

Ethanol Business Act

(Act No. 36 of April 5, 2000)

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Supplementary Provisions

Chapter I General Provisions

(Purposes)

Article 1 The purpose of this Act is to ensure stable development in Japan's ethanol business and a steady and smooth supply of Ethanol, thereby contributing to the stable development of the national economy, by ensuring propriety in operations involving the commercial manufacture, importation, and sale of Ethanol with due consideration to preventing the wrongful use of Ethanol as an ingredient in alcoholic beverages (meaning alcoholic beverages as prescribed in Article 2, paragraph (1) of the Liquor Tax Act (Act No. 6 of 1953); the same applies hereinafter), in light of the fact that Ethanol's widespread use in industrial applications makes it indispensable in the lives of the people and in commercial activities, and that it has the same properties as alcoholic beverages.

(Definitions)

Article 2 (1) The term "Ethanol" as used in this Act means ethanol with a 90 percent or higher alcoholic content (meaning the volume of ethyl alcohol per 100 parts at 15 degrees Celsius; the same applies in Article 35).

(2) The term "Yeast Starter" as used in this Act means yeast that is capable of causing saccharated matter to ferment, or anything cultured from yeast that is capable of causing saccharated matter to ferment, which is used in the manufacture of Ethanol.

(3) The term "Fermenting Mash" as used in this Act means anything serving as a

feedstock for Ethanol that has reached the fermentation stage (but only if it can be used to manufacture Ethanol), but which has not yet been distilled.

- (4) The term a "Special Type of Ethanol" as used in this Act means Ethanol that a person licensed as under paragraph (1) of the following Article or Article 16, paragraph (1) transfers at a price that includes the amount calculated pursuant to Ordinance of the Ministry of Economy, Trade and Industry as being necessary to prevent the wrongful use of Ethanol as an ingredient in alcoholic beverages (hereinafter referred to as an "Additional Amount").

Chapter II Commercial Licensing

Section 1 Commercial Manufacture of Ethanol

(License to Manufacture)

Article 3 (1) A person must be licensed by the Minister of Economy, Trade and Industry in order to manufacture Ethanol in the course of trade (this includes refining it (meaning eliminating impurities from it through distillation or any other method in order to increase its usefulness; the same applies hereinafter); the same applies hereinafter except in Article 15).

(2) A person seeking to be licensed as referred to in the preceding paragraph must submit a paper application to the Minister of Economy, Trade and Industry, giving the following information, pursuant to Ordinance of the Ministry of Economy, Trade and Industry:

- (i) the applicant's trade name or name and the applicant's address;
- (ii) the name and address of the representative, if the applicant is a corporation;
- (iii) the name or trade name and the address of the statutory agent (but only one with authority to represent the applicant as regards the commercial manufacture of Ethanol), if the applicant is a minor (other than one with the same capacity to act as an adult in regard to business operations; the same applies hereinafter), adult ward, person under curatorship, or person under assistance;
- (iv) the name and address of the representative, if the statutory agent provided for in the preceding item is a corporation;
- (v) the location of the principal office, as well as the locations of manufacturing plants and warehouses;
- (vi) the functions and structures of equipment at each manufacturing plant and warehouse;
- (vii) the planned date for commencement of operations;
- (viii) the information specified by Ordinance of the Ministry of Economy, Trade and Industry.

Article 4 A person not licensed as referred to in paragraph (1) of the preceding Article (hereinafter a person so licensed is referred to as a "Manufacturer") must not manufacture Ethanol; provided, however, that this does not apply in circumstances falling under one of the following items:

- (i) a person licensed as referred to in Article 26, paragraph (1) (hereinafter referred to as a "Licensed User") refines Ethanol as a part of the process of use for which the person is licensed;
- (ii) a person using a Special Type of Ethanol refines the Special Type of Ethanol as a part of the process of use;
- (iii) a person manufactures Ethanol in order to test or research Ethanol manufacturing methods, having received the authorization of the Minister of Economy, Trade and Industry to do so pursuant to Ordinance of the Ministry of Economy, Trade and Industry.

(Ineligibility)

Article 5 A person falling under one of the following items may not be licensed as referred to in Article 3, paragraph (1):

- (i) a person that has been sentenced to a fine pursuant to the provisions of this Act or the Liquor Tax Act, if three years have not yet passed since the person finished serving the sentence or ceased to be subject to its enforcement; or a person that has been issued a notice to pay (other than a notice to pay monies equivalent to a non-criminal fine) pursuant to the provisions of the Act Governing the Handling of National Tax Law Violations (Act No. 67 of 1900) for violating the Liquor Tax Act, if three years have not yet passed since the person obeyed the notice;
- (ii) a person whose license has been revoked pursuant to the provisions of Article 12, item (i), item (ii), item (iv), or item (v) (including as applied mutatis mutandis pursuant to Article 20, Article 25, or Article 30); or a person whose license has been revoked pursuant to the provisions of Article 12, item (i) or item (ii) of the Liquor Tax Act (including as applied mutatis mutandis pursuant to Article 13 of that Act) or of Article 12, item (v) or Article 14, item (i) or item (ii) of that Act; if three years have not yet passed since the revocation;
- (iii) a person that, within the one year prior to the date on which circumstances arose that were the cause of revocation, was the managing officer a corporation that was licensed as referred to in Article 3, paragraph (1); Article 16, paragraph (1); Article 21, paragraph (1); or Article 26, paragraph (1) but that had its license revoked pursuant to the provisions of Article 12, item (i), item (ii), item (iv), or item (v) (including as applied mutatis mutandis pursuant to Article 20, Article 25, or Article 30) (if its license has been revoked pursuant to the provisions of Article 12, item (ii) (including as

- applied mutatis mutandis pursuant to Article 20, Article 25, or Article 30), this only applies if the revocation was due to the corporation coming to fall under item (i) (including as applied mutatis mutandis pursuant to Article 20, Article 25, or Article 30)); or was the managing officer of a corporation that was licensed as referred to in Article 7, paragraph (1) of the Liquor Tax Act or in Article 9, paragraph (1) of that Act but that had its license revoked pursuant to the provisions of Article 12, item (i), item (ii), or item (v) of that Act or of Article 14, item (i) or item (ii) of that Act (if its license has been revoked pursuant to the provisions of Article 12, item (ii) of that Act or Article 14, item (ii) of that Act, this only applies if the revocation was due to the corporation coming to fall under Article 10, item (vii) of that Act (and only if it was sentenced to a fine pursuant to the provisions of this Act or the Liquor Tax Act or was issued a notice to pay (other than a notice to pay monies equivalent to a non-criminal fine) pursuant to the provisions of the Act Governing the Handling of National Tax Law Violations for violating the Liquor Tax Act)), if three years have not yet passed since the revocation;
- (iv) a person that has been sentenced to imprisonment or a heavier punishment, if three years have not yet passed since the person finished serving the sentence or ceased to be subject to its enforcement;
 - (v) a corporation with a managing officer that falls under one of the preceding items;
 - (vi) a minor, adult ward, person under curatorship, or person under assistance whose statutory agent falls under one of the preceding items (but only if that statutory agent has the authority to represent the person as regards the commercial manufacture of Ethanol).

