

**Forest Management and Stump-to-Forest Gate Chain-of-Custody  
Certification Evaluation Report for the:  
Hayami Forest – Forest Management Group  
Group Forest  
Conducted under auspices of the SCS Forest Conservation Program  
SCS is an FSC Accredited Certification Body**

**CERTIFICATION REGISTRATION NUMBER  
SCS-FM/COC-00155P**

**Submitted to:**

**Hayami Forest**

345 Hikimotoura, Miyama-ku, Kihoku-cho,  
Kitamuro-gun, Mie, 519-3413  
Japan

**Lead Author: Norihiko Shiraishi**

**Date of Field Audit: October 14-15 2009**

**Date of Report: January 2010**

**Re-Certified: 1 February 2010  
Originally Certified : February 1, 2000**

**By:**

**SCIENTIFIC CERTIFICATION SYSTEMS  
2000 Powell St. Suite Number 1350  
Emeryville, CA 94608, USA  
[www.scscertified.com](http://www.scscertified.com)**

**SCS Contact: Dave Wager [dwager@scscertified.com](mailto:dwager@scscertified.com)  
Client Contact: Mr. Tohru Hayami**

## **Organization of the Report**

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Forest Stewardship Council. This section is made available to the general public and is intended to provide an overview of the evaluation process, the management programs and policies applied to the forest, and the results of the evaluation. Section A will be posted on the SCS website ([www.scs-certified.com](http://www.scs-certified.com)) no less than 30 days after issue of the certificate. Section B contains more detailed results and information for the use of Hayami Forest Forest Management Group.

## **FOREWORD**

Scientific Certification Systems, a certification body accredited by the Forest Stewardship Council (FSC), was retained by Hayami Forest Forest Management Group Forest (Hayami Group Forest) to conduct a certification evaluation of its forest estate. Under the FSC/SCS certification system, forest management operations meeting international standards of forest stewardship can be certified as “well managed”, thereby enabling use of the FSC endorsement and logo in the marketplace.

In October 14-15 2009, an interdisciplinary team of natural resource specialists was empanelled by SCS to conduct the evaluation. The team collected and analyzed written materials, conducted interviews and completed a 2 day field and office audit of the subject property as part of the certification evaluation. Upon completion of the fact-finding phase of the evaluation, the team determined conformance to the 56 FSC Criteria in order to determine whether award of certification was warranted.

This report is issued in support of a recommendation to award FSC-endorsed certification to Hayami Group Forest for the management of its forest estate.

As detailed below, certain pre-conditions (also known as Major Corrective Action Requests) that were stipulated by the audit team upon completion of the field audit were addressed by Asahi and cleared by SCS prior to finalization of this report. In the event that a certificate is awarded, Scientific Certification Systems will post this public summary of the report on its web site ([www.scscertified.com](http://www.scscertified.com)).

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## SECTION A- PUBLIC SUMMARY AND BACKGROUND INFORMATION

### 1.0 GENERAL INFORMATION

#### 1.1 FSC Data Request

Applicant entity	Hayami Forest Forest Management Group
Contact person	Mr. Tohru Hayami
Address	Hayami Forest 345 Hikimotoura, Miyama-ku, Kihoku-cho, Kitamuro-gun, Mie, 519-3413, Japan
Telephone	+81-597-32-0001
Fax	+81-597-32-1012
E-mail	hayami_forest@ztv.ne.jp
Certificate Number	SCS-FM/COC-00155P
Certificate/Expiration Date	January 31, 2015
Certificate Type	Group FMUs
Group Members	1
Number of FMU's	<i>Total number of FMUs in scope of certificate</i>
Number of FMUs in scope that are	
less than 100 ha in area	0
100 - 1000 ha in area	0
1000 - 10 000 ha in area	1
more than 10 000 ha in area	0
Location of certified forest area	Kihoku, Japan
Latitude	N 34 degrees 6 minutes
Longitude	E 136 degrees 14 minutes
Forest zone	Temperate
Total forest area in scope of certificate which is included in FMUs that:	
are less than 100 ha in area	0
are between 100 ha and 1000 ha in area	1,070ha
meet the eligibility criteria as low intensity SLIMF FMUs	0
Total forest area in scope of certificate which is:	
privately managed <sup>1</sup>	1,070ha
state managed	0
community managed <sup>2</sup>	0
Number of forest workers (including contractors) working in forest within scope of certificate	18
Area of forest and non-forest land protected from commercial harvesting of timber and managed primarily for conservation objectives	62
Area of forest protected from commercial	0

<sup>1</sup> The category of 'private management' includes state owned forests that are leased to private companies for management, e.g. through a concession system.

<sup>2</sup> A community managed forest management unit is one in which the management and use of the forest and tree resources is controlled by local communities.

harvesting of timber and managed primarily for the production of NTFPs or services	
Area of forest classified as 'high conservation value forest'	0
List of high conservation values present <sup>3</sup>	none
Chemical pesticides used	None
Total area of production forest (i.e. forest from which timber may be harvested)	820
Area of production forest classified as 'plantation' for the purpose of calculating the Annual Accreditation Fee (AAF)	820
Area of production forest regenerated primarily by replanting <sup>4</sup>	820
Area of production forest regenerated primarily by natural regeneration	0
List of main commercial timber and non-timber species included in scope of certificate (botanical name and common trade name)	hinoki ( <i>Chamaecyparis obtusa</i> ) and Sugi ( <i>Cryptomeria japonica</i> )
Approximate annual allowable cut (AAC) of commercial timber	4500 M3
Approximate annual commercial production of non-timber forest products included in the scope of the certificate, by product type	none
List of product categories included in scope of joint FM/COC certificate and therefore available for sale as FSC-certified products (include basic description of product - e.g. round wood, pulp wood, sawn timber, kiln-dried sawn timber, chips, resin, non-timber forest products, etc.)	Standing tree, round wood, sawn wood and woodworks

