

Forests × Decarbonization Challenge 2022

Award Winners Report



Forestry Agency of Japan

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Aim of the Initiative

Forests account for two-thirds of Japan's land area, and proper management and conservation of these forests will help secure and strengthen the amount of CO₂ they absorb, contributing to the realization of carbon neutrality by 2050. Forests are also essential for the fulfillment of public beneficial functions, such as conservation of land, water resources, and biodiversity. We are working hard on forest management using public funding.

On the other hand, as interest in SDGs and ESG investments grows, forest creation with the support of corporations is spreading nationwide. Forest creation using the vitality of the private sector is important for the development of countermeasures against global warming through forest management as a national movement, and also to protect and pass down the abundant nature to the future. To this end, we aim to encourage more companies to participate in forest creation, and we have decided to launch a new initiative to honor forest creation by companies from the perspective of "decarbonization."

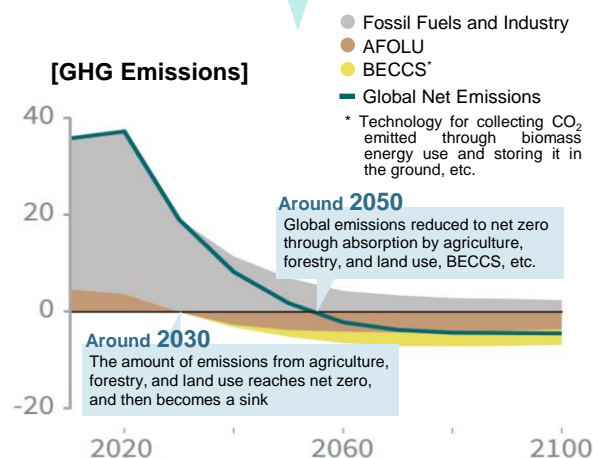
- **Application period:** Friday, February 18 to Friday, April 8, 2022
- **Number of applicants:** 55 (50 corporations, 3 organizations, 2 local governments)
- **Review standards:** "Amount of CO₂ absorbed by managed forests" and "details of forest management efforts" regarding forest management conducted in 2020 and 2021.
- **Eligibility:** Corporations, organizations, individuals, or local governments who conducted or supported forest management in 2020 and 2021.

The importance of forests as CO₂ sinks is garnering attention worldwide!

At the United Nations Climate Change Conference held in 2021 (COP26), the Glasgow Climate Pact was adopted, reaffirming that efforts to achieve the 1.5°C target should be pursued. It also highlights the importance of forests as CO₂ sinks and reservoirs.

In order to achieve carbon neutrality, it is essential not only to reduce greenhouse gas emissions, but also to promote measures to absorb CO₂ in the Agriculture, Forestry and Other Land Use (AFOLU) sector. Therefore, forests are attracting increasing attention as a CO₂ sink.

Global greenhouse gas (GHG) emission pathway under a scenario that limit temperature increase to 1.5°C



* Created based on IPCC (2018) "Global Warming of 1.5°C", Institute for Global Environmental Strategies Makino Yamanoshita, Chisa Umemiya "Report on International Trends in Climate Change and forests - COP26" ("Somamichi" December 2021 No. 63).

Review Committee

* Honoric titles omitted

Norinchukin Research Institute Co., Ltd. - Chief Counselor	Yoshitsugu Minagawa Chairperson
Japan CSV Business Development Organization - Managing Director	Toru Kodera Acting Chairperson
Tokyo Chainsaws Co., Ltd. - Representative	Ryosuke Aoki
CDP Worldwide - Japan Associate Director	Miyako Enokibori
Yanagisawa Forestry - Representative Director	Kaoru Hara

Review by the Chairperson of the Review Committee



Yoshitsugu Minagawa

Norinchukin Research Institute
Co., Ltd.
Chief Counselor

As interest in carbon neutrality by 2050 and decarbonization grows at an accelerated pace, it is the ideal time to establish an award system focusing on the role of forests as CO₂ sinks.

