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the wildlife trade monitoring network



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TEETERING ON THE BRINK

JAPAN'S ONLINE IVORY TRADE

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TRAFFIC REPORT TEETERING ON THE BRINK

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GLOSSARY

- B2C Trade** Trade from Business to Consumer. Businesses list products in online stores where consumers purchase them.
- C2C Trade** Trade from Consumer to Consumer. This type of trade is conducted by non-business individuals on platforms such as internet auctions and flea market sites/apps.
- Cryptic listings** Listings advertised as not being the product (in this instance ivory) or not explicitly stated as such. Cryptic listings often use code words, jargon or allusion as to what is really for sale.
- hanko** A stamp used as a signature for individuals and corporations. In Japan, a stamp seal registered with the local government is used as an official signature, although increasingly digitalisation is replacing this tradition.



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KEY POINTS

SCOPE OF SURVEY

- TRAFFIC conducted online surveys to track changes after voluntary ivory bans were introduced from November 2019 on Yahoo Shopping and Yahoo Auction, Japan's largest platforms for online ivory trade, following similar voluntary bans already implemented by Rakuten-Ichiba, Rakuma and Mercari.
- The trading practices of a major auction house, Mainichi Auction, and trends in illegal ivory exports were also examined to understand better the domestic ivory market in Japan. The COVID-19 pandemic has made it difficult to assess physical markets.

RESULTS: Effective measures by companies

- The number of shops selling ivory on Yahoo Shopping and Rakuten-Ichiba as B2C (business to consumer) trade and the volume of ivory trade on Yahoo Auction, a mixture of B2C and C2C (consumer to consumer) trade, have reduced by almost 100% and more than 99%, respectively as a result of the platform-wide voluntary ivory ban.
- There was no observable shift in either B2C or C2C trade to other platforms after the introduction of the ivory ban on Yahoo's platforms.
- Monitoring of ivory bans by companies such as Mercari and Rakuma was seen to have been effective.

CHALLENGE: Cryptic listings

- Cryptic listings with descriptions such as "ivory-like" or "mammoth ivory" but likely selling genuine elephant ivory occasionally appeared in both B2C and C2C trade, while it was difficult to tell if many other items were genuine because of the quality of the images depicting them.

CHALLENGE: Lack of legal compliance

- Although most of the surveyed platforms had ivory trade bans in place, some instances of ivory sales were encountered. The level of legal compliance with registration requirements by businesses overall was found to be very low, with 74% not displaying registration details and 53% not even being registered businesses.

CHALLENGE: Remaining domestic market

- After the ivory ban on Yahoo Auction, there was a slight increase in the number of listings and sales on Mainichi Auction, although the value of total sales remained stable. Active ongoing trade at the major physical auction house suggests that continued attention to the domestic trade is necessary.

CHALLENGE: Ongoing illegal export from Japan

- Illegal ivory exports from Japan were observed to be ongoing with at least 36 cases of small but noteworthy seizure cases bound for China during 2019.

KEY RECOMMENDATIONS

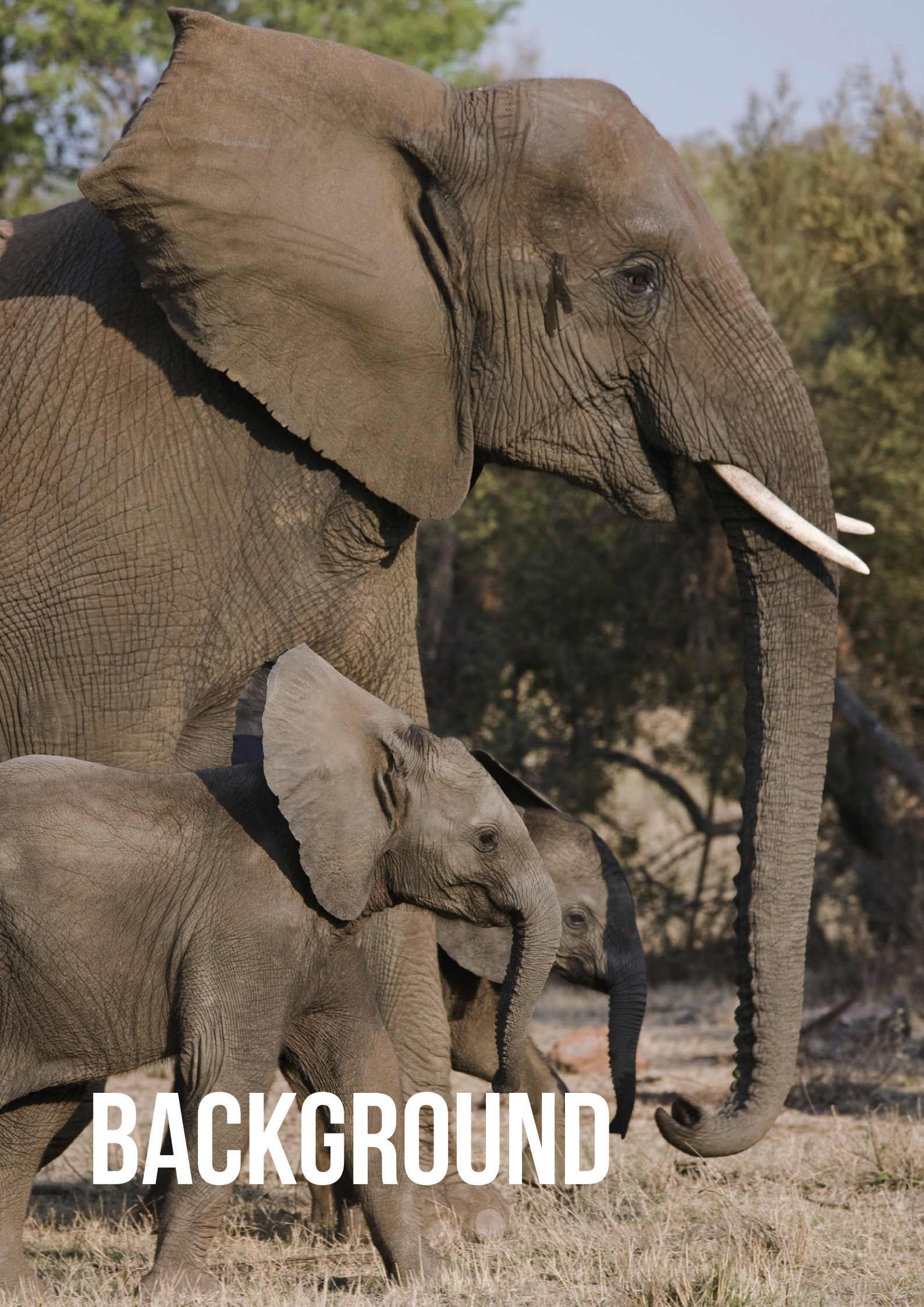
TO THE JAPANESE GOVERNMENT

- The Japanese Government should develop an action plan toward closure of ivory markets (with narrow exemptions) ahead of the Tokyo Olympics/Paralympics.

TO E-COMMERCE COMPANIES

- Japan-based e-commerce companies who have introduced ivory bans should ensure policy compliance by users, and platforms that still allow ivory trade should introduce similar voluntary ivory bans as a matter of urgency.

For a full list of recommendations, see page 23.



BACKGROUND

BACKGROUND

Poaching of African Elephants *Loxodonta africana* and illegal ivory trade globally has reached critical levels. In response, the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), at the 17th meeting of the Conference of the Parties (CoP17) in 2016, called for ivory market closures with narrow exemptions by revising Resolution Conf.10.10 (Trade in Elephant Specimens)¹. CITES Parties also called for strengthening of international trade controls, together with efforts to ensure domestic ivory markets do not contribute to poaching or illegal trade. At the following CoP18 in 2019, it was agreed that Parties with domestic ivory market deemed to be contributing to elephant poaching or illegal trade should take effective countermeasures, and report to the CITES Secretariat on the measures taken, while the Standing Committee² should also assess their progress (Decision 18.117-119)³.

Japan has a major ivory market but is not considered a destination for significant illegal ivory flows leaving Africa⁴. The government considers that since ivory currently traded in Japan is from historically legally imported stockpiles, the domestic ivory market is unrelated to the poaching of African Elephants⁵ and therefore actions related to this aspect of CITES Resolution Conf.10.10 (Rev. CoP18) are not necessary. However, market surveys conducted by

TRAFFIC in 2017⁶ and 2018⁷ revealed that ivory has been illegally exported recently from Japan, mainly to China, and that domestic trade, including through online channels, has contributed to illegal exports. As Japan has a large and partly undocumented stockpile of ivory, domestic trade of ivory should be discontinued where strict controls and reliable traceability cannot be assured. WWF and TRAFFIC, in accordance with the CITES Resolution, have recommended that the Japanese Government should consider instituting an ivory market closure with narrow exemptions.

