



A REVIEW OF ONLINE IVORY TRADE IN JAPAN



INTRODUCTION

This report comprehensively analyses the results of an online ivory market survey of Japanese websites carried out in 2014.

The rapid spread of Internet use underpins a potential threat to threatened wildlife impacted by trade and demand for their products. The number of Internet users in Japan has surpassed 100 million, while Internet shopping, including for certain wildlife products, is likewise growing year on year. TRAFFIC's previous internet study¹ showed that a wide array of threatened wildlife and products thereof were being sold over Japanese-language auction websites. However, establishing ways to spot and eliminate illegal trade effectively remains a significant challenge.

Focusing on ivory, one of the most frequently traded wildlife items online in Japan, the present study investigated the state of trade and related enforcement issues in Japan's domestic trade legislation, namely the Law for the Conservation of Endangered Species of Wild Fauna and Flora (LCES). Japan's domestic ivory market has unique characteristics, including that it has been supplied by stocks originating from the CITES one-off sales in 1999 and 2008, as well as older stocks imported into Japan before the 1989 ivory trade ban. LCES oversees the industry through businesses' mandatory notification of all ivory trade and regulates domestic trade of whole tusks through mandatory registration of individual tusks.

Considering the critical increase in illegal ivory trade globally, greater vigilance is required in all consumer countries, including Japan. As part of the follow-up to this study, TRAFFIC contacted relevant government authorities (Ministry of Economy, Trade, and Industry (METI) and Ministry of the Environment (MOE)) and two major e-commerce companies (Yahoo Japan, Corp. and Rakuten, Inc) in order to discuss the survey's findings and what potential remedial measures could be taken.

¹ Kanari, K. (2010). Virtual Trade in Real Wildlife. In: Saito, T. (Eds), *The State of Wildlife Trade in Japan*. TRAFFIC East Asia-Japan, Tokyo, Japan.

METHODOLOGY

The online survey was conducted by TRAFFIC and targeted three forms of ivory trade over the Internet, namely an online shopping mall (Rakuten-Ichiba), Internet auction websites (Yahoo Auction, Rakuten Auction), and independent business websites offering to purchase ivory. In May 2014, sample webpages were selected using a keyword search so that their content could be analysed.

Online shopping mall:

Shops were searched in **Rakuten-Ichiba** (<http://www.rakuten.co.jp/shop/>), the largest Japanese online shopping mall, using the keyword “genuine ivory (hon-zouge)”.

Internet auction websites:

Entries were searched in **Yahoo Auction** (<http://auctions.yahoo.co.jp/>) and **Rakuten Auction** (<http://auction.rakuten.co.jp/>), the largest and second largest Japanese internet auction sites respectively, using the keyword “genuine ivory (hon-zouge)”.

Websites for ivory purchase services:

Independent business websites were searched using Japan’s most commonly used search engine, **Yahoo! Japan** (<http://www.yahoo.co.jp/>), using “ivory purchase (zouge kaitori)” as the keyword.

TRAFFIC collected and analysed information from the sampled webpages on the products advertised, the nature of the sellers/businesses, and descriptions relating to legality.

KEY FINDINGS

In the online shopping mall site, TRAFFIC found a number of outlets selling ivory products, the most numerous of which were hanko (signature seal) shops and other shops selling various items including, but not limited to, accessories such as necklaces and musical instruments such as pianos (with ivory keys) and plectra for the Japanese koto. The Internet auction sites also contained many advertisements for a range of ivory products such as decorative curios and traditional instruments. A small fraction of auction advertisements were for whole tusks and edge/tip pieces.

