

Document 3

Principles, Indicators and Guidelines for SGEC Forest Management Certification Requirements for Forest Management Certification

Contents

Foreword

1. Scope

2. Terms and definitions

3. Requirements for SFM Standards

Principle 1: Identification of the forest areas which are subject to the certification and definition of the management policy in the forest areas

Principle 2: Conservation of biological diversity

Principle 3: Conservation and maintenance of soil and water resources

Principle 4: Maintenance of productive capacity, health and vitality of forest ecosystem

Principle 5: Legal and institutional framework for sustainable forest management

Principle 6: Maintenance and enhancement of socio-economic benefits

Principle 7: Monitoring and disclosure of information

Attachment 3-1: Handling wood products produced by infrastructure construction in forest

Attachment 3-2: The chemicals classified as WHO Type 1A and 1B the use of which are exceptionally allowed by the provision given in SGEC Document 3 “Principles, Indicators and Guidelines for SFEC Forest Management Certification - Requirements for Forest Certification

Appendix : Outlines of Forest Planning System

refer to http://www.rinya.maff.go.jp/j/keikaku/sinrin_keikaku/index.html

Foreword

This document aims to develop a rich society based on a material cycle system and to contribute to conserve greenery rich natural environment, for fulfilling multiple functions of forests such as economic, ecological and social functions within given natural and social conditions based upon the concept of the Montreal Process Criteria and Indicators framework, through widely disseminating the concept of sustainable forest management and promoting effective use of wood products from sustainably managed forests as well as upgrading the level of forest infrastructures and enhancing forest activities by market mechanisms in Japan.

1. Scope

Principles, Indicators and Guidelines for SGEC Forest Management Certification stipulated in Article 3, Section 1 of Operational Rules of Forest Management Certification and Forest Products Chain of Custody Certification by SGEC shall be provided herein.

As to forest management, conditions followed by forest managers are stipulated in the framework of regional forest plan in Article 5 of Forest Act and Municipal Forest Management Plan in Article 10-5 of Forest Act. This document covers specific requirements for forest management under SGEC system in addition to the conditions under forest planning system above. The requirements in SGEC scheme shall be applied with the evidences from scientific research as well as specific forest settings and legislative and policy trend.

If forest manager apply for SGEC forest management certification independently, it is recommended that all his/her forests managed may be under a forest management plan which is subject to be certified. In addition, it is mandated that all his/her forests within a regional forest plan or a municipal forest management plan shall be under a forest management plan which is subject to be certified in order to maintain consistency between certification system and forest planning system.

Any inquiry on the SGEC, the Japanese language version is the official document for the matters linked to the SGEC system and the English language version is the official document for the matters linked to the PEFC.

Note: Principles, Indicators and Guidelines for SGEC Forest Management Certification shall be expressed in three figures such as 1-1-1. The first figure shall be the number of Principles, the second figure shall be the number of Indicators and the last figure shall be Guidelines related.

2. Terms and definitions

2-1 Planted forest and natural forest

Planted forest is established through planting or seeding of specific tree species which occupy more than 50% of the stand either by volume or number. Natural forest is the ones which are not planted forest.

2-2 Forest

Forest is under the scope of forest planning system stipulated in Forest Act as follows:

- (1) Land with trees and/or bamboos in a group as well as its standing trees/bamboos
- (2) Land for trees/bamboos growing in a group

2-3 Forest conversion

The direct human-induced conversion of forests to other types of land use including

conversion of primary forests to planted forests.

2-4 Primary forest

Forest of native species where there are no clear visible indications of human activities and the ecological processes are not significantly disturbed.

Note: Includes areas where non-wood forest goods are collected with less human impact. Some trees may have been removed.

2-5 Normative references of international conventions and domestic acts, which should be followed or respected.

(1) International conventions

Forest managers shall follow the fundamental ILO conventions in general.

Conventions which are not ratified in Japan among those listed shall be respected, and forest managers shall follow the domestic acts related to the area relevant to such conventions.

(a) Fundamental ILO conventions

- ILO No. 29: Forced Labor Convention (1930) ratified by Japan in 1932
- ILO No. 87: Freedom of Association and Protection of the Right to Organize Convention (1948) ratified by Japan in 1965
- ILO No. 98: Right to Organize and Collective Bargaining Convention (1949) ratified by Japan in 1953
- ILO No. 100: Equal Remuneration Convention (1951) ratified by Japan in 1953
- ILO No. 105: Abolition of Forced Labor Convention (1957) not ratified by Japan
- ILO No. 111: Discrimination (Employment and Occupation) Convention (1958) not ratified by Japan
- ILO No. 138: Minimum Age Convention (1973) ratified by Japan in 2000
- ILO No. 182: Worst Forms of Child Labor Convention (1999) ratified by Japan in 2001

(b) Other international conventions

- Convention on Wetlands of International Importance especially as Waterfowl Habitat (1971) ratified by Japan in 1980
- Convention on International Trade in Endangered Species of Wild Fauna and Flora (1973) ratified by Japan in 1980
- Convention concerning the protection of the world cultural and natural heritage (1972) ratified by Japan in 1992
- Convention on the Conservation of Migratory Species of Wild Animals (1979) not ratified by Japan
- Convention on Biological Diversity (1992) ratified by Japan in 1993
- Cartagena Protocol on Biosafety (2000) ratified by Japan in 2003