The Japanese Government amended the Law for the Conservation of Endangered Species of Wild Fauna and Flora (LCES) in 2017⁸, which entered into effect on 1st June 2018. In addition to this, the Ministry of the Environment (MOE) introduced stricter conditions for whole tusk registrations in July 2019⁹. However, these measures only cover ivory businesses and trade in whole tusks. No measures were taken to verify the legality and traceability of processed goods and other products, or to determine the total size of stockpiles. The Tokyo Metropolitan Government (TMG), recognising its responsibility as an international city, recently undertook to establish its own Advisory Council on Regulating Ivory Trade in January 2020¹⁰ with a scope for potentially strengthening regulations. In addition, the Act on

¹ CITES Resolution Conf.10.10 (Rev.CoP18) <https://www.cites.org/sites/default/files/document/E-Res-10-10-R18.pdf>

² The 73rd Standing Committee meeting was originally scheduled for October 2020, but has been delayed due to the COVID-19 pandemic (as of November 2020). <https://www.cites.org/sites/default/files/notif/E-Notif-2020-051.pdf>

³ CITES Decision 18.117, 118, 119. <https://www.cites.org/eng/taxonomy/term/42050>

⁴ CITES (2016). CITES CoP17 Doc. 57.6 (Rev. 1), *REPORT ON THE ELEPHANT TRADE INFORMATION SYSTEM (ETIS)*. <https://www.cites.org/sites/default/files/eng/cop/17/WorkingDocs/E-CoP17-57-06-R1.pdf>

TRAFFIC (2017). *IVORY TOWERS: An Assessment of Japan's Ivory Trade and Domestic Market*. https://www.wwf.or.jp/activities/data/20171220_wildlife02.pdf

⁵ House of Representatives, Japan (2019). Committee on Environment #5 at 198th session of the Diet. http://www.shugiin.go.jp/internet/itdb_kaigiroku.nsf/html/kaigiroku/001719820190510005.htm

⁶ TRAFFIC (2017). *IVORY TOWERS: An Assessment of Japan's Ivory Trade and Domestic Market*. https://www.wwf.or.jp/activities/data/20171220_wildlife02.pdf

⁷ TRAFFIC (2018). *Slow Progress: A Reassessment of Japan's Ivory Market in 2018*. https://www.wwf.or.jp/activities/data/20180927_wildlife02.pdf

⁸ MOE (2018). <https://www.env.go.jp/press/105546-print.html>

⁹ MOE (2019). <https://www.env.go.jp/press/106849-print.html>

¹⁰ TMG (2020). <https://www.metro.tokyo.lg.jp/tosei/hodohappyo/press/2020/01/10/10.html>

the Promotion of Administrative Activities Utilizing Information and Communications Technology (Digital Procedure Law) was amended¹¹, which promotes the digitisation and online accessibility of administrative procedures such as by enabling corporate registration without a *hanko* as a company stamp and signature (around 80% of ivory production in Japan being comprised of *hanko*¹²). Effective as of 16th December 2019, the legal amendment is expected to promote a shift away from traditional ivory utilisation in Japanese society.

The anonymity of traders online has encouraged illegal exports of ivory to proliferate, especially through unregulated C2C trade and internet auctions that are beyond the control of LCES. TRAFFIC has previously highlighted this occurrence through market surveys in 2014¹³, 2017¹⁴ and 2018¹⁵, and has recommended the Japanese Government and e-commerce companies should prohibit ivory trade online. Internationally, global companies such as Google, eBay and Amazon introduced platform-wide bans on ivory listings prior to 2014. In line with this, several Japanese companies have also banned ivory trade on their platforms, including Rakuten Inc. (Rakuten) and Mercari Inc. (Mercari) in July and November 2017, respectively. Yahoo Japan

Corporation (Yahoo Japan) also introduced a similar ban in November 2019, which meant that ivory products could no longer be listed on Japan's major e-commerce platforms, thereby largely restricting ivory availability online to websites of individual ivory businesses.

The aim of the current study was to assess how ivory trade online in Japan has changed following Yahoo Japan's ivory trade ban, which was considered a major turning point, and to evaluate its impact on the domestic market. The study focused firstly on the impact of the ivory trade ban on Yahoo Shopping and Yahoo Auction operated by Yahoo Japan, and secondly on the effects and challenges for monitoring of their platforms for the companies (Mercari, Rakuten-Ichiba and Rakuma) who had voluntarily introduced an ivory ban nearly three years earlier. While the COVID-19 pandemic has made it impractical to assess Japan's physical ivory markets directly, the current study instead examined ivory transactions at a major auction house, Mainichi Auction (which conducts both online and physical sales such as in-person auction events), and instances of illegal ivory export from Japan. Based on these results, TRAFFIC recommends the Japanese Government installs effective policies to address its domestic ivory trade.

¹¹ Cabinet Secretariat (2019). <https://www.kantei.go.jp/jp/singi/it2/hourei/digital.html>

¹² TRAFFIC (2016). *Setting Suns: The Historical Decline of Ivory and Rhino Horn Markets in Japan*. https://www.wwf.or.jp/activities/data/16_Setting_Suns.pdf

¹³ TRAFFIC (2015). *A REVIEW OF ONLILNE IVORY TRADE IN JAPAN*. https://www.traffic.org/site/assets/files/4166/a_review_of_ivory_trade_japan.pdf

¹⁴ TRAFFIC (2017). *AN UPDATE REVIEW OF ONLINE IVRY TRADE IN JAPAN*. https://www.wwf.or.jp/activities/data/20170808_wildlife02.pdf

¹⁵ TRAFFIC (2018). *System Error, Reboot Required: Review of Onlilne Ivory Trade in Japan*. https://www.wwf.or.jp/activities/data/20180913_wildlife02.pdf



METHODOLOGY

METHODOLOGY

TARGET PLATFORMS

A survey of various online platforms was conducted from June to July 2020. TRAFFIC's previous methodology for conducting surveys of online ivory trade in Japan¹⁶ was replicated, to enable a comparative analysis with past results. Three new platforms were added to the survey as shown in **Table 1**.

One of the new platforms, Mainichi Auction, is a major Japanese auction house with in-person bidding while also allowing bidding via an online auction system. Ivory trade at the auction house has been active in the past, at levels that would make it second only to Yahoo Auction, especially for whole tusks. Monitoring of this platform was included in the current survey to help assess the impact of the online ivory bans on ivory availability elsewhere.

Table 1. Platforms surveyed between June to July 2020

Category	Platforms	Ivory items prohibited	Data collection	
			Snapshot	Monitoring
Shopping malls (B2C)	Yahoo Shopping (https://shopping.yahoo.co.jp/)	⊘	✓	
	Rakuten-1chiba (https://www.rakuten.co.jp/)	⊘	✓	
	Pompare Mall (https://www.ponparemall.com/)	⊘	✓	
	au PAY Market (Wowma) (https://wowma.jp/)	⊘	✓	
	Qoo10 (https://www.qoo10.jp/)	⊘	✓	
	BASE (https://thebase.in/)	⊘	✓	
	minne (https://minne.com/)	⊘	✓	
C2C markets	Mercari (https://www.mercari.com/jp/)	⊘	✓	✓
	Rakuma (https://fril.jp/)	⊘	✓	✓
	Shoppies* (https://shoppies.jp/)		✓	
	Jimoty* (https://jmtj.jp/)	⊘	✓	
Internet auction sites	Yahoo Auction (https://auctions.yahoo.co.jp/)	⊘	✓	✓
	Mobaoku (https://www.mbok.jp/)		✓	✓
Social Networking Site (SNS)	Facebook (https://ja-jp.facebook.com/)	⊘		✓
	Twitter (https://twitter.com/?lang=ja)	⊘		✓
	Instagram (https://www.instagram.com/?hl=ja)	⊘		✓
Auction house	Mainichi Auction* (https://www.my-auction.co.jp/)		Assessed for 6 auction events (2019–2020)	

* newly added platforms in the 2020 survey

¹⁶ TRAFFIC (2018). *System Error, Reboot Required: Review of Online Ivory Trade in Japan*. https://www.wwf.or.jp/activities/data/20180913_wildlife02.pdf

SEARCH KEYWORDS

As in the previous survey, “elephant ivory”¹⁷ in Japanese (象牙) was used as a keyword. However, some possible effects of the ivory ban may be the use of more cryptic descriptions, possibly to evade detection, and the appearance of substitutions. We therefore added “mammoth ivory” (マンモス牙) as a search keyword (except on social networking sites (SNS) and Mainichi Auction), as a preliminary survey conducted in early June 2020 had suggested an increase in such items.

SNAPSHOT ANALYSES

To gain an overview of ivory trade on each platform (Table 1), data were collected on all listings, sellers or shops found in searches for “elephant ivory” and “mammoth ivory” in July 2020. The level of compliance with LCES provisions¹⁸, as indicated by displays of ivory business registration details and the use of a voluntary product certification that accompanies the product listings, were assessed on platforms where ivory trade was found. On platforms where ivory trade is prohibited, the existence of cryptic listings, the appearance of substitutions, and continued business on those platforms by sellers or shops found in the 2018 survey were assessed.

MONITORING SURVEY

For trade via C2C platforms, auctions, and SNS, new listings were monitored using the search keyword “elephant ivory” on Mercari, Rakuma, Mobaoku, and SNS. The monitoring period was four weeks, from 14th June to 12th July 2020. Due to the ivory ban introduced on Yahoo Auction from 1st November 2019 (announced in August 2019), monitoring of the platform was conducted over three four-week periods to obtain a pre- and post-ban comparison: 1) before

the ban announcement: 3rd–30th June 2019; 2) one month after the ban: 3rd–30th December 2019; and 3) seven months after the ban: 3rd–30th June 2020.

Actual transaction records during a four-week period on Yahoo Auction, and all new listings on other sites, were recorded (checking for new listings once a day in the case of C2C and auctions, and for public posts once or twice a week on SNS). Data were collected on the number of items, product categories, prices and sellers’ information. We added “mammoth ivory” as a search keyword (except on SNS) during the monitoring period. When ivory listings were found, they were further tracked in subsequent weeks to see if the listing was removed by the company. If they had not been removed, the platforms were notified. Furthermore, related listings were examined with care to look for the existence of cryptic listings that were advertised as genuine mammoth ivory pieces, and as alternative materials. On Mobaoku, the only online auction site which did not ban ivory, the bidding results for new ivory listings were also tracked and listing information included in the analysis.

