

Act on the Promotion of Business Activities by Food, etc. Business Operators and Ensuring Proper Transactions of Food, etc. for Realizing a Sustainable Supply of Food, etc. (Partially unenforced)

(Act No. 59 of May 2, 1991)

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Chapter I General Provisions

(Purpose)

Article 1 The purpose of this Act is, in view of the fact that a food, etc., business operator plays an important role in connecting a person engaged in agriculture, forestry, or fisheries with a general consumer within the food systems (meaning the food systems prescribed in Article 2, paragraph (5) of the Basic Act on Food, Agriculture and Rural Areas (Act No. 106 of 1999); the same applies in Article 4, paragraph (1), item (i)), to take measures to promote business activities by a food, etc., business operator and measures to ensure proper transaction of food, etc., for realizing a sustainable supply of food, etc., as a result contributing to the growth and development of the agriculture, forestry, or fisheries and the food industry; and to the promotion of the interests of a general consumer.

(Definitions)

Article 2 (1) The term "food, etc." as used in this Act means the following items; provided, however, that those falling under pharmaceuticals prescribed 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 prescribed in paragraph (2) of that Article, cosmetics as provided in paragraph (3) of that Article, and regenerative medicine products prescribed in paragraph (9) of that Article are excluded:

- (i) food and drink;
- (ii) flowers and other agricultural, forestry, and fishery products specified by Order of the Ministry of Agriculture, Forestry and Fisheries (excluding those stated in the preceding item); and
- (iii) products manufactured or processed by using agricultural, forestry, and fishery products as raw materials or ingredients (excluding those stated in item (i)) and as specified by Order of the Order of the Ministry of Agriculture, Forestry and Fisheries.

- (2) The term a "food, etc. business operator" as used in this Act means a person engaged in the business of manufacturing, processing, distributing, or selling food, etc.
- (3) The term "a person engaged in agriculture, forestry, or fisheries" as used in this Act means a farmer, a forester, or a fisher, or an organization formed by these persons (including a corporation of which these persons are main members or equity investors).
- (4) The term "business activities to establish a stable transaction relationship" as used in this Act means business activities carried out by a food, etc. business operator that aim to expand opportunities for transaction, transact continuously, or otherwise establish a stable transaction relationship between the food, etc., business operator and a person engaged in agriculture, forestry, or fisheries (including research and development of technologies; and mergers, company splits, the acceptance of capital contributions, the incorporation or liquidation of companies, and other measures specified by Order of the Ministry of Agriculture, Forestry and Fisheries (referred to below as "measures such as mergers") which are carried out in conjunction with those business activities).
- (5) The term "business activities to rationalize distribution" as used in this Act means business activities carried out by a food, etc. business operator that aim to reduce distribution costs, improve value, or develop new demand for food, etc., through measures to streamline distribution, enhance quality control or sanitation control, or otherwise rationalize the distribution of food, etc. (including research and development of technology and measures such as mergers, carried out in conjunction with those business activities).
- (6) The term "business activities to reduce environmental burden" as used in this Act means business activities carried out by a food, etc. business operator that aim to reduce the amount of greenhouse gas emissions as prescribed in Article 2, paragraph (4) of the Act on Promotion of Global Warming Countermeasures (Act No. 117 of 1998), to control the generation of food waste, etc., as prescribed in Article 2, paragraph (2) of the Act on Promotion of Recycling and Related Activities for Treatment of Cyclical Food Resources (Act No. 116 of 2000), or otherwise to reduce environmental burdens or to make effective use of resources (including research and development of technology and measures such as mergers carried out in conjunction with those business activities).
- (7) The term "business activities to support consumer choice" as used in this Act means business activities carried out by a food, etc. business operator that aim to convey information that contributes to choices made by general consumers regarding food, etc. , that contributes to the reduction of environmental burden or the effective use of resources, or otherwise takes into account the realization of a sustainable supply of food, etc.(including research and development of

technology and measures such as mergers carried out in conjunction with those business activities).

(8) The term "business for collaborative support " as used in this Act means a business carried out in collaboration between two or more persons who provide support for creation of opportunity for transaction between food, etc. business operators, promotion of research and development concerning technology and the transfer of their outcomes, research and information provision regarding market, promotion of management efficiency improvement, smooth procurement of funds, training, or other business activities to establish stable transaction relationship, etc. (meaning business activities to establish stable transaction relationship, business activities to rationalize distribution, business activities to reduce environmental burden, or business activities to support consumer choice; the same applies below).

(9) The term "ensuring proper transaction" as used in this Act means improvement of transaction terms or other measures for ensuring that transactions are conducted properly.

(10) The term "food and drink, etc." as used in this Act means, among food, etc., food and drink, and things used as raw materials and ingredients (limited to agricultural, forestry, and fishery products or those manufactured or processed using agricultural, forestry, and fishery products as raw materials or ingredients).

(Responsibilities of the National Government)

Article 3 (1) The national government must endeavor to collect, organize, analyze, and provide necessary information, or provide other support to promote business activities conducted by a food, etc. business operator and business to support those business activities both for realizing a sustainable supply of food, etc.

(2) For realizing a sustainable supply of food, etc., the national government must endeavor to provide necessary information and other support to ensure proper transaction of food, etc., by means such as taking into consideration the reasonable costs required for a sustainable supply of food and drink, etc., and promoting initiatives that contribute to that sustainable supply.

