



NGO Briefing in Response to Official Disclosure of Tropical Timber Use for Tokyo 2020 Olympics

February 2018

New information recently disclosed by Tokyo 2020 organizers¹ affirms long-standing concerns regarding the sustainability of construction plywood used for Tokyo 2020 Games facilities. Key concerns are:

- Substantial use of tropical plywood - at least 86,900 panels as of November 2017²
- A glaring lack of due diligence, thus failing to ensure the sustainability and legality of the wood being used

On February 5th, Tokyo 2020 organizers publicly released information on their use of tropical timber to construct the New National Stadium and other Tokyo 2020 related facilities,³ information that was originally requested by 44 NGOs in December 2016.⁴

The disclosure revealed that as of November 2017, 85,400 concrete formwork plywood panels have been used to construct the **New National Stadium**, of which at least 87% derived from the rainforests of Malaysia and Indonesia. The overwhelming majority of wood used was uncertified tropical plywood from Indonesia, which has one of the highest rates of deforestation in the world. Certified plywood from Malaysia and Japan constituted 3% and 2% respectively. 11% was of unknown origin. While the type of certification was not disclosed, NGOs have confirmed Tokyo 2020's substantial reliance on problematic certification standards and systems in Malaysia, as explained further below.

The announcement also revealed that construction of the **Olympic Aquatics Center**, **Ariake Arena**, and **Sea Forest Waterway** have so far used 36,600 plywood panels as of November 2017 and are similarly exploiting Malaysian and Indonesian rainforests. (See Annex Fig. 1)

¹ Organizers consist of the Tokyo Organising Committee of the Olympic and Paralympic Games, Japan Sports Council, and the Tokyo Metropolitan Government

² Assuming use of 900mmX1800 mm sized plywood, this equates to 1,689 m³ or 3,885 Roundwood Equivalent.

³ <https://tokyo2020.org/jp/games/sustainability/information/20180205-01.html> (in Japanese only)

⁴ See https://www.ran.org/civil_society_warns_olympic_committee

Global forest loss hit the highest level on record in 2016, losing 29.7 million ha of tree cover (the size of New Zealand), largely due to forest fires, agriculture, logging, and mining.⁵ **Indonesia and Malaysia were among the top 10 countries that suffered dense tree cover loss in 2016**, much of it linked to industrial plantation development for oil palm and pulp & paper. Rapid deforestation has continued in 2017. Despite the critical importance of protecting rainforests to combat climate change, preserve global biodiversity, and support the livelihoods of millions of Indigenous Peoples and local communities, **Japan continues to be the largest global consumer of tropical plywood**, importing nearly 2 million m³ of plywood from Indonesia and Malaysia in 2016 alone.⁶ (see Annex Fig. 2)

Logging industries in both those countries have continued to be associated with high risks of illegal logging, corruption, violation of Indigenous Peoples' land rights, and poor forest management.⁷ For example, a recent assessment of the Indonesian forestry sector found it relies on illegal wood for more than 30% of its supply.⁸

NGO investigations of several Olympic construction sites conducted in 2017 and 2018 found habitual use of plywood supplied by notorious logging companies from Sarawak, Malaysia - Shin Yang and Ta Ann - which have been implicated in the destruction of biodiversity hotspots in Borneo, Indigenous Rights abuses, and in some cases illegal logging.⁹ These sites include the **New National Stadium**,¹⁰ **Olympic Aquatics Center**, and **Sea Forest Waterway**. (see Annex Fig. 3) The plywood found was PEFC certified, highlighting the problematic nature of certification in Sarawak, Malaysia.

⁵ See <http://www.wri.org/blog/2017/10/global-tree-cover-loss-rose-51-percent-2016>

⁶ Japanese Forestry Agency, 2016 Timber Import Statistics, <http://www.rinya.maff.go.jp/j/kaigai/attach/pdf/index-6.pdf> (in Japanese only)

⁷ See, for example, Alison Hoare, Chatham House Report, *Tackling Illegal Logging and the Related Trade: What Progress and Where Next?*, 2015, <https://indicators.chathamhouse.org/tackling-illegal-logging-and-related-trade-what-progress-and-where-next>; NEPCon, *Supply Chain Mapping of Malaysian Timber and Wood-Based Industries*, January 2016, http://awsassets.wwf.org.my/downloads/final_supply_chain_mapping_report_18jan16.pdf