- United Nations Framework Convention on Climate Change (1992) ratified by Japan in 1993
- Kyoto Protocol to the UNFCCC (1997) ratified by Japan in 2002
- Conventions and Agreements for Protection of Migratory Birds
- ILO No. 169: Indigenous and Tribal Peoples Conventions (1989) not ratified by Japan
- Stockholm Convention on Persistent Organic Pollutants (2001) ratified by Japan in 2002
- Declaration on the Right of Indigenous Peoples adopted at UNGA (2007) affirmative voted by Japan
- International Convention on the Elimination of All Forms of Racial Discrimination (1965) ratified by Japan in 1995

(2) Domestic acts

- Forest and forestry basic act
- Forest act
- Act on special measures concerning the improvement of public health functions of forests
- Forest cooperative act
- Act on advancement of modernization of rights in relation to forests subject to community
- Forestry seeds and seedlings act
- Act on special measures concerning shared forest
- Landslide prevention act
- Wildlife protection and proper hunting act
- Act on conservation of endangered species of wild fauna and flora
- Act on special measures concerning promotion of securing forest work force
- Act on special measures for ensuring stable timber supply
- Act on special measures concerning promotion of forest thinning operation
- Act on forest pest and disease control
- Rules and guidelines of forest road
- Basic environmental act
- Nature conservation act
- Natural park act
- Act on promotion of nature restoration
- Basic Act on Biodiversity
- Act on protection of cultural properties
- City planning act and related special measures acts
- Water cycle act
- Urban green space conservation act

- Act on prevention of disasters caused by steep slope failure
- Agricultural chemicals control act
- Explosives control act
- Fishery act
- Quarrying right act
- Surveying act
- Road transportation act
- National land survey act
- Real property registration act
- Invasive alien species act
- Act on special measures concerning water quality conservation at water resources area to prevent the specified difficulties in water utilization
- Act on protection of cultural properties
- Act on maintenance and improvement of traditional scenery in certain districts
- Coast act
- River act
- Erosion control act
- Labor standards act
- Industrial safety and health act
- Labor union act
- Health insurance act
- Employees' pension insurance act
- Employment insurance act
- Act on special measures concerning taxation
- Act on promotion of Ainu culture and dissemination and enlightenment of knowledge on Ainu tradition
- Relevant local regulations related

2-6 Genetically modified trees

Genetically modification techniques include the processes of extraction of targeted genetic material, modification of genetic material as necessary, and incorporation into a host organism. GM trees are the ones in which the targeted genetic material has been artificially modified by the above mentioned techniques.

2-7 Forest planning system

Forest planning system is a framework program for promotion of sustainable management of forests in Japan through establishing rules and guidelines of forest management in national, prefectural and municipal government levels as well as fulfilling respective responsibilities based upon the needs of the people in Japan. See the structure of forest planning system in Figure 1 below and the detail information of forest planning system in http://www.rinya.maff.go.jp/j/keikaku/sinrin_keikaku/index.html.

