

The Act on Promotion of Environmental Burden Reduction Business Activities for Establishing Environmentally Harmonized Food Systems is hereby promulgated.

# **Act on Promotion of Environmental Burden Reduction Business Activities for Establishing Environmentally Harmonized Food Systems**

(Act No. 37 of May 2, 2022)

## Table of Contents

Chapter I General Provisions (Articles 1 through 6)

Chapter II Policies to Be Implemented by the National Government (Articles 7 through 14)

Chapter III Basic Policy on Promotion of Environmental Burden Reduction Business Activities and Development of Their Foundation (Articles 15 through 18)

Chapter IV Measures for Promotion of Environmental Burden Reduction Business Activities and Development of Their Foundation

Section 1 Measures Concerning Certified Implementation Plans for Environmental Burden Reduction Business Activities (Articles 19 through 30)

Section 2 Measures Concerning Agreements on Cultivation Management to Promote Organic Agriculture (Articles 31 through 38)

Section 3 Measures Concerning Certified Implementation Plans for Foundation Development Business (Articles 39 through 44)

Chapter V Miscellaneous Provisions (Articles 45 through 50)

Chapter VI Penal Provisions (Article 51)

Supplementary Provisions

## **Chapter I General Provisions**

(Purpose)

Article 1 The purpose of this Act is to promote the establishment of environmentally harmonized food systems by providing for basic principles, etc. concerning the establishment of environmentally harmonized food systems and by taking measures to promote business activities for reducing the environmental burden derived from agriculture, forestry, and fisheries and measures to establish the foundation of this, thereby contributing to the sustainable development of agriculture, forestry, and fisheries and the food

industry and securing a stable supply of food for citizens, as well as contributing to the establishment of a society that can develop sustainably while promoting sound economic development with reduced environmental burden.

(Definitions)

- Article 2 (1) The term "food systems" as used in this Act means the aggregate of a series of activities that demonstrate their functions as a whole through organic coordination among parties concerned at each stage from production to consumption of agricultural, forestry and fishery products, etc. (meaning agricultural, forestry and fishery products and foodstuffs (meaning all foods and drinks other than pharmaceuticals provided in Article 2, paragraph (1) of the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices (Act No. 145 of 1960), quasi-pharmaceutical products provided in paragraph (2) of the same Article, and regenerative medicine products provided in paragraph (9) of the same Article; the same applies below); the same applies below).
- (2) The term "environmentally harmonized food systems " as used in this Act means food systems that aim to reduce the environmental burden in the process of the production, etc. of agricultural, forestry and fishery products, etc. (meaning the production, manufacturing, processing and distribution (meaning the processes of transportation, storage, sale and other handling; the same applies below) ; the same applies below), and in which relevant agricultural, forestry and fishery products and foodstuffs are widely distributed and consumed.
- (3) The term "business operator in agriculture, forestry and fisheries" as used in this Act means a farmer, a forester, or a fishery operator, or an organization organized by these persons (including a corporation of which these persons are the main members or equity investors (below referred to as "member, etc.")).
- (4) The term "environmental burden reduction business activities" as used in this Act means the following business activities carried out by a business operator in agriculture, forestry, and fisheries to reduce the environmental burden derived from the agriculture, forestry, or fisheries (referred to below as the "environmental burden" in this Article, Chapter III, and Chapter IV) to contribute to ensuring the sustainability of the agriculture, forestry, and fisheries conducted by the relevant business operator in agriculture, forestry, and fisheries (if the business operator in agriculture, forestry, and fisheries is an organization, the agriculture, forestry, and fisheries conducted by their members, etc. are included; the same applies in Article 19, paragraph (5), item (ii) and Article 21, paragraph (5), item (ii)):
- (i) business activities under production methods that are carried out by using

- technologies to improve the properties of soil through the application of compost or other organic materials and to reduce the application and use of chemically synthesized fertilizers and agricultural chemicals;
- (ii) business activities that contribute to the reduction of greenhouse gas emissions (meaning the greenhouse gas emissions prescribed in Article 2, paragraph (4) of Act on Promotion of Global Warming Countermeasures (Act No. 117 of 1998); the same applies in Article 10);
  - (iii) beyond what is stated in the preceding two items, business activities specified by Order of the Ministry of Agriculture, Forestry and Fisheries as contributing to the reduction of environmental burden.
- (5) The term "foundation development business" as used in this Act means the following business carried out to develop the foundation for activities undertaken to reduce environmental burden:
- (i) business related to the promotion of research and development relating to advanced technology and the transfer of its results;
  - (ii) business related to the breeding of new varieties;
  - (iii) business related to the production and sale of materials, machinery, or other items that contribute to the reduction of environmental burden;
  - (iv) business related to the granting of use of machinery and other items that contribute to the reduction of environmental burden based on a contract for granting the use of those items;
  - (v) business related to the development, production, or cultivation of demand for new goods that is carried out using agricultural, forestry, or fishery products produced through efforts to reduce environmental burden as raw materials that are essential for the development and production of those goods;
  - (vi) business related to the rationalization of distribution of agricultural, forestry, and fishery products prescribed in the preceding item.

#### (Basic Principles)

Article 3 (1) In light of the fact that it is important to make efforts to reduce the environmental burden at each stage of the production, etc. of agricultural, forestry and fishery products, etc. to achieve the sustainable development of agriculture, forestry and fisheries and the food industry and to secure a stable food supply for citizens in the future amid changes in the environment surrounding food systems, such as climate change and loss of biodiversity, environmentally harmonized food systems must be established through the cooperation of business operators in agriculture, forestry and fisheries, business operators in the food industry, consumers, and other stakeholders concerned with food systems, based on their understanding of environmentally harmonized food systems.

(2) In establishing environmentally harmonized food systems, in light of the fact that it is essential to achieve both reducing environmental burden and improving productivity, efforts must be made to promote research and development and the utilization of technology that will contribute to the realization of such a system and to ensure the smooth distribution of agricultural, forestry and fishery products, etc.

(Responsibilities of the National Government)

Article 4 The national government is responsible for comprehensively formulating and implementing necessary measures for establishing environmentally harmonized food systems, pursuant to the basic principles prescribed in the preceding Article (below referred to as the "basic principles").

(Responsibilities of Local Governments)

Article 5 Local governments are responsible for formulating and implementing measures for establishing environmentally harmonized food systems in accordance with the natural, economic, and social conditions of their areas, based on an appropriate allocation of roles with the national government, pursuant to the basic principles.

(Efforts of Business Operators and Consumers)

Article 6 (1) In accordance with the basic principles, business operators in agricultural, forestry, and fisheries, business operators in the food industry, and other stakeholders engaged in business related to food systems must endeavor to deepen their understanding of and interest in environmentally harmonized food systems, introduce methods of production, processing, manufacturing and distribution, procure materials and raw materials, ensure the distribution of agricultural, forestry, and fisheries products, etc., and make other efforts that contribute to reducing environmental burden, in the process of the production, processing, manufacturing and distribution of agricultural, forestry, and fisheries products, etc.

(2) Consumers must endeavor to deepen their understanding of and interest in environmentally harmonized food systems and to select agricultural, forestry and fishery products, etc. that contribute to reducing the environmental burden, in accordance with the basic principles.

## **Chapter II Policies to Be Implemented by the National Government**

(Promotion of Understanding of Stakeholders Concerned with the Food Systems)

Article 7 The national government is to improve public relations activities

concerning the reduction of environmental burden and take other necessary measures so that business operators in agriculture, forestry and fisheries, business operators in the food industry, consumers, and other stakeholders concerned with food systems deepen their understanding of and interest in environmentally harmonized food systems.

(Promoting Research and Development of Technologies)

Article 8 In order to promote research and development of technologies that contribute to the establishment of environmentally harmonized food systems, the national government is to strengthen coordination among the national government, incorporated administrative agencies (meaning incorporated administrative agencies prescribed in Article 2, paragraph (1) of the Act on General Rules for Incorporated Administrative Agencies (Act No. 103 of 1999)), prefectural governments, and test and research institutes in local incorporated administrative agencies (meaning local incorporated administrative agencies prescribed in Article 2, paragraph (1) of the Local Incorporated Administrative Agency Act (Act No. 118 of 2003)), universities, the private sector, etc., secure and train researchers, improve their qualifications, and take other necessary measures.

(Promotion of Dissemination of Technologies)

Article 9 In order to promote the dissemination of technologies that contribute to the establishment of environmentally harmonized food systems, the national government is to provide information on the use of the technology, promote dissemination projects in accordance with the characteristics of the region, and take other necessary measures.

(Promotion of Production Activities Contributing to the Reduction of Environmental Burden)

Article 10 In order to promote the reduction of environmental burden in the production of agricultural, forestry, and fishery products, the national government is to take measures to increase soil fertility through the effective use of livestock manure, etc.; introduce production methods using technologies that reduce the application and use of chemically synthesized fertilizers and agricultural chemicals; control greenhouse gas emissions in agriculture, forestry, and fisheries; maintain and intensify the absorption of greenhouse gases; ensure the appropriate conservation and management of fishery resources and take other necessary measures.

