

Act on Price Adjustment of Sugar and Starch

(Act No. 109 of June 2, 1965)

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Chapter I General Provisions

(Purpose)

Article 1 The purpose of this Act is to ensure a stable supply of domestic sugar and domestic potato starch, thereby contributing to the stability of the lives of the citizenry through securing agricultural income pertaining to sweetener resource crops and potatoes for starch, stabilizing the business operation of production of domestic sugar and domestic potato starch, and soundly developing other related industries by providing measures for price adjustment of imported sugar and starch, measures on price adjustment of high-fructose corn syrup and imported sweetened preparation products in relation to sugar, and measures to grant subsidies for sweetener resource crops and domestic sugar, and for potatoes for starch and domestic potato starch.

(Definition)

- Article 2 (1) The term "sweetener resource crops" as used in this Act means sugar beets and sugar cane.
- (2) The term "domestic sugar" as used in this Act means sugar that is domestically produced from sweetener resource crops.
- (3) The term "raw sugar" as used in this Act means the type of sugar that has undergone molasses separation (meaning a process of removing molasses) and whose content of sucrose in relation to its total weight in arid conditions corresponds to less than 98.5 per cent in terms of a reading measured by saccharimeters (limited to those that measure optical rotation) (excluding soft sugar, powdered sugar with starch added, others of that sort, and flavored sugar, and colored sugar).
- (4) The term "high-fructose corn syrup" as used in this Act means a saccharide whose main component is fructose or glucose that has been produced by isomerizing, with an enzyme or alkali, a glucose-based saccharide solution that has been produced by hydrolysis of starch with an enzyme or acid.
- (5) The term "imported sweetened preparation products" as used in this Act means imported preparation products using sugar and specified by Cabinet Order as those that are found likely to affect the stable supply of domestic sugar in view of the situation of competition with sugar in their use.
- (6) The term "potatoes for starch" as used in this Act means potatoes and sweet potatoes that are used for the production of starch.
- (7) The term "domestic potato starch" as used in this Act means starch that is produced domestically from potatoes for starch.
- (8) The term "imported agricultural produce for starch" as used in this Act means agricultural produce that is imported to be used for the production of starch and specified by Cabinet Order as a product found likely to affect the stable supply of domestic potato starch in light of the competition in use and the differences in price, between starch produced from the imported agricultural produce and domestic potato starch.
- (9) The terms "sugar year" and "starch year" as used in this Act mean the period from October 1 through September 30 of the following year.
- (10) The term "import" as used in this Act means import as provided for in Article 2 of the Customs Act (Act No. 61 of 1954).

Chapter II Measures Concerning Price Adjustment of Sugar

Section 1 Measures Concerning Price Adjustment of Imported Sugar

(Standard Price for Sugar Price Adjustment)

- Article 3 (1) The Minister of Agriculture, Forestry and Fisheries must establish the standard price of sugar for adjustment for raw sugar each sugar year at least fifteen days before the relevant sugar year begins.

- (2) The standard price of sugar for adjustment is to be established as the price below which the price of imported sugar is found to necessitate price adjustment to mitigate the resulting adverse effects on the promotion of the production of sweetener resource crops and the sound development of the business of producing domestic sugar, based on the amount obtained by adding the cost of producing sweetener resource crops when they are produced quite efficiently and the cost of producing domestic sugar when it is produced quite efficiently, and with the amount established pursuant to the provisions of Cabinet Order in consideration of the trends in the international price of raw sugar serving as a standard, as converted, pursuant to the provisions of Cabinet Order, to the import price of raw sugar (excluding an amount equivalent to the amount of customs duties).
- (3) When intending to establish the standard price of sugar for adjustment, the Minister of Agriculture, Forestry and Fisheries must hear the opinions of the Council of Food, Agriculture and Rural Area Policies.
- (4) Upon establishing the standard price of sugar for adjustment, the Minister of Agriculture, Forestry and Fisheries must give public notice thereof without delay.

Article 4 (1) The standard price of sugar for adjustment may be revised as necessary if a substantial change occurs or is likely to occur with regard to the supply and demand situation of sugar in Japan or abroad, general prices or other economic circumstances.

- (2) The provisions of paragraphs (3) and (4) of the preceding Article apply mutatis mutandis to the revision of the standard price of sugar for adjustment.

(Sale of Imported Designated Saccharides to ALIC)

Article 5 (1) A person who makes an import declaration pursuant to the provisions of Article 67 of the Customs Act (hereinafter referred to as an "import declaration") for raw sugar or any other type of sugar specified by Cabinet Order, or any saccharide made up of a mix of sugar and glucose or the saccharides other than sugar specified by Cabinet Order (hereinafter referred to as "designated saccharide") (if that person is not the owner of the designated saccharide for which the import declaration is made at the time of the import declaration, the owner; hereinafter referred to as a "designated saccharide import declarant") must sell the designated saccharide for which the import declaration is made to the Agriculture & Livestock Industries Corporation (hereinafter referred to as "ALIC"), pursuant to the provisions of Cabinet Order, if the average import price provided for in the following Article that is applicable at the time of the import declaration is less than the standard price of sugar for adjustment; provided, however, that this does not apply if the

designated saccharide, for which the import declaration is made is exempt from customs duties pursuant to the provisions of Article 14 of the Customs Tariff Act (Act No. 54 of 1910) or as otherwise provided for by Cabinet Order.

- (2) With regard to the sale of a designated saccharide pursuant to the provisions of the preceding paragraph, an offer to sell must be submitted to ALIC before an import declaration for the designated saccharide is made.
- (3) With regard to the application of the provisions of Article 70 of the Customs Act to designated saccharides, when an offer to sell is submitted pursuant to the provisions of the preceding paragraph, ALIC's acceptance of the offer is deemed to be permission, approval, and the like under paragraph (1) of the same Article.
- (4) Matters necessary for acceptance by ALIC under the preceding paragraph are provided for by Cabinet Order.

(Average Import Price)

Article 6 (1) The average import price of raw sugar (hereinafter referred to as "the average import price" in this Section and Section 2) is established by the Minister of Agriculture, Forestry and Fisheries, pursuant to the provisions of Cabinet Order, with each period specified by Cabinet Order being regarded as the applicable period, based on the amount obtained by adding the average market price of representative raw sugar abroad and the average standard amount of freight and other charges for import during a certain period of time before the applicable period.

- (2) The average import price must be publicly announced with its applicable period specified at least three days before the first day of that applicable period.
- (3) The average import price may be revised before the completion of its applicable period for the remaining period if the market price of raw sugar abroad has significantly risen and in other cases provided for by Cabinet Order. In this case, the Minister of Agriculture, Forestry and Fisheries must give public notice of the revised average import price and its applicable period without delay.
- (4) The provisions of paragraph (1) apply mutatis mutandis to the revision of the average import price. In this case, the phrase "each period specified by Cabinet Order being regarded as the applicable period" in the same paragraph is deemed to be replaced with "concerning the remaining period".

(Purchase Price of an Imported Designated Saccharide)

Article 7 ALIC's purchase price of a designated saccharide pertaining to sale pursuant to the provisions of Article 5, paragraph (1) is as follows:

- (i) If the designated saccharide is sugar, the average import price applicable at the time of the relevant import declaration (if the sugar is not raw sugar, the

- amount obtained by adjusting the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries with the average import price depending on the type of the sugar); and
- (ii) If the designated saccharide is made up of a mix of sugar and saccharides other than sugar (hereinafter referred to as "mixed sugar"), the amount obtained by adding the amount set forth in sub-item (a) below to the amount set forth in sub-item (b):
- (a) The amount obtained by multiplying the average import price applicable at the time of the relevant import declaration by the sugar content percentage (meaning the percentage of sugar contained in mixed sugar; the same applies hereinafter) (if the sugar contained in the mixed sugar is not raw sugar, the amount obtained by adjusting the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries with the amount obtained by the multiplication depending on the type of the sugar); and
- (b) The amount obtained by multiplying the average import price applicable at the time of the relevant import declaration by the percentage of content of saccharides other than sugar that are contained in the mixed sugar and then multiplying that result by the rate established by Order of the Ministry of Agriculture, Forestry and Fisheries in consideration of the differences between raw sugar and the saccharides other than sugar in terms of property, use, market price, etc. according to the types of the saccharides other than sugar.

(Sell-Back of Imported Designated Saccharides)

- Article 8 (1) ALIC must sell a designated saccharide back to the person who sold the designated saccharide to it pursuant to the provisions of Article 5, paragraph (1).
- (2) In order to conduct a sell-back pursuant to the provisions of the preceding paragraph, ALIC may, upon receipt of the sale of a designated saccharide pursuant to the provisions of Article 5, paragraph (1), impose a condition to the effect that the person who made the sale must buy back the designated saccharide thus sold.
- (3) In addition to imposing a condition set forth in the preceding paragraph upon acceptance of the sale of a designated saccharide pursuant to the provisions of Article 5, paragraph (1), ALIC may require the person who made the sale to provide deposits, securities, and other types of collateral to the extent necessary for ensuring the performance of the obligations pertaining to the buyback under the condition pursuant to the provisions of Cabinet Order.

(Sell-Back Price of an Imported Designated Saccharide)

Article 9 (1) The price of a designated saccharide to be sold back by ALIC pursuant to the provisions of paragraph (1) of the preceding Article is as follows:

- (i) If the designated saccharide is sugar, the difference between the amount set forth in sub-item (a) below and the amount set forth in sub-item (b) multiplied by the rate established by the Minister of Agriculture, Forestry and Fisheries for the sugar year to which the date of the import declaration for that sugar belongs (hereinafter referred to as "designated saccharide adjustment rate" in this Article) minus the amount obtained by adding the amount listed in sub-item (d) to the amount listed in sub-item (c) (if this amount exceeds the product of the difference and the designated saccharide adjustment rate, that product) plus the amount set forth in sub-item (b) (if the amount to which the amount set forth in sub-item (b) is to be added exceeds the amount that the Minister of Agriculture, Forestry and Fisheries establishes in accordance with international agreements and announces the sum of the announced amount and the amount set forth in sub-item (b)):
 - (a) The standard price of sugar for adjustment (if the sugar is not raw sugar, the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the standard price of sugar for adjustment or by subtracting the former from the latter depending on the type of the sugar);
 - (b) The amount set forth in Article 7, item (i);
 - (c) The reduced amount of high fructose corn syrup established by the Minister of Agriculture, Forestry and Fisheries that is applicable at the time of the import declaration (if the sugar is not raw sugar, the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the former amount or by subtracting the former from the latter depending on the type of the sugar; hereinafter referred to as the "reduced amount of high-fructose corn syrup" in this Article); and
 - (d) The amount specified by the Minister of Agriculture, Forestry and Fisheries as the reduced amount pertaining to imported sweetened preparation products applicable at the time of the import declaration (in the case of sugar other than raw sugar, the amount obtained by adding or subtracting the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries in accordance with the type thereof; hereinafter referred to as the "reduced amount of sweetened preparation products in this Article ")
- (ii) If the designated saccharide is mixed sugar, the difference between the amount set forth in item (a) below and the amount set forth in item (b) multiplied by the designated saccharide adjustment rate for the sugar year

- to which the date of the import declaration for that mixed sugar belongs minus the amount obtained by adding the amount listed in the following item (d) to the amount listed in the following item (c) (If this amount exceeds the amount obtained by multiplying the designated saccharide adjustment rate, the amount obtained by multiplying it) plus the amount set forth in item (b) plus the amount set forth in Article 7, item (ii), item (b) (if the amount to which the amount set forth in item (b) is to be added exceeds the amount that the Minister of Agriculture, Forestry and Fisheries establishes in accordance with international agreements and announces, the sum of the announced amount and the amount set forth in item (b) plus the amount set forth in Article 7, item (ii), (b));
- (a) The amount obtained by multiplying the standard price of sugar for adjustment by the sugar content percentage (if the sugar contained in the mixed sugar is not raw sugar, the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the amount obtained by the multiplication or by subtracting the former from the latter depending on the type of the sugar);
 - (b) The amount set forth in Article 7, item (ii), (a);
 - (c) The amount obtained by multiplying the reduced amount of high fructose corn syrup by the sugar content percentage (if the sugar contained in the mixed sugar is not raw sugar, the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the amount obtained by the multiplication or by subtracting the former from the latter depending on its type); and
 - (d) The amount obtained by multiplying the reduced amount of sweetened preparation products by the sugar content (if the sugar contained in the mixed sugar is not raw sugar, the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the amount obtained by the multiplication or by subtracting the former from the latter depending on its type)
- (2) The designated saccharide adjustment rate is to be established as a figure not greater than the figure obtained by dividing the quantity set forth in item (i) below by the quantity set forth in item (ii), for each sugar year at least fifteen days before the relevant year begins, pursuant to the provisions of Cabinet Order:
- (i) The supply of domestic sugar that has been projected for the relevant year in consideration of the expected supply for the year based on the supply of domestic sugar for the preceding year; and

- (ii) The projected supply of both imported and domestic sugar that has been established for the relevant year based on the quantity of imported sugar (including sugar contained in the mixed sugar that is imported designated saccharides; the same applies hereinafter) and the supply of domestic sugar for the preceding year in consideration of their expected supply for the relevant year.
- (3) The reduced amount of high-fructose corn syrup is to be set as a figure not greater than the quantity set forth in item (i) divided by the quantity set forth in item (ii) multiplied by the amount set forth in item (iii) as converted to ALIC's sell-back price of imported raw sugar pursuant to the provisions of Cabinet Order, with each period divided by sugar year under Article 12, paragraph (1) being regarded as the applicable periods:
 - (i) The supply of high-fructose corn syrup (including high-fructose corn syrup contained in imported mixed high-fructose corn syrup) that has been projected for the relevant year in consideration of the expected supply for the year based on each of the produced quantity and imported quantity of high-fructose corn syrup for the year preceding the sugar year to which the applicable period belongs (including the quantity of high-fructose corn syrup contained in imported mixed high-fructose corn syrup (meaning any saccharide that is made of a mix of high-fructose corn syrup and any of the saccharides other than high-fructose corn syrup, including sugar, and is provided for by Cabinet Order; the same applies hereinafter)), as converted to the quantity of standard high-fructose corn syrup (meaning the solid content of the standard high-fructose corn syrup pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries; the same applies hereinafter) pursuant to the provisions of Cabinet Order (referred to as the "projected supply of standard high-fructose corn syrup" in Article 12, paragraph (1) and Article 15, paragraph (3));
 - (ii) The quantity set forth in item (ii) of the preceding paragraph for the sugar year to which the applicable period belongs;
 - (iii) The amount obtained by multiplying the difference between the standard price of high-fructose corn syrup for adjustment under Article 11, paragraph (1) and that of the average supply price of high-fructose corn syrup under Article 12, paragraph (1) for the applicable period (if the average supply price of the high-fructose corn syrup is not less than the standard price of high-fructose corn syrup for adjustment, the standard price of high-fructose corn syrup for adjustment), by the high-fructose corn syrup adjustment rate under Article 15, paragraph (1), item (i) pertaining to the sugar year to which the applicable period belongs
- (4) The amount of reduction in sweetened preparations products is to be determined for each period into which the sugar year is divided in Article 18-3,

paragraph (1), as the applicable period, and is determined by dividing the quantity listed in item (i) by the quantity listed in item (ii) by the amount listed in item (iii), up to the amount of imported raw sugar converted into the sell-back price by ALIC as prescribed by Cabinet Order.

