JAPAN'S ILLEGAL IVORY TRADE AND FRAUDULENT REGISTRATION OF IVORY TUSKS









INTRODUCTION

Though frequently highlighted as a model of domestic ivory control, Japan's system is plagued by loopholes and undercut by weak legislation to such an extent that no meaningful control exists at even the most basic level. The volume of ivory being traded is on the rise, illegal activity is rampant, and abuse of the system is pervasive.

The international trade in elephant ivory is governed by the United Nations Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). In 1989, in response to the first global elephant poaching crisis of the 1970s and 80s, the international trade in ivory was banned.

In 1997, the Parties to CITES approved an "experimental" dismantling of the ban – a sale of nearly 50 tonnes of stockpiled raw ivory from Botswana, Namibia, and Zimbabwe to Japan. In 2007, CITES Parties further dismantled the international ivory ban by allowing both Japan and China to legally import 102 tonnes of ivory in a second series of ivory auctions from southern African nations. Poaching of elephants began to increase rapidly across Africa following the second ivory sale.

Both of the CITES-authorized sales were predicated on the adoption and implementation of rigorous domestic ivory trade controls in Japan aimed at preventing illegal ivory from reaching its domestic market. A CITES Secretariat team visited Japan before each sale to review

ivory control system laws. In 2006, the CITES Secretariat reported to the CITES Standing Committee that, in Japan, "proof of legal origin and acquisition must be provided at the time ivory is registered."

However, meaningful proof of legality has never been required for whole tusk registration under Japanese law. As this report will explain, the ivory trade is regulated by the Law for the Conservation of Endangered Species of Wild Fauna and Flora (LCES), a law so full of loopholes and exceptions as to be largely useless, particularly as applied to whole tusk registration. Illegal ivory tusks can be easily registered, and thereby legalized, with something as flimsy as a note from a neighbor or a family member vouching for its acquisition and origin without any additional substantiation.

During the summer of 2015, investigators undertook an undercover survey of ivory traders in Japan in order to gain a better understanding of the extent to which loopholes in the whole tusk registration system were being abused. Expecting to find perhaps a few bad actors, the investigators instead discovered that the majority (80 percent) of ivory traders they spoke with were willing to engage in illegal tusk registration activity, ranging from purchasing an unregistered ivory tusk of unknown origin, to registering ivory tusks through the use of false information. Traders talked freely about how to evade or defraud the system and clearly had no reason to believe the Government of Japan would ever look very carefully at their activities. Some boasted of selling ivory to China.

The internet ivory trade in Japan also appears to operate without any real government oversight despite the fact the large volumes of ivory are sold via retail and auction websites. EIA has been concerned about the internet ivory trade in Japan since our 2010 study found 66 ivory traders selling ivory on Yahoo! Japan's shopping site, and our 2014 investigation revealed over 28,000 ads for ivory on another leading internet retailer, Rakuten Ichiba.

Investigators also performed a much more detailed review of Japan's internet ivory trade, including analyzing 10 years of Yahoo! Japan Auctions site data. The results confirm a startling increase in elephant ivory product ads and sales. From 2012 to 2014 alone, over 12 tonnes of whole tusks and cut pieces of ivory were sold on the Yahoo! Japan Auctions site, including more than 800 tusks. Between 2005 and 2014, Yahoo! Japan Auctions generated revenues of over \$27 million (¥2.6 billion) from the sale of elephant ivory products. Yet, internet ivory dealers consistently fail to meet even the most basic legal requirements and new evidence suggests that ivory sold via the internet in Japan has been making its way to China.

After 16 years, it is clear that Japan is incapable of controlling its domestic ivory trade. In recognition of the global elephant poaching crisis, the United States and China have announced their intention to ban the domestic trade in ivory. EIA is calling on the Government of Japan to do its part and ban domestic ivory trade as well.

JAPAN'S FLAWED WHOLE TUSK REGISTRATION SCHEME

The whole tusk registration scheme is considered the backbone of Japan's domestic ivory control system. It is intended to provide an important firewall to prevent the laundering of illegal ivory onto the Japanese market. In 2005, Japan reported to the CITES Secretariat that its Law for the Conservation of Endangered Species of Wild Fauna and Flora (LCES) required proof of legality for a raw ivory tusk to be registered. In 2006, the CITES Secretariat reported to the CITES Standing Committee that, in Japan, "proof of legal origin and acquisition must be provided at the time ivory is registered."

However, it has been recognized by the Government of Japan that the whole tusk registration scheme has failed to meet CITES legal requirements and has proven to be incapable of preventing illegal ivory from entering Japan's domestic market since 2001. The Government of Japan's careless implementation of the LCES has enabled illegal or undocumented tusks to be registered through widespread use of fraudulent documents and declarations. Serious flaws persist today, due both to the inadequacy of Japan's enabling law and its weak implementation. As a result, over 1,000 tusks of dubious origin have been legalized each year since 2011 without a shred of real proof of legal acquisition or origin.