(Promotion of Use of Raw Materials that Contribute to Reduction of Environmental Burden)

Article 11 In order to promote the continued use of raw materials that contribute to the reduction of environmental burden in the manufacturing and processing of food, the national government is to collect and provide information on the status of the production, etc. of the raw materials and take other necessary measures.

(Promotion of Rationalization of Distribution of Agricultural, Forestry and Fishery Products, etc. that Contributes to Reduction of Environmental Burden)

Article 12 The national government is to promote the rationalization of the distribution of agricultural, forestry and fishery products, etc. and take other necessary measures so that the environmental burden in the distribution of agricultural, forestry and fishery products, etc. can be reduced and consumers can easily obtain agricultural, forestry and fishery products, etc. that contribute to the reduction of the environmental burden.

(Promotion of Consumption of Agricultural, Forestry and Fishery Products, etc. that Contribute to Reduction of Environmental Burden)

Article 13 When consuming agricultural, forestry and fishery products, etc., the national government is to promote the provision of appropriate information to consumers, promote shokuiku (food and nutrition education), and take other necessary measures so that products that contribute to the reduction of the environmental burden are selected.

(Development of Evaluation Methods)

Article 14 The national government is to promote the development of methods for accurately assessing and evaluating the status of the reduction of environmental burden in the production, processing, manufacturing and distribution of agricultural, forestry and fishery products, etc. and to take other necessary measures so that business operators in agriculture, forestry and fisheries, business operators in the food industry, consumers, and other stakeholders concerned with food systems can assess the status.

### **Chapter III Basic Policy on Promotion of Environmental Burden Reduction Business Activities and Development of Their Foundation**

(Basic Policy)

Article 15 (1) The Minister of Agriculture, Forestry and Fisheries is to specify the basic policy on promotion of environmental burden reduction business activities and development of their foundation (referred to below as the "basic policy").

- (2) The basic policy is to prescribe the following matters:
- (i) matters concerning the significance and goals of promoting environmental burden reduction business activities;
  - (ii) basic matters concerning the implementation of environmental burden reduction business activities;
  - (iii) basic matters concerning the establishment of zones for promoting specified environmental burden reduction business activities (meaning environmental burden reduction business activities specified by Order of the Ministry of Agriculture, Forestry and Fisheries as activities that increase the effect of reducing environmental burden in the zone when carried out in a group or on a considerable scale; the same applies below) (below referred to as "specified zone");
  - (iv) basic matters concerning the preparation of the basic plan prescribed in paragraph (1) of the following Article;
  - (v) basic matters concerning the implementation of the foundation development business;
  - (vi) beyond what is stated in the preceding items, important matters concerning the promotion of environmental burden reduction business activities and the development of their foundation.
- (3) The basic policy must be harmonized with the basic policy prescribed in Article 6, paragraph (1) of the Act on Promotion of Organic Agriculture (Act No. 112 of 2006) and national plans concerning measures to prevent global warming and measures to conserve biodiversity.
- (4) The Minister of Agriculture, Forestry and Fisheries is to make changes to the basic policy if any need arises due to fluctuations in the state of the economy or any other changes in circumstances.
- (5) When the Minister of Agriculture, Forestry and Fisheries intends to specify or change the basic policy, the Minister must consult with the Minister of the Environment and other heads of relevant administrative organs and hear the opinions of the Council of Food, Agriculture and Rural Area Policies in advance.
- (6) When the Minister of Agriculture, Forestry and Fisheries has specified or changed the basic policy, the Minister must announce it publicly without delay.

(Basic Plan)

Article 16 (1) One municipality, or two or more municipalities that have as their area an area that constitutes a coherent whole in terms of natural, economic and social conditions (including special wards; simply referred to below as "municipalities"), and a prefecture that includes the area of those municipalities (simply referred to below as "prefecture") may jointly prepare a basic plan for the promotion of environmental burden reduction business activities (referred to below as a "basic plan") based on the basic policy, and

may consult with and seek the consent of the Minister of Agriculture, Forestry and Fisheries as pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

- (2) The basic plan is to prescribe the following matters:
  - (i) targets related to the reduction of environmental burden through the promotion of environmental burden reduction business activities;
  - (ii) matters concerning the content of business activities required as environmental burden reduction business activities;
  - (iii) in cases of specifying a specified zone, the following matters:
    - (a) the area of the relevant specified zone;
    - (b) matters concerning the details of the business activities required as specified environmental burden reduction business activities to be carried out in the specified zone;
  - (iv) matters concerning the details of the foundation development business that is expected to be used in the implementation of environmental burden reduction business activities;
  - (v) matters concerning the promotion of distribution and consumption of agricultural, forestry, and fishery products produced through environmental burden reduction business activities;
  - (vi) beyond what is stated in the preceding items, matters concerning the promotion of environmental burden reduction business activities.
- (3) When municipalities and prefectures intend to prescribe the matters stated in item (iii) of the preceding paragraph in the basic plan, they must give public notice to that effect in advance pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries, and must make a draft of those matters available for public inspection for two weeks from the date of the public notice, together with a document stating the reasons for prescribing those matters in the basic plan.
- (4) When a public notice has been given under the provisions of the preceding paragraph, an interested party may submit a written opinion on the draft of the matters that have been made available for public inspection to the prefecture by the expiration date of the public inspection period stated in the same paragraph.
- (5) A basic plan must be harmonized with the strategic program prescribed in Article 7, paragraph (1) of the Act on Promotion of Organic Agriculture, the action plan of local governments prescribed in Article 21, paragraph (1) of the Act on Promotion of Global Warming Countermeasures, the regional biodiversity strategy prescribed in Article 13, paragraph (1) of the Basic Act on Biodiversity (Act No. 58 of 2008), agricultural promotion area development plan, and other plans concerning regional development under the laws, as well as with city plans and the basic policy concerning municipal city planning



prescribed in Article 18-2, paragraph (1) of the City Planning Act (Act No. 100 of 1968).

- (6) A basic plan is to be specified in a way to clearly allocate roles of municipalities and prefectures, so that environmental burden reduction business activities can be promoted effectively and efficiently.
- (7) If the Minister of Agriculture, Forestry and Fisheries finds that the basic plan falls under any of the following items, the Minister is to give the consent referred to in paragraph (1):
  - (i) the plan conforms to the basic policy;
  - (ii) the implementation of the basic plan is found to have a considerable effect on the reduction of environmental burden in the area of the municipality which prepared the basic plan;
  - (iii) the plan is expected to be implemented smoothly and reliably.
- (8) Before giving the consent referred to in paragraph (1) regarding the basic plan, the Minister of Agriculture, Forestry and Fisheries must consult with the Minister of the Environment or other heads of the relevant administrative organs in advance.
- (9) When the municipal and prefectural governments have obtained the consent for the basic plan referred to in paragraph (1), the municipal and prefectural governments must announce it publicly without delay.

#### (Change of the Basic Plan)

- Article 17 (1) When municipalities and prefectures intend to change the basic plan for which the consent referred to in paragraph (1) of the preceding Article has been obtained, they must jointly consult with and obtain the consent of the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries; provided, however, that this does not apply to minor changes specified by Order of the Ministry of Agriculture, Forestry and Fisheries.
- (2) If a municipality or prefecture makes a minor change specified by Order of the Ministry of Agriculture, Forestry and Fisheries as referred to in the proviso of the preceding paragraph, it must notify the Minister of Agriculture, Forestry and Fisheries to that effect without delay pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.
  - (3) The provisions of paragraphs (3), (4), and (7) through (9) of the preceding Article apply mutatis mutandis to the change of the basic plan under the provisions of paragraph (1).

#### (Collection of Reports)

Article 18 The Minister of Agriculture, Forestry and Fisheries may request the municipalities and the prefectures to report on the progress and

implementation status of the basic plan for which consent under Article 16, paragraph (1) has been given (if consent for a change under paragraph (1) of the preceding Article has been given or a notification of a change under paragraph (2) of the same Article has been filed, the basic plan after the change; referred to below as the "consented basic plan").