- (i) Estimated import quantity of sweetened preparation products (referred to as the "estimated import quantity of sweetened preparation products sugar" in Article 18-6, paragraph (3)) determined by considering the expected import quantity in the relevant fiscal year based on the import quantity of sweetened preparation products sugar (refers to sugar contained in imported sweetened preparation products; the same applies hereinafter) in the previous sugar year to which the applicable period belongs.
 - (ii) The quantity set forth in paragraph (2), item (ii) of the sugar year to which the applicable period belongs
 - (iii) The amount obtained by multiplying the difference between the standard price of sweetened preparation products sugar for adjustment under Article 18-2, paragraph (1) and that of the average supply price of sweetened preparation products sugar under Article 18-3, paragraph (1) for the applicable period (if the average supply price of the sweetened preparation products sugar is not less than the standard price of sweetened preparation products sugar for adjustment, the standard price of sweetened preparation products sugar for adjustment), by the sweetened preparation products sugar adjustment rate under Article 18-6, paragraph (1) pertaining to the sugar year to which the applicable period belongs
- (5) The provisions of Article 3, paragraph (4) is applied mutatis mutandis to the designated saccharide adjustment rate, and the provision of Article 6, paragraphs (2) through (4) apply mutatis mutandis to the reduced amount of high fructose corn syrup and the reduced amount of sweetened preparation products. In this case, the phrase "if the market price of raw sugar abroad has significantly risen" in paragraph (3) of the same Article is deemed to be replaced with the phrase "if the standard price of high-fructose corn syrup for adjustment under Article 11, paragraph (1) or the average supply price of high-fructose corn syrup under Article 12, paragraph (1) is revised," with respect to reduced amount of high-fructose corn syrup and the phrase "if the standard price of high-fructose corn syrup for adjustment under Article 18-2, paragraph (1) or the average supply price of high-fructose corn syrup under Article 18-3, paragraph (1) is revised", the term "paragraph (1)" in paragraph (4) of the same Article is deemed to be replaced with the term "Article 9, paragraph (3)" with respect to reduced amount of high-fructose corn syrup or the term "Article 9, paragraph (4)" with respect to reduced amount of sweetened preparation products, and the phrase "each period specified by Cabinet Order" is deemed to be replaced with "the periods into which the sugar year is divided under Article

12, paragraph (1)" with respect to reduced amount of high-fructose corn syrup or "the periods into which the sugar year is divided under Article 18-3, paragraph (1)" with respect to reduced amount of sweetened preparation products sugar, respectively.

(Reduction of Purchase and Sell-Back Prices)

Article 10 If designated saccharides to be sold pursuant to the provisions of Article 5, paragraph (1) deteriorate before the sale, ALIC may reduce the purchase and sell-back prices of the designated saccharides pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

Section 2 Measures on Price Adjustment of High-Fructose Corn Syrup in Relation to Sugar

(Sale of High-Fructose Corn Syrup to ALIC)

Article 11 (1) If the average supply price of high-fructose corn syrup under paragraph (1) of the following Article that is applicable when a person who manufactures high-fructose corn syrup at the facilities provided for by Order of the Ministry of Agriculture, Forestry and Fisheries (hereinafter referred to as a "high-fructose corn syrup manufacturer") removes high-fructose corn syrup that has been produced from the person's production plant is less than the standard price of high-fructose corn syrup for adjustment (meaning the standard price of sugar for adjustment as converted to the price of standard high-fructose corn syrup pursuant to the provisions of Cabinet Order and as established by the Minister of Agriculture, Forestry and Fisheries; the same applies hereinafter), the person must sell to ALIC the high-fructose corn syrup to be thus removed; provided, however, that this does not apply if the average import price applicable at the time of the removal is less than the standard price of sugar for adjustment for imported raw sugar and the average supply price of high-fructose corn syrup under the paragraph (1) of the following Article that is applicable at the time of the removal exceeds the standard price of high-fructose corn syrup (meaning the price established by the Minister of Agriculture, Forestry and Fisheries by, with each period specified by Cabinet Order under Article 6, paragraph (1) (excluding the relevant period if the average import price the applicable period of which is the relevant period is not less than the standard price of sugar for adjustment) being regarded as the applicable period, converting ALIC's sell-back price of imported raw sugar determined by the provisions of Article 9, paragraph (1), item (i) for that period to the price of standard high-fructose corn syrup pursuant to the provisions of Cabinet Order; the same applies hereinafter) that is applicable at the time of the removal.

- (2) A person who makes an import declaration for high-fructose corn syrup or mixed high-fructose corn syrup (hereinafter referred to as "high fructose corn syrup and others") (if the person is not the owner of the high fructose corn syrup and others for which the import declaration is made at the time of the import declaration, the owner) must sell to ALIC the high fructose corn syrup and others for which the import declaration is made, pursuant to the provisions of Cabinet Order, if the average supply price of high-fructose corn syrup under paragraph (1) of the following Article that is applicable at the time of the import declaration is less than the standard price of high-fructose corn syrup for adjustment, except in the following cases:
- (i) the high fructose corn syrup and others for which the import declaration is made is exempt from customs duties pursuant to the provisions of Article 14 of the Customs Tariff Act or as otherwise provided for by Cabinet Order; and
 - (ii) the average import price applicable at the time of the import declaration is less than the standard price of sugar for adjustment of imported raw sugar and the average supply price of high-fructose corn syrup under paragraph (1) of the following Article that is applicable at the time of the import declaration exceeds the standard price of high-fructose corn syrup applicable at the time of the import declaration.
- (3) The standard price of high-fructose corn syrup for adjustment must be established each sugar year at least fifteen days before the relevant year begins.
- (4) When the standard price of sugar for adjustment is revised pursuant to the provisions of Article 4, paragraph (1), the standard price of high-fructose corn syrup for adjustment must also be revised.
- (5) Upon establishing or revising the standard price of high-fructose corn syrup for adjustment, the Minister of Agriculture, Forestry and Fisheries must make a public notice thereof without delay.
- (6) The provisions of Article 6, paragraphs (2) through (4) apply mutatis mutandis to the standard price of high-fructose corn syrup. In this case, the phrase "if the market price of raw sugar abroad has significantly risen" in paragraph (3) of the same Article is deemed to be replaced with "if ALIC's sell-back price of imported raw sugar determined by the provisions under Article 9, paragraph (1), item (i) changes as a result of the revision of the average import price," the phrase "may be revised" in the same paragraph is deemed to be replaced with the phrase "must also be revised," the phrase "of paragraph (1)" in paragraph (4) of the same Article is deemed to be replaced with the phrase "concerning the determination of the standard price of high-fructose corn syrup in the proviso to Article 11, paragraph (1)," and the phrase "period specified by Cabinet Order" in the same paragraph is deemed to be replaced with the phrase "period specified by Cabinet Order under Article 6, paragraph (1)

(excluding the relevant period if the average import price the applicable period of which is the relevant period is not less than the standard price of sugar for adjustment)".

- (7) With regard to the sale of high-fructose corn syrup pursuant to the provisions of paragraph (1), an offer to sell must be submitted to ALIC before the high-fructose corn syrup is removed from its production plant.
- (8) With regard to the sale of high fructose corn syrup and others pursuant to the provisions of paragraph (2), an offer to sell must be submitted to ALIC before an import declaration for the high fructose corn syrup and others is made.
- (9) Matters necessary for acceptance by ALIC of any offer to sell submitted pursuant to the provisions of the two preceding paragraphs are provided for by Cabinet Order.
- (10) The following actions taken by a high-fructose corn syrup manufacturer at the manufacturer's high-fructose corn syrup production plant are deemed to be the removal of the high-fructose corn syrup that has been produced at the production plant:
 - (i) Mixing the high-fructose corn syrup that has been produced with any material other than high-fructose corn syrup; and
 - (ii) Consuming the high-fructose corn syrup that has been produced.
- (11) If a high-fructose corn syrup manufacturer discontinues the production of high-fructose corn syrup while an amount that has been produced still remains at the manufacturer's production plant, it is deemed on the day of the discontinuance that the manufacturer removes it from the production site.
- (12) The provisions of Article 5, paragraph (3) apply mutatis mutandis to high fructose corn syrup and others sold pursuant to the provisions of paragraph (2). In this case, the phrase "the preceding paragraph" and the phrase "paragraph (1) of the same Article" in paragraph (3) of the same Article are deemed to be replaced with "Article 11, paragraph (8)" and "Article 70, paragraph (1) of the same Act," respectively.

(Average Supply Price of High-Fructose Corn Syrup)

- Article 12 (1) The average supply price of high-fructose corn syrup is established by the Minister of Agriculture, Forestry and Fisheries, pursuant to the provisions of Cabinet Order, for standard high-fructose corn syrup, with each of the periods into which the sugar year is divided pursuant to the provisions of Cabinet Order being regarded as the applicable period, based on the following amounts, in consideration of the ratio between the produced and imported portions of the projected supply of standard high-fructose corn syrup for the sugar year to which that applicable period belongs:
- (i) the price of starch as the raw material for high-fructose corn syrup and the standard cost necessary for the production and sale of high-fructose corn

- syrup in Japan; and
- (ii) the average market price of high-fructose corn syrup in major production areas of high-fructose corn syrup abroad, the average standard of carrying and other charges for import, an amount equivalent to the amount of customs, and the standard cost necessary for selling imported high-fructose corn syrup during a certain period before that applicable period.
- (2) The provisions of Article 6, paragraphs (2) through (4) apply mutatis mutandis to the average supply price of high-fructose corn syrup. In this case, the phrase "if the market price of raw sugar abroad has significantly risen" in paragraph (3) of the same Article is deemed to be replaced with the phrase "if the price of starch as the raw material for high-fructose corn syrup in Japan or the market price of high-fructose corn syrup in major production areas of high-fructose corn syrup abroad has significantly changed", the term "paragraph (1)" in paragraph (4) of the same Article is deemed to be replaced with the term "Article 12, paragraph (1)", the phrase "each period specified by Cabinet Order" in the same paragraph is deemed to be replaced with the phrase "the periods into which the sugar year is divided pursuant to the provisions of Cabinet Order".

(Purchase Price of High-Fructose Corn Syrup)

- Article 13 (1) ALIC's purchase price of high-fructose corn syrup sold pursuant to the provisions of Article 11, paragraph (1) (hereinafter referred to as "domestic high-fructose corn syrup") is the average supply price of high-fructose corn syrup applicable at the time of the removal of the domestic high-fructose corn syrup (in the case of high-fructose corn syrup other than standard high-fructose corn syrup, the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to that average supply price of high-fructose corn syrup or by subtracting the former from the latter according to the standard category provided for by Order of the Ministry of Agriculture, Forestry and Fisheries).
- (2) ALIC's purchase price of high-fructose corn syrup sold pursuant to the provisions of Article 11, paragraph (2) (hereinafter referred to as "imported high-fructose corn syrup") or mixed high-fructose corn syrup sold under the same paragraph (hereinafter referred to as "imported mixed high-fructose corn syrup") is the amount obtained by subtracting an amount equivalent to the consumption tax and the local consumption tax from the amount set forth in the respective following items, according to the applicable categories as listed in the following items:
- (i) imported high-fructose corn syrup: the average supply price of high-fructose corn syrup applicable at the time of the import declaration (in the case of high-fructose corn syrup other than standard high-fructose corn syrup, the

amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the average supply price of high-fructose corn syrup or by subtracting the former from the latter according to the standard category provided for by Order of the Ministry of Agriculture, Forestry and Fisheries); and

- (ii) imported mixed high-fructose corn syrup: the amount obtained by adding the amount set forth in item (a) below to the amount set forth in item (b):
 - (a) the amount obtained by multiplying the average supply price of high-fructose corn syrup applicable at the time of the import declaration by the content percentage of high-fructose corn syrup (meaning the percentage of high-fructose corn syrup contained in mixed high-fructose corn syrup; the same applies hereinafter) (if the high-fructose corn syrup contained in the imported mixed high-fructose corn syrup is other than standard high-fructose corn syrup, either the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the amount obtained by the multiplication or the amount obtained by subtracting the former from the latter according to the standard category provided for by Order of the Ministry of Agriculture, Forestry and Fisheries); and
 - (b) the amount obtained by multiplying the product of the average supply price of high-fructose corn syrup applicable at the time of the import declaration and the percentage of saccharides other than high-fructose corn syrup that are contained in the imported mixed high-fructose corn syrup by the rate provided by Order of the Ministry of Agriculture, Forestry and Fisheries, and by the percentage of saccharides other than high-fructose corn syrup, in consideration of the differences between standard high-fructose corn syrup and saccharides other than that high-fructose corn syrup, included in imported mixed high-fructose corn syrup, in terms of property, use, the market price, etc..

(Sell-Back of High-Fructose Corn Syrup)

- Article 14 (1) ALIC must sell-back high fructose corn syrup and others to the person who sold that high fructose corn syrup and others to it pursuant to the provisions of Article 11, paragraph (1) or (2).
- (2) The provisions of Article 8, paragraphs (2) and (3) apply mutatis mutandis to the sell-back of high fructose corn syrup and others pursuant to the provisions of the preceding paragraph. In this case, the phrase "the sale of a designated saccharide pursuant to the provisions of Article 5, paragraph (1)" in paragraph (2) of the same Article is deemed to be replaced with the phrase "the sale of high fructose corn syrup and others pursuant to the provisions of Article 11, paragraph (1) or (2)", the phrase "the designated saccharide thus sold" in the

same paragraph is deemed to be replaced with the phrase "high fructose corn syrup and others thus sold", and the phrase "the sale of a designated saccharide pursuant to the provisions of Article 5, paragraph (1)" in paragraph (3) of the same Article is deemed to be replaced with the phrase "the sale of high fructose corn syrup and others pursuant to the provisions of Article 11, paragraph (1) or (2)".