BACKGROUND

The international trade in elephant ivory is governed by the United Nations Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). In 1989, in response to the first global elephant poaching crisis of the 1970s and 80s, the international trade in ivory was banned by listing all African elephant populations on CITES Appendix I. At that time, Japan was the world's largest importer of elephant ivory with some 5,000 tons imported from 1970 until the 1989 ban, approximately equivalent to 250,000 dead elephants.²

In 1997, the Parties to CITES approved an "experimental" exception to the ban - a sale of nearly 50 tonnes of stockpiled raw ivory from Botswana, Namibia, and Zimbabwe to Japan, which occurred in 1999.3 In 2007, CITES Parties further dismantled the international ivory ban by allowing both Japan and China to legally import ivory in a second series of ivory auctions from southern African nations. Over 20 African elephant range states and most environmentalists opposed the auctions due to the likelihood that a resurgent demand for ivory would kick-start widespread elephant poaching. Some 102 tonnes of ivory from Zimbabwe, South Africa, Namibia, and Botswana were auctioned to ivory traders from Japan and China in 2008.4 Poaching of elephants began to increase rapidly across Africa following the second ivory sale.

Both of the CITES-authorized sales were predicated on the adoption and implementation of rigorous domestic ivory trade controls in Japan and China aimed at preventing illegal ivory from reaching their domestic markets in order to prevent an upsurge in poaching. The ivory controls are embodied in CITES Resolution Conference 10.10 (Rev. CoP16), *Trade in elephant specimens*, which requires, amongst other safeguards, effective trade controls over raw tusks and demonstrably effective enforcement and oversight of worked ivory.

Both of the sales were also predicated on Japan being granted "CITES trading partner" status, qualifying it to purchase legal ivory in the CITES auctions. A CITES Secretariat team visited Japan before each CITES sale to review its ivory control system laws and interview government officials in order to verify that domestic laws and systems were sufficient to prevent illegal ivory trade. These verification missions occurred in 1998, 2005, and 2006 verification missions, prior to each of the CITES ivory sales.

Despite the revelation of glaring deficiencies during each verification mission, the CITES Secretariat approved Japan's ivory control system. Importantly, in the 2006 verification mission report, the CITES Secretariat confirmed that Japanese law required that, "Proof of legal origin and acquisition must be provided at the time ivory is registered." In practice, meaningful proof of legality has never been required for whole tusk registration in Japan and it remains a huge loophole through which illegal ivory is easily laundered onto the domestic market there today.

JAPAN'S RAW IVORY CONTROL SYSTEM

Japan's ivory trade controls are expressed in the Law for the Conservation of Endangered Species of Wild Flora and Fauna (LCES).⁶ The registration process is overseen by the Ministry of Environment (MoE), but its implementation is assigned to a non-government organization: the Japan Wildlife Research Center (JWRC).⁷ At

Top: The Japan Wildlife Research Center handles the registration of elephant tusks for trade. Bottom: Copy of an elephant tusk registration card issued by the JWRC.







the heart of the system are the requirements for the legalization ("registration") of raw ivory tusks.

Persons owning whole ivory tusks in Japan are legally required to register the tusks before they are traded.⁸ Upon successful registration, the JWRC issues a registration card, which must be returned within 30 days if the owner processes or otherwise no longer possesses the tusk.⁹ Only raw ivory that is legally acquired and of legal origin may be registered in Japan under the LCES, essentially limiting ivory that can be legally registered to:¹⁰

- Ivory imported into or acquired within Japan before the CITES ban was in effect (often called "pre-convention ivory"), and
- Ivory imported into Japan as part of the two CITES-authorized ivory auctions.

Since the ivory that was acquired through the CITES auctions was immediately registered upon arriving in Japan, the only type of ivory that may currently be legally registered is preconvention ivory. However, because the LCES is plagued by loopholes, it is very easy for ivory tusks of any age to get registered in Japan and thereby enter the legal domestic trade.

JAPAN'S SHAM TUSK REGISTRATION SYSTEM

Contrary to the findings of the 2006 CITES Secretariat verification report on Japan, the LCES does not require any meaningful proof of legality of origin and acquisition for raw tusks presented for registration. Under the registration procedure, no official government documentation of legality is required. The JWRC generally accepts both: (1) a statement about acquisition written by the person who acquired the tusk in Japan or imported the tusk into the country, and (2) any other document that supports legal acquisition, including a statement by any third party.^{11, 12} This means that the person who stands to benefit from the tusk registration is relied on as the primary source of proof of legality. The JWRC may request the applicant to submit additional documents to conform with the registration requirements, but it rarely does so. When it does, it does not insist on the provision of official government documents, such as customs forms, delivery slips, or statements of transfer using a



government form. In most cases, a declaration provided by a family member or acquaintance is sufficient to acquire the registration document.