PHYSICAL AUCTION SALES ASSESSMENT

Six auction events from Mainichi Auction held between February 2019 and June 2020 were identified to have dealt with ivory items. Relevant data including the auction results from ivory auction lots were collected through the open access information on the auction house’s website, and assessed.

The currency rate of JPY1 = USD0.0093 (at 1st July 2020) was used. Information obtained through the survey, which pertained to potential non-compliance or illegal activities, was shared with the respective authorities and companies operating the respective platforms.

¹⁷ On Yahoo Shopping in 2018, so much ivory was listed that the search keyword “hon-zouge 本象牙 (genuine ivory)” was used to sample listings for real ivory products more efficiently.

¹⁸ There is another LCES provision that mandates display of registration cards issued by MOE for any whole tusks advertised. However, no listing of whole tusks was found during snapshot survey.



RESULTS AND DISCUSSION

RESULTS AND DISCUSSION

ONLINE SHOPPING MALLS (B2C TRADE)

B2C trade drastically reduced as a result of the ivory trade ban on Yahoo Shopping and Rakuten-Ichiba

There has been a 100% decrease in the number of shops selling ivory after Yahoo Shopping, Japan's largest ivory trading platform, introduced an ivory trade ban on its platform in November 2019.

A snapshot survey of Yahoo Shopping in June 2018 using the search keyword “hon-zouge 本象牙 (genuine ivory)”¹⁹ found at least 54 shops selling ivory. This time, however, there were no hits even

with the simpler keyword “zouge 象牙 (elephant ivory)” (Figure 1). On Rakuten-Ichiba, not a single shop was found to be selling ivory at the time of the 2018 survey, but during the latest survey, one listing for ivory products was observed on a garden centre's page, which is not a typical ivory outlet. The listing was reported via the website's reporting system and later removed. At least 55 shops were observed to be handling ivory on Rakuten-Ichiba in May 2017 before the ban was introduced (Figure 1), so the ivory ban by these companies has clearly been effective in reducing the volume of ivory available for sale.

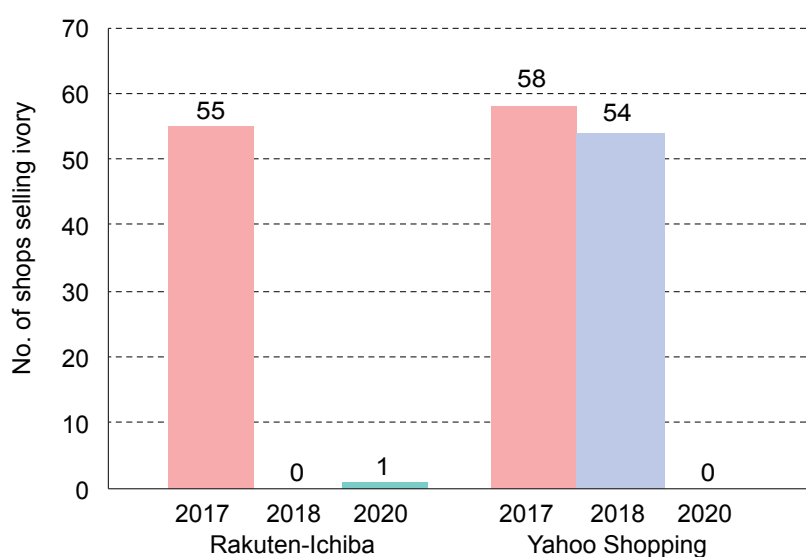


Figure 1. Comparison of the number of shops found with ivory listings: Rakuten-Ichiba and Yahoo Shopping (2017–2020)

This figure shows the number of shops where ivory listings were observed in snapshot surveys using keyword searches in May 2017, June 2018 and July 2020, respectively. In pre-ban surveys (Rakuten-Ichiba in 2017, Yahoo Shopping in 2017 and 2018), the keyword used was “hon-zouge (genuine ivory)”, whereas in post-ban surveys, “zouge (ivory)” was used to broaden the search. It should therefore be noted that the pre-ban shops found with ivory were likely only a portion of the total number of shops carrying ivory for sale.

¹⁹ Before ivory trade bans on Rakuten-Ichiba in 2017 and Yahoo Shopping in 2017 and 2018, the number of ivory listings found with the search keyword “hon-zouge (genuine ivory)” was so high that only the first 100 hits were collected as a sample of the ivory listings on the platforms.

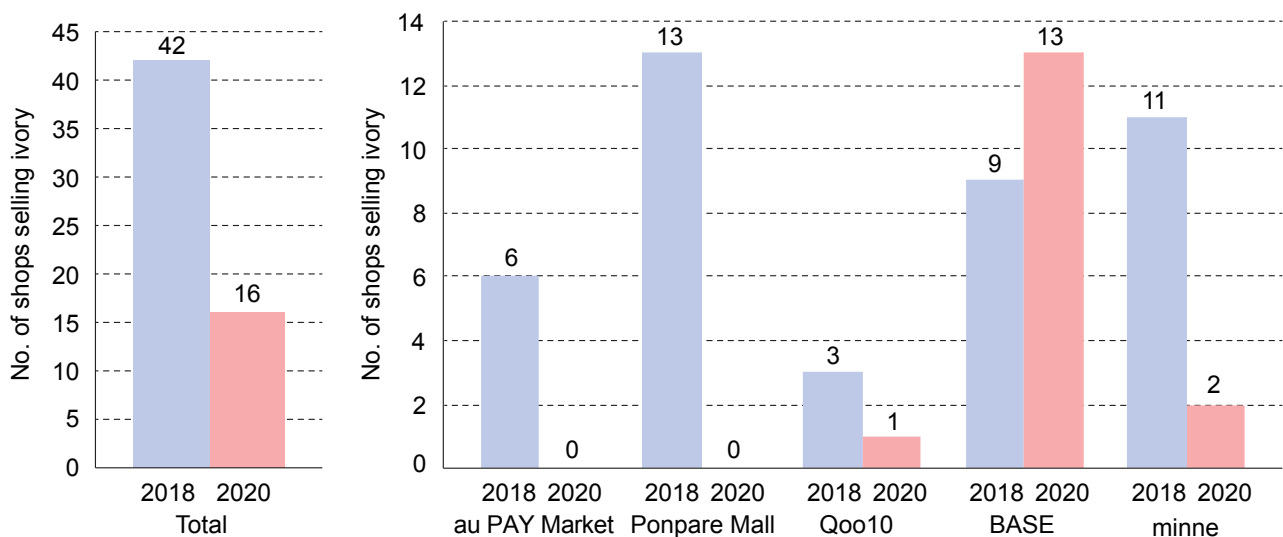


Figure 2. Comparison of the number of shops with ivory listings: Total across five online shopping malls (left) and each online shopping mall (right).

This figure shows the number of shops where ivory listings were observed in snapshot surveys using the search keyword “zouge (ivory)” in June 2018 and July 2020, respectively.

The number of shops selling ivory on five other platforms decreased from a total of 42 in the 2018 survey to 16. BASE, a smartphone application, experienced a slight increase (from 9 to 13 shops with ivory) while the other platforms experiencing a significant decrease (Figure 2). However, those five platforms introduced policies to prohibit ivory sales between the last survey in 2018 and the latest survey in 2020. This means those businesses are not intentionally complying with or unaware of the policy of these platforms. The results were reported to the Ministry of Economy, Trade and Industry (METI) and relevant platforms.

Of the 96 shops found with ivory listings in the 2018 survey (across six platforms, excluding Rakuten-Ichiba), four were still in business offering ivory products. These listings and continuance of a small number of businesses may indicate the introduction of an ivory ban might not have been effectively communicated by companies to the sellers on their platforms. On the other hand, it shows that the voluntary bans imposed by major B2C platforms have led to a drastic reduction in ivory offerings, and that no shifts in ivory items being offered on other B2C platforms were apparent. There were also no cryptic listings found on all seven platforms which were surveyed.

C2C MARKETS

Positive effects are due to continued monitoring by companies, although some issues remain

Mercari and Rakuma, the major C2C platforms in Japan that have implemented an ivory trade ban since 2017, appear to be effectively monitoring and keeping ivory products away from their platforms. However, some challenges remain regarding product identification.


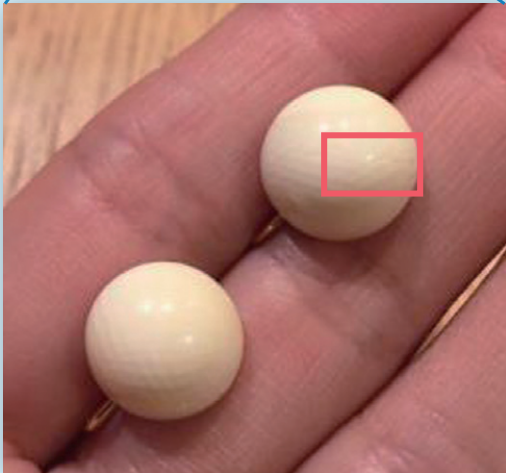


No listings were found for ivory products during snapshot surveys on Mercari and Rakuma. Meanwhile, the four-week monitoring survey revealed two listings on Mercari that clearly specified elephant ivory, with a total of just two items. The company responded rapidly by removing these listings one day after it was reported. No relevant listings were found during monitoring on Rakuma. These results show that the ivory trade bans on Mercari and Rakuma are being implemented

effectively through consistent monitoring and enforcement action.

Two additional C2C platforms were added to the latest survey, where listings for ivory items were found to be limited. No listings were observed on Shoppies, a previously unsurveyed outlet where ivory trade has not been banned, and a snapshot survey of Jimoty found 11 items though the platform has a policy prohibiting ivory trade. This would suggest

that the ivory trade bans on Japan's major C2C platforms, especially from the recent ban on Yahoo Auction, which had the largest volume of C2C trade (private auctions are considered C2C trade) prior to the ban, did not drive a dispersal to the other C2C platforms surveyed.