## Conversion Table English Units to Metric Units

### Length Conversion Factors

<u>To convert from</u>	<u>to</u>	<u>multiply by</u>
mile (US Statute)	kilometer (km)	1.609347
foot (ft)	meter (m)	0.3048
yard (yd)	meter (m)	0.9144

### Area Conversion Factors

<u>To convert from</u>	<u>to</u>	<u>multiply by</u>
square foot (sq ft)	square meter (sq m)	0.09290304
acre (ac)	hectare (ha)	0.4047

### Volume Conversion Factors

#### Volume

<u>To convert from</u>	<u>to</u>	<u>multiply by</u>
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<sup>3</sup> High conservation values should be classified following the numbering system given in the ProForest High Conservation Value Forest Toolkit (2003) available at [www.ProForest.net](http://www.ProForest.net)

<sup>4</sup> The area is the *total* area being regenerated primarily by planting, *not* the area which is replanted annually. NB this area may be different to the area defined as a 'plantation' for the purpose of calculating the Annual Accreditation Fee (AAF) or for other purposes.

cubic foot (cu ft)	cubic meter (cu m)	0.02831685
gallon (gal)	liter	4.546

1 acre	= 0.404686 hectares
1,000 acres	= 404.686 hectares
1 board foot	= 0.00348 cubic meters
1,000 board feet	= 3.48 cubic meters
1 cubic foot	= 0.028317 cubic meters
1,000 cubic feet	= 28.317 cubic meters

Breast height = 1.4 meters, or 4 1/2 feet, above ground level

Although 1,000 board feet is theoretically equivalent to 2.36 cubic meters, this is true only when a board foot is actually a piece of wood with a volume 1/12 of cubic foot. The conversion given here, 3.48 cubic meters, is based on the cubic volume of a log 16 feet long and 15 inches in diameter inside bark at the small end.

## 1.2 Management Context

As a private forestry company located in Japan, management of the Hayami Group Forest is subject to a host of national, prefectural and cities' regulations. The principal regulations of greatest relevance to forest managers in this region are associated with the following statutes:

Forest and Forestry Basic Law

Forest Law

Sabo Law

Natural Environment Conservation Law

Natural Parks Law

Law on Protection of Forest Disease and Pest

Plant Variety Protection and Seed Law

Agricultural Chemical Control Law

Basic Law on Biodiversity

Law on Protection and Appropriate Hunting of Birds and Animals

Law on Conservation of Endangered Species of Wild Fauna and Flora

Law on Prevention of Damage to Ecosystems by Specific Exotic Species

### 1.2.1 Environmental Context

Forest land constitutes about 25 million ha and 67% of the total land area for Japan. Total stock volume is approx. 4.5 billion m<sup>3</sup> and increasing approx. 80 million m<sup>3</sup> per year.

Plantation forests consisting of coniferous species such as Sugi (*Cryptomeria japonica*), Hinoki (*Chamaecyparis obtusa*), Karamatu (*Larix leptolepis*) make up about 10 million ha and about 40% of the country's total forest area. Japanese forestry is facing a crisis because 70% of these conifer plantations have reached ages requiring salvage cutting and thinning.

Broad-leaved forest volumes are increasing yearly, but half of these forests are no more than 50 years old. Many of these plantation stands are secondary broad-leaved forests, which were used as a source of fuel wood after the Second World War, and abandoned thereafter to regenerate naturally.

Most forest stands in Japan are located on steep slopes, precipitation levels in this area exceed the national average of 1,600mm. Temperate and moist, this condition contributes to

the growth of vegetation; however, many plants such as ferns and bamboo grass grow thick hindering the growth of target forest stands. This increases need for cutting, thinning and other forest treatments for adequate forest management levels.

The Hayami Forest is located in a region of Japan marked by steep mountain slopes along the Pacific Coast of the Kii Peninsula of Honsyu Island. Elevations in the vicinity of the Hayami Forest range from sea level to over 800 meters. Slopes are commonly in excess of 30%. Despite the rugged terrain, soil erosion and landslides are not a widespread problem within the region, due to underlying parent material as well as the ameliorating effects of vegetative cover. Mean annual temperatures in the region range between 6 and 26 degrees centigrade. Average annual rainfall is approximately 3,900 millimeters.

The Hayami Forest falls within a region of Japan in which the natural vegetative cover is warm-temperate evergreen broadleaf forest. These natural forests are dominated by evergreen oaks and laurels. Natural forests are commonly of multiple canopy layers and multi-aged. Typical of land use patterns throughout the region, over half of the land area comprising the Hayami Forest is now occupied by conifer plantations of hinoki and sugi.

Due to centuries of commercial timber harvesting and active silviculture, the forested landscape of Kihoku Town, and the broader region of Mie Prefecture, is highly modified, particularly with the extensive and long-standing introduction of planted conifers. Of the almost 10,000 hectares of forest cover in Miyama-ku, Kihoku Town, approximately two-thirds is occupied by conifer plantations with the remainder being secondary natural forest (broadleaf species). On an even larger spatial scale, roughly 60% of the total forest cover in Japan is occupied by natural forests with varying degrees of alteration due to past human intervention. The remainder, roughly 40% of Japan's forest estate, is occupied by conifer plantations.

The relative distribution of planted conifers and secondary broadleaf forest within the Hayami Forest parallels the distribution found throughout Kihoku and Mie Prefecture.