Such a system is prone to abuse and, as detailed in our analysis, widespread fraud and illegal conduct by ivory traders is commonplace. The Government of Japan has been aware of the weaknesses in the law since 2001 when the JWRC notified the MoE that false statements of transfer or statements of ownership had been submitted as evidence for registration. JWRC gueried the Ministry to ask if it could reject applications that did not include a document made by a public agency or if it would be acceptable to request an explanation on the background of the acquisition from the applicant, and if no specific question arose, to request the applicant to "prepare some necessary documents." 13 The Ministry of Environment approved the JWRC's suggestion and confirmed that official documents were not necessarily required.14 Thus, despite receiving an early warning about significant abuse of the registration process, the MoE did not strengthen the evidentiary requirements for tusk registration.

Aside from creating a ready avenue for laundering illegal ivory onto the domestic market, the evidentiary requirements outlined in the LCES are insufficient to prove legality. The types of statements accepted by the JWRC do not constitute credible evidence. A statement offered by a person for his or her own material benefit is inherently untrustworthy, particularly if it is not made under penalty of perjury. Such

a statement is not reliable because it is easily subject to bias and abuse. In this case, the Ministry of Environment knew since 2001 that false statements regarding tusk acquisition and origin were being submitted as evidence of legality and that the system was being abused. Furthermore, there is no requirement for the statements to be corroborated by an unbiased or disinterested individual. Whether to request additional statements of corroboration of the facts contained in the statements is completely within the discretion of the JWRC and statements by family members and friends are readily accepted.

Interestingly, the 1997 verification report confirms that official documents or affidavits (sworn statements) were required in 1995-1996 when the LCES first came into effect and there was a one-time mass registration of existing ivory stocks.¹⁵ At that time, because most of the existing ivory tusks were unmarked, affidavits by tusk owners were used to register the vast majority of the tusks (approximately 75 percent). Thus, the Government of Japan's threshold for evidence to prove tusk legality has been shockingly low from the outset. The statements that the MoE deemed acceptable under the LCES as evidence of legal acquisition and origin for the purpose of gaining legal registration of whole ivory tusks have consistently fallen far short of qualifying as proof of legality.

It is unclear whether the CITES Secretariat understood the LCES' lax evidentiary requirements at the time they undertook the the 1998, 2005, and 2006 verification missions. However, it is clear that the JWRC, the MoE, and numerous unscrupulous ivory traders in Japan are well aware of its shortcomings.



Loopholes within Loopholes

- Aside from its weak evidentiary requirements, the whole tusk registration system contains other serious loopholes that undermine its effectiveness:
 Tusks in personal use are exempt from registration requirements. This means that the total stockpile of ivory in Japan is outside of government control or oversight and new illegal ivory can be added to existing stocks and subsequently registered.
- The LCES does not require whole tusks to be marked as required under CITES Res. Conf. 10.10 (Rev. CoP16). This loophole enables a registration document to be re-used for an illegal tusk of similar size after the first tusk is processed or illegally sold.
- Physical inspections of tusks for which registration is sought are not allowed under the LCES thereby lowering the threshold of oversight and making it more difficult to detect illegal tusks. The JWRC may only review written documents and photos of a tusk attached to the application form
- CITES requires that cut pieces of ivory tusks of 1 kg or more in weight and 20cm or more in height be registered and marked, but the LCES requires neither registration or marking for cut pieces. CITES Res. Conf. 10.10 (Rev. CoP16) defines 'raw ivory' as "all whole elephant tusks, polished or unpolished and in any form whatsoever, and all elephant ivory in cut pieces." Because Japan does not require registration or marking of such cut pieces of ivory, illegal whole tusks are often cut into pieces to avoid detection.

INVESTIGATION: WHOLE TUSK REGISTRATION SYSTEM

During summer 2015, investigators undertook an undercover survey of ivory traders in Japan to understand the effectiveness of the Government of Japan's whole tusk ivory registration system, the heart of its domestic ivory control scheme. Japanese investigators uncovered dramatic evidence of ivory traders offering to purchase unregistered ivory of unknown origin and to falsify documents to secure registration.

Thirty-seven ivory dealers were approached by investigators to see if they were willing to purchase an unregistered whole tusk. These dealers were selected because they had recently offered to buy whole tusks through ads on their websites or had sold them on Yahoo! Japan shopping and auction sites, or Rakuten Ichiba shopping and auction sites.

The investigator approached the ivory dealers by posing as an average citizen looking to sell a tusk that was said to have been acquired by the investigator's late father 15 years ago, around the year 2000. Only ivory tusks imported prior to the 1989 CITES ivory ban, which went into effect in 1990, may be legally registered in Japan.