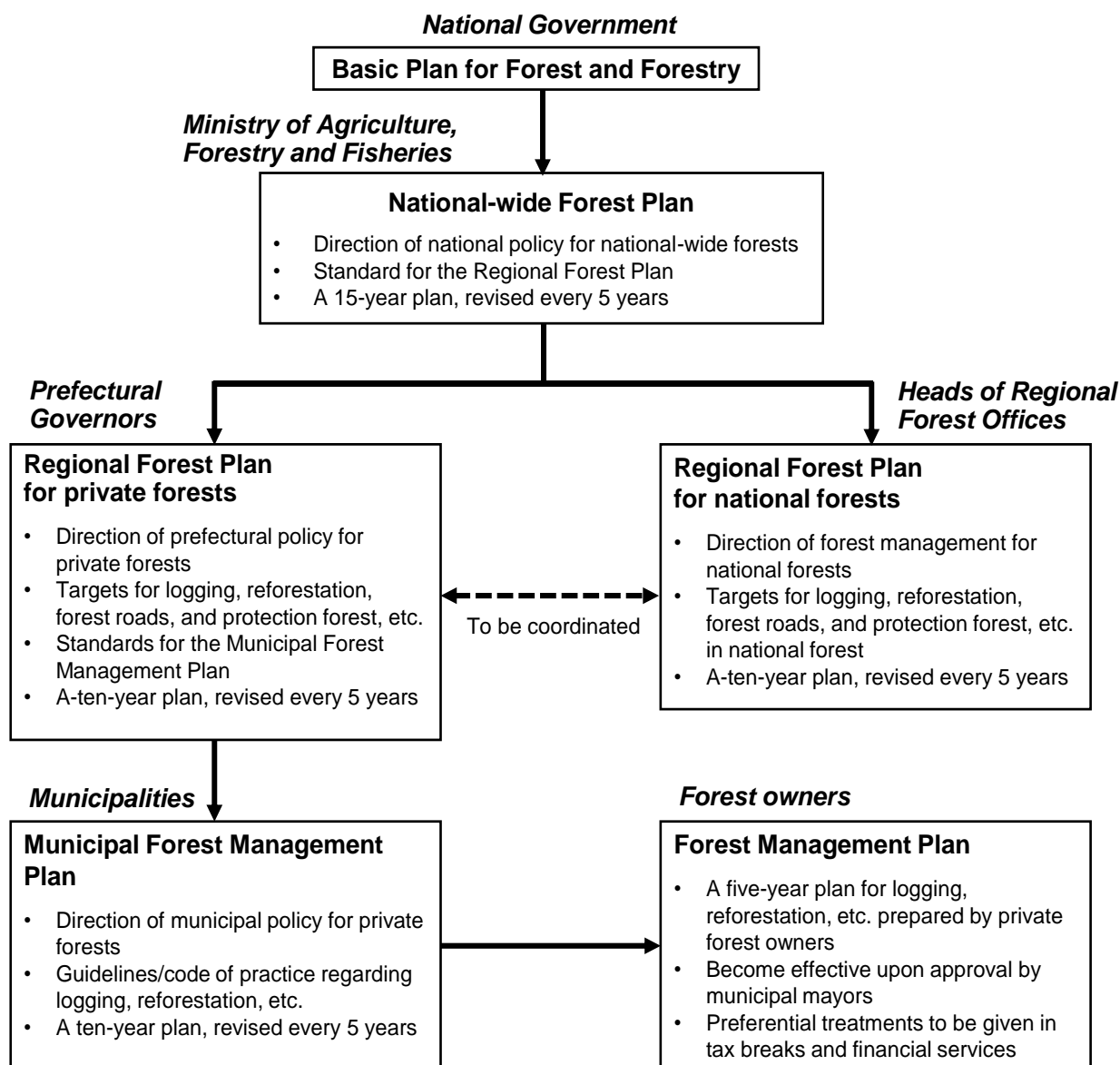


Figure 1: Structure of Forest Planning System in Japan

2-8 Satoyama

“Satoyama” are woodland, adjacent to human settlements, which have been maintained/managed under close linkage with human activities.

2-9 Group forest management certification

Certification of the group organization under one group forest certificate.

The term of “group organization” is equivalent to the term “regional forest certification” or other terms chosen by individual forest certification schemes where a number of individual forest owners are certified under one certificate. The term “regional forest certification” is to be understood as “group forest certification” limited by geographical boundaries.

3. Specific requirements for forest management certification

Principle 1: Identification of the forest areas which are subject to the certification and definition of the management policy in the forest areas

- 1-1 Ownership/tenure right of the land and its forest resources shall be clearly identified and management policies as well as operational/silvicultural plans are available.
- 1-1-1 Land registry, forest registry or forest management plan documents, in which forest owner or tenure right owner is registered, shall be available and the sites randomly selected from the documents shall be identified on-site.
- 1-1-2 If the administrator is different from the owner or tenure right owner of the forest concerned, owner's will shall be identified through assignee contract document concerned.
- 1-1-3 In case of group forest management certification, requirements for planned and proper management of group forest concerned shall be clearly identified, through plan, organization and responsibility and others by which all forests owned by members of a group shall be uniformly managed, and requirements for group forest management certification shall be met.
- 1-2 Forest inventory registry documents, in which location wise area of forest concerned, distinction of planted forest and natural forest, species composition or forest types, age and growing stock according to species composition or forest types are available, shall be provided at any time.
- 1-2-1 Forest registry or forest inventory registry or other equivalent registry documents are provided at any time, and these documents shall be updated by five year cycled forest inventory.
- 1-3 The location of the forest concerned shall be clearly identified on-site and in the documents.
- 1-3-1 1:5,000 scale map, in which location of forest concerned is identified by a lot number, is provided at any time and the sites randomly selected from the map shall be identified on-site.
- 1-4 A forest management plan with the term of 5 years (including 10 year plan which is established in every 5 years) or a forest management plan in compliance with the municipal forest management plan (hereinafter referred to as "forest management plan) shall be established, and the basic policy toward sustainable forest management shall be developed.

Note ; A forest management plan with 5-year term is the one that may be accredited by the relevant municipal mayor if the mayor judges the forest management plan to be statutory and in compliance with the municipal forest management plan. Such accreditation constitutes one of the requirements for receiving official assistance to forest management.

However, since a forest management plan in general is developed in accordance with the relevant municipal forest management plan, and forest managers can formulate a 5-year forest management plan or a 10-year forest management plan to be developed every 5 years.

Considering the above, 'forest management plan' in Principles, Indicators and Guidelines in this document refers to both statutory and not statutory forest management plans unless otherwise stipulated, and the statutory one is referred to as 'accredited forest management plan', where necessary

- 1-4-1 As to forests managed under the forest management plan approved by the relevant municipality, the forest management plan together with the approval document shall be available all the time, and the implementation of the forest management plan shall be verifiable on site. The basic forest management policy shall be verifiable by the long-term policy on the implementation of the planned forest operations. The status of the implementation of the forest management shall be verifiable on site and its record shall be kept as the evidence of the conformity with the forest management certification standard.
- 1-4-2 Management objectives of respective forests under a forest management plan shall be clearly stated and composition of targeted forest associated with management objectives and character of forest and its approach shall be stated in a balanced manner.
- 1-4-3 Management principles considering environmental impacts shall be stated.
- 1-5 Management system and its operation, which can carry out forest management in line with forest management plan, shall be conducted.
- 1-5-1 Management system and its operational organization shall be well arranged for execution of forest management plan and the role, responsibility and authority of respective person in charge shall be clear.
- 1-5-2 Forest owner and management assignee shall try to improve the content of management continuously.