### **1.2.2 Socioeconomic Context**

The Hayami Forest is located in a rural and largely forested region along the Pacific Coast of the main Japanese island of Honshu, in a region known as the Kii Peninsula. The Hayami Forest is located within the small coastal town of Miyama-ku, Kihoku Town, with the closest mid-sized town being Owase. Kihoku's economic base is heavily dependent on natural resources: commercial and sport fishing as well as forestry. The Hayami Forest is one of the two largest private forest operations in Miyama-ku, Kihoku Twon, and it has been under continuous management by the Hayami family since the 18th century.

From a socio-economic standpoint, the Hayami Forest is a long-standing, important element of the regional economy of Kihoku. The Hayami Forest employs 18 forest workers, almost all of which have been employed for many years. As the forestry sector of Japan has been depressed for several years, the employment stability that Hayami Forest brings to the region has been a pleasant contrast to the norm.

### **1.3 Forest Management Enterprise**

#### **1.3.1 Land Use**

The Hayami Forest is located within Kihoku-cho which is a coastal town in Mie Prefecture, located on the Pacific Coast of the main Japanese Island of Honsyu. The Hayami Forest has been under continuous management by the Hayami family since the late 18th century. The Hayami Forest is comprised of approximately 1,070 hectares, of which approximately 820 hectares are under active timber management.

The certificate of Hayami Forest is changed from single certificate to group certificate managed by Hayami Forest Forest Management Group. However new members had not been decided at the time of the re-evaluation audit. Therefore only certification system was changed from single to group. Currently only Hayami Forest is a FMU of the group. Expected group members would be forest owners in Kihoku town and neighbor towns.

#### **1.3.2 Land Outside Scope of Certification**

Hayami Forest Group does not own any forest lands outside the scope of this certificate.

### **1.4 Management Plan**

#### **1.4.1 Management Objectives**

Management objectives of Hayami are to:

- Grow high quality hinoki structural timbers.
- Practice sustainable forest management that can adjust to changes in market, socio-economic, and/or ecological conditions, or
- Provide valuable employment and strive for worker satisfaction

The management objectives of Hayami are clearly stated on their website: <http://www.re-forest.com/hayami/>.

#### **1.4.2 Forest Composition**

The Hayami Forest is comprised of approximately 1,070 hectares, of which approximately 820 hectares are under active timber management. Whereas the unmanaged component of the Hayami Forest is occupied by native broadleaf species, the managed component is occupied by planted stands of conifer species, mainly hinoki, indigenous to this region of Japan.

Current forest resource structure by tree species is as follows;

Tree species	Area (ha)	Volume (m <sup>3</sup> )	Annual growth (m <sup>3</sup> )
Hinoki ( <i>Chamaecyparis obtusa</i> )	805.31	177,602	3,951
Sugi ( <i>Cryptomeria japonica</i> )	4.09	690	35
Akamatsu ( <i>Pinus densiflora</i> )	1.47	209	6
Broadleaf trees	250.16	24083	512

### 1.4.3 Silvicultural Systems

The management regimes employed on the planted conifer stands are even-aged and involve several intermediate treatments culminating in a clear-felling final harvest, at ages of approximately 80-120 years.

Management of the conifer plantations is broken into two broad classes: ordinary forest and restricted forest. Restricted forest is primarily those areas within the Hayami Forest that are designated by governmental officials as watershed lands. In these areas, the breadth and intensity of timber management activities is restricted relative to regimes that are employed in the ordinary forest component. Approximately 46% of the planted conifer stands fall within the ordinary forest component and 54% fall within the restricted forest component.

Total standing volume of timber (all species) on the Hayami Forest is approximately 203,000 cubic meters with annual growth of approximately 4,500 cubic meters (2% of inventory).

### 1.4.4 Management Systems

The forest is managed by a staff of approximately 13 full-time forest workers and 5 full-time office workers under the immediate and day-to-day supervision of Mr. Tohru Hayami.

### 1.4.5 Monitoring System

Monitoring at Hayami Forest Group includes periodic assessments of timber volume and cost, productivity, and efficiency of forest management. Surveys of forest growth and regeneration have been conducted by performing field surveys before and after harvests in order to estimate stock volume. Environmental monitoring including flora and fauna of pre and post work with using checklist are conducted.

After being requested to do so, the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) has conducted monitoring impacts to the forest by expressway construction in the vicinity of the construction zone (items monitored include yield, soil moisture and wind direction and speed). This is probably the first time in Japan that expressway construction has led to the environmental survey of forested area in the vicinity of such construction. There was already a weather station set up on a forested area adjacent to the construction zone by Mie University, so they use this data to determine whether there is any impact before and

after construction.

#### **1.4.6 Estimate of Maximum Sustainable Yield**

Maximum sustainable yield is estimated as approximately 4,500 cubic meters, which is the same as annual growth.

#### **1.4.7 Estimated, Current and Projected Production**

Hayami Forest manages forest register. The forest register is revised using the data of forest resource survey conducted before or after harvesting. Therefore it is accurate. Forest growth model is established using the data and estimated future production and the allowable annual cut is calculated based on this register and the growth model.

<b>Year</b>	<b>Volume (thinning)</b>	<b>Ha treated</b>	<b>Volume (regeneration)</b>	<b>Ha treated</b>
<b>2007</b>	<b>1,433</b>	<b>46.54</b>	<b>958</b>	<b>3.8</b>
<b>2008</b>	<b>627</b>	<b>13.2</b>	<b>1,321</b>	<b>5.6</b>
<b>2009 projected</b>				

#### **1.4.8 Chemical Pesticide Use**

Hayami Forest used chemical herbicides in its management in the past in order to reduce times of bush cutting. However, they do not use it currently.