Of the 37 ivory dealers engaged in the survey, 11 responded by offering to undertake blatantly illegal activities. Specifically, 4 dealers offered to buy the unregistered ivory and either cut or resell it and 7 dealers offered to buy the unregistered ivory and register it under a false name. Nineteen ivory dealers responded by offering to undertake likely illegal activities. For example, 11 dealers offered to assist the investigator in acquiring registration using fake declarations, and 8 dealers suggested the investigator acquire registration by suggesting, explicitly or implicitly, the use of

TABLE 1: LEGALITY OF APPROACHED IVORY DEALERS' RESPONSES REGARDING PURCHASE IN UNREGISTERED IVORY

	Directly takes unregistered ivory		Requires registration prior to purchasing		
Ivory dealer's response when approached about purchasing unregistered ivory	Takes unregistered ivory directly and then registers it under a fake name for resale	Takes unregistered ivory directly and then cuts or resells it	Offers to act as an agent applying for registration based on false or unsubstantiated facts (suggesting explicitly or implicitly)	Recommends the seller apply for registration based on false or unsubstantiated facts	No suggestion of illegal activity in applying for registration; dealer explains the requirements and procedure of registration to the seller
Assessed legality	Illegal (transfer without registration + false registration)	Illegal (transfer without registration)	Likely illegal (false registration)		Legal
Number of dealers	7	4	11	8	7



false information. Several dealers suggested that the tusks could be exported to China or sold to Chinese buyers operating in Japan.

The survey results, including what types of activities dealers suggested or offered to undertake, are detailed in Table 1. About 30 percent of the dealers responded by offering to undertake activities that are clearly illegal. Another 50 percent of dealers responded by offering to undertake activities that are likely to be illegal. Thus, more than 80 percent of the dealers approached offered illegal, or likely illegal advice or services, to transfer an unregistered tusk onto the domestic market. Less than 20 percent of the dealers gave responses that are consistent with Japanese law.

INTERVIEW EXCERPTS: ILLEGALITY FROM THE MOUTHS OF TRADERS

- "Look, just fill out the form, don't worry about filling in too much detail. If you list any time after 1990, you won't get a certificate, so you should just write that it was bought in the Showa era, don't you see?"
- "If you write anything past 1990, you won't be able to get the certificate, so the best thing is to write anytime in Showa era.... if you write a specific year of purchase, then it won't concern anyone and you would have many buyers for your ivory."
- "We can get the certificate for you. There are many details like having a third party and stuff, but we are doing this all the time."
- "Here at our workshop, we would quickly cut up the tusks as soon as we obtain them....
 We make it into hanko and other things...We have antiques dealers that buy them for us...The antiques store guides the people on how to get a certificate and they often bring it to us."
- "Oh, it actually doesn't matter who he received it from, but when you apply for the registration, the problem is the year 15 years ago...This means that you have obtained this ivory after the law is in effect which requires you to have a Certificate of Registration. If you are honest about the time your father received the tusk, it will be very difficult to get your certificate....

If you don't show "Showa" on the form, you will have a difficult time getting your registration."

- "If you want to get a certificate, you can't write the truth, otherwise it is unlikely you would get it."
- "Oh, that is a required statement that someone must write to say they saw it during the Showa years, but just have someone older write it for you, or rather, you can type it with a computer and just have them sign."
- "I've done over 500-600 of these cases and no one has ever been questioned about the third party's statement, not even once."
- "In the case we can't get the registration, we return the ivory to you, then it will be seized unless you sell it in black market disguising that the tusk was officially disposed."
- "Simply, we are selling ivory to hanko manufacturers who require registered tusks but with an un-registered tusk, it will probably end up in the black market. And the price should be unreasonably cheap."
- "It is an illegal deal, so we couldn't write a receipt for you. You have to think of it like gold or platinum as an estate."
- "There is no paper trail. We just claim we don't know when or how the seller who I purchased the ivory from acquired the ivory, and that registration is required when I purchase it. So, there is no way to prosecute. We will see what we can do on our end; In house, we currently have three pieces that need registration so we would just add yours to that group."
- "Our store has a special status when it comes to elephant tusks, but it's actually not allowed to buy or sell unregistered items. Not that we won't buy it, but whatever we decide to do about that, it has to stay between you and I, and under no circumstance, can you tell anyone else about the deal. You must promise this. For example I can send you cash in registered mail but it would all be under the table, otherwise the authorities will be coming after you too."
- "The thing is, we must lie on these official statements."
- "When we ivory traders buy it, we'll pay the amount calculated on certain standard rate,

regardless if the piece is registered or not. We can register the piece under our name in accordance with the law. It would have nothing to do with you in that situation. Once we have a registered piece, then we can then sell it to people in ivory industry and that would be the general process...If you were to do it as an individual, it would be a lot of trouble, so let us handle the difficult stuff."