Principle 2: Conservation of biological diversity

- 2-1 Since long-term conservation of biological diversity of forest will contribute to provide economic and social benefits, management principles for conservation of biological diversity at landscape level as well as for major forest types at stand level shall be stated.
- 2-1-1 The following items for biological diversity shall be stated in forest management plan:
- a. Fundamental management principles on maintenance and improvement of diversity of ecosystem, species and gene based upon character of forest,
 - b. Appropriate management plan on maintenance and improvement of biological diversity at landscape level,
 - c. Technical guidelines on some representative forest types in terms of maintenance and improvement of biological diversity.
- 2-1-2 If primary forest or similar natural forest exists in the area, strict management based upon management principles for preservation shall be conducted and adjacent buffer zone management principles shall also be available.
- 2-1-3 Conversion of primary forest to planted forest shall not occur unless, in principle, in a small area within the limit of 1% of the primary forest and in justifiable conditions such as follows:
- a. The impact of conversion deems to be negligible in light of fundamental management principles on maintenance, improvement and other aspects of diversity of ecosystem, species and gene, as defined in this standard.
 - b. Conversion does not violate the regional forest plan, municipal forest management plan and relevant acts and legislations related to the conservation of ecosystem such as Nature Conservation Act and Natural Parks Act.
- 2-1-4 With regard to conversion of forest to other types of land use, the conversion shall be undertaken within, in principle, the limit of 1% of the certified forest area (or the limit of 5ha in case that the certified forest area is less than 500ha) in an appropriate manner based upon, in addition to the previous clause: Principle 2 “Conservation of biological diversity” and Principle 6 “Maintenance and enhancement of socio-economic benefits” of this document; Protection Forest System, Forest Planning System and Forest Land Development Permission System defined by Forest Act; relevant acts and legislations such as Nature Conservation Act and Natural Parks Act.

Forest conversion also shall make a contribution to long-term conservation, economic, and social benefits.

- 2-1-5 Those planted forests, which does not have justifiable reasons for conversion after 31 December 2010, shall be treated as disqualified forests which failed to meet the requirements stipulated in this document.
- 2-2 Primary elements (natural forest including primary forest, Satoyama forest, grass land, wetland, pond, farm land and so on) for securing biological diversity in the area shall be clearly identified in the map and management principles shall be stated.
 - 2-2-1 Constituting elements in the area shall be clearly identified in the map. As to primary elements for maintaining biological diversity among them, flora and fauna in the area shall be recorded and primary species of them shall be under the technical guidelines for conservation and management.
 - 2-2-2 Appropriate conservation plan as well as management plan for riparian forest, wetland or biotope shall be available.
- 2-3 Appropriate conservation measures shall be provided for the species and their habitat under the categories of Critically Endangered, Endangered, Vulnerable and Near Threatened in the IUCN Red List of Threatened Species.
 - 2-3-1 Existing information of biological diversity in the area and adjacent area shall be extensively collected and recorded. If flora and fauna in the IUCN Red List are found in the area, the habitat shall be identified and strictly protected in accordance with the protection plan. Those sites, where rare flora and fauna seem to inhabit based upon the experts opinion, shall be conserved through protected forest establishment based upon the expert advice.
 - 2-3-2 As a part of rare flora and fauna protection, measures shall be taken through protection of the standing trees worthy for nest tree, protection of standing dead wood, hollow trees and fallen dead wood worthy for bait of insects and birds and improvement of their habitat environment.
- 2-4 Appropriate conservation measures shall be provided for natural vegetation and wild flora and fauna including understory vegetation.
 - 2-4-1 In order to maintain and improve the habitat environment for wild flora and fauna, understory and forest edge vegetation shall be maintained. Measures for protection of rare natural vegetation shall be taken.
 - 2-4-2 Collection of wild flora and fauna shall be limited within the level of sustainability and improper actions shall be prevented. If the forest manager

assumes the responsibility over picking of wild life, he/ she shall regulate, monitor and control such activities.

2-4-3 New introduction of alien species shall be carefully considered to avoid its negative effect on the ecosystem. If introduction is decided, careful monitoring of its negative effect shall be conducted.

2-4-4 On the construction of infrastructures such as forest roads or check dams, precaution measures (side ditch and crossing ditch of forest road and fish ladder) not hampering growth and propagation of small animals shall be conducted. The constructional materials for such infrastructures shall be from bio-materials as appropriate and those infrastructures shall be designed with environmental integrity and minimizing the damage to the ecosystem.

Principle 3: Conservation and maintenance of soil and water resources

3-1 Impact of activities on soil and water resources conservation shall be conducted in advance for minimizing the negative impact in forest management plan and its operational process.

3-1-1 While recognizing change in the environment or level of conservation in connection to forestry operations such as logging and forest road construction, items related to the environmental consideration shall be put in order and be fully disseminated into the contractors and operators.

3-1-2 The area requested for special consideration in soil and basin system conservation shall be identified in the map and the appropriate measures for enhancing soil conservation functions shall be taken.

3-1-3 In the case of forest road and bridge construction design, exposure of bare soils shall be minimized, soil flow into water course shall be avoided and water course and its bed shall be maintained. Also appropriate surface water drainage of forest road shall be allocated and maintained.

3-2 Appropriate protection forest belt shall be set up in case of logging in the area of windswept ridges, basin system (including seasonal ones) and road side.

3-2-1 Protection forest belt shall be properly set up in the area of ridges and streams for soil, water resources, biological diversity and landscape conservation. Such protection forest belt shall be identified on-site based upon the map in the forest management plan.

3-2-2 Vegetation in protection forest belt shall be maintained with the vegetation associated with site specific conditions. If soft wood artificial plantation forms current vegetation, introduction to soft wood and hard wood mixture

forest shall be planned.