(Licensing Criteria)

Article 6 The Minister of Economy, Trade and Industry must not grant a person a license as referred to in the preceding paragraph without confirming that the licensing application referred to in Article 3, paragraph (1) conforms to all of the following:

- (i) the applicant has the necessary financial base and technical capabilities to operate properly;
- (ii) measures to manage Ethanol quantity conform to the criteria prescribed by Ordinance of the Ministry of Economy, Trade and Industry;
- (iii) there is no concern of interference with the secure and appropriate distribution of Ethanol.

(Succession)

Article 7 (1) If a Manufacturer transfers all of its business, or if a Manufacturer is succeeded to by inheritance or it merges or splits (but only if a person

succeeds to all of the business), the transferee, heir (or, if there are two or more heirs and they unanimously select one heir to succeed to the business, that person; the same applies hereinafter), corporation surviving the merger, corporation established by the merger, or corporation succeeding to all of the business after the split succeeds to the position of Manufacturer; provided, however, that this does not apply if the transferee, heir, corporation surviving the merger, corporation established by the merger, or corporation succeeding to all of the business after the split falls under one of the items of Article 5.

- (2) A person succeeding to the position of Manufacturer pursuant to the provisions of the preceding paragraph must inform the Minister of Economy, Trade and Industry of this without delay.

(Permission to Change)

Article 8 (1) A Manufacturer must receive the permission of the Minister of Economy, Trade and Industry before changing a particular set forth in Article 3, paragraph (2), item (vi); provided, however, that this does not apply if the Manufacturer seeks to make a minor change provided for by Ordinance of the Ministry of Economy, Trade and Industry.

- (2) The Manufacturer must notify the Minister of Economy, Trade and Industry, either without delay if there has been a change with respect to a particular set forth in Article 3, paragraph (2) items (i) through (iv) or item (viii) or if it has made a minor change as provided by Ordinance of the Ministry of Economy, Trade and Industry which is referred to in the proviso of the preceding paragraph; and must notify the Minister of Economy, Trade and Industry before changing a particular set forth in paragraph (2), item (v) or item (vii) of that Article.

- (3) The provisions of Article 6 apply mutatis mutandis to the permission set forth in paragraph (1).

(Reports)

Article 9 (1) A Manufacturer must have books for use in bookkeeping, enter in those books the information prescribed by Ordinance of the Ministry of Economy, Trade and Industry in connection with its business operations, and keep them on file, pursuant to Ordinance of the Ministry of Economy, Trade and Industry.

- (2) Each year, a Manufacturer must report the information prescribed by Ordinance of the Ministry of Economy, Trade and Industry in connection with its business operations to the Minister of Economy, Trade and Industry, pursuant to Ordinance of the Ministry of Economy, Trade and Industry.
- (3) In addition to reporting as provided in the preceding paragraph, if a Manufacturer mislays any Ethanol, Yeast Starter, or Fermenting Mash that is

a part of its operations or if any of these are stolen, it must immediately report this to the Minister of Economy, Trade and Industry pursuant to Ordinance of the Ministry of Economy, Trade and Industry and submit to the Minister's investigations.

(Business Improvement Orders)

Article 10 If the Minister of Economy, Trade and Industry finds it to be necessary for a Manufacturer to make improvements in order to ensure the appropriate distribution of Ethanol in connection with the operation of its business, the Minister may order the Manufacturer to take the necessary measures to make those improvements.

(Notification of Discontinuation)

Article 11 (1) If a Manufacturer discontinues its business operations, it must file notification of this with the Minister of Economy, Trade and Industry without delay.

(2) A Manufacturer's license becomes invalid if it discontinues its business operations.

(Revocation of License)

Article 12 The Minister of Economy, Trade and Industry may revoke a Manufacturer's license, or may order the suspension of its business operations during a fixed period of no longer than six months, if it falls under one of the following items:

- (i) it violates this Act, an order based on this Act, or the terms and conditions of a disposition, license, or permission based on any of the foregoing;
- (ii) it comes to fall under Article 5, item (i) or item (iv) through item (vi);
- (iii) it fails to commence business operations within two years and has no legitimate reason for failing to do so, or it continues a suspension of business operations for longer than two years, without a legitimate reason for doing so;
- (iv) it received its license as referred to in Article 3, paragraph (1) or permission as referred to Article 8, paragraph (1) through wrongful means;
- (v) it changes a particular that it is required to receive permission to change pursuant to Article 8, paragraph (1), without receiving the permission referred to in that paragraph.

(Continuation of Necessary Activities)

Article 13 (1) If the proviso of Article 7, paragraph (1) applies to the heir of a Manufacturer, if a Manufacturer's license is invalidated pursuant to the provisions of Article 11, paragraph (2), or if a Manufacturer's license is revoked

pursuant to the provisions of the preceding Article, but there are still partially-finished products or Ethanol from the Manufacturer's business activities at its manufacturing plant or warehouse, the Minister of Economy, Trade and Industry, at the application of heir, recipient of the invalidated license, or recipient of the revoked license, may allow that person to continue to manufacture or transfer the Ethanol for the period of time fixed by the Minister.

(2) In a case as referred to in the preceding paragraph, the person provided for in that paragraph is deemed to be a Manufacturer during the period fixed by the Minister of Economy, Trade and Industry pursuant to the provisions of that paragraph, and the provisions of this Act apply.

(Manufacturers Register)

Article 14 (1) The Minister of Economy, Trade and Industry must have a register of Manufacturers containing the information set forth in Article 3, paragraph (2), item (i), item (ii), and item (v) and the information provided for by Ordinance of the Ministry of Economy, Trade and Industry as it relates to Manufacturers.

(2) The Minister of Economy, Trade and Industry must make the register of Manufacturers available for inspection by the general public.

(Prohibition on the Transfer of Yeast Starter)

Article 15 A Manufacturer must not transfer ownership of Yeast Starter or Fermenting Mash used in the manufacture of Ethanol, must not use these for purposes other than manufacturing Ethanol, and must not transfer these outside of its manufacturing plant without the authorization of the Minister of Economy, Trade and Industry.

Section 2 Commercial Importation of Ethanol

(Import Licensing)

Article 16 (1) A person must be licensed by the Minister of Economy, Trade and Industry in order to import Ethanol in the course of trade.