(Points of Attention)

Article 4 (1) In taking measures to promote business activities by a food, etc. business operator, the national government is to pay attention to the following matters:

(i) the measures enable a food, etc., business operator to proactively carry out business activities demonstrating creativity and ingenuity with climate change and other changes in the environment surrounding the food system;

and

- (ii) the measures make the business activities carried out by a food, etc. business operator to contribute to the growth and development of the agriculture, forestry, or fisheries and the food industry, and to the promotion of the interests of general consumers.
- (2) In taking measures to ensure proper transaction of food, etc., the national government is to pay attention to the following matters:
- (i) that there is a high necessity to ensure proper transaction of food, etc., since the quality of many of the foods, etc., tends to deteriorate in a short period of time, which may cause disparities in the bargaining positions of the parties involved in the transaction; and
 - (ii) that transaction of food, etc. being conducted properly and stably contributes to the interests of food, etc. business operators, persons engaged in agriculture, forestry, or fisheries, and general consumers.

Chapter II Measures to Promote Business Activities by a Food Business Operator, etc. for Realizing a Sustainable Supply of Food, etc.

Section 1 Basic Policy Concerning Promotion of Business Activities by a Food Business Operator, etc. for Realizing a Sustainable Supply of Food, etc.

Article 5 (1) The Minister of Agriculture, Forestry and Fisheries is to formulate a basic policy concerning the promotion of business activities by a food, etc. business operator for realizing a sustainable supply of food, etc., (referred to below as the "basic policy" in this Chapter).

- (2) The basic policy is to prescribe the following matters:
- (i) the following matters concerning the promotion of business activities to establish stable transaction relationship, etc.:
 - (a) the significance and goals of the promotion of business activities to establish stable transaction relationship, etc.; and
 - (b) basic matters concerning the implementation of business activities to establish stable transaction relationship, etc.;
 - (ii) the following matters concerning the promotion of business for collaborative support: and
 - (a) the significance and goals of the promotion of business for collaborative support ; and
 - (b) basic matters concerning the implementation of business for collaborative support;
 - (iii) beyond what is stated in the preceding two items, important matters concerning the promotion of both business activities to establish stable transaction relationship, etc., and business for collaborative support.

- (3) The Minister of Agriculture, Forestry and Fisheries is to make changes to the basic policy if necessary due to changes in economic conditions or other developments of situation.
- (4) If the Minister of Agriculture, Forestry and Fisheries intends to formulate or amend the basic policy, the Minister is to deliberate with the head of the relevant administrative organ (if the administrative organ adopts a council system, that administrative organ) and hear the opinions of the Council for Policies on Food, Agriculture, and Rural Areas.
- (5) If the Minister of Agriculture, Forestry and Fisheries has formulated the basic policy pursuant to the provisions of paragraph (1) or has amended it pursuant to the provisions of paragraph (3), the Minister is to make public the basic policy without delay.

Section 2 Plans for Business Activities to Establish Stable Transaction Relationship

(Approval of Plans for Business Activities to Establish Stable Transaction Relationship)

- Article 6 (1) A food, etc. business operator that intends to implement business activities to establish stable transaction relationship may, independently or jointly, prepare a plan concerning the implementation of business activities to establish stable transaction relationship (referred to below as a "plan for business activities to establish stable transaction relationship") , and submit it to the Minister of Agriculture, Forestry and Fisheries to obtain the approval, as specified by Order of the Ministry of Agriculture, Forestry and Fisheries.
- (2) A plan for business activities to establish stable transaction relationship must contain the following matters:
 - (i) the goals of the business activities to establish stable transaction relationship ;
 - (ii) the contents and implementation period of the business activities to establish stable transaction relationship;
 - (iii) the amount of funds necessary for implementing the business activities to establish stable transaction relationship and the method of procuring those funds; and
 - (iv) the extent to which the implementation of the business activities to establish stable transaction relationship contributes to the growth and development of the agriculture, forestry, or fisheries and the food industry, and to the promotion of the interests of a general consumer.
 - (3) A plan for business activities to establish stable transaction relationship may include matters concerning the measures specified in the following items according to the category of the persons stated in the respective items (limited

to measures that contribute to the promotion of that business activities to establish stable transaction relationship implemented by the food, etc.

business operator that intends to obtain approval of that plan):

(i) a person engaged in agriculture, forestry, or fisheries (limited to the other party of the transaction related to the business activities to establish stable transaction relationship implemented by the food, etc. business operator that intends to obtain approval of the plan for business activities to establish stable transaction relationship; the same applies in paragraph (5), item (iii)): introduction or improvement of methods of production or processing of agricultural, forestry, and fishery products; and

(ii) a person, other than a food, etc. business operator, that conducts research and development of technology related to the business activities to establish stable transaction relationship implemented by the food, etc. business operator that intends to obtain approval of that plan for the business activities to establish stable transaction relationship: research and development of that technology and use of the outcomes.

(4) A plan for business activities to establish stable transaction relationship may state the following matters:

(i) as the matters stated in the items of paragraph (2), the matters prescribed in (a) through (c) below according to the category of acts stated in (a) through (c) respectively:

(a) the improvement of management capabilities prescribed in Article 2, paragraph (10) of the Small and Medium-Sized Enterprises Business Enhancement Act (Act No. 18 of 1999) (referred to below as "improvement of management capabilities"): the matters stated in the items of Article 17, paragraph (2) and paragraph (4), item (ii) of that Act;

(b) use of equipment, etc. (meaning facilities, equipment, machinery, 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) and land that are related to the research and development of technology and are held by the National Agriculture and Food Research Organization (referred to below as the "NARO"), which are to be specified by Order of the Ministry of Agriculture, Forestry and Fisheries as those that contribute to the promotion of research and development of technology related to business activities to establish stable transaction relationship (referred to below as the "equipment, etc. to establish stable transaction relationship"): the type of the relevant equipment, etc. to establish stable transaction relationship, and other matters concerning the contents of the use of that equipment, etc. to establish stable transaction relationship; and