Although this was the first time accepting applications, we received entries from a wide variety of entities including corporations, financial institutions, non-profit organizations and local governments. They all left a lasting impression, as we were able to get a glimpse of their background and passion for forests. In addition, this included some corporations, urban municipalities, and other entities who, despite not having a direct relationship to forests or forestry, are engaging in forest management with the goal of contributing to the fulfillment of public beneficial functions, including prevention of global warming, the revitalization of hilly and mountainous rural communities, and so on.

I hope that this award will help to expand the range of efforts to achieve decarbonization through forest management and utilization of forest resources by diverse actors.

List of award winners

Name	Prefecture	CO ₂ absorption
 GRAND PRIX (Minister of Agriculture, Forestry and Fisheries Award)		
Asahi Group Japan, Ltd.	Tokyo	816 tCO ₂ per year
 EXCELLENCE AWARD (Forestry Agency Director-General Award)		
Contribution to the "cut, use, plant" cyclical utilization of forests		
KOKUYO Co., Ltd.	Osaka	842 tCO ₂ per year
Koshii & Co., Ltd.	Osaka	346 tCO ₂ per year
TOKYO WOOD Co., LTD.	Tokyo	42 tCO ₂ per year
Contribution to the development of hilly and mountainous rural communities		
NPO Environmental Relations	Tokyo	100 tCO ₂ per year
The San-in Godo Bank, Ltd.	Shimane	41 tCO ₂ per year
Ikeda Town, Hokkaido	Hokkaido	10 tCO ₂ per year
Contribution to the fulfillment of public beneficial functions of forests		
Sumitomo Forestry Co., Ltd.	Tokyo	3,415 tCO ₂ per year
Pigeon Corporation	Tokyo	40 tCO ₂ per year
Nissay Green Foundation	Tokyo	147 tCO ₂ per year

[Notes on the introduction of the award winners' efforts]

■ About "CO₂ Absorption"

This refers to the "Annual CO₂ absorption by forests managed between 2021 and 2022" submitted by each award winner at the time of application. For more information on how the amount of absorption is calculated, please refer to pages 24-25.

■ About "Main Management Items"

This report organizes the main management items into "planting," "weeding," and "thinning (including pruning and improvement cutting)". In addition, the "Age-class (Divided by 5 year-period steps. "Age-class 1" includes the 1st to 5th years after planting with the year of planting counted as the 1st year.)" is the unit used to indicate the age of the forest.

■ About the QR Code in "Overview of Award Winner"

The QR code allows you to visit a website that contains additional information about the efforts of each award winner. In addition, there is a link pasted on the diagram, so it can be accessed even when viewing this report on a computer.

GRAND PRIX

[Minister of Agriculture, Forestry and Fisheries Award]

Asahi Group Japan, Ltd.

The "Asahi Forest," which employees protect with their own hands
Creating diverse value, including CO₂ absorption and regional development



Abemaki forest (Miyoshi, Hiroshima)

CO₂ absorption

816 tCO₂ per year

Main Management Items



Thinning: 183 ha
Sugi (Japanese cedar) / hinoki (Japanese cypress)
Age-class 7 to 15



Planting: 8 ha
Sugi / hinoki
Age-class 1

It all began with an Abemaki forest

In 1941, Dainippon Brewery Ltd., the predecessor of Asahi Breweries, a member of the same group, purchased an Abemaki (*Quercus variabilis*) forest in Shobara, Hiroshima, to replace imported cork used to line beer bottle crown caps with bark from the trees. In 1949, they established an on-site office to manage forests (now the Asahi Forest's Preservation Office), and for over 80 years have been engaged in the management of forests in order to fulfill their public beneficial functions.

Aiming for Sustainable Forest Management

Currently, the Asahi Forest has grown to 2,165 hectares, and the company has received the Collecting Forest Management Plan certification and is implementing sustainable forest management through systematic thinning to grow forests, logging to gather wood (harvesting) and reforestation (planting). In 2001, the company acquired FSC® certification, and recently supplied

FSC® certified materials for the National Stadium.

