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December 22, 2014

Nippon Paper Industries, Co., Ltd.

4-6 Kandasurugadai, Chiyoda-ku, Tokyo, Japan 101-0062

Attention: Mr. Fumio Manoshiro, President

Dear Mr. Manoshiro,

Subject: On NPI's procurement threatening biodiversity values in NSW, Australia

On behalf of the organizations signed below, I am writing this letter to you for our deep concerns on continuous procurement of woods from native forests of habitats for koalas and other native species in New South Wales, Australia by South East Fibre Exports(SEFE) and its majority owner, Nippon Paper Industries, Co., Ltd.

SEFE contracts loggers to supply native forest logs for chipping and export, mostly to your mills in Japan. Approval for every logging operation in the Eden region must legally be signed by a representative of SEFE. Tree felling cannot commence without it. Native forests in the region which supplies SEFE are habitat for many forest dwelling creatures, including threatened species like Powerful Owl, Sooty Owl, Swift Parrot, Yellow Bellied Glider, Tiger Quoll. The best known is the koala which was once abundant throughout the region. Now, after many years of woodchipping, it is very rare. It was first listed by the NSW State Government as 'Rare and Vulnerable' in 1992. This was reaffirmed as 'vulnerable' within the Threatened Species Conservation Act 1995.

The Australian federal Government listed the koala as vulnerable in April 2012. However this will not help koalas living in State Forests because areas covered by Regional Forest Agreements are exempt from federal threatened species laws like Environmental Protection and Biodiversity Conservation Act. Instead, under Regional Forest Agreements between the Commonwealth and State Governments, dating from 1999, there are rules and guidelines for logging (known as Integrated Forestry Operations Approvals - IFOAs) which are intended to protect threatened species¹. These rules have been highly controversial and the subject of many environmental campaigns, legal challenges and expert claims that they are not seriously enforced or effective². Even the State Government has now admitted that the rules have not worked. Earlier in 2014, in announcing that

http://www.edonsw.org.au/if_a_tree_falls_compliance_failures_in_the_public_forests_of_new_south_wales

¹ http://www.epa.nsw.gov.au/forestagreements/coastIFOAs.htm

² Feehely, J., Hammond-Deakin, N. and Millner, F. (2013) *One Stop Chop: How Regional Forest Agreements streamline environmental destruction*, Lawyers for Forests, Melbourne Australia http://www.greeninstitute.org.au/sites/default/files/One_Stop_Chop.pdf and Hammond-Deakin, N and Higginson, S. (2011) *If a tree falls: Compliance failures in the public forests of New South Wales*, Environmental Defender's Office(NSW) Ltd, Sydney, Australia

the logging rules would be revised, the Government admitted that they had been a failure and that it has no idea whether they have protected wildlife³. It also acknowledges that its rules have not even been enforceable.

For the koalas of the Eden region, the proposed changes of IFOA system, to become law later could make things even worse. The Government will no longer require surveys to be done before logging in most koala habitat forest.

Contractors engaged by SEFE have recently gained international notoriety by burying wombats alive during logging operations. The wombat is the closest relative to the koala and lives in burrows in the forest. There are no rules to protect wombats from cruelty or death in logging operations because they are not yet listed as a threatened species. The NSW Government admits that the wombats cannot survive if their burrows are blocked by bulldozers or other logging machines.

The destruction of koala and other native species habitat/range by logging by SEFE contractors is in conflict with your 'Philosophy and Basic Policy Concerning Raw Materials Procurement', which states that an essential part of Sustainable Forest Management is that "biodiversity is conserved."

Under the current situation, the only effective way to safely avoid further harm to the vulnerable koala, wombats and other native species which depend on these native forests is to stop buying products sourced from them.

Please do not source woodchips from SEFE for your products in accordance with your procurement policy.

With regards,

Akira Harada, Director Japan Tropical Forest Action Network

Endorsed by the following organizations

Bega Environment Network Inc.

Chipbusters

Chipstop Campaign

Environment East Gippsland

Forest Media

Japan Tropical Forest Action Network (JATAN)

Sloth Club

South East Region Conservation Alliance (SERCA) Inc.

World Temperate Rainforest Network, Pat Rasmussen, Coordinator.

Wombat Protection Society

³ In the official Discussion Paper: "Remake of the Coastal Integrated Forestry Operations Approval