

# **Act on Strengthening a Framework for Regional Growth and Development by Promoting Regional Economy Advancement Projects**

(Act No. 40 of May 11, 2007)

## Table of Contents

Chapter I General Provisions (Articles 1 to 3)

Chapter II Measures for Promotion of Regional Economy Advancement Projects

Section 1 Consent on Basic Plan (Articles 4 to 8)

Section 2 Measures for Areas for Promotion (Articles 9 to 12)

Section 3 Measures for Approved Regional Economy Advancement Project Plan (Articles 13 to 26)

Section 4 Measures for Approved Collaborative Assistance Plan (Articles 27 to 30)

Chapter III Miscellaneous Provisions (Articles 31 to 39)

Supplementary Provisions

## **Chapter I General Provisions**

(Purpose)

Article 1 The purpose of this Act is to strengthen a framework for regional growth and development by taking measures to effectively assist independent and planned efforts being made by local governments considering the socioeconomic circumstances of the regions, for the purpose of promotion of Regional Economy Advancement Project which creates high added value utilizing the industrial aggregation, tourism resources, specialty products, technologies, human resources, information and other characteristics of the regions from the natural, economic or social perspectives, and produces substantial economic effects for business operators in the regions, such as expanding trade and increasing opportunities to receive orders in the regions, and thereby contribute to the sound development of the national economy.

(Definitions)

Article 2 (1) The term "Regional Economy Advancement Project" as used in this Act means a business project that drives economic activities in a region that constitutes a coherent whole in terms of natural, economic, and social conditions, by creating high added value utilizing the industrial aggregation, tourism resources, specialty products, technologies, human resources, information and other characteristics of the region from the natural, economic

or social perspectives, and by producing substantial economic effects for business operators in the region, such as expanding trade and increasing opportunities to receive orders in the region.

- (2) The term "Regional Economy Advancement Project Assistance Organization" as used in this Act means an organization engaged in the assistance service for a Regional Economy Advancement Project, such as the promotion of technical research and development as well as transfer of their outcomes, market research and information service, promotion of enhancement of business management efficiency, smooth procurement of funds, trainings and other activities.
- (3) The term "Small and Medium-Sized Enterprise" as used in this Act means a person that falls under any of the following items:
- (i) a company whose amount of stated capital or the total amount of contribution is not more than three hundred million yen, or a company or an individual that has not more than three hundred regularly hired employees, whose principal business falls under the category of the manufacturing industry, construction industry, transport industry or other industries (excluding industries set forth in the following item through item (iv) and industries specified by Cabinet Order referred to in item (v));
  - (ii) a company whose amount of stated capital or the total amount of contributions is not more than one hundred million yen, or a company or an individual that has not more than one hundred regularly hired employees, whose principal business falls under the category of the wholesale industry (excluding industries specified by Cabinet Order referred to in item (v));
  - (iii) a company whose amount of stated capital or the total amount of contributions is not more than fifty million yen, or a company or an individual that has not more than one hundred regularly hired employees, whose principal business falls under the category of the service industry (excluding industries specified by Cabinet Order referred to in item (v));
  - (iv) a company whose amount of stated capital or the total amount of contributions is not more than fifty million yen, or a company or an individual that has not more than fifty regularly hired employees, whose principal business falls under the category of the retail industry (excluding industries specified by Cabinet Order referred to in the following item);
  - (v) a company whose amount of stated capital or the total amount of contributions is not more than the amount specified by Cabinet Order for each industry, or a company or an individual that has regularly hired employees of not more than the number specified by Cabinet Order for each industry, whose principal business falls under the category of the industries specified by Cabinet Order;
  - (vi) enterprise cooperatives;

- (vii) cooperative partnerships;
- (viii) a business cooperative, small business cooperative, commercial and industrial partnership, federation of cooperatives and other cooperatives and federations thereof established under special Acts, which are specified by Cabinet Order; or
- (ix) a corporation engaging in specified non-profit activities (meaning a corporation engaging in specified non-profit activities prescribed in Article 2, paragraph (2) of the Act on Promotion of Specified Non-profit Activities (Act No. 7 of 1998)) that has not more than three hundred regularly hired employees (for a business operator primarily engaged in retail business, not more than fifty regularly hired employees, or for a business operator primarily engaged in wholesale or service business, not more than one hundred regularly hired employees).

(Basic Policy)

Article 3 (1) The competent minister must formulate a basic policy for promoting the Regional Economy Advancement Project in the relevant region (hereinafter referred to as a "Basic Policy").

(2) The Basic Policy is to provide for the following matters:

- (i) the following matters relating to the promotion of the Regional Economy Advancement Project:
  - (a) matters relating to objectives of the promotion of the Regional Economy Advancement Project;
  - (b) basic matters relating to the designation of the Area for Promotion prescribed in Article 4, paragraph (2), item (i) and the Prioritized Area for Promotion prescribed in item (iv) of the same paragraph;
  - (c) basic matters relating to the characteristics of the region from the natural, economic or social perspectives which should be effectively utilized in the promotion of the Regional Economy Advancement Project;
  - (d) basic matters relating to the development of systems for contributing to the promotion of the Regional Economy Advancement Project, the development of an environment for the promotion of information processing for the Regional Economy Advancement Project, and the development of any other business environment necessary for the promotion of the Regional Economy Advancement Project;
  - (e) basic matters relating to the development of assistance service to be provided by Regional Economy Advancement Project Assistance Organizations or any other comprehensive assistance mechanism necessary for the promotion of the Regional Economy Advancement Project;
  - (f) conservation of environment, adjustment of land use (meaning adjustment of land use in relation to a permission or any other disposition under the

- Agricultural Land Act (Act No. 229 of 1952), the City Planning Act (Act No. 100 of 1968) and any other law; the same applies in Article 4, paragraph (2), item (ix) and Article 11) and any other matters to be taken into consideration for the promotion of the Regional Economy Advancement Project; and
- (g) any other important matters relating to the promotion of the Regional Economy Advancement Project;
  - (ii) the following matters relating to the collaboration among Regional Economy Advancement Project Assistance Organizations:
    - (a) matters relating to the significance and objectives of the collaboration among Regional Economy Advancement Project Assistance Organizations; and
    - (b) matters relating to the details and implementation methods of businesses to be implemented through collaboration among Regional Economy Advancement Project Assistance Organizations.
- (3) The competent minister is to amend a Basic Policy when any need arises due to changes in economic situations or any other changes in circumstances.
- (4) When the competent minister intends to formulate or revise the Basic Policy, the minister must consult with the heads of the relevant administrative organs (in the case where the administrative organ adopts a council system, that administrative organ; the same applies hereinafter) in advance.
- (5) When the competent minister formulated or revised the Basic Policy, the minister must publicize it without delay.

## **Chapter II Measures for Promotion of Regional Economy Advancement Projects**

### **Section 1 Consent on Basic Plan**

(Basic Plan)

- Article 4 (1) One municipality or two or more municipalities that contain a region that constitutes a coherent whole in terms of natural, economic and social conditions (including special wards; hereinafter simply referred to as "Municipalities") and prefectures that contain the relevant region of those Municipalities (hereinafter simply referred to as "Prefectures") may jointly formulate a basic plan concerning the promotion of Regional Economy Advancement Projects (hereinafter referred to as a "Basic Plan") based on the Basic Policy, may consult with the competent ministers pursuant to the provisions of order of the competent ministry, and may ask for their consent.
- (2) The Basic Plan is to provide for the following matters:
- (i) the area covered by the Basic Plan (hereinafter referred to as an "Area for Promotion");

- (ii) targets for economic effects of the promotion of the Regional Economy Advancement Project;
  - (iii) matters relating to the contents of the business required as the Regional Economy Advancement Project;
  - (iv) in the case where a prioritized area for the promotion of the Regional Economy Advancement Project is to be designated within the Area for Promotion (hereinafter referred to as a "Prioritized Area for Promotion"), that area;
  - (v) matters relating to the characteristics of the region from the natural, economic or social perspectives which should be effectively utilized in the promotion of the Regional Economy Advancement Project;
  - (vi) matters relating to the development of the business environment necessary for the promotion of the Regional Economy Advancement Project, such as the development of systems for contributing to the promotion of the Regional Economy Advancement Project, and the promotion of publication of publicly-owned data (meaning publicly disclosing the information necessary for the Regional Economy Advancement Project via the Internet and other means by local governments and any other public organizations in order to enable a person engaged in the Regional Economy Advancement Project to process the information by computers; the same applies in Article 8, paragraph (3));
  - (vii) matters relating to the details and implementation methods of assistance service to be implemented by the Regional Economy Advancement Project Assistance Organizations;
  - (viii) environmental conservation and any other matters to be taken into account in the promotion of the Regional Economy Advancement Project;
  - (ix) basic matters relating to the adjustment of land use for the purpose of promoting the Regional Economy Advancement Project, if such adjustment is to be made; and
  - (x) the term of the plan.
- (3) When a Municipality and Prefecture intends to formulate a Basic Plan, if a Regional Economy Advancement Project Promotion Council prescribed in Article 7, paragraph (1) has been established, it must discuss the matters specified in the Basic Plan at the Regional Economy Advancement Project Promotion Council.
- (4) A Basic Plan must be in conformity with national spatial strategies and any other regional promotion plan under the laws; plans of the State or Prefectures relating to facilities such as roads, rivers, railroads, ports and harbors, airports, etc.; city planning and basic policy on city planning of Municipalities under Article 18-2 of the City Planning Act; as well as an agricultural promotion regional development plan.
- (5) A Basic Plan is to be formulated in a way to clearly allocate roles of

Municipalities and Prefectures so that the Regional Economy Advancement Project will be promoted in an effective and efficient manner.

(6) The competent minister is to give consent to a Basic Plan if the minister determines that it satisfies all of the requirements specified in the following items:

(i) that the Basic Plan conforms to the Basic Policy;

(ii) that it is determined that the Regional Economy Advancement Project will exert significant economic effects on business operators within the Area for Promotion as a result of the implementation of the Basic Plan; and

(iii) that the Basic Plan is expected to be implemented in a smooth and stable manner.

(7) When the competent minister intends to give consent on the Basic Plan under the preceding paragraph, the minister must consult with the heads of the relevant administrative organs.

(8) When the consent on the Basic Plan under paragraph (6) is obtained, the Municipalities and Prefectures must publicize it without delay.

