

Ministerial Order on Confirmation of Legality by Wood-Related Business Entities Prescribed in Chapter III of the Act on Promoting the Distribution and Use of Legally Harvested Wood and Wood Products (Order of the Ministry of Agriculture, Forestry and Fisheries, and the Ministry of Economy, Trade and Industry No. 2 of June 3, 2024)

(Order of the Ministry of Agriculture, Forestry and Fisheries, and the Ministry of Economy, Trade and Industry No. 2 of 2024)

Based on the provisions of Article 6, paragraph (1), Article 7, Article 8, and Article 12 of the Act on Promoting the Distribution and Use of Legally Harvested Wood and Wood Products (Act No. 48 of 2016), and Article 1, item (i) of the Cabinet Order Specifying Information Referred to in Article 6, Paragraph (2), Item (ii) of the Act on Promoting the Distribution and Use of Legally Harvested Wood and Wood Products (Cabinet Order No. 342 of 2023), and to implement the Act and the Order, the Ministerial Order on Confirmation of Legality by Wood-Related Business Entities Prescribed in Chapter III of the Act on Promoting the Distribution and Use of Legally Harvested Wood and Wood Products is established as follows:

(Method of Confirmation of Legality)

Article 1 Confirmation of legality under the provisions of Article 6, paragraph (1) of the Act on Promoting the Distribution and Use of Legally Harvested Wood and Wood Products (referred to below as the "Act") (simply referred to below as "confirmation of legality") is to be conducted based on raw material information prescribed in paragraph (2) of the same Article (simply referred to below as "raw material information") as well as the information referred to in Article 4, paragraph (2) of the Act, the record of transactions with business entities producing and selling logs or persons who export wood and wood products to Japan, and other information concerning the distribution and use of wood and wood products.

(Matters Specified by Order of the Competent Ministry Referred to in Article 1, Item (i) of the Order)

Article 2 (1) The provisions specified by order of the competent ministry as referred to in Article 1, item (i) of the Cabinet Order Specifying Information Referred to in Article 6, paragraph (2), item (ii) of the Act on Promoting the Distribution and Use of Legally Harvested Wood and Wood Products are those

stated in the following items according to the respective category of provisions stated in those items:

(i) Article 10-8, paragraph (1), item (xi) of the Forest Act (Act No. 249 of 1951); Article 14, items (i) and (iii) of the Regulations for Enforcement of the Forest Act (Order of the Ministry of Agriculture and Forestry No. 54 of 1951);

(ii) Article 34, paragraph (1), item (ix) of the Forest Act; Article 60, paragraph (1), items (i), (ii), and (v) through (x) of the Regulations for Enforcement of the Forest Act.

(Means or Method of Preparing Records Concerning Raw Material Information)

Article 3 (1) Records under the provisions of Article 7, paragraph (1) of the Act are to be prepared in accordance with the following items:

(i) the records are to be prepared in writing or by an electronic or magnetic record (meaning the records made by an electronic form, a magnetic form, or any other form not recognizable to human perception, which is used for information processing by computers; the same applies below);

(ii) the records are to be prepared for each office, factory, place of business, or warehouse (referred to below as "office, etc."); provided, however, that when the records are collectively kept at the principal office or other office, etc., as a result of acquiring, etc. in bulk at the relevant office, etc., or in other special circumstances, and if measures are taken so that the records can be promptly confirmed at the offices, etc., where the collection and organization specified in Article 6, paragraph (1) of the Act is carried out, through making inquiries to the office, etc. where the records are kept, the records may be prepared collectively.

(iii) the classified or organized records are to be prepared according to the type of wood and wood products prescribed in each item of Article 6, paragraph (1), the period during which transactions were conducted, and other categories.

(2) The record of the species of the trees prescribed in Article 6, paragraph (2), item (i) of the Act is to be prepared by recording the names normally used in transactions.

(3) The record of the area prescribed in Article 6, paragraph (2), item (i) of the Act is to be prepared by recording that the wood or wood product is of domestic origin if the area is in Japan, and by recording that the wood or wood product is of the country of harvest if the area is in a country of harvest other than Japan; provided, however, that if the area is in Japan, it may be recorded that the wood or wood product is of the prefecture, municipality, or other generally known place name to which the place of production belongs, instead of recording it as of domestic origin.

(4) The record of the information stated in Article 6, paragraph (2), item (ii) of the Act is to be prepared by recording the part of the information related to the confirmation of legality.

(Preservation Period of Records Concerning Raw Material Information)

Article 4 The period specified by order of the competent ministry as referred to in Article 7, paragraph (1) of the Act is five years (if the period from the date of preparation of the record prescribed in that paragraph to the time of the transfer prescribed in Article 8 of the Act exceeds five years, the period until the transfer).