(c) business restructuring prescribed in Article 2, paragraph (17) of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013) (referred

- to below as "business restructuring"): the matters stated in the items of Article 23, paragraph (3) of that Act and the matters concerning the measures prescribed in paragraph (4) of that Article.
- (ii) the matters specified in (b) of the preceding item in the case where the person stated in that item uses the equipment, etc. to establish stable transaction relationship, held by NARO, as the matters concerning the measures specified in item (ii) of the preceding paragraph.
- (5) When the Minister of Agriculture, Forestry and Fisheries finds that an application for approval submitted as stated in paragraph (1) and that the plan for business activities to establish stable transaction relationship conforms to all of the following items, the Minister is to grant that approval:
- (i) that it is appropriate in light of the basic policy;
 - (ii) that the business activities to establish stable transaction relationship (including the measures prescribed in paragraph (3); the same applies in paragraph (2) of the following Article and Article 19) related to that plan for the business activities to establish stable transaction relationship is expected to be implemented reliably;
 - (iii) that the implementation of that business activities to establish stable transaction relationship is to contribute to the growth and development of the agriculture, forestry, or fisheries, as well as the food industry, and to the promotion of the interests of a general consumer, by means such as contributing to a person engaged in agriculture, forestry, or fisheries' sound development of the management of agriculture, forestry, or fisheries;
 - (iv) that if that plan for the business activities to establish stable transaction relationship contains the matters specified in item (i), (a) of the preceding paragraph, the contents fall under the cases where the approval under Article 17, paragraph (1) of the Small and Medium-Sized Enterprises Business Enhancement Act may be granted pursuant to the provisions of paragraph (6) of that Article; and
 - (v) that if that plan for the business activities to establish stable transaction relationship contains the matters specified in item (i), (c) of the preceding paragraph, the contents fall under the cases where the approval under Article 23, paragraph (1) of the Act on Strengthening Industrial Competitiveness may be granted pursuant to the provisions of paragraph (5) of that Article.
- (6) When an application for approval referred to in paragraph (1) is submitted, the Minister of Agriculture, Forestry and Fisheries is to notify the contents of the application to a Minister with jurisdiction over the businesses subject to the plan for business activities to establish stable transaction relationship related to the application (referred to as "competent minister for the business" in the following paragraph) without delay.

- (7) When the competent minister for the business has received a notification under the provisions of the preceding paragraph, if it finds it necessary, the competent minister may state an opinion to the Minister of Agriculture, Forestry and Fisheries.
- (8) If the Minister of Agriculture, Forestry and Fisheries intends to grant approval referred to in paragraph (1), and the matters specified in paragraph (4), item (i), (a) (limited to the matters related to businesses other than those under the jurisdiction of the Minister of Agriculture, Forestry and Fisheries) are stated in that plan for the business activities to establish stable transaction relationship, the Minister must deliberate with and obtain the consent of the minister prescribed in Article 73, paragraph (4) of the Small and Medium-Sized Enterprises Business Enhancement Act (including the head of the local branch office that is to exercise the authority of that minister pursuant to the provisions of Article 75, paragraph (1) of that Act) regarding those matters. In this case, if that minister finds that those matters fall under the case where approval referred to in Article 17, paragraph (1) of that Act may be granted pursuant to the provisions of paragraph (6) of that Article, that minister is to give that consent.
- (9) If the Minister of Agriculture, Forestry and Fisheries intends to grant approval referred to in paragraph (1), and the matters specified in paragraph (4), item (i), (c) (limited to the matters related to businesses other than those under the jurisdiction of the Minister of Agriculture, Forestry and Fisheries) are stated in that plan for the business activities to establish stable transaction relationship, the Minister must deliberate with and obtain that consent of the minister specified in Article 147, paragraph (1), item (ix) of the Act on Strengthening Industrial Competitiveness (including the head of the local branch office that is delegated the authority of the minister pursuant to the provisions of Article 148 of that Act) regarding those matters. In this case, if that minister finds that those matters fall under the case where the approval referred to in Article 23, paragraph (1) of that Act may be granted pursuant to the provisions of paragraph (5) of that Article, the minister is to give that consent.
- (10) If the Minister of Agriculture, Forestry and Fisheries has granted approval referred to in paragraph (1) regarding the plan for business activities to establish stable transaction relationship that includes the matters specified in paragraph (4), item (i), (b) or the matters stated in item (ii) of that paragraph, the Minister is to notify NARO of that fact without delay.

(Changes to Plans for Business Activities to Establish Stable Transaction Relationship)

Article 7 (1) A food, etc. business operator that has been granted the approval

referred to in paragraph (1) of the preceding Article regarding a plan for business activities to establish stable transaction relationship (referred to below as an "approved business operator to establish stable transaction relationship") must obtain the approval of the Minister of Agriculture, Forestry and Fisheries if it intends to make changes to that plan for business activities to establish stable transaction relationship related to that approval.

- (2) If the Minister of Agriculture, Forestry and Fisheries finds that an approved business operator to establish stable transaction relationship (including a person stated in each item of paragraph (3) of the preceding Article who carries out the measures prescribed in that paragraph related to that approved business operator to establish stable transaction relationship; the same applies in Article 20) is not implementing the business activities to establish stable transaction relationship in accordance with the plan for business activities to establish stable transaction relationship related to the approval referred to in paragraph (1) of the preceding Article (if an approval has been granted for a change under the provisions of the preceding paragraph, the plan after that change), the Minister may revoke that approval.
- (3) The provisions of paragraphs (5) through (9) of the preceding Article apply mutatis mutandis to the approval of changes under the provisions of paragraph (1), and the provisions of paragraph (10) of that Article apply mutatis mutandis to that approval and the revocation of the approval under the provisions of the preceding paragraph.