Cryptic listings that were identified did not give any clear indication in the listings' description or comments that genuine ivory was being offered²⁰,



Examples of cryptic listings on Mercari (left) and Rakuma (right). Detected using the keyword “elephant ivory”, where these were described as “ivory-like” but were likely genuine ivory from their visible patterns (Schreger lines).

* Manual/Guide for the ivory identification
Produced by MOE:
https://www.env.go.jp/nature/yasei/manual_idrs/manuals/ebur_mammoth.pdf
Produced by CITES/WWF/TRAFFIC:
https://cites.org/sites/default/files/ID_Manuals/R8_IvoryGuide_07162020_low-res.pdf

²⁰ There were several cases that were specified as genuine ivory in the listings' description or comments at the previous survey in 2018.

but upon close inspection of the provided images, four items on Mercari and two items on Rakuma could be distinguished as genuine ivory via the items' Schreger lines.²¹ These listings were described as “zouge-hu 象牙風 (Ivory-like)”, “zouge-cho 象牙調 (Ivory-style)”, “zouge-moyou 象牙模様 (Ivory-pattern)” and “mammoth ivory”. It could not be determined whether this was a deceptive tactic intended to evade surveillance or whether the seller was unable to recognise the items as elephant ivory. There were a number of other suspicious listings

with unclear images which prevented definitive identification; eight such items on Mercari and seven items on Rakuma were found. Such problems may persist, given the reliance on images and the lack of capacity/ability on the part of companies manually to identify product authenticity. The introduction of the latest AI technology such as image recognition system should therefore be considered, along with a complementary requirement for sellers to post high quality, high resolution images.

ONLINE AUCTION SITES

Ivory trade drastically reduced via the Yahoo Auction ban

Similar to Yahoo Shopping amongst online shopping malls, Yahoo Auction was previously the most active for ivory trade among online auction sites. Since the ivory trade ban was introduced in November 2019, the volume of ivory trade has fallen by more than 99%.

The total value of ivory sales on Yahoo Auction, based on successful bid prices, during the four-week monitoring periods conducted before the ivory ban in May 2017, June 2018 and June 2019 were JPY45.2 million (USD420,000), JPY37.8 million (USD350,000) and JPY30.7 million (USD280,000), respectively. By comparison, surveys on Yahoo Auction in December 2019 and June 2020, after the ivory ban had been introduced, found no obvious ivory listings. However, six cryptic listings and ten cryptic listings were identified in the December 2019 and June 2020 surveys, valued at JPY60,000 (USD550) and JPY80,000 (USD750), respectively. Overall, the ban on Yahoo Auction has brought about a drastic reduction in volume of ivory trade (Figure 3).

Among the cryptic listings found during the December 2019 survey, two listings were found to be genuine ivory from their product descriptions, while another

four listings were likely elephant genuine ivory from Schreger lines in the product images provided. There were an additional 11 listings from the June 2020 survey that were likely elephant ivory from Schreger lines in their images. These listings were described as “ivory-like” in 11 listings, as “mammoth ivory” in two listings, and “imitation ivory” in one listing.

Limited shift in trade from Yahoo Auction to other online auction sites

Among the platforms that have not banned ivory, only Mobaoku found an increase in the number of listings, although no actual transactions occurred. This indicates that the large volume of ivory trade previously conducted on Yahoo Auction did not shift to other online auction sites after its platform-wide ivory ban.

On Mobaoku, a total of 852 ivory items (excluding duplicates) were observed in the present survey, compared with four in the 2018 survey. However, when the seller information and actual transaction results were reviewed, the items listed for sale were all derived from four sellers, with the same products being re-listed every 3–7 days. Furthermore, records indicated there were no actual transactions resulting from such listings. This indicates a lack of demand from buyers on Mobaoku, especially when compared

²¹ Arc-shaped curved lines visible in cross-sections of elephant ivory and mammoth ivory. They are named after the man who discovered them, Bernhard Schreger. The angles of the rhombuses formed by the intersections of Schreger lines differ in elephant ivory and mammoth ivory and can therefore be used to differentiate the two.

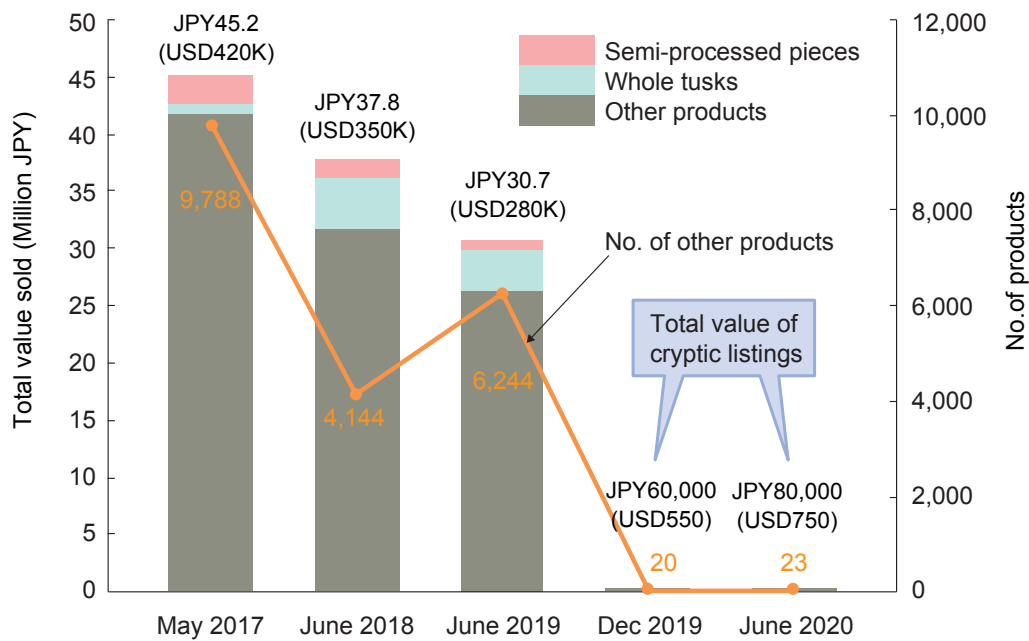


Figure 3. Trends in total sales and total number of ivory products on Yahoo Auction during four-week monitoring periods from 2017 to 2020

The orange line indicates the total number of products sold excluding whole tusks and semi-processed pieces. Survey periods: 8th May–4th June, 2017; 3rd–30th June, 2018; 3rd–30th June and 3rd–30th December, 2019; 3rd–30th June, 2020

to the number of items sold on Yahoo Auction prior to the ban: 6,244 items actually sold over four-weeks monitoring in 2019. Along with other results in the

C2C market, the ivory trade ban on Yahoo Auction seems to have led to a drastic reduction in ivory trade on online auctions.

TRADE THAT REMAINS A CONCERN

Unknown trade via closed groups and private posts on SNS

No increase in ivory listings was observed in public posts on target SNS platforms. The survey could not evaluate whether trade had shifted to closed groups or private posts on SNS, which were difficult to monitor.

On SNS, the number of products found in public posts considered genuine listings of ivory products during the 2018 surveys were 24 on Instagram, 8 on Twitter, and none on Facebook, which was not a significant change from the 2018 results, with 27, 9 and 3 products, respectively. However, while

the social networking platforms monitored already prohibit advertising and other postings related to endangered animal products including ivory, any shift in trade to closed groups or private posts on SNS was not assessed in the latest survey, and is especially difficult to monitor given their private and inaccessible nature.

Additionally, there are reports that SNS are actively used for ivory trade in China, Indonesia, Thailand and Viet Nam²². As these SNS platforms are borderless, there is a legitimate cause for caution about potential links with the Japanese market. At the same time, the differing context of SNS usage in Japan suggests the need for enhanced language specific monitoring

²² TRAFFIC (2020). *TRADING FACES: A Snapshot of the Online Ivory Trade in Indonesia, Thailand and Viet Nam in 2016 with an update in 2019*. <https://www.traffic.org/site/assets/files/12981/three-country-ivory-report.pdf>

on global platforms as well as attention to other platforms such as LINE which is the most popular messenger app in Japan.

Issues related to mammoth ivory trade, and the need for continued monitoring

The additional search using a new keyword “mammoth ivory” did bring about a number of positive hits, although it is hard to say whether they could be substitution or cryptic listings of elephant ivory.

Among the “mammoth ivory” hits via a snapshot survey of six platforms, a total of 63 shops, as well

as 93 listings over a four-week period of monitoring C2C markets and auction sites were identified. In particular, many of the items were found on Yahoo Shopping and Rakuten-Ichiba (during snapshot surveys, with 129 items and 126 items, respectively) as well as Mercari (during monitoring surveys, with 101 items) (Figure 4). In listings of mammoth ivory, some items were visually identifiable as elephant ivory from their images on BASE, Yahoo Auction and Mercari. Many other listings and bidding results could not be determined whether relating to elephant ivory due to the poor quality and details in the images provided. These listings accounted for 40–52% on Yahoo Shopping, Rakuten-Ichiba and Mercari (Figure 4).