(The Sell-Back Price of High-Fructose Corn Syrup)

Article 15 (1) ALIC's sell-back price of high fructose corn syrup and others pursuant to the provisions of paragraph (1) of the preceding Article is as follows:

- (i) For domestic high-fructose corn syrup, the difference between the amount set forth in item (a) below and the amount set forth in item (b), multiplied by the rate established by the Minister of Agriculture, Forestry and Fisheries for the sugar year to which the date of the removal of the domestic high-fructose corn syrup belongs (hereinafter referred to as "high-fructose corn syrup adjustment rate" in this Article) plus the amount set forth in item (b):
 - (a) The standard price of high-fructose corn syrup for adjustment (in the case of high-fructose corn syrup other than standard high-fructose corn syrup, the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the standard price of high-fructose corn syrup for adjustment or by subtracting the former from the latter according to the standard category provided for by Order of the Ministry of Agriculture, Forestry and Fisheries);
 - (b) The average supply price of high-fructose corn syrup applicable at the time of the removal of the domestic high-fructose corn syrup (in the case of high-fructose corn syrup other than standard high-fructose corn syrup, the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the average supply price of high-fructose corn syrup or by subtracting the former from the latter according to the standard category provided for by Order of the Ministry of Agriculture, Forestry and Fisheries; the same applies in the following item);
- (ii) With regard to imported high-fructose corn syrup, the difference between the amount set forth in item (a) below and the amount set forth in item (b), multiplied by the high-fructose corn syrup adjustment rate for the sugar year to which the date of the import declaration of the imported high-fructose corn syrup belongs plus the amount set forth in item (b) minus an amount equivalent to the consumption tax and the local consumption tax (if the result of this formula exceeds the sum of ALIC's purchase price of imported

high-fructose corn syrup established pursuant to the provisions of Article 13, paragraph (2) and the amount that the Minister of Agriculture, Forestry and Fisheries establishes in accordance with international agreements and announces that sum):

(a) The amount set forth in (a) of the preceding item; and

(b) The average supply price of high-fructose corn syrup applicable at the time of the import declaration of the imported high-fructose corn syrup;

(iii) With regard to imported mixed high-fructose corn syrup, the difference between the amount set forth in item (a) below and the amount set forth in item (b), multiplied by the high-fructose corn syrup adjustment rate for the sugar year to which the date of the import declaration of the imported mixed high-fructose corn syrup belongs plus the amount set forth in item (b) plus the amount set forth in Article 13, paragraph (2) item (ii), (b) minus an amount equivalent to the consumption tax and the local consumption tax (if the result of this formula exceeds the sum of ALIC's purchase price of imported mixed high-fructose corn syrup established pursuant to the provisions of the same paragraph and the amount that the Minister of Agriculture, Forestry and Fisheries establishes in accordance with international agreements and announces that sum):

(a) The amount obtained by multiplying the standard price of high-fructose corn syrup for adjustment by the content percentage of high-fructose corn syrup (if the high-fructose corn syrup contained in the imported mixed high-fructose corn syrup is other than standard high-fructose corn syrup, either the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the amount obtained by the multiplication or the amount obtained by subtracting the former from the latter according to the standard category provided for by Order of the Ministry of Agriculture, Forestry and Fisheries); and

(b) The amount obtained by multiplying the average supply price of high-fructose corn syrup applicable at the time of the import declaration of the imported mixed high-fructose corn syrup by the content percentage of high-fructose corn syrup (if the high-fructose corn syrup contained in the imported mixed high-fructose corn syrup is other than standard high-fructose corn syrup, either the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the amount obtained by the multiplication or the amount obtained by subtracting the former from the latter according to the standard category provided for by Order of the Ministry of Agriculture, Forestry and Fisheries).

(2) Notwithstanding the provisions of the preceding paragraph, if the average

import price of imported raw sugar applicable at the time of the removal or import declaration of high-fructose corn syrup or mixed high-fructose corn syrup under the items of the same paragraph is less than the standard price of sugar for adjustment and falls under any of the cases set forth in the following items, ALIC's sell-back price of high fructose corn syrup and others pursuant to the provisions of paragraph (1) of the preceding Article is the amount set forth in the applicable item:

- (i) With regard to domestic high-fructose corn syrup, if the amount set forth in item (a) below exceeds the amount set forth in item (b), the amount set forth in item (b):
 - (a) The amount set forth in item (i) of the preceding paragraph; and
 - (b) The standard price of high-fructose corn syrup applicable at the time of the removal of the domestic high-fructose corn syrup (in the case of high-fructose corn syrup other than standard high-fructose corn syrup, the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the standard price of high-fructose corn syrup or by subtracting the former from the latter according to the standard category provided for by Order of the Ministry of Agriculture, Forestry and Fisheries; the same applies in the following item);
- (ii) With regard to imported high-fructose corn syrup, if the amount set forth in item (a) below exceeds the amount set forth in item (b), the amount set forth in item (b):
 - (a) The amount set forth in item (ii) of the preceding paragraph; and
 - (b) The amount obtained by subtracting an amount equivalent to the consumption tax and the local consumption tax from the standard price of high-fructose corn syrup applicable at the time of the import declaration of the imported high-fructose corn syrup;
- (iii) With regard to imported mixed high-fructose corn syrup, if the amount set forth in item (a) below exceeds the amount set forth in item (b), the amount set forth in item (b):
 - (a) the amount set forth in item (iii) of the preceding paragraph; and
 - (b) The product of the standard price of high-fructose corn syrup applicable at the time of the import declaration of the imported mixed high-fructose corn syrup and the content percentage of high-fructose corn syrup (if the high-fructose corn syrup contained in the mixed high-fructose corn syrup is other than standard high-fructose corn syrup, the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the product or by subtracting the former from the latter according to the standard category provided for by Order of the Ministry of Agriculture, Forestry and

Fisheries) plus the amount set forth in Article 13, paragraph (2), item (ii), (b) minus an amount equivalent to the consumption tax and the local consumption tax

- (3) The high-fructose corn syrup adjustment rate is to be established, for each sugar year at least fifteen days before the relevant year begins, as a figure not greater than the quantity set forth in Article 9, paragraph (2), item (i) for the relevant year divided by the sum of the quantity set forth in item (ii) of the same paragraph for the relevant year and the product of the projected supply of standard high-fructose corn syrup and the figure calculated pursuant to the provisions of Cabinet Order as an indicator of the extent to which high-fructose corn syrup influences the formation of the price of sugar multiplied by the figure thus calculated.
- (4) The provisions of Article 3, paragraph (4) apply mutatis mutandis to the high-fructose corn syrup adjustment rate.

(Reduction of the Purchase and Sell-Back Prices of Imported High-Fructose Corn Syrup)

Article 16 If high fructose corn syrup and others deteriorates before sale pursuant to the provisions of Article 11, paragraph (2), ALIC may reduce the purchase and sell-back prices of the high fructose corn syrup and others pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

(Restrictions on Removing High-Fructose Corn Syrup)

Article 17 High-fructose corn syrup manufacturers must not remove high-fructose corn syrup to be sold pursuant to the provisions of Article 11, paragraph (1) until after they have sold it to ALIC and then bought it back.

(Notification of Commencement of Production)

Article 18 (1) A person who intends to manufacture high-fructose corn syrup at the facilities provided for in Article 11, paragraph (1) must notify the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries of the matters specified by Order of the Ministry of Agriculture, Forestry and Fisheries. The same applies when a high-fructose corn syrup manufacturer intends to discontinue or suspend manufacturing.

- (2) A high-fructose corn syrup manufacturer must notify the Minister of Agriculture, Forestry and Fisheries of any change in the matters subject to the notification pursuant to the provisions of the preceding paragraph, pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

Section 3 Measures Concerning Price Adjustment of Imported Sweetened Preparation Products Sugar

(Sale of imported sweetened preparations products to ALIC)

Article 18-2 (1) A person who makes an import declaration for an imported sweetened preparation products (or if such person is not the owner of the imported sweetened preparation products pertaining to the import declaration at the time of the import declaration, the owner) must sell the imported sweetened preparation products pertaining to the import declaration to ALIC in accordance with the provisions of the Cabinet Order, if the average import price of sweetened preparation products sugar in paragraph (1) of the next Article applies at the time of the import declaration is less than the standard price of sweetened preparation products sugar for adjustment (refers to the price determined by the Minister of Agriculture, Forestry and Fisheries by converting the standard price of sugar for adjustment into the price of sweetened preparation products sugar as prescribed by Cabinet Order; the same applies hereinafter), except in the following cases:

- (i) When the imported sweetened preparation products pertaining to the import declaration is exempt from customs duties pursuant to the provisions of Article 14 of the Customs Tariff Law, or when it is established by Cabinet Order
- (ii) If the average import price of raw sugar referred to in Article 6, paragraph (1), which applies at the time of the import declaration for raw sugar pertaining to import, is less than the standard sugar price for adjustment, and the average import price of sweetened preparation products sugar referred to in paragraph (1) of the next Article applicable at the time of the import declaration is more than the standard price of sweetened preparation products sugar (each period specified by the Cabinet Order in Article 6, paragraph (1) (excluding the period in which the average import price of raw sugar in the same paragraph is not less than the price of sugar for adjustment for the applicable period) is set as the applicable period, the sell-back price of raw sugar imported during that period established in Article 9, paragraph (1), item (i), is converted into the price of sweetened preparation products sugar as prescribed by Cabinet Order as determined by the Minister of Agriculture, Forestry and Fisheries; the same applies hereinafter)
- (2) The standard price of sweetened preparations products sugar for adjustment must be determined, each sugar year, by fifteen days before the beginning of the relevant year.
- (3) The standard price of sweetened preparations products sugar for adjustment must be revised when the standard price of sugar for adjustment is revised pursuant to the provisions of Article 4, paragraph (1).

- (4) When the Minister of Agriculture, Forestry and Fisheries sets or revises the standard price of sweetened preparation products sugar for adjustment, the Minister must announce the same without delay.
- (5) The provisions of Article 6, paragraphs (2) through (4) apply mutatis mutandis to the standard price of sweetened preparation products sugar. In this case, in paragraph (3) of the same Article, "if the market price of raw sugar abroad rises significantly" and "may be revised" are deemed to be replaced with "if the sell-back price of ALIC established in Article 9, paragraph (1), item (i) of Raw Sugar pertaining to imports fluctuates due to the revision of the average import price" and "must be revised together", and in paragraph (4) of the same Article, "of paragraph (1)", "the same paragraph", and "the period specified by Cabinet Order" are deemed to be replaced with "Regarding the determination of the standard price of sweetened preparation products sugar in Article 18-2, paragraph (1), item (ii)", "the same item" and "the period specified by the Cabinet Order in paragraph (1) of Article 6 (excluding the period in which the average import price of raw sugar in the same paragraph is not less than the price of sugar for adjustment for the applicable period)".
- (6) The sale of imported sweetened preparation products pursuant to paragraph (1) must be made by submitting an offer to sell to ALIC, prior to the import declaration pertaining to the imported sweetened preparation products.
- (7) Matters necessary for acceptance by ALIC for an offer to sell pursuant to the provisions of the preceding paragraph are provided for by Cabinet Order.
- (8) The provisions of Article 5, paragraph (3) apply mutatis mutandis to imported sweetened preparation products related to the sale pursuant to the provisions of paragraph (1). In this case, "the preceding paragraph" in paragraph (3) of the same Article and "paragraph (1) of the same Article" are deemed to be replaced with "Article 18-2, paragraph (6)" and "Article 70, paragraph (1) of the same Act".

(Average import price of sweetened preparation products sugar)

Article 18-3 (1) Average import price of sweetened preparation products sugar (hereinafter referred to as "average import price of sweetened preparations products sugar") is established by the Minister of Agriculture, Forestry and Fisheries, with each of the periods into which the sugar year is divided pursuant to the provisions of Cabinet Order being regarded as the applicable period, pursuant to the provisions of Cabinet Order, based on the average market price of representative refined sugar abroad and the standard cost required for the preparation of imported sweetened preparation products, the average amount of the standard amount of freight rate and other charges for import and the amount equivalent to the amount of customs duty and the standard cost of sale.

(2) The provisions of Article 6, paragraphs (2) through (4) apply mutatis mutandis to the average import price of sweetened preparation products sugar. In this case, "if the market price of raw sugar has significantly risen" in paragraph (3) of the same Article is deemed to be replaced with "if the market price of refined sugar has significantly changed", and "paragraph (1)" and "the period specified by Cabinet Order" in paragraph (4) of the same Article, deemed to be replaced with "Article 18-3, paragraph (1)" and "the periods into which the sugar year is divided pursuant to the provisions of Cabinet Order".

(Price of purchases of imported sweetened preparation products)

Article 18-4 The purchase price of ALIC for imported sweetened preparation products pertaining to sales under Article 18-2, paragraph (1) is the amount obtained by adding the amount listed in item (i) to the amount listed in item (ii).

(i) The amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries in accordance with the classification of the type of imported sweetened preparation products pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries, to the amount obtained by multiplying the average import price of sweetened preparation products sugar applicable at the time of the relevant import declaration by the percentage of sweetened preparation products sugar (meaning the percentage of sugar contained in the imported sweetened preparation products; the same applies in Article 18-6).

(ii) the amount obtained by multiplying the amount, obtained by multiplying the average import price of sugar-sweetened preparation products sugar applicable at the time of the import declaration by the rate specified by Order of the Ministry of Agriculture, Forestry and Fisheries, according to the type of the substance other than sugar, in consideration of the differences in market prices, etc. between sweetened preparation products sugar and substance other than sugar contained in the imported sweetened preparation products, by the percentage of the substance other than sugar.

(Sell-back of Imported Sweetened Preparation Products)

Article 18-5 (1) ALIC must sell imported sweetened preparation products back to the person who sold the imported sweetened preparation products pursuant to the provisions of Article 18-2, paragraph (1).

(2) The provisions of Article 8, paragraphs (2) and (3) apply mutatis mutandis to the sell-back of imported sweetened preparation products pursuant to the provisions of the preceding paragraph. In this case, the phrase "the sale of designated sugar pursuant to the provisions of Article 5, paragraph (1)" and

"Designated sugar pertaining to the sale" in paragraph (2) of the same Article are deemed to be replaced with "the sale of imported sweetened preparation products pursuant to the provisions of Article 18-2, paragraph (1)" and "the imported sweetened preparation products pertaining to the sale", and the phrase "the sale of designated sugar pursuant to the provisions of Article 5, paragraph (1)" in paragraph (3) of the same Article is deemed to be replaced with "the sale of imported sweetened preparation products pursuant to the provisions of Article 18-2, paragraph (1)."