## **2.0 GUIDELINES/STANDARDS EMPLOYED**

As the applicant forest property is located in Japan, the certification evaluation that is the subject of this report was conducted against the SCS Interim Standard for Japan. The standard is available at the SCS web site, [http://www.scscertified.com/forestry/forest\\_programmat\\_fm.html](http://www.scscertified.com/forestry/forest_programmat_fm.html), or is available, upon request, from Scientific Certification Systems.

The SCS Interim Standard for Japan was developed by modifying the SCS' Generic Interim Standard to reflect management of plantation forests in Japan. Approximately one month prior to the start of the field evaluation, a Draft Interim Standard for Japan was made available to stakeholders for comment. No comments were received on the standard.

## **3.0 THE CERTIFICATION ASSESSMENT PROCESS**

### **3.1 Assessment Dates**

The field portion of the assessment took place from October 14-15, 2009.

#### **3.1.1 Justification for selection of items and places inspected**

The field itinerary was expressly laid out so as to provide the audit team with a solid exposure to the breadth and variety of forest conditions and management activities undertaken by Hayami Group. The evaluation team was satisfied that the on-site field inspections of Hyaami Group forest management operations were sufficient in scope and intensity for reaching a certification decision.

### **3.2 Assessment Team**

**Dr. Norihiko Shiraishi** – Dr. Norihiko Shiraishi is a professor of Agriculture and Life Science, Graduate School of University of Tokyo. He worked at Forest and Forestry Products Research Institute (Tsukuba main office and Hokkaido branch) which is managed by Ministry of Agriculture, Forestry and Fishery for ten years. His major is forest measurement, forest resource survey and forest management. He got Ph.D. at University of Tokyo. He issues many reports in the wide field such as forest certification and forest monitoring.

**Naoya Ogawa** - Mr. Ogawa participated in many FSC certification audits in Japan. Mr. Ogawa is employed by AMITA Corporation and is the auditor for AMITA Corporation's Forest Certification Program. He majored in forest science and holds a M.S. in agriculture studies from the University of Tokyo, Japan.

### **3.3 Assessment Process**

#### **3.3.1 Itinerary**

The field portion of the re-certification audit was conducted from October 14-15, 2009 and included a variety of sites designed to illustrate a cross-section of stand types and treatments, focusing on harvests conducted within the last several years.

Hayami Forest applied to change from single certificate to group certificate in order to include neighbor forest owners as group members. Therefore audit for group certification system was newly conducted.

The field audit agenda/itinerary was:

Day 1:

*A.M.*

***Office Interviews and Document Review:***

- Review the status of Recommendations issued at the fourth surveillance in 2009

- Use of ecological services: Foreststock certification system (CO2 absorbed amount and biodiversity), Offset credit system, etc.
- Training for workers in the new working site
- Monitoring of impact by expressway construction
- General Background (Staff resources, land history, management philosophy, infrastructure)

***Stop 1: Thinning of hinoki forest***

- Hinoki forest up to 50 years old
- Thinning was conducted last year
- Light damage by typhoon
- Line remains which is leased to adjacent forest owners for skyline cable

***Stop 2: Area of Expressway Construction***

- Expropriated land for expressway construction
- Dead trees around the area of expressway construction where trees were clear-cut – it was reported to the Ministry of Land, Infrastructure, Transport and Tourism.
- Forest road is leased to a construction company for free as a park – trees were protected by rubber sheet.

***Stop 3: Pruning of sugi stand and adjacent young hinoki stand***

- Efficient work – pruning is not implemented for trees which will be thinned to be waste in the future.
- Appropriate timing of pruning
- Pruning was conducted for hinoki stand before. Improvement thinning will be conducted in the near future.
- Sika deer damage to hinoki stems by antlers – if there is no problem for tree growth; stems above damage will be grown and used.

P.M.

***Stop 4: Thinning of hinoki forest (Ootaka forest, working***

- Half-fallen trees by typhoon were being cut and extracted
- Discussion on safety procedures – although it is very dangerous to cut fallen trees by wind, a manual was made more than 10 years ago and it is implemented thoroughly.

***Stop 5: Log yard***

- The log yard has been rented to Matsusaka Timber Co. as a hub for stockpiling, sorting, and selling timber from other nearby owners.
- Storage places for certified and uncertified timber are kept separate, with the place for uncertified timber marked by colored cones and bars.

***Stop 6: Nursery***

- In addition to regular method, advanced production tests are conducted using ceramic tubes, vinyl tubes and biodegradable plastic tubes.
- Expanding gradually. Currently about 100 thousand seedlings of hinoki are grown.

- Hinoki leaves are cut in spring and autumn. Spring cuttings can be planted in the autumn. Autumn cuttings can be planted the following autumn.
- Visit by government officer of another region was conducted.
- They continue to make improvements in order to achieve these.

***Stop 7: different age stands of hinoki (Ootaka forest)***

- Forming of various mosaic stands from young to over 100 years old by small scale clear-cutting and regeneration
- New forest road constructed because of the expressway construction
- Visit by government officer of another region was conducted.