(Approval of Plans for Business Activities to Rationalize Distribution)

Article 8 (1) A food, etc. business operator that intends to implement business activities to rationalize distribution may, independently or jointly, prepare a plan concerning the implementation of business activities to rationalize distribution (referred to below as a "plan for business activities to rationalize distribution"), and submit it to the Minister of Agriculture, Forestry and Fisheries to obtain the approval, as specified by Order of the Ministry of Agriculture, Forestry and Fisheries.

- (2) A Plan for business activities to rationalize distribution must state the following matters:
 - (i) the goals of the business activities to rationalize distribution;
 - (ii) the contents and implementation period of the business activities to rationalize distribution;
 - (iii) the amount of funds necessary for implementing the business activities to rationalize distribution and the method of procuring those funds; and
 - (iv) the extent to which the implementation of the business activities to rationalize distribution contributes to the growth and development of the agriculture, forestry, or fisheries and the food industry, and to the promotion

of the interests of a general consumer.

- (3) A plan for business activities to rationalize distribution may include matters concerning the research and development of technology and the use of the outcomes (limited to those contributing to the promotion of that business activities to rationalize distribution implemented by the food, etc. business operator that intends to obtain approval of that plan) conducted by a person, other than a food, etc. business operator, that conducts research and development of that technology related to the business activities to rationalize distribution implemented by the food, etc. business operator that intends to obtain approval of that plan for the business activities to rationalize distribution.
- (4) A plan for business activities to rationalize distribution may state the following matters:
- (i) as the matters stated in the items of paragraph (2), the matters prescribed in (a) through (c) below according to the category of acts stated in (a) through (c) respectively:
 - (a) improvement of management capabilities: the matters stated in the items of Article 17, paragraph (2) and paragraph (4), item (ii) of the Small and Medium-Sized Enterprises Business Enhancement Act;
 - (b) use of equipment, etc. and land held by NARO related to the research and development of technology, which are to be specified by Order of the Ministry of Agriculture, Forestry and Fisheries as those that contribute to the promotion of research and development of technology related to business activities to rationalize distribution (referred to below as the "equipment, etc. to rationalize distribution"): the type of the relevant equipment, etc. to rationalize distribution, and other matters concerning the contents of the use of that equipment, etc. to rationalize distribution; and
 - (c) business restructuring: the matters stated in the items of Article 23, paragraph (3) of the Act on Strengthening Industrial Competitiveness and the matters concerning the measures prescribed in paragraph (4) of that Article.
 - (ii) the matters specified in (b) of the preceding item in the case where the person other than the food, etc. business operator prescribed in the preceding paragraph uses the equipment, etc. to rationalize distribution, held by NARO, as the matters concerning the measures prescribed in that paragraph.
- (5) When the Minister of Agriculture, Forestry and Fisheries finds that an application for approval submitted as stated in paragraph (1) and that the plan for business activities to rationalize distribution conforms to all of the following items, the Minister is to grant that approval:
- (i) that it is appropriate in light of the basic policy;

- (ii) that the business activities to rationalize distribution (including the measures prescribed in paragraph (3); the same applies in paragraph (2) of the preceding Article and Article 19 as applied mutatis mutandis pursuant to paragraph (7) following the deemed replacement of terms) related to that plan for the business activities to rationalize distribution is expected to be implemented reliably;
 - (iii) that the implementation of that business activities to rationalize distribution is to contribute to the growth and development of the agriculture, forestry, or fisheries, as well as the food industry, and to the promotion of the interests of a general consumer, by means such as contributing considerably to the reduction of distribution costs, improvement of value, or the development of new demand for food, etc.;
 - (iv) that if that plan for the business activities to rationalize distribution contains the matters specified in item (i), (a) of the preceding paragraph, the contents fall under the cases where the approval under Article 17, paragraph (1) of the Small and Medium-Sized Enterprises Business Enhancement Act may be granted pursuant to the provisions of paragraph (6) of that Article; and
 - (v) that if that plan for the business activity to rationalize distribution contains the matters specified in item (i), (c) of the preceding paragraph, the contents fall under the cases where the approval under Article 23, paragraph (1) of the Act on Strengthening Industrial Competitiveness may be granted pursuant to the provisions of paragraph (5) of that Article.
- (6) The provisions of Article 6, paragraphs (6) through (10) apply mutatis mutandis to the approval referred to in paragraph (1). In this case, the term "plan for business activities to establish stable transaction relationship" in paragraphs (6) and (8) through (10) of that Article is deemed to be replaced with "plan for business activities to rationalize distribution"; the term "paragraph (4), item (i), (a)" in paragraph (8) of that Article is deemed to be replaced with "Article 8, paragraph (4), item (i), (a)"; the term "paragraph (4), item (i), (c)" in paragraph (9) of that Article is deemed to be replaced with "Article 8, paragraph (4), item (i), (c)"; and the term "paragraph (4), item (i), (b)" in paragraph (10) of that Article is deemed to be replaced with "Article 8, paragraph (4), item (i), (b)".
- (7) The provisions of the preceding Article apply mutatis mutandis to a food, etc. business operator that has been granted the approval referred to in paragraph (1) for a plan for business activities to rationalize distribution (referred to below as a "approved business operator to rationalize distribution"). In this case, the phrase "including a person stated in each item of paragraph (3) of the preceding Article who carries out the measures prescribed in that paragraph; the same applies in Article 20" in paragraph (2) of that Article is deemed to be

replaced with "including a person who carries out the measures prescribed in paragraph (3) of the following Article"; the phrase "paragraphs (5) through (9) of the preceding Article" in paragraph (3) of that Article is deemed to be replaced with "paragraphs (6) through (9) of the preceding Article and paragraph (5) of the following Article"; the phrase "paragraph (10) of that Article" in that paragraph is deemed to be replaced with "paragraph (10) of the preceding Article"; the phrase "paragraph (4), item (i), (a)" in Article 6, paragraph (8) as applied mutatis mutandis pursuant to that paragraph is deemed to be replaced with "Article 8, paragraph (4), item (i), (a)"; the phrase "paragraph (4), item (i), (c)" in paragraph (9) of that Article is deemed to be replaced with "Article 8, paragraph (4), item (i), (c)"; and the phrase "paragraph (4), item (i), (b)" in paragraph (10) of that Article is deemed to be replaced with "Article 8, paragraph (4), item (i), (b)".