(Sell-Back Price of Imported Sweetened Preparation Products)

Article 18-6 (1) The sell-back price of imported sweetened preparation products pursuant to the provision of paragraph (1) of the preceding Article is sum of the amount obtained by multiplying the difference between the amount listed in item (i) and the amount listed in item (ii) by the rate established by the Minister of Agriculture, Forestry and Fisheries for the sugar year to which the date of the import declaration of the sweetened preparation products belongs (hereinafter referred to as "sweetened preparation products sugar adjustment rate" in this Article), the amount listed in the same item and the amount listed in item (ii) of Article 18-4 (if the amount exceeds the sum of the purchase price of ALIC determined pursuant to the provisions of the same Article for imported sweetened preparation products and the amount that the Minister of Agriculture, Forestry and Fisheries establishes in accordance with international agreements and announces that sum).

(i) the amount obtained by adding the amount obtained by multiplying standard price of sweetened preparation products sugar for adjustment by the percentage of sugar contained in sweetened preparation products to the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries in accordance with the classification of imported sweetened preparation products specified by the provisions of Order of the Ministry of Agriculture

(ii) the amount listed in Article 18-4, item (i)

(2) Notwithstanding the provision of the preceding paragraph, if the amount of the average import price of raw sugar pertaining to the import, applicable at the time of the import declaration of imported sweetened preparation products under the preceding paragraph is less than the standard price of sugar for adjustment, and if the amount listed in item (i) exceeds the amount listed in item (ii), the ALIC's sell-back price of imported sweetened preparation products pursuant to the provisions of item (i) of the preceding paragraph is the amount listed in the same item.

(i) the sell-back price of the ALIC determined by the provisions of the preceding item

- (ii) The amount obtained by adding the amount listed in Article 18-4, item (ii) to the amount obtained by adding the amount calculated by Order of the Ministry of Agriculture, Forestry and Fisheries according to the classification of imported sweetened preparation products specified by Order of the Ministry of Agriculture, Forestry and Fisheries, to the amount obtained by multiplying the standard sugar price of sweetened preparation products applicable at the time of the import declaration by the sweetened preparation products sugar content percentage.
- (3) The sweetened preparation products sugar adjustment rate is to be determined each sugar year, by fifteen days before the beginning of the relevant year, up to the number obtained by dividing the quantity listed in Article 9, paragraph (2), item (i) for the relevant year by the total quantity of the quantity listed in item (ii) of the same paragraph and the estimated import quantity of sweetened preparation products sugar for the relevant fiscal year.
- (4) The provisions of Article 3, paragraph (4) apply mutatis mutandis to the sweetened preparation products sugar adjustment rate.

(Reduction of Purchase and Sell-back Prices of imported sweetened preparation products)

Article 18-7 In the case where imported sugar-processed products pertaining to sales pursuant to the provision of Article 18-2, paragraph (1) have been transformed before said sales, ALIC may reduce purchase and sell-back price of imported sweetened preparation products pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

Section 4 Providing Subsidy for Sweetener Resource Crops and Subsidy for Domestic Sugar

(Providing Subsidy for Sweetener Resource Crops)

Article 19 (1) ALIC is to provide subsidy for sweetener resource crops within its budget and pursuant to the provisions of Cabinet Order to the producers of sweetener resource crops, who meet the conditions necessary to secure the stable production of sweetener resource crops, including those in a planted area of sweetener resource crops, provided for by Order of the Ministry of Agriculture, Forestry and Fisheries (hereinafter referred to as "qualified producers of sweetener resource crops") with regard to the sweetener resource crops they produce (limited to those that have been produced in districts designated by the Minister of Agriculture, Forestry and Fisheries as areas whose climate, soil and other natural conditions are found suitable for planting sweetener resource crops (referred to as "designated areas" in Article 21) and whose use and sugar content are provided for by Order of the Ministry of

Agriculture, Forestry and Fisheries; the same applies in paragraph (1) of the following Article).

- (2) Notwithstanding the provisions of the preceding paragraph, a qualified producer of sweetener resource crops who has received a grant under Article 3, paragraph (1), item (i) or (ii) of the Act on Payment of Grants to Farmers for Purpose of Stabilization of Farming Management (Act No. 88 of 2006) is not to receive the Subsidy for Sweetener Resource Crops with regard to sugar beets sown from January 1 of the year preceding the year in which the grant was received to December 31 of the year in which the grant was received.

(Amount of the Subsidy for Sweetener Resource Crops)

Article 20 (1) The amount of the Subsidy for Sweetener Resource Crops is established for each qualified producer of sweetener resource crops as the sum of the amounts obtained by multiplying the unit amount of the Subsidy for Sweetener Resource Crops for each of the sugar content classes provided for pursuant to the provisions of the following paragraph by each of the figures equivalent to the quantities of sweetener resource crops that were produced by the qualified producer of sweetener resource crops and then sold, within the period specified by Order of the Ministry of Agriculture, Forestry and Fisheries, to qualified manufacturers of domestic sugar provided for in the following Article for each sugar content class.

- (2) The unit amount of the Subsidy for Sweetener Resource Crops is established for sugar beets and sugar cane separately by the Minister of Agriculture, Forestry and Fisheries for each sugar content class based on the amount obtained by subtracting the amount set forth in item (ii) below from the amount set forth in item (i):

- (i) the standard production cost of sweetener resource crops produced by qualified producers of sweetener resource crops; and
- (ii) an amount equivalent to the standard selling price of sweetener resource crops referred to in the preceding item to be sold to qualified manufacturers of domestic sugar specified in the following Article.

- (3) The unit amount of the subsidy for sweetener resource crops must be announced each year both for sugar beets sown in the following year from January 1 through December 31 and for sugar cane harvested from October 1 in the following year through the next September 30 by the date specified by Cabinet Order.

- (4) The unit amount of the Subsidy for Sweetener Resource Crops may be revised if a substantial change has occurred or is likely to occur in prices or in other economic circumstances and a revision is particularly necessary. In this case, the Minister of Agriculture, Forestry and Fisheries must give public notice of the revised unit amount of the Subsidy for Sweetener Resource Crops without

delay.

(Providing Subsidy for Domestic Sugar)

Article 21 ALIC is to provide the subsidy for domestic sugar within its budget and pursuant to the provisions of Cabinet Order, to those who are engaged in the business of manufacturing domestic sugar and satisfy the following requirements (hereinafter referred to as "qualified manufacturers of domestic sugar"), for the domestic sugar they manufacture (limited to domestic sugar that has been manufactured in designated areas and whose types and standards are provided for by Order of the Ministry of Agriculture, Forestry and Fisheries; the same applies in paragraph (1) of the following Article):

- (i) Manufacturing domestic sugar at facilities that meet the standards provided for by Order of the Ministry of Agriculture, Forestry and Fisheries;
- (ii) Having agreed with qualified producers of sweetener resource crops to calculate the compensation to be paid to qualified producers of sweetener resource crops for sweetener resource crops by a method prescribed by Order of the Ministry of Agriculture, Forestry and Fisheries;
- (iii) Having developed a plan for management improvements including business streamlining pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries and having received recognition from the Minister of Agriculture, Forestry and Fisheries to the effect that the content of the plan is appropriate

(Amount of the Subsidy for Domestic Sugar)

Article 22 (1) The amount of the subsidy for domestic sugar is established for each qualified manufacturer of domestic sugar as the sum of the amounts obtained by multiplying the unit amount of the subsidy for domestic sugar provided for pursuant to the provisions of the following paragraph by each of the figures equivalent to the quantities of domestic sugar that were manufactured by the qualified manufacturers of domestic sugar and then sold, within the period specified by Order of the Ministry of Agriculture, Forestry and Fisheries.

- (2) The unit amount of the subsidy for domestic sugar is established by the Minister of Agriculture, Forestry and Fisheries based on the amount obtained by subtracting the amount set forth in item (iii) below from the sum of the amount set forth in item (i) and the amount set forth in item (ii), according to the types of domestic sugar provided for by Order of the Ministry of Agriculture, Forestry and Fisheries:
 - (i) An amount equivalent to the standard purchase price of sweetener resource crops produced by qualified producers of sweetener resource crops (if that amount exceeds the standard production cost of the sweetener resource crops,

- the standard production cost);
- (ii) The standard cost necessary for purchasing sweetener resource crops under the preceding item and manufacturing domestic sugar from them; and
 - (iii) The amount that is calculated, pursuant to the provisions of Cabinet Order, based on the amount calculated based on ALIC's sell-back price of imported raw sugar under Article 9, paragraph (1), item (i), in consideration of the market price of sugar.
- (3) The unit amount of the subsidy for domestic sugar must be announced by the date specified by Cabinet Order each sugar year based on the period when the production of domestic sugar begins.
- (4) The provisions of Article 20, paragraph (4) apply mutatis mutandis to the unit amount of the subsidy for domestic sugar.

Section 5 Miscellaneous Provisions

(Special Provisions for the Sell-Back Prices of Imported Designated Saccharide, High-Fructose Corn Syrup and Imported Sweetened Preparation Products)

Article 23 (1) If the market price of sugar drops below ALIC's sell-back price under Article 9, paragraph (1), item (i) of imported raw sugar as converted to the price of refined sugar (excluding domestic sugar) pursuant to the provisions of Cabinet Order or is at the risk of transitioning in such a manner, and the Minister of Agriculture, Forestry and Fisheries finds that the appropriate and smooth operation of ALIC's business of granting the subsidy for domestic sugar has been hindered or is at the risk of being hindered in light of the provisions that the unit amount of the subsidy for domestic sugar is to be established in consideration of the market price of sugar pursuant to paragraph (2) of the preceding Article, in order to address the situation, the Minister is to instruct ALIC to conduct a sell-back at ALIC's sell-back price provided for in paragraph (1) of the following Article, Article 25, paragraph (1) or Article 25-2, paragraph (1) and to give public notice to that effect.

(2) If the Minister of Agriculture, Forestry and Fisheries finds that the situation referred to in the preceding paragraph no longer exists, the Minister is to rescind the instruction under the same paragraph and to give public notice to that effect without delay.

Article 24 (1) When an offer is made for the sale of designated saccharides pursuant to the provisions of Article 5, paragraph (1), and the sum of the quantities of designated saccharides sold under offer for the period to which the date of the offer made by the designated saccharide import declarant, etc. belongs among the periods into which the sugar year is divided pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries (in

the case of mixed sugar, the quantities of sugar contained in the mixed sugar under the offer for the sale), as converted to the quantities of raw sugar pursuant to the provisions of Cabinet Order, exceeds the sum of the quantities of designated saccharides sold back to the declarant pursuant to the provisions of Article 8, paragraph (1) for the relevant period during the normal year (in the case of mixed sugar, the sum of the quantities of the sugars contained in the mixed sugar under the offer for the sale), as converted to the quantities of raw sugar pursuant to the provisions of Cabinet Order that have been established and reported to the declarant and ALIC by the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries (if it is found to be significantly inappropriate to use these quantities, and the quantities that have been established by the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries based on the imported quantities, etc. of designated saccharides for the relevant period of the normal year (in the case of mixed sugar, the quantities, etc. of the sugars contained in imported mixed sugar) are reported to the declarant and ALIC, those reported quantities), ALIC's sell-back price of designated saccharides for a period from the date of the public notice pursuant to the provisions of paragraph (1) of the preceding Article to the date of public notice pursuant to the provisions of paragraph (2) of the same Article with regard to these exceeding quantities is, notwithstanding the provisions of Article 9, paragraph (1), the sum of the ALIC's sell-back price determined by the provisions of the items of the same paragraph, and the amount concerning of raw sugar that is established, pursuant to the provisions of Cabinet Order, by the Minister of Agriculture, Forestry and Fisheries for the sugar year to which the date of the import declaration of designated saccharides pertaining to the exceeding quantities belongs in consideration of the extent to which an increase in the supply of sugar (including sugar contained in the mixed sugar that is imported designated saccharide) affects the market price of sugar and the unit amount of the subsidy for domestic sugar (in the case of designated saccharides other than raw sugar, the amount obtained by adding the amount calculated pursuant to Order of the Ministry of Agriculture, Forestry and Fisheries to that amount established by the Minister (in the case of mixed sugar, the amount obtained by multiplying the amount by the sugar content percentage) or by subtracting the former from the latter depending on the type of sugar contained in the mixed sugar) (if the sum exceeds the sum of the amount set forth in Article 7, item (i) and the amount that the Minister of Agriculture, Forestry and Fisheries establishes in accordance with international agreements and announces (in the case of mixed sugar, the sum of the amount set forth in item (ii) of the same Article and the amount that the

Minister of Agriculture, Forestry and Fisheries establishes in accordance with international agreements and announces), the latter sum).

- (2) The Minister of Agriculture, Forestry and Fisheries' notification referred to in the preceding paragraph must be given on the date of the public notice pursuant to the provisions of paragraph (1) of the preceding Article (in the case of the period referred to in the preceding paragraph that begins during a period into which the sugar year is divided from four days after the date of the public notice to the date of public notice pursuant to the provisions of paragraph (2) of the same Article, at least three days before the first day of that period). (With regard to those who have not made an offer to sell to ALIC for a certain number of previous years provided for by Order of the Ministry of Agriculture, Forestry and Fisheries but have made an offer after the date, the notification must be given without delay.)
- (3) The amount established by the Minister of Agriculture, Forestry and Fisheries under paragraph (1) is to be established and announced each sugar year at least fifteen days before the relevant year begins.