***Day 2:***

***A.M.***

***Office Interviews and Document Review:***

- Check of Hayami Forest Group Forest Management Regulations regarding to the change to the group certification
- Check of environmental policy, each work procedure and procedure for timber sales of the group
- Check of group certification standard of SCS forest management certification

***P.M.***

***Office Interviews and Document Review:***

- Check of compliant with FSC Principles and Criteria by SCS Generic Standard
- Auditors review
- Presentation of re-evaluation audit result and exit interview

**3.3.2 Evaluation of Management System**

The process by which Scientific Certification Systems evaluated the systems employed by Hayami Group entailed the following components:

- Deploy a team of SCS auditors with demonstrated credentials and experience in forest certification, auditing protocols, forest management, wildlife ecology, forest ecology, social sciences, as well as a working knowledge of the forest types found in Japan.
- Review of documents pertinent to Hayami Group's forest operations
- Review of previous FSC certification assessments of Hayami Group.
- Interview in-person Hayami Group's forest management staff.
- 2 days of field reconnaissance the Hayami Group Forest

**3.3.3 Selection of FMU's to Evaluate**

The certificate of Hayami Forest is changed from single certificate to group certificate managed by Hayami Forest Forest Management Group. However new members had not been

decided at the time of the re-evaluation audit. Therefore only certification system was changed from single to group. Currently only Hayami Forest is a FMU of the group. Expected group members would be forest owners in Kihoku town and neighbor towns.

### **3.3.4 Sites Visited**

See section 3.3.1

### **3.3.5 Stakeholder Consultation**

Pursuant to SCS protocols, consultations with key stakeholders were a component of the evaluation process. Consultation took place prior to the field evaluation. The following were distinct purposes to the consultations:

- 1) To solicit input from affected parties as to the strengths and weaknesses of Hayami Group's management, relative to the standard, and the nature of the interaction between the group and contractors and the surrounding communities.
- 2) To solicit input on whether the forest management operation has consulted with stakeholders regarding identifying any high conservation value forests.

Principal stakeholder groups of relevance to this evaluation were identified based upon lists of stakeholders from Asahi, and additional stakeholder contacts from other sources (e.g., chair of the regional FSC working group). The following types of groups and individuals were determined to be principal stakeholders:

- Contractors
- Local and regionally-based environmental organizations and conservationists
- Local and regionally-based social interest organizations
- Forest industry groups and organizations
- City and prefectural regulatory agency personnel
- Research institutes
- Adjacent forest owners
- Other relevant groups

Prior to, during, and following the site evaluation, a range of stakeholders from the regional area were consulted in regard to their relationship with Hayami Group, and their views on the management of the Hayami Group Forest. Stakeholders included FSC contact persons, government and non-government organizations involved in forest management, local citizens and groups, employees, contractors, and others. Stakeholders were contacted with a notification mailing soliciting comment and/or phone contact. Comments were received via phone interviews ("Interview"), and through written responses. Individuals or groups not offering feedback are labeled "no response" ("NR"). Additional comments may have been received from individuals not wishing to reveal their identities.

<u>Name</u>	<u>Affiliation</u>
Responsible Personnel	Forest and forestry Section, Agriculture, Forestry, Fishery, Commerce and industry, and Environment Bureau of Owase, Mie Prefecture
Responsible Personnel	Industry Promotion Section, Kihoku Town
Kaoru Hanajiri	President, Kumano ancient path road Kataribe Tomo-no-kai
Responsible Personnel	Forest and Forestry Management Section, Environment and Forest Department, Mie Prefecture
Itaru Tagami	Medaka-no-Kai
Mutsuo Hamaguchi	Miyama Town Water Source Conservation Group
Tomoya Fujimura	Board member, Miyama Lumber Cooperative Association
Hamanaka	Board member, Miyama Lumber Cooperative Association
Tadashi Okumura	President, Miyama Lumber Cooperative Association
Responsible Personnel	Kinki Region National Park Wildlife Office, Nature Conservation Bureau, Ministry of the Environment
Responsible Personnel	Planning Section, Kinki-Chugoku Regional Forest Office
Responsible Personnel	Marketing Section, Agriculture, fishery, Commerce and Industry Department, Mie Prefecture
Masayuki Nagai	Yamaichi Kigyo Co., Ltd.
Responsible Personnel	Matsunaga Honten (Sansen Forestry)
Responsible Personnel	Forestry Association Owase
Akimasa Hamada	Doi Forestry
Responsible Personnel	Owase Green Club
Responsible Personnel	Forestry Policy Research Institute
Responsible Personnel	Management planning Section, Forestry Agency

### 3.3.5.1 Summary of Stakeholder Concerns and Perspectives and Responses from the Team Where Applicable

A summary of the comments on the standard (where applicable) and major perspectives and concerns expressed by the stakeholders that were consulted during the course of this evaluation include:

#### Economic Concerns

Comment/Concern	Response
<ul style="list-style-type: none"> <li>We purchase logs from Hayami Forest.</li> </ul>	Noted
<ul style="list-style-type: none"> <li>Advanced forest management is helpful.</li> </ul>	Noted

#### Social Concerns

Comment/Concern	Response
<ul style="list-style-type: none"> <li>I recognize that Mr. Hayami is a great leader locally and nationally.</li> </ul>	Noted

#### Environmental Concerns

Comment/Concern	Response
<ul style="list-style-type: none"> <li>Forest management based on FSC ethics that forest environment contributes to local environment would be a model for other foresters from the international viewpoint.</li> </ul>	Noted
<ul style="list-style-type: none"> <li>Hayami Forest relates to establishment of healthy forest in the prefecture.</li> </ul>	Noted
<ul style="list-style-type: none"> <li>We are cooperated with Hayami Forest when considering various environment problem and doing activities</li> </ul>	Noted

### 3.4 Total Time Spent on audit

Approximately 12 auditor days were spent reviewing documents, conducting field assessment, interviewing stakeholders, and preparing the report.