(Revision of the Basic Plan)

Article 5 (1) When a Municipality and Prefecture intend to effect any revision to a Basic Plan for which the consent under paragraph (6) of the preceding Article has been obtained, they must jointly consult with the competent minister and obtain consent pursuant to the provisions of order of the competent ministry; provided, however, that this does not apply to a minor revision specified by order of the competent ministry.

(2) When the Municipality and Prefecture effected a minor revision specified by order of the competent ministry referred to in the proviso to the preceding paragraph, they must notify the competent minister to that effect without delay, pursuant to the provisions of order of the competent ministry.

(3) The provisions of paragraph (3) and paragraphs (6) through (8) of the preceding Article apply mutatis mutandis to the revision to the Basic Plan referred to in paragraph (1).

(Collection of Report)

Article 6 The competent minister may request Municipalities and Prefectures to submit a report on the progress and implementation status of the Basic Plan for which consent under Article 4, paragraph (6) has been given (or, in the case of revision under paragraph (1) or (2) of the preceding Article, the revised Basic Plan; hereinafter referred to as a "Consented Basic Plan").

(Regional Economy Advancement Project Promotion Council)

Article 7 (1) Municipalities and Prefectures may provide for rules jointly with a

person expected to implement the assistance service prescribed in Article 2, paragraph (2) as a Regional Economy Advancement Project Assistance Organization through consultation, and organize a Regional Economy Advancement Project Promotion Council (hereinafter referred to as a "Council"), so as to discuss necessary matters relating to a Basic Plan which they are intending to formulate and the Consented Basic Plan as well as its implementation, and any other necessary matters relating to the promotion of the Regional Economy Advancement Project.

- (2) Municipalities or Prefectures which organize a Council pursuant to the provisions of the preceding paragraph may add a person or organization set forth in the following items that is not required to jointly organize a Council pursuant to the provisions of the same paragraph as a member of the Council:
  - (i) a commercial and industrial association or a chamber of commerce and industry which covers the Area for Promotion as a part of its district;
  - (ii) a university or any other research institute located within or near the Area for Promotion;
  - (iii) in addition to the organizations set forth in the preceding two items, an organization expected to have a close relationship in relation to the smooth and effective implementation of the Consented Basic Plan; and
  - (iv) a person who has expert knowledge and experience relating to the promotion of the Regional Economy Advancement Project.
- (3) When Municipalities or Prefectures intend to organize a Council pursuant to the provisions of paragraph (1), they must keep an announcement to that effect public for the period specified by order of the competent ministry, pursuant to the provisions of order of the competent ministry.
- (4) Where the fact that a Council is to be organized has been publicized pursuant to the provisions of the preceding paragraph, a person set forth in any of the items of paragraph (2) who is not required to be added as a member of the Council may request the Municipality or Prefecture that intends to organize the Council to add the person as a member of the Council during the period specified by order of the competent ministry referred to in the preceding paragraph.
- (5) A Council may, when it is found to be necessary, request the heads of the relevant administrative organs to provide materials, express opinions, give explanations, or provide other cooperation.
- (6) Beyond what is prescribed in the preceding paragraphs, matters necessary for the operation of the Council are to be provided for by the rules.

(Provision of Information to Municipalities and Prefectures)

Article 8 (1) The State is to endeavor to collect, compile, analyze, and provide information concerning economic situations of the region and information

necessary for the promotion of Regional Economy Advancement Projects by Municipalities and Prefectures, and also to endeavor to provide means to enable the Municipalities and Prefectures to collect, compile, and analyze that information, for the purpose of contributing to the formulation of the Basic Plan and achievement of the Consented Basic Plan by the Municipalities and Prefectures.

- (2) The State is to provide Municipalities and Prefectures involved in the Consented Basic Plan with advice necessary for the smooth and reliable implementation of the Consented Basic Plan.
- (3) The Information-technology Promotion Agency, Japan provides information relating to the development of the business environment prescribed in Article 4, paragraph (2), item (vi) that the agency implements (limited to public disclosure of government-owned data and any other developments of environment for the promotion of information processing for the Regional Economy Advancement Project) and implements any other necessary assistance services, upon the request of the Municipalities or Prefectures which have formulated the Consented Basic Plan.

## **Section 2 Measures for Areas for Promotion**

(Exception to the Factory Location Act)

Article 9 (1) Municipalities having a Prioritized Area for Promotion that is designated in the Consented Basic Plan (hereinafter referred to as a "Municipality with Prioritized Area for Promotion") may establish applicable rules, in lieu of rules that have been publicized pursuant to the provisions of Article 4, paragraph (1) of the Factory Location Act (Act No. 24 of 1959) or rules that have been established pursuant to the provisions of Article 4-2, paragraph (1) of the same Act, in Municipal Ordinances, within the scope of the standards set forth in the following paragraph, with regard to matters concerning the ratios of respective areas of green spaces (meaning green spaces prescribed in Article 4, paragraph (1), item (i) of the same Act; the same applies in the following paragraph) and environmental facilities (meaning environmental facilities prescribed in Article 4, paragraph (1), item (i) of the same Act; the same applies in the following paragraph) at factories or work sites pertaining to manufacturing industries, etc. (meaning manufacturing industries, etc. prescribed in Article 2, paragraph (3) of the same Act; the same applies in the following paragraph) in a factory location exceptional area (meaning an area within a Prioritized Area for Promotion designated by the Municipality where the Prioritized Area for Promotion is located, which requires the promotion of new or additional construction of factories or work sites (including changes of the purpose of use of existing factories or work



sites); hereinafter the same applied in this Article and paragraph (1) of the following Article) to the site area of those factories or work sites (those matters are referred to as "green space-area ratios, etc." in the following paragraph).

(2) The Minister of Economy, Trade and Industry and the ministers who have administrative jurisdiction over manufacturing industries, etc. are to consult with the heads of the relevant administrative organs, seek opinions from the Industrial Structure Council, and, based on the necessity of the intensive Regional Economy Advancement Project within the factory location exceptional area, publicize the standards for green space-area ratios, etc. for each category of factory location exceptional area in accordance with the level of need for developing green spaces and environmental facilities.

(3) While a Municipal Ordinance that establishes rules pursuant to the provisions of paragraph (1) (hereinafter referred to as a "Municipal Ordinance on Green Space Area Ratios" in this paragraph and paragraph (1) of the following Article) is in force, for the purpose of the application of the provisions of Article 9, paragraph (2), item (i) of the Factory Location Act in the case of making a recommendation under the same paragraph pertaining to the factory location exceptional area subject to the Municipal Ordinance on Green Space Area Ratios, the term "in the case where rules of the municipality have been established pursuant to the provisions of Article 4-2, paragraph (1), those rules of the municipality" in Article 9, paragraph (2), item (i) of the Factory Location Act is deemed to be replaced with "in the case where rules have been established pursuant to the provisions of Article 9, paragraph (1) of the Act on Strengthening a Framework for Regional Growth and Development by Promoting Regional Economy Advancement Projects (Act No. 40 of 2007), those rules".

Article 10 (1) Municipalities with Prioritized Areas for Promotion that have established a Municipal Ordinance on Green Space Area Ratios may, when a factory location exceptional area subject to the Municipal Ordinance on Green Space Area Ratios has been abolished (including partial abolishment), establish the necessary transitional measures in Municipal Ordinances, with regard to a specified factory prescribed in Article 6, paragraph (1) of the Factory Location Act (hereinafter simply referred to as a "specified factory" in the following paragraph) to which the Municipal Ordinance on Green Space Area Ratios was applied prior to the abolition in an area which has ceased to be a factory location exceptional area as a result of the abolition within the scope determined as being reasonably necessary following the abolition.

(2) While a Municipal Ordinance that establishes transitional measures pursuant to the provisions of the preceding paragraph is in force, for the purpose of the application of the provisions of Article 9, paragraph (2), item (i) of the Factory

Location Act in the case of making a recommendation under the same paragraph pertaining to the specific factory referred to in the preceding paragraph, the term "in the case where rules of the municipality have been established pursuant to the provisions of Article 4-2, paragraph (1), those rules of the municipality" in Article 9, paragraph (2), item (i) of the Factory Location Act is deemed to be replaced with "in the case where Municipal Ordinances have been established pursuant to the provisions of Article 10, paragraph (1) of the Act on Strengthening a Framework for Regional Growth and Development by Promoting Regional Economy Advancement Projects (Act No. 40 of 2007), those Municipal Ordinances".

(Formulation of Land Use Adjustment Plan)

- Article 11 (1) A Municipality with Prioritized Area for Promotion may formulate a plan for land use adjustment for a Regional Economy Advancement Project in the Prioritized Area for Promotion (hereinafter referred to as a "Land Use Adjustment Plan") from the standpoint of the promotion of a Regional Economy Advancement Project utilizing the region's special features within the Prioritized Area for Promotion (limited to an area located in the Municipality with a Prioritized Area for Promotion; hereinafter the same applies in this paragraph), consult with the prefectural governor, and may ask for consent.
- (2) The Land Use Adjustment Plan is to provide for the following matters:
- (i) an area designated as an area for the adjustment of land use for a Regional Economy Advancement Project (hereinafter referred to as a "land use adjustment area" in this paragraph and Article 17);
  - (ii) the following matters relating to a person intending to implement a Regional Economy Advancement Project in the relevant land use adjustment area:
    - (a) the details of the Regional Economy Advancement Project;
    - (b) scale of a facility to be used for the Regional Economy Advancement Project; and
  - (iii) the matters relating to the adjustment of land use within the relevant land use adjustment area.
- (3) If the prefectural governor determines that a Land Use Adjustment Plan conforms to a Basic Policy (limited to the matters prescribed in Article 3, paragraph (2), item (i), (b) and (f)) and Consented Basic Plan, the governor is to give consent to the Land Use Adjustment Plan.
- (4) A Land Use Adjustment Plan must be in conformity with national spatial strategies and any other regional promotion plan under the laws; plans of the State or Prefectures relating to facilities such as roads, rivers, railroads, ports and harbors, airports, etc.; city planning and basic policy on city planning of Municipalities under Article 18-2 of the City Planning Act; as well as an

agricultural promotion regional development plan.