- 3-3 In the course of logging, skidding and log transporting, upon considering effect on adjacent water resources and protection function against debris flow, measures for protection of forest floor surface shall be carefully taken.
- 3-3-1 If logging is planned in the area requested for consideration in soil and basin system conservation such as forest with high protection function against disaster in mountain or high risk area of disaster in mountain, type of logging and size of logging area shall be consistent with soil and water resources conservation. In the case of forest designated as water resources maintenance and improvement forest under municipal forest management plan, logging plan shall be fit to ~~in~~the standards and models under municipal forest management plan. In the case of other forest shall also be taken care of water resources conservation in the basin if logging or planting operations are planned.
- 3-3-2 As to method and season of logging, skidding and log transporting, measures for protection of forest floor surface and prevention of water pollution shall be carefully taken in accordance with technical manuals appropriately made by the environmentally friendly methods reflecting the site conditions such as geographical features, soil and vegetation.
- 3-4 Measures shall be taken to avoid spillage of chemical materials such as fuel and oil for machinery or other contaminant as well as agricultural chemical into basin system.
- 3-4-1 Measures shall be taken to avoid soil or water pollution based upon the manuals in which storage place, storage method and usage rules of fuel, oil and other chemicals are regulated. Leakage and unregulated dumping of oil during forest management operation shall be strictly avoided in accordance with ~~by~~the manuals. Non-organic waste shall be collected and stored in designated area with environmentally sound method.
- 3-4-2 In case of fertilizer use, it shall be applied in controlled manner and with ample consideration of the environment.
- 3-5 Soil and water conservation measures shall be taken for forest road and skid track construction.
- 3-5-1 In the course of road and skid track planning, technical manuals based upon the rules and regulations of forest road and of forest conversion shall be taken into account. Such planning shall be conducted in a way that minimizes the environmental impact on the natural conditions of the site and the

characteristic of water use in downstream thereby paying as well as pays full attention to water and soil conservation.

- 3-5-2 Structure of management of forest road and skid track shall be organized and appropriate maintenance service shall be conducted.

Principle 4: Maintenance of productive capacity, health and vitality of forest ecosystem

- 4-1 Forest manager shall assess the economic, social and ecological impact, taking account of the development process of forest management planning, forest inventory data, the implementation of the plan and the result of monitoring, build up a cycle of sustainable improvement of forest management and establish an appropriate operational structure for implementation.
 - 4-1-1 Forest management plan shall be elaborated and implemented in a way that recognizes, maintains and promotes the importance of multiple values of the forest concerned.
 - 4-1-2 As to planning and implementation of forest management plan, biological precaution measures associated with natural site conditions shall be fully utilized from the context of maintenance and enhancement of forest soundness and vitality. As to implementation of forest management, in particular, logging method, regeneration method and regeneration species (including resistant bred seedlings against biotic and abiotic damages) associated with soils, climate and other conditions of the site shall be selected in a way harmonizing natural environment and enhancing resilience of the forest of the site.
 - 4-1-3 Sustainability of long term forest management shall be considered through grasping resources status based upon the result of sample plots monitoring and leveling age class composition.
- 4-2 Harvesting level shall be within the level of forest management plan. Large scale clear cut shall be avoided and non-clear cut operation shall be conducted in sites deem necessary. Harvesting of non-wood forest products shall be set within a level of sustainable management.
 - 4-2-1 Harvesting plan shall be appropriate and feasible in terms of the management objectives and resources composition of the forest concerned. Harvesting operation plan shall be documented with the information such as the site to be harvested, the method of harvesting in each site, the ratio of harvesting, the size and volume of the site and the season of harvesting.
 - 4-2-2 Technical manuals for harvesting methods, age and ratio shall be developed

with due consideration of conservation of soil and water, biological diversity as well as landscape conservation. Non-clear cut operation shall be conducted wherever possible and hard wood species shall be retained in soft wood species dominant forests in erosion-prone areas. Depending on the site condition, introduction of multi-storied forest or operational method with due consideration of ecosystem shall also be considered.

- 4-2-3 Harvesting in the forest under the approved forest management plan shall be implemented in line with its approved plan. Harvesting in other forest shall follow the standards under Regional Forest Plan and Municipal Forest Management Plan).

- 4-3 Regeneration after harvesting shall be carried out within a planned period. Site specific suitable species shall be planted in artificial regeneration based upon the record of silvicultural operations in the past.
 - 4-3-1 Harvesting and regeneration record in the last five or ten years shall be verified in documents in which regeneration shall be appropriately planned in correspondence to harvesting plan. Duration for regeneration shall follow the standards under municipal forest management plan.
 - 4-3-2 Technical manuals for regeneration method, species and numbers of trees regenerated shall be developed and operational plan for regeneration shall be available for identification of the site, site specific regeneration method, size of the site, species and planned period for regeneration.
 - 4-3-3 Selection of species in artificial regeneration shall be based upon the technical reasonableness such as the principle of site specific suitable species including the aspects of water resources conservation, protection from soil erosion and environmental conservation. Seeds or seedlings shall be from local provenances. Introduction of alien species shall be avoided if negative effect on the ecosystem is assumed. Genetically modified trees shall not be used for the time being.
 - 4-3-4 In artificial planting, site specific method which takes account of soil erosion prevention, site conservation as well as high survival rate and good growth shall be selected. Survival survey of the planted seedling shall be periodically conducted and fill up planting shall be done in the area of dead trees. In case of large size tree dead or bad growth, replanting by appropriate species selection shall be taken based upon the survey analysis of such causes.

- 4-4 Appropriate forest management plan for natural forest (including stump sprouted forest) shall be elaborated while taking due consideration of

characteristics of the site and appropriate operations for regeneration shall be conducted.