(2) A person seeking to be licensed as referred to in the preceding paragraph must submit a paper application to the Minister of Economy, Trade and Industry giving the following information, pursuant to Ordinance of the Ministry of Economy, Trade and Industry:

(i) the applicant's trade name or name and the applicant's address;

(ii) the name and address of the representative, if the applicant is a corporation;

(iii) the name or trade name and the address of the statutory agent (but only

- one with authority to represent the applicant as regards the commercial importation of Ethanol), if the applicant is a minor, adult ward, person under curatorship, or person under assistance;
- (iv) the name and address of the representative, if the statutory agent provided for in the preceding item is a corporation;
 - (v) the location of the principal office and the locations of the warehouses;
 - (vi) the functions and structures of the equipment at each warehouse;
 - (vii) the planned date for commencement of operations;
 - (viii) the information specified by Ordinance of the Ministry of Economy, Trade and Industry.

Article 17 A person not licensed as referred to in paragraph (1) of the preceding Article (hereinafter a person so licensed is referred to as an "Importer") must not import Ethanol; provided, however, that this does not apply if a person imports Ethanol for use in testing, research, or analysis, having received the authorization of the Minister of Economy, Trade and Industry to do so pursuant to Ordinance of the Ministry of Economy, Trade and Industry.

(Licensing Criteria)

Article 18 The Minister of Economy, Trade and Industry must not grant a person a license as referred to in the preceding paragraph without confirming that the licensing application referred to in Article 16, paragraph (1) conforms to all of the following:

- (i) the applicant has the necessary financial base to operate properly;
- (ii) measures to manage Ethanol quantity conform to the criteria prescribed by Ordinance of the Ministry of Economy, Trade and Industry;
- (iii) there is no concern of interference with the secure and appropriate distribution of Ethanol.

(Continuation of Necessary Activities)

Article 19 (1) If the proviso of Article 7, paragraph (1) as applied mutatis mutandis pursuant to the following Article applies to the heir of an Importer, if an Importer's license is invalidated pursuant to the provisions of Article 11, paragraph (2) as applied mutatis mutandis pursuant to the following Article, or if an Importer's license is revoked pursuant to the provisions of Article 12 as applied mutatis mutandis pursuant to the following Article, but there is still Ethanol from the Importer's business activities at its warehouse, the Minister of Economy, Trade and Industry, at the application of the heir, recipient of the invalidated license, or recipient of the revoked license, may allow that person to continue to transfer that Ethanol for the period of time fixed by the Minister.

(2) In a case as referred to in the preceding paragraph, the person provided for in

that paragraph is deemed to be an Importer during the period fixed by the Minister of Economy, Trade and Industry pursuant to the provisions of that paragraph, and the provisions of this Act apply.

(Mutatis Mutandis Application)

Article 20 The provisions of Article 5 apply mutatis mutandis to licensing as referred to in Article 16, paragraph (1), and the provisions of Article 7 through Article 12 and Article 14 apply mutatis mutandis to Importers. This being the case, in Article 7, paragraph (1), the phrase "one of the items of Article 5" is deemed to be replaced with "one of the items of Article 5 as applied mutatis mutandis pursuant to Article 20"; in Article 8, paragraph (1), the phrase "Article 3, paragraph (2), item (vi) " is deemed to be replaced with "Article 16, paragraph (2), item (vi); in paragraph (2) of that Article, the phrase "Article 3, paragraph (2) items (i) through (iv) or item (viii)" is deemed to be replaced with "Article 16, paragraph (2), items (i) through (iv) or item (viii)"; in paragraph (3) of that Article, the phrase "Article 6" is deemed to be replaced with "Article 18"; in Article 9, paragraph (3), the phrase "Ethanol, Yeast Starter, or Fermenting Mash" is deemed to be replaced with "Ethanol"; in Article 12, item (ii), the phrase "Article 5, item (i) or item (iv) through item (vi)" is deemed to be replaced with "Article 5, item (i) or item (iv) through item (vi) as applied mutatis mutandis pursuant to Article 20"; in item (iv) of that Article, the phrase "Article 3, paragraph (1)" is deemed to be replaced with "Article 16, paragraph (1)"; in that item and in item (v) of that Article, the phrase "Article 8, paragraph (1)" is deemed to be replaced with "Article 8, paragraph (1) as applied mutatis mutandis pursuant to Article 20"; in Article 14, the phrase "register of Manufacturers" is deemed to be replaced with "register of Importers"; and in paragraph (1) of that Article, the phrase "Article 3, paragraph (2), item (i), item (ii), and item (v)" is deemed to be replaced with "Article 16, paragraph (2), item (i), item (ii), and item (v)".

Section 3 Sale of Ethanol

(Sales License)

Article 21 (1) A person must be licensed by the Minister of Economy, Trade and Industry in order to sell Ethanol (other than Special Types of Ethanol; the same applies hereinafter in this Article and the following Article); provided, however, that this does not apply when a Manufacturer sells the Ethanol it manufactures or when an Importer sells the Ethanol it imports.

(2) A person seeking to be licensed as referred to in the preceding paragraph must submit a paper application to the Minister of Economy, Trade and Industry giving the following information, pursuant to Ordinance of the

Ministry of Economy, Trade and Industry:

- (i) the applicant's trade name or name and the applicant's address;
- (ii) the name and address of the representative, if the applicant is a corporation;
- (iii) the name or trade name and the address of the statutory agent (but only one with authority to represent the applicant as regards the sale of Ethanol), if the applicant is a minor, adult ward, person under curatorship, or person under assistance;
- (iv) the name and address of the representative, if the statutory agent provided for in the preceding item is a corporation;
- (v) the location of the principal office as well as the locations of the business offices and the warehouses;
- (vi) the functions and structures of equipment at each warehouse;
- (vii) the planned date for commencement of operations;
- (viii) the information specified by Ordinance of the Ministry of Economy, Trade and Industry.

- Article 22 (1) A person that is not licensed as referred to in paragraph (1) of the preceding Article (hereinafter a person so licensed is referred to as a "Seller"), and that is not a Manufacturer or Importer must not transfer Ethanol; provided, however, that this does not apply if a Licensed User transfers Ethanol with the authorization of the Minister of Economy, Trade and Industry.
- (2) A Seller must not transfer Ethanol to a person other than a manufacturer or other licensed or authorized party (meaning a Manufacturer, Seller, Licensed User, or person authorized by the Minister of Economy, Trade and Industry pursuant to the provisions of Article 4, item (iii); the same applies hereinafter); provided, however, that this does not apply to exports.
- (3) A Manufacture must not transfer the Ethanol it manufactures to a person other than a manufacturer or other licensed or authorized party; provided, however, that this does not apply to exports.
- (4) An Importer must not transfer the Ethanol it imports to a person other than a manufacturer or other licensed or authorized party; provided, however, that this does not apply to exports.

(Licensing Criteria)

Article 23 The Minister of Economy, Trade and Industry must not grant a person a license as referred to in the preceding paragraph without confirming that the licensing application referred to in Article 21, paragraph (1) conforms to all of the following:

- (i) the applicant has the necessary financial base to operate properly;
- (ii) measures to manage Ethanol quantity conform to the criteria prescribed by

Ordinance of the Ministry of Economy, Trade and Industry;
(iii) there is no concern of interference with the secure and appropriate distribution of Ethanol.