### 3.5 Process of Determining Conformance

FSC accredited forest stewardship standards consist of a three-level hierarchy, principle, then the criteria that make up that principle, then the indicators that make up each criteria. Consistent with SCS Forest Conservation Program evaluation protocols, the team collectively determines whether or not the subject forest management operation is in conformance with every applicable indicator of the relevant forest stewardship standard. Each non-conformance must be evaluated to determine whether it constitutes a major or minor non-conformance at the level of the associated criterion or sub-criterion. Not all indicators are equally important, and there is no simple numerical formula to determine whether an operation is in non-conformance. The team must use their collective judgment to

assess each criterion and determine if it is in conformance. If the forest management operation is determined to be in non-conformance at the criterion level, then at least one of the indicators must be in major non-conformance.

Corrective action requests (CAR's) are issued for every instance of non-conformance. Major non-conformances trigger major CAR's and minor non-conformances trigger minor CAR's

### ***Interpretations of Major CAR's (Preconditions), Minor CARs and Recommendations***

*Major CARs/Preconditions:* Major non-conformances, either alone or in combination with non-conformances of other indicators, result (or are likely to result) in a fundamental failure to achieve the objectives of the relevant FSC Criterion given the uniqueness and fragility of each forest resource. These are corrective actions that must be resolved or closed out prior to award of the certificate. If major CAR's arise after an operation is certified, the timeframe for correcting these non-conformances is typically shorter than for minor CAR's. Certification is contingent on the certified operations response to the CAR within the stipulated time frame.

*Minor CARs:* These are corrective action requests in response to minor non-conformances, which are typically limited in scale or can be characterized as an unusual lapse in the system. Corrective actions must be closed out within a specified time period of award of the certificate.

*Recommendations:* These are suggestions that the audit team concludes would help the company move even further towards exemplary status. Action on the recommendations is voluntary and does not affect the maintenance of the certificate. Recommendations can be changed to CARs if performance with respect to the criterion triggering the recommendation falls into non-conformance.

## **4.0 RESULTS OF THE EVALUATION**

Table 4.1 below, contains the evaluation team's findings as to the strengths and weaknesses of the subject forest management operation relative to the FSC Principles of forest stewardship. The table also presents the corrective action request (car) numbers related to each principle.

**Table 4.1 Notable strengths and weaknesses of the forest management enterprise relative to the P&C**

Principle/Subject Area	Strengths Relative to the Standard	Weaknesses Relative to the Standard	CAR/REC #s
<b>P1: FSC Commitment and Legal Compliance</b>	<ul style="list-style-type: none"> <li>▪ Managers and foresters are well informed regarding laws and regulations</li> <li>▪ Hayami has a long track record of conforming to legal requirements-</li> <li>▪ Yield taxes and other fees related to forest management, are paid in a timely manner and in accordance with legal requirements.</li> <li>▪ Illegal harvesting is not a problem on Hayami, with a high number of staff working in the woods on a regular basis; no harvesting signs upon entry to forest</li> <li>▪ Forest roads are gated</li> <li>▪ FSC 10 Principles are included in the 5-year plan</li> <li>▪ Hayami was the first landowner certified in Japan, and is committed to maintaining certification despite the continued collapse in timber prices</li> </ul>	<ul style="list-style-type: none"> <li>▪ None</li> </ul>	<p>none</p>
<b>P2: Tenure &amp; Use Rights &amp; Responsibilities</b>	<ul style="list-style-type: none"> <li>▪ The legal rights of ownership of Hayami are clearly and unquestionably established</li> <li>▪ Hayami forest has been managed since 1790</li> <li>▪ There are no disputes over forest boundary issues; and none likely to arise</li> <li>▪ Hayami forest is open to the general public</li> <li>▪ Hayami forest is open to the general public</li> </ul>	<ul style="list-style-type: none"> <li>▪ None</li> </ul>	<p>none</p>

<b>P3: Indigenous Peoples' Rights</b>	<b>Principle 3 is not applicable because there are not indigenous peoples in this area of Japan.</b>	<ul style="list-style-type: none"> <li>▪ NA</li> </ul>	
<b>P4: Community Relations &amp; Workers' Rights</b>	<ul style="list-style-type: none"> <li>▪ Employees and contractors receive wages that are commensurate with prevailing local wages</li> <li>▪ All employees hired locally</li> <li>▪ Hayami Forest has maintained a very full staff, despite the economic downturn and the fall of Hinoki prices. Many forest managers have laid off staff because of the current economic circumstances</li> <li>▪ Hayami holds regular safety meetings</li> <li>▪ Auditors observed staff operating with full safety gear- chaps, hard hats,</li> <li>▪ Mr. Hayami is a very well respected leader of Miyama town</li> <li>▪ 1000 visitors in a year, from Greenpeace to various researchers, have visited the Hayami forest</li> <li>▪ All workers on Hayami Forest are permanent staff-</li> <li>▪ Mr. Hayami and staff provide opportunity for public comments during some local meetings</li> </ul>	<ul style="list-style-type: none"> <li>▪ Communication with local communities is conducted frequently. However, a result of social impact assessment is not documented.</li> </ul>	<ul style="list-style-type: none"> <li>▪ OBS2009.4</li> </ul>