- 4-4-1 Management activities in natural forest described in forest management plan shall be appropriate to regional forest management plan as well as municipal forest management plan. Harvesting and regeneration in natural forest shall be planned in a manner of mutually coordination from technical reasonableness point of view. Operational plan for harvesting and regeneration shall be available for harvesting method, its volume and planned period for operation.
- 4-4-2 In natural forest management, tree selection guidelines, based upon the operation methods and forest phase and type, and technical guidelines such as ratio of felling and its cycle shall be developed. In order secure proper regeneration after harvesting, regeneration assistance operations such as treatment of soil surface and supplementary planting shall be planned based upon forest phase and type as well as conditions after harvesting.
- 4-5 Tending plan shall be clearly developed with appropriate implementation based upon the site condition.
- 4-5-1 Technical guidelines for tending methods and its timing shall be developed. In order to enhance species diversity and multi-layered root system, hardwood species or non-targeted species shall be retained in the pre-commercial thinning as appropriate.
- 4-5-2 Tending operation record in the last five or ten years shall be verified and upcoming sites for tending and site specific methods, volume and timing shall be available in documents.
- 4-5-3 If the number of wild animals inhabited is significant and causing damage to forest, precautions measures to reduce the animal pressures on the growth and biodiversity of forest shall be taken. Moreover, forest is used for grazing, appropriate precautions measures shall be taken,
- 4-6 Thinning which will introduce target forest type shall be properly planned and implemented.
- 4-6-1 In comparison with age class composition of forest resources as well as tree density in each stand, thinning necessary stand shall be properly planned with identification of thinning sites, site specific thinning ratio, its volume and timing. Those stands designated as thinning necessary stand in municipal forest management plan shall have its implementation plan.
- 4-6-2 Thinning technical manuals for thinning method, its ratio, its age, its interval and stand density shall be developed. In thinning operation, hardwood

- species, standing dead wood, hollow trees in the site shall be retained as appropriate.
- 4-6-3 Thinning operation record in the last five or ten years shall be available. Judging from the status of thinning operation, thinning shall be properly conducted in comparison with stand age and density.
- 4-7 Appropriate prevention measures against pests, disease and animal damage shall be taken. The use of chemicals such as pesticides shall comply with the laws and regulations and shall limit minimum level.
- 4-7-1 Forest pest and disease control plan in the forest management plan shall be consistent with act on forest pest and disease control and wildlife protection and proper hunting act and shall be relevant to maintain biological diversity and soil and water conservation.
- 4-7-2 Outbreak record and associated measures of forest pests, disease and animal damage in the last five or ten years shall be available.
- 4-7-3 The use of forestry chemicals (including herbicide) shall be minimized. When used, a control manual shall be established in compliance with the Agricultural Chemicals Regulation Act and other relevant regulations, and the chemicals shall be used in accordance with the manual.
- Notwithstanding the above, the “WHO Type 1A and 1B” pesticides shall be prohibited, except where no other viable alternative is available. In this respect, the chemicals to which alternatives do not exist are defined and listed in Attachment 3-2 as the chemicals exceptionally allowed.
- 4-8 Prevention and remedial measures against forest fire and severe weather disaster shall be prepared. In case of use of fire, Article 21 of Forest Act stipulates lighting of fires in forest shall only be conducted with permission and conditions by the head of the municipal government related.
- 4-8-1 With reference to forest fire and severe weather disaster, forest patrol staff and insurance coverage as well as awareness raising programs for employees, volunteers shall be available.
- 4-8-2 Forest fire fighting training for employees shall be conducted in collaboration with related organization and equipment for fire fighting shall be stored.
- 4-8-3 Reforestation plan in fire damages area shall be prepared with site specific regeneration methods and its size.
- 4-8-4 Conversion of abandoned agriculture lands back to forests shall be taken into consideration if such conversion may lead to increase in economic, environmental or cultural values.
- 4-8-5 If natural ecosystem targeted to maintain and conserve is destroyed or

degraded in primary forest and similar natural forest, restoration measures based upon the use of natural recovery power shall be taken.

Principle 5: Legal and institutional framework for sustainable forest management

- 5-1 All domestic acts and international conventions ratified shall be complied with.
- 5-1-1 All domestic acts and international conventions ratified shall be complied with.
- 5-1-2 All acts relevant to forest management shall be ready to refer and the documents and records justifying law compliance shall be available.
- 5-1-3 Forest manager shall promote to prevent unauthorized activities, including illegal ones by setting sign boards and other media for proper protection of forest.
- 5-1-4 Forest manager shall set up opportunities for hearing the opinions of local people and define the procedure for resolving complaints and disputes from them in relation to forest management.
- 5-1-5 Forest manager, recognizing that the Ainu living around the northern part of the Japanese Archipelago, especially in Hokkaido, are the indigenous people who have their original language, religion and cultural characteristics, shall give consideration, from a forest management viewpoint, to promotion of the Ainu policy based upon “the Experts` report on the promotion of the Ainu Policy” (hereinafter referred to as ‘the Report’), while respecting ILO No.169 and UN Declaration on the Right of Indigenous Peoples, and following Act on the Promotion of Ainu Culture, and Dissemination and Enlightenment of Knowledge about Ainu Tradition, etc. (hereinafter referred to as ‘the Ainu Culture Promotion Act’) and International Convention on the Elimination of All Forms of Racial Discrimination.

Moreover, forest manager in the district where the Ainu are living shall have a process/mechanism to hear views of a regional organization(s) of Ainu as a stakeholder through explanatory meetings or other measures of communication and consult with them on the matters related to management of the forest concerned in accordance with FPIC. With respect to the consultation, forest manager shall also have a process/mechanism to arrive at a fair solution, while respecting/following the above-mentioned conventions, declaration, etc.

Note 1: Application of this principle should be conducted in accordance with the PEFC standard documents, and should not be distinguished between “respecting”

and “following” in weighing importance.