(Continuation of Necessary Activities)

Article 24 (1) If the proviso of Article 7, paragraph (1) as applied mutatis mutandis pursuant to the following Article applies to a Seller's heir, if a Seller's license is invalidated pursuant to the provisions of Article 11, paragraph (2) as applied mutatis mutandis pursuant to the following Article, or if a Seller's license is revoked pursuant to the provisions of Article 12 as applied mutatis mutandis pursuant to the following Article, but there is still Ethanol from the Seller's business activities at its warehouse, the Minister of Economy, Trade and Industry, at the application of the heir, recipient of the invalidated license, or recipient of the revoked license, may allow that person to continue to transfer Ethanol for the period of time fixed by the Minister.

(2) In a case as referred to in the preceding paragraph, the person provided for in that paragraph is deemed to be a Seller during the period fixed by the Minister of Economy, Trade and Industry pursuant to the provisions of that paragraph, and the provisions of this Act apply.

(Mutatis Mutandis Application)

Article 25 The provisions of Article 5 apply mutatis mutandis to licensing as referred to in Article 21, paragraph (1), and the provisions of Article 7 through Article 12 and Article 14 apply mutatis mutandis to Sellers. This being the case, in Article 7, paragraph (1), the phrase "one of the items of Article 5" is deemed to be replaced with "one of the items of Article 5 as applied mutatis mutandis pursuant to Article 25"; in Article 8, paragraph (1), the phrase "Article 3, paragraph (2), item (vi)" is deemed to be replaced with "Article 21, paragraph (2), item (vi)"; in paragraph (2) of that Article, the phrase "Article 3, paragraph (2) items (i) through (iv) or item (viii)" is deemed to be replaced with "Article 21, paragraph (2), items (i) through (iv) or item (viii)"; in paragraph (3) of that Article, the phrase "Article 6" is deemed to be replaced with "Article 23"; in Article 9, paragraph (3), the phrase "Ethanol, Yeast Starter, or Fermenting Mash" is deemed to be replaced with "Ethanol"; in Article 12, item (ii), the phrase "Article 5, item (i) or item (iv) through item (vi)" is deemed to be replaced with "Article 5, item (i) or item (iv) through item (vi) as applied mutatis mutandis pursuant to Article 25"; in item (iv) of that Article, the phrase "Article 3, paragraph (1)" is deemed to be replaced with "Article 21, paragraph (1)"; in that item and in item (v) of that Article, the phrase "Article 8, paragraph (1)" is deemed to be replaced with "Article 8, paragraph (1) as applied mutatis mutandis pursuant to Article 25"; in Article 14, the phrase

"register of Manufacturers" is deemed to be replaced with "register of Sellers"; and in paragraph (1) of that Article, the phrase "Article 3, paragraph (2), item (i), item (ii), and item (v)" is deemed to be replaced with "Article 21, paragraph (2), item (i), item (ii), and item (v)".

Section 4 Use of Ethanol

(License to Use)

Article 26 (1) A person must be licensed by the Minister of Economy, Trade and Industry to make use of Ethanol (other than a Special Type of Ethanol; the same applies hereinafter in this Article and the next Article) for an industrial application;

(2) A person seeking to be licensed as referred to in the preceding paragraph must submit a paper application to the Minister of Economy, Trade and Industry giving the following information, pursuant to Ordinance of the Ministry of Economy, Trade and Industry:

(i) the applicant's trade name or name and the applicant's address;

(ii) the name and address of the representative, if the applicant is a corporation;

(iii) the name or trade name and the address of the statutory agent (but only one with authority to represent the applicant as regards the use of Ethanol), if the applicant is a minor, adult ward, person under curatorship, or person under assistance;

(iv) the name and address of the representative, if the statutory agent provided for in the preceding item is a corporation;

(v) the location of the principal office as well as the locations of the facilities in which Ethanol will be used and the warehouse equipment;

(vi) the intended uses and methods of use at each facility in which Ethanol will be used, as well as the functions and structures of the pieces of equipment connected with its use and the functions and structures of each piece of warehouse equipment;

(vii) the period of use;

(viii) the information specified by Ordinance of the Ministry of Economy, Trade and Industry.

Article 27 (1) A person that is not a Licensed User must not use Ethanol; provided, however, that this does not apply if a person uses it for testing, research, or analysis, having received the authorization of the Minister of Economy, Trade and Industry to do so pursuant to the provisions of the proviso to Article 17.

(2) A Licensed User must use Ethanol for the intended use for which it has been

licensed, using the method of use for which it has been licensed.

(Licensing Criteria)

Article 28 The Minister of Economy, Trade and Industry must not grant a person a license as referred to in the preceding paragraph without confirming that the licensing application referred to in Article 26, paragraph (1) conforms to all of the following:

- (i) the method of use is found to allow the person to adequately manage Ethanol quantities;
- (ii) measures to manage Ethanol quantity conform to the criteria prescribed by Ordinance of the Ministry of Economy, Trade and Industry;
- (iii) there is no concern of interference with the secure and appropriate distribution of Ethanol.

(Continuation of Necessary Activities)

Article 29 (1) If the proviso of Article 7, paragraph (1) as applied mutatis mutandis pursuant to the following Article applies to the heir of a Licensed User, if a Licensed User's license is invalidated pursuant to the provisions of Article 11, paragraph (2) as applied mutatis mutandis pursuant to the following Article, or if a Licensed User's license is revoked pursuant to the provisions of Article 12 as applied mutatis mutandis pursuant to the following Article, but there is still Ethanol at a facility where the Licensed User used it or in its warehouse equipment, the Minister of Economy, Trade and Industry, at the application of the heir, recipient of the invalidated license, or recipient of the revoked license, may allow that person to continue to use the Ethanol for the period of time fixed by the Minister.

- (2) In a case as referred to in the preceding paragraph, the person provided for in that paragraph is deemed to be a Licensed User during the period fixed by the Minister of Economy, Trade and Industry pursuant to the provisions of that paragraph, and the provisions of this Act apply.