**Chapter IV Measures for Promotion of Environmental Burden Reduction  
Business Activities and Development of Their Foundation  
Section 1 Measures Concerning Certified Implementation Plans for  
Environmental Burden Reduction Business Activities**

(Certification of Implementation Plans for Environmental Burden Reduction  
Business Activities)

Article 19 (1) A business operator in agriculture, forestry, and fisheries that intends to engage in environmental burden reduction business activities in the area of a municipality for which a consented basic plan has been prepared, may independently or jointly, prepare a plan concerning the implementation of environmental burden reduction business activities (if the business operator in agriculture, forestry, and fisheries is an organization, including a plan concerning environmental burden reduction business activities carried out by its members, etc.; referred to below as an "implementation plan for environmental burden reduction business activities") pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries, and apply for certification by the prefectural governor who has jurisdiction over the area. In this case, if business operators in agriculture, forestry, and fisheries have jointly prepared an implementation plan for environmental burden reduction business activities, they must designate a representative and submit the plan to the prefectural governor by whom they intend to obtain the certification, pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

- (2) An implementation plan for environmental burden reduction business activities must contain the following matters:
- (i) targets related to the reduction of environmental burden through environmental burden reduction business activities;
  - (ii) the details and implementation period of the environmental burden reduction business activities;
  - (iii) the implementation framework for environmental burden reduction business activities;
  - (iv) the amount of funds necessary for environmental burden reduction business activities and method of raising them.
- (3) an implementation plan for environmental burden reduction business

activities may include matters concerning the following measures to be taken by a person other than a business operator in agriculture, forestry, and fisheries who intends to obtain certification:

- (i) measures concerning the provision of materials prescribed by Order of the Ministry of Agriculture, Forestry and Fisheries as materials indispensable for carrying out environmental burden reduction business activities;
  - (ii) measures concerning the manufacturing or processing of food that uses agricultural, forestry, and fishery products produced by environmental burden reduction business activities as raw materials that are essential for manufacturing or processing of those food products, or the distribution that contributes to the improvement of the added value of the agricultural, forestry, and fishery products and the foods.
- (4) Beyond the matters stated in each item of paragraph (2) and the matters concerning the measures prescribed in the preceding paragraph, the implementation plan for environmental burden reduction may state the following matters in the case of introducing equipment, etc. (meaning facilities, equipment, apparatuses, devices, or programs prescribed in Article 2, paragraph (2) of the Act on Facilitation of Information Processing (Act No. 90 of 1970); the same applies below) to be used for environmental burden reduction business activities (including the measures prescribed in that paragraph; the same applies below):
- (i) the type of the equipment, etc. and other details of the installation of the equipment, etc.;
  - (ii) in cases of developing facilities as the installation of the equipment, etc., the following matters:
    - (a) the location, parcel number, land category, and area of the land used for the facilities;
    - (b) other matters specified by Order of the Ministry of Agriculture, Forestry and Fisheries.
- (5) When an application under the provisions of paragraph (1) has been filed and the prefectural governor finds that the implementation plan for environmental burden reduction business activities to which the application concerns conforms to any of the following items, the prefectural governor is to grant certification:
- (i) it conforms to the consented basic plan, and, is appropriate to reliably perform the environmental burden reduction business activities;
  - (ii) the environmental burden reduction business activities contribute to reducing the environmental burden and ensuring the sustainability of the agriculture, forestry, and fisheries conducted by the business operator in agriculture, forestry, and fisheries;
  - (iii) if the environmental burden reduction business activities include

- agricultural improvement measures prescribed in Article 2 of the Agricultural Improvement Fund Accommodation Act (Act No. 102 of 1956) (referred to below as "agricultural improvement measures"), it falls under the case where the certification stated in Article 6, paragraph (1) of that Act may be granted pursuant to the provisions of Article 7 of that Act.
- (iv) if measures to improve the forestry and wood industry prescribed in Article 2, paragraph (1) of the Act on Subsidies for Improvement of Forestry and Wood Industry (Act No. 42 of 1976) (limited to starting management of a new forestry sector or a new wood industry sector, or introducing a new method of producing or selling forest products for improving forestry management or wood industry management; referred to below as "measures to improve the forestry and wood industry") are included in the environmental burden reduction business activities, they fall under the case where the certification referred to in Article 7, paragraph (1) of that Act may be granted pursuant to the provisions of Article 8 of that Act;
  - (v) if the environmental burden reduction business activities include management improvement measures prescribed in Article 2, paragraph (2) of the Act on Subsidies for Improvement of Coastal Fishery (Act No. 25 of 1979) (limited to the introduction of modern fishery technology or other reasonable fishery production methods that are found to be necessary to be disseminated to promote the improvement of the management of coastal fisheries (including the introduction of a reasonable processing method for marine products in conjunction with the introduction of the fishery technology or the fishery production method); referred to below as "management improvement measures"), it falls under the case where the certification referred to in Article 7, paragraph (1) of that Act may be granted pursuant to the provisions of Article 8, paragraph (1) of that Act;
  - (vi) if the environmental burden reduction business activities include the development of advanced processing facilities (meaning the advanced processing facilities prescribed in Article 7, paragraph (2), item (ii) of the Act on the Proper Management and Promotion of Use of Livestock Manure (Act No. 112 of 1999; below referred to as the "Livestock Manure Act"); the same applies below), it falls under the case where the certification referred to in Article 9, paragraph (1) of the Livestock Manure Act may be granted pursuant to the provisions of paragraph (3) of that Article.
- (6) If the prefectural governor intends to grant the certification referred to in paragraph (1), and the measures stated in paragraph (3), item (ii) (limited to the rationalization of distribution of foods, etc. prescribed in Article 2, paragraph (3) of the Act on Rationalizing Distribution and Improving Transactional Propriety for Food and Other Products (Act No. 59 of 1991; below referred to as the "Food and Product Distribution Act") (below referred to as

the "rationalization of food and product distribution")) are included in the environmental burden reduction business activities, the prefectural governor must consult with and obtain the consent of the Minister of Agriculture, Forestry and Fisheries in advance regarding the measures. In this case, if the Minister of Agriculture, Forestry and Fisheries finds that the measures fall under cases in which the certification referred to in Article 5, paragraph (1) of the Food and Product Distribution Act may be granted pursuant to the provisions of paragraph (3) of that Article, the prefectural governor is to give consent to the certification.

- (7) When there is a consultation under the provisions of the preceding paragraph, the Minister of Agriculture, Forestry and Fisheries is to notify the minister who has jurisdiction over the business in relation to the measures concerning the consultation (referred to as the "competent minister for the business" in the following paragraph) of the content of the consultation without delay.
- (8) If the competent minister for the business has been notified as under the provisions of the preceding paragraph and finds it to be necessary to do so, the competent minister for the business may give an opinion to the Minister of Agriculture, Forestry and Fisheries.

(Changes to the Implementation Plan for Environmental Burden Reduction Business Activities)

Article 20 (1) If a business operator in agriculture, forestry, and fisheries that has obtained the certification referred to in paragraph (1) of the preceding Article intends to change the implementation plan for environmental burden reduction business activities concerning the certification, the business operator must obtain the certification of the prefectural governor who granted the certification, as pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries; provided, however, that this does not apply to minor changes specified by Order of the Ministry of Agriculture, Forestry and Fisheries.

- (2) When a business operator in agriculture, forestry or fisheries that has obtained the certification referred to in paragraph (1) of the preceding Article has made a minor change specified by Order of the Ministry of Agriculture, Forestry and Fisheries referred to in the proviso of the preceding paragraph, the operator must notify the prefectural governor to that effect without delay.
- (3) If a prefectural governor finds that a business operator in agriculture, forestry, and fisheries that has obtained the certification referred to in paragraph (1) of the preceding Article (if the business operator in agriculture, forestry, and fisheries is an organization, its members, etc. and stakeholders provided for in the same paragraph who implement the measures stated in the items of paragraph (3) of the same Article relating to the business operator in

agriculture, forestry, and fisheries are included; referred to as "certified business operator in agriculture, forestry, and fisheries engaged in environmental burden reduction business activities" in Article 26) is not conducting environmental burden reduction business activities in accordance with the implementation plan for environmental burden reduction business activities in relation to the certification (if the certification of changes under the paragraph (1) has been given or the notification of changes under the preceding paragraph has been given, the plan after the changes; referred to as "certified implementation plan for environmental burden reduction business activities " in Article 23), the prefectural governor may revoke the certification.

(4) The provisions of paragraphs (5) through (8) of the preceding Article apply mutatis mutandis to the certification referred to in paragraph (1).

(Certification of Implementation Plans for Specified Environmental Burden Reduction Business Activities)

Article 21 (1) A business operator in agriculture, forestry, and fisheries who intends to engage in specified environmental burden reduction business activities in a specified zone provided for in a consented basic plan may independently or jointly prepare a plan for the implementation of the specified environmental burden reduction business activities (if the business operator in agriculture, forestry, and fisheries is an organization, a plan concerning the specified environmental burden reduction business activities conducted by its members, etc. is included; referred to below as an "implementation plan for specified environmental burden reduction business activities") pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries, and apply for certification by the prefectural governor who has jurisdiction over the specified zone. In this case, the provisions of the second sentence of Article 19, paragraph (1) apply mutatis mutandis.

- (2) An implementation plan for specified environmental burden reduction business activities must state the following matters:
- (i) targets related to the reduction of environmental burden through specified environmental burden reduction business activities;
  - (ii) the details and implementation period of the specified environmental burden reduction business activities;
  - (iii) the implementation framework for specified environmental burden reduction business activities;
  - (iv) the amount of funds necessary for specified environmental burden reduction business activities and method of raising them;
  - (v) matters concerning the evaluation of the status of achievement of the implementation plan for specified environmental burden reduction business activities.