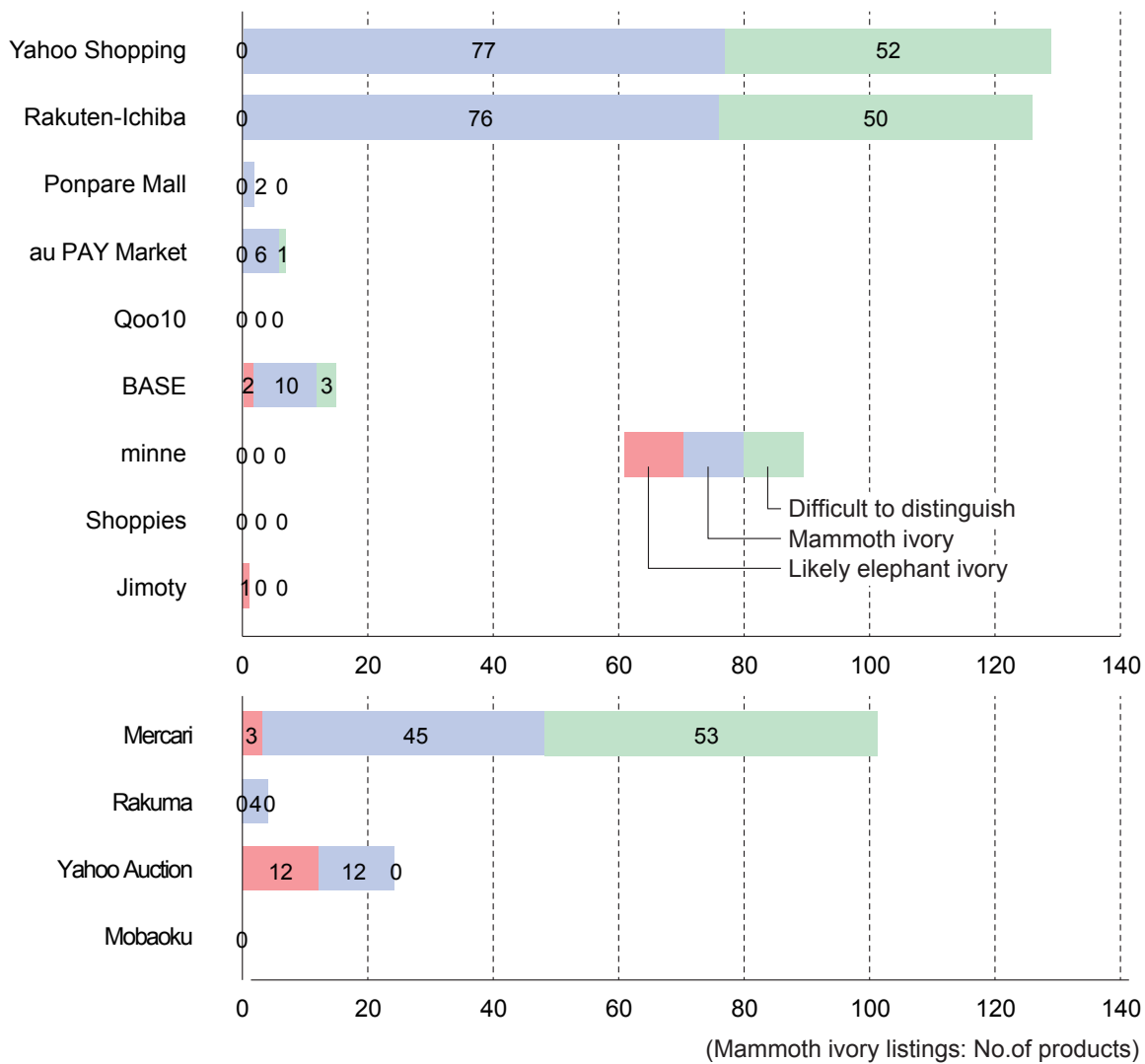


Figure 4. Number of products and identification results from listings for mammoth ivory found in snapshot survey (top) and monitoring survey (bottom)

Survey period; At a certain point on July 2020, monitoring survey; 14th June–12nd July 2020 (Yahoo Auction only: 3rd–30th June 2020)

As this is the first time that mammoth ivory listings were included as a search keyword, it is not possible to assess any changes in the number of listings. However, even if all listings described as “mammoth ivory” were in fact genuine elephant ivory (including those that could not be distinguished as either elephant or mammoth ivory), the number of items offered pales in comparison to listings of elephant ivory prior to the ivory trade bans on the platforms. Nevertheless, the results indicate a need to sustain monitoring of potential ivory substitutes offered for sale online that may be laundering elephant ivory, as well as the challenges in identifying ivory from the provided images.

Compliance by businesses to legislative changes remains low

Registration of ivory businesses became mandatory on 1st June 2018, with an obligation for businesses to display their registration details with any ivory listed for sale. However, compliance by businesses who continue to trade online is low.

Online ivory listings were offered on the surveyed platforms by a total of 19 shops, even though all platforms have placed a ban on ivory trade. Among

them, 14 shops (74%) did not display their business registration details, while 10 shops (53%) had not actually registered (Figure 5). None of the businesses were utilising the voluntary product certification scheme (with a certification sticker attached) to indicate the legality of newly manufactured products. These results show that there are still instances of a lack of policy compliance by platforms that have introduced an ivory ban, and more importantly, that it is difficult to say if Japanese Government regulations are working effectively to control trade by the remaining businesses.

This study into online trade proves that bans by companies have contributed greatly to the reduction of ivory trade and sales volumes, particularly the elimination of previously unregulated C2C trade. It would therefore be advisable to consider implementing an ivory trade ban on platforms that still allow ivory to be traded. Furthermore, to ensure full legal compliance, the Japanese Government should take active measures such as guidance and inspections of ivory businesses, along with monitoring of online trading platforms. The non-compliance cases identified through the surveys were reported to METI which is managing the ivory industry.

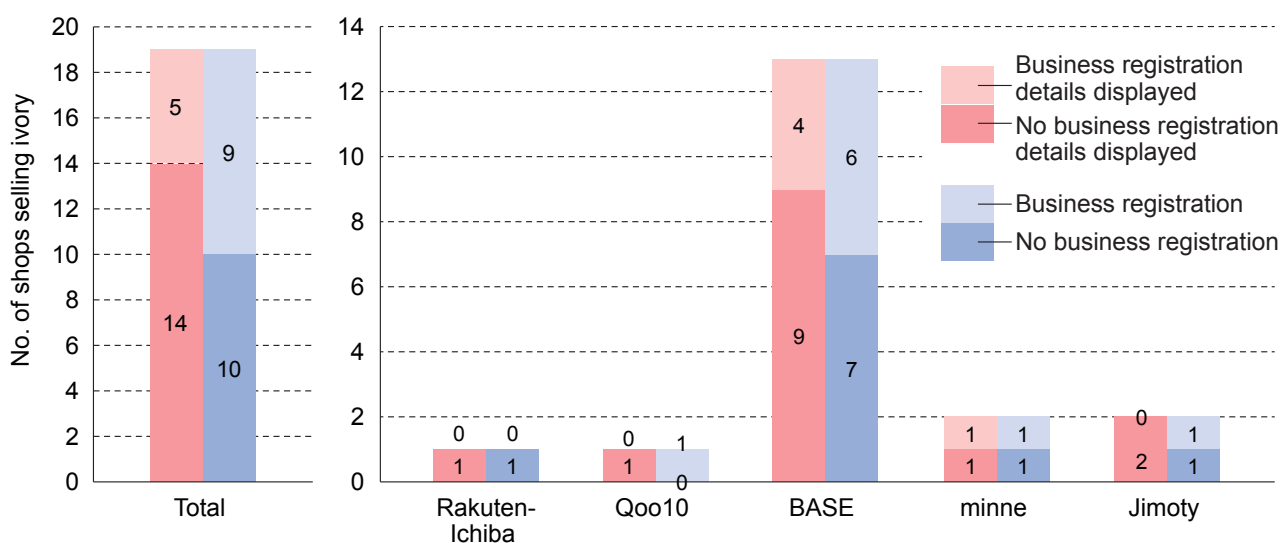


Figure 5. Legal compliance of shops observed to be selling ivory during the 2020 survey: total across five platforms (left) and individual platforms (right)

Jimoty has positioned itself as a C2C market, but as a platform it allows businesses to list items too. This time, two shops were found to be listing ivory products as businesses.

CONCERNS REGARDING THE DOMESTIC MARKET AS A WHOLE STILL CONTRIBUTING TO ILLEGAL EXPORT

Surveys of pre-ban Yahoo Auction and Mobaoku indicated a rise in listings for *hanko* material and semi-processed pieces

Survey results from Yahoo Auction (from before the ivory trade ban) and Mobaoku have shown an increase in trade and listings for *hanko* material and semi-processed pieces, a majority of which were by anonymous individuals. The situation calls for strict domestic controls of ivory trade and stockpiles to prevent leakage into international illegal trade.

Three surveys on Yahoo Auction conducted in 2017–2019 (8th May–4th June 2017, 3rd–30th June 2018, and 3rd–30th June 2019) found a growing trend in sales of *hanko*, with a corresponding decrease in the sale of other ivory jewellery (Figure 6). Surveys in 2019, in particular, found a noticeable increase in the listings of *hanko* materials for sale, i.e. unfinished *hanko*-shaped pieces, as well as some listings for ivory cut pieces and other semi-processed pieces. A survey of Mobaoku conducted in 2020 (14th June–12th July) also observed that *hanko* (and *hanko* material) accounted for the largest proportion of listed products not sold (Figure 6).