Article 25 (1) When an offer is made for the sale of high fructose corn syrup and others pursuant to the provisions of Article 11, paragraph (1) or (2) and the quantity of high fructose corn syrup and others offered for sale for the period into which the sugar year is divided under paragraph (1) of the preceding Article to which the date of the offer belongs (in the case of mixed high-fructose corn syrup, the quantities of high-fructose corn syrup contained under the offer for the sale), as converted to the quantities of standard high-fructose corn syrup pursuant to the provisions of Cabinet Order, exceeds the sum of the quantities of high fructose corn syrup and others sold back to the applicant pursuant to the provisions of Article 14, paragraph (1) for the relevant period during the normal year (in the case of mixed high-fructose corn syrup, the sum of the quantities of the high-fructose corn syrup contained in the mixed high-fructose corn syrup under the offer for the sale), as converted to the quantities of standard high-fructose corn syrup pursuant to the provisions of Cabinet Order that have been established and reported to the applicant and ALIC by the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries (if it is found to be significantly inappropriate to use these quantities, and the quantities that have been established by the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries based on the produced quantities, etc. of high-fructose corn syrup or the imported quantities, etc. of high fructose corn syrup and others for the relevant period of the normal year (in the case of mixed high-fructose corn syrup, the quantities, etc. of high-fructose corn syrup contained in imported

mixed high-fructose corn syrup) are reported to the applicant and ALIC, those reported quantities), ALIC's sell-back price of high fructose corn syrup and others for a period from the date of the public notice pursuant to the provisions of Article 23, paragraph (1) to the date of public notice pursuant to the provisions of paragraph (2) of the same Article with regard to these exceeding quantities is, notwithstanding the provisions of Article 15, paragraph (1) and paragraph (2), the sum of ALIC's sell-back price determined by these provisions and the amounts set forth in the following relevant items according to the applicable categories in the items (in the case of imported high-fructose corn syrup or imported mixed high-fructose corn syrup, if the sum for each exceeds the sum of ALIC's purchase price established pursuant to the provisions of Article 13, paragraph (2) and the amount that the Minister of Agriculture, Forestry and Fisheries establishes in accordance with international agreements and announces, the latter sum):

- (i) Domestic high-fructose corn syrup: the amount that is established, pursuant to the provisions of Cabinet Order, by the Minister of Agriculture, Forestry and Fisheries for the sugar year to which the date of the removal of domestic high-fructose corn syrup pertaining to the exceeding quantities belong in consideration of the extent to which an increase in the supply of high-fructose corn syrup (including high-fructose corn syrup contained in imported mixed high-fructose corn syrup) would affect the market price of sugar and the unit amount of the subsidy for domestic sugar (in the case of high-fructose corn syrup other than standard high-fructose corn syrup, the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the amount or by subtracting the former from the latter according to the standard category provided for by Order of the Ministry of Agriculture, Forestry and Fisheries; the same applies in the following item);
- (ii) Imported high-fructose corn syrup: the amount obtained by subtracting an amount equivalent to the consumption tax and the local consumption tax from the amount established under the preceding item by the Minister of Agriculture, Forestry and Fisheries for the sugar year to which the date of the import declaration of imported high-fructose corn syrup belongs, with regard to the exceeding quantities; and
- (iii) Imported mixed high-fructose corn syrup: the amount established under item (i) by the Minister of Agriculture, Forestry and Fisheries for the sugar year to which the date of the import declaration of imported mixed high-fructose corn syrup with regard to the exceeding quantities multiplied by the content percentage of high-fructose corn syrup (if the high-fructose corn syrup contained in the imported mixed high-fructose corn syrup is other than standard high-fructose corn syrup, either the amount obtained by adding the

amount calculated pursuant to Order of the Ministry of Agriculture, Forestry and Fisheries to the amount obtained by that multiplication or the amount obtained by subtracting the former from the latter according to the standard category provided for by Order of the Ministry of Agriculture, Forestry and Fisheries) minus an amount equivalent to the consumption tax and the local consumption tax, with regard to the exceeding quantities.

- (2) The provisions of paragraph (2) of the preceding Article apply mutatis mutandis to the notification by the Minister of Agriculture, Forestry and Fisheries referred to in the preceding paragraph, and the provisions of paragraph (3) of the same Article apply mutatis mutandis to the amount established by the Minister of Agriculture, Forestry and Fisheries under the preceding paragraph.

Article 25-2 (1) In the event that an offer to sell imported sweetened preparation products is made pursuant to the provisions of Article 18-2, paragraph (1), if the sum of the quantities of sweetened preparation products sugar pertaining to the offers during the periods into which the sugar year is divided under Article 24, paragraph (1) exceeds the quantity determined by the Minister of Agriculture, Forestry and Fisheries provided for by Order of the Ministry of Agriculture, Forestry and Fisheries and notified to the person and ALIC as the sum of the quantity of sweetened sugar products pertaining to the sell-back pursuant to the provision of Article 18-5, paragraph (1) during the relevant period to the person (in the event the quantity is deemed to be extremely inappropriate, and in the event that the quantity determined by the Minister of Agriculture, Forestry and Fisheries as provided by the Order of the Ministry of Agriculture, Forestry and Fisheries based on the import quantity of sweetened sugar products sugar by the person during the relevant period in the ordinary year is notified to the person and ALIC, the quantity), the sell-back price of sweetened preparation products sugar by ALIC during the period from the date of public notice pursuant to the provision of Article 23, paragraph (1) to the date of public notice pursuant to the provision of paragraph (2) of the same Article pertaining to that excessive quantity, notwithstanding the provisions of Article 18-6, paragraphs (1) and (2), is the amount obtained by adding the amount listed in item (i) to the amount listed in item (ii) (if the amount exceeds the amount obtained by adding the price determined and notified by the Minister of Agriculture, Forestry and Fisheries in accordance with international agreements on the purchase price by ALIC set forth in Article 18-4, the amount obtained by adding).

- (i) The sell-back price of ALIC determined pursuant to the provisions of Article 18-6, paragraph (1) or (2)
(ii) The amount obtained by adding the amount calculated according to the

classification of the type of imported sweetened preparation products pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to the amount determined by the Minister of Agriculture, Forestry and Fisheries, in consideration of the degree of impact that an increase in the import quantity of sweetened preparation products sugar has on the market price of sugar and the unit price of domestic sugar subsidies pursuant to the provisions of Cabinet Order, for the sugar year in which the import declaration date for imported sweetened preparation products sugar pertaining to the excess quantity belongs

- (2) The provisions of Article 24, paragraph (2) apply *mutatis mutandis* to the notification of the Minister of Agriculture, Forestry and Fisheries established in the preceding paragraph, and the provisions of paragraph (3) of the same Article apply *mutatis mutandis* to the amount determined by the Minister of Agriculture, Forestry and Fisheries in item (ii) of the preceding paragraph.

Chapter III Measures on Price Adjustment of Starch

Section 1 Measures on Price Adjustment of Imported Starch

(Standard Price of Starch for Adjustment)

Article 26 (1) The Minister of Agriculture, Forestry and Fisheries must establish the standard price of starch for adjustment each starch year at least fifteen days before the relevant year begins.

- (2) The standard price of starch for adjustment is to be established as the price below which the price of imported starch or the starch made from imported agricultural produce for starch is found to necessitate price adjustment to mitigate the resulting adverse effects on the promotion of the production of potatoes for starch and the sound development of the business of producing domestic potato starch, based on the amount obtained by adding the cost of producing potatoes for starch when they are produced quite efficiently and the cost of producing domestic potato starch when it is produced quite efficiently, and with the amount established pursuant to the provisions of Cabinet Order in consideration of the trends in the international price of starch serving as a standard, as converted, pursuant to the provisions of Cabinet Order, to the import price of starch (excluding an amount equivalent to the amount of customs duties).

- (3) The provisions of Article 3, paragraphs (3) and (4) and Article 4 apply *mutatis mutandis* to the standard price of starch for adjustment. In this case, the term "sugar" in paragraph (1) of the same Article is deemed to be replaced with the term "starch".

(Sale of Imported Designated Starch to ALIC)

Article 27 (1) A person who makes an import declaration for starch (limited to the starch specified by Cabinet Order as starch that is found likely to affect the stable supply of domestic potato starch in light of the competition in use, and the differences in price, in relation to domestic potato starch) or imported agricultural produce for starch (hereinafter referred to as "designated starch, etc.") (if the person is not the owner of the designated starch, etc. for which the import declaration is made at the time of the import declaration, the owner) must sell the designated starch, etc. for which the import declaration is made to ALIC, pursuant to the provisions of Cabinet Order, if the average import price under the following Article that is applicable at the time of the import declaration in question is less than the standard price of starch for adjustment; provided, however, that this does not apply if the designated starch, etc. for which the import declaration is made is exempt from customs duties pursuant to the provisions of Article 14 of the Customs Tariff Act or when otherwise provided for by Cabinet Order.

(2) The provisions of Article 5, paragraphs (2) through (4) apply mutatis mutandis to designated starch, etc. sold pursuant to the provisions of the preceding paragraph.

(Average Import Price)

Article 28 (1) The average import price of starch and imported agricultural produce for starch (hereinafter referred to as the "the average import price" in this Section) is established by the Minister of Agriculture, Forestry and Fisheries, pursuant to the provisions of Cabinet Order, with each period specified by Cabinet Order being regarded as the applicable period, based on the following amounts during a certain period of time before the applicable period, in consideration of the ratio between the quantity of imported starch and the quantity of imported agricultural produce for starch during that certain period as converted to the quantities of starch pursuant to the provisions of Cabinet Order:

- (i) The amount obtained by adding the average standard cost of carrying and other charges for import to the average market price of starch in major production areas of starch abroad; and
- (ii) The amount obtained by adding the average standard cost of carrying and other charges for import to the average market price of representative imported agricultural produce for starch abroad as converted, pursuant to the provisions of Cabinet Order, to the price of starch made from imported agricultural produce for starch.

(2) The provisions of Article 6, paragraphs (2) through (4) apply mutatis mutandis to the average import price. In this case, the term "raw sugar" in paragraph (3) of the same Article is deemed to be replaced with the term

"starch," and the term "paragraph (1)" in paragraph (4) of the same Article is deemed to be replaced with the term "Article 28, paragraph (1)".

(Purchase Price of Imported Designated Starch)

Article 29 ALIC's purchase price of designated starch, etc. sold pursuant to the provisions of Article 27, paragraph (1) is as follows:

- (i) If the designated starch, etc. is starch, the average import price applicable at the time of the import declaration; and
- (ii) If the designated starch, etc. is imported agricultural produce for starch, the average import price applicable at the time of the import declaration as converted to the price of imported agricultural produce for starch and established by the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Cabinet Order.

(Sell-Back of Imported Designated Starch)

Article 30 (1) ALIC must sell-back designated starch, etc. to the person who sold the designated starch, etc. to it pursuant to the provisions of Article 27, paragraph (1)

- (2) The provisions of Article 8, paragraphs (2) and (3) apply mutatis mutandis to the sell-back of designated starch, etc. pursuant to the provisions of the preceding paragraph. In this case, the phrase "the sale of a designated saccharide pursuant to the provisions of Article 5, paragraph (1)" in paragraph (2) of the same Article is deemed to be replaced with the phrase "the sale of designated starch, etc. pursuant to the provisions of Article 27, paragraph (1)," the phrase "the designated saccharide thus sold" is deemed to be replaced with the phrase "designated starch, etc. thus sold," and the phrase "the sale of a designated saccharide pursuant to the provisions of Article 5, paragraph (1)" in paragraph (3) of the same Article is deemed to be replaced with the phrase "the sale of designated starch, etc. pursuant to the provisions of Article 27, paragraph (1)."

(Sell-Back Price of Imported Designated Starch)

Article 31 (1) ALIC' sell-back price of designated starch, etc. pursuant to the provisions of paragraph (1) of the preceding Article is as follows:

- (i) If the designated starch, etc. is starch, the difference between the standard price of starch for adjustment and the amount set forth in Article 29, item (i) multiplied by the rate established by the Minister of Agriculture, Forestry and Fisheries for the starch year to which the date of the import declaration of the starch belongs (hereinafter referred to as the "adjustment rate for designated starch, etc." in this Article) plus the amount set forth in the same item (if that product exceeds the amount that the Minister of Agriculture,

- Forestry and Fisheries establishes in accordance with international agreements and announces, the sum of the announced amount and the amount set forth in the same item); and
- (ii) If the designated starch, etc. consists of imported agricultural produce for starch, the difference between the standard price of starch for adjustment as converted to the price of imported agricultural produce for starch pursuant to the provisions of Cabinet Order and established by the Minister of Agriculture, Forestry and Fisheries and the amount set forth in Article 29, item (ii) multiplied by the adjustment rate for designated starch, etc. for the starch year to which the date of the import declaration of the imported agricultural produce for starch belongs plus the amount set forth in the same item (if that product exceeds the amount that the Minister of Agriculture, Forestry and Fisheries establishes in accordance with international agreements and announces, the sum of the announced amount and the amount set forth in the same item).
- (2) The adjustment rate for designated starch, etc. is to be established, pursuant to the provisions of Cabinet Order, for each starch year at least fifteen days before by the relevant year begins, as a figure not greater than the figure obtained by dividing the quantity set forth in item (i) below by the quantity set forth in item (ii):
- (i) The supply of domestic potato starch that has been projected for the relevant year in consideration of the expected supply for the year based on the supply of domestic potato starch for the previous year; and
- (ii) The projected total supply of imported starch, starch made from imported agricultural produce for starch, and domestic potato starch, in consideration of the expected quantity of imported starch, quantity of imported agricultural produce for starch as converted to a quantity of starch pursuant to the provisions of Cabinet Order and the supply of domestic potato starch, for the relevant year, based on those quantities and supply in the previous year.
- (3) The provisions of Article 3, paragraph (4) apply mutatis mutandis to the adjustment rate for designated starch, etc.

(Reduction of Purchase and Sell-Back Prices)

Article 32 If designated starch, etc. deteriorates before it is sold pursuant to the provisions of Article 27, paragraph (1), ALIC may reduce the purchase and sell-back prices of the designated starch, etc. pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

Section 2 Granting of the Subsidy for Potatoes for Starch and the Subsidy for Domestic Potato Starch

(Granting of the Subsidy for Potatoes for Starch)

Article 33 (1) ALIC is to grant the subsidy for potatoes for starch within its budget and pursuant to the provisions of Cabinet Order, to the producers of potatoes for starch whose planted areas of those potatoes for starch and other matters necessary for the stable production of potatoes for starch meet the requirements specified by the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries (hereinafter referred to as "qualified producers of potatoes for starch") for the potatoes for starch they produce (limited to those that have been produced in districts designated by the Minister of Agriculture, Forestry and Fisheries as areas whose climate, soil and other natural conditions are found to be suitable for planting potatoes (referred to "designated areas" in Article 35) and whose use is provided for by Order of the Ministry of Agriculture, Forestry and Fisheries; the same applies in paragraph (1) of the following Article).

(2) Notwithstanding the provisions of the preceding paragraph, any qualified producer of potatoes for starch who has received a grant under Article 3, paragraph (1), item (i) or (ii) of the Act on Payment of Grants to Farmers for Purpose of Stabilization of Farming Management is not to be qualified to receive the subsidy for potatoes for starch with regard to potatoes that were sown from January 1 of the year preceding the year in which the grant was received to December 31 of the year in which the grant was received.

(Amount of the Subsidy for Potatoes for Starch)

Article 34 (1) The amount of the subsidy for potatoes for starch is established for each qualified producer of potatoes for starch as the sum of the amounts obtained by multiplying the unit amount of the subsidy for potatoes for starch for each of the grades provided for pursuant to the provisions of the following paragraph by each of the figures equivalent to the quantities of potatoes for starch that were produced by the qualified producer of potatoes for starch and then, within a period specified by Order of the Ministry of Agriculture, Forestry and Fisheries, sold to qualified manufacturers of domestic potato starch provided for in the following Article (including potatoes for starch that the qualified producers of potatoes for starch have produced and uses as raw material for manufacturing domestic potato starch under contract within the period specified by Order of the Ministry of Agriculture, Forestry and Fisheries) for each grade.