- "You would have to create a story and most of them are pretty predictable, common stories. I don't want to make you go through that and as our customer; we would take that on for you; so don't even worry about it. We will make it easy and "hands off" for you."
- "Did that dealer tell you, our ivory is moving in to China now...The majority of ivory flows towards China...Right now, the market is with the Chinese people...If they stopped buying it, the market would dry up."
- "They (Chinese) would use a translator who understands Japanese and maybe they can do their best to get the product smuggled in, but really it's difficult from there exchanging the product for cash...since they can't sell it openly."
- "I have a contact who is Chinese and he knows the reality of the situation over there. I can bargain up to the highest price, so I can definitely do better than your antiques dealer. When the deal is between Japanese people, you must have a registration, and if you don't have one, there is no deal. It's a pretty "no-risk business." But if you do decide to let me buy your ivory, I can't have you going around telling people you sold it to me without a registration. You would need to be really careful."
- "The thing is, without a registration, we usually won't consider buying this ivory from you; Actually, we are not supposed to buy it at all...That's what I'm saying, ivory is regulated by the Washington Convention and that's why we need the registration...But once we take it (without the registration) we can't sell it again. It will be subject to the Washington Convention and probably it would be smuggled to China. In the end, that is what would happen to this piece, most likely."

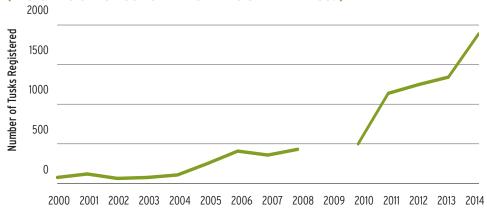
Suspiciously High Numbers of Tusks Registered in Japan

A suspiciously high volume of whole tusks purported to be legal pre-convention ivory, have been registered in Japan since 2000, with the numbers increasing by more than three-fold since 2009 directly after the last CITES auction. More than 14,400 tusks weighing more than 190 tonnes were registered between 1995 and 2014, excluding the CITES-approved ivory imported in 1999 and 2009.

TABLE 2: WHOLE IVORY TUSKS REGISTERED ANNUALLY IN JAPAN

YEAR	NUMBER OF TUSKS REGISTERED	WEIGHT OF TUSKS (KG)
1995	2,252	40,354
1996	3,749	51,569
1997	347	5,952
1998	63	1,012
1999	5,501	50,347
2000	75	1,377
2001	119	2,070
2002	63	1,094
2003	75	1,529
2004	107	1,639
2005	252	3,877
2006	408	6,607
2007	358	5,558
2008	431	7,045
2009	3,664	43,461
2010	499	5,672
2011	1,137	11,566
2012	1,247	12,727
2013	1,342	12,490
2014	1,886	17,957
Total	23,575	283,902

FIGURE A: JAPAN IVORY TUSK REGISTRATIONS 2000-2014 (EXCLUDING CITES-AUCTIONED IVORY REGISTERED IN 2009)



THE THRIVING INTERNET IVORY TRADE IN JAPAN

To obtain a representative sample of the volume and types of ivory products currently being sold on the internet in Japan, Japanese investigators searched advertisements on Japan's leading e-commerce sites including Yahoo! Japan Shopping, an affiliate to U.S.-based Yahoo! Inc., and Rakuten Ichiba, a top Japanese online retailer which is growing internationally and has subsidiaries and affiliate stores in the United States, United Kingdom, Germany, Canada, and other countries.

Investigators also surveyed ivory product advertisements and historical sales records on Yahoo! Japan's Auction site to gain an understanding of the amount of ivory sales, types of ivory products, trends over time, and other data concerning online ivory trade.

ONLINE AUCTION SITES AT CENTER OF ILLEGAL IVORY TRADE IN JAPAN

Ten years of Yahoo! Japan Auctions site ivory trade data were purchased and analyzed for the years 2005 to 2014.¹⁵ The results confirm a startling increase in elephant ivory product closing bids and revenues. After 2005, a

gradual increase in the number of closing bids occurred; by 2010 both the number of closing bids and total annual revenue values increased rapidly.

From 2012 to 2014 alone, over 12 tonnes¹⁷ of whole tusks and cut pieces of ivory were sold on the Yahoo! Japan Auctions site, including more than 800 tusks (See Tables 3 and 4).