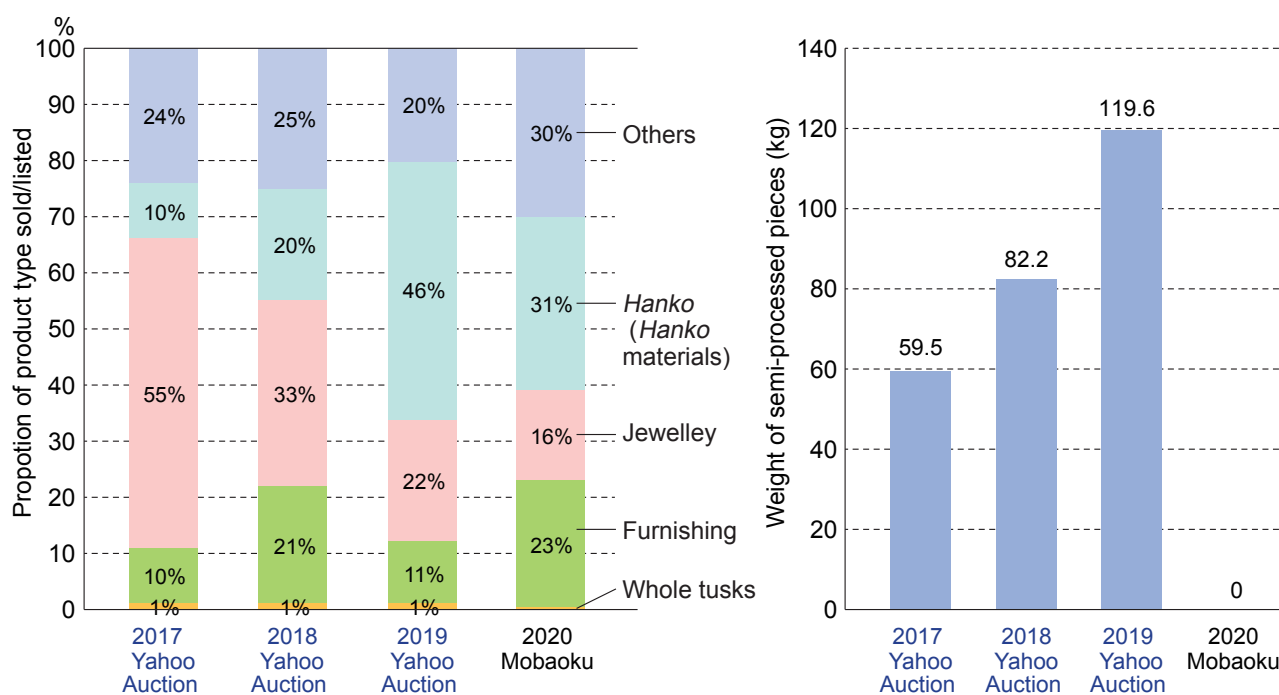


Figure 6. Ivory items found at internet auction: proportion for type of ivory products (left), and weight (kg) of semi-processed pieces, sold on Yahoo Auction over four-week periods before the ivory ban (2017–2019), and listed on Mobaoku in 2020.

Survey periods and number of samples: 8th May–4th June 2017 (N = 9,810, including 22 whole tusks); 3rd–30th June 2018 (N = 4,449, including 35 whole tusks); 3rd–30th June 2019 (N = 6,263, including 19 whole tusks); 14th June–12th July 2020 (N = 852, including one whole tusk)

* Yahoo Auction: number of bidding results, Mobaoku: number of listings

** On Mobaoku, the number of products checked during the four-week monitoring period and counted excluding duplicates

It is not clear why there was such an increase in trade of *hanko* material and semi-processed pieces, but it could suggest ivory manufacturers and wholesalers selling off their stockpiles online, perhaps as demand in the retail market decline. *hanko* material and semi-processed pieces are usually handled by businesses, but according to Yahoo Auction's bidding results

from June 2019, C2C trade²³ dominated, and only about 30% of listings were by businesses. The observed increase of these ivory materials online followed by the voluntary ban by the platform could suggest there is a large quantity of such stockpiles present in the domestic market, which could be exploited for illegal exports to overseas markets. In



Examples of *hanko* (and *hanko* material) listings on Yahoo Auction which stood out in the June 2019 survey. Characteristically, they were listed in large quantities all at once. On the left are 76 pieces of uncarved *hanko* material, *hanko* shaped (and polished). On the right is 1,245 g of square pieces that were simply cut.



Examples of semi-processed pieces listed on Yahoo Auction during the survey in June 2019. The ones on the left were listed by a business operator. The one on the right was listed as a C2C trade, although the listing details suggested it could have been listed by a business.

²³ Among C2C listings, there are some sellers who appear to be businesses

fact, there was an incident of attempted illegal export that occurred in November 2017 when 605 pieces of *hanko* material were seized at the Port of Tokyo²⁴. The Japanese Government is urged to address the remaining domestic market effectively, including its stockpiles in Japan.

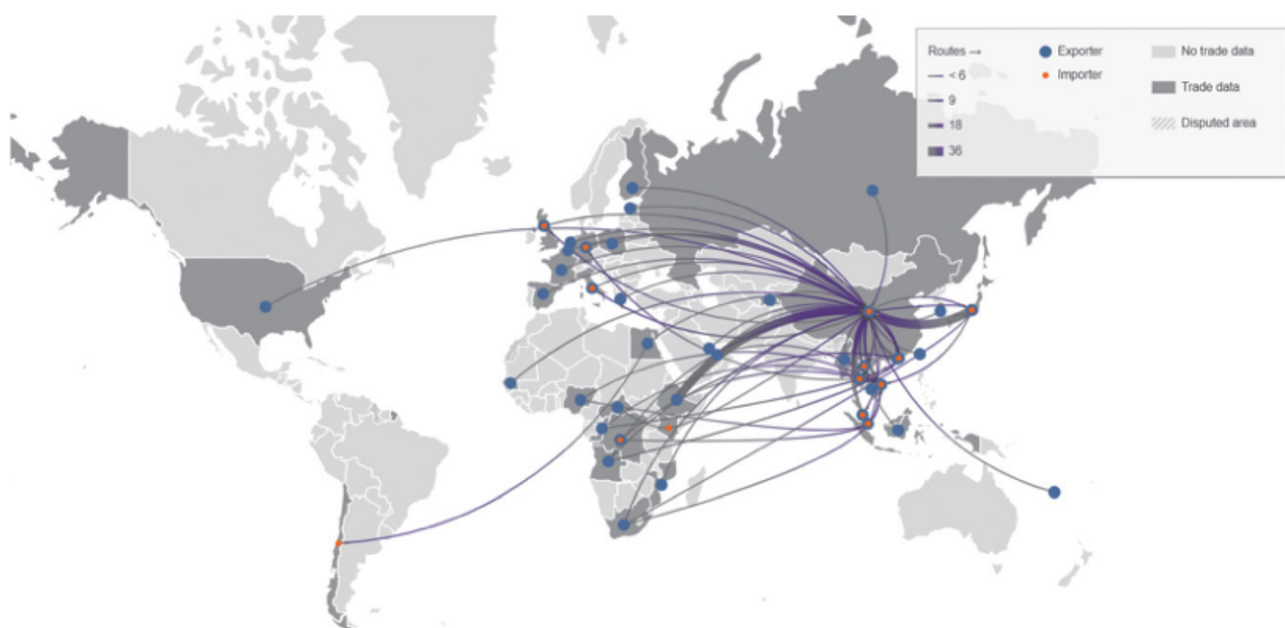
Shrinking online markets and ongoing illegal exports

The results of the current survey recognise the success of recent voluntary initiatives to eliminate much of the unregulated online trade from Japan's major platforms, which used to act as sources for illegal exports. However, illegal export from the Japanese market persists.

Data from the Elephant Trade Information System (ETIS)²⁵ previously confirmed that a considerable proportion (95%) of illegal ivory flowing out of Japan

between 2011–2016, totalling 2.42 tonnes (t)²⁶, was bound for China (2.3 t). Furthermore, the Japanese Government identified that 757 ivory items, weighing about 131 kg,²⁷ have been intercepted by its customs authorities as illegal exports from Japan between 2011 and June 2019. While China closed its domestic ivory market at the end of 2017, illegal ivory continues to flow to the country. The latest analysis of ivory seizures linked to China and four selected Southeast Asian countries conducted by TRAFFIC identified at least 380 cases during 2019. Of those, the most commonly reported route was Japan to China with 36 cases, though these seizures often had low weights (**Map**)²⁸.

A survey of Chinese tourists reported that Japan was the second popular destination for tourists expecting to buy ivory during their travels amongst Asian countries²⁹. That might become a significant concern in Japan.



Map: Trade routes identified for elephant products seizures in 2019 linked to the focal locations (China including Hong Kong SAR, Cambodia, Vietnam, Lao PDR, and Thailand)

Line are weighted by the number of cases seized along these routes. Countries which were dark gray without lines show countries which have been identified as part of the trade chain, but for which there is no additional trade chain information.

²⁴ Asahi Shimbun (2017). <https://www.asahi.com/articles/ASKDL6JQRKDLUTIL06Q.htm>

²⁵ Elephant Trade Information System, a database of global ivory seizure data under CITES. <https://www.cites.org/esp/prog/etis>

²⁶ TRAFFIC (2017). *IVORY TOWERS: An Assessment of Japan's Ivory Trade and Domestic Market*. https://www.wwf.or.jp/activities/data/20171220_wildlife02.pdf

²⁷ House of Representatives, Japan (2019). The response paper for the Re-Interrogatories, No.254 by Yuki WASEDA, on 198th session of the Diet. http://www.shugiin.go.jp/internet/itdb_shitsumon.nsf/html/shitsumon/b198254.htm

²⁸ TRAFFIC (2019). *USAID WILDLIFE ASIA COUNTER WILDLIFE TRAFFICKING DIGEST: SOUTHEAST ASIA AND CHINA, 2019*. <https://www.traffic.org/site/assets/files/13112/uwa-traffic-cwt-2019-digest.pdf>

²⁹ WWF (2020). *Beyond the Ivory Ban: Research on Chinese Travelers while Abroad*. https://wwf-eu.awsassets.panda.org/downloads/traveler__full_report_final.pdf



Ivory items illegally exported from Japan seized by Zhanjiang Customs, Guangdong, China in June 2020 (175.6 g of scroll shaft tips, and a red coral necklace). The right photo shows the preliminary identification using the Raman instrument. Photo credit: Zhanjiang Customs, Guangdong, China

Beyond China, there is a growing concern that illegal ivory trade will be diverted to neighbouring Southeast Asian countries³⁰, especially with the closure of ivory markets in China. This is supported by a recent case (January 2020) in Japan of a former zookeeper of Laotian nationality who was arrested at Narita International Airport while trying to smuggle animal parts, including African Elephant ivory, back to Laos³¹. In addition, increasing demand from Chinese tourists travelling to these neighbouring countries³² is another major focus of concern.