(2) The unit amount of the subsidy for potatoes for starch is established for potatoes and sweet potatoes separately by the Minister of Agriculture, Forestry and Fisheries for each grade based on the amount obtained by subtracting the amount set forth in item (ii) below from the amount set forth in item (i):

- (i) the standard production cost of potatoes for starch produced by qualified producers of potatoes for starch;
 - (ii) an amount equivalent to the standard selling price of potatoes for starch referred to in the preceding item to qualified manufacturers of domestic potato starch specified in the following Article.
- (3) The unit amount of the subsidy for potatoes for starch must be announced each year for potatoes for starch that will be sown from January 1 through December 31 of the following year by a date specified by Cabinet Order.
- (4) The provisions of Article 20, paragraph (4) apply mutatis mutandis to the unit amount of the subsidy for potatoes for starch.

(Granting of the Subsidy for Domestic Potato Starch)

Article 35 ALIC is to grant the subsidy for domestic potato starch, within its budget and pursuant to the provisions of Cabinet Order to persons who are engaged in the business of manufacturing domestic potato starch and satisfy the following requirements (excluding the requirement set forth in item (ii) when a qualified producer of potatoes for starch manufactures domestic potato starch under contract from the potatoes for starch it has produced) (hereinafter referred to as "qualified manufacturers of domestic potato starch"), for the domestic potato starch they manufacture (limited to domestic potato starch that has been manufactured in designated areas and whose uses and standards are provided for by Order of the Ministry of Agriculture, Forestry and Fisheries; the same applies in paragraph (1) of the following Article):

- (i) Manufacturing domestic potato starch at facilities that meet the standards provided for by Order of the Ministry of Agriculture, Forestry and Fisheries;
- (ii) Having agreed with qualified producers of potatoes for starch to calculate the compensation to be paid to qualified producers of potatoes for starch with regard to potatoes for starch by a method prescribed by Order of the Ministry of Agriculture, Forestry and Fisheries;
- (iii) Having developed a plan for management improvements including business streamlining pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries and having been recognized by the Minister of Agriculture, Forestry and Fisheries that the plan is appropriate.

(Amount of the Subsidy for Domestic Potato Starch)

Article 36 (1) The amount of the subsidy for domestic potato starch is established for each qualified manufacturer of domestic potato starch as the sum of the amounts obtained by multiplying the unit amount of the subsidy for domestic potato starch provided for pursuant to the following paragraph by each of the figures equivalent to the quantities of domestic potato starch that were manufactured by the qualified manufacturers of domestic potato starch

and then sold within the period specified by Order of the Ministry of Agriculture, Forestry and Fisheries.

- (2) The unit amount of the subsidy for domestic potato starch is established by the Minister of Agriculture, Forestry and Fisheries based on the amount obtained by subtracting the amount set forth in item (iii) below from the sum of the amount set forth in item (i) and the amount set forth in item (ii), according to the types of domestic potato starch provided for by Order of the Ministry of Agriculture, Forestry and Fisheries:
- (i) An amount equivalent to the standard purchase price of potatoes for starch produced by qualified producers of potatoes for starch (if the amount exceeds the standard production cost of the potatoes for starch, it is the standard production cost);
 - (ii) The standard cost necessary for purchasing potatoes for starch under the preceding item and manufacturing domestic potato starch from them; and
 - (iii) The amount calculated pursuant to the provisions of Cabinet Order based on ALIC's sell-back price of imported starch pursuant to the provisions of Article 31, paragraph (1), item (i).
- (3) The unit amount of the subsidy for domestic potato starch must be announced by a date specified by Cabinet Order each starch year based on the period during which the production of domestic potato starch begins.
- (4) The provisions of Article 20, paragraph (4) apply *mutatis mutandis* to the unit amount of the subsidy for domestic potato starch.

Chapter IV Miscellaneous Provisions

(Recommendations to Qualified Manufacturers of Domestic Sugar and Qualified Manufacturers of Domestic Potato Starch)

- Article 37 (1) If the Minister of Agriculture, Forestry and Fisheries finds it particularly necessary to secure appropriate transactions in sweetener resource crops and potatoes for starch, the Minister may make necessary recommendations to qualified manufacturers of domestic sugar or qualified manufacturers of domestic potato starch regarding the terms and methods of transactions with qualified producers of sweetener resource crops or qualified producers of potatoes for starch.
- (2) If the Minister of Agriculture, Forestry and Fisheries finds that a qualified manufacturer of domestic sugar or a qualified manufacturer of domestic potato starch fails to implement measures described in a plan recognized under Article 21, item (iii) or Article 35, item (iii) without justifiable grounds, the Minister may recommend that the qualified manufacturer of domestic sugar or qualified manufacturer of domestic potato starch implement the measures.

(Return of the Subsidy for Domestic Sugar and the Subsidy for Domestic Potato Starch)

- Article 38 (1) If a qualified manufacturer of domestic sugar or qualified manufacturer of domestic potato starch does not follow the recommendation referred to in the preceding Article without justifiable grounds, the Minister of Agriculture, Forestry and Fisheries must notify ALIC to that effect.
- (2) Upon reception of a notification pursuant to the provisions of the preceding paragraph, ALIC may withhold granting all or part of the subsidy for domestic sugar or the subsidy for domestic potato starch that should be granted to the qualified manufacturer of domestic sugar or qualified manufacturers of domestic potato starch, or have all or part of the subsidy for domestic sugar or the subsidy for domestic potato starch that has been granted returned.

(Reporting and Inspection)

- Article 39 (1) The Minister of Agriculture, Forestry and Fisheries may, to the extent necessary to put this Act into effect, instruct producers of sweetener resource crops or potatoes for starch, manufacturers or distributors of sugar, high-fructose corn syrup or starch, or importers of sugar, mixed sugar, high fructose corn syrup and others, imported sweetened preparation products, starch, or imported agricultural produce for starch to report on necessary matters or have the Minister's employees to visit their offices and other places of business and inspect books, documents, and other necessary items.
- (2) The employees who conduct on-site inspection pursuant to the preceding paragraphs must carry an official identification certificate with them and show it to the people concerned.
- (3) The authority to conduct on-site inspections pursuant to the provisions of paragraph (1) must not be construed as allowing criminal investigation.

Chapter V Penal Provisions

Article 40 A person who has received the subsidy for sweetener resource crops, subsidy for domestic sugar, subsidy for potatoes for starch, or subsidy for domestic potato starch by deception or other fraudulent means is subject to imprisonment for not more than three years or a fine of not more than one million yen; provided, however, that if there is any applicable provisions in the Penal Code (Act No.45 of 1907), Penal Code is applicable instead.

Article 41 A person who has violated the provisions of Article 17 is subject to a fine of not more than three million yen.

Article 42 A person who falls under any of the following items is subject to a fine

of not more than three hundred thousand yen:

- (i) A person who fails to make a notification or makes a false notification in violation of the provisions of Article 18, paragraph (1) or (2); or
- (ii) A person who fails to make a report pursuant to the provisions of Article 39, paragraph (1) or makes a false report, or who refuses, obstructs, or evades an inspection pursuant to the provisions of the same paragraph.

Article 43 (1) If the representative of a corporation (including an organization that is not a corporation but for which a representative or administrator has been designated; hereinafter the same applies in this paragraph) or an agent, employee, or any other worker of a corporation or of an individual commits a violation referred to in the preceding three Articles with regard to the business of the corporation or of the individual, not only the violator is subject to punishment but also the corporation or the individual referenced is subject to the fine prescribed in the respective Articles.

(2) When an organization that is not a corporation is subjected to punishment pursuant to the provisions of the preceding paragraph, its representative or administrator represents the organization in the legal proceeding, and the provisions of laws of criminal procedure on a corporate defendant or suspect apply *mutatis mutandis*.

Supplementary Provisions [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation.

(Special Provisions for the Sell-Back Price of Imported Designated Saccharides during the Exception Period)

Article 2 (1) For the purpose of applying the provisions of Article 9, paragraph (1), item (i) to designated saccharides (limited to the types of sugar specified by Cabinet Order) for which an import declaration is made during a period from October 1, 2000, through September 30, 2003 (hereinafter referred to as the "specified period"), the phrase "the amount set forth in item (c) below (if this amount exceeds the product of the difference and the designated saccharide adjustment rate, that product)" in the same item is replaced with the phrase "an amount established by the Minister of Agriculture, Forestry and Fisheries as the amount that is expected to urgently enable the streamlining of sugar production (in the case of sugar other than raw sugar, the sum of the amount obtained by adding the amount calculated pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries to that established amount or by subtracting the former from the latter according to its type) and

the amount set forth in item (c) (if the result of the subtraction exceeds the product of the difference and the designated saccharide adjustment rate, the product)".

- (2) The provisions of Article 23, paragraph (3) apply mutatis mutandis to the amount established by the Minister of Agriculture, Forestry and Fisheries under Article 9, paragraph (1), item (i) as applied by replacing terms pursuant to the provisions of the preceding paragraph.

(Special Provisions for the Standard Price of High-Fructose Corn Syrup during the Exception Period)

Article 3 For the purpose of applying the provisions of Article 11, paragraph (1) during the exception period, the phrase "the corporation's sell-back price of imported raw sugar under Article 9, paragraph (1), item (i)" in the proviso to the same paragraph is replaced with the phrase "the corporation's sell-back price of imported raw sugar under Article 9, paragraph (1), item (i) (in the case of imported designated saccharides specified by Cabinet Order referred to in Article 2, paragraph (1) of the supplementary provisions, the corporation's sell-back price under the same item as applied by replacing terms pursuant to the provisions of the same paragraph)".

(Special Provisions for Subsidies during the Exception Period)

Article 4 For the purpose of applying the provisions of Article 21, paragraph (2) during the exception period, the phrase "the amount calculated based on the corporation's sell-back price of imported raw sugar under Article 9, paragraph (1), item (i)" in Article 21, paragraph (2), item (ii) is replaced with the phrase "the amount calculated based on the corporation's sell-back price of imported raw sugar under Article 9, paragraph (1), item (i) (in the case of imported designated saccharides specified by Cabinet Order referred to in Article 2, paragraph (1) of the supplementary provisions, the corporation's sell-back price established under the same item as applied by replacing terms pursuant to the provisions of the same paragraph)".

(Special Provisions for Markup Measures for the Sell-Back Price of Imported Designated Saccharide and High-Fructose Corn Syrup during the Exception Period)

Article 5 (1) For the purpose of applying the provisions of Article 22, paragraph (1) during the exception period, the phrase "the amount calculated based on the corporation's sell-back price of imported raw sugar under Article 9, paragraph (1), item (i)" in the same paragraph is replaced with the phrase "the amount calculated based on the corporation's sell-back price of imported raw sugar under Article 9, paragraph (1), item (i) (in the case of imported designated

saccharides specified by the Cabinet Order referred to in Article 2, paragraph (1) of the supplementary provisions, the corporation's sell-back price established under the same item as applied by replacing terms pursuant to the provisions of the same paragraph)".

- (2) For the purpose of applying the provisions of Article 23, paragraph (1) to designated saccharides that are specified by Cabinet Order referred to in Article 2, paragraph (1) of the supplementary provisions and for which an import declaration is made during the specified period, the phrase "notwithstanding the provisions of Article 9, paragraph (1), the sum of the sell-back price under the same paragraph" in the same paragraph is replaced with the phrase "notwithstanding the provisions of Article 9, paragraph (1) as applied by replacing terms pursuant to the provisions of Article 2, paragraph (1) of the supplementary provisions, the sum of the sell-back price under Article 9, paragraph (1) as applied by replacing terms pursuant to the provisions of Article 2, paragraph (1) of the supplementary provisions."

(Establishment of the Corporation)

Article 9 The corporation is established by registering its establishment.

Supplementary Provisions [Act No. 110 of June 2, 1965] [Extract]

- (1) This Act comes into effect as of the date of promulgation.

Supplementary Provisions [Act No. 39 of March 31, 1966] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 1966.

Supplementary Provisions [Act No. 130 of December 31, 1971] [Extract]

(Effective Date)

- (1) This Act comes into effect as of the date of the effectuation of the Agreement between Japan and the United States of America Concerning the Ryukyu Islands and the Daito Islands.

Supplementary Provisions [Act No. 87 of July 5, 1978] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation.

Supplementary Provisions [Act No. 44 of May 16, 1981] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation; provided, however, that the provisions of Articles 15 through 29 of the supplementary provisions come into effect as of a date specified by Cabinet Order within a period not exceeding six months from the date of promulgation.

(Transitional Measures Accompanying the Partial Amendment of the Act on Sugar Price Stabilization)

Article 20 A disposition, procedure, or any other action undertaken pursuant to the provisions of the Act on Sugar Price Stabilization before the amendment (excluding Articles 38 and 39) is deemed to be a disposition, procedure, or any other action undertaken pursuant to the corresponding provisions of this law or the amended Act on Sugar Price Stabilization.

Article 21 Prior laws continue to govern the applicability of penal provisions to actions taken before the provisions of Article 19 of the supplementary provisions come into effect.

Supplementary Provisions [Act No. 27 of April 6, 1982] [Extract]

(Effective Date)

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

(Transitional Measures)

Article 2 The provisions of Article 10 of the amended Act on Sugar Price Stabilization (hereinafter referred to as the "New Act") apply to designated saccharides for which an import declaration is made from October 1, 1982, and prior laws continue to govern designated saccharides for which an import declaration is made before that date.

Article 3 The provisions of Chapter II-2 (excluding Article 18-8), Article 32, Article 35, and Article 37 (limited to the portion pertaining to Article 35) of the New Act apply to high-fructose corn syrup that is removed from its production plants from October 1, 1982.

Article 4 For the purpose of applying the provisions of Article 32, paragraph (1) of the New Act from October 1, 1982, through the day on which three years have elapsed therefrom, the phrase "the sum of the quantities of high fructose corn syrup and others sold back to the applicant pursuant to the provisions of

Article 18-5, paragraph (1) for the relevant period during the normal year, as converted to the quantities of standard high-fructose corn syrup pursuant to the provisions of Cabinet Order, that have been established and reported to the applicant and the corporation by the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries (if it is found to be significantly inappropriate to use these quantities and, therefore, the quantities that have been established by the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries based on the produced quantities etc. of high-fructose corn syrup for the relevant period of the normal year are reported to the applicant and the corporation, those reported quantities)" in the same paragraph is replaced with the phrase "the quantities of (mixed)high-fructose corn syrup that have been established and reported to the applicant and the corporation by the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries based on the quantity of high-fructose syrup, etc. manufactured by the applicant for the relevant period during the normal year, as converted to the quantities of standard high-fructose corn syrup pursuant to the provisions of Cabinet Order".