- (5) When a Municipality with Prioritized Area for Promotion formulates a Land Use Adjustment Plan and obtains the consent under paragraph (3), it must publicize the plan without delay.
- (6) A person intending to implement a Regional Economy Advancement Project (limited to those which require adjustment of land use) may make a proposal on the formulation of a Land Use Adjustment Plan to the Municipality with a Prioritized Area for Promotion which covers an area for which the person intends to conduct the Regional Economy Advancement Project.
- (7) When the Municipality with a Prioritized Area for Promotion referred to in the preceding paragraph determines it unnecessary to formulate a land use adjustment area reflecting the proposal referred to in the same paragraph, it must endeavor to notify the proposing party to that effect and the reasons.

(Revision of Land Use Adjustment Plan)

Article 12 (1) When a Municipality with a Prioritized Area for Promotion intends to revise a Land Use Adjustment Plan for which consent is obtained under paragraph (3) of the preceding Article, it must consult with the prefectural governor and obtain consent.

- (2) The provisions of paragraphs (3) and (5) of the preceding Article apply mutatis mutandis to the consent referred to in the preceding paragraph.

### **Section 3 Measures for Approved Regional Economy Advancement Project Plan**

(Approval of Regional Economy Advancement Project Plan)

Article 13 (1) A person intending to implement a Regional Economy Advancement Project in the Area for Promotion may, solely or jointly with others, formulate a plan on a Regional Economy Advancement Project (hereinafter referred to as a "Regional Economy Advancement Project Plan") and apply for an approval by a prefectural governor having jurisdiction over the relevant Area for Promotion (in the case where persons intending to implement a Regional Economy Advancement Project also include a local government, the competent minister; hereinafter the same applies in this paragraph, paragraphs (1) and (2) of the following Article, Article 22, paragraphs (3) through (6) and Article 36, paragraph (1)), pursuant to the provisions of order of the competent ministry. In this case, if persons intending to implement a Regional Economy Advancement Project jointly formulated a Regional Economy Advancement Project Plan, they must designate a representative and submit it to the prefectural governor from which the approval is to be obtained, pursuant to the provisions of order of the competent

ministry.

- (2) The Regional Economy Advancement Project Plan must provide for the following matters:
  - (i) the details of the Regional Economy Advancement Project and the time of its implementation;
  - (ii) the amount of funds necessary for the Regional Economy Advancement Project and the procurement method thereof; and
  - (iii) economic effects of the implementation of the Regional Economy Advancement Project.
- (3) The Regional Economy Advancement Project Plan may provide for the following matters:
  - (i) matters relating to a facility to be used for the Regional Economy Advancement Project;
  - (ii) location, parcel number, land category and parcel area of the land for the facility to be used for the Regional Economy Advancement Project;
  - (iii) the following matters, in case where the provisions of Article 22, paragraph (1) or (2) are applied to a general incorporated association for the implementation of a Regional Economy Advancement Project:
    - (a) the name and location of the general incorporated association;
    - (b) the provisions of articles of incorporation of the general incorporated association relating to qualifications of its members (limited to provisions which prohibit the association from refusing membership of a person who is qualified as a member, or imposing conditions for membership on the person which are stricter than those imposed on the incumbent members when they became members, without any justifiable ground);
    - (c) products or services pertaining to the trademark for which the association seeks application of the provisions of Article 22, paragraph (1) or (2); and
  - (iv) the matters relating to the utilization (meaning use, transfer, exchange or loan of subsidized assets (meaning assets prescribed in Article 22 of the Act on Regulation of Execution of Budget Pertaining to Subsidies (Act No. 179 of 1955; hereinafter referred to as the "Act on Regulation of Subsidies"); hereinafter the same applies in this item and Article 27, paragraph (3)) or offering them for security for purposes other than granting of subsidies, etc. (meaning subsidies, etc. prescribed in Article 2, paragraph (1) of the Act on Regulation of Subsidies) allocated for the subsidized assets; hereinafter the same applies in Article 27, paragraph (3)) of subsidized assets in implementing a Regional Economy Advancement Project (limited to a project that includes a local government as persons intending to implement a Regional Economy Advancement Project).
- (4) If a prefectural governor receives an application under paragraph (1) and determines the Regional Economy Advancement Project Plan to be in

conformity with the Consented Basic Plan, the prefectural governor is to grant an approval.

- (5) If the prefectural governor intends to grant an approval under the preceding paragraph, and if the Regional Economy Advancement Project Plan contains any matters set forth in paragraph (3), items (i) and (ii), the prefectural governor must confirm that the location of lands prescribed in the same items and any other matters specified in the Regional Economy Advancement Project Plan conform to the Land Use Adjustment Plan for which consent is obtain under Article 11, paragraph (3) (if consent on revision under paragraph (1) of the preceding Article is given, the revised plan; referred to as a "consented land use adjustment plan" in paragraph (9) and Article 17).
- (6) When the prefectural governor has granted approval under paragraph (4), the prefectural governor must notify the heads of the relevant Municipalities to that effect, without delay.
- (7) If a competent minister receives an application under paragraph (1) and determines that the Regional Economy Advancement Project Plan is in conformity with the Basic Plan and that it would contribute to the achievement of the Consented Basic Plan, the competent minister is to grant an approval.
- (8) When the competent minister intends to grant an approval under the preceding paragraph, if the Regional Economy Advancement Project Plan contains any matters specified in the following items, the competent minister must hold a prior consultation on the Regional Economy Advancement Project Plan with the persons respectively set forth in the relevant items and obtain their consent:
  - (i) the matters set forth in paragraph (3), items (i) and (ii): prefectural governor;
  - (ii) matters set forth in paragraph (3), item (iv): head of relevant administrative organ pertaining to the relevant matter.
- (9) When a prefectural governor holds a consultation on a Regional Economy Advancement Project Plan containing the matters set forth in item (i) of the preceding paragraph, and determines that the Regional Economy Advancement Project Plan conforms to the consented land use adjustment plan, the prefectural governor is to give consent.
- (10) When the competent minister has granted approval under paragraph (7), the competent minister is to notify the heads of the relevant municipalities and the prefectural governor to that effect, without delay.

(Revision to Regional Economy Advancement Project Plan)

Article 14 (1) When the person who obtained an approval under paragraph (4) or (7) of the preceding Article (hereinafter referred to as an "Approved Regional Economy Advancement Project Operator") intends to revise the approved

Regional Economy Advancement Project Plan, the person must obtain an approval from the prefectural governor who granted the approval, pursuant to the provisions of order of the competent ministry.

- (2) When a prefectural governor determines that the Approved Regional Economy Advancement Project Operator does not implement a Regional Economy Advancement Project in accordance with a Regional Economy Advancement Project Plan approved under paragraph (4) or (7) of the preceding Article (when approval has been granted for revisions under the preceding paragraph, in accordance with the revised plan; hereinafter such plan is referred to as an "Approved Regional Economy Advancement Project Plan"), the prefectural governor may revoke the approval.
- (3) The provisions of paragraphs (4) through (10) of the preceding Article apply mutatis mutandis to the approval referred to in paragraph (1).

(Proposal on Measures for Development of Business Environment)

Article 15 (1) An Approved Regional Economy Advancement Project Operator (including a person intending to implement the Regional Economy Advancement Project in accordance with a Consented Basic Plan (hereinafter referred to as a "prospective applicant for approval" in this paragraph and the following paragraph)) may make a proposal to the head of the local government which formulated the Consented Basic Plan, in relation to measures to be taken by the local government for the development of the business environment which would be necessary for the implementation of the Regional Economy Advancement Project, pursuant to the provisions of order of the competent ministry. In this case, if a prospective applicant for approval intends to make a proposal, it must attach a Regional Economy Advancement Project Plan pertaining to the proposal.

- (2) If the head of the local government who received a proposal under the preceding paragraph believes that the proposal would contribute to the implementation of the Approved Regional Economy Advancement Project Plan (or, in the case where the proposal was made by a prospective applicant for approval, if the head determines that the proposal and the Regional Economy Advancement Project Plan pertaining to the proposal would contribute to the implementation of the Consented Basic Plan), and if the head determines that a measure taking into account the proposal would be necessary to be taken, the head is to endeavor to notify the proposing party of the determination as well as the contents of the measure without delay; or if the head determines that the measure taking into account the proposal would not be necessary to be taken, the head is to endeavor to notify the proposing party of the determination as well as the reason for it without delay.
- (3) In the case referred to in the preceding paragraph, the head of the local

government who received a proposal under paragraph (1) is to publicize the contents of measures if the head takes measures taking into account the proposal.

(Confirmation with the State)

Article 16 (1) When the head of the local government who received a proposal under paragraph (1) of the preceding Article implements measures taking into account the proposal, the head may request a confirmation from the competent minister on the interpretation of the provisions of laws providing for the regulations on the measures and orders based on laws (including a public notice; the same applies in the following paragraph and paragraph (3), pursuant to the provisions of order of the competent ministry.

- (2) If the competent minister receives a request under the preceding paragraph, and if the confirmation of interpretation for which the request is made relates to laws under the minister's administrative jurisdiction and orders based on laws, the competent minister is to respond without delay to the head of the local government who made the request.
- (3) If the competent minister receives a request under paragraph (1), and if the confirmation of interpretation for which the request is made relates to laws under the administrative jurisdiction of the head of another relevant administrative organ and orders based on laws, the competent minister is to seek confirmation from the head of the relevant administrative organ without delay. In this case, the head of the relevant administrative organ who received a request for confirmation is to respond to the competent minister without delay.
- (4) The competent minister who received a response under the preceding paragraph is to notify the head of the local government who made the request under paragraph (1) of the details of the response without delay.

(Consideration for Development of Facilities to Be Used for a Regional Economy Advancement Project)

Article 17 When the head of the administrative organ of the State or a prefectural governor receives a request for permission or any other disposition under the Agricultural Land Act, City Planning Act or any other laws for the purpose of implementation of an approved regional economy advancement project (meaning a Regional Economy Advancement Project to be implemented in accordance with an Approved Regional Economy Advancement Project Plan; the same applies hereinafter) which has been confirmed or consented under Article 13, paragraph (5) or (9) as a project conforming to the consented land use adjustment plan, the head or prefectural governor is to pay due consideration so that facilities to be used for the approved regional economy

advancement project in the land use adjustment area will be developed in a smooth manner.