<b>P5: Benefits from the Forest</b>	<ul style="list-style-type: none"> <li>▪ Hayami Forest has 200 year track record as a managed forest</li> <li>▪ Felling, skidding/yarding, bucking, sorting, and handling are carried out in a way that maximizes volume and value</li> <li>▪ Hayami sells a diversity of forest products (saw timbers, cutting boards, furniture, picture frames), and achieves excellent value recovery</li> <li>▪ Retention of broadleave trees enhances forest services</li> <li>▪ Excellent assurance of regeneration, though planting, fencing, etc</li> <li>▪ Age class distribution very well distributed.</li> <li>▪ Harvest based on area control regulation</li> <li>▪ Rotations of 70-120 years exceed industry norms</li> </ul>	<ul style="list-style-type: none"> <li>▪ None</li> </ul>	<p>none</p>
<b>P6: Environmental Impact</b>	<ul style="list-style-type: none"> <li>▪ Hayami Forest uses pre and post inspection assessments as their main method for determining environmental impacts.</li> <li>▪ Hayami staff demonstrated familiarity with Japan's Red List Species Data Book, and are using this screen in their management.</li> <li>▪ Hayami established a 62 ha reserve, plus another approximately 20% of the ownership is left as broadleaf forest</li> <li>▪ Site disturbing activities (logging, road building) minimize erosion and residual tree damage</li> <li>▪ No herbicides are being used in recent years.</li> </ul>	<ul style="list-style-type: none"> <li>▪ None</li> </ul>	<p>none</p>

<b>P7: Management Plan</b>	<ul style="list-style-type: none"> <li>▪ The 5-year plan and other related documents cover the breadth of the elements listed under P&amp;C 7.1 (a-i).</li> <li>▪ Management plan is revised every 5-years</li> <li>▪ Growth and yield data is incorporated into harvest calculations of plan revisions</li> <li>▪ Considering the small size and intensity of Hayami the level of monitoring of and updating to the management plan is sufficient.</li> <li>▪ Hayami Forest website contains all the elements necessary for a public summary</li> </ul>	<ul style="list-style-type: none"> <li>▪ None</li> </ul>	<p>none</p>
<b>P8: Monitoring &amp; Assessment</b>	<ul style="list-style-type: none"> <li>▪ Hayami Forest completes its inventory estimates through pre- and post harvest cruises</li> <li>▪ Results of monitoring are used, e.g., harvest and cost monitoring, to modify management activities</li> <li>▪ Good record of chain-of-custody – summary records of sales volume for each buyer, copies of invoices</li> <li>▪ All logs are end-stamped with the Hayami brand/mark and FSC logo.</li> <li>▪ Hayami Forest cooperates with Japan’s National Institute for Environment, the Ministry of Land, Infrastructure, Transport and Tourism and Mie University on research and monitoring- such as vegetation composition and changes, soil conditions, and climate</li> </ul>	<ul style="list-style-type: none"> <li>▪ A careful monitoring for impact by expressway construction should be continued.</li> </ul>	<ul style="list-style-type: none"> <li>▪ OBS2009.2</li> </ul>

<b>P9: Maintenance of High Conservation Value Forest</b>	<ul style="list-style-type: none"> <li>▪ In 2001, upon completion of a basic biological inventory, Hayami designated a 62 ha ecological reserve. Another 20% of ownership is unmanaged broadleaf forests</li> <li>▪ Conservation values of the ecological reserve are maintained as the area is off-limits for management activities</li> <li>▪ It is decided that there is no forest to be designated as HCVF.</li> </ul>	<ul style="list-style-type: none"> <li>▪ None</li> </ul>	<p>none</p>
<b>P10: Plantations</b>	<ul style="list-style-type: none"> <li>▪ Natural broadleaf forests are conserved</li> <li>▪ Within stand broadleaf trees are retained</li> <li>▪ All of Hayami's logs are sold to domestic markets- thus management assists in the goal to reduce pressures on natural forests</li> <li>▪ Hinoki has a 200 year history of being grown successfully- without naturalization or invasive problems.</li> <li>▪ The rotation lengths and low impact harvesting systems that are employed far exceed the norm for this region</li> <li>▪ Because of the extensive planting of Hinoki, a highly resistant and resilient species, pest and pathogen outbreaks have been minimal.</li> </ul>	<ul style="list-style-type: none"> <li>▪ None</li> </ul>	<p>none</p>

## 4.2 Preconditions

Preconditions are major corrective action requests that are placed on a forest management operation after the initial evaluation, but before the operation is certified. Certification cannot be awarded if open preconditions exist. There were no preconditions resulting from this assessment.

## 5.0 CERTIFICATION DECISION

### 5.1 Certification Recommendation

As determined by the full and proper execution of the SCS *Forest Conservation Program* evaluation protocols, the evaluation team hereby recommends that Hayami Forest Forest Management Group Forest (Hayami Group Forest) be awarded FSC certification as a “Well-Managed Forest” subject to the recommendations stated in Section 5.2. Hayami Group Forest has demonstrated that their system of management is capable of ensuring that all of the requirements of the SCS Interim Standard for Japan are met over the forest area covered by the scope of the evaluation. Hayami Group Forest has also demonstrated that the described system of management is being implemented consistently over the forest area covered by the scope of the certificate.

### 5.2 Initial Corrective Action Requests

#### Observations issued at previous audits

<b>Observation2004.1</b>	<b>Reference:</b> FSC Indicator 5.4.3
Hayami Forest should research income possibilities for the ecological services provided by the unmanaged portion of the ownership, e.g., carbon sequestration, water protection	
<b>Action Taken By Company/Auditor Comments</b>	
The Forest Management Association of Japan, of which Mr. Hayami is currently the chairperson, has started the “Forestock Certification” system. Under this system, an expert third-party organization reviews the amount of CO <sub>2</sub> sequestered by the forest and the level of biodiversity protection there, and sells the CO <sub>2</sub> sequestration in forests that have achieved a certain level of biodiversity protection. The system began in February, and expects to give out its first certification this year. For its part, Hayami Forest, in part because Mr. Hayami serves as chairman, plans to seek certification after a number of other certifications are handed out. Aside from this, the Ministry of the Environment’s Offset Credit (J-VER) Certification System is also starting this year, and voluntary trading in CO <sub>2</sub> sequestration is expanding within Japan. It will be necessary to study this while carefully watching market trends. <b>Thus, the recommendation is continued.</b>	
2009 Re-assessment: No action has been taken. However, Forestock certification is steadily increasing as 8 forests were certified, and is becoming popular as one of certification systems. When number of certificate increases more, there is a possibility for Hayami Forest to apply it. Because the Association of which Mr. Hayami is the chairperson created the certification, it is becoming popular, and Hayami Forest is ready to apply whenever possible, it is considered that some positive results have been achieved. <b>Therefore this Recommendation is closed.</b>	