TABLE 3: NUMBER OF TUSKS, AND WEIGHTS, SOLD IN CLOSING BIDS ON YAHOO! AUCTIONS FROM 2012 TO 2014

YEAR	NUMBER OF TUSKS	WEIGHT OF TUSKS (KG)
2012	200	921
2013	239	1,043
2014	364	2,014
Total	803	3,978*

*This total represents the total weight of tusks with a specific record of weight, but not all tusks had weights displayed (769/803). Given the average weight of the tusks with listed weights, we estimate that the total weight of tusks is approximately 4,154 kg.



TABLE 4: NUMBER OF CLOSING BIDS AND WEIGHT FOR IVORY CUT PIECES ON YAHOO! AUCTIONS FROM 2012 TO 2014

YEAR	NUMBER OF CLOSING BIDS	WEIGHT OF PIECES (KG)
2012	4,071	2,819
2013	5,983	2,312
2014	5,733	2,384
Total	15,787	7,515**

^{**}This total represents the number of closing bids for cut pieces with weight records. Not all cut pieces had weights displayed (13,749/15,787). Given the average weight of the cut pieces with listed weights, we estimate that the total weight of cut pieces is approximately 8,638 kg.

Between 2005 and 2014, Yahoo! Japan Auctions generated revenues of over \$27 million (¥2.6 billion) from the sale of elephant ivory products, with more than US\$25 million (¥2.3 billion) occurring in the seven-year period from 2008 to 2014. In 2014, ivory sales earned US\$6.8 million (¥691 million).

In 2005, there were roughly 3,800 closing bids for ivory products on Yahoo! Japan Auctions, which by 2014 had increased to more than 27,000. Between 2012 and 2014, over two tonnes of ivory cut pieces were sold each year on Yahoo! Japan Auctions.

Additionally, more than 55,000 hanko name seals were sold, just via this one platform, often in large packages of hanko name seal blanks, to be later carved for signature (see Table 5). Between 2005 and 2014, ivory product sales on Yahoo! Japan Auctions skyrocketed, from US\$584,294 (¥67.8 million) spent on 3,846 closing bids for ivory items to 2014's high of US\$6.8 million (¥691 million) (see Figure B) spent on more than 27,000 closing bids for ivory items.

Abuse of internet sales platforms is at the center of the illegal trade in Japan, and provides a strong indication of the Government's ineffective monitoring and an inability or unwillingness to enact meaningful enforcement measures against illegal ivory trade.

TABLE 5: NUMBER AND AMOUNT PAID FOR HANKO NAME SEAL CLOSING BIDS ON YAHOO! AUCTIONS FROM 2012 TO 2014

YEAR	NUMBER OF CLOSING BIDS	AMOUNT PAID FOR BIDS (USD)	NUMBER OF HANKO NAME SEALS
2012	1,175	142,592	5,459
2013	2,682	387,235	23,267
2014	2,771	545,737	26,730
Total	6,628	1,075,565	55,456

E-COMMERCE IVORY SALES SURVEY

In addition to auction sites, ivory sales are also increasing on Japan's online retail sites, led by Yahoo! Japan Shopping and Rakuten Ichiba, which carry increasing numbers of ads offering elephant ivory for sale. Yet online ivory dealers have largely failed to comply with even the most basic legal requirements for such ivory traders operating in Japan.

On a single day in August 2015, Yahoo! Japan and Rakuten Ichiba shopping sites each carried approximately 6,000 different ivory product ads. The combined advertised price for all products on both sites totaled more than US\$5.1 million. At least 93 percent of all ads were for ivory *hanko* name seals which are known to be produced in significant numbers

from illegal ivory tusks. Takaichi, Japan's largest manufacturer of ivory hankos, was alleged to have purchased up to an estimated 1,600 unregistered tusks between 2005 and 2010, that were processed into ivory hanko. The former president, Kageo Takaichi, his son, and the others were prosecuted with the company in 2011 for buying 58 unregistered tusks, as a result of a Tokyo Metropolitan Police investigation. They were forced to forfeit the illegal tusks and were sentenced to one year suspended imprisonment, while the company was fined approximately US\$12,500.18

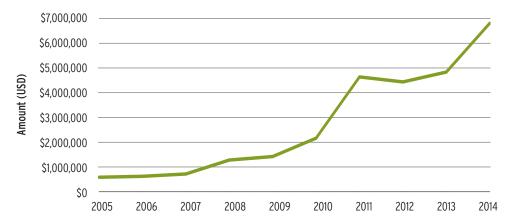
IVORY SALES VIA BIDDING AGENCIES

Bidding agencies are being used to purchase ivory via auction sites for illegal export out of Japan.

Online bidding agencies provide a service for shoppers by bidding on their behalf on internet auction products. It is common for bidding agencies to offer services to overseas customers and to promote ads to ship products internationally. There are multiple online companies in Japan, China, Taiwan, and elsewhere that serve as bidding agencies for products listed on Japanese websites, thereby providing international customers a way of accessing ivory pieces listed on websites such as Yahoo! Japan Shopping and Auctions.

