepared for every transaction of cut piece and worked products of ivory, indicating its source, buyer, weight, characteristics, and other specifics, and must be kept for five years.
- Relevant information including a registration number and the name of a business operator, its address and the expiration date of the registration must be indicated for cut piece and worked products of ivory that are put on display for sale as well as on their advertisements.

The amended LCES has significantly stiffened its penalties. An operator in breach of the obligations of the law is liable to a maximum fine of up to JPY 100 million (about USD 910,000) (in case of a corporation) and/ or a maximum prison sentence of up to five years, while the registration for business operations of such an operator will be nullified (such an operator cannot be registered for five years after the nullification of its registration). Moreover, based on the amended LCES, the registry of business operators has been made

public from 1 June 2018, and thereby transparency for consumers has been secured.

## 2. Control over Ivory Business Operators and Dissemination of information on Relevant Legislation

### a) Strengthening of Surveillance System for Domestic Ivory Transactions

In order to strengthen the surveillance over domestic ivory transactions including online transactions, the number of officials of the Ministry of the Environment (MOE) responsible for monitoring domestic ivory transactions has been increased from April 2018. Domestic market surveillance has been jointly carried out with officials of the Ministry of Economy, Trade and Industry (METI) in charge of overseeing ivory products. Additionally, police authorities across Japan have also been exercising control over ivory transactions.

### b) Taking Strict Actions Against Violations of the Law by Business Operators

On-site inspections were conducted against 44 business operators in fiscal year (FY) 2015, 50 operators in FY 2016 and 53 operators in FY 2017. During the above period, three business operators were sanctioned with administrative punishments due to their violation of the LCES obligations, which were made public. One of the aforementioned violators was prosecuted later, and was proven guilty for illegal transactions of non-registered whole ivory tusks. However, all of those illegally sold tusks were lawfully imported, and none of the above three cases was related to smuggling.

### c) Awareness Raising on Regulatory Compliance to Secondhand Dealers

In December 2017, MOE and METI jointly requested via the National Police Agency each prefectural police department to remain vigilant vis-à-vis business operators and related business operators' organizations handling antiques listed below to raise their awareness on regulatory compliance.

- The Antique Dealers Crime Prevention Associations Federation of Tokyo
- The Japan Reuse Affairs Association
- The Nationwide Pawnshop Union Alliance Society

In addition, round patrol in flea markets was conducted in light of some antique dealers, non-compliance with the LCES being pointed out, to give necessary instructions to tenants and organizers of the flea markets to ensure that they comply with the law.

### d) Publicity Efforts on Certified Ivory Product Labels

The organization of stamp material wholesalers and seal retailers requested their

respective members to cooperate on further use of the voluntary labelling system. (Under this system, a business operator can receive labels to put on accessories, ornaments, stamps, and other items, made of ivory that the operator obtained with a registration card or a traceability information form.)

e) Further Dissemination of Information Concerning the Amended LCES

In September 2017 and May 2018, a document outlining the amended LCES was sent to more than 12,000 business operators that handle ivory and filed notifications to the competent Ministers, aiming to raise awareness on compliance with the amended LCES. In March 2018, workshops focused on the amended LCES for business operators, co-organized by MOE and METI, were held in 10 cities throughout Japan.

Continuous efforts are being made to disseminate information concerning relevant regulations including through workshops organized by business associations.

On 1 June 2018, the date of which the amended LCES came into effect, the Minister of the Environment made public at a press conference the contents of the amended LCES and measures to further ensure appropriate ivory transactions. In addition, the contents of the amended LCES were posted on the website of MOE.

In order to promote understanding by the international community, the contents of the amended LCES and measures to further ensure appropriate ivory transactions were disseminated to foreign media outlets on the same day. Also, upon a request from the Government of Japan, the CITES Secretariat disseminated the same information through its SNS, and shared it among parties to CITES through the Notification to the Parties. Furthermore, the contents of amended LCES have been posted on the websites of MOE and the Ministry of Foreign Affairs (MOFA) in English.

3. Actions taken by Business Operators

a) Eliminating Illegal E-Commerce

Given the tightened voluntary regulations such as introduction of stricter exhibition rules and intensified online patrols by major providers of online marketplaces, unnotified business operators on major online shopping malls have almost disappeared. In addition, the providers are taking further voluntary regulatory measures including stopping handling ivory in their online marketplaces.

\*From June 2018, the amended LCES obligates registered business operators to post their registration numbers at the time of display or advertisement of ivory products even on the

online marketplaces. An operator in breach of the relevant laws and regulations will be subject to strict sanctions.

b) Workshop by Ivory Manufacturers Associations

In May 2018, a workshop on the regulatory system intended for ivory manufacturers was held with the cooperation of MOE and METI.

4. Import and Export Control

a) Publicity Efforts Towards Industries and Travelers

Along with an awareness raising effort by sending out a notification letter regarding the ban on ivory import/export to related industries, the Government of Japan is disseminating the information to travelers through displaying posters and digital signage at major airports and harbors, and also conducting a joint campaign by TRAFFIC and the Customs to inform travelers of necessary procedures for exporting and importing CITES-listed species including ivory.

b) Sharing Information and Tightening Control in Collaboration with the Customs and Import/Export Management Authorities of Other Countries

With a view to preventing illegal trade in ivory, the discussion is ongoing with the Chinese Government (Customs Authority and CITES Management Authority) on cooperation between Japan and China, which is the alleged major destination of illegally exported ivory from Japan.

c) Tighter Control on Import/Export Under the Amended Foreign Exchange and Foreign Trade Act