⁸ Forest Trends et al, *Indonesia's Legal Timber Supply Gap and Implications for Expansion of Milling Capacity: A Review of the Road Map for the Revitalization of the Forest Industry, Phase 1*, February 2015, http://www.forest-trends.org/documents/files/doc_4843.pdf

⁹ See Global Witness, *Japan's links to Rainforest Destruction in Malaysia*, December 2015, <https://www.globalwitness.org/ru/reports/shinyang/>; Global Witness, *In the Future, There Will Be No Forests Left*, November 2012, <https://www.globalwitness.org/en/archive/hsbc/>; <https://news.mongabay.com/2013/10/norway-blacklists-2-malaysian-logging-companies-for-severe-environmental-damage-in-borneo/>

¹⁰ See https://www.ran.org/urgent_investigation_required_as_use_of_plywood_likely_linked_to_tropical_forest_destruction_and_human_rights_abuses_found_at_construction_site_of_new_tokyo_olympic_stadium

While no information was released on the volume or origin of the wood used to construct the **Tokyo 2020 Olympic Village**,¹¹ NGO investigations have separately confirmed the use of tropical plywood from Sarawak at the Olympic Village construction site. (See Annex Fig. 4)

Tokyo 2020 organizers claim that all wood used satisfied its Timber Sourcing Code standards.¹² Yet Tokyo 2020's unsustainable use of tropical plywood to construct the Olympic facilities is an extension of "business as usual" practices in Japan and is entirely inconsistent with the Olympic commitment to sustainability.

In light of the high risks of sourcing timber products from Indonesia and Malaysia, the **information disclosed by Tokyo 2020 organizers fails to provide meaningful assurance that the timber used for Olympics construction was harvested legally and sustainably.** The following deficiencies in Tokyo 2020's timber sourcing practices undermine their commitment to sustainability:

- **Lack of due diligence:** Tokyo 2020 organizers fail to require full traceability back to the forest, even when sourcing from high risk areas such as Malaysia and Indonesia. Instead, timber importers are permitted to only inspect the mill or send questionnaires to their suppliers to verify compliance with the Code's requirements.¹³ In the case of the large volume of "reused" plywood - plywood that has been previously used at a non-Olympic construction site - the level of due diligence is even more concerning: Tokyo 2020 organizers have no knowledge of their origin and only require verification of legality.
- **Reliance on weak legality verification mechanisms:** The Code requires legality to be verified on the basis of Japan's Green Procurement Law, despite widespread criticism of the Law's ability to assure legality because of its narrow definition of legality, weak due diligence requirement, and absence of an enforcement mechanism.¹⁴
- **Reliance on weak certification mechanisms:** The Code recognizes all FSC and PEFC certifications as meeting the Code's requirements, despite evidence that PEFC-certified products "may contain wood from areas where traditional and civil rights are violated, or where poor forest management threatens areas of high conservation value."¹⁵ PEFC endorsed Malaysian Timber Certification Standard (MTCS) has been

¹¹ The Olympic Village is considered outside of the scope of the Tokyo 2020 Timber Sourcing Code.

¹² <https://tokyo2020.org/en/games/sustainability/data/sus-procurement-timber-code.pdf>

¹³ See Tokyo2020, Frequently asked questions on the implementation of the Sustainable Sourcing Code for Timber, <https://tokyo2020.org/jp/games/sustainability/sus-code/wcode-timber/> (in Japanese only)

¹⁴ See, for example, Mari Momii, *Trade in Illegal Timber: The Response in Japan*, A Chatham House Assessment, November 2014, www.chathamhouse.org/publication/trade-illegal-timber-response-japan

¹⁵ See <http://www.panda.org/?246871/WWF-Forest-Certification-Assessment-Tool-CAT>. PEFC-certified timber products are allowed to use up to 30% of 'controlled sources', comprising non-certified materials assessed only

assessed by WWF to be even weaker than PEFC generally. This is also demonstrated by the fact that MTCS-certified tropical plywood from Sarawak, Malaysia, is being mixed with uncertified timber sourced from the Heart of Borneo, a cross-border conservation initiative covering some of Sarawak's last areas of intact rainforest.¹⁶

- **Lack of accountability:** Tokyo 2020 organizers have failed to disclose any evidence to support the claim that uncertified plywood from Indonesia satisfies the Code's requirements on legality, sustainability and human rights. This is a glaring omission given the substantial proportion of uncertified wood from a country with significant risks.
- **Failure to proactively use sustainable Japanese wood:** The overwhelming use of tropical over Japanese plywood is inconsistent with the Code's mandate to prioritize the use of domestic wood as a way to encourage the sustainable domestic forestry industry.