(Approval of Plans for Environmental Burden Reducing Business Activities)

Article 9 (1) A food, etc. business operator that intends to implement business activities to reduce environmental burden may, independently or jointly, prepare a plan concerning the implementation of business activities to reduce environmental burden (referred to below as a "plan for business activities to reduce environmental burden"), and submit it to the Minister of Agriculture, Forestry and Fisheries to obtain the approval, as specified by Order of the Ministry of Agriculture, Forestry and Fisheries.

(2) A plan for business activities to reduce environmental burden must state the following matters:

- (i) the goals of the business activities to reduce environmental burden;
- (ii) the contents and implementation period of the business activities to reduce environmental burden;
- (iii) the amount of funds necessary for implementing the business activities to reduce environmental impact and the method of procuring those funds; and
- (iv) the extent to which the implementation of the business activities to reduce environmental burden contributes to the growth and development of the agriculture, forestry, or fisheries and the food industry, and to the promotion of the interests of a general consumer.

(3) A plan for business activities to reduce environmental burden may include matters concerning the research and development of technology and the use of the outcomes (limited to those contributing to the promotion of that business activities to reduce environmental burden implemented by the food, etc. business operator that intends to obtain approval of that plan) conducted by a person, other than a food, etc. business operator, that conducts research and development of that technology related to the business activities to reduce environmental burden implemented by the food, etc. business operator that

intends to obtain approval of that plan for a business activity to reduce environmental burden.

(4) A plan for business activities to reduce environmental burden may state the following matters:

(i) as the matters stated in the items of paragraph (2), the matters prescribed in (a) through (d) below according to the category of acts stated in (a) through (d), respectively:

(a) the improvement of management capabilities: the matters stated in the items of Article 17, paragraph (2) and paragraph (4), item (ii) of the Small and Medium-Sized Enterprises Business Enhancement Act;

(b) use of equipment, etc. and land held by NARO related to the research and development of technologies, which are to be specified by Order of the Ministry of Agriculture, Forestry and Fisheries as those that contribute to the promotion of research and development of technology related to business activities to reduce environmental burden (referred to below as the "equipment, etc. to reduce environmental burden"): the type of the relevant equipment, etc. to reduce environmental burden, and other matters concerning the contents of the use of that equipment, etc. to reduce environmental burden;

(c) business adaptation for reducing the environmental burden caused by energy use prescribed in Article 21-20, paragraph (2), item (ii) of the Act on Strengthening Industrial Competitiveness: the matters stated in the items of Article 21-22, paragraph (3) of that Act; and

(d) business restructuring: the matters stated in the items of Article 23, paragraph (3) of the Act on Strengthening Industrial Competitiveness and the matters concerning the measures prescribed in paragraph (4) of that Article.

(ii) the matters specified in (b) of the preceding item in the case where a person other than the food, etc. business operator prescribed in the preceding paragraph uses the equipment, etc. to reduce environmental burden, held by NARO, as the matters concerning the measures prescribed in that paragraph.

(5) When the Minister of Agriculture, Forestry and Fisheries finds that an application for approval submitted as stated in paragraph (1) and that the plan for business activities to reduce environmental burden conforms to all of the following items, the Minister is to grant that approval:

(i) that it is appropriate in light of the basic policy;

(ii) that the business activities to reduce environmental burden (including the measures prescribed in paragraph (3); the same applies in Article 7, paragraph (2) and Article 19 as applied *mutatis mutandis* pursuant to paragraph (8) following the deemed replacement of terms) related to that plan for the business activities to reduce environmental burden is expected

- to be implemented reliably;
- (iii) that the business activities to reduce environmental burden are to contribute to the growth and development of the agriculture, forestry, or fisheries as well as the food industry, and to the promotion of the interests of a general consumer, through serving to reduce environmental burden or to the effective use of resources by being implemented using appropriate methods of manufacturing, processing, distributing, or selling of food, etc., in light of the technical standards regarding the manufacturing, processing, distribution, or selling of food, etc. and the nature and scale of the business of the food, etc. business operator;
 - (iv) that if that plan for business activities to reduce environmental burden contains the matters specified in item (i), (a) of the preceding paragraph, the contents fall under the cases where the approval under Article 17, paragraph (1) of the Small and Medium-Sized Enterprises Business Enhancement Act may be granted pursuant to the provisions of paragraph (6) of that Article;
 - (v) that if that plan for the business activities to reduce environmental burden contains the matters specified in item (i), (c) of the preceding paragraph, the contents fall under the cases where the approval under Article 21-22, paragraph (1) of the Act on Strengthening Industrial Competitiveness may be granted pursuant to the provisions of paragraph (4) of that Article; and
 - (vi) that if that plan for the business activities to reduce environmental burden contains the matters specified in item (i), (d) of the preceding paragraph, the contents fall under the cases where the approval under Article 23, paragraph (1) of the Act on Strengthening Industrial Competitiveness may be granted pursuant to the provisions of paragraph (5) of that Article.
- (6) If the Minister of Agriculture, Forestry and Fisheries intends to grant approval referred to in paragraph (1), and the matters specified in paragraph (4), item (i), (c) (limited to the matters related to businesses other than those under the jurisdiction of the Minister of Agriculture, Forestry and Fisheries) are stated in that plan for business activities to reduce environmental burden, the Minister must deliberate with and obtain that consent of the minister specified in Article 147, paragraph (1), item (vii) of the Act on Strengthening Industrial Competitiveness (including the head of the local branch office that is delegated the authority of the minister pursuant to the provisions of Article 148 of that Act) regarding those matters. In this case, if that minister finds that those matters fall under the case where approval referred to in Article 21-22, paragraph (1) of that Act may be granted pursuant to the provisions of paragraph (4) of that Article, that minister is to give that consent.
- (7) The provisions of Article 6, paragraphs (6) through (10) apply mutatis mutandis to the approval referred to in paragraph (1). In this case, the term "plan for business activities to establish stable transaction relationship" in