Aiming to ensure the effectiveness of import/export control, the amended Foreign Exchange and Foreign Trade Act came into effect in October 2017, and a fine for imported/exported ivory without approval of METI has remarkably increased. A fine for an individual has increased to not exceeding 10,000,000 Japanese yen (approximately USD 91,000) from 5,000,000 Japanese yen (approximately USD 45,000), fine for a corporation has increased to not exceeding 500,000,000 Japanese yen (approximately USD 4,500,000) from 5,000,000 Japanese yen (approximately USD 45,000).

d) Measures against Buyers including Foreign Visitors by Administrative Bodies and Business Operators

In response to some reported cases of foreign visitors and other buyers illegally taking out ivory products from Japan, in March 2018, METI requested business operators handling ivory to explain to buyers including foreign visitors legal procedures needed to export those

products. Moreover, a "Warning Card" indicating ban on taking out ivory products from Japan was distributed to the business operators.

The responses related to the above-mentioned measures by business operators are as follows.

The Japanese Seal Engravers Association: Posting attention-grabbing flyers that describe ban on taking out ivory products from Japan at their shops (available in English, Chinese, Korean and French).

Japan Federation of Ivory Arts and Crafts Associations: Considering its own measures to obtain informed consent from their customers, including foreign visitors, at the time of the sale after explaining the ban in principle on taking out ivory products from Japan.

The cases where purchased ivory products such as antiques in Japan were taken out from Japan without going through formal procedures have been pointed out. However, it is not appropriate to conclude as if the domestic ivory market and import/export control system as a whole in Japan has a flaw simply because some cases of violations exist, since this is not an issue of the market or system itself. In order to enforce the legal system properly, the Government of Japan has been promoting measures to tighten control over its domestic ivory market and import/export of ivory as outlined above in b) and d), respectively.

In addition, according to the latest ETIS report (2016), there is no evidence to show that Japan is a destination of a large-scale illegal ivory flow, and thus, there is no causal link between exposed cases of the above-mentioned violations and the current poaching of elephants.

#### 5. Public-Private Council Meeting

In January 2018, the fifth meeting of Public-Private Council for the Promotion of Appropriate Ivory Trade was held. Six government organizations, 10 public institutions, one non-governmental organization and two experts, including new members to the Council such as the Agency for Cultural Affairs attended the meeting, and had a lively discussion on the control over domestic ivory market and border control including the exchange of updated information.

#### 6. Strengthening Identification of Domestic Stocks of Ivory

In order to further tighten control over the domestic ivory market, efforts to identify whole ivory tusk stocks in Japan including individually owned ivory tusks have been made from August 2017 ending June 2019. After June 2019, registration examination is expected to be made stricter for internationally endangered species of wild fauna and flora including ivory.

## 7. Awareness Raising

Taking advantage of the "World Wildlife Day," MOE and METI cooperate every year from February to March to display panels concerning restrictions on wildlife transactions in zoos and botanical gardens with a view to promoting public awareness raising.

## 8. Support to Counter Poaching in African Elephant Range States

### a) Monitoring the Illegal Killing of Elephants (MIKE) Programme under CITES

In October 2016, MOFA contributed USD 60,000 via the CITES Secretariat for the establishment of an anti-poaching operation center in Zimbabwe, and USD 55, 000 in February 2018 for the establishment of a similar center in Uganda.

The Government of Japan is deeply committed to the cause of protecting elephants from atrocious acts of poaching by international criminal organizations among others, and attaches great importance to supporting range states in the fight against poaching of elephants. The Government of Japan will continue to make utmost efforts in assisting range states in their fight against poaching of elephants.

### b) Initiatives by Private Sector to Support the Namibian Government to Counter Poaching

In March 2017, Yahoo Japan Corporation contributed 5,000,000 Japanese yen (approximately USD 45,000) to the United Nations Development Programme (UNDP) in Namibia for the construction of a counter-poaching patrol camp.

## 9. Trend in Domestic Ivory Market

The market size of the domestic ivory market has been shrinking over the past twenty-five years.

It is assumed that the stock of legally imported ivory (approximately 2,090 tons between 1981 and 1989 according to CITES database) exists in Japan.

The increasing number of registration of whole ivory tusks is considered to be attributed to growing concerns through the media over illegal non-registered ivory transactions and to the increasing number of disposal of assets including inheritance due to the aging of owners of ivory obtained legally before 1989.

## 10. Future Actions and Conclusion

Thus, the enforcement of the amended law and other related initiatives has further tightened Japan's regulations on ivory transactions within its own borders, which are already on par

with those of other major countries. Especially, the control of domestic ivory market will be more thorough by tightened control over business operators handling ivory.

According to the latest ETIS report (2016), Japan is not assessed to be a destination of poached and illegally traded ivory, and also large-scale illegal imports of ivory have not been detected thereafter. Therefore, it can be concluded that the ivory transactions in Japan have no causal link with poaching of African elephants and ivory smuggling.

In addition, as stated previously, the control over domestic ivory transactions has been tightened and the penalties for violators have become substantially stricter under the amended LECS. In order to further ensure appropriate domestic ivory transactions, business operators have started making voluntary and proactive actions for appropriate ivory transactions, including, needless to say, complying with the amended LECS. The Government of Japan will continue to carefully examine the situation of ivory transactions and tackle together with the private sector so as to thoroughly eliminate those business operators that cannot manage their transactions appropriately from the domestic markets.

In order to further achieve the goal of CITES, the conservation of endangered species including elephants, Japan will actively make its best contribution through all-out efforts by both public and private sectors.

Yours sincerely,

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