<b>Observation 2009.1</b>	<b>Reference:</b> FSC Indicator 7.3.1
In Forest of Toyota, whose management Hayami Forest has newly undertaken under contract, Hayami Forest should continue conducting education and training which has just begun last year and should make workers be familiar with the guideline, in order to ensure labor flexibility,. Also, Hayami Forest should monitor if the new guideline is effective, and improve it when necessary.	
<b>Action Taken By Company/Auditor Comments:</b>	
2009 Re-evaluation: Workers got used to works at Toyota Forest. One person is assigned to the office of Toyota Forest and one work group is working at Toyota Forest almost exclusively. Group leaders and/or all workers attend meeting with Toyota and Forest Revitalization System, which is a principal contractor of Toyota, when necessary. As a certain progress has been made, <b>this Recommendation is closed.</b>	

<b>Observation 2009.2</b>	<b>Reference:</b> FSC Indicator 8.2.1
Because it is expected that new impacts will occur with the progress of expressway construction, Hayami Forest should continue performing environmental, landscape, and social monitoring in the construction zone vicinity started last year. This includes changes in yield and mortality rates, changes in stream water quality and levels, changes in work methods and impacts to visitors in the vicinity of the construction. It should analyze monitoring results and consider appropriate measures when impacts are found.	
<b>Action Taken By Company/Auditor Comments:</b>	
Monitoring by the Ministry of Land, Infrastructure, Transport and Tourism is continued. There were some fallen trees by wind around the area of expressway construction where trees were clear-cut, which was reported to the MLIT. However, some monitoring activities such as for wind direction and speed were stopped because of the budget of MLIT. Hayami requested MLIT to secure alternative route for workers' and visitors' safety at any time. When a lot of visitors come to the forest, Hayami tells a construction company before the visit. Eyes of visitors make good influence on MLIT and construction companies. Opinions from visitors are such that new road is benefit, and it is regrettable to impact on the landscape. As the construction will be continued in the future, the current monitoring activities should be continued to monitor carefully if there is a new impact occurred. <b>Therefore this Recommendation is continued.</b>	

### New observation

<b>Background/Justification:</b> During the audit, a serious accident that a worker cut his foot with a chainsaw occurred. Although he wore appropriate safety equipments, the accident occurred because of coincidental occurrence of some carelessness and mischance. Although there was no problem with the manager, it is required that safety procedures should be instructed thoroughly in order not to cause an accident.	
<b>Observation 2009.3</b>	Hayami Forest should inspect performance of current safety equipments, and should instruct workers on safety procedures thoroughly.
<b>Reference</b>	FSC Indicator 4.2.1, 4.2.4

<b>Background/Justification:</b> Although communication with local communities is conducted frequently, a result of social impact assessment is not documented. Because Hayami Forest shifted to group scheme and new members will join the group, Hayami Forest should recognize stakeholders related to group members.	
<b>Observation 2009.4</b>	Hayami Forest should document the results of social impact assessments.
<b>Reference</b>	FSC Indicator 4.4.1

## 6.0 SURVEILLANCE EVALUATIONS

If certification is awarded, surveillance evaluations will take place at least annually to monitor the status of any open corrective action requests and review the continued conformance of Hayami Group Forest. Public summaries of surveillance evaluations will be posted separately on the SCS website ([www.scs-certified.com](http://www.scs-certified.com)).

## 7.0 SUMMARY OF SCS COMPLAINT INVESTIGATION PROCEDURE

The following is a summary of the SCS Complaint Investigation Procedure, the full version of the procedure is available from SCS upon request. The SCS Complaint Investigation Procedure is designed for and available to any individual or organization that perceives a stake in the affairs of the SCS Forest Conservation Program and that/who has reason to question either the actions of SCS itself or the actions of a SCS certificate holder.

The SCS Complaint Investigation Procedure is a first-stage forum and mechanism for hopefully resolving issues, thereby avoiding the need to involve the FSC. A complaint may come from either clients (e.g., forestland owner, mill owners, manufacturer or retailer, brokers) or from other parties such as interested stakeholders. To have standing under this Procedure, complaints must be in writing, accompanied by supporting evidence, and submitted within 30 days of the date in which the action triggering the complaint occurred.

The written complaint must:

- Identify and provide contact information for the complainant
- Clearly identify the aggrieved action (date, place, nature of action) and which parties or individuals are associated with the action
- Explain how the action is alleged to violate a FSC requirement, being as specific as possible with respect to the applicable FSC requirement
- In the case of complaints against the actions of a certificate holder, rather than SCS itself, the complainant must also describe efforts taken to resolve the matter directly with the certificate holder
- Propose what actions would, in the opinion of the complainant, rectify the matter.

Written complaints should be submitted to:

Dr. Robert J. Hrubes  
Senior Vice-President

Scientific Certification Systems  
2000 Powell Street, Suite 1350  
Emeryville, California, USA94608  
Email: [rhruhes@scscertified.com](mailto:rhruhes@scscertified.com)

As detailed in the *SCS-FCP Certification Manual*, investigation of the complaint will be confidentially conducted in a timely manner. As appropriate, corrective and preventive action and resolution of any deficiencies found in products or services shall be taken and documented.