paragraph (6) and paragraphs (8) through (10) of that Article is deemed to be replaced with "plan for business activities to reduce environmental burden"; the phrase "paragraph (4), item (i), (a)" in paragraph (8) of that Article is deemed to be replaced with "Article 9, paragraph (4), item (i), (a)"; the phrase "paragraph (4), item (i), (c)" in paragraph (9) of that Article is deemed to be replaced with "Article 9, paragraph (4), item (i), (d)"; and the phrase "paragraph (4), item (i), (b)" in paragraph (10) of that Article is deemed to be replaced with "Article 9, paragraph (4), item (i), (b)".

- (8) The provisions of Article 7 apply mutatis mutandis to a food, etc. business operator that has been granted the approval referred to in paragraph (1) for a plan for business activities to reduce environmental burden (referred to below as an "approved business operator to reduce environmental burden"). In this case, the phrase "including a person stated in each item of paragraph (3) of the preceding Article who carries out the measures prescribed in that paragraph; the same applies in Article 20" in paragraph (2) of that Article is deemed to be replaced with "including a person who carries out the measures prescribed in Article 9, paragraph (3)"; the phrase "paragraphs (5) through (9) of the preceding Article" in paragraph (3) of that Article is deemed to be replaced with "paragraphs (6) through (9) of the preceding Article and Article 9, paragraphs (5) and (6)"; the phrase "paragraph (10) of that Article" is deemed to be replaced with "paragraph (10) of the preceding Article"; the phrase "paragraph (4), item (i), (a)" in Article 6, paragraph (8) as applied mutatis mutandis pursuant to that paragraph is deemed to be replaced with "Article 9, paragraph (4), item (i), (a)"; the phrase "paragraph (4), item (i), (c)" in paragraph (9) of that Article is deemed to be replaced with "Article 9, paragraph (4), item (i), (d)"; and the phrase "paragraph (4), item (i), (b)" in paragraph (10) of that Article is deemed to be replaced with "Article 9, paragraph (4), item (i), (b)".

(Approval of Plans for Business Activities to Support Consumer Choice)

Article 10 (1) A food, etc. business operator that intends to implement business activities to support consumer choice may, independently or jointly, prepare a plan for the implementation of a business activity to support consumer choice (referred to below as a "plan for business activities to support consumer choice"), and submit it to the Minister of Agriculture, Forestry and Fisheries to obtain approval, as specified by Order of the Ministry of Agriculture, Forestry and Fisheries.

- (2) A plan for business activities to support consumer choice must state the following matters:
- (i) the goals of the business activities to support consumer choice;
 - (ii) the contents and implementation period of the business activities to

- support consumer choice;
- (iii) the amount of funds necessary for implementing the business activities to support consumer choice and the method of procuring those funds; and
 - (iv) the extent to which the implementation of the business activities to support consumer choice contributes to the growth and development of the agriculture, forestry, or fisheries and the food industry, and to the promotion of the interests of a general consumer.
- (3) A plan for business activities to support consumer choice may include matters concerning the research and development of technology and the use of the outcomes (limited to those contributing to the promotion of that business activities to support consumer choice implemented by the food, etc. business operator that intends to obtain approval of that plan) conducted by a person, other than a food, etc. business operator, that conducts research and development of that technology related to the business activities to support consumer choice implemented by the food, etc. business operator that intends to obtain approval of that plan for the business activities to support consumer choice.
- (4) A plan for business activities to support consumer choice may state the following matters:
- (i) as the matters stated in the items of paragraph (2), the matters prescribed in (a) through (c) below according to the category of acts stated in (a) through (c) respectively;
 - (a) improvement of management capabilities: the matters stated in the items of Article 17, paragraph (2) and paragraph (4), item (ii) of the Small and Medium-Sized Enterprises Business Enhancement Act;
 - (b) use of equipment, etc. and land held by NARO related to the research and development of technology, which are to be specified by Order of the Ministry of Agriculture, Forestry and Fisheries as those that contribute to the promotion of research and development of technology related to business activities to support consumer choice (referred to below as the "equipment, etc. to support consumer choice"): the type of the relevant equipment, etc. to support consumer choice, and other matters concerning the contents of the use of that equipment, etc. to support consumer choice; and
 - (c) business restructuring: the matters stated in the items of Article 23, paragraph (3) of the Act on Strengthening Industrial Competitiveness and the matters concerning the measures prescribed in paragraph (4) of that Article.
 - (ii) the matters specified in (b) of the preceding item in the case where the person other than the food, etc. business operator prescribed in the preceding paragraph uses the equipment, etc. to support consumer choice, held by