Given these circumstances, there is no reason for complacency and a need for increased vigilance regarding illegal ivory exports from Japan to other Asian countries. The Japanese Government needs to recognise the continuing concern over illegal ivory exports in the context of persistent trade in the country's domestic ivory market, and take urgent and effective measures to stem the illegal trade. On this note, more effective implementation of the existing memorandum of cooperation (MOC)³³ signed between the Japanese Government (METI) and Chinese authorities (National Forestry and Grassland

Administration) in March 2019 to discuss CITES issues, including ivory, is strongly recommended. The Japanese Government is further encouraged actively to engage in regional law enforcement co-operation in tackling illegal wildlife trade.

Persistent auction trade of ivory products despite shrinking online markets

Apart from a slight increase in the number of listings and sales coinciding with the ivory ban on Yahoo Auction, the trade value at Mainichi Auction overall remained constant. While there is little evidence for a major shift in ivory trade from online to physical auction markets, the ongoing level of trade still illustrates a facet of the domestic market that is active.

Monitoring of trade at Mainichi Auction was carried out to examine trends in the domestic market beyond the online trade. The findings showed an apparent increase in the number of listings and sales when compared with the period before the ivory ban was introduced on Yahoo Auction, with a 180% increase

³⁰ TRAFFIC (2020). *TRADING FACES: A Snapshot of the Online Ivory Trade in Indonesia, Thailand and Viet Nam in 2016 with an update in 2019*. <https://www.traffic.org/site/assets/files/12981/three-country-ivory-report.pdf>

³¹ The Japan Times (2020). <https://www.japantimes.co.jp/news/2020/01/14/national/crime-legal/laotian-arrested-japan-allegedly-trying-export-ivory-taken-zoo/#.Xh5fhcj7QdU%2031>

³² WWF (2020). *Beyond the Ivory Ban: Research on Chinese Travelers while Abroad*. https://wwfeu.awsassets.panda.org/downloads/traveler__full_report_final.pdf

³³ METI (2019). <https://www.meti.go.jp/press/2018/03/20190320005/20190320005.html>

from an average of 127 to 228 items (Figure 7). However, the value of total sales remained stable, and the margin of increase in the number of product listings and sales were also still minor compared to the volume that used to be traded on Yahoo Auction (e.g. 6,244 items sold over four weeks in July 2019).

Of the different types of products sold in recent listings, many were *hankos* (or *hanko* material), as well as an increasing number of products other than furnishings (ornamental objects or *netsukes*) which have been the most common items traded so far. Trade of whole tusks has also remained constant, without significant change in the number of sales

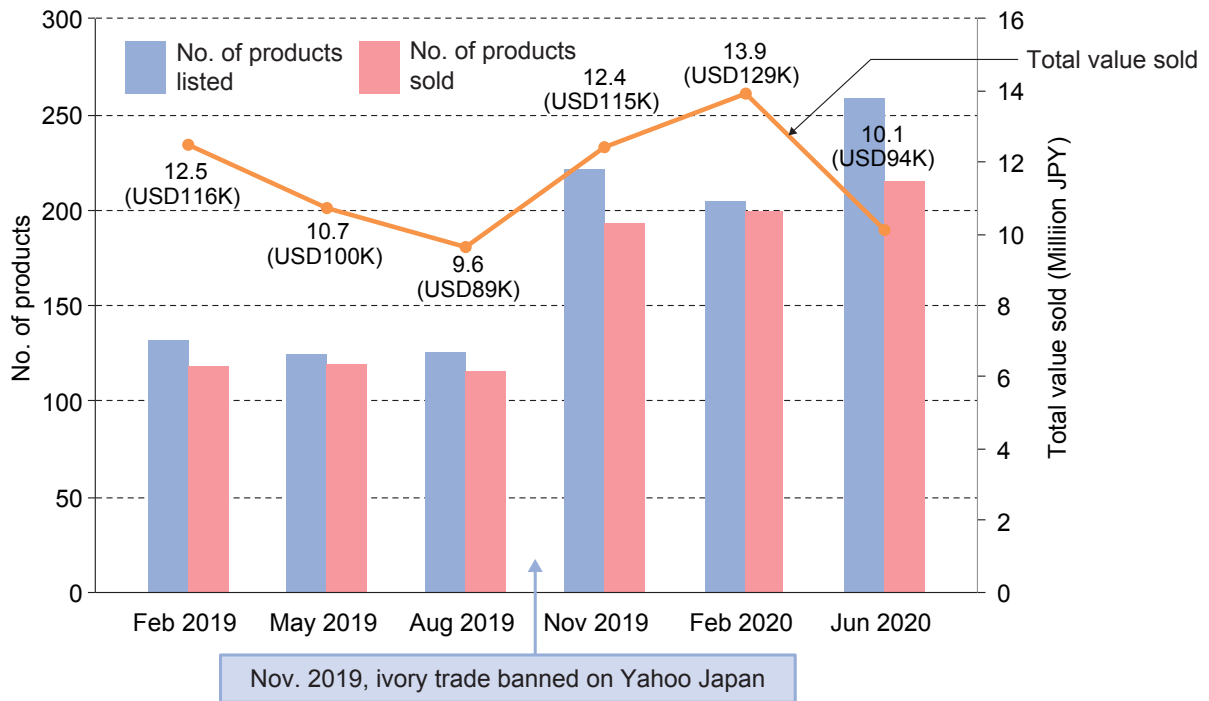


Figure 7. Trends in total sales and total number of ivory products, including whole tusks, at Mainichi Auction (February 2019 to June 2020)

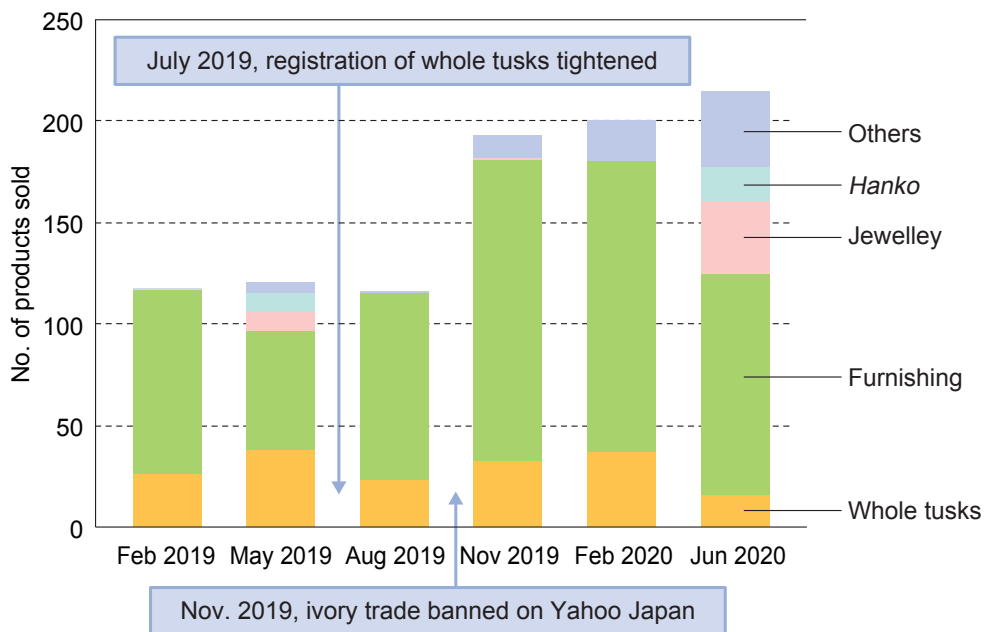


Figure 8. Trends in types of products sold at Mainichi Auction (February 2019 to June 2020)