- (3) An implementation plan for specified environmental burden reduction business activities may include matters concerning the following measures to be taken by a person other than a business operator in agriculture, forestry, and fisheries who intends to obtain certification:
- (i) measures concerning the provision of materials specified by Order of the Ministry of Agriculture, Forestry and Fisheries as materials, machinery, or other items indispensable for conducting specified environmental burden reduction business activities;
  - (ii) measures concerning the manufacturing or processing of food products using agricultural, forestry, and fishery products produced through specified environmental burden reduction business activities as raw materials that are essential for manufacturing or processing of those food products, or the distribution that contributes to the improvement of the added value of the agricultural, forestry, and fishery products and the food products.
- (4) Beyond the matters stated in each item of paragraph (2) and the matters concerning the measures prescribed in the preceding paragraph, the following matters may be stated in an implementation plan for specified environmental burden reduction business activities:
- (i) when installing equipment, etc. to be used for specified environmental burden reduction business activities (including measures prescribed in the preceding paragraph; below the same applies in this Section), the following matters:
    - (a) the type of the equipment, etc. and other details of the installation of the equipment, etc.;
    - (b) in cases of developing facilities as the installation of the equipment, etc., the following matters:
      - 1. the location, parcel number, land category, and area of the land used for the facilities;
      - 2. other matters specified by Order of the Ministry of Agriculture, Forestry and Fisheries
  - (ii) matters concerning the utilization of subsidies or other granted property (meaning property prescribed in Article 22 of the Act on Regulation of Execution of Budget Relating to Subsidies (Act No. 179 of 1955; referred to below as the "Act on Regulation of Subsidies"); the same applies below) (meaning the use, transfer, exchange, lending, or offering as collateral of subsidies or other granted property for purposes other than granting of subsidies, etc. (meaning subsidies, etc. prescribed in Article 2, paragraph (1) of the Act on Regulation of Subsidies) appropriated for the subsidies or other granted property; the same applies in Article 39, paragraph (3), item (ii)) when implementing specified environmental burden reduction business activities.

- (5) If an application under the provisions of paragraph (1) has been filed and the prefectural governor finds that the implementation plan for specified environmental burden reduction business activities to which the application concerns conforms to any of the following items, the prefectural governor is to grant certification:
- (i) the plan conforms to the consented basic plan and is appropriate to reliably perform the specified environmental burden reduction business activities;
  - (ii) the specified environmental burden reduction business activities are found to considerably enhance the effect of reducing environmental burden in the region and contribute to ensuring the sustainability of the agriculture, forestry, and fisheries conducted by the business operator in agriculture, forestry, and fisheries;
  - (iii) if the specified environmental burden reduction business activities include agricultural improvement measures, it falls under the case where the certification referred to in Article 6, paragraph (1) of the Agricultural Improvement Fund Accommodation Act may be granted pursuant to the provisions of Article 7 of that Act;
  - (iv) if the specified environmental burden reduction business activities include forestry and wood industry improvement measures, this falls under the case where the certification referred to in Article 7, paragraph (1) of the Act on Subsidies for Improvement of Forestry and Wood Industry may be granted pursuant to the provisions of Article 8 of that Act;
  - (v) if the specified environmental burden reduction business activities include management improvement measures, it falls under the case where the certification referred to in Article 7, paragraph (1) of the Act on Subsidies for Improvement of Coastal Fishery may be granted pursuant to the provisions of Article 8, paragraph (1) of that Act;
  - (vi) if the specified environmental burden reduction business activities include the development of advanced processing facilities, the case falls under a case where the certification referred to in Article 9, paragraph (1) of the Livestock Manure Act may be given pursuant to the provisions of paragraph (3) of that Article;
  - (vii) if the matters stated in item (i), (a) and (b) of the preceding paragraph (limited to those related to the case where the land referred to in (b), 1. of the same item is cropland (meaning land used for cultivation (including cultivation of crops that are deemed to fall under cultivation pursuant to the provisions of Article 43, paragraph (1) of the Cropland Act (Act No. 229 of 1952); the same applies in the following item); the same applies below) located in an area other than the area of a designated municipality (meaning a designated municipality provided for in Article 4, paragraph (1) of the same Act; the same applies below) and the permission referred to in Article 4,



- paragraph (1) of that Act must be obtained when converting the land which is cropland to land other than cropland to use it for the facilities referred to in item (i), (b) of the preceding paragraph) are stated in the implementation plan for specified environmental burden reduction business activities, the plan does not fall under the case where the permission referred to in paragraph (1) of that Article not may be given pursuant to the provisions of paragraph (6) of that Article;
- (viii) if the matters stated in item (i), (a) and (b) of the preceding paragraph (limited to those related to cropland or meadow or pastureland (meaning land other than cropland that is used mainly for collecting grass or livestock grazing for cultivation or livestock farming-related business; the same applies below) for which the land referred to in (b), 1. of that item is located in an area other than the area of the designated municipality, for which permission under Article 5, paragraph (1) of the Cropland Act must be obtained to acquire ownership or rights to use and make profits to change the land to land other than cropland or meadow or pastureland to use it for the facilities referred to in (b) of that item) are stated in the implementation plan for specified environmental burden reduction activities, the plan does not fall under the case where permission referred to in paragraph (1) of that Article may not be given pursuant to the provisions of paragraph (2) of that Article.
- (6) If the prefectural governor intends to grant the certification referred to in paragraph (1) and the matters stated in the following items are stated in the implementation plan for specified environmental burden reduction business activities, the prefectural governor must consult with and obtain the consent of the stakeholders specified respectively in those items regarding those matters in advance:
- (i) matters concerning the measures stated in paragraph (3), item (ii) (limited to the rationalization of food and product distribution): the Minister of Agriculture, Forestry and Fisheries;
- (ii) the matters stated in paragraph (4), item (i), (a) and (b) (limited to those related to the case where the land referred to in (b), 1. of the same item is cropland or meadow or pastureland and where, to use for the facilities referred to in (b) of that item, the permission referred to in Article 4, paragraph (1) or Article 5, paragraph (1) of the Cropland Act must be obtained for the acquisition of ownership or rights to use or make profits regarding the land to change the land that is cropland to land other than cropland or change the land that is cropland or meadow or pastureland to land other than cropland or meadow or pastureland; the same applies in paragraphs (12) through (14)) that is located in the area of a designated municipality: the mayor of the designated municipality;

- (iii) the matters stated in paragraph (4), item (ii): the Minister of Agriculture, Forestry and Fisheries.
- (7) When there is a consultation on the matters stated in item (i) of the preceding paragraph under the provisions of that paragraph, if the Minister of Agriculture, Forestry and Fisheries finds that the matters fall under cases where the certification referred to in Article 5, paragraph (1) of the Food and Product Distribution Act may be granted pursuant to the provisions of paragraph (3) of that Article, the minister is to give the consent referred to in the preceding paragraph.
- (8) When there is a consultation on the matters stated in paragraph (6), item (i) under the provisions of that paragraph, the Minister of Agriculture, Forestry and Fisheries is to notify the minister who has jurisdiction over the business concerning those matters (referred to as the "competent minister for the business" in the following paragraph) of the content of the consultation without delay.
- (9) Having been notified as under the provisions of the preceding paragraph and finding it to be necessary to do so, the competent minister for the business may state an opinion to the Minister of Agriculture, Forestry and Fisheries.
- (10) If there is a consultation on the matters stated in paragraph (6), item (ii) under the provisions of that paragraph, and the mayor of the designated municipality finds that the particulars fall under the following requirements, the mayor is to give the consent referred to in that paragraph:
- (i) if cropland is changed to land other than cropland, it does not fall under a case where permission referred to in Article 4, paragraph (1) of the Cropland Act may not be granted pursuant to the provisions of paragraph (6) of that Article;
  - (ii) if obtaining ownership or rights to use or make profits regarding cropland or meadow or pastureland to change the land to a type other than cropland or meadow or pastureland, the case does not fall under a case where permission referred to in Article 5, paragraph (1) of the Cropland Act may not be granted pursuant to the provisions of paragraph (2) of the same Article;
- (11) If there is a consultation on the matters stated in paragraph (6), item (iii) under the provisions of that paragraph and the Minister of Agriculture, Forestry and Fisheries intends to give the consent referred to in the same paragraph, the Minister must consult with and obtain the consent of the head of the relevant administrative organ with respect to the matters in advance.
- (12) If the prefectural governor intends to grant the certification referred to in paragraph (1), and the matters stated in paragraph (4), item (i), (a) and (b) (limited to the matters related to land that includes cropland of over four hectares, and excluding the matters related to land within the area of the