- NARO, as matters concerning the measures prescribed in that paragraph,.
- (5) When the Minister finds that an application for approval submitted as stated in paragraph (1) and that the plan for business activities to support consumer choice conforms to all of the following items, the Minister of Agriculture, Forestry and Fisheries is to grant that approval:
- (i) that it is appropriate in light of the basic policy;
 - (ii) that the business activities to support consumer choice (including the measures prescribed in paragraph (3); the same applies in Article 7, paragraph (2) and Article 19 as applied *mutatis mutandis* pursuant to paragraph (7) following the deemed replacement of terms) related to that plan for business activities to support consumer choice is expected to be implemented reliably;
 - (iii) that the business activities to support consumer choice are to contribute to the growth and development of the agriculture, forestry, or fisheries as well as the food industry, and to the promotion of the interests of a general consumer, through serving to the choices of food, etc., made by general consumers, by being implemented using methods for the management and transmission of accurate information on food, etc., which take into account the realization of a sustainable supply of food, etc., including food, etc., that contributes to the reduction of environmental burden or the effective use of resources;
 - (iv) that if that plan for business activities to support consumer choice contains the matters specified in item (i), (a) of the preceding paragraph, the contents fall under the cases where the approval under Article 17, paragraph (1) of the Small and Medium-Sized Enterprises Business Enhancement Act may be granted pursuant to the provisions of paragraph (6) of that Article; and
 - (v) that if that plan for business activities to support consumer choice contains the matters specified in item (i), (c) of the preceding paragraph, the contents fall under the cases where the approval under Article 23, paragraph (1) of the Act on Strengthening Industrial Competitiveness may be granted pursuant to the provisions of paragraph (5) of that Article.
- (6) The provisions of Article 6, paragraphs (6) through (10) apply *mutatis mutandis* to the approval referred to in paragraph (1). In this case, the term "plan for business activities to establish stable transaction relationship" in paragraphs (6) and (8) through (10) of that Article is deemed to be replaced with "plan for business activities to support consumer choice"; the phrase "paragraph (4), item (i), (a)" in paragraph (8) of that Article is deemed to be replaced with "Article 10, paragraph (4), item (i), (a)"; the phrase "paragraph (4), item (i), (c)" in paragraph (9) of that Article is deemed to be replaced with "Article 10, paragraph (4), item (i), (c)"; and the phrase "paragraph (4), item (i), (b)" in paragraph (10) of that Article is deemed to be replaced with "Article 10,

paragraph (4), item (i), (b)".

- (7) The provisions of Article 7 apply mutatis mutandis to a food, etc. business operator that has been granted the approval referred to in paragraph (1) for a plan for business activities to support consumer choice (referred to below as an "approved business operator to support consumer choice"). In this case, the phrase "including a person stated in each item of paragraph (3) of the preceding Article who carries out the measures prescribed in that paragraph; the same applies in Article 20" in paragraph (2) of that Article is deemed to be replaced with "including a person who carries out the measures prescribed in Article 10, paragraph (3)"; the phrase "paragraphs (5) through (9) of the preceding Article" in paragraph (3) of that Article is deemed to be replaced with "paragraphs (6) through (9) of the preceding Article and Article 10, paragraph (5)"; the phrase "paragraph (10) of that Article" in that paragraph is deemed to be replaced with "paragraph (10) of the preceding Article"; the phrase "paragraph (4), item (i), (a)" in Article 6, paragraph (8) as applied mutatis mutandis pursuant to that paragraph is deemed to be replaced with "Article 10, paragraph (4), item (i), (a)"; the phrase "paragraph (4), item (i), (c)" in paragraph (9) of that Article is deemed to be replaced with "Article 10, paragraph (4), item (i), (c)"; and the phrase "paragraph (4), items (i), (b)" in paragraph (10) of that Article is deemed to be replaced with "Article 10, paragraph (4), item (i), (b)".

Section 3 Plans for Collaborative Support

(Approval of Plans for Collaborative Support)

- Article 11 (1) A person who intends to implement a business for collaborative support may jointly prepare a plan concerning the implementation of the business for collaborative support (referred to below as a "plan for collaborative support") and submit it to the Minister of Agriculture, Forestry and Fisheries to obtain the approval, as specified by Order of the Ministry of Agriculture, Forestry and Fisheries.
- (2) A plan for collaborative support must state the following matters:
- (i) the goal of the business for collaborative support;
 - (ii) the contents and implementation period of the business for collaborative support;
 - (iii) matters concerning the sharing of roles, mutual cooperation, or liaison among persons who implement the business for collaborative support .
- (3) A plan for collaborative support may include matters concerning the utilization of subsidized assets (meaning assets provided for in Article 22 of the Act on Regulation of Execution of Budget Pertaining to Subsidies, etc. (Act No. 179 of 1955; referred to below as the "Act on Regulation of Subsidies" in this

paragraph and Article 18); the same applies below in this paragraph) (meaning using, transferring, exchanging, lending, or providing subsidized assets as collateral for purposes other than the purpose of granting subsidies, etc. (meaning subsidies, etc. provided for in Article 2, paragraph (1) of the Act on Regulation of Subsidies) allocated to that subsidized assets) in implementing the business for collaborative support.

- (4) When the Minister finds that an application for approval referred to in paragraph (1) and that the plan for collaborative support conforms to all of the following items, the Minister of Agriculture, Forestry and Fisheries is to grant that approval; provided, however, that if that plan for collaborative support contains the matters prescribed in the preceding paragraph, the Minister, in advance, must deliberate with and obtain that consent of the head of the relevant administrative organ regarding those matters:
- (i) that it is appropriate in light of the basic policy;
 - (ii) that the business for collaborative support related to that plan for collaborative support is expected to be implemented reliably.