(Special Provisions of the Small and Medium-Sized Enterprise Credit Insurance Act)

Article 18 (1) With regard to the application of the provisions of the Small and Medium-sized Enterprise Credit Insurance Act (Act No. 264 of 1950) set forth in the left-hand column of the following table, to insurance relationships of general insurance prescribed in Article 3, paragraph (1) of the same Act (referred to as "general insurance" in paragraphs (2) and (3)), unsecured insurance prescribed in Article 3-2, paragraph (1) of the same Act (referred to as "unsecured insurance" in paragraph (3)), or special petty insurance prescribed in Article 3-3, paragraph (1) of the same Act (referred to as "special petty insurance" in paragraph (3)), which pertain to a Small and Medium-Sized Enterprise that has received a guarantee related to a Regional Economy Advancement Project (meaning a guarantee of obligation prescribed in Article 3, paragraph (1), Article 3-2, paragraph (1), or Article 3-3, paragraph (1) of the same Act which is related to the funds necessary for the implementation of an approved regional economy advancement project; the same applies in paragraphs (2) and (3)), the terms set forth in the middle column of the following table in these provisions are deemed to be replaced with the terms set forth in the right-hand column of the same table.



Article 3, paragraph (1)	the total insurance value	each of the total insurance value of insurance relationships pertaining to a guarantee related to Regional Economy Advancement Projects prescribed in Article 18, paragraph (1) of the Act on Fortifying the Foundation for Regional Growth and Development by Promoting Regional Economy Advancement Projects (Act No. 40 of May 11, 2007) (hereinafter referred to as a "Guarantee Related to Regional Economy Advancement Projects") and the total insurance value of other insurance relationships
Article 3-2, paragraph (1) and Article 3-3, paragraph (1)	the total insurance value	each of the total insurance value of insurance relationships pertaining to a Guarantee Related to Regional Economy Advancement Projects and the total insurance value of other insurance relationships
Article 3-2, paragraph (3) and Article 3-3, paragraph (2)	out of the amount of said borrowings	out of the respective amount of said borrowings for each of a Guarantee Related to Regional Economy Advancement Projects and other guarantees
	said debtor	said debtor for each of a Guarantee Related to Regional Economy Advancement Projects and other guarantees

(2) With regard to the application of the provisions of Article 3, paragraph (2) and Article 5 of the Small and Medium-sized Enterprise Credit Insurance Act

to insurance relationships of general insurance that pertain to a guarantee related to a Regional Economy Advancement Project, the term "70 percent" in Article 3, paragraph (2) of the same Act and the term "70 percent (80 percent in the case of unsecured insurance, special petty insurance, current assets insurance, pollution prevention insurance, energy conservation insurance, overseas investment-related insurance, new business development insurance, business reconstruction insurance and specific corporate bond insurance)" in Article 5 of the same Act are deemed to be replaced with "80 percent".

- (3) The amount of insurance premiums of insurance relationships of general insurance, unsecured insurance or special petty insurance that pertain to a guarantee related to a Regional Economy Advancement Project is the amount obtained by multiplying the insurance amount by the rate specified by Cabinet Order that is set within two percent per annum, notwithstanding the provisions of Article 4 of the Small and Medium-sized Enterprise Credit Insurance Act.

(Special Provisions of the Small and Medium-Sized Enterprise Investment Business Corporation Act)

Article 19 (1) A small and medium-sized enterprise investment business corporation may conduct the following business, in addition to the businesses set forth in the items of Article 5, paragraph (1) of the Small and Medium-sized Enterprise Investment Business Corporation Act (Act No. 101 of 1963):

- (i) subscription for shares issued by a Small and Medium-Sized Enterprise at the time of the incorporation of a stock company with an amount of stated capital exceeding three hundred million yen for the purpose of implementing an approved regional economy advancement project, and the holding of shares pertaining to the subscription;
- (ii) subscription for shares, share options (excluding those attached to bonds with share options) or bonds with share options, etc. (meaning bonds with share options, etc. prescribed in Article 5, paragraph (1), item (ii) of the Small and Medium-sized Enterprise Investment Business Corporation Act; hereinafter the same applies in this item and the following paragraph) issued by a Small and Medium-Sized Enterprise which is a stock company with an amount of stated capital exceeding three hundred million yen for the purpose of procuring funds necessary for implementing the approved regional economy advancement project, and the holding of shares, share options (including shares issued or transferred through their exercise) or bonds with share options, etc. (including shares issued or transferred through the exercise of share options attached to bonds with share options, etc.) pertaining to the subscription.
- (2) The subscription for shares and holding of shares pertaining to the

subscription, under the provisions of item (i) of the preceding paragraph, and the subscription for shares, share options (excluding those attached to bonds with share options), or bonds with share options, etc. and the holding of shares, share options (including shares issued or transferred through their exercise) or bonds with share options, etc. (including shares issued or transferred through the exercise of share options attached to bonds with share options, etc.) pertaining to the subscription, pursuant to the provisions of item (ii) of the same paragraph, are deemed to be the businesses set forth in Article 5, paragraph (1), items (i) and (ii) of the Small and Medium-sized Enterprise Investment Business Corporation Act, respectively, with respect to the application of the provisions of the same Act.

(Special Provisions of the Act on Promotion of Food Marketing Structure Improvement)

Article 20 (1) The Organization of the Food-Marketing Structure Improvement designated under Article 11, paragraph (1) of the Act on Promotion of Food Marketing Structure Improvement (Act No. 59 of 1991) may carry out the following businesses, in addition to businesses set forth in the items of Article 12 of the same Act:

- (i) to guarantee obligations related to the borrowing of the funds necessary for the approved regional economy advancement project implemented by a person engaged in the production, manufacturing, processing, or sales business of foodstuffs (meaning foodstuffs prescribed in Article 2, paragraph (1) of the Act on Promotion of Food Marketing Structure Improvement) (excluding a local government; such person is referred to as a "food manufacturer, etc." in this item through item (iv));
  - (ii) to participate in an approved regional economy advancement project to be implemented by a food manufacturer, etc. by way of bearing part of the costs required for the implementation of that project;
  - (iii) to develop facilities to be used for an approved regional economy advancement project based on an entrustment from a food manufacturer, etc. which implements the approved regional economy advancement project;
  - (iv) to help raise the necessary funds for a food manufacturer, etc. which implements the approved regional economy advancement project; and
  - (v) to carry out businesses accompanying those set forth in the preceding items.
- (2) Where the Organization of the Food-Marketing Structure Improvement carries out businesses pursuant to the provisions of the preceding paragraph, with regard to the application of the provisions of the Act on Promotion of Food Marketing Structure Improvement set forth in the left column of the following table, the terms set forth in the middle column of the following table in these provisions are deemed to be replaced with the terms set forth in the right

column of the same table.

Article 13, paragraph (1)	business listed in item (i) of the preceding Article	business listed in item (i) of the preceding Article and the business listed in Article 20, paragraph (1), item (i) of the Act on Fortifying the Foundation for Regional Growth and Development by Promoting Regional Economy Advancement Projects (Act No. 40 of May 11, 2007; hereinafter referred to as the "Regional Economy Advancement Project Promotion Act")
Article 14, paragraph (1)	business listed in Article 12, item (i)	business listed in Article 12, item (i) and the business listed in Article 20, paragraph (1), item (i) of the Regional Economy Advancement Project Promotion Act
Article 18, paragraph (1), Article 19 and Article 20, paragraph (1), item (i)	business listed in the items of Article 12	business listed in the items of Article 12 and the business listed in the items of Article 20, paragraph (1) of the Regional Economy Advancement Project Promotion Act
Article 20, paragraph (1), item (iii)	this Chapter	this Chapter or the Regional Economy Advancement Project Promotion Act

(Special Provisions of the Patent Act)

Article 21 (1) For a patented invention pertaining to the outcome of an approved regional economy advancement project (limited to an invention filed for application within two years from the date of termination of the plan period of the Approved Regional Economy Advancement Project Plan) or for a patented invention pertaining to the patent right or the right to the grant of a patent succeeded pursuant to the Approved Regional Economy Advancement Project Plan for the purpose of working the patented invention, the Commissioner of

the Patent Office may reduce, exempt or extend a grace period for the payment of patent fees, pursuant to the provisions of Cabinet Order, if a person who is to pay patent fees for each year from the first to the tenth year under Article 107, paragraph (1) of the Patent Act (Act No. 121 of 1959) is a Small and Medium-Sized Enterprise which implements an approved regional economy advancement project.

- (2) For a patent application for invention pertaining to the outcome of an approved regional economy advancement project (limited to an invention filed for application within two years from the date of termination of the plan period of the Approved Regional Economy Advancement Project Plan) or for a patent application for invention pertaining to the right to the grant of a patent succeeded pursuant to the Approved Regional Economy Advancement Project Plan for the purpose of working the invention, the Commissioner of the Patent Office may reduce or exempt the payment of fees for request for examination to be paid pursuant to the provisions of Article 195, paragraph (2) of the Patent Act, pursuant to the provisions of Cabinet Order, if a person who requests examination of the patent application is a Small and Medium-Sized Enterprise which implements an approved regional economy advancement project.

(Special Provisions of the Trademark Act)

Article 22 (1) If Approved Regional Economy Advancement Project Operators include a general incorporated association (limited to ones whose articles of incorporation have the provisions which prohibit the association from refusing membership of a person who is qualified as a member, or imposing conditions for membership on the person which are stricter than those imposed on the incumbent members when they became members, without any justifiable ground), and if that general incorporated association intends to obtain a trademark registration of a regionally based collective trademark (meaning registration of a regionally based collective trademark prescribed in Article 7-2, paragraph (1) of the Trademark Act (Act No. 127 of 1959); hereinafter the same applies in this Article and the following Article) for the goods or services set forth in Article 13, paragraph (3), item (iii), (c) (hereinafter referred to as "products and services for the approved regional economy advancement project" in this Article), the provisions of the Trademark Act apply to the trademark registration of the regionally-based collective trademark, deeming the general incorporated association as a partnership, etc. prescribed in Article 7-2, paragraph (1) of the same Act, limited to the plan period of the Approved Regional Economy Advancement Project Plan pertaining to the products and services for the approved regional economy advancement project.