- Article 5 (1) A person, who manufactures high-fructose corn syrup at the facilities provided for in Article 18-2, paragraph (1) of the New Act at the time it takes effect, must notify the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries of the matters specified by Order of the Ministry of Agriculture, Forestry and Fisheries within one month from the effective date of this Act.
- (2) A notification pursuant to the provisions of the preceding paragraph is deemed to be a notification pursuant to the provisions of the first sentence of Article 18-8, paragraph (1) of the New Act for the purpose of applying the provisions of paragraph (2) of the same Article.

- Article 6 (1) A person who fails to make a notification or makes a false notification in violation of paragraph (1) of the preceding Article is subject to a fine of not more than one hundred thousand yen.
- (2) If the representative of a corporation, or an agent, employee, or other workers of a corporation or an individual commits the violations referenced in the preceding paragraph with regard to the business operation of the corporation or individual, not only the offender is subject to punishment but also the corporation or the individual is imposed the punishment prescribed in the same paragraph.

Article 7 Notwithstanding the provisions of Article 31, paragraph (3) of the New Act, the amount established by the Minister of Agriculture, Forestry and Fisheries under paragraph (1) of the same Article for the sugar year, to which the effective date of this Act belongs, is to be established and announced on the same date.

Supplementary Provisions [Act No. 108 of December 30, 1988] [Extract]

(Effective Date)

Article 1 (1) This Act comes into effect as of the date of promulgation and applies to the consumption tax levied on asset transfers, etc. made by business operators in Japan from April 1, 1989, taxable purchases made by business operators in Japan from the same date, and foreign freight received from bonded areas from the same date.

(2) Notwithstanding the provisions of the preceding paragraph, the provisions of this Act listed in the following items come into effect as of the date specified in each respective item:

(i) omitted

(ii) the provisions of Article 20, Article 21, Article 22, paragraph (3), Article 23, paragraphs (3) and (4), Article 24, paragraph (3), Article 25, paragraphs (2) through (4), Articles 27 through 29, Articles 31 through 45, Article 46 (limited to the provisions amending Article 24, paragraph (3), item (ii) of the Customs Act) of the supplementary provisions, Articles 48 through 51, Article 52 (excluding the amendment provisions deleting Article 14 of the Act on Collection, etc. of National Consumption Tax Imposed on Imported Goods) of the supplementary provisions, and Articles 53 through 67 of the supplementary provisions April 1, 1989.

Supplementary Provisions [Act No. 20 of March 31, 1990] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation.

(Transitional Measures)

Article 2 The provisions of Article 5, paragraph (1), Article 8, Article 10, Article 18-2 through Article 18-6-2, Article 31, paragraph (1), and Article 32, paragraph (1) of the amended Act on Sugar Price Stabilization (hereinafter referred to as the "New Act") apply to designated saccharides and high fructose corn syrup and others for which an import declaration is made from April 1, 1990, and high-fructose corn syrup that is removed from its production plants from the same date, and prior laws continue to govern designated saccharides

or high fructose corn syrup and others for which an import declaration is made or that is thus removed before the same date.

Article 3 (1) For the purpose of applying the provisions of Article 10, paragraph (1), item (i), paragraph (2), and paragraph (3) of the New Act with regard to designated saccharides for which an import declaration is made from April 1 through September 30, 1990, the phrase "the sugar year to which the date of the import declaration belongs" in paragraph (1), item (i) of the same Article is replaced with the phrase "the period from April 1 through September 30, 1990", the phrase "each sugar year, at least fifteen days before the relevant year begins" in paragraph (2) of the same Article is replaced with the phrase "the effective date of the Act Partially Amending the Act on Sugar Price Stabilization (Act No. 20 of 1990)", the phrase "the year preceding the relevant year" in the paragraph (2) of the same Article is replaced with the phrase "sugar year 1988", the phrase "in the relevant year" in the paragraph (2) of the same Article is replaced with the phrase "in sugar year 1989", the phrase "the sugar year to which that applicable period belongs" in paragraph (3) of the same Article is replaced with the phrase "the period from April 1 through September 30, 1990", the phrase "the year preceding the relevant year" in the same paragraph is replaced with the phrase "sugar year 1988", and the phrase "in the relevant year" in the same paragraph is replaced with the phrase "in sugar year 1989".

(2) The rate established by the Minister of Agriculture, Forestry and Fisheries under Article 10, paragraph (1), item (i), (a) of the New Act as applied by replacing terms pursuant to the preceding paragraph is to be announced on the effective date of this Act (hereinafter referred to as the "effective date"), notwithstanding the provisions of Article 3, paragraph (6) of the New Act as applied mutatis mutandis pursuant to paragraph (4) of the same Article.

(3) Of the quantities established by the Minister of Agriculture, Forestry and Fisheries under Article 10, paragraph (1), item (i), (a) of the New Act as applied by replacing terms pursuant to paragraph (1), those pertaining to the period referred to in Article 18-3, paragraph (1) of the New Act to which the date of April 1, 1990, belongs are to be announced on the effective date, notwithstanding the provisions of Article 7, paragraph (2) of the New Act as applied mutatis mutandis pursuant to Article 10, paragraph (4) of the New Act.

Article 4 The standard price of high-fructose corn syrup for the period specified by Cabinet Order referred to in Article 7, paragraph (1) of the New Act to which the date of April 1, 1990, belongs is to be announced on the effective date, notwithstanding the provisions of Article 7, paragraph (2) of the New Act as applied mutatis mutandis pursuant to Article 18-2, paragraph (6) of the New

Act.

Article 5 The average supply price of high-fructose corn syrup for the period specified by Cabinet Order referred to in Article 18-3, paragraph (1) of the New Act to which the date of April 1, 1990, belongs is to be announced on the effective date, notwithstanding the provisions of Article 7, paragraph (2) of the New Act as applied *mutatis mutandis* pursuant to Article 18-3, paragraph (2) of the same Article.

Article 6 (1) For the purpose of applying the provisions of Article 18-6, paragraph (1) and paragraph (3) of the New Act to high fructose corn syrup and others that is removed from its production plants or for which an import declaration is made from April 1 through September 30, 1990, the phrase "the sugar year to which the removal date of the domestic high-fructose corn syrup belongs" in paragraph (1), item (i) of the same Article is replaced with the phrase "the period from April 1 through September 30, 1990", the phrase "the sugar year to which the date of import declaration of the imported high-fructose corn syrup belong" in item (ii) of the same paragraph is replaced with the phrase "the period from April 1 through September 30, 1990", the phrase "the sugar year to which the date of import declaration of the imported mixed high-fructose corn syrup belongs" in item (iii) of the same paragraph is replaced with the phrase "the period from April 1 through September 30 of 1990", the phrase "each sugar year, at least fifteen days before the relevant year begins" in paragraph (3) of the same Article is replaced with the phrase "the effective date of the Act Partially Amending the Act on Sugar Price Stabilization (Act No. 20 of 1990)", and the phrase "in the relevant year" in the same paragraph is replaced with the phrase "in sugar year 1989".

(2) The rate established by the Minister of Agriculture, Forestry and Fisheries under Article 18-6, paragraph (1) of the New Act as applied by replacing terms pursuant to the preceding paragraph is to be announced on the effective date, notwithstanding the provisions of Article 3, paragraph (6) of the New Act as applied *mutatis mutandis* pursuant to Article 18-6, paragraph (4) of the New Act.

Supplementary Provisions [Act No. 73 of May 15, 1991] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of October 1, 1991.

Supplementary Provisions [Act No. 111 of December 2, 1994] [Extract]

(Effective Date)

Article 1 (1) This Act comes into effect as of April 1, 1995; provided, however, that the provisions listed in the following items come into effect as of the date specified in each respective item:

(i) and (ii) omitted

(iii) the provisions amending the local consumption tax in Article 1, the provisions of Article 3, and the provisions of Articles 3 through 7 and Articles 13 through 16 of the supplementary provisions, Article 17 of the supplementary provisions (limited to the provisions amending Article 4-3, paragraph (1) and Article 5, paragraph (1), items (v) of the Local Government Finance Act), and the provisions of Article 18, Article 19 (excluding the provisions amending Article 4 of the supplementary provisions of the Local Allocation Tax Act), and Articles 20 through 33 of the supplementary provisions: April 1, 1997.

Supplementary Provisions [Act No. 53 of May 29, 1996] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation; provided, however, that the provisions of Articles 15 through 42 of the supplementary provisions come into effect as of a date specified by Cabinet Order within a period not exceeding nine months from the date of promulgation.

(Transitional Measures Accompanying the Partial Amendment of the Act on Sugar Price Stabilization)

Article 27 A disposition, procedure, or any other action that is undertaken pursuant to the provisions of the Act on Sugar Price Stabilization before the amendment is deemed to be a disposition, procedure, or any other action undertaken pursuant to the corresponding provisions of the amended Act on Sugar Price Stabilization.

Article 28 Prior laws continue to govern the applicability of penal provisions to actions taken before the provisions of Article 26 of the supplementary provisions come into effect.

Supplementary Provisions [Act No. 96 of June 20, 1997] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day on which one month has elapsed from the date of promulgation.

(Transitional Measures Concerning Penal Provisions)

Article 16 Prior laws continue to govern the applicability of penal provisions to actions taken prior to this Act taking effect and to actions taken after this Act takes effect in cases which are to continue to be governed by prior laws pursuant to the provisions of Article 3, paragraph (1) and Article 4, paragraph (1) of the supplementary provisions or the provisions of Article 5, Article 6, Article 7, paragraph (1), and Article 8, paragraph (1) of the supplementary provisions.

Supplementary Provisions [Act No. 107 of June 2, 2000] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of October 1, 2000; provided, however, that the provisions of the following Article through Article 5 of the supplementary provisions and Articles 8 through 10 of the supplementary provisions come into effect as of the date of promulgation.

(Transitional Measures Concerning the Price for Streamlining Domestic Sugar)

Article 2 (1) The Minister of Agriculture, Forestry and Fisheries must establish the price for streamlining domestic sugar referred to in Article 3, paragraph (1) of the Act on Sugar Price Adjustment (hereinafter referred to as the "New Act") for sugar year 2000, in accordance with the provisions of paragraphs (1), (2), and (4) of the same Article, and without delay, give public notice thereof prior to this Act takes effect.

(2) The price for streamlining domestic sugar established pursuant to the preceding paragraph is deemed to be established pursuant to the provisions of Article 3, paragraph (1) of the New Act.

(Transitional Measures Concerning the Designated Saccharide Adjustment Rate)

Article 3 (1) The Minister of Agriculture, Forestry and Fisheries must, establish the designated saccharide adjustment rate referred to in Article 9, paragraph (1), item (i) of the New Act for sugar year 2000, in accordance with the provisions of, paragraph (2) of the same Article and, without delay, give public notice thereof prior to this Act taking effect.

(2) The designated saccharide adjustment rate established pursuant to the preceding paragraph is deemed to be established pursuant to the provisions of Article 9, paragraph (2) of the New Act.

(Transitional Measures Concerning the Amount Established by the Minister of Agriculture, Forestry and Fisheries under Article 9, paragraph (1), item (i),

(c) of the Act on Sugar Price Adjustment)

Article 4 (1) In accordance with the provisions of Article 9, paragraph (3) of the New Act and the provisions of Article 6, paragraph (2) of the New Act as applied mutatis mutandis pursuant to Article 9, paragraph (4) of the New Act, the Minister of Agriculture, Forestry and Fisheries must establish the amount the Minister established pursuant to Article 9, paragraph (1), item (i), (c) of the New Act for the period to which the date this Act taking effect belongs under paragraph (3) of the same Article and give public notice thereof prior to this Act taking effect.

(2) The amount established pursuant to the preceding paragraph is deemed to be established pursuant to the provisions of Article 9, paragraph (3) of the New Act.

(Transitional Measures Concerning the High-Fructose Corn Syrup Adjustment Rate)

Article 5 (1) The Minister of Agriculture, Forestry and Fisheries must establish the high-fructose corn syrup adjustment rate under Article 15, paragraph (1), item (i) of the New Act for sugar year 2000, in accordance with the provisions of paragraph (3) of the same Article and, without delay, give public notice thereof prior to this Act taking effect.

(2) The high-fructose corn syrup adjustment rate established pursuant to the preceding paragraph is deemed to be established pursuant to the provisions of Article 15, paragraph (3) of the New Act.

(Transitional Measures Concerning the Minimum Producer Price)

Article 6 The provisions of Article 20, paragraph (2) of the New Act apply to sugar beets sown on or after January 1, 2001, and sugar cane harvested on or after October 1, 2001, and prior laws continue to govern sugar beets sown before January 1, 2001, and sugar cane harvested before October 1, 2001.

(Transitional Measures Concerning Markup Measures for the Sell-Back Prices of Imported Designated Saccharide and High-Fructose Corn Syrup)

Article 7 An instruction, made at the time this Act taking effect, stating that a sell-back should be made at the sell-back price established under Article 31, paragraph (1) and Article 32, paragraph (1) of the Act on Sugar Price Stabilization pursuant to the provisions of Article 30, paragraph (1) of the same Act is deemed to be an instruction to the effect that the sell-back should be made at the sell-back price under Article 23, paragraph (1) and Article 24, paragraph (1) of the New Act pursuant to the provisions of Article 22, paragraph (1) of the New Act. In this case, the phrase "on the date of the public notice pursuant to the provisions of paragraph (1) of the preceding Article (in

the case of the period referred to in the preceding paragraph that begins during a period from four days after the date of the public notice to the date of public notice pursuant to the provisions of paragraph (2) of the same Article, at least three days before the first day of that period)" in Article 23, paragraph (2) of the New Act is deemed to be replaced with the phrase", with regard to the period under the preceding paragraph that begins during a period from four days after the date of the public notice pursuant to the provisions of the Article 30, paragraph (1) of the Act on Sugar Price Stabilization before the amendment pursuant to the provisions of Article 1 of the Act Partially Amending the Act on Sugar Price Stabilization and the Former Act on the Agriculture & Livestock Industries Corporation (Act No. 107 of 2000; hereinafter referred to as the "Amending Act" in this paragraph and paragraph (2) of the following Article) pertaining to the instruction that was given pursuant to the provisions of the same paragraph and that is deemed, pursuant to the provisions of paragraph (1) of the preceding Article, to have been given pursuant to the provisions of Article 7 of the supplementary Provisions of the Amending Act to the date of public notice pursuant to the provisions of paragraph (2) of the preceding Article, at least three days before the first day of that period", and the term "paragraph (2) of the preceding Article" in Article 24, paragraph (2) of the New Act is deemed to be replaced with the phrase "paragraph (2) of the preceding Article as applied by replacing terms pursuant to the provisions of Article 7 of the supplementary provisions of the Amending Act".