While we welcome the release of information and small steps taken by the International Olympic Committee (IOC) and the Tokyo 2020 organizers to improve the timber sourcing practices for the Tokyo 2020 Olympics, recent measures fail to satisfy Tokyo 2020's commitment to host a sustainable Olympics. **If Tokyo 2020 is to leave a legacy of sustainability in Japan and elsewhere, the IOC and Tokyo 2020 organizers must immediately revise and strengthen the Timber Sourcing Code's protection of forests and human rights in line with NGO demands made in September 2017,¹⁷ and end the use of high-risk sources, in particular tropical wood.** Additionally, Tokyo 2020 organizers must improve transparency and accountability by disclosing a more detailed account of the measures taken to verify the uncertified wood as well as the names of the suppliers.

against criteria of illegality, conversion of primary forests and GMO. This is insufficient to assure sustainability. See <https://eia-global.org/blog-posts/PEFC-fig-leaf-for-stolen-timber>

¹⁶ See, for example, <https://news.mongabay.com/2017/10/leading-us-plywood-firm-linked-to-alleged-destruction-rights-violations-in-malaysia/>

¹⁷ See

https://www.ran.org/ngos_demand_olympic_authorities_end_rainforest_destruction_and_human_rights_abuses_connected_to_tokyo_2020_olympics_construction

ANNEX

Fig 1: Procurement status of concrete formwork plywood for construction of Tokyo 2020 Olympic facilities (As of the end of November 2017) [unofficial translation]