(Mutatis Mutandis Application)

Article 30 The provisions of Article 5 apply mutatis mutandis to licensing as referred to in Article 26, paragraph (1), and the provisions of Article 7 through Article 12 and Article 14 apply mutatis mutandis to Licensed Users. This being the case, in Article 7, paragraph (1), the phrase "one of the items of Article 5" is deemed to be replaced with "one of the items of Article 5 as applied mutatis mutandis pursuant to Article 30"; in Article 8, paragraph (1), the phrase "Article 3, paragraph (2), item (vi)" is deemed to be replaced with "Article 26, paragraph (2), item (vi)"; in paragraph (2) of that Article, the phrase "Article 3, paragraph (2) items (i) through (iv) or item (viii)" is deemed to be replaced with

"Article 26, paragraph (2), items (i) through (iv) or item (viii)"; in paragraph (3) of that Article, the phrase "Article 6" is deemed to be replaced with "Article 28"; in Article 9, paragraph (3), the phrase "Ethanol, Yeast Starter, or Fermenting Mash" is deemed to be replaced with "Ethanol"; in Article 11 and Article 12, the term "business operations" is deemed to be replaced with "use"; in Article 12, item (ii), the phrase "Article 5, item (i) or item (iv) through item (vi)" is deemed to be replaced with "Article 5, item (i) or item (iv) through item (vi) as applied mutatis mutandis pursuant to Article 30"; in item (iv) of that Article, the phrase "Article 3, paragraph (1)" is deemed to be replaced with "Article 26, paragraph (1)"; in that item and in item (v) of that Article, the phrase "Article 8, paragraph (1)" is deemed to be replaced with "Article 8, paragraph (1) as applied mutatis mutandis pursuant to Article 30"; in Article 14, the phrase "register of Manufacturers" is deemed to be replaced with "register of Licensed Users"; and in paragraph (1) of that Article, the phrase "Article 3, paragraph (2), item (i), item (ii), and item (v)" is deemed to be replaced with "Article 26, paragraph (2), item (i), item (ii), and item (v)".

Chapter III Transfer of Special Types of Ethanol

(Payments to the Treasury)

Article 31 (1) When a Manufacturer or Importer transfers Ethanol as a Special Type of Ethanol, it must pay to the treasury the amount resulting when the quantity of the Special Type of Ethanol so transferred is multiplied by the Additional Amount for that Special Type of Ethanol.

(2) The procedure for making payments to the treasury pursuant to the provisions of the preceding paragraph is provided for by Cabinet Order.

(Provision of Collateral)

Article 32 (1) If the Minister of Economy, Trade and Industry finds it to be necessary to do so in order to secure a Manufacturer's or Importer's performance of the obligation to make a payment under the paragraph (1) of the preceding Article, the minister may order the Manufacturer or Importer to provide collateral to secure that payment, specifying the amount of the collateral and timeframe for providing it, pursuant to Cabinet Order.

(2) The Minister of Economy, Trade and Industry may change the amount and timeframe referred to in the preceding paragraph if the minister finds this to be necessary.

(3) Having ordered a Manufacturer or Importer to provide collateral pursuant to paragraph (1), if the Minister of Economy, Trade and Industry finds it to be necessary to do so, the minister may prohibit the Manufacturer or Importer from disposing of or transferring the Ethanol it holds until it provides the

collateral.

Article 33 Deleted

Article 34 Deleted

Chapter IV Miscellaneous Provisions

(Restrictions on Diluting Ethanol)

Article 35 It is prohibited for a Manufacturer, Importer, Seller, or Licensed User to dilute Ethanol (other than a Special Type of Ethanol) to an alcohol content of below 90 percent, other than if a Licensed User dilutes it as a part of the process of use or as otherwise provided by Ordinance of the Ministry of Economy, Trade and Industry.

(Collection of Payments)

Article 36 (1) The Minister of Economy, Trade and Industry must order the person set forth in the relevant of the following items to pay to the treasury the amount resulting when the quantity of Ethanol that is set forth in that item is multiplied by the Additional Amount for that Ethanol:

- (i) a Manufacturer (other than one that has exported the relevant Ethanol) that transfers Ethanol (other than a Special Type of Ethanol; the same applies hereinafter in this Article) to a person other than a manufacturer or other licensed or authorized party: the quantity of Ethanol so transferred;
- (ii) an Importer (other than one that has exported the relevant Ethanol) that transfers Ethanol to a person other than a manufacturer or other licensed or authorized party: the quantity of Ethanol so transferred;
- (iii) a Seller (other than one that has exported the relevant Ethanol) that transfers Ethanol to a person other than a manufacturer or other licensed or authorized party: the quantity of Ethanol so transferred;
- (iv) a Licensed User that transfers Ethanol (other than if the user transfers that Ethanol after receiving authorization as under the proviso of Article 22, paragraph (1)): the quantity of Ethanol so transferred;
- (v) a Manufacturer that uses Ethanol: the quantity of Ethanol used;
- (vi) an Importer that uses Ethanol: the quantity of Ethanol used;
- (vii) a Seller that uses Ethanol: the quantity of Ethanol used;
- (viii) a Licensed User that uses Ethanol other than for the intended use for which the user has been licensed as referred to in Article 26, paragraph (1): the quantity of Ethanol so used.

(2) A person subject to an order under the preceding paragraph must pay the amount provided for in that paragraph to the treasury.

- (3) A payment prescribed in paragraph (1) is not exacted for Ethanol confiscated pursuant to Article 47, paragraph (2).

(Enforced Collection Actions)

Article 37 (1) If a person fails to make a payment as under Article 31, paragraph (1) or a payment as prescribed in paragraph (1) of the preceding Article by the due date, the Minister of Economy, Trade and Industry must issue a demand in the form of a final notice that specifies the deadline by which the person must pay.

- (2) Having issued a demand under the preceding paragraph, the Minister of Economy, Trade and Industry may collect late charges as calculated from the day after the due date to the date of payment, at an interest rate of 14.5 percent per annum of the amount to be paid that is referred to in that paragraph.
- (3) In a case as referred to in the preceding paragraph, if the person pays a part of the amount to be paid, the basis for calculating the amount of late charges after the date of the partial payment is the full amount to be paid less the amount that the person has paid.
- (4) If a person subject to a demand under paragraph (1) fails to pay the amount that must be paid by the deadline that has been specified, the Minister of Economy, Trade and Industry may collect the payment and late charges prescribed in paragraph (1) and paragraph (2) pursuant to the rules governing the clearing of overdue national tax balances. In such a case, the statutory lien for payment and late charges is ranked after national taxes and local taxes.
- (5) Late charges take precedence over the original payment.

(Prohibition against Possession of Illicitly Produced Ethanol)

Article 38 In addition to prohibitions under other applicable laws and regulations, it is prohibited for any person to possess, transfer, or receive Ethanol that is manufactured in violation of the provisions of Article 4 or imported in violation of the provisions of Article 17.

(Conditions of License)

Article 39 (1) Conditions may be attached to a license or authorization, and such conditions may be changed.

- (2) The conditions referred to in the preceding paragraph must be kept to the bare minimum of what is needed to ensure the reliable implementation of the licensed or authorized activity, and must not be such as would impose an undue obligation on the recipient of the license or authorization.

(Reporting and On-Site Inspections)

Article 40 (1) Beyond as specified elsewhere in this Act, the Minister of Economy, Trade and Industry, within the scope of what is necessary in order to implement this Act, may have a Manufacturer, Importer, Seller, Licensed User, person authorized by the Minister of Economy, Trade and Industry pursuant to Article 4, item (iii) (referred to as a "person authorized to manufacture ethanol for testing or research" in the following paragraph), or person authorized by the Minister of Economy, Trade and Industry pursuant to the proviso of Article 17 (referred to as an "authorized importer" in the next paragraph) submit a business report.