- (2) If a general incorporated association that is deemed as a partnership, etc. pursuant to the provisions of the preceding paragraph obtains a trademark

registration for a regionally-based collective trademark pertaining to the products and services for the approved regional economy advancement project, and where the association obtains an approval under Article 13, paragraph (4) or (7) within the plan period for the Approved Regional Economy Advancement Project Plan pertaining to the products and services for the approved regional economy advancement project (hereinafter referred to as a "current plan" in this paragraph) for any other Regional Economy Advancement Project Plan pertaining to the products and services for the approved regional economy advancement project (limited to a plan for which the date of commencement of the plan period is on or before the day immediately subsequent to the termination date of the plan period for the current plan), the provisions of the Trademark Act apply to the trademark registration of the regionally-based collective trademark, deeming the general incorporated association as a partnership, etc. prescribed in Article 7-2, paragraph (1) of the same Act, limited to the period from the date subsequent to the termination date of the plan period of the current plan to the termination date of the plan period of the other Approved Regional Economy Advancement Project Plan.

(3) A partnership, etc. prescribed in Article 7-2, paragraph (1) of the Trademark Act (excluding a person deemed as a partnership, etc. prescribed in paragraph (1) of the same Article pursuant to the provisions of the preceding two paragraphs) may, no later than three months before the termination date of the plan period of the Approved Regional Economy Advancement Project Plan, file an application with the prefectural governor who has approved that plan for transfer of trademark right to the partnership, etc. in relation to the products and services for the approved regional economy advancement project for which the trademark registration of the regionally-based collective trademark has been obtained, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(4) If the partnership, etc. that has filed an application for transfer of trademark right pursuant to the provisions of the preceding paragraph (hereinafter referred to as "applicant partnership, etc." in this paragraph) falls under all of the following items, the prefectural governor must approve the application. In this case, notwithstanding the provisions of Article 24-2, paragraph (4) of the Trademark Act and Article 98, paragraph (1), item (i) of the Patent Act as applied mutatis mutandis pursuant to Article 35 of the Trademark Act, the trademark right is deemed to be transferred to the applicant partnership, etc. on the day subsequent to the termination date of the plan period referred to in the preceding paragraph:

(i) it can be considered that the majority of members of the applicant partnership, etc. are members of a general incorporated association prescribed in paragraph (1);

- (ii) it can be considered that the applicant partnership, etc. or its members are persons conducting businesses in the Area for Promotion; and
  - (iii) the applicant partnership, etc. has obtained consent from the general incorporated association to an application for transfer of trademark rights pursuant to the provisions of the preceding paragraph.
- (5) When the prefectural governor grants an approval under the preceding paragraph, the prefectural governor must promptly commission the Patent Office to effect the registration of transfer of the trademark right.
- (6) The trademark registration of the regionally-based collective trademark for which the prefectural governor has refused to grant an approval under paragraph (4) is to fall under Article 46, paragraph (1), item (vii) of the Trademark Act after the termination date of the plan period for the Approved Regional Economy Advancement Project Plan.

Article 23 (1) For a trademark registration of the regionally-based collective trademark pertaining to the goods or services for an approved regional economy advancement project, if a person who is to pay the registration fee under Article 40, paragraph (1) or (2) or Article 41-2, paragraph (1) or (7) of the Trademark Act is an Approved Regional Economy Advancement Project Operator of the approved regional economy advancement project pertaining to the goods or services, the Commissioner of the Patent Office may reduce or exempt the registration fees (limited to the fees in the case of obtaining a trademark registration of the regionally-based collective trademark within the plan period for the Approved Regional Economy Advancement Project Plan or fees in the case of filing an application for registration of renewal of duration of trademark right pertaining to the trademark registration of the regionally-based collective trademark within the plan period), pursuant to the provisions of Cabinet Order. In this case, for the purpose of application of the provisions of Article 18, paragraph (2) and Article 23, paragraphs (1) and (2) of the same Act, the term "is paid" in these provisions is deemed to be replaced with "is paid or exempted".

- (2) For a trademark registration of the regionally-based collective trademark pertaining to the goods and services for an approved regional economy advancement project, if a person who intends to obtain trademark registration of the regionally-based collective trademark is an Approved Regional Economy Advancement Project Operator of the approved regional economy advancement project pertaining to the goods or services, the Commissioner of the Patent Office may reduce or exempt the fees for trademark application to be paid pursuant to the provisions of Article 76, paragraph (2) of the Trademark Act (limited to the fees in the case where a trademark registration is filed within the plan period for the Approved Regional Economy Advancement Project Plan),

pursuant to the provisions of Cabinet Order.

- (3) Regarding the registration fees under Article 40, paragraph (1) or (2) or Article 41-2, paragraph (1) or (7) of the Trademark Act, if the trademark right is co-owned by persons including a person who is subject to the reduction or exemption of registration fees under the provisions of paragraph (1) (hereinafter referred to as "reduction and exemption" in this paragraph), and if the co-owners have agreed on their respective share in the ownership, notwithstanding the provisions of Article 40, paragraph (1) or (2) or Article 41-2, paragraph (1) or (7) of the same Act, the amount of the relevant registration fees is the aggregate amount of the registration fees prescribed in these provisions (or the amount after the reduction and exemption, in the case of a co-owner subject to the reduction and exemption) multiplied by the ratio of share in ownership, for each co-owner, and that amount must be paid.
- (4) If the right arising from a trademark application is co-owned by persons including a person who is subject to the reduction or exemption of fees for trademark application under the provisions of paragraph (2) (hereinafter referred to as "reduction and exemption" in this paragraph), and if the co-owners have agreed on their respective share in the ownership, the fees for trademark application to be paid by the co-owners for the right arising from their trademark application pursuant to the provisions of Article 76, paragraph (2) of the Trademark Act, notwithstanding the provisions of the same paragraph, is the aggregate amount of the trademark application fees prescribed in the same paragraph (or the amount after the reduction and exemption, in the case of a co-owner subject to the reduction and exemption) multiplied by the ratio of share in ownership, for each co-owner, and that amount must be paid.
- (5) If the last digit of the amount of registration fee or application fee calculated pursuant to the provisions of the preceding two paragraphs is less than ten yen, it is to be rounded down.

(Special Provisions for Taxation)

Article 24 Pursuant to the provisions of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957), special provisions for taxation are to be applied to machines, device, tools and equipment, buildings and facilities attached thereto as well as structures which have been newly acquired, manufactured or constructed by an Approved Regional Economy Advancement Project Operator conducting an approved regional economy advancement project (limited to a project confirmed by the competent minister to comply with the standards specified by the competent minister as a project especially beneficial to strengthening a framework for regional growth and development; the same applies in the following Article) which has newly or additionally installed



facilities or equipment to be used for the approved regional economy advancement project upon the new or additional installation.

(Measures Accompanying Tax Exemption or Non-Uniform Taxation of Local Taxes)

Article 25 Where a local government specified by Order of the Ministry of Internal Affairs and Communications has, pursuant to the provisions of Article 6 of the Local Tax Act (Act No. 226 of 1950), exempted an Approved Regional Economy Advancement Project Operator that has established facilities for an approved regional economy advancement project which are specified by Order of the Ministry of Internal Affairs and Communications in the Area for Promotion from paying real property acquisition tax for acquiring houses to be used for those facilities or the site thereof, or fixed asset taxes for houses or structures to be used for those facilities or the site thereof, or where it has imposed non-uniform taxation related to the local taxes, and when these measures are found to fall under cases specified by Order of the Ministry of Internal Affairs and Communications, the base amount of income of the local government for each fiscal year prescribed in Article 14 of the Local Allocation Tax Act (Act No. 211 of 1950) is the amount obtained by deducting the amount of income decreases of the local government for each fiscal year (for decreases due to those measures concerning fixed asset tax, limited to decreases for three years after the first fiscal year in which those measures were taken) that is calculated as specified by Order of the Ministry of Internal Affairs and Communications from the amount to be the original base amount of income of the local government for each fiscal year (where those measures are taken on or after the date specified by Order of the Ministry of Internal Affairs and Communications, for the fiscal year following each fiscal year in which each of the income decreases occurred) under the same Article, notwithstanding the provisions of the same Article.

(Special Provisions on Procedure for Obtaining Approval on Restriction of Disposition of Assets)

Article 26 If an Approved Regional Economy Advancement Project Operator implements an approved regional economy advancement project in accordance with an Approved Regional Economy Advancement Project Plan (limited to a plan containing the matters set forth in Article 13, paragraph (3), item (iv)), the Approved Regional Economy Advancement Project Operator is deemed to have obtained an approval from the heads of relevant ministries prescribed in Article 22 of the Act on Regulation of Subsidies by obtaining an approval under Article 13, paragraph (7) or Article 14, paragraph (1) of this Act.

## **Section 4 Measures for Approved Collaborative Assistance Plan**

(Approval of Collaborative Assistance Plan)

Article 27 (1) Regional Economy Advancement Project Assistance Organizations may jointly formulate a plan on collaborative assistance service for Regional Economy Advancement Projects (hereinafter referred to as a "Collaborative Assistance Service") (such plan is hereinafter referred to as a "collaborative assistance plan" in this Article and the following Article) and file an application for approval with the competent minister, pursuant to the provisions of order of the competent ministry.

(2) A collaborative assistance plan must provide for the following matters:

- (i) the objectives of the Collaborative Assistance Service;
- (ii) the details of the Collaborative Assistance Service and the time of its implementation; and
- (iii) matters relating to the allocation of roles, cooperation and mutual communication of persons who implement the Collaborative Assistance Service.

(3) In a collaborative assistance plan (limited to those that include local governments as persons intending to implement a Collaborative Assistance Service), matters relating to utilization of subsidized assets in implementing the Collaborative Assistance Service may be included.

(4) If the competent minister receives an application under paragraph (1) and determines that the collaborative assistance plan conforms to all of the conditions set forth in the following items, the competent minister is to grant an approval; provided, however, that if the collaborative assistance plan includes the matters prescribed in the preceding paragraph, the competent minister must consult with the head of the relevant administrative organ pertaining to those matters and obtain consent in advance:

- (i) the collaborative assistance plan is appropriate in light of the Basic Policy; and
- (ii) the Collaborative Assistance Service pertaining to the collaborative assistance plan is expected to be implemented in an efficient and secure manner.

(5) When the competent minister has granted an approval under the preceding paragraph, the competent minister is to publicize the contents of the approved collaborative assistance plan, pursuant to the provisions of order of the competent ministry.