- designated municipality) are stated in the implementation plan for specified environmental burden reduction business activities, the prefectural governor must consult with the Minister of Agriculture, Forestry and Fisheries in advance regarding the matters stated in paragraph (4), item (i), (a) and (b).
- (13) The prefectural governor must, if intending to grant the certification referred to in paragraph (1), and the matters stated in paragraph (4), item (i), (a) and (b) (excluding those related to land within the area of the designated municipality) are stated in the implementation plan for specified environmental burden reduction business activities, the prefectural governor must hear the opinions of the agricultural commission (in the case of a municipality that does not have an agricultural commission pursuant to the provisions of the proviso of Article 3, paragraph (1) or paragraph (5) of the Act on Agricultural Commission (Act No. 88 of 1951), the mayor of the municipality; the same applies below) in advance regarding the matters stated in paragraph (4), item (i), (a) and (b).
- (14) If the agricultural commission intends to state its opinions pursuant to the provisions of the preceding paragraph (limited to cases where the matters stated in paragraph (4), item (i), (a) and (b) stated in the implementation plan for specified environmental burden reduction business activities related to land that includes cropland with an area of more than 30 ares), it must hear the opinions of the prefectural agency provided for in Article 43, paragraph (1) of the Act on Agricultural Commission, etc. (referred to as the "prefectural agency" in the following paragraph) in advance; provided, however, that this does not apply if no designation by the prefectural governor under the provisions of Article 42, paragraph (1) of the same Act has been made.
- (15) Beyond what is provided for in the preceding paragraph, the agricultural commission may hear the opinions of the prefectural agency, if it finds it necessary for stating its opinions pursuant to the provisions of paragraph (13).
- (16) The provisions of paragraph (12) through the preceding paragraph apply *mutatis mutandis* when the mayor of the designated municipality intends to give the consent referred to in paragraph (6). In this case, the phrase "the matters stated in paragraph (4), item (i), (a) and (b)" is deemed to be replaced with "the matters stated in paragraph (6), item (ii)", the phrase "limited to the matters related to land that includes cropland of over four hectares, and excluding the matters related to land within the area of the designated municipality" is deemed to be replaced with "limited to the matters related to land that includes cropland of over four hectares", the phrase "the matters stated in paragraph (4), item (i), (a) and (b)" is deemed to be replaced with "the relevant matters" in paragraph 12; and the phrase "if intending to grant the certification referred to in paragraph (1), and the matters stated in paragraph (4), item (i), (a) and (b) (excluding those related to land within the area of the

designated municipality) are stated in the implementation plan for specified environmental burden reduction business activities" in paragraph (13) is deemed to be replaced with "when intending to grant the certification referred to in paragraph (1)".

- (17) When the prefectural governor intends to grant the certification referred to in paragraph (1), the governor must hear the opinions of the mayors of the relevant municipalities regarding the implementation plan for specified environmental burden reduction business activities, in advance.
- (18) When the prefectural governor grants the certification referred to in paragraph (1), the prefectural governor must notify the mayors of the relevant municipalities to that effect without delay.
- (19) When the prefectural governor has granted the certification referred to in paragraph (1) for an implementation plan for specified environmental burden reduction business activities that includes the matters stated in paragraph (6), item (i) or item (iii), the prefectural governor must notify the Minister of Agriculture, Forestry and Fisheries to that effect without delay.

(Changes to the Implementation Plan for Specified Business Activities to Reduce Environmental Burden)

- Article 22 (1) When a business operator in agriculture, forestry, and fisheries who has obtained the certification referred to in paragraph (1) of the preceding Article intends to change the implementation plan for specified environmental burden reduction business activities related to the certification, the business operator must obtain the certification of the prefectural governor who granted the certification, as pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries; provided, however, that this does not apply to minor changes specified by Order of the Ministry of Agriculture, Forestry and Fisheries.
- (2) When a business operator in agriculture, forestry and fisheries who has obtained the certification referred to in paragraph (1) of the preceding Article makes a minor change specified by the Order of the Ministry of Agriculture, Forestry and Fisheries referred to in the proviso of the preceding paragraph, the business operator must notify the prefectural governor to that effect without delay.
  - (3) If a prefectural governor finds that a business operator in agriculture, forestry, and fisheries that has obtained the certification referred to in paragraph (1) of the preceding Article (if the business operator in agriculture, forestry, and fisheries is an organization, its members, etc. and stakeholders provided for in the same paragraph who implement the measures stated in the items of paragraph (3) of the same Article concerning the business operator in agriculture, forestry, and fisheries are included; referred to below as a

"certified business operator in agriculture, forestry, and fisheries for specified environmental burden reduction business activities") is not carrying out the specified environmental burden reduction business activities in accordance with the implementation plan for specified environmental burden reduction business activities related to the certification (if the certification of changes under the provisions of paragraph (1) or the notification of changes under the preceding paragraph has been given, the plan after the changes; referred to below as the "certified implementation plan for specified environmental burden reduction business activities"), the governor may revoke the certification.

(4) The provisions of paragraphs (5) through (19) of the preceding Article apply *mutatis mutandis* to the approval referred to in paragraph (1).

(Special Provisions for the Agricultural Improvement Fund Accommodation Act)

Article 23 Regarding the application of the Agricultural Improvement Fund Accommodation Act to agricultural improvement measures if the agricultural improvement measures are included in environmental burden reduction business activities or specified environmental burden reduction activities (referred to below as "certified business activities") to be implemented in accordance with a certified implementation plan for environmental burden reduction business activities or a certified implementation plan for specified environmental burden reduction (referred to below as a "certified plan"), the certification referred to in Article 6, paragraph (1) of that Act (including as applied *mutatis mutandis* pursuant to Article 8, paragraph (2) of that Act) is deemed to have been given by the fact that the certification for the certified plan has been given. In this case, the phrase "ten years (or, in the case of funds necessary for implementing agricultural improvement measures in an area designated by the Minister of Agriculture, Forestry and Fisheries as an area with poor geographical, etc. conditions and disadvantageous agricultural production conditions (below referred to as "specified area funds" in this Article), twelve years)" in Article 4 of that Act is deemed to be replaced with "twelve years," and the phrase "a plan concerning agricultural improvement measures concerning the certification referred to in paragraph (1) of the following Article" in Article 5 of the same Act is deemed to be replaced with "a certified plan prescribed in Article 23 of the Act on Promotion of Environmental Burden Reduction Business Activities for Establishing Environmentally Harmonized Food Systems (Act No. 37 of 2022)".

(Special Provisions for the Act on Subsidies for Improvement of Forestry and Wood Industry)

Article 24 (1) Regarding the application of the Act on Subsidies for Improvement

of Forestry and Wood Industry to improvement measures for forestry and wood industry if certified business activities include the measures, the certification referred to in Article 7, paragraph (1) of the same Act (including the cases where it is applied *mutatis mutandis* pursuant to Article 12, paragraph (2) of the same Act) is deemed to have been granted by obtaining the certification in relation to the certified plan.

- (2) In the case referred to in the preceding paragraph, the redemption period (including the grace period; the same applies in paragraph (2) of the following Article) of the forestry and wood industry improvement funds prescribed in Article 2, paragraph (1) of the Act on Subsidies for Improvement of Forestry and Wood Industry that are necessary for taking the improvement measures for forestry and wood industry referred to in the preceding paragraph is the period specified by Cabinet Order within a period not exceeding twelve years, notwithstanding the provisions of Article 5, paragraph (1) of that Act.

(Special Provisions of the Act on Subsidies for the Improvement of Coastal Fishery)

Article 25 (1) Regarding the application of the provisions of the Act on Subsidies for Improvement of Coastal Fishery to the management improvement measures if the certified business activities include the management improvement measures, the certification referred to in Article 7, paragraph (1) of that Act (including the cases where it is applied *mutatis mutandis* pursuant to Article 12, paragraph (2) of that Act) is deemed to have been granted by obtaining certification in relation to the certified plan.

- (2) In the case referred to in the preceding paragraph, the redemption period of the types of funds specified by Cabinet Order among the management, etc. improvement funds prescribed in Article 2, paragraph (2) of the Act on Subsidies for Improvement of Coastal Fishery, which are necessary for implementing the management, etc. improvement measures stated in the preceding paragraph, is the period specified by Cabinet Order for each type within a period not exceeding twelve years, notwithstanding the provisions of Article 5, paragraph (2) of that Act.

(Special Provisions for the Livestock Manure Act)

Article 26 If the development of advanced processing facilities is included in certified business activities, the provisions of Article 11 of the Livestock Manure Act apply by deeming a certified business operator in agriculture, forestry, and fisheries for environmental burden reduction business activities or a certified business operator in agriculture, forestry, and fisheries for specified environmental burden reduction business activities who develops the advanced processing facilities (referred to as a "certified business operator in

agriculture, forestry, and fisheries" in Article 46, paragraph (1)) to be a person who has obtained the certification referred to in Article 9, paragraph (1) of the Livestock Manure Act, and by deeming a certified plan (limited to the part concerning the development of the advanced processing facilities) to be an approved advanced processing facilities development plan prescribed in Article 10, paragraph (2) of the Livestock Manure Act.