(2) The Minister of Economy, Trade and Industry, within the scope of what is necessary in order to implement this Act, may have ministry officials enter the offices or other business location of a Manufacturer; Importer; Seller; Licensed User; person authorized to manufacture ethanol for testing or research; or authorized importer, to inspect its Ethanol, Yeast Starter, Fermenting Mash, machinery, equipment, books, documents, or other materials; to question related parties; or to remove Ethanol or any other samples in quantities limited to the minimum necessary for analysis.

(3) An official conducting an on-site inspection pursuant to the provisions of the preceding paragraph must carry proof of identity and present it to persons concerned.

(4) The authority to conduct an on-site inspection under paragraph (2) must not be construed as having been granted for the purposes of a criminal investigation.

(Measures for Urgent Circumstances)

Article 41 (1) In urgent circumstances (meaning if the Minister of Economy, Trade and Industry finds it to be necessary to urgently increase the Ethanol supply due to a substantial deficiency in the Ethanol supply or the likelihood thereof; the same applies hereinafter in this Article), the Minister of Economy, Trade and Industry may inform a Manufacturer, Importer, Seller, or Licensed User of the urgent circumstances, have it report the quantity of Ethanol it plans to manufacture and other necessary information, and issue a recommendation for a Manufacturer to increase the quantity of Ethanol it plans to manufacture, for an Importer to increase the quantity of Ethanol it plans to import, or for a Manufacturer or Importer to take any other necessary measures, pursuant to Ordinance of the Ministry of Economy, Trade and Industry.

(2) Having issued a recommendation under the preceding paragraph, the Minister of Economy, Trade and Industry may disclose to the public any instance in which a person subject to the recommendation fails to implement it and is without a legitimate reason for failing to do so.

(3) In urgent circumstances, the Minister of Economy, Trade and Industry is to provide the people with necessary information about the status of Ethanol manufacturing, importation, distribution, and availability, in order to contribute to the stable development of the national economy.

(Exclusion from Application)

Article 42 The provisions of this Act do not apply to Ethanol manufactured at a place where a person that has been licensed to manufacture alcoholic beverages pursuant to the provisions of Article 7, paragraph (1) of the Liquor Tax Act has been licensed to use Ethanol as an ingredient in those alcoholic beverages.

(Delegation of Authority)

Article 43 It is permissible to have the Director of a Bureau of Economy, Trade and Industry undertake a matter that this Act places under the authority of the Minister of Economy, Trade and Industry, pursuant to Cabinet Order.

(Application to the State)

Article 44 The provisions of this Act apply to the State, with the exception of the provisions of Article 36, Article 37, and the next Chapter. This being the case, the terms "license" and "permission" are deemed to be replaced with "authorization".

(Transitional Measures)

Article 45 If an order is established, revised, or abolished based on this Act, the necessary transitional measures (including transitional measures in respect of penal provisions) may be specified in that order to the extent considered reasonably necessary upon its establishment, amendment, or abolition.

Chapter V Penal Provisions

Article 46 (1) A person falling under one of the following items is subject to imprisonment with required labor for not more than three years, a fine of not more than 3,000,000 yen, or both:

- (i) a person violating the provisions of Article 4 or Article 17;
- (ii) a person violating an order under Article 12 (including as applied *mutatis mutandis* pursuant to Article 20).

(2) Any attempt to commit the offense referred to in item (i) of the preceding paragraph is also punishable.

(3) Ethanol, Yeast Starter, and Fermenting Mash that are linked to an offense as referred to in paragraph (1), item (i) or the preceding paragraph, containers

holding these, and machinery and tools used to manufacture such Ethanol, are subject to confiscation; provided, however, that this does not apply to Ethanol, Yeast Starter, or Fermenting Mash, a container holding any of these, or machinery or a tool used to manufacture Ethanol, which a person other than the offender is found to have acquired after the fact and without knowledge of its connection to the offense.

- (4) In a case as referred to in the preceding paragraph, if all or part of the Ethanol, Yeast Starter, or Fermenting Mash cannot be confiscated, the offender is subject to the collection of a monetary value equivalent thereto.

Article 47 (1) A person falling under one of the following items is subject to imprisonment with required labor for not more than one year, a fine of not more than 1,000,000 yen, or both:

- (i) a person violating the provisions of Article 22;
 - (ii) a person violating an order under Article 12 as applied *mutatis mutandis* pursuant to Article 25 or Article 30;
 - (iii) a person violating the provisions of Article 27, paragraph (1);
 - (iv) a person that violates the provisions of Article 8, paragraph (1) as applied *mutatis mutandis* pursuant to Article 30 in changing the intended use of Ethanol for one of the facilities in which Ethanol is used, as referred to in Article 26, paragraph (2), item (iv);
 - (v) a person violating the provisions of Article 31, paragraph (1);
 - (vi) a person violating the provisions of Article 38.
- (2) Ethanol that is linked to an offence as referred to in the preceding paragraph (other than in item (ii) or item (v)) and any container holding it is subject to confiscation; provided, however, that this does not apply to Ethanol or a container holding it that any person other than the offender is found to have acquired after the fact and without knowledge of its connection to the offense.

Article 48 A person falling under one of the following items is subject to a fine of up to 2,000,000 yen:

- (i) a person that violates the provisions of Article 8, paragraph (1) in changing a particular set forth in Article 3, paragraph (2), item (vi);
- (ii) a person that violates the provisions of Article 8, paragraph (1) as applied *mutatis mutandis* pursuant to Article 20 in changing a particular set forth in Article 16, paragraph (2), item (vi);
- (iii) a person that violates the provisions of Article 8, paragraph (1) as applied *mutatis mutandis* pursuant to Article 25 in changing a particular set forth in Article 21, paragraph (2), item (vi);
- (iv) a person that violates the provisions of Article 8, paragraph (1) as applied *mutatis mutandis* pursuant to Article 30 in changing a particular set forth in

Article 26, paragraph (2), item (vi) (other than a person falling under paragraph (1), item (iv) of the preceding paragraph);
(v) a person violating the provisions of Article 35.

Article 49 A person violating an order under Article 10 (including as applied mutatis mutandis pursuant to Article 20, Article 25, or Article 30) is subject to a fine of not more than 1,000,000 yen.

Article 50 A person violating a condition referred to in Article 39, paragraph (1) is subject to a fine of not more than 300,000 yen.