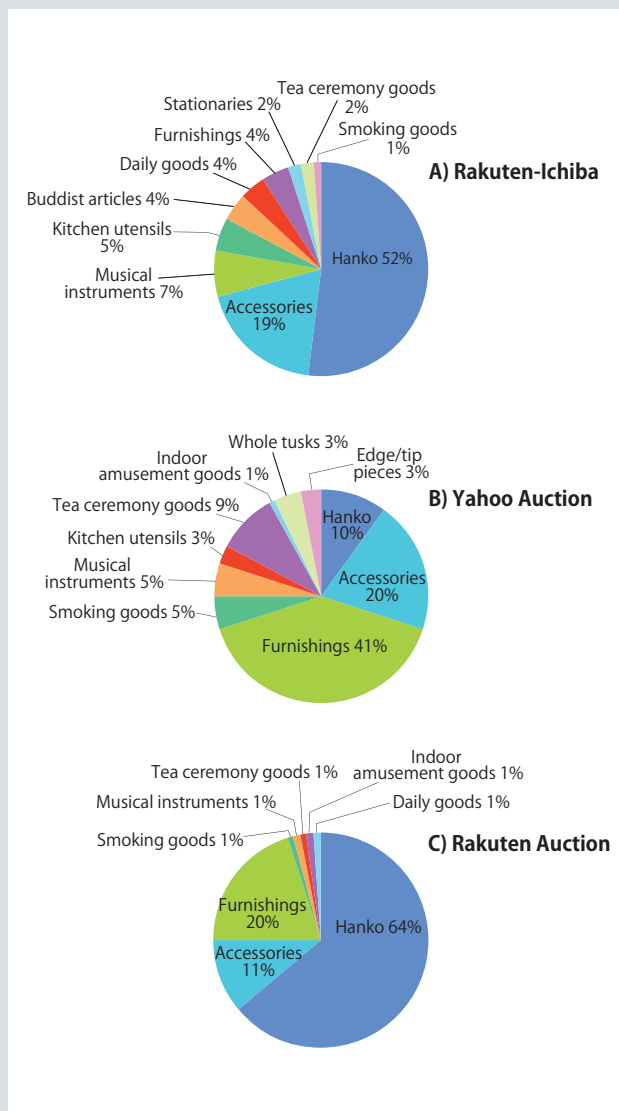


Figure 1: Types of ivory products offered in the online shopping mall and Internet auction sites A) *Rakuten-Ichiba* (N=111); B) *Yahoo Auction* (N=100); C) *Rakuten Auction* (N=100).

Products were categorized according to the scheme used by METI. Examples of products in each category are as follows: Hanko = signature seals; Accessories = necklaces, earrings, brooches, string ties, ornamental clasps for holding obi; Furnishings = ornamental objects, netsukes, incense burners; Stationaries = paper knives, abacuses, fountain pens, brushes; smoking goods = pipes, lighters, cigarette holders; Buddhist articles = rosaries, Buddhist prayer beads; Musical instruments = bachis (plectra) and tuning pegs for Shamisen, bridges and plectra of koto, piano keys; Kitchen utensils = chopsticks, toothpicks, chopstick holders; Tea ceremony goods = containers, tea spoons, tea canisters; Indoor amusement goods = dice, mahjongg tiles, pool balls, cues; Daily goods = shoehorns, parts for hanging scrolls, earpicks, netsuke straps, key holders.

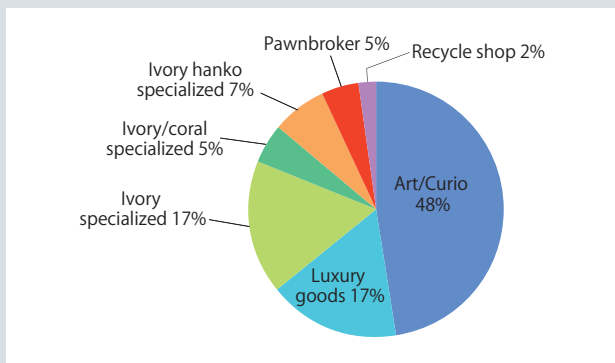


Figure 2: Types of businesses running websites offering to buy ivory (N=42)

TRAFFIC found a number of websites run by antique businesses, some of them specializing in ivory, including traders and manufacturers. The majority indicated they would purchase whole tusks along with a variety of ivory curios, and some also indicated they would buy cut pieces and hanko materials.

Information pertaining to legality was also analysed in the sampled webpages. TRAFFIC found that many businesses were operating without notifications to METI, a mandatory requirement for dealing with ivory under LCES. The number of such businesses was 39 out of 107 in Rakuten-Ichiba, 10 out of 19 in Yahoo Auction, and eight out of 42 in the purchasing service websites. Furthermore, several webpages suggested that businesses may flaunt or be unaware of regulations under LCES and CITES (for example mandatory registration of whole tusks and the illegality of exporting ivory without permits). It was also noted that, from an Internet user's perspective, it was difficult to distinguish legal from illegal operations because LCES neither makes it explicit that businesses must show their notification status nor disclose the list of notified businesses to the public. TRAFFIC's findings suggest that work is needed to raise awareness amongst online businesses/users, while improvements are needed in regulatory systems, together with effective monitoring and enforcement.