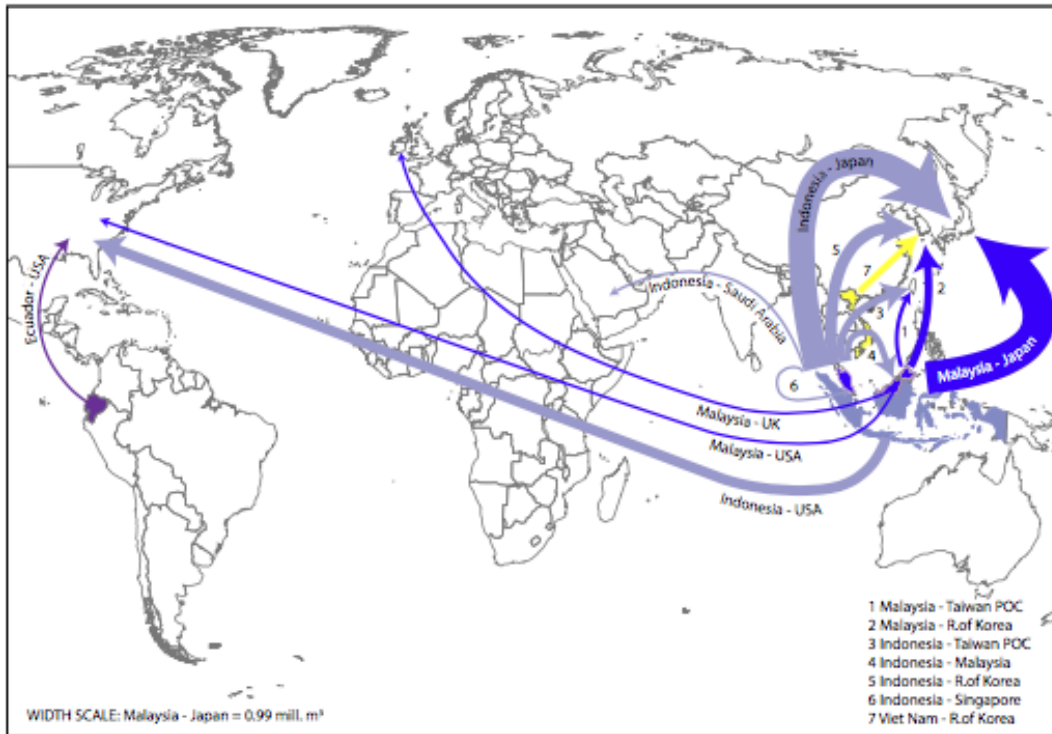
Japan Sports Council

| Name of Facility | Classification | Manufacturing Country | Quantity (Sheets) |
|----------------------|--|-----------------------|-------------------|
| New National Stadium | Concrete formwork plywood with forest certification stipulated in Timber Sourcing Code Section 3 | Malaysia | 2,900 |
| | | Japan | 1,900 |
| | Concrete formwork plywood verified in accordance with Timber Sourcing Code Section 4 | Indonesia | 71,000 |
| | Reused concrete formwork plywood | - | 9,600 |

Tokyo Metropolitan Government

| Name of Facility | Classification | Manufacturing Country | Quantity (Sheets) |
|------------------------|---|-----------------------|-------------------|
| Olympic Aquatic Center | Concrete formwork plywood with forest certification stipulated in Timber Sourcing Code Section 3. | Malaysia | 6,400 |
| | Reused concrete formwork plywood | - | 14,900 |
| Ariake Arena | Concrete formwork plywood verified in accordance with Timber Sourcing Code Section 4 | Indonesia | 5,000 |
| | | Japan | 8,700 |
| Sea Forest Waterway | Concrete formwork plywood with forest certification stipulated in Timber Sourcing Code Section 3 | Malaysia | 1,600 |

Fig 2: Major Trade Flows of Tropical Plywood in 2016 (million m3), showing largest flows are from Malaysia and Indonesia to Japan [Source: ITTO, Biennial Review 2015-2016]



Source: COMTRADE
 Note: Major trade flows include annual trade greater than 70 000 m³.

Fig 3: Tropical plywood use at Olympic Aquatics Center & Sea Forest Waterway construction sites

Plywood Manufacturer: Ta Ann (indicated by logo)
 Country/State of Origin: Sarawak, Malaysia
 Importer: Hayashi Plywood Industrial Co.,Ltd
 Certification: PEFC/MTCS

Plywood Manufacturer: Ta Ann (indicated by logo)
 Country/State of Origin: Sarawak, Malaysia
 Importer: unknown
 Certification: PEFC/MTCS



Olympic Aquatics Center (Photo taken 20/11/2017)



Sea Forest Waterway (Photo taken 08/11/2017)

Fig 4: Tropical plywood use at the Olympic Village construction site

Plywood Manufacturer: Shin Yang (indicated by “SY” logo)
Country/State of origin: Sarawak, Malaysia
Importer: Sojitz Kenzai (indicated by No. 014 stamped on the plywood)
Certification: unknown



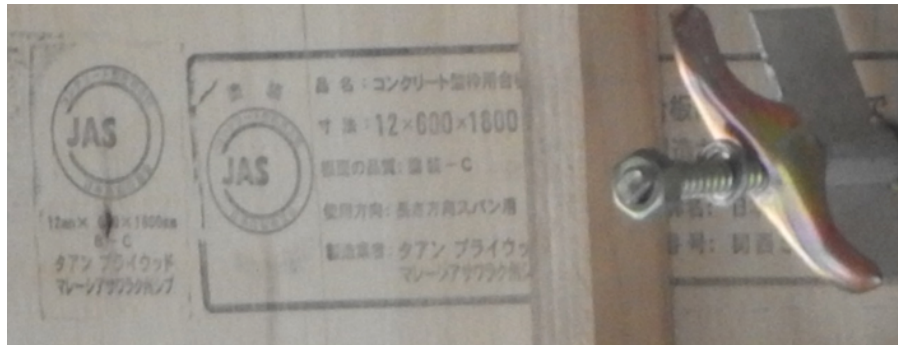
Olympic Village, 5-3 sub-area (Photo taken on 13/12/2017)

Plywood Manufacturer: Shin Yang (indicated by “SY” logo)
Country/State of origin: Sarawak, Malaysia
Importer: unknown
Certification: unknown



Olympic Village, 5-3 sub-area
(Photo taken on 16/12/2017)

Plywood Manufacturer: Ta Ann (indicated by stamp)
Country/State of origin: Sarawak, Malaysia
Importer: Hayashi Plywood Industrial Co.,Ltd
Certification: unknown



Olympic Village, 5-3 sub-area(Photo taken on 16/12/2017)