Surveyors conducted a preliminary review of ivory available for purchase via bidding agency websites, again using the search term

FIGURE B: VALUE (USD) OF CLOSING BIDS FOR "REAL IVORY" ON YAHOO! JAPAN AUCTIONS 2005-2014





More than 8,700 "real ivory" items were found on Buyee.jp, a bidding site that offers users a way to bid on ivory products on Yahoo! Japan websites.

"real ivory" (hon zouge). This preliminary search revealed thousands of ivory products available for sale and for export by bidding agencies. A small portion of the products offered for sale were not actually ivory but ivory colored. In order to estimate the likely number of real ivory products offered by each bidding agency, the investigator analyzed a sample of the ivory items displayed and extrapolated the total number of real ivory products for sale for each bidding site.

Survey results confirm that large quantities of ivory are being offered for international purchase via bidding agencies even though international trade in ivory is banned by CITES and Japanese law. For example, Japan Order. **jp**, which is based in Tokyo, but specializes in servicing international customers and offers worldwide shipping, had an estimated 640 ivory product listings, including two whole tusks. The site provides automatic translation and offers customers a chance to "buy in Japan, receive anywhere in the world." Buyee.jp, based in Japan, lists more than 8,700 real ivory products from Yahoo! Japan sites.

JPWare, Based in Hong Kong, lists an estimated 8,750 real ivory products. **Shaogood**, based in China, listed a combined estimate of 5,700 ivory products from Yahoo! Japan Shopping and Yahoo! Japan Auctions. Letao, based in Taiwan, offered an estimated 8,910 real elephant ivory products through Yahoo! Japan Auctions, of which an estimated 99 percent were real elephant ivory products. Hey Japan Korea, based in South Korea, offers bidders access to items from both Yahoo! Japan Auctions and Yahoo! Japan Shopping. Searches listed an

estimated 8,670 real elephant ivory products on Yahoo! Japan Auctions, and an estimated 16,540 real ivory products on Yahoo! Japan Shopping.

The fact that bidding agencies offer thousands of ads for sale of ivory from Japan to international destinations reinforces the deep and broad failure of Japan's weak and ineffective enforcement of controls over illegal ivory trade. Lack of oversight over the internet ivory trade is a persistent problem in Japan and ivory continues to make its way out of Japan illegally into China, where it is being intercepted by Chinese enforcement officials.

INTERNET TRADE AND **ILLEGAL EXPORT**

In 2013, the Japanese Ministry of the Environment made it mandatory that online dealers of LCES-regulated¹⁹ species (including ivory) display their registration information. This revision to the law was made in response to a series of reports by the Environmental Investigation Agency (EIA) (2010) and Traffic (2010, 2012), which consistently pointed out the increasing role of online ivory trafficking and questioned whether Japanese ivory controls were sufficient to deal with online trade in elephant ivory.

In 2010, EIA published a report about Yahoo! Japan Shopping's online sales, which identified 66 ivory traders.²⁰ In March 2014, the EIA Report Blood e-Commerce revealed that Rakuten Ichiba carried an estimated 28,000 ads offering ivory products, over 90 percent of them for hanko.21 In May 2014, Traffic East Asia/Japan examined

the country's major e-commerce platforms including Rakuten Ichiba, the largest Japanese online shopping mall, the two largest Japanese internet auction sites, Yahoo! Japan Auctions and Rakuten Auctions, and a number of websites offering to purchase ivory items.²² Traffic found that at least 57 businesses were dealing in ivory without displaying their registration information or without being registered as legally required with the Ministry of Economics, Trade and Industry (METI). Of these, 39 (out of 107) retail ivory sellers on Rakuten Ichiba, 10 (out of 19) on Yahoo! Japan Auctions, and eight (out of 42) purchasing service websites were not registered. It is important to note that the Yahoo! Japan Auctions had the highest level of non-compliance and is the most common vehicle for the sale of raw ivory tusks via the internet in Japan.

Although discussions were held between METI, the Ministry of the Environment, and the companies that were the subject of this research, it is unclear if there has been any new meaningful enforcement measures taken by the government to prevent illegal ivory trade online.

The movement of ivory from Japan to China also continues to be a persistent problem. The Elephant Trade Information System (ETIS) database has tracked seizures of ivory moved from Japan to China since 2005. Seizures notably picked up after 2009,²³ after ivory from the second CITES-approved sale entered both markets. More than 54 seizures of ivory moving from Japan to China have been made, totaling nearly one tonne of ivory.²⁴



smuggled from Japan in April 2015. Source: Qingdao İqilu.