Note 2: FPIC: Free, Prior and Informed Consent

Note 3; “Ainu Culture Promotion Act” was enacted in 1997, aiming to realize a society in which the pride of Ainu people as an ethnic group is respected. “Advisory Council for Future Ainu Policy” was established within the Japanese government, in response to the “Declaration on the Rights of Indigenous Peoples (UNDRIP)” adopted by the United Nations General Assembly in 2007, and the “Resolution to Recognize the Ainu as an Indigenous People” adopted by the House of Representatives and the House of Councilors in 2008 based on the aim of international conventions on human rights such as International Convention on the Elimination of All Forms of Racial Discrimination.

Afterwards, the final report of the advisory council, released in July 2009, stated that the future Ainu policy should be developed based on the recognition of indigenesness of Ainu people. Furthermore, following the above report, the “Council for Ainu Policy Promotion” was established in the Government in order to promote integrated and effective Ainu policy reflecting opinions of Ainu people etc.

In light of the above historical context, the Government is currently promoting policies in which priorities are put on promotion, enlightenment and dissemination of Ainu culture, and improvement of livelihood of Ainu people.

- 5-2 Legal, customary or traditional rights to use local forest property and resources shall be respected .
- 5-2-1 Existence of common rights and fishing rights or other customary rights in the forest applied for certification shall be clarified and its status in the forest management plan shall be available.
- 5-2-2 When the common rights are recognized, users’ right and benefits shall be properly secured in the forest management plan based upon the status of use.
- 5-2-3 Forest management shall be associated with promotion of long term health and welfare of the communities within and adjacent the said forest.
- 5-2-4 Forest manager shall respect traditional forest management practices in Satoyama and other area as far as economically feasible.
- 5-2-5 Forest manager shall identify the stakeholders by using appropriate information, provide explanation to those stakeholders who are potentially affected by the forest management and hear their views on the matters related to forest management. If necessary, forest manager shall also hear from the municipal office concerned the process of discussions by experts who review the municipal forest management plan.

In the course of developing forest management plan, forest manager shall

make the best use of local forest-related experience and knowledge, such as those of local communities, forest owners, NGOs and local people.

- 5-3 Employees and contractors shall be properly trained and guided on biological diversity in the course of management plan implementation.
- 5-3-1 Training and guiding texts on work safety and biological diversity shall be available and employees and contractors training shall be conducted.

- 5-4 Forest manger shall assure that the employees and contractors follow the forest management criteria, indicators and guidelines (forest management standard) and take necessary measures for improving the employment environment such as professional skill up training or registration to the social security system and recognize the status of the implementation of such measures
- 5-4-1 Forest owner or forest manager shall comply with the fundamental ILO conventions (except from those conventions not ratified by Japan), labor standards act related to ILO No. 105 and No. 111, both of which are not ratified by Japan as well as other relevant domestic acts and shall enroll social security system such as employee's unemployment insurance, health insurance, pension insurance and retirement allowance mutual fund. Forest owners or forest managers shall try to let the employees, who do not legally satisfy the requirements, enroll such systems. Status of social security enrollment in contractor's employee shall be reported.
- 5-4-2 Employees' skill up training and guidance policy for log processing, forest management, forest inventory, field supervising, management planning and sales shall be available and such training shall be conducted.

- 5-5 Necessary training and guidance of employees and contractors on work safety shall be conducted.
- 5-5-1 Work safety manuals and guidance, its check sheet, its daily report, risk assessment report and record of accident while at work shall be provided to employees and contractors. Work safety training, self-daily work safety check, risk assessment, work safety inspection and work safety and health training shall be conducted.
- 5-5-2 Employer shall have institutional safety and health management structure based upon labor safe and health act and associated rules and regulations.

Principle 6: Maintenance, enhancement of socio-economic benefits and contribution to the prevention of global worming

- 6-1 Certified forest products including non-wood forest products, as sustainable recyclable/reusable green resources, shall be effectively used in various purposes and contribute to the local economy with increased job opportunities through collaboration with local community and stake holders.
- 6-1-1 Level of harvest of wood and non-wood forest products shall not exceed the long term sustainable level. Forest products harvested shall be effectively utilized as they are precious resources.
- 6-1-2 Use of various certified forest products shall be promoted with the CoC organizations and shall disseminate the knowledge and experiences through acquisition of forest management certification into local community widely.
- 6-1-3 Certified forest products shall be physically separated and delivered to the users at log processing stage and delivering stage. Forest manager shall aim to achieve sound economic activities taking consideration of market analysis, feasibility study of new market as well as full range of goods and services of forest.
- 6-1-4 In construction or maintenance of forest roads, skid tracks or check dams as well as facilities for education and recreation, certified forest products shall be effectively used.
- 6-1-5 Infrastructures such as forest roads and skid tracks shall be designed, constructed and maintained for effective deliberation of forest goods and services while minimizing negative impact on the environment.
- 6-1-6 Conversion of forest to other land use related to forest infrastructures shall be properly conducted in accordance with relevant acts and regulations within minimum impact associated with sustainable management of the forest related.

- 6-2 The space and opportunity shall be provided for the citizen to come in touch with the nature seeking for, for example, forest recreation, and the environmental education or safety guidance to the visitors shall be provided.
- 6-2-1 The space and opportunity shall be provided for the citizen to come in touch with the nature seeking for, for example, forest recreation. Large size employers shall have their own the environmental education programs and explanation board for the visitors. Forest roads, skid tracks and foot-paths for the visitors' use shall provide safety facilities, sign board and explanation board.
- 6-2-2 Awareness raising activities for the visitors to take their garbage home with them shall be conducted and the waste shall be processed outside the forest as appropriate.