In addition, in order to reduce the cost of reforestation, which is an issue in forestry, they participated in the "Low-Cost Reforestation Project" with the National Federation of Forest Owners' Co-operative Associations and the Norinchukin Bank in 2021, and engaged in a demonstration experiment of reforestation using fast-growing trees Koyozan (*Cunninghamia lanceolata*).

Connecting Asahi Forest and the Local Area

Utilizing the expertise of managing Asahi Forest for many years, the company concluded an agreement with private and public forests (owned by a property ward), which had not been well maintained in recent years, around Asahi Forest, incorporated said forests into the Collecting Forest Management Plan, and managed them in an integrated manner. In 2021, the company conducted thinning in these forests and returned the revenue from timber sales to the property ward, contributing to the local area both economically and environmentally.

Overview of Award Winner

- Company name: Asahi Group Japan, Ltd.
- Representative Name: Kenji Hamada, President and Representative Director, CEO
- Address: 1-23-1 Azumabashi, Sumida-Ku, Tokyo
- Business content: Supervision of domestic business for Asahi Group Holdings, Ltd. (food and beverage business, etc.)

Click here!



Asahi Forest website

Winner's Comment

I am very proud that our efforts last year, the result of forest management passed down from those who came before us, were evaluated highly and earned us such a prestigious award. This award will help spread awareness that responsible forest management practices can contribute not only to regional environmental conservation, but also to decarbonization. We hope that companies will continue to make more and more efforts, such as forest management.



The Asahi Forest's Preservation Office
Director **Yoichiro Matsuoka**

Furthermore, the company has provided Asahi Forest to be used for forest environmental education for local elementary school students in Shobara, Hiroshima. The children can enjoy forestry experiences, such as sawing thinnings, walking through the forest, and nature observation, sparking interest in forests and forestry.

Blessings of Asahi Forest

In order to manage a forest that supports living and nature, they are conducting biodiversity surveys of the entire Asahi forest, continuously monitoring each year, and making efforts to protect rare species, such as building nest boxes for dollarbirds.

They have also been certified by the Agency for Cultural Affairs to provide materials for the

restoration of buildings and other cultural properties. They are continuing forest management to contribute to the sustainability of their culture. In addition, the company is aiming to achieve "Water Neutrality" in 2025 by providing a stable supply of groundwater from Asahi Forest equivalent to the amount of water used in its domestic beer breweries, and will continue striving for proper forest management.

The blessings of Asahi Forest are diverse, including public beneficial functions such as CO₂ absorption, biodiversity conservation, and regional development. Disseminating information on these topics through the website is expected to raise awareness of the significance of forest management and lead to increased efforts.



A walk through
the forest



A dollarbird
using a nest box

Review by the Review Committee

Although many companies are focusing on forest conservation, I highly valued the fact that their activities don't stop there, but also extend to the development of a Collecting Forest Management Plan, the use of thinnings, and the return of revenue to the local area. In the future, I expect them to foster next-generation human resources and create new value for forests.

Toru Kodera

■ What is the Collective Forest Management Plan?

The Plan is a five-year plan created by forest owners and others for forest management and protection for a cluster of forests they manage, and to be certified by municipalities.

■ What is forest certification?

A system in which a third-party organization certifies forests that comply with standards of forest management sustainability and consideration for environmental conservation. Examples include the FSC® certification, an international forest certification, and the SGECC certification, which is exclusive to Japan.

■ What is a fast-growing tree?

This refers to trees that grow faster than those traditionally used for forestry, and are expected to be used for timber quickly. Efforts are being made in various regions to verify conifers such as Koyozan and broadleaf trees such as Sendan (*Melia azedarach*).

EXCELLENCE AWARD

[Forestry Agency Director-General Award]

“Cut, use, plant”

Contribution to the cyclical utilization of forests

KOKUYO Co., Ltd.