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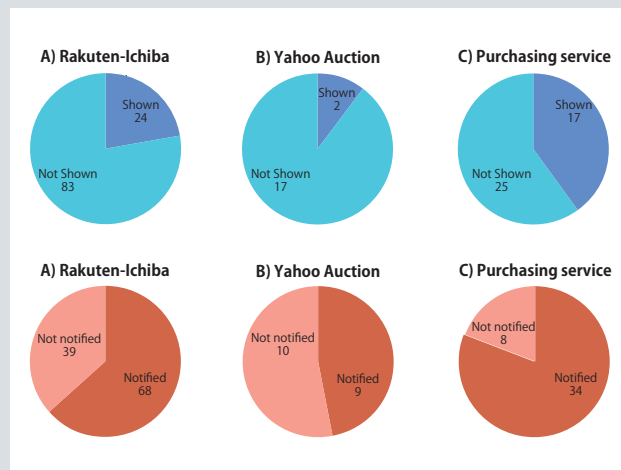


Figure 3: Notification status of businesses and visibility on respective websites Top: Proportion of webpages showing business notification numbers (numbers in charts refer to actual counts): A) Rakuten-Ichiba (N=107); B) Yahoo Auction (N=19); C) Purchasing service websites (N=42). The Rakuten Auction sample contained four businesses, one of which displayed the business notification number. Bottom: Actual notification status of businesses (numbers in charts refer to actual counts): A) Rakuten-Ichiba (N=107); B) Yahoo Auction (N=19); C) Purchasing service websites (N=42). "Notified" includes businesses displaying their notification numbers on their webpage and those for which notification was confirmed by METI. The Rakuten Auction sample contained four businesses, one of which was confirmed to have notified METI.

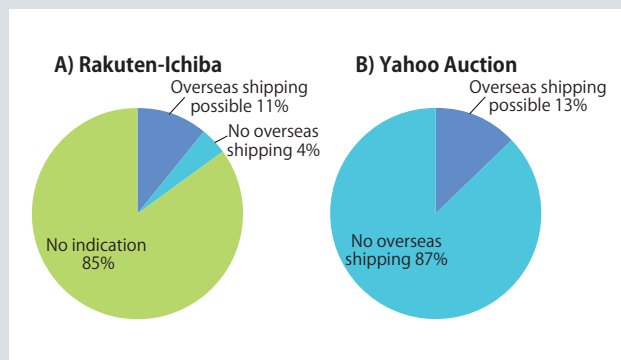


Figure 4: Overseas shipping availability in online retail site and Internet auction sites A) Rakuten-Ichiba (N=111); B) Yahoo Auction (N=100)

More than 10% of the advertisements on Rakuten-Ichiba and Yahoo Auction contained references suggesting a possibility of overseas shipping. Although the actual risk of such trade activity is unknown, this finding has important implications in the international context. Indeed, there have been some seizures relating to illegal ivory export from Japan to countries such as China and Thailand, suggesting the need for further investigation as well as vigilance in monitoring and enforcement.

METI and MOE established a liaison committee in October 2014 to begin discussions on measures to improve domestic ivory control. To date, the government has approached major e-commerce companies to ask for their co-operation, while several awareness-raising and communication projects are planned. Amongst e-commerce companies, Rakuten has started monitoring activities on its websites. Overall, both of the e-commerce companies, Yahoo Japan, Corp. and Rakuten, Inc, showed a positive attitude toward co-operation considering that results could be achieved through collaboration between the government and the private sector.

TRAFFIC welcomes such initiatives and makes the following recommendations to the Japanese government and stakeholders. It should be noted that recommendations 2 and 3 below apply not only to ivory trade but would also cover other endangered species for which domestic and/or international trade is regulated under LCES and CITES.

RECOMMENDATIONS

1. Enforcing mandatory notification for all businesses who buy and sell ivory over the Internet
 - The government should inform relevant industries of a mandatory notification requirement and should check the notification status of those already engaged in online ivory trade and act against any businesses that operate illegally.
 - The government should re-inform all ivory businesses of the relevant regulations, including the illegality of exporting ivory without permits and the correct use of the voluntary product certification system.
2. Establishment of monitoring and enforcement systems for wildlife trade over the Internet
 - E-commerce companies should, in order to eliminate illegal businesses from their portals, check the notification status of those already in operation and implement screening procedures for new applicants.
 - For further transparency and efficiency, the government should make it mandatory for businesses to display their legal status (the notification number) at all times, and also consider mechanisms to allow public access to the list of notified businesses. This would allow anyone to check the legal status of any business in the country, online or otherwise.
3. Awareness raising for Internet users about wildlife trade and relevant regulations
 - With regards to the issue of individual trade (e.g. the mandatory registration for domestic trade of LCES listed species, regulations for international trade in CITES-listed species), the government should strengthen co-ordination with law enforcement agencies, while seeking co-operation from the private sector to help monitor the situation.
 - E-commerce companies are expected to contribute towards eliminating illegal online trade by conducting monitoring of their websites and/or establishing systems to this effect.

TRAFFIC, the wildlife trade monitoring network, is the leading non-governmental organization working globally on trade in wild animals and plants in the context of both biodiversity conservation and sustainable development.

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