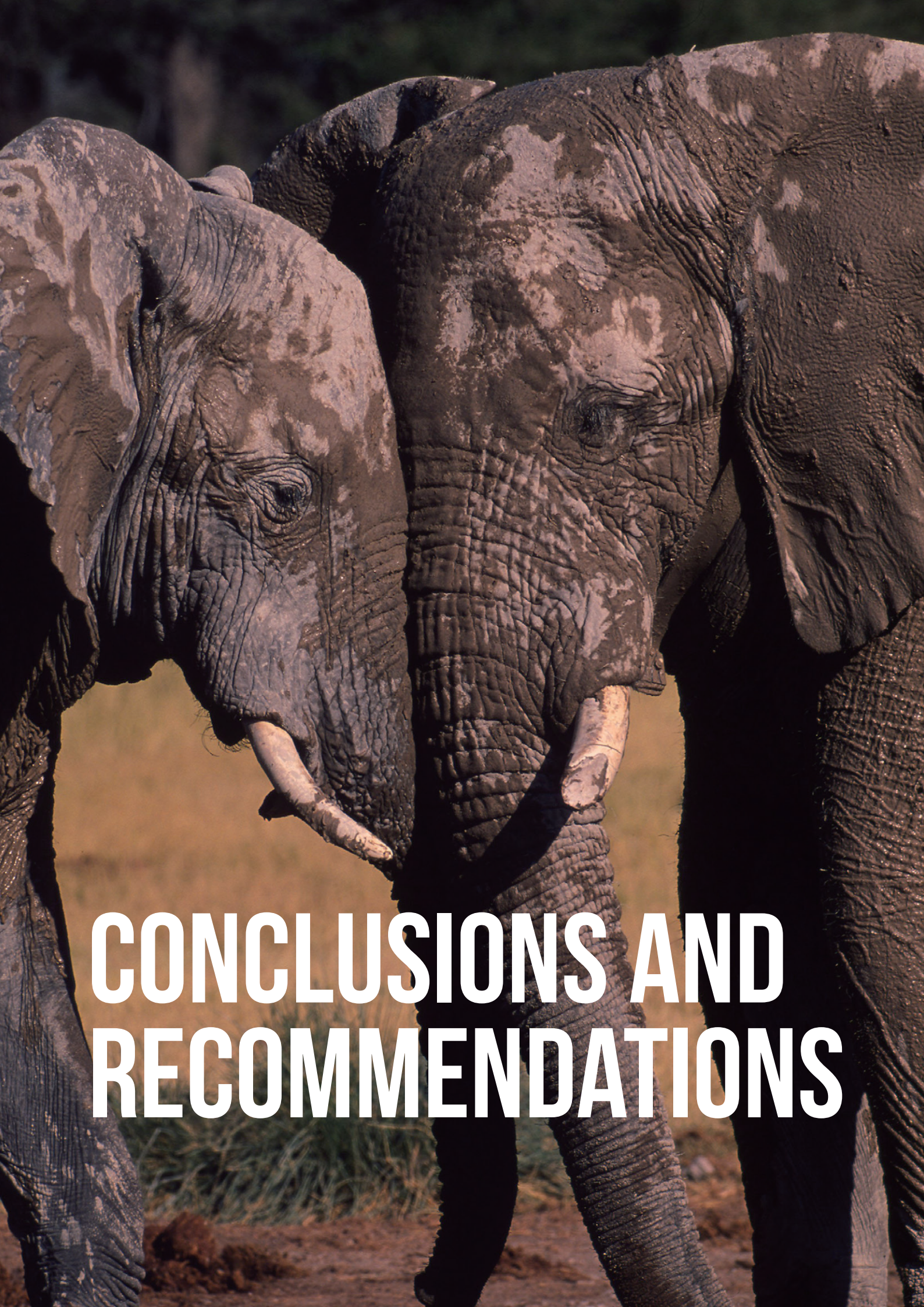
being auctioned (**Figure 8**). In July 2019 the MOE made an announcement that the government had “tightened the registration requirements for whole tusks—In principle, domestic trade of whole tusks is prohibited”³⁴. However, as observed in the current assessment of Mainichi Auction, this measure has not led to a substantial reduction in transactions of whole tusks. This is because the measure only restricts the new registration of previously unregistered tusks through an added burden of proof of legal origin, whereas the regulation governing

domestic trade remains unchanged under the law (LCES).

Previous research by TRAFFIC³⁵ identified widespread leakage of ivory items, including whole tusks, from many of the domestic trade platforms into smuggling routes to other Asian countries. It is hard to say that the new set of regulations has led to successfully controlling the domestic market, given the current situation of continued illegal exports from Japan.

³⁴ MOE (2020). <http://www.env.go.jp/press/106580.html>

³⁵ TRAFFIC (2017). *IVORY TOWERS: An Assessment of Japan's Ivory Trade and Domestic Market*. https://www.wwf.or.jp/activities/data/20171220_wildlife02.pdf



CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS AND RECOMMENDATIONS

One adverse consequence of an unregulated market for ivory products online is the proliferation of domestically traded ivory that can enter smuggling channels to Asian market. However, the current study does indicate that voluntary approaches by companies to ban ivory trade on their platforms have succeeded in considerably reducing instances of unregulated ivory trade. This clearly demonstrates the value of voluntary ivory bans that go further than legal regulatory requirements—commendable actions by companies that have implemented such a ban. As for platforms that still allow ivory trade, following the example set by their peers in instituting a platform-wide ivory trade ban is encouraged.

The proliferation of illegal ivory trade online is emblematic of wider issues of the broader online wildlife trade. Internationally, leading companies from e-commerce, social media and technology businesses have pledged to reduce illegal wildlife trade online, collaborating with WWF, TRAFFIC, and IFAW to launch the Coalition to End Wildlife Trafficking Online³⁶ in March 2018. As of October 2020, there were 36 participating companies (Rakuten joined in August 2018). They have adopted a common policy of banning trade in wildlife and its products where international trade is prohibited, in line with CITES designation, including ivory. In view of the expected increase in the use of online channels in a post-COVID environment, it is hoped that Japanese companies play a bigger role in reducing illegal wildlife trade online, including raising of awareness among their users and consumers.

While the current study has observed a decline in Japan's ivory trade online, issues remain in other channels of domestic trade that market to be

addressed. This includes the ongoing ivory trade by auction houses, trade within closed groups and private posts on SNS, as well as the trade of raw materials and newly manufactured products at physical markets, which could not be observed directly in this survey due to COVID restrictions. In terms of the physical market, decisions by major retail businesses to cease selling ivory are also driving a contraction in ivory availability, especially that of ivory *hanko*. AEON Mall Co., Ltd., Japan's largest retailer, completely banned ivory product sales by its tenants at the end of March 2020, while Seven & i Holdings Co., Ltd., parent company of Ito-Yokado and others, had done the same around five years ago. In addition, there are signs that the Japanese custom of using *hanko*, for which ivory is valued as the highest-grade material, is changing, as exemplified by the revision of the Digital Procedure Law.

In addition to corporate efforts, the TMG established its Advisory Council on Regulating Ivory Trade in January 2020, through which the City commits to addressing the ivory trade as a global issue and its responsibility as an international city. While the Council's activities have been adjusted due to the COVID-19 pandemic, its focus is to prevent foreign tourists from taking ivory abroad, especially with the expected influx of travellers during the Tokyo Olympic and Paralympic Games. The Advisory Council further aims to consider whether additional measures for regulating ivory trade are needed in Tokyo.

While companies and local governments have taken stringent measures within their own jurisdiction that go further than national laws and regulations, there has been a conspicuous delay in the response by the central government. Above all, given the continued

³⁶ <https://www.endwildlifetraffickingonline.org/about>

illegal export from Japan to China and other countries, the existing system of regulation appears vastly inadequate in preventing and controlling the trafficking of ivory out of Japan. It is clear that specific measures are needed urgently, in accordance with the requirements under CITES Resolution 10.10 (Rev. CoP18).

In January 2018³⁷ and May 2019³⁸, WWF and TRAFFIC requested the Japanese Government urgently to consider a policy to close the domestic market in Japan, with narrow exemptions. Reiterating previous suggestions, TRAFFIC recommends the following for the Japanese Government:

THE GOVERNMENT OF JAPAN SHOULD:

- Develop an action plan toward market closure in Japan with narrow exemptions in time for the Tokyo Olympics/Paralympics. The action plans should include time-bound, actions involving all relevant actors and at level that demonstrates a serious national commitment;
- Officially declare the above policy move to fulfil its responsibility to the international community, especially in light of the continued illegal flows from its domestic market.

In addition, the relevant government offices, e-commerce companies and other Internet-related companies should immediately consider the following specific measures.

THE MINISTRY OF THE ENVIRONMENT (MOE) AND MINISTRY OF ECONOMY, TRADE AND INDUSTRY (METI) SHOULD:

- Immediately start to review the scope of products falling under narrow, tightly-controlled exemptions that can be legally traded (including phasing out use of ivory *hanko*);
- Establish mandatory and effective mechanisms (e.g. certification and traceability systems for all products) to ensure legality and traceability before a legal framework is established for the narrow range of exemptions;
- Take more active measures to enhance compliance by businesses, including in online trade;
- Help to strengthen the monitoring and implementation efforts of companies such as by promoting technological innovation, including identification training and financial support;
- Co-operate with Japan Customs and law enforcement authorities of other Asian countries (including through the existing MOC with China) effectively to prevent and bring to justice any offences relating to illegal export of ivory items from the Japanese domestic market.

RECOMMENDATIONS TO E-COMMERCE COMPANIES

- Companies that have introduced a platform-wide ban on ivory trade should ensure policy compliance through stricter monitoring and awareness raising to their users/consumers; online platforms that still allow ivory trade should introduce similar voluntary ivory bans as a matter of urgency.

³⁷ <https://www.wwf.or.jp/activities/activity/152.html>

³⁸ <https://www.wwf.or.jp/activities/statement/3954.html>

- SNS (closed groups and private posts) and other internet platforms, for which the state of ivory trade remains unknown, should recognise the potential risks and take proactive measures to monitor and eliminate ivory trade through co-operation with NGOs and enforcement agencies;
- E-commerce companies and other Internet-related companies should work together to strengthen monitoring and enforcement through initiatives such as formulation of industry policies and guidelines for the eradication of illegal wildlife trade and participation in international initiatives (such as the Coalition to End Wildlife Trafficking Online).

IMAGE CREDITS

Page	Credit
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i	African Elephant, South Africa. ©Martin Harvey/WWF
1	African Elephant, South Africa. ©Martin Harvey/WWF
4	Ivory confiscated by Ministry of Forests and Wildlife, Cameroon. ©WWF/Mike Goldwater
7	Elephant ivory bracelets seized by Border Force, Heathrow Airport, UK. ©WWF-UK/James Morgan
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