Article 51 (1) A person falling under one of the following items is subject to a fine of not more than 200,000 yen:

- (i) a person that fails to enter the information prescribed in Article 9, paragraph (1) (including as applied mutatis mutandis pursuant to Article 20, Article 25, or Article 30), that falsely enters the information prescribed in that paragraph, or that fails to archive the books, in violation of that paragraph;
- (ii) a person failing to report as under Article 9, paragraph (2) (including as applied mutatis mutandis pursuant to the provisions of Article 20, Article 25, or Article 30); Article 40, paragraph (1); or Article 41, paragraph (1); or a person giving a false report;
- (iii) a person violating the provisions of Article 9, paragraph (3) (including as applied mutatis mutandis pursuant to the provisions of Article 20, Article 25, or Article 30);
- (iv) a person violating the provisions of Article 15;
- (v) a person that violates a prohibition under Article 32, paragraph (3) in disposing of or transferring Ethanol;
- (vi) a person that refuses, obstructs, or evades an investigation or removal under Article 40, paragraph (2), or that fails to answer or falsely answers a question under that paragraph.

(2) Yeast Starter or Fermenting Mash that is linked to an offence as referred to in item (iv) of the preceding paragraph is subject to confiscation; provided, however, that this does not apply to Yeast Starter, Fermenting Mash, or a container holding either of these which a person other than the offender is found to have acquired after the fact and without knowledge of its connection to the offense.

(3) In a case as referred to in the preceding paragraph, if all or part of the Yeast Starter or Fermenting Mash cannot be confiscated, the offender is subject to the collection of a monetary value equivalent thereto.

Article 52 If the representative of a corporation or the agent, employee, or other worker of a corporation or individual commits a violation as referred to in Article 46 through the preceding Article in connection with the business of the corporation or individual, in addition to the offender being subject to punishment, the corporation or individual is subject to the fine referred to in the relevant Article.

Article 53 A person failing to inform or notify as under the provisions of Article 7, paragraph (2); Article 8, paragraph (2); or Article 11, paragraph (1) (including as applied mutatis mutandis pursuant to Article 20, Article 25, or Article 30), or falsely informing or notifying as under those provisions, is subject to a non-criminal fine of not more than 100,000 yen.

Supplementary Provisions [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2001; provided, however, that the provisions of Article 3, paragraph (2); Article 16, paragraph (2); Article 21, paragraph (2); and Article 26, paragraph (2); as well as Article 23 of the Supplementary Provisions come into effect as of January 6 of that year.

Article 2 Deleted

Article 3 Deleted

Article 4 Deleted

Article 5 Deleted

Article 6 Deleted

(Review)

Article 7 The government is to review the provisions of this Act in response to changes in economic and social conditions in Japan and overseas as it relates to Ethanol, and is to set in place any necessary measures based on the results of its review.

Article 8 Deleted

(Repeal of the Act Establishing a State Monopoly on Ethanol and of Other Acts)

Article 9 The following Acts are hereby repealed:

- (i) the Act Establishing a State Monopoly on Ethanol (Act No. 32 of 1937);
- (ii) the Act Establishing a Special Account for the State's Monopoly of the Ethanol Business (Act No. 39 of 1947);
- (iii) the Act on Special Measures for Payments into the General Account from the Special Account for the State's Monopoly of the Ethanol Business (Act No. 30 of 1950).

(Transitional Measures for Persons Delegated with Manufacturing)

Article 10 (1) A person that, as of the time this Act comes into effect, is delegated with manufacturing Ethanol pursuant to Article 3, paragraph (2) of the Act Establishing a State Monopoly on Ethanol (hereinafter referred to as the "Former Act") prior to its repeal under the preceding Article, is deemed to be licensed as referred to in Article 3, paragraph (1) on the date this Act comes into effect (hereinafter referred to as the "Effective Date").

(2) In a case as referred to in the preceding paragraph, if the person that is deemed to be licensed as referred to in Article 3, paragraph (1) pursuant to the provisions of the preceding paragraph is in possession of Ethanol at the time this Act comes into effect, that Ethanol is deemed to have been manufactured by the person after the coming into effect of this Act, and this Act is applicable.

Article 11 Notwithstanding the provisions of Article 22, paragraph (1), if a person whose delegation to manufacture Ethanol as under Article 3, paragraph (2) of the Former Act is revoked before the Effective Date is in possession of Ethanol at the time this Act comes into effect, the person may transfer that Ethanol to a Manufacturer.

(Transitional Measures for Licensing to Establish and Permission to Change or Disestablish a Manufacturing Plant or Warehouse)

Article 12 If a person deemed, pursuant to Article 10, paragraph (1) of the Supplementary Provisions, to have been licensed as referred to in Article 3, paragraph (1), is granted or has applied for permission pursuant to the provisions of Article 7 of the Former Act as of the time this Act comes into effect, the person is deemed to have been granted or applied for that permission pursuant to Article 8, paragraph (1) on the Effective Date.

(Transitional Measures for Persons Permitted to Manufacture Ethanol for Testing or Research)

Article 13 Notwithstanding the provisions of Article 22, paragraph (1), if a person that has received the permission referred to in Article 18, paragraph (1) of the Former Act as of the time this Act comes into effect or a person whose

permission is revoked pursuant to the provisions of Article 18-2 or Article 18-3 of the Former Act before the Effective Date is in possession of Ethanol at the time this Act comes into effect, the person may transfer that Ethanol to a Manufacturer.

(Transitional Measures for the Treatment of Ethanol That the Minister of Economy, Trade and Industry Sells Before the Effective Date)

- Article 14 (1) The provisions of Article 22 through Article 25 of the Former Act and of Article 29-5 through Article 31 of that Act (including penal provisions connected with those provisions) remain in force even after this Act comes into effect with respect to any person purchasing Ethanol at a price as referred to in Article 20 of the Former Act, and to any Ethanol purchased and received at such a price, before the Effective Date. The necessary technical replacement of terms for such a case is prescribed by Cabinet Order.
- (2) The laws in force at the time in question continue to govern any request for the payment of monies equivalent to the difference prescribed in Article 27, paragraph (1) of the Former Act which involves a person that comes to fall under the provisions of that paragraph before the Effective Date.
- (3) Notwithstanding the provisions of Article 22, paragraph (1) and Article 27, paragraph (1), if, at the time this Act comes into effect, a person is in possession of Ethanol that the Minister of Economy, Trade and Industry has sold at a price as referred to in Article 19 of the Former Act (other than a person deemed, pursuant to paragraph (1) of the following Article, to have been licensed as referred to in Article 21, paragraph (1) and other than a person as prescribed in Article 16 of the Supplementary Provisions), the person may export or use that Ethanol.
- (4) Notwithstanding the provisions of Article 27, paragraph (1), if, at the time this Act comes into effect, a person is in possession of Ethanol that was bought at a price as referred to in Article 20 of the Former Act for an intended use set forth in item (i) or item (ii) of that Article, the person may use that Ethanol.
- (5) Notwithstanding the provisions of Article 22, paragraph (1), if, at the time this Act comes into effect, a person is in possession of Ethanol that was bought at a price as referred to in Article 20 of the Former Act for an intended use set forth in item (iii) of that Article, the person may export that Ethanol.