(Special Provisions for the Food and Product Distribution Act)

Article 27 If certified business activities include the rationalization of food and product distribution by a person prescribed in Article 19, paragraph (3) or Article 21, paragraph (3), the provisions of Article 7 of the Food and Product Distribution Act apply by deeming the person to be the certified business operator prescribed in Article 6, paragraph (1) of the Food and Product Distribution Act, deeming the certified plan (limited to the part concerning the rationalization of food and product distribution) to be the certified plan prescribed in paragraph (2) of the same Article, and deeming the certified business activities (limited to the part concerning the relevant rationalization of food and product distribution) to be the rationalization business of food and product distribution prescribed in Article 4, paragraph (2), item (i) of the Food and Product Distribution Act, respectively.

(Special Provisions for the Cropland Act)

Article 28 (1) If a certified business operator in agriculture, forestry, and fisheries for specified environmental burden reduction business activities converts cropland to land other than cropland for the purpose of providing it for the facilities referred to in Article 21, paragraph (4), item (i), (b) in accordance with the certified implementation plan for specified environmental burden reduction business activities (limited to the plan in which the matters stated in (a) and (b) of that item are stated; the same applies in the following paragraph and the following Article), it is deemed that permission referred to in Article 4, paragraph (1) of the Cropland Act has been granted.

(2) The permission referred to in Article 5, paragraph (1) of the Cropland Act is deemed to have been given if a certified business operator in agriculture, forestry and fisheries for specified environmental burden reduction business activities acquires ownership or rights to use or make profits regarding cropland or meadow or pastureland for the purpose of changing the land to a type other than cropland or meadow or pastureland for the purpose of providing it for facilities referred to in Article 21, paragraph (4), item (i), (b) in accordance with the certified implementation plan for specified environmental burden reduction business activities.

(Special Provisions for the Act on Promotion of Dairy and Cattle Production)

Article 29 The provisions of Article 9 of the Act on Promotion of Dairy and Cattle Production (Act No. 182 of 1954) do not apply to acts carried out by a certified business operator in agriculture, forestry, and fisheries for specified environmental burden reduction business activities to develop facilities referred to in Article 21, paragraph (4), item (i), (b) on grassland within the area of an intensive dairy farming area (meaning an intensive dairy farming area designated pursuant to the provisions of Article 3, paragraph (1) of that Act) in accordance with the certified implementation plan for specified environmental burden reduction business activities.

(Special Provisions on Procedures for Obtaining Approval Concerning Restrictions on Disposition of Property)

Article 30 If a certified business operator in agriculture, forestry, and fisheries for specified environmental burden reduction business activities engages in specified environmental burden reduction business activities in accordance with a certified implementation plan for specified environmental burden reduction business activities (limited to the plan listing the matters stated in Article 21, paragraph (4), item (ii)), the certification of the head of each ministry and agency prescribed in Article 22 of the Act on Regulation of Subsidies is deemed to have been given at the time of the certification in relation to the certified implementation plan for specified environmental burden reduction business activities.

## **Section 2 Measures Concerning Agreements on Cultivation Control to Promote Organic Agriculture**

(Conclusion of Agreements)

Article 31 (1) A person who holds ownership rights, superficies rights, farming rights, pledges, rights of lease, rights for use by loan, or other rights to use and derive profit from a consolidated group of agricultural lands of a considerable scale (meaning cropland or meadow or pastureland; the same applies below in this Section) within the specified area specified in the consented basic plan (excluding the national and local governments; referred to below as the "agricultural land owners") may conclude an agreement on growing management to promote organic agriculture (referred to below as an "agreement"), with the approval of the mayor of the municipality (or the prefectural governor, if the agreement area prescribed in item (i) of the following paragraph extends over two or more municipalities; the same applies below in this Section), for creating a production park for organic agriculture (meaning organic agriculture as prescribed in Article 2 of Act on Promotion of



Organic Agriculture; the same applies below in this Article) to be carried out as specified environmental burden reduction business activities in the specified area.

- (2) An agreement is to prescribe for the following matters:
  - (i) the area of agricultural land that is subject to the agreement (below referred to as the "agreement area");
  - (ii) matters concerning the management of cultivation in organic agriculture and other types of agriculture;
  - (iii) the effective period of the agreement;
  - (iv) measures to be taken in the event of a violation of the agreement;
  - (v) other necessary matters.
- (3) An agreement must have the unanimous consent of all of the agricultural land owners, etc. related to the agricultural land within the agreement area.
- (4) The contents of an agreement must conform to the plan of the national government or a local government formulated based on laws and regulations.
- (5) The effective period of the agreement must not exceed five years.

#### (Public Inspection of Agreements)

- Article 32 (1) When an application has been filed for the approval referred to in paragraph (1) of the preceding Article, the mayor of a municipality must issue public notice of this and make the agreement available for public inspection by stakeholders for two weeks from the date of the public notice, pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.
- (2) When public notice is given under the provisions of the preceding paragraph, an interested person may submit a written opinion on the agreement to the mayor of a municipality by the expiration date of the public inspection period under the same paragraph.

#### (Approval of Agreements)

- Article 33 (1) When the mayor of a municipality finds that an application for approval under Article 31, paragraph (1) falls under any of the following items, the mayor is to grant approval under that paragraph:
- (i) the procedures of the application or the contents of the agreement do not violate any laws or regulations;
  - (ii) the contents of the agreement do not unreasonably restrict the use of land or are otherwise appropriate;
  - (iii) the contents of the agreement is found to contribute to the achievement of the consented basic plan.
- (2) Having granted the approval referred to in Article 31, paragraph (1), the mayor of a municipality must issue public notice of this, make a copy of the agreement available for public inspection at the office of the municipality (or at

the office of the prefecture, if the agreement area extends over two or more municipalities), and clearly indicate in the agreement area that it is an agreement area, pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

(Changes to Agreements)

- Article 34 (1) If the agricultural land owners, etc. under an agreement that has been approved as referred to in Article 31, paragraph (1) intend to change any of the matters provided for in that agreement, they must determine this by unanimous agreement and obtain the approval of the mayor of the municipality.
- (2) The provisions of the preceding two Articles apply *mutatis mutandis* to the approval referred to in the preceding paragraph.

(Effect of Agreements)

- Article 35 An agreement for which a public notice of approval under the provisions of Article 33, paragraph (2) (including as applied *mutatis mutandis* pursuant to paragraph (2) of the preceding Article) has been issued is to also be effective for a person who becomes an agricultural land owner, etc. with respect to the agricultural land within the agreement area after the issuance of the public notice.

(Repeal of Agreements)

- Article 36 (1) If an agricultural land owner under an agreement that has been approved as referred to in Article 31, paragraph (1) or Article 34, paragraph (1) intends to repeal the agreement, the owner, etc. must make a decision to that effect by the agreement of the majority of the owners, etc. of agricultural land, and obtain the approval of the mayor of the municipality.
- (2) When the mayor of a municipality has granted the approval stated in the preceding paragraph, the mayor must give public notice to that effect.

(Revocation of Approval of Agreements)

- Article 37 (1) After the mayor of a municipality has granted the approval stated in Article 31, paragraph (1) or Article 34, paragraph (1), if the content of the agreement in relation to the approval is found not to fall under the requirements stated in the items of Article 33, paragraph (1), the mayor is to revoke the approval of the agreement.
- (2) If the mayor of a municipality has revoked the approval under the preceding paragraph, the mayor must notify the agricultural land owner, etc. related to the agreement to that effect and issue a public notice.

(Special Provisions for the Act on Establishment of Agricultural Promotion

Regions)

- Article 38 (1) The owners of a consolidated group of agricultural lands within an agreement area under an agreement that has been approved as referred to in Article 31, paragraph (1) or Article 34, paragraph (1) may request the municipality to designate that area as an agricultural land zone as prescribed in Article 8, paragraph (2), item (i) of the Act on Establishment of Agricultural Promotion Regions (Act No. 58 of 1969) (referred to as an "agricultural land zone" in the following paragraph), pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries, with the consent of all the stakeholders who have rights, statutory liens, or mortgages as prescribed in Article 31, paragraph (1) other than the rights to that agricultural land.
- (2) If, based on a request under the provisions of the preceding paragraph, a municipality designates all or part of the area of agricultural land related to the request as an agricultural land zone, the provisions of Article 11, paragraphs (3) through (11) of the Act on Establishment of Agricultural Promotion Regions (including as applied mutatis mutandis pursuant to Article 13, paragraph (4) of that Act) do not apply.