Article 8 (1) The Minister of Agriculture, Forestry and Fisheries must establish the amount the Minister established under Article 23, paragraph (1) of the New Act for sugar year 2000, in accordance with the provisions of paragraphs (1) and (3) of same Article, and give public notice thereof before this Act taking effect.

(2) The amount established pursuant to the preceding paragraph is deemed to be established pursuant to the provisions of Article 23, paragraph (1) of the New Act.

Article 9 (1) The Minister of Agriculture, Forestry and Fisheries must establish the amount established by the Minister of Agriculture, Forestry and Fisheries under Article 24, paragraph (1), item (i) of the New Act for sugar year 2000 in accordance with the provisions of Article 24, paragraph (1) of the New Act and the provisions of Article 23, paragraph (3) of the New Act as applied mutatis mutandis pursuant to Article 24, paragraph (2) of the New Act, and give public notice thereof prior to this Act taking effect.

(2) The amount established pursuant to the provisions of the preceding paragraph is deemed to be established pursuant to the provisions of Article 24,

paragraph (1), item (i) of the New Act.

(Transitional Measures Concerning Special Provisions for the Sell-Back Price of Imported Designated Saccharides during the Exception Period)

Article 10 (1) The Minister of Agriculture, Forestry and Fisheries must establish the amount established by the Minister under Article 9, paragraph (1), item (i) of the New Act as applied by replacing terms pursuant to the provisions of Article 2, paragraph (1) of the supplementary provisions of the New Act for sugar year 2000, in accordance with the provisions of Article 2, paragraph (1) of the supplementary provisions of the New Act and the provisions of Article 23, paragraph (3) of the New Act as applied mutatis mutandis pursuant to Article 2, paragraph (2) of the supplementary provisions of the New Act, and give public notice thereof, prior to this Act taking effect.

(2) The amount established pursuant to the provisions of the preceding paragraph is deemed to be established pursuant to the provisions of Article 9, paragraph (1), item (i) of the New Act as applied by replacing terms pursuant to the provisions of Article 2, paragraph (1) of the supplementary provisions of the New Act.

(Transitional Measures Concerning Penal Provisions)

Article 12 Prior laws continue to govern the applicability of penal provisions to actions taken prior to this Act taking effect.

Supplementary Provisions [Act No. 126 of December 4, 2002] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2003; provided, however, that the provisions of Articles 9 through 18 and Articles 20 through 25 of the supplementary provisions come into effect as of October 1 of the same year.

(Transitional Measures Concerning Dispositions and Procedures)

Article 17 A disposition, procedure, or any other action that is undertaken pursuant to the provisions of the Former Act on the Agriculture & Livestock Industries Corporation (excluding Article 16), the Former Act on Stabilization of Production and Shipment of Vegetables (excluding Article 33), the Act Concerning the Stabilization of Price of Livestock Products before the amendment pursuant to the provisions of Articles 12 through 14 of the supplementary provisions, the Act on Sugar Price Adjustment, the Act on Adjustment Pertaining to the Import of Raw Silk, the Former Act Concerning Temporary Measures or the Former Act Concerning Special Measures is deemed to be a disposition, procedure, or any other action undertaken

pursuant to the corresponding provisions of the Act on General Rules, this Act, the Act on Stabilization of Production and Shipment of Vegetables after the amendment pursuant to the provisions of Articles 11 through 14 of the supplementary provisions, the Act Concerning the Stabilization of Price of Livestock Products, the Act on Sugar Price Adjustment, the Act on Adjustment Pertaining to the Import of Raw Silk, the New Act Concerning Temporary Measures or the New Act Concerning Special Measures.

(Transitional Measures Concerning the Application of Penal Provisions)

Article 18 Prior laws continue to govern the applicability of penal provisions to actions taken before the provisions under the proviso to Article 1 of the supplementary provisions taking effect and to conduct related to matters which are to continue to be governed by prior laws pursuant to the provisions of Article 3, paragraph (5), Article 4, paragraph (5), and Article 10 of the supplementary provisions that is engaged in after this Act taking effect.

(Delegation to Cabinet Order)

Article 19 Other than what is provided for in these supplementary provisions, transitional measures necessary for this Act to take effect are specified by Cabinet Order.

Supplementary Provisions [Act No. 89 of June 21, 2006] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2007; provided, however, that the provisions of Articles 4, 7, and 9 of the supplementary provisions come into effect as of the date of promulgation.

(Transitional Measures Concerning Price Adjustment of Designated Saccharides and High-Fructose Corn Syrup)

Article 2 The provisions of Article 3, Article 4, Article 5, paragraph (1), Article 9, paragraph (1), item (i), (a) and item (ii), (a), and paragraph (2), Article 11, paragraphs (1), (2), (4), and (6), and Article 15, paragraph (2) of the Act on Price Adjustment of Sugar and Starch after the amendment pursuant to the provisions of Article 1 (hereinafter referred to as the "New Act") apply to designated saccharides and high fructose corn syrup and others for which an import declaration is made from October 1, 2007, and high-fructose corn syrup that is removed from its production plants after the same date, and prior laws continue to govern designated saccharides or high fructose corn syrup and others for which an import declaration is made or that is thus removed before the same date.

(Transitional Measures Concerning the Granting of the Subsidy for Sweetener Resource Crops and the Subsidy for Domestic Sugar)

- Article 3 (1) The provisions of Chapter II, Section 3 of the New Act apply to sugar beets sown on or after January 1, 2007, or sugar cane harvested on or after October 1, 2007, or domestic sugar manufactured using these products for its raw materials, and prior laws continue to govern the granting of subsidies referred to in Article 19 of the Act on Sugar Price Adjustment before the amendment (referred to as the "Former Act" in the following paragraph) pursuant to the provisions of Article 1 pertaining to sugar beets sown on or before January 1, 2007, and domestic sugar manufactured using sugar cane harvested before October 1, 2007, for its raw materials.
- (2) The granting of subsidies under Article 19 of the Former Act which is to continue to be governed by prior laws pursuant to the provisions of the preceding paragraph, with regard to the application of the Act on the Agriculture & Livestock Industries Corporation, Independent Administrative Agency, after the amendment pursuant to the provisions of Article 2 is deemed to be the granting of the subsidy for domestic sugar under Article 10, paragraph (1), item (v), (c) of the same Act.

(Transitional Measures Concerning the Unit Amount of the Subsidy for Sweetener Resource Crops)

- Article 4 (1) The Minister of Agriculture, Forestry and Fisheries must establish the unit amount of the Subsidy for Sweetener Resource Crops pertaining to sugar beets sown from January 1 through December 31, 2007, or sugar cane harvested from October 1, 2007, through September 30, 2008, in accordance with the provisions of Article 20, paragraph (2) of the New Act, and give public notice thereof by December 31, 2006.
- (2) The unit amount of the Subsidy for Sweetener Resource Crops established pursuant to the preceding paragraph is deemed to be established on the date this Act taking effect pursuant to the provisions of Article 20, paragraph (2) of the New Act.

(Transitional Measures Concerning Price Adjustment of Designated Starch)

- Article 5 The provisions of Chapter III, Section 1 of the New Act apply to designated starch, etc. for which an import declaration is made on or after October 1, 2007.

(Transitional Measures Concerning for the Granting of the Subsidy for Potatoes for Starch and the Subsidy for Domestic Potato Starch)

- Article 6 The provisions of Chapter III, Section 2 of the New Act apply to

potatoes for starch planted on or after January 1, 2007, or domestic potato starch made from those potatoes.

(Transitional Measures Concerning the Unit Amount of the Subsidy for Potatoes for Starch)

Article 7 (1) The Minister of Agriculture, Forestry and Fisheries must establish the unit amount of the subsidy for potatoes for starch pertaining to potatoes for starch planted from January 1 through December 31, 2007, in accordance with the provisions of Article 34, paragraph (2) of the New Act, and give public notice thereof by December 31, 2006.

(2) The unit amount of the subsidy for potatoes for starch established pursuant to the preceding paragraph is deemed to be established as of the effective date this Act pursuant to the provisions of Article 34, paragraph (2) of the New Act.

(Transitional Measures Concerning Penal Provisions)

Article 8 Prior laws continue to govern the applicability of penal provisions to actions taken prior to this Act taking effect.

(Delegation to Cabinet Order)

Article 9 Other than what is provided for in these supplementary provisions, transitional measures necessary for this Act to take effect are specified by Cabinet Order.

(Review)

Article 10 When five years elapse from the time this Act taking effect, the government is to review the provisions of the New Act in consideration of the status of effectuating the New Act and take any necessary measures based on the review if it finds it necessary.

(Abolishment of the Act on the Stabilization of Price of Agricultural Produce)

Article 11 The Act on the Stabilization of Price of Agricultural Produce (Act No. 225 of 1953) is abolished.

Supplementary Provisions [Act No. 108 of December 16, 2016] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date on which the Trans-Pacific Partnership Agreement comes into effect with respect to Japan (referred to as the "Effective Date" in item (iii)). However, the provisions listed in the following items comes into effect as from the dates prescribed in the respective items.

(i) provisions of Article 9 of supplementary provisions: the day of promulgation

(Transitional measures due to partial revision of the Act on Price Adjustment of Sugar and Starch)

Article 6 (1) With respect to the period into which the sugar year is divided in Article 18-3, paragraph (1) (if the effective date is two days before or the day before the first day of the period into which the sugar year is divided in the same paragraph, the period into which the sugar year is divided in the same paragraph to which the effective date belongs and the next period), pursuant to Article 18-3, paragraph (1) of the revised Act on Price Adjustment of Sugar and Starch pursuant to the provisions of Article 7 (hereinafter referred to as the "New Adjustment Act" in this Article), with respect to application of the provisions pertaining to the average import price of the reduced amount of sweetened preparation products prescribed in Article 9, paragraph (1), item (i), item (d) of the New Adjustment Act and Article 6, paragraph (2) of the Act on Price Adjustment of Sugar and Starch (hereinafter referred to as the "Adjustment Act" in paragraphs (3) and (4)), apply mutatis mutandis pursuant to Article 9, paragraph (5) and Article 18-3, paragraph (2) of the New Adjustment Act, in these provisions, the term "at least three days before the first day of that applicable period" is deemed to be replaced with "the effective date of the Trans-Pacific Partnership Agreement and the Act on the Establishment of Relevant Acts in Connection with the Conclusion of a Comprehensive and Advanced Agreement on the Trans-Pacific Partnership (Act No. 108 of 2016) without delay".

(2) Pertaining to the sugar year prescribed in Article 2, paragraph (9) of the New Adjustment Act (hereinafter referred to as the "sugar year" in this paragraph and paragraph (4)) to which the effective date belongs (if the effective date is any day during the period from the day fourteen days before the first day to the day before the first day, the sugar year to which the effective date belongs and the next sugar year), with respect to the standard price of sweetened preparation products sugar for adjustment prescribed in Article 18-2, paragraph (1) of the New Adjustment Act and the sweetened preparation products sugar adjustment rate prescribed in Article 18-6, paragraph (1) of the New Adjustment Act, regarding the application of the provisions of Article 18-2, paragraph (2) and Article 18-6, paragraph (3) of the New Adjustment Act, the term "each sugar year, by fifteen days before the relevant year begins" in these provisions is deemed to be replaced with "during the sugar year (if the effective date is any day during the period from fourteen days before the first day of the sugar year to the day before the begging day, the sugar year to which the effective date belongs and the next sugar year) to which the effective date of the Trans-Pacific Partnership Agreement and the Act on the Establishment of

Relevant Acts in Connection with the Conclusion of a Comprehensive and Advanced Agreement on the Trans-Pacific Partnership (Act No. 108 of 2016) belongs (hereinafter referred to as "the effective date" in this paragraph), the effective date".

- (3) With regard to the period determined by the Cabinet Order provided by Article 6, paragraph (1) of the Adjustment Act (if the effective date is two days before the first day or the day before the period determined by Cabinet Order under the same paragraph, the period determined by a Cabinet Order under the same paragraph and the next period), with regard to the application of the provision of Article 6, paragraph (2) of the Adjustment Act as applied *mutatis mutandis* pursuant to paragraph (5) of the same Article regarding the standard price of sweetened preparation products sugar for adjustment prescribed in Article 18-2, paragraph (1), item (ii) of the New Adjustment Act, the phrase "by three days before the first day of the applicable period" in the same paragraph is deemed to be replaced with "as provided for the effective date of the Act on the Conclusion of the Trans-Pacific Partnership Agreement and the Act on the Establishment of Relevant Acts in Connection with the Conclusion of a Comprehensive and Advanced Agreement on the Trans-Pacific Partnership (Act No. 108 of 2016) without delay".
- (4) With regard to the application of the provision of Article 24, paragraph (3) of the Adjustment Act as applied *mutatis mutandis* pursuant to paragraph (2) of the same Articles regarding the amount stipulated by the Minister of Agriculture, Forestry and Fisheries in Article 25-2, paragraph (1), item (ii) of the New Adjustment Act pertaining to the sugar year where the effective date belongs (if the effective date is any day during the period from the day fourteen days before the first day to the day before the first day, the sugar year to which the effective date belongs and the next sugar year), the phrase "established each sugar year at least fifteen days before the relevant year begins" in the same paragraph is deemed to be replaced with "as provided for the effective date of the Trans-Pacific Partnership Agreement and the Act on the Establishment of Relevant Acts in Connection with the Conclusion of a Comprehensive and Advanced Agreement on the Trans-Pacific Partnership (Act No. 108 of 2008) (hereinafter referred to as the "effective date" in this paragraph) during the sugar year (if the effective date is any day from fourteen days before to the day before the first day of the sugar year, the sugar year to which the effective date belongs and next sugar year) is determined as the effective date without delay".

(Transitional Measures Concerning Penal Provisions)

Article 8 With regard to the application of penal provisions to actions taken prior to the effective date and actions taken after the effective date in the cases

where the provisions then in force remain applicable pursuant to Article 5 of the supplementary provisions, the provisions then in force remain applicable.

(Delegation to Cabinet Order)

Article 9 In addition to what is established in this supplementary Provision, necessary transitional measures in keeping with this Act (including transitional measures regarding penalties) taking effect is prescribed by Cabinet Order.

Supplementary Provisions [Act No. 70 of July 6, 2018] [Extract]

(Effective Date)

Article 1 This Law comes into force from the date of promulgation.