Most recently, in October 2015, a large seizure of 804.4 kg of ivory was made in Beijing, sourced from Japan, 25 illustrating the active smuggling of ivory from Japan to China. According to the Beijing Forest Police, this was the biggest seizure of its kind in terms of the scale of operation, uncovering a traffic ring that spanned from Japan through Hong Kong to a broad network in mainland China.²⁶ It is evident from the recent investigative surveys of Japan's ivory tusk dealers that illegal ivory is being traded on the Japanese market and that active smuggling of illegal tusks to China is growing.

Other seizure cases illustrate that ivory is being purchased in Japan on internet platforms, like Yahoo! Japan Auctions, and then illegally exported to China. For example, in 2011, raw ivory purchased on Yahoo! Japan Auctions was mailed to China and discovered by Chinese

customs.²⁷ The investigation revealed that the operation had smuggled an estimated 380 kg of both raw and worked ivory using this method.²⁸ In another case, a different Chinese smuggling ring was also caught using the same method, of purchasing ivory on Yahoo! Japan Auctions and shipping it to China.²⁹ Between 2010 and 2012, this smuggling ring trafficked 3,257 kg of ivory from Japan and onto the Chinese black market.30

Japan is clearly being targeted by ivory trafficking syndicates purchasing illegal tusks including via the internet, and arranging illegal export to China without any apparent interference from Japanese authorities.



2005 and 2010 he purchased between 572 and 1,622 tusks illegally. The tusks were made into hanko name seals and sold to wholesalers across Japan.

CONCLUSION

Japan's policies and practices have played a leading role in the dramatic increase in poaching that has occurred in the aftermath of the two CITES ivory auctions. Japan has reneged on the commitments it made to African elephant range states and the CITES community worldwide to enact rigorous enforcement measures to prevent illegal ivory from being traded on its domestic market. EIA's investigations reveal a disturbing rising trend in ivory trading activity in Japan, since 2009 when it imported the ivory purchased at the second auction. Tusk registrations, many of suspect legality, have nearly quadrupled since 2010 and ivory sold via Yahoo! Japan's internet auction site increased dramatically since 2009. Thousands of ivory ads appear both on Rakuten and Yahoo! Japan shopping sites while international bidding sites appear ready to ship ivory from auction sites abroad.

Japan is awash with ivory of dubious origin and not a shred of real evidence is required by law to ensure that ivory is of legal origin and acquisition.

African nations are suffering yet another elephant poaching catastrophe. More than 100,000 African elephants were poached between 2010 and 2012 alone. The rarer forest elephant species, which occur in only six African countries, has suffered a catastrophic decline. While other countries are likely to be implicated in the decline of forest elephants, Japan is the only country in the world with a special demand favoring forest elephant ivory. Also called "hard ivory," it is used to make hanko name seals, *netsuke* figurines, *bachi* plectrums, and chopsticks, among other items. Forest elephants experienced a 65 percent decline between 2002 and 2013. The situation is dire.

On 6 November 2015, 25 African countries issued the Cotonou Declaration demanding a total ban on ivory trade worldwide including domestic trade in order to save their remaining elephants. After 16 years of the first import of one-off sold ivory, it is time for the Government of Japan to concede that its ivory control system has been a total failure and to now join the United States and China in banning all domestic trade in elephant ivory.

RECOMMENDATIONS

EIA urges the Government of Japan to:

- Ban all domestic trade in ivory with immediate effect.
- Ban all registration of whole tusks with immediate effect.
- Instigate a police investigation of JWRC's tusk registration activities dating back to 1995.
- Initiate a police investigation into ivory dealers identified as engaging in illegal ivory trade and registration activities.
- Support an Appendix I listing under CITES for all elephant populations.

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 - Prohibition on display and advertisement for the purposes of selling or distribution
 - "Internal trade regulation" may include various procedural regulations for making above regulations workable.
- The Minister of Environment shall assign the actual duty on registration procedure to the organizations registered to the Minister (LCES Article 23 Paragraph 1). Japan Wildlife Research Centre (JWRC) is the only registration organization registered to the Minister so far.
- 8. Transfers, delivery or receiving (paid or non-paid whatsoever) in whole tusks without registration are

- prohibited (LCES Article 12, Paragraph 1). Display and advertisement for the purposes of selling or distribution, which include advertisement on an Internet shopping site and an Internet auction site, without registration are prohibited as well (LCES Article 17).
- 9. LCES Article 22 Paragraph 1
- 10. LCES Article 20 Paragraph 1, Cabinet Order Article 4
- "Statement written by the person who internally acquired or imported the tusk, with regard to the background of acquisition (prior to the application of CITES regulation) of individuals, their parts or products thereof" (MoE Order Article 11, Paragraph 1, Section 2).
 "If such document is not available, any other
- "If such document is not available, any other document can be attached instead, which supports the applicability of the individuals etc. to a specific category of registration requirements" (MoE Order Article 11, Paragraph 1, provisory clause)
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