### **Section 3 Measures Concerning Approved Implementation Plans for Foundation Development Business**

(Approval of the Implementation Plan of the Foundation Development Business)

- Article 39 (1) A person intending to implement a foundation development business may independently or jointly prepare a plan for the implementation of the foundation development business (referred to below as the "implementation plan for the foundation development business") and apply for the certification of the competent minister, pursuant to the provisions of order of the competent ministry. In this case, if persons intending to implement a foundation development business have jointly prepared an implementation plan for the foundation development business, they must designate a representative and submit the plan to the competent minister by whom they intend to obtain the certification, pursuant to the provisions of order of the competent ministry.
- (2) The following matters must be included in the implementation plan for the foundation development business:
- (i) targets concerning the improvement of the added value of agricultural, forestry, and fishery products produced through the efforts made to enhance the effect of environmental burden reduction through the foundation development business or to reduce the environmental burden;
  - (ii) the details of the foundation development business and the implementation period;

- (iii) the implementation framework for the foundation development business;
  - (iv) the amount of funds necessary for the foundation development business and method of raising them.
- (3) Beyond the matters stated in the items of the preceding paragraph, the following matters may be stated in the implementation plan for the foundation development business:
- (i) in cases of installing equipment, etc. to be used for the foundation development business, the following matters:
    - (a) the type of the equipment, etc. and other details of the installation of the equipment, etc.;
    - (b) in cases of developing facilities as the installation of the equipment, etc., the following matters:
      - 1. the location, parcel number, land category, and area of the land used for the facilities;
      - 2. other matters specified by order of the competent ministry;
  - (ii) matters concerning the utilization of subsidies or other granted property in implementing the foundation development business.
- (4) If an application under the provisions of paragraph (1) has been filed and the competent minister finds that the implementation plan for the foundation development business in relation to the application conforms to any of the following items, the minister is to grant certification:
- (i) the basic plan is appropriate in light of the basic policy, and is appropriate for conducting the foundation development business in a reliable manner;
  - (ii) the foundation development business contributes considerably to the improvement of the added value of agricultural, forestry, and fishery products produced through activities for enhancing the effects of environmental burden reduction or for reducing environmental burden;
  - (iii) if the foundation development business includes the rationalization of food and product distribution, it falls under the case where the certification referred to in Article 5, paragraph (1) of the Food and Product Distribution Act may be given pursuant to the provisions of paragraph (3) of that Article.
- (5) If the competent minister intends to grant the certification referred to in paragraph (1) for an implementation plan for a foundation development business that includes the matters stated in paragraph (3), item (i), (a) and (b) (limited to those related to a plan for which the permission referred to in Article 4, paragraph (1) or Article 5, paragraph (1) of the Cropland Act must be obtained if the land referred to in (b), 1. of that item constitutes cropland or meadow or pastureland, to use it for the facilities referred to in (b) of that item, when intending to obtain the ownership or rights to use or make profits in relation to the land to convert the cropland to land other than cropland, or to convert the cropland or meadow or pastureland to land other than cropland or

meadow or pastureland), the minister must consult with and obtain the consent of the prefectural governor, etc. (meaning the prefectural governor, etc. prescribed in Article 4, paragraph (1) of that Act; the same applies below in this Article) regarding the matters. In this case, if the prefectural governor, etc. finds that the matters fall under the following requirements, the minister is to give the consent.

- (i) when cropland is converted to land other than cropland, it does not fall under a case where permission referred to in Article 4, paragraph (1) of the Cropland Act may not be granted pursuant to the provisions of paragraph (6) of that Article;
  - (ii) when obtaining the ownership or right to use or make profits regarding cropland or meadow or pastureland to convert the land to land other than cropland or meadow or pastureland, the case does not fall under a case where permission referred to in Article 5, paragraph (1) of the Cropland Act may not be granted pursuant to paragraph (2) of that Article;
- (6) When the prefectural governor, etc. intends to give the consent referred to in the preceding paragraph, the governor must hear the opinions of the agricultural commission in advance.
- (7) The provisions of Article 21, paragraphs (14) and (15) apply *mutatis mutandis* to the case where the agricultural commission intends to state its opinions pursuant to the provisions of the preceding paragraph. In this case, the term "the matters stated in paragraph (4), item (i), (a) and (b) stated in the implementation plan for specified environmental burden reduction business activities" in paragraph (14) of the same Article is deemed to be replaced with "the matters stated in Article 39, paragraph (3), item (i), (a) and (b) stated in the implementation plan for the foundation development business".
- (8) When the competent ministers intend to grant the certification referred to in paragraph (1) and the matters stated in paragraph (3), item (ii) are included in the implementation plan for the foundation development business, the ministers must consult with and obtain the consent of the head of the administrative organ related to those matters in advance.
- (9) When the competent minister grants the certification referred to in paragraph (1), the minister is to publicize the details of the implementation plan for the foundation development business in relation to the certification, as pursuant to the provisions of order of the competent ministry.

#### (Changes to the Implementation Plan of the Foundation Development Business)

Article 40 (1) When a person who has obtained the certification referred to in paragraph (1) of the preceding Article (below referred to as a "certified business operator for foundation development") intends to change the

implementation plan for the foundation development business in relation to the certification, the person must obtain the certification of the competent minister, as specified by order of the competent ministry; provided, however, that this does not apply to minor changes specified by order of the competent ministry.

- (2) When a certified business operator for foundation development has made a minor change specified by order of the competent ministry as referred to in the proviso of the preceding paragraph, they must notify the competent minister to that effect without delay.
- (3) When the competent minister finds that a certified business operator for foundation development is not conducting the foundation development business in accordance with the implementation plan for the foundation development business in relation to the certification referred to in paragraph (1) of the preceding Article (when a certification has been granted for changes under the provisions of paragraph (1) or a notification of changes has been made under the provisions of the preceding paragraph, the plan after the changes; referred to below as the "certified implementation plan for the foundation development business"), the minister may revoke the certification.
- (4) The provisions of paragraphs (4) through (9) of the preceding Article apply *mutatis mutandis* to the approval referred to in paragraph (1).

(Special Provisions for the Food and Product Distribution Act)

Article 41 If the rationalization of food product distribution is included in a foundation development business carried out in accordance with a certified implementation plan for a foundation development business (referred to below as an "certified foundation development business"), the provisions of Article 7 of the Food and Product Distribution Act apply by deeming the certified business operator of foundation development who carries out the rationalization of food and product distribution to be the certified business operator prescribed in Article 6, paragraph (1) of the Food and Product Distribution Act, deeming the certified foundation implementation plan for foundation development business (limited to the part concerning the relevant rationalization of food and product distribution) to be the certified plan prescribed in paragraph (2) of the same Article, and deeming the certified foundation development business (limited to the part concerning the relevant rationalization of food and product distribution) to be the rationalization business of food and product distribution prescribed in Article 4, paragraph (2), item (i).

(Special Provisions for Plant Variety Protection and Seed Act)

Article 42 (1) Regarding an application for variety registration concerning an applied-for variety (meaning an applied-for variety prescribed in Article 3,

paragraph (2) of the Plant Variety Protection and Seed Act (Act No. 83 of 1998), and limited to those for which an application for variety registration prescribed in paragraph (1), item (i) of the same Article (referred to below as an "application for variety registration" in this Article) has been filed within two years from the termination date of the implementation period of a certified foundation development business; the same applies below in this paragraph) related to the results of the certified foundation development business, if the applicant is a certified business operator for foundation development who is engaged in the certified foundation development business and falls under any of the following items, the Minister of Agriculture, Forestry and Fisheries may, pursuant to the provisions of Cabinet Order, grant the applicant a reduction of or exemption from the application fees to be paid pursuant to the provisions of Article 6, paragraph (1) of the same Act:

- (i) a person who has bred the applied-for variety (meaning the breeding prescribed in Article 3, paragraph (1) of the Plant Variety Protection and Seed Act; the same applies in item (i) of the following paragraph);
  - (ii) If the employee, etc. as prescribed in Article 8, paragraph (1) of the Plant Variety Protection and Seed Act (referred to as an "employee, etc." in item (ii) of the following paragraph) has bred the applied-for variety in the course of their duties as prescribed in paragraph (1) of that Article (referred to as a "variety bred in the course of duties" in the same item), and where the employer, etc. prescribed in that paragraph (referred to below as the "employer, etc." in this Article) is to file an application for variety registration prescribed in a contract, employment regulation or any other provision prescribing in advance, the employer, etc. who has filed the application for variety registration;
- (2) Regarding the registered variety in relation to the results of a certified foundation development business (meaning the registered variety prescribed in Article 20, paragraph (1) of the Plant Variety Protection and Seed Act, and limited to those for which an application for variety registration has been filed within two years from the termination date of the implementation period of the certified foundation development business; the same applies below in this paragraph), when a person who is required to pay the registration fees for each year from the first to the sixth year under the provisions of Article 45, paragraph (1) of the same Act, and who is a certified business operator for foundation development conducting the relevant certified foundation development business and falls under any of the following items, the Minister of Agriculture, Forestry and Fisheries may reduce or exempt the registration fees for each year, pursuant to the provisions of Cabinet Order:
- (i) a person who has bred the registered variety;
  - (ii) if the registered variety is a variety bred in the course of duties by the

employee, etc., and where any agreement, employment regulation or any other provision prescribes in advance that the employer, etc. is to file an application for variety registration or that the title of the applicant for variety registration filed by the employee, etc. to be transferred to the employer, etc., the employer, etc. who filed the application or the employer, etc. to whom the title of the applicant for variety registration filed by the employee, etc. has been transferred.