- 6-3 Forest designated for recreational use or landscape conservation shall be treated for such purposes.
- 6-3-1 Zoning of recreational use or landscape conservation area shall be designed in the forest management plan. Such area shall be designed facilities layout, forest layout and its management suitable for landscape improvement and amenity improvement.
- 6-3-2 Those restricted forest in the municipal forest management plan shall meet its rules and regulation in landscape conservation or recreational use.
- 6-3-3 Facilities of forest recreation shall be located or planned to meet the expectation of beneficiaries, the rules and regulations of environmental conservation and forest conversion as well as rules and regulations of forest management plan for public health function.
- 6-3-4 Public access to forests for recreational use shall be properly arranged with due consideration of forest owner' rights and use rights, impact on forest resources and its ecosystem and balance with other functions.

- 6-4 Cultural and historic site and highly valued forest in terms of resources or society shall be protected.
- 6-4-1 Forest management plan shall identify the designated cultural properties under the act on protection of cultural properties, the sites locally recognized as cultural or historical importance, the local symbolic forests popular among local community, giant trees popular among local community and high valued forests in terms of science. The guideline of treatment shall also be stated.
- 6-4-2 Other forests, not regulated by the act on protection of cultural properties, shall have consideration on conservation with the content of forest management recognized appropriate by the local community. Those forests shall be served as demonstration forests or model forests which serve social benefits proactively and conduct its public relations activities.

- 6-5 Management, tending and use of forest shall be contributed as a sink of carbon against the global warming.
- 6-5-1 Improvement of carbon sequestration capacity shall be aimed through appropriate forest treatment for increase carbon sequestration capacity or at least avoid decreasing the capacity and effective use of forest residues and thinning logs.
- 6-5-2 Use of fossil fuels shall be minimized as possible in forest management and tending operations.

- 6-6 Forest managers shall actively and properly contribute to data collection related to research activities in sustainable forest management, in consideration of the principle that forest management shall be conducted based upon scientific research results.
- 6-7 Forest management plan shall take into account the use of relevant government policies and subsidy measures for fulfilling various functions designed in the municipal forest management plan.

Principle 7: Monitoring and disclosure of information

- 7-1 Monitoring, as a tool for evaluating the effects of implementation of forest management plan, shall be implemented periodically. The result of monitoring shall be reflected on the implementation and revision of the management plan as appropriate.
 - 7-1-1 The level of performance and its environmental impacts shall be evaluated with on-site verification of the check list for the performance of the plan in monitoring. Items not implemented shall be identified by the reason and its counter-measures. Monitoring process shall be reviewed by the internal auditing in verification, evaluation and improvement points.
 - 7-1-2 The Check list of monitoring shall include the items which verify the performance of forest management plan's achievement such as pest/disease/animal damage, frost/snow damage, forest fire including natural fire as well as operations' impact on ecosystem soundness and vitality.
- 7-2 Collaborative monitoring system shall be established with the local governments, if they conduct the indicator species monitoring for estimating holistic biological diversity in the region.
 - 7-2-1 The contents of collaboration and status of operations with the third parties who conduct biological diversity monitoring shall be verified.
- 7-3 Various data related to the forest concerned shall be recorded and kept as much as possible. In case of forest operations conducted, category-wise, fiscal year-wise and site-wise operational record shall be kept.
 - 7-3-1 Site-wise and fiscal year-wise operational record shall be kept. Site-wise and fiscal year-wise damage status of pests and disease, animals, forest fire, severe weather shall be recorded. Status of enrollment in and compensation from forest insurance shall be recorded.

- 7-4 Forest management plan and its monitoring results shall be confidential in general; however, the summary information shall be open to the public in principle.
- 7-4-1 The method of open to the public, including the venue, the perusal method and procedures, shall be stated or planned to develop for forest management plan, its operation record and check list for biological diversity. However, such documents shall not be open to be public as personal information, secret documents stipulated in relevant acts and regulation, and secret information linked with natural environmental conservation.

Supplementary article 1

The Board of Directors, on 28th March 2014, has decided to amend this Operational Rules.

Supplementary article 2

The Board of Directors, on 1st April 2015, has decided to amend this Operational Rules. Notwithstanding this amendment, the previous Operational Rules may be effective up until 30 September 2015.

Supplementary article 3

This document (amended on 10th February 2016) will be effective on 1st April 2016.. Notwithstanding the above, the previous Operational Rules may be effective during transitional period of endorsement and mutual recognition by PEFC.

Supplementary article 4

This document (amended on 14th October 2016) will be effective on 1st November 2016. Notwithstanding the above, the period until 1st January 2017 may be regarded as a transition term.

Attachment 3-1

Handling wood products produced by infrastructure construction in forest

The area for infrastructure construction in SGEC certified forest shall be regarded as a part of forest area designated for forest management. Wood cut from the area of infrastructure construction shall be treated the wood products produced under SFM in SGEC scheme.

In this connection, the infrastructures in such area shall be designed and be constructed in site specific condition friendly manner as a part of SFM. These constructional activities shall be, therefore, taken under the category of SFM.

Supplementary article

The Board of Directors, on 1st April 2015, has decided to amend this Attachment.

Attachment 3-2:

The chemicals classified as WHO Type 1A and 1B the use of which are exceptionally allowed by the provision given in SGEC Document 3 “Principles, Indicators and Guidelines for SGEC Forest Management Certification - Requirements for Forest Certification

Note

The chemicals the use of which are exceptionally allowed are limited to the following;

1. Zinc Phosphide

When using this chemical, forest manager shall establish the control manual in compliance with the Agricultural Chemicals Regulation Act and fully assure not only the prevention of accidents but also the conservation of natural and living environment.

Supplementary Article

This document will be effective from 1st January 2016.

Notwithstanding the above, SGEC may define the period of time until the acquisition of PEFC Endorsement as transit period.