

June 6, 2011

To the Chief of the Wildlife Division of the Nature Conservation Bureau
of the Minister of Environment

To the Chief of the Paper Industry, Consumer and Recreational
Goods Division of the Manufacturing Industries Bureau
of the Ministry of Economy, Trade and Industry

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**Request of measures to the control of internal trade in ivory that should be
urgently taken followed by the case of illegal ivory trading
(Arrested on May 11, 2011)**

JTEF is a non-governmental organization conducting conservation activity in a habitat of wildlife and survey, research, making policy recommendations and public awareness for conservation. We have worked on effective implementation and law enforcement of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the related Japanese domestic legislation or the Law for Conservation of Endangered Species of Wild Fauna and Flora (LCES) as one of the important fields of our activity. The followings are our request on the measures that should be urgently taken followed by the case in the title:

Points of the Request

- 1 Business-suspension order to the arrested ivory manufacturers and their managing companies
To issue a business-suspension order regarding ivory trading for three months, which is the maximum period allowed by LCES, to Takaichi Co. Ltd., the arrested ivory manufactures and the registered ivory dealers to MoE and METI, which are managed by the manufacturers if any (hereinafter “the arrested ivory manufacturers and their managing companies”).
- 2 Rejection of future registration application regarding whole tusks
To give an instruction to the registration body or “Japan wildlife Research Center” for rejecting future registration application from the arrested ivory manufacturers and their managing companies regarding whole tusks.

- 3 Rejection of future certification application of ivory products
To give an instruction to the certification body or “Japan wildlife Research Center” for rejecting a certification application from the arrested ivory manufacturers and their managing companies regarding their products as made of legally-obtained raw material.
- 4 Instructions for returning all of their registration cards regarding the registered ivory
To give instructions to the arrested ivory manufacturers and their managing companies to return their registration cards issued for trading their registered whole tusks, for the purpose of keeping out of their ivories from market in future.
- 5 Instructions for submitting a business closing notice
To give instructions to the arrested ivory manufacturers and their managing companies to submit a business closing notice on the basis that they incinerate their ivories in stock and to monitor the incineration to be conducted properly.
- 6 Instructions for preventing reselling of ivories transferred previously
To give instructions to all the registered ivory dealers to MoE and METI, who were transferred the registered whole tusks, cut pieces or ivory products from the arrested ivory manufacturers and their managing companies after June, 2008 at the latest not to transfer the ivories to a third party
- 7 Instructions for returning the certificate seals
To give instructions to all the registered ivory dealers to MoE and METI, who were transferred the ivory products together with the certification seals from the arrested ivory manufacturers and their managing companies to return the certificate seals as shown the products were made of legally-obtained raw material.
- 8 Instructions to all the registered ivory dealers to MoE and METI for submitting their trading ledger immediately.
- 9 Investigation of false report and false certification made
To investigate the arrested ivory manufacturers and their managing companies for a false in their report submitted, in their statement at on-site inspection conducted or in a certification application for ivory products.
- 10 Understanding the situation of compliance by antique dealers with the registration scheme for ivory trade business to MoE and METI.

11 Immediate action on the item 1 to 10

To make preparation for taking immediate action on the above items 1 to 10 that should be done at the latest by the final adjudication of conviction in the case.

Reasons for Request

The charge of 2 ivory manufacturers on this matter during the arrest is the trade of 21 whole tusks without registration for 10 times in total between March and June in 2010 (Sankei Shimbun, May 2011).

The article says that the arrested ivory manufacturers (Takaichi Co., Ltd.) purchased at least about 280 million yen of ivories from June in 2008 to June in 2009, but most of them were non-registered or without any support of formal acquisition.

If it is a true, not only for 21 whole tusks trade which is a precondition of charge, but also there are possibilities that they traded ivories illegally in quite a few times. In this case, there is a worry that illegal ivories sold in the market by the arrested ivory manufacturers and their managing companies are being distributed to many places by their business partners or many registered ivory dealers to MoE and METI, who should hand over legally obtained ivories. In addition, when those ivories are processed into products finally, products may be attached with the certification seals approving the products as made by legally obtained ivories based on LCES, and we are afraid that the public consumers who are mistakenly believed the certification is true suffer damage. Such troubles may threaten the foundations of control of internal trade in ivory.

We can estimate how big the influence is by number on news this time, and actually, “illegality brought to the market” by the arrested ivory manufacturers may be spread widely and deeply, and it is highly possible that the illegality may continue to increase for a certain period considering the ivory manufacturer’s role in internal ivory distribution in Japan, which has been well known in this market.

It is necessary to implement what we requested above as immediately as possible in order to prevent such serious situation from worsening.

For the above reasons, we make this proposal.

Note: The necessity to re-verify the origin of registered whole tusks obtained internally in Japan

The major ivory manufacturers including the arrested ivory manufacturers and their managing companies have been actively advertising unprocessed and polished ivory for purchasing. Actually, whole tusks have been registered every year as the ivory stock which obtained prior to the ban on international commercial trade (1990), in addition to the officially imported ivory (in 1999 and 2009). For example, 3,877.07 kg (252 whole tusks) were newly registered in 2005. According to the data between

January 2005 and January 2006, out of 279 whole tusks which were newly registered, 246 (88 %) whole tusks had been registered by non-dealer individuals (based on the data from MoE).

However, it is obviously strange that ivory of such a volume has been supplied by individuals to continually increase dealers' stock for over 20 years after the trade ban in 1990. The tentative theory, as the people in the ivory industry insist, is that collectors bought polished ivory for investments in the early 1970's. This leaves out the fact, however, that these collectors lost interest in ivory after 1974 following the oil shock and that some of them tried to sell ivory back to dealers. Moreover, considering that almost 40 years have passed since then, their theory cannot fully justify that individuals still own large volumes of ivory at present. Supporting such theory could overlook laundering of illegally imported ivory.

For the above reasons, the origin of the registered whole tusks owned by the arrested ivory manufacturers and their managing companies need to be re-investigated strictly.