(Means or Methods of Preparing Records on Confirmation of Legality)

Article 5 (1) Records under the provisions of Article 7, paragraph (2) of the Act are to be prepared in accordance with the following provisions:

(i) the records are to be prepared in writing or by an electronic or magnetic record;

(ii) the records are to be prepared for each office, etc.; provided, however, that when the records are collectively kept at the principal office or other office, etc., as a result of acquiring, etc. in bulk at the relevant office, etc., or in other special circumstances, and if measures are taken so that the records can be promptly confirmed at the offices, etc., where the confirmation of legality is carried out, through making inquiries to the office, etc. where the records are kept, the records may be prepared collectively.

(iii) the classified or organized records are to be prepared according to whether or not the wood and wood products are legality-confirmed wood and wood products as prescribed in Article 7, paragraph (2) of the Act, the reason for it, and other categories.

(Preservation Period of Records Concerning Confirmation of Legality)

Article 6 The period specified by order of the competent ministry as referred to in Article 7, paragraph (2) of the Act is until the expiration date of the preservation period prescribed in Article 4.

(Means or Methods of Information Communication by Wood-Related Business Entities)

Article 7 (1) The communication under the provisions of Article 8 of the Act is to be made by any of the following means or methods:

(i) the method of using an electronic data processing system stated in the following (a) or (b):

(a) the method of transmitting the matters to be communicated through an electronic telecommunication line connecting the computer used by the wood-related business entity that has collected or organized the raw material information pursuant to the provisions of Article 6, paragraph (1) of the Act and the computer used by the other wood-related business entity prescribed in Article 8 of the Act (simply referred to below as the "other wood-related business entity"), and subsequently recording the matters to a file on the computer used by the other wood-related business entity;

(b) the method of making the matters to be communicated, which are recorded to a file on the computer used by the wood-related business entity that has collected or

organized the raw material information pursuant to the provisions of Article 6, paragraph (1) of the Act, available for inspection by other wood-related business entities through an electronic telecommunication line, and subsequently recording the matters to a file on the computer used by the other wood-related business entities;

(ii) the means of delivering a file prepared by using an electronic or magnetic recording medium (meaning a recording medium for electronic or magnetic records) in which the matters to be communicated are recorded;

(iii) the means of indicating the matters to be communicated on the package or container of wood and wood products, or on invoices, delivery slips, specifications, or other similar documents.

(2) The means and methods specified in items (i) and (ii) of the preceding paragraph must be such that the other wood-related business entities can produce a written document by outputting the record in the file.

(Matters to Be Communicated by Wood-Related Business Entities)

Article 8 The information specified by order of the competent ministry as information concerning the record prescribed in Article 7, paragraph (1) of the Act as prescribed in Article 8 of the Act is the information which is contained in the records prepared pursuant to the provisions of Article 7, paragraph (1) of the Act, and used for the confirmation of legality.

(Standards Specified by Order of the Competent Ministry Referred to in Article 12 of the Act)

Article 9 (1) The standards specified by order of the competent ministry as referred to in Article 12 of the Act are those specified in the following items, in accordance with the classification of wood and wood products stated in the following items:

(i) wood and wood products prescribed in Article 6, paragraph (1), items (i) and (iii) of the Act: The total annual volume of wood and wood products to be acquired, etc. is 30,000 cubic meters;

(ii) wood and wood products prescribed in Article 6, paragraph (1), item (ii) of the Act: the standards prescribed in the following in accordance with the following categories of wood and wood products:

(a) wood prescribed in Article 2, paragraph (1) of the Act: the total annual volume to be acquired, etc. is 30,000 cubic meters;

(b) wood and wood products other than the wood referred to in (a): the total annual quantity to be acquired, etc. is 15,000 tons.

(Regular Reporting)

Article 10 (1) The report under the provisions of Article 12 of the Act must be made in writing or in the form of an electronic or magnetic record by the last day of June every year with regard to wood and wood products for each of the acts stated

in the items of Article 6, paragraph (1) of the Act in the fiscal year preceding the fiscal year to which the relevant date belongs.

(2) The report referred to in the preceding paragraph must be submitted to the competent minister specified in the following items, in accordance with the classification of wood and wood products stated in the following items:

(i) wood related to the acts stated in the items of Article 6, paragraph (1) of the Act (excluding the wood and wood products referred to in item (iii)): the Minister of Agriculture, Forestry and Fisheries;

(ii) wood and wood products related to the acquisition, etc. prescribed in Article 6, paragraph (1), item (ii) of the Act (excluding the wood and wood products referred to in the preceding item and the following item): the Minister of Economy, Trade and Industry;

(iii) wood and wood products related to the acts stated in Article 6, paragraph (1), item (i) or (iii) of the Act, and the preceding item: the Minister of Agriculture, Forestry and Fisheries, and the Minister of Economy, Trade and Industry.

Supplementary Provisions

This Ministerial Order comes into effect on April 1, 2025.