Leveraging the strength of a furniture maker
Using thinned wood and managing forests
in collaboration with the local community



Forest maintenance (thinning)

CO₂ absorption

842 tCO₂ per year

Main Management Items



Thinning: 97 ha

Sugi / hinoki
Age-class 10

From furniture to the forest

Since 1998, KOKUYO has been working on the development of furniture using thinned wood produced by forest management, believing that by supporting appropriate forest management, they can contribute to the realization of a "sustainable society" and solve the challenges facing a "low carbon society," the "coexistence of society and nature," and a "circular economy."

In 2006, they launched the "Yui-no-Mori Project" with the Taishocho Forestry Association (now Shimantocho Forestry Association) in Kochi Prefecture, with whom they had a business alliance to manufacture products using thinned wood, to develop a system for regional revitalization through forest management. Forest management has expanded based on the agreement concluded between the company, Kochi Prefecture, Shimanto Town, and the Shimantocho Forestry Association, and it now covers 5,425 hectares.

Furthermore, they have received CO₂ absorption certification from Kochi Prefecture for yearly forest management based on the above agreement.

High value-added local resources

By making effective use of thinned wood, such as making furniture, they are adding value to wood and generating funds for forest management by returning profits to the mountains.

The Yui-no-Mori project is FSC® certified, produces office furniture and other goods made from thinned wood supplied from certified forests, and sells them throughout Japan.

With the goal of creating an "environmentally and economically virtuous circle,"



Glued Laminated Timber made from thinned wood
under strict quality control

Overview of Award Winner

- Company name: KOKUYO Co., Ltd.
- Representative Name: Hidekuni Kuroda, Representative Director of the Board, President, and CEO
- Address: 6-1-1 Oimazato-minami, Higashinari-ku, Osaka City, Osaka
- Business: Manufacture, purchase, and sale of stationery and office furniture, Space design and consultation, etc.

Click here!



winner's website
(in Japanese)

Winner's Comment

Since the beginning of the Yui-no-Mori Project, we have been continuously active in forest conservation, believing that it is also effective for preventing global warming. I am very glad that this award acknowledged the value of that. We hope that CO₂ absorption through forest conservation will be recognized as a carbon neutral initiative by companies in the future.



Environmental Management Unit,
Sustainability Office, CSV Management Division
Senior manager, **Shinichi Saito**

that promotes the effective use of locally produced timber to revitalize the local economy, they began manufacturing reception counters for the town hall from locally produced materials from various areas and delivered them to the Shimanto Town Building in 2014. In 2021, the company expanded its efforts from Yui-no-mori to the whole country, including the delivery of reception counters made from local hinoki (Japanese cypress) to the new city hall in Ueda City, Nagano Prefecture.

Furthermore, in 2021, they launched "yuimori," a furniture brand that uses domestic materials such as wood and is based on the concept of making products that can be disassembled by material, which leads to recycling and appropriate disposal. They are accelerating "cut and use" efforts through Yui-no-Mori.

"Visualizing" the effects of thinning

Every year, KOKUYO employees join the Shimantocho Forestry Association, Shimanto High School, Kochi Prefecture and Shimanto Town in Yui-no-Mori to monitor the change in



Vegetation survey with local high school students

vegetation due to thinning, water quality of the Shimanto River, and changes in the ecosystem. By "visualizing" the thinning effect, they are able to ensure proper forest management at the appropriate time. They also publish the results of their research on the Internet to promote the effects of forest management.

This initiative is highly regarded as a place for Shimanto High School students to rediscover the wonders of local nature and to develop human resources through interaction with workers.



Shimanto Town Office (furniture made using thinned wood from Yui-no-Mori)

Review by the Review Committee

These efforts, which take advantage of their strengths as a furniture manufacturer and have been carried out in cooperation with the local community since 2006, should serve as a guide for many companies that engage in the efforts related to forests in the future. They have already expanded their activities nationwide, and we can expect further development.

Ryosuke Aoki