(Transitional Measures for Persons Designated as Sellers)

- Article 15 (1) A person designated pursuant to the provisions of Article 28 of the Former Act as of the time this Act comes into effect is deemed to have been licensed as referred to in Article 21, paragraph (1) on the Effective Date.
- (2) In a case as referred to in the preceding paragraph, if, at the time this Act comes into effect, a person that is deemed, pursuant to the preceding

paragraph, to have been licensed as referred to in Article 21, paragraph (1), is in possession of Ethanol that the Minister of Economy, Trade and Industry has sold at a price as referred to in Article 19 of the Former Act, that Ethanol is deemed to be a Special Type of Ethanol, and the provisions of this Act are applicable.

Article 16 If, at the time this Act comes into effect, a person whose designation as under Article 28 of the Former Act has been revoked before the Effective Date is in possession of Ethanol that the Minister of Economy, Trade and Industry has sold at a price as referred to in Article 19 of the Former Act, that Ethanol is deemed to be a Special Type of Ethanol, and the provisions of this Act are applicable.

Article 17 Deleted

(Transitional Measures for the Mutatis Mutandis Application of the Act
Governing the Handling of National Tax Law Violations)

Article 18 The provisions of Article 40 of the Former Act remain in force with respect to violations set forth in the Former Act that take place before this Act comes into effect, as well as with respect to violations set forth in the Former Act that take place after this Act comes into effect but with regard to which Article 14, paragraph (1) of the Supplementary Provisions provides that previous provisions are to remain in force. This being the case, in Article 40, paragraph (2) of the former Act, the term "state-monopoly official" is deemed to be replaced with "official designated by the Minister of Economy, Trade and Industry".

(Transitional Measures for Denial of a License to Manufacture Ethanol)

Article 19 For the purposes of applying Article 5, item (i), item (v), or item (vi) (including as applied mutatis mutandis pursuant to Article 20, Article 25, and Article 30), a person that has been sentenced to a fine pursuant to the provisions of the Former Act (including if previous provisions are to remain in force pursuant to Article 14, paragraph (1) of the Supplementary Provisions or if the laws in force at the time in question are to continue to govern pursuant to Article 22 of the Supplementary Provisions) or a person that has been issued a notice to pay (other than a notice to pay monies equivalent to a non-criminal fine) pursuant to the provisions of the Act Governing the Handling of National Tax Law Violations as applied mutatis mutandis pursuant to Article 40 of the Former Act (including if the previous provisions are to remain in force pursuant to the preceding Article) for violating the provisions of the Former Act (including if previous provisions are to remain in force pursuant to Article

14, paragraph (1) of the Supplementary Provisions) and that has obeyed the notice to pay, is deemed to have been fined pursuant to this Act on the date of becoming subject to that disposition or on the date of obeying that notice to pay.

Article 20 Deleted

Article 21 Deleted

(Transitional Measures for Penal Provisions)

Article 22 The laws in force at the time in question continue to govern the applicability of penal provisions to conduct that a person engages in before this Act comes into effect.

(Delegation to Cabinet Order)

Article 23 Beyond what is provided from Article 10 of the Supplementary Provisions through the preceding Article, transitional measures that need to be set in place for enforcing this Act are provided for by Cabinet Order.

Supplementary Provisions [Act No. 91 of May 31, 2000]

(Effective Date)

(1) This Act comes into effect as of the date on which the Act Partially Amending the Commercial Code (Act No. 90 of 2000) takes effect.

(Transitional Measures)

(2) If the date on which this Act takes effect falls before the date on which Article 8 of the Supplementary Provisions of the Act Establishing a Food and Agricultural Materials Inspection Center (Act No. 183 of 1999) takes effect, the phrase "Article 27" in the provisions of Article 31 that revise Article 19-5-2, Article 19-6, paragraph (1), item (iv), and Article 27 of the Act on Standardization and Proper Labeling of Agricultural and Forestry Products is deemed to be replaced with "Article 26".

Supplementary Provisions [Act No. 145 of December 11, 2002] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of its promulgation; provided, however, that the provisions of Article 15 through Article 19, Article 26, and Article 27, and the provisions of Article 6 through Article 34 of the Supplementary Provisions come into effect as of October 1, 2003.

(Transitional Measures Accompanying the Partial Amendment of the Ethanol Business Act)

Article 29 A disposition, procedure, or other action that is undertaken pursuant to the provisions of the Ethanol Business Act prior to its amendment under the preceding Article and before the preceding Article comes into effect is deemed to be a disposition, procedure, or other action undertaken pursuant to the equivalent provisions of this Act, the Act on General Rules, or the Ethanol Business Act following its amendment under the preceding Article.

(Transitional Measures for Penal Provisions)

Article 34 The laws in force at the time in question continue to govern the applicability of penal provisions to conduct that a person engages in before this Act comes into effect (and to conduct that a person engages in before the provisions prescribed in the proviso of Article 1 of the Supplementary Provisions come into effect; the same applies hereinafter in this Article), and previous laws continue to govern the applicability of penal provisions to conduct that a person engages in after this Act comes into effect but which, pursuant to these Supplementary Provisions, is to continue to be governed by laws previously in force.

(Delegation to Cabinet Order)

Article 35 Beyond what is prescribed in these Supplementary Provisions, transitional measures that need to be set in place due to the incorporation of organizations and any other transitional measures that need to be set in place for enforcing this Act are provided for by Cabinet Order.

Supplementary Provisions [Act No. 147 of December 1, 2004] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order, no longer than six months from the date of its promulgation.

Supplementary Provisions [Act No. 32 of April 20, 2005] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of its promulgation; provided, however, that Article 17 of the Supplementary Provisions as well as Article 19, Article 20, Article 21 (excluding the provisions that amend Article 5 of the Supplementary Provisions of the Act Establishing the New Energy and Industrial Technology Development Organization (Act No. 145 of 2002)), Article 22, and Article 23 of the Supplementary Provisions come into effect as

of April 1, 2006; and the provisions in Article 21 of the Supplementary Provisions that amend Article 5 of the Supplementary Provisions of the Act Establishing the New Energy and Industrial Technology Development Organization come into effect as of March 31, 2007.

(Transitional Measures Due to the Partial Amendment of the Ethanol Business Act)

- Article 20 (1) A disposition, procedure, or other action that is undertaken pursuant to the provisions of the former Ethanol Business Act is deemed to be a disposition, procedure, or other action undertaken pursuant to the equivalent provisions of the Ethanol Business Act following its amendment under the preceding Article.
- (2) The laws in force at the time in question continue to govern the applicability of penal provisions to conduct that a person engages in before the provisions of the preceding Article come into effect.
- (3) Beyond what is prescribed in the preceding two paragraphs, transitional measures needing to be set in place due to the amendment of the Ethanol Business Act as under the preceding Article are provided for by Cabinet Order.