

Result report

No.	16	
Date of reception	13 September 2021	
Contents of the report	Plywood utilized for concrete formwork is potentially procured from forests in Australia, and their logging may be destructive to the habitats of endangered species.	
Process history*	<p>【Date of reception to the end of October 2021】</p> <p>Tokyo 2020 examined the report in accordance with the Operational Standards after the receipt of the report. The report did not describe specific information regarding the relationship between the procured products and the area from where the timber was sourced. Therefore, in order to confirm the issues pointed out in the report, Tokyo 2020 decided to proceed in accordance with the process of the Grievance Mechanism. Tokyo 2020 informed this decision to the party reporting this report.</p> <p>After considering that the scopes of this report are related to supply chain management and the environmental field, and considering the background of those members of the Advisory Panel, Tokyo 2020 proposed the selection of Mr. Daisuke Takahashi (attorney-at-law) and Mr. Yohei Harashima as the panel members. Tokyo 2020 confirmed that Mr. Takahashi and Mr. Harashima had no interest in the party reporting this report or the party to be reported and other relevant companies/organizations. Tokyo 2020 proposed this selection and requested opinions of the Sustainable Sourcing Working Group, and asked for these opinions to be shared within one week. Tokyo 2020 received no opposition to this selection. Therefore, Tokyo 2020 decided to select Mr. Takahashi and Mr. Harashima as the panel members and obtained their approval.</p> <p>Tokyo 2020 held the first online meeting of the Advisory Panel.</p>	

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	<p>During the meeting, Tokyo 2020 explained the outline of the report and the information that had been obtained by that time, and received advice on how to proceed with the subsequent process.</p> <p>During the second online meeting of the Advisory Panel, Tokyo 2020 explained a draft of an assessment plan for confirming the existence of specific cases of non-compliance with the Sourcing Code alleged in the report and their relationship with the procured products, and received advice on the perspectives to consider when conducting the assessment.</p> <p>In order to confirm the contents of the report and basis of issues raised in the report, Tokyo 2020 conducted an online interview session with the party reporting this report. Mr. Takahashi attended this session as well.</p> <p>【From November to December 2021】</p> <p>Tokyo 2020 conducted interviews with the local forest management entity (hereinafter ‘FME’), as well as desktop review of their forest management and logging plan, and written documents of such procedures including their conservation practices of endangered species. Due to COVID-19, onsite visits to the target forest area were not conducted.</p> <p>Tokyo 2020 conducted an interview session with local environmental NGOs (two entities) which provided the basis of the report. In this interview session, Tokyo 2020 heard their opinions on the conservation of endangered species. In addition to this interview, Tokyo 2020 reviewed past audit reports of forestry certification (FSC).</p> <p>The assessment result is summarized below.</p> <p>FME’s conservation and management practice of important species during their timber production include:</p> <ul style="list-style-type: none">• Assessment for identifying habitat areas of important species and evaluation of their values at each logging area. The assessment includes desktop review and onsite visit, and obtaining advice from specialists as necessary;
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	<ul style="list-style-type: none">• Based on the assessment result, FME prepares a plan for logging activity as well as conservation and management plan;• The accredited authority evaluates the effectiveness of the management practices as described above, and they regularly monitors during the timber production activities. The accredited authority has a stop work authority which halts all harvesting operations and can order additional investigation or measures for restoration of forest/ important species;• FME locates areas that have the least likely possibility of having habitats, nesting, or foraging of threatened species, and through this process, the possibility of impacting threatened species is significantly reduced; and• (Even though logging area selected has the least likely possibility of having threatened species) Implement cessation measures in the event that threatened species are sighted before or during operation, and the harvest is stopped until implementing measures such as changing harvesting areas. <p>FME prepared High Conservation Value Assessment and Management Plan at timber production zones, and FME has revised it after the revision of forest stewardship standards and upon stakeholder consultation.</p> <p>In addition, FME acknowledges that their timber production activities may impact the habitats of threatened birds species, and therefore, they take the following practices for conservation of their habitat:</p> <ul style="list-style-type: none">• Identify and protect potential nesting habitats. FME has actually identified such areas and excluded them from harvesting;• Identifying and protecting foraging and nesting areas during operational planning;• Locating and protecting all known nesting trees during operational planning;• Implementing precautionary cessation measures in the event that endangered bird species are sighted during operation. Precautionary measures include training staff for identification
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(Grievance Mechanism for the Sustainable Sourcing Code)

	<p>of important species, stop work authority, and changing management procedures based on the advice of specialists; and</p> <ul style="list-style-type: none">• Avoid forest harvesting in the area where there are no predators of the endangered bird species. <p>FME is practicing in compliance with federal and state legislative framework, and during the interview with local NGOs, Tokyo 2020 did not hear comments demonstrating non-compliance with government regulations.</p> <p>FME has obtained forest certifications (PEFC). While assessing FME's important species conservation practices, Tokyo 2020 found no clear contradiction with the certification criteria of the PEFC.</p> <p>During the interview with the NGOs, there was an opinion that FME could do further actions for conservation of important species. In this regard, Tokyo 2020 confirmed through this assessment that FME is working to further efforts for strengthening their important species conservation practices. FME is aiming to obtain another forest certification (FSC), and in order to meet their criteria, FME has already commenced some practices, such as enhancing the breeding habitat of endangered bird species and developing a more effective monitoring program. In addition, since it is required to reduce threats to endangered bird species, FME has already excluded an area from timber production that has been identified to be a potential breeding habitat, and has also conducted trials to reduce the threat of predation.</p> <p>Through this assessment, Tokyo 2020 confirmed that old trees with large diameters, which are generally used for breeding by endangered bird species, are not utilized for plywood or concrete formwork (because the local timber processing company is unable to process these old trees with large diameters.)</p> <p>Tokyo 2020 held the third online meeting of the Advisory Panel. During the meeting, Tokyo 2020 reported the results of the assessment, explained further actions and received advice on the contents of the notification letter to the party reporting report.</p>
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	<p>As mentioned above, based on findings within the scope of this assessment, Tokyo 2020 did not recognize non-compliance with the “Sustainable Timber Procurement Standards” in the timber production activities of FME. Tokyo 2020 decided to close the process of this report and informed its closing to the party reporting this report.</p> <p>With this, the process is closed.</p>
Remarks	<ul style="list-style-type: none">• Tokyo 2020 conducted an interview session with upstream supply chains such as FME and related NGOs in this assessment, and confirmed the sustainability of timber production activities.• Tokyo 2020 expects that FME will continue to work on the conservation of HCV while taking into account the various opinions of stakeholders, and Tokyo 2020 will inform this expectation to FME.

*: Responses beyond the process defined in the Operational Standards are included.