(Revision of Collaborative Assistance Plan)

Article 28 (1) When a Regional Economy Advancement Project Assistance Organization which has obtained an approval under paragraph (4) of the

preceding Article (hereinafter referred to as an "Approved Regional Economy Advancement Project Assistance Organization") intends to revise the approved collaborative assistance plan, the organization must obtain an approval from the competent minister who has granted the approval, pursuant to the provisions of order of the competent ministry.

- (2) When the competent minister determines that an Approved Regional Economy Advancement Project Assistance Organization does not conduct the Collaborative Assistance Service in accordance with a collaborative assistance plan approved under paragraph (4) of the preceding Article (when an approval for revision has been granted under the preceding paragraph, in accordance with the revised plan; hereinafter such plan is referred to as an "approved collaborative assistance plan" in the following Article), the competent minister may revoke the approval.
- (3) The provisions of paragraphs (4) and (5) of the preceding Article apply mutatis mutandis to the approval referred to in paragraph (1).

(Special Provisions of the Small and Medium-Sized Enterprise Credit Insurance Act)

Article 29 If Approved Regional Economy Advancement Project Assistance Organizations include a general incorporated association (limited to a general incorporated association for which half or more of the voting rights at its general meeting of members are held by Small and Medium-sized Enterprises; hereinafter the same applies in this Article) or a general incorporated foundation (limited to a general incorporated foundation for which half or more of the value of the property contributed upon its incorporation has been contributed by Small and Medium-sized Enterprises; hereinafter the same applies in this Article), for a general incorporated association and general incorporated foundation which are the Approved Regional Economy Advancement Project Assistance Organizations that have received guarantees of liabilities regarding funds necessary for implementation of an approved collaborative assistance service (meaning a Collaborative Assistance Service implemented in accordance with an approved collaborative assistance plan; the same applies hereinafter) prescribed in Article 3, paragraph (1) or Article 3-2, paragraph (1) of the Small and Medium-Sized Enterprise Credit Insurance Act (hereinafter referred to as an "approved general incorporated association, etc." in this Article), the approved general incorporated association, etc. is deemed as a small and medium-sized enterprise referred to in Article 2, paragraph (1) of the same Act, and Article 3, Article 3-2 and Articles 4 through 8 of the same Act apply. In this case, for the purpose of the application of the provisions of Article 3, paragraph (1) and Article 3-2, paragraph (1) of the same Act, the term "borrowing" in those provisions is deemed to be replaced with "borrowing

of funds necessary for implementing a Collaborative Assistance Service prescribed in Article 27, paragraph (1) of the Act on Strengthening a Framework for Regional Growth and Development by Promoting Regional Economy Advancement Projects (Act No. 40 of May 11, 2007) which is undertaken by an approved general incorporated association prescribed in Article 29 of the same Act".

(Special Provisions on Procedure for Obtaining Approval on Restriction of Disposition of Assets)

Article 30 If an Approved Regional Economy Advancement Project Assistance Organization implements an Approved Collaborative Assistance Service in accordance with an approved collaborative assistance service plan (limited to a plan containing the matters set forth in Article 27, paragraph (3)), the Approved Regional Economy Advancement Project Assistance Organization is deemed to have obtained an approval from the heads of the relevant ministries prescribed in Article 22 of the Act on Regulation of Subsidies by obtaining an approval under Article 27, paragraph (4) or Article 28, paragraph (1) of this Act.

### **Chapter III Miscellaneous Provisions**

(Coordination with Related Measures)

Article 31 When engaging in the measures relating to the promotion of Regional Economy Advancement Projects, the State is to endeavor to coordinate those measures with measures relating to the comprehensive and effective promotion of regional revitalization, measures necessary for the improvement of employment market structure in the region, measures relating to the improvement of infrastructure for wide-area regional development through the comings and goings of people and distribution of goods, and other related measures.

(Collaboration and Cooperation among Various Actors)

Article 32 The State, local government, the Organization for Small & Medium Enterprises and Regional Innovation, the Regional Economy Vitalization Corporation of Japan, Regional Economy Advancement Project Assistance Organizations and other related parties are to endeavor to cooperate with each other in a coordinated way, so as to promote the Regional Economy Advancement Projects.

(Facilitation of Coordination and Cooperation with Universities)

Article 33 (1) The competent ministers and the Minister of Education, Culture, Sports, Science and Technology are to, when finding it necessary for promoting

the Regional Economy Advancement Project, endeavor to facilitate coordination and cooperation for research and development and the fostering of human resources between municipalities and prefectures, and universities, technical colleges, and inter-university research institutes (hereinafter referred to as "universities, etc." in this paragraph) and between Approved Regional Economy Advancement Project Operators and universities, etc. In this case, consideration is to always be given to the characteristics of education and research carried out at universities, etc.

- (2) The competent ministers and the Minister of Education, Culture, Sports, Science and Technology are to endeavor to actively put forward measures for promoting the acquisition of knowledge and skills that will be newly required as a result of the Regional Economy Advancement Project.

(Securing of Funds)

Article 34 The State and a local government are to endeavor to secure the funds necessary for approved regional economy advancement projects or Approved Collaborative Assistance Services.

(Guidance and Advice)

Article 35 The State and prefectures are to provide Approved Regional Economy Advancement Project Operators or Approved Regional Economy Advancement Project Assistance Organizations with the necessary guidance and advice for the proper implementation of approved regional economy advancement projects or Approved Collaborative Assistance Services.

(Collection of Report)

Article 36 (1) A prefectural governor may request an Approved Regional Economy Advancement Project Operator to which the prefectural governor has granted the approval to submit a report on the status of implementation of the approved regional economy advancement project.

- (2) A competent minister may request an Approved Regional Economy Advancement Project Assistance Organization to which the competent minister has granted the approval to submit a report on the status of implementation of the Approved Collaborative Assistance Service.

(Cooperation of Relevant Administrative Organs)

Article 37 The competent ministers, the heads of the relevant administrative organs, and the heads of the relevant local governments are to mutually coordinate and provide cooperation for the disposition and other measures concerning the approved regional economy advancement projects, with a view to promoting the efficient implementation of the Consented Basic Plan.

(Competent Ministers and Orders of Competent Ministries)

- Article 38 (1) The competent ministers referred to in Article 3, paragraph (1) and paragraphs (3) through (5), Article 4, paragraph (1), Article 4, paragraphs (6) and (7) (including the cases where these provisions are applied mutatis mutandis pursuant to Article 5, paragraph (3)), Article 5, paragraphs (1) and (2) and Article 6 are the Minister of Economy, Trade and Industry, the Minister of Internal Affairs and Communications, the Minister of Finance, the Minister of Health, Labour and Welfare, the Minister of Agriculture, Forestry and Fisheries, and the Minister of Land, Infrastructure, Transport and Tourism.
- (2) The competent ministers referred to in Article 13, paragraph (1), Article 13, paragraphs (7), (8) and (10) (including the cases where these provisions are applied mutatis mutandis pursuant to Article 14, paragraph (3)), Article 16, Article 24, Article 33 and the preceding Article are the Minister of Economy, Trade and Industry and the minister having administrative jurisdiction over the approved regional economy advancement project.
- (3) The competent ministers referred to in Article 27, paragraph (1), Article 27, paragraphs (4) and (5) (including the cases where these provisions are applied mutatis mutandis pursuant to Article 28, paragraph (3)), Article 28, paragraphs (1) and (2) and Article 36, paragraph (2) are the Minister of Economy, Trade and Industry and the minister having administrative jurisdiction over the Approved Collaborative Assistance Service.
- (4) Orders of the competent ministries referred to in Article 4, paragraph (1), Article 5, paragraphs (1) and (2) and Article 7, paragraph (3) are orders issued by the ministers prescribed in paragraph (1).
- (5) Orders of the competent ministries referred to in Article 13, paragraph (1), Article 14, paragraph (1), Article 15, paragraph (1) and Article 16, paragraph (1) are orders issued by the competent ministers prescribed in paragraph (2).
- (6) Orders of the competent ministries referred to in Article 27, paragraphs (1) and (5) and Article 28, paragraph (1) are orders issued by the competent ministers prescribed in paragraph (3).

(Penal Provisions)

- Article 39 (1) A person who has failed to make a report under Article 36, paragraph (1) or (2) or who has made a false report is to be punished by a fine of not more than three hundred thousand yen.
- (2) When the representative of a corporation or an agent, employee or any other worker of a corporation or an individual has committed a violation set forth in the preceding paragraph, with regard to the business of that corporation or individual, not only the offender is to be punished but also the corporation or

individual is to be sentenced to the punishment set forth in the same paragraph, respectively.

### **Supplementary Provisions [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding three months from the date of promulgation.

(Review)

Article 2 The government is to review the status of the enforcement of this Act within ten years from the enforcement of this Act, and take any necessary measures based on the results.

Article 3 (Deleted)

(Special Provisions of the Act on the Organization for Small & Medium Enterprises and Regional Innovation)

Article 4 The Organization may, for the time being, conduct businesses of the management and transfer of factories or workplaces, or sites for factories or businesses which it develops or manages pursuant to the provisions of Article 8-2, paragraph (1) of the Supplementary Provisions of the Act on the Organization for Small & Medium Enterprises and Regional Innovation (Act No. 147 of 2002) so as to provide them for a business to be conducted by a local government or Regional Economy Advancement Project Assistance Organization in an Area for Promotion in accordance with a Consented Basic Plan or for an approved regional economy advancement project.

(Transitional Measures Relating to Persons Who Obtained Approval of an Innovation Plan and Innovation Facilitation Plan)

Article 8 (1) With regard to approval for revisions to a formerly approved innovation plan and formerly approved innovation facilitation plan and the revocation thereof, prior laws continue to govern.

(2) With regard to the special provisions of the Small and Medium-sized Enterprise Investment Business Corporation Act prescribed in Article 15 of the former Act that relate to formerly approved small and medium-sized enterprises making innovations, etc., prior laws continue to govern.

(3) With regard to special provisions of the Small and Medium-sized Enterprise Credit Insurance Act prescribed in Article 16 of the former Act for a guarantee related to industrial clusters for fundamental technology prescribed in paragraph (1) of the same Article that relate to formerly approved small and

medium-sized enterprises making innovations, etc. and formerly approved commercial and industrial partnerships, etc. for facilitating innovation, etc., prior laws continue to govern.