(Special Provisions for the Cropland Act)

Article 43 (1) If a certified business operator for foundation development converts cropland to land other than cropland to use it for facilities in accordance with a certified implementation plan for a foundation development business (limited to those that include matters stated in Article 39, paragraph (3), item (i), (a) and (b); the same applies in the following paragraph), it is deemed that permission referred to in Article 4, paragraph (1) of the Cropland Act has been granted.

(2) If a certified business operator for foundation development acquires the ownership or rights to use or make profits regarding cropland or meadow or pastureland to convert the land to land other than cropland or meadow or pastureland to use it for the facilities referred to in Article 39, paragraph (3), item (i), (b) in accordance with the certified implementation plan for foundation development business, it is deemed that the permission referred to in Article 5, paragraph (1) of the Cropland Act has been granted.

(Special Provisions on Procedures for Approval Concerning Restrictions on Disposition of Property)

Article 44 If a certified business operator for foundation development carries out a foundation development business in accordance with a certified implementation plan for foundation development business (limited to those that include the matters stated in Article 39, paragraph (3), item (ii)), the approval of the head of each ministry and agency prescribed in Article 22 of the Act on Regulation of Subsidies is deemed to have been given at the time of the certification in relation to the certification implementation plan for foundation development business.

## **Chapter V Miscellaneous Provisions**

(Assistance)

Article 45 Beyond what is specially provided for in this Act, the national government and local governments are to endeavor to provide advice, guidance, financial arrangements, subsidies for expenses, and any other assistance



necessary for the smooth implementation of measures based on this Act.

(Collection of Reports)

Article 46 (1) A prefectural governor may request a certified business operator in agriculture, forestry, and fisheries to report on the implementation status of the certified plan.

(2) The competent minister may request reports from a certified business operator for foundation development with respect to the implementation status of the certified implementation plan for the foundation development business.

(Competent Minister)

Article 47 (1) The competent ministers referred to in Article 39, paragraph (1), paragraphs (4), (5), (8), and (9) of the same Article (including the cases where these provisions are applied mutatis mutandis pursuant to Article 40, paragraph (4)), Article 40, paragraphs (1) through (3), paragraph (2) of the preceding Article, and Article 49 are the Minister of Agriculture, Forestry and Fisheries and the ministers who have jurisdiction over the businesses related to the foundation development business.

(2) The order of the competent ministry referred to in Article 39, paragraph (1) and paragraph (3), item (i), (b), 2., paragraph (9) of the same Article (including as applied mutatis mutandis pursuant to Article 40, paragraph (4)), and Article 40, paragraph (1) is an order issued jointly by the Minister of Agriculture, Forestry and Fisheries and the ministers who have jurisdiction over the foundation development business, and the order of the competent ministry referred to in Article 49 is an order issued by the competent ministers prescribed in the preceding paragraph.

(Relationship with the Minister of the Environment)

Article 48 In implementing measures for establishing environmentally harmonized food systems, if the implementation of the measures is related to the measures for environmental conservation, the Minister of Agriculture, Forestry and Fisheries is to closely communicate and cooperate with the Minister of the Environment.

(Delegation of Authority)

Article 49 The authority of the Minister of Agriculture, Forestry and Fisheries prescribed in this Act may be delegated to the head of a local branch office pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries, and the authority of the competent ministers prescribed in this Act may be delegated to the head of a local branch office pursuant to the provisions of order of the competent ministries.

(Classification of Administrative Functions)

Article 50 Among the administrative functions to be handled by a prefecture or designated municipality pursuant to the provisions of this Act, those stated in the following items are item (i) statutory entrusted function as prescribed in Article 2, paragraph (9), item (i) of the Local Autonomy Act (Act No. 67 of 1947):

- (i) administrative functions to be handled by the designated municipality pursuant to Article 21, paragraph (6) (including as applied mutatis mutandis pursuant to the provisions of Article 22, paragraph (4) only to the part related to item (ii)) (limited to those related to the implementation plan for specified environmental burden reduction business activities relating to acts of converting cropland with an area of more than four hectares to land other than cropland for the same business or acts of acquiring rights provided for in the main clause of Article 3, paragraph (1) of the Cropland Act for cropland with an area of more than four hectares or meadow or pastureland along with that cropland with an area of more than four hectares for the same business);
- (ii) administrative functions to be handled by the prefecture or designated municipality pursuant to the provisions of Article 21, paragraph (12) (including as applied mutatis mutandis pursuant to paragraph (16) of that Article (including as applied mutatis mutandis pursuant to Article 22, paragraph (4)) and Article 22, paragraph (4));
- (iii) administrative functions to be handled by the prefecture or designated municipality pursuant to the provisions of Article 21, paragraph (13) (including as applied mutatis mutandis pursuant to paragraph (16) of the same Article (including as applied mutatis mutandis pursuant to Article 22, paragraph (4)) and Article 22, paragraph (4)) (limited to those related to the implementation plan for specified environmental burden reduction business activities relating to acts of converting cropland with an area of more than four hectares to land other than cropland for the same business or acts of acquiring rights provided for in the main clause of Article 3, paragraph (1) of the Cropland Act for cropland with an area of more than four hectares or meadow or pastureland along with that cropland with an area of more than four hectares for the same business);
- (iv) administrative functions to be handled by the prefecture or designated municipality pursuant to Article 39, paragraphs (5) and (6) (including as applied mutatis mutandis pursuant to Article 40, paragraph (4)) (limited to those related to the implementation plan for the foundation development business relating to acts of converting cropland with an area of more than four hectares to land other than cropland for the same business purpose or

acts of acquiring rights provided for in the main clause of Article 3, paragraph (1) of the Cropland Act to cropland with an area of more than four hectares or meadow or pastureland along with that cropland with an area of more than four hectares for the same business purpose).

## **Chapter VI Penal Provisions**

Article 51 (1) If a person has failed to make a report under Article 46, paragraph (1) or paragraph (2) or has made a false report, the person who has committed the violation is punished by a fine of not more than 300,000 yen.

(2) If the representative or administrator of a corporation (or of an organization without legal personality for which a representative or administrator has been designated; the same applies below in this paragraph), or an agent, employee, or other worker of a corporation or individual commits a violation referred to in the preceding paragraph in connection with the business of the corporation or individual, in addition to the offender being subject to punishment, the corporation or individual is subject to the punishment referred to in that paragraph.

(3) If the provisions referred to in the preceding paragraph apply to an organization without legal personality, its representative or administrator represents the organization without legal personality regarding the procedural acts, and the provisions of Acts concerning criminal proceedings if a corporation stands as the accused or the suspect apply *mutatis mutandis*.

## **Supplementary Provisions [Extract]**

(Effective Date)

Article 1 This Act comes into effect on the day specified by Cabinet Order within a period not exceeding six months from the date of promulgation; provided, however, that the provisions of Article 5 of the Supplementary Provisions come into effect on the date of promulgation.

(Repeal of the Act on Promotion of Introduction of Sustainable Agricultural Production Practices)

Article 2 The Act on Promotion of Introduction of Sustainable Agricultural Production Practices (Act No. 110 of 1999) is repealed.

(Transitional Measures Accompanying the Repeal of the Act on Promotion of Introduction of Sustainable Agricultural Production Practices)

Article 3 (1) Prior laws and regulations continue to govern the granting of certification for an application for the certification referred to in Article 4,

paragraph (1) of the Act on Promotion of Introduction of Sustainable Agricultural Production Methods before the repeal under the provisions of the preceding Article (referred to as the "Former Act on Sustainable Agriculture" in the following paragraph) that was filed prior to the enforcement of this Act and for which whether or not to grant certification has yet to be determined as of the time of the enforcement of this Act.

- (2) An introduction plan (meaning an introduction plan provided for in Article 4, paragraph (1) of the Former Act on Sustainable Agriculture; the same applies below in this paragraph) that has been certified as referred to in Article 4, paragraph (1) of the Former Act on Sustainable Agriculture (including certification for changes referred to in Article 5, paragraph (1) of the Former Act on Sustainable Agriculture) at the time of the enforcement of this Act is to remain in force, and prior laws and regulations continue to govern the revocation of certification for the introduction plan and an introduction plan that has been certified pursuant to prior laws that continue to govern, based on the provisions of the preceding paragraph, the special provisions for the Agricultural Improvement Fund Accommodation Act, and the collection of reports.

(Transitional Measures Concerning Penal Provisions)

Article 4 Regarding the application of penal provisions to any acts committed prior to the enforcement of this Act as well as any acts committed after the enforcement of this Act when the provisions then in force remain applicable pursuant to the provisions of paragraph (2) of the preceding Article, the provisions then in force remain applicable.

(Delegation to Cabinet Order)

Article 5 Beyond what is provided for in the preceding two Articles, transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

(Review)

Article 6 After approximately five years from the enforcement of this Act, while taking into account the status of enforcement of this Act, the government is to review the provisions of this Act and take necessary measures based on the review results where it finds it necessary.