(4) With regard to special provisions of the Act on the Organization of Small and Medium-sized Enterprise Association (Act No. 185 of 1957) prescribed in Article 18 of the former Act for businesses pertaining to use of the outcome of research and development provided for in a formerly approved innovation facilitation plan, prior laws continue to govern.

(5) With regard to the collection of reports prescribed in Article 33 of the former Act that relate to formerly approved specified business operators and formerly approved commercial and industrial partnerships, etc. for facilitating innovation, etc., prior laws continue to govern.

Article 9 (1) With regard to the factories, workplaces or facilities prescribed in Article 11, paragraph (1), item (i) of the former Act which the Organization develops or manages, or factory sites, business sites or facilities prescribed in item (ii) of the same paragraph which the Organization constructs, develops or manages, pursuant to the provisions of the same paragraph, at the time of the enforcement of this Act, the provisions of the same paragraph remain in force for the time being.

(2) With regard to the facilities prescribed in Article 11, paragraph (2) of the former Act (limited to the part pertaining to item (ii)) which the Organization develops or manages pursuant to the provisions of the same paragraph at the time of the enforcement of this Act, the provisions of the same paragraph remain in force for the time being.

(Transitional Measures for the Application of Penal Provisions)

Article 13 With regard to the application of penal provisions to acts committed prior to the enforcement of this Act and acts committed after the enforcement of this Act in cases where prior laws continue to govern pursuant to the provisions of the Supplementary Provisions of this Act, prior laws continue to govern.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 14 Beyond what is prescribed in this Supplementary Provisions, transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

(Special Provisions of the Act on the Organization for Small & Medium Enterprises and Regional Innovation)

Article 15 (1) The Organization may, for the time being, conduct businesses of



the management and transfer of factories or workplaces, sites for factories or businesses, or facilities which it constructs, develops or manages pursuant to the provisions of Article 8-4, paragraph (1) of the Supplementary Provisions of the Act on the Organization for Small & Medium Enterprises and Regional Innovation, so as to provide them for a business to be conducted by a local government or Regional Economy Advancement Project Assistance Organization in an Area for Promotion in accordance with a Consented Basic Plan or for an approved regional economy advancement project.

(2) Where the Organization intends to conduct businesses referred to in the preceding paragraph, and when the facilities are developed or managed as entrusted under Article 11, paragraph (2) of the former Act (limited to the part pertaining to item (ii)), the Organization must obtain the consent of the entrusting party in advance.

#### **Supplementary Provisions [Act No. 70 of June 1, 2007] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding three months from the date of promulgation; provided, however, that the provisions set forth in the following items come into effect as of the date prescribed in the respective items:

- (i) Article 10 of the Supplementary Provisions: the date of promulgation of the Act on Promotion of Business Activities by Small and Medium Sized Enterprises Utilizing Resources Derived from Local Industries (Act No. 39 of 2007) or the date of the enforcement of this Act, whichever date comes later;
- (ii) Article 11 of the Supplementary Provisions: the date of promulgation of the Act on Formation and Development of Regional Industrial Clusters through Promotion of Establishment of New Business Facilities (Act No. 40 of 2007) or the date of the enforcement of this Act, whichever date comes later.

#### **Supplementary Provisions [Act No. 37 of May 23, 2008]**

This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding three months from the date of promulgation.

#### **Supplementary Provisions [Act No. 35 of May 2, 2011 Abstract] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding three months from the date of promulgation.

**Supplementary Provisions [Act No. 37 of May 2, 2011 Abstract] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date of its promulgation; provided, however, that the provisions set forth in the following items come into effect as of the dates prescribed in the respective items:

(i) Article 7, Article 22, Article 25, Article 27, Article 28, Article 30, Article 31, Article 33 (excluding amended provisions set forth in the following item), Article 37 and Article 38, as well as Article 8, Article 10, Article 11, Article 13, Article 19, Article 25, Article 33 and Article 41 of the Supplementary Provisions: the day on which three months have elapsed from the date of promulgation.

(Transitional Measures for Penal Provisions)

Article 23 With regard to the application of penal provisions to acts committed prior to the enforcement of this Act (for the provisions set forth in the items of Article 1 of the Supplementary Provisions, the relevant provisions), prior laws continue to govern.

(Delegation to Cabinet Order)

Article 24 Beyond what is prescribed in Article 2 through the preceding Article of the Supplementary Provisions and Article 36 of the Supplementary Provisions, transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

**Supplementary Provisions [Act No. 70 of June 22, 2011 Abstract]  
[Extract]**

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2012; provided, however, that the provisions of the following Article come into effect as of the date of promulgation, and the provisions of Article 17 of the Supplementary Provisions come into effect on whichever date comes later regarding the date of the promulgation of the Act on the Revision, etc. of Related Acts to Promote Reform for Increasing Independence and Autonomy of Local Communities (Act No. 105 of 2011) or the date of promulgation of this Act.

**Supplementary Provisions [Act No. 105 of August 30, 2011 Abstract]  
[Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date of its promulgation; provided, however, that the provisions set forth in the following items come into effect as of the dates prescribed in the respective items:

(ii) the provisions of Article 2, Article 10 (limited to the provisions amending Article 18 of the Act on Special Districts for Structural Reform), Article 14 (limited to the provisions amending Article 252-19 and Article 260 of the Local Autonomy Act, as well as the rows in Appended Table I of the Act, namely, the row of the Noise Regulation Act (Act No. 98 of 1968), the row of the City Planning Act (Act No. 100 of 1968), the row of the Urban Renewal Act (Act No. 38 of 1969), the row of the Basic Environment Act (Act No. 91 of 1993), and the row of the Act on Promotion of Improvement of Disaster Control Districts in Populated Urban Districts (Act No. 49 of 1997), and the rows in Appended Table II of the Act, namely, the row of the Urban Renewal Act (Act No. 38 of 1969), the row of the Act on Advancement of Expansion of Public Lands (Act No. 66 of 1972), the row of the Act on Special Measures concerning Promotion of Supply of Houses and Housing Lands in Urban Districts (Act No. 67 of 1975), the row of the Act on Promotion of Improvement of Disaster Control Districts in Populated Urban Districts (Act No. 49 of 1997), and the row of the Act on Facilitation of Reconstruction of Condominiums (Act No. 78 of 2002)), Articles 17 through 19, Article 22 (limited to the provisions amending Articles 21-5-6, 21-5-15, 21-5-23, 24-9, 24-17, 24-28, and 24-36 of the Child Welfare Act), Articles 23 through 27, Articles 29 through 33, Article 34 (limited to the provisions amending Articles 62, 65, and 71 of the Social Welfare Act), Article 35, Article 37, Article 38 (excluding the provisions amending Articles 46, 48-2, 50, and 50-2 of the Water Supply Act), Article 39, Article 43 (limited to the provisions amending Articles 19, 23, 28, and 30-2 of the Human Resources Development Promotion Act), Article 51 (limited to the provisions amending Article 64 of the Act on Prevention of Infectious Diseases and Medical Care for Patients Suffering Infectious Diseases), Article 54 (excluding the provisions amending Articles 88 and 89 of the Services and Supports for Persons with Disabilities Act), Article 65 (excluding the provisions amending Article 3, paragraph (1), item (ix), Article 4, Article 5, and Article 57 of the Agricultural Land Act), Articles 87 through 92, Article 99 (limited to the provisions amending Articles 24-3 and 48-3 of the Road Act), Article 101 (limited to the provisions amending Article 76 of the Land Readjustment Act), Article 102 (limited to the provisions amending Articles 18 through 21, 27, 49, and 50 of the Act on Special Measures concerning Road Construction and Improvement), Article 103, Article 105 (excluding the provisions amending Article 4 of the Parking Lot Act), Article 107, Article 108, Article 115 (limited to the provisions amending Articles 15 and 17 of the Act on the Conservation of Suburban

Green Zones in the National Capital Region), Article 116 (excluding the provisions amending Article 3-2 of the Act on the Improvement of Urban Distribution Centers), Article 118 (limited to the provisions amending Articles 16 and 18 of the Act on Arrangement of Conservation Districts in the Kinki Area), Article 120 (excluding the provisions amending Articles 6-2, 7-2, 8, 10-2 through 12-2, 12-4, 12-5, 12-10, 14, 20, 23, 33, and 58 of the City Planning Act), Article 121 (limited to the provisions amending Articles 7-4 through 7-7, 60 through 62, 66, 98, 99-8, 139-3, 141-2, and 142 of the Urban Renewal Act), Article 125 (excluding the provisions amending Article 9 of the Act on Advancement of Expansion of Public Lands), Article 128 (excluding the provisions amending Articles 20 and 39 of the Urban Green Space Conservation Act), Article 131 (limited to the provisions amending Articles 7, 26, 64, 67, 104, and 109-2 of the Act on Special Measures concerning Promotion of Supply of Houses and Housing Lands in Urban Districts), Article 142 (limited to the provisions amending Articles 18, and 21 through 23 of the Act on Comprehensive Development of Regional Core Cities with Relocation of Office-Work Function), Article 145, Article 146 (excluding the provisions amending Article 5 and Article 7, paragraph (3) of the Act on Special Measures concerning Reconstruction of Urban Districts Damaged by Disaster), Article 149 (limited to the provisions amending Articles 20, 21, 191, 192, 197, 233, 241, 283, 311, and 318 of the Act on Promotion of Improvement of Disaster Control Districts in Populated Urban Districts), Article 155 (limited to the provisions amending Article 51, paragraph (4) of the Act on Special Measures concerning Urban Reconstruction), Article 156 (excluding the provisions amending Article 102 of the Act on Facilitation of Reconstruction of Condominiums), Article 157, Article 158 (limited to the provisions amending Article 57 of the Landscape Act), Article 160 (limited to the provisions amending Article 6, paragraph (5) of the Act on Special Measures concerning Development of Public Rental Housing, etc. to Accommodate Various Demands of Communities (excluding the part revising "paragraph (2), item (ii), (a)" to "paragraph (2), item (i), (a)"), and the provisions amending Articles 11 and 13 of the Act), Article 162 (limited to the provisions amending Article 10, Article 12, Article 13, Article 36, paragraph (2), and Article 56 of the Act on Promotion of Smooth Transportation, etc. of Elderly Persons, Disabled Persons, etc.), Article 165 (limited to the provisions amending Articles 24 and 29 of the Act on Maintenance and Improvement of Traditional Scenery in Certain Districts), Article 169, Article 171 (limited to the provisions amending Article 21 of the Waste Management and Public Cleansing Act), Article 174, Article 178, Article 182 (limited to the provisions amending Articles 16 and 40-2 of the Basic Environment Act), and Article 187 (limited to the provisions amending

Article 15 of the Wildlife Protection and Proper Hunting Act, the provisions amending Article 28, paragraph (9) of the Act (excluding the part revising "Article 4, paragraph (3)" to "Article 4, paragraph (4)"), the provisions amending Article 29, paragraph (4) of the Act (excluding the part revising "Article 4, paragraph (3)" to "Article 4, paragraph (4)"), and the provisions amending Articles 34 and 35 of the Act), as well as the provisions of Article 13, Articles 15 through 24, Article 25, paragraph (1), Article 26, Article 27, paragraphs (1) through (3), Articles 30 through 32, Article 38, Article 44, Article 46, paragraphs (1) and (4), Articles 47 through 49, Articles 51 through 53, Article 55, Article 58, Article 59, Articles 61 through 69, Article 71, Article 72, paragraphs (1) through (3), Articles 74 through 76, Article 78, Article 80, paragraphs (1) and (3), Article 83, Article 87 (excluding the provisions amending Article 587-2 of the Local Tax Act and Article 11 of the Supplementary Provisions of the Act), Article 89, Article 90, Article 92 (limited to the provisions amending article 25 of the National Highway Act), Article 101, Article 102, Articles 105 through 107, Article 112, Article 117 (limited to the provisions amending Article 4, paragraph (8) of the Act on Promotion of Activities for the Conservation of Biological Diversity through Collaboration of Regional Multiple Stakeholders (Act No. 72 of 2010)), Article 119, Article 121-2 and Article 123, paragraph (2) of the Supplementary Provisions: April 1, 2012

**Supplementary Provisions [Act No. 122 of December 14, 2011 Abstract]  
[Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding two months from the date of promulgation; provided, however, that the provisions set forth in the following items come into effect as of the date prescribed in the respective items:

(i) Article 6, Article 8, Article 9 and Article 13: the date of promulgation.

**Supplementary Provisions [Act No. 57 of June 21, 2013 Abstract]  
[Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding three months from the date of promulgation; provided, however, that the provisions set forth in the following items come into effect as of the date prescribed in the respective items:

(ii) Article 3 (limited to the provisions amending Article 9 of the Small and

Medium-sized Enterprise Support Act), Article 9 and the following Article, as well as Article 3, Article 8, Article 9, Article 12, Article 13 and Articles 17 through 25 of the Supplementary Provisions: March 31, 2015

(Transitional Measures Relating to Partial Amendment of the Act on Formation and Development of Regional Industrial Clusters through Promotion of Establishment of New Business Facilities)

Article 18 For the amount of loan pertaining to the former capital investment loan program subject to the provisions of Article 18-2 of the Act on Formation and Development of Regional Industrial Clusters through Promotion of Establishment of New Business Facilities prior to amendment by the provisions of the preceding Article, which relates to equipment installed by, or a program license obtained by a small-sized enterprise, etc. under Article 2, paragraph (1) of the Former Support Act (hereinafter simply referred to as a "Small-sized Enterprise, etc.") in accordance with an approved plan for establishing new business facilities under Article 15, paragraph (2) of the same Act or approved plan for making a business innovation under Article 17, paragraph (2) of the same Act, prior laws continue to govern.

**Supplementary Provisions [Act No. 98 of December 11, 2013 Abstract]  
[Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding three months from the date of promulgation; provided, however, that the provisions set forth in the following items come into effect as of the date prescribed in the respective items:

(i) Article 28 and Article 39 of the Supplementary Provisions: the date of promulgation.

**Supplementary Provisions [Act No. 10 of March 31, 2014 Abstract]  
[Extract]**

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2014.

(Transitional Measures for Application of Penal Provisions)

Article 164 With regard to the application of penal provisions to acts committed prior to the enforcement of this Act (for the provisions set forth in the items of Article 1 of the Supplementary Provisions, the relevant provisions; hereinafter the same applies in this Article), and acts committed after the enforcement of

this Act in cases where prior laws continue to govern pursuant to the provisions of this Supplementary Provisions, prior laws continue to govern.

(Delegation to Cabinet Order)

Article 165 Beyond what is prescribed in this Supplementary Provisions, transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

**Supplementary Provisions [Act No. 29 of May 27, 2015 Abstract] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation; provided, however, that Article 2 (excluding the amended provisions adding one paragraph to the Supplementary Provisions to the Small and Medium-sized Enterprise Credit Insurance Act) as well as the provisions of Article 5 to Article 12 and Article 15 to Article 19 of the Supplementary Provisions come into effect as of the date specified by Cabinet Order within a period not exceeding one year from the date of promulgation.

**Supplementary Provisions [Act No. 47 of May 20, 2016 Abstract] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2017; provided, however, that the provisions set forth in the following items come into effect as of the date prescribed in the respective items:

(Transitional Measures Relating to Partial Amendment of the Act on Formation and Development of Regional Industrial Clusters through Promotion of Establishment of New Business Facilities)

Article 37 With regard to a notification under Article 6, paragraph (1), Article 7, paragraph (1) or Article 8, paragraph (1) of the Factory Location Act or Article 3, paragraph (1) of the Supplementary Provisions of the Former 1973 Amendment Act submitted to prefectural governors prior to the date of enforcement of this Act and the date of enforcement of a Municipal Ordinance on Green Space Area Ratios prescribed in Article 10, paragraph (3) of the Act on Formation and Development of Regional Industrial Clusters through Promotion of Establishment of New Business Facilities prior to amendment by the preceding Article, for which a recommendation, an order to change matters related to a recommendation, or reduction of a period to restrict implementation has not been processed as on the date of the enforcement, prior laws continue to govern that recommendation, order to change matters related

to a recommendation, or reduction of a period to restrict implementation.

**Supplementary Provisions [Act No. 47 of June 2, 2017 Abstract] [Extract]**

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding three months from the date of promulgation; provided, however, that the provisions of Article 6 of the Supplementary Provisions come into effect as of the date of promulgation:

(Transitional Measures on Basic Plan)

Article 2 A basic plan prescribed in Article 5, paragraph (1) of the Act on Formation and Development of Regional Industrial Clusters through Promotion of Establishment of New Business Facilities prior to amendment by this Act (hereinafter referred to as the "Former Act"), for which the consent under Article 5, paragraph (5) of the same Act has been obtained prior to the enforcement of this Act (including the consent on revision under Article 6, paragraph (1) of the Former Act) (such plan is hereinafter referred to as a "former consented basic plan" in this Article) remains in effect, and for special provisions on the Factory Location Act (Act No. 24 of 1959) prescribed in Article 10 and Article 11 of the Former Act relating to the former consented basic plan, prior laws continue to govern.

(Transitional Measures Relating to Plan for Establishing New Business Facilities)

Article 3 (1) With regard to the approval from prefectural governors for a plan for establishing new business facilities under Article 14, paragraph (1) of the Former Act, for which an application for approval under the same paragraph has been filed prior to the enforcement of this Act and for which a disposition as to whether to grant approval or not has not been rendered at the time of the enforcement of this Act, prior laws continue to govern.

(2) A plan for establishing new business facilities approved under Article 14, paragraph (3) of the Former Act prior to the enforcement of this Act (including an approval on revision under Article 15, paragraph (1) of the Former Act) remains in force; and with regard to an approval and rescission of an approval for the relevant plan for establishing new business facilities and those for revision of a plan for establishing new business facilities approved pursuant to prior laws under the preceding paragraph, special provisions on the Small and Medium-sized Enterprise Credit Insurance Act (Act No. 264 of 1950) prescribed in Article 18 of the Former Act, special provisions on the Act on Promotion of Food Marketing Structure Improvement (Act No. 59 of 1991) prescribed in Article 18-2 of the Former Act, and measures accompanying tax exemption or



non-uniform taxation of local taxes prescribed in Article 20 of the Former Act, as well as the collection of reports prescribed in Article 23 of the Former Act, prior laws continue to govern.

(Transitional Measures Relating to Plan for Making Business Innovation)

Article 4 (1) With regard to the approval from prefectural governors for a plan for making business innovation under Article 16, paragraph (1) of the Former Act, for which an application for approval under the same paragraph has been filed prior to the enforcement of this Act and for which a disposition as to whether to grant approval or not has not been rendered at the time of the enforcement of this Act, prior laws continue to govern.

(2) A plan for making business innovation approved under Article 16, paragraph (3) of the Former Act prior to the enforcement of this Act (including an approval on revision under Article 17, paragraph (1) of the Former Act) remains in force; and with regard to an approval and rescission of an approval for the relevant plan for making business innovation and those for revision of a plan for making business innovation approved pursuant to prior laws under the preceding paragraph, special provisions on the Small and Medium-sized Enterprise Credit Insurance Act prescribed in Article 18 of the Former Act, and special provisions on the Act on Promotion of Food Marketing Structure Improvement prescribed in Article 18-2 of the Former Act, as well as the collection of reports prescribed in Article 23 of the Former Act, prior laws continue to govern.

(Transitional Measures for Application of Penal Provisions)

Article 5 With regard to the application of penal provisions to acts committed prior to the enforcement of this Act and acts committed after the enforcement of this Act in cases where prior laws continue to govern pursuant to the provisions of the Supplementary Provisions of this Act, prior laws continue to govern.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 6 Beyond what is prescribed in this Supplementary Provisions, transitional measures necessary for the enforcement of this Act (including transitional measures relating to penal provisions) are specified by Cabinet Order.

(Review)

Article 7 (1) After five years have passed from the enforcement of this Act, the government is to review the status of enforcement of the Act on Strengthening a Framework for Regional Growth and Development by Promoting Regional

Economy Advancement Projects amended by this Act (referred to as the "new Act" in the following paragraph) and to take necessary measures based on the findings of the review if it determines necessary.

- (2) The government is to review the status of adjustment of land use (meaning adjustment of land use prescribed in Article 3, paragraph (2), item (i), (f) of the new Act) and to take necessary measures if it finds that appropriate and sufficient agricultural land cannot be secured.