(Changes to a Plan for Collaborative Support)

Article 12 (1) A person who has been granted the approval referred to in paragraph (1) of the preceding Article regarding a plan for collaborative support (referred to below as an "approved business operator for collaborative support") must obtain approval from the Minister of Agriculture, Forestry and Fisheries if the person intends to make changes to that plan for collaborative support related to that approval.

- (2) If the Minister of Agriculture, Forestry and Fisheries finds that an approved business operator to support collaboratively is not implementing the business for collaborative support in accordance with the plan for collaborative support related to the approval referred to in paragraph (1) of the preceding Article (if an approval has been granted for a change under the provisions of the preceding paragraph, the plan after that change; referred to as an "approved plan for collaborative support" in Article 18), the Minister may revoke that approval.
- (3) The provisions of paragraph (4) of the preceding Article apply mutatis mutandis to the approval of changes under the provisions of paragraph (1).

Section 4 Support Measures

Subsection 1 Special Provisions of the Small and Medium-Sized Enterprises Business Enhancement Act

Article 13 When a food, etc. business operator that intends to implement business activities to establish stable transaction relationship, etc. (limited to

one that falls under a specified business operator, etc., prescribed in Article 2, paragraph (6) of the Small and Medium-Sized Enterprises Business Enhancement Act) , has been granted the approval specified in the following items of the plan stated in the respective items, the provisions of Article 18, paragraph (2); Article 19; Article 23; Article 29; Article 70, paragraphs (3) and (7); Article 71, paragraph (2); Article 73, paragraph (4); Article 75, paragraph (1); and Article 76 of that Act apply by deeming that the approval referred to in Article 17, paragraph (1) of that Act (including the approval of changes under the provisions of Article 18, paragraph (1) of that Act) has been granted to that food, etc. business operator:

- (i) a plan for business activities to establish stable transaction relationship (limited to the plan that includes the matters specified in Article 6, paragraph (4), item (i), (a)): the approval referred to in paragraph (1) of that Article (including the approval of changes under the provisions of Article 7, paragraph (1); the same applies below);
- (ii) a plan for business activities to rationalize distribution (limited to the plan that contains the matters specified in Article 8, paragraph (4), item (i), (a)): the approval referred to in paragraph (1) of that Article (including the approval of changes under the provisions of Article 7, paragraph (1) as applied mutatis mutandis pursuant to Article 8, paragraph (7); the same applies below);
- (iii) a plan for business activities to reduce environmental burden (limited to the plan that contains the matters specified in Article 9, paragraph (4), item (i), (a)): the approval referred to in paragraph (1) of that Article (including the approval of changes under the provisions of Article 7, paragraph (1) as applied mutatis mutandis pursuant to Article 9, paragraph (8); the same applies below); and
- (iv) a plan for business activities to support consumer choice (limited to the plan that contains the matters specified in Article 10, paragraph (4), item (i), (a)): the approval referred to in paragraph (1) of that Article (including the approval of changes under the provisions of Article 7, paragraph (1) as applied mutatis mutandis pursuant to Article 10, paragraph (7); the same applies below).

Subsection 2 Operations Related to Lending and Cooperation of NARO's Research and Development Facilities

Article 14 (1) NARO may conduct the operations of lending the equipment, etc. to establish stable transaction relationship for use by an approved business operator to establish stable transaction relationship (including a person stated in Article 6, paragraph (3), item (ii); the same applies in paragraph (5))

(limited to use concerning the business activities to establish stable transaction relationship related to the approval referred to in paragraph (1) of that Article that is conducted by the approved business operator to establish stable transaction relationship).

- (2) NARO may conduct the operations of lending the equipment, etc. to rationalize distribution for use by an approved business operator to rationalize distribution (including a person who carries out the measures prescribed in Article 8, paragraph (3); the same applies in paragraph (5) and Article 20) (limited to use concerning the business activities to rationalize distribution related to the approval referred to in Article 8, paragraph (1) that is conducted by the approved business operator to rationalize distribution).
- (3) NARO may conduct the operations of lending the equipment, etc. to reduce environmental burden for use by an approved business operator to reduce environmental burden (including a person who carries out the measures prescribed in Article 9, paragraph (3); the same applies in paragraph (5) and Article 20) (limited to use concerning the business activities to reduce environmental burden related to the approval referred to in Article 9, paragraph (1) that is conducted by the approved business operator to reduce environmental burden).
- (4) NARO may conduct the operations of lending the equipment, etc. to support consumer choice for use by an approved business operator to support consumer choice (including a person who carries out the measures prescribed in Article 10, paragraph (3); the same applies in the following paragraph and Article 20) (limited to use concerning the business activities to support consumer choice related to the approval referred to in Article 10, paragraph (1) that is conducted by the approved business operator to support consumer choice).
- (5) NARO may dispatch experts and provide other necessary cooperation in relation to the implementation of the operations prescribed in the preceding paragraphs, in response to a request from an approved business operator to establish stable transaction relationship, an approved business operator to rationalize distribution, an approved business operator to reduce environmental burden, or an approved business operator to support consumer choice,.

**Subsection 3 Operations to Promote Business Activities to Establish
Stable Transaction Relationship, etc. by the Japan Finance
Corporation**

(Lending of Funds)

Article 15 (1) In addition to the operations prescribed in Article 11 of the Japan Finance Corporation Act (Act No. 57 of 2007; referred to below as the "JFC

Act"), the Japan Finance Corporation (referred to below as the "JFC") may carry out the operations of lending to a person who falls under any of the following items long-term, low-interest funds specified in each respective item that contribute to ensuring a stable food supply or to the sustainable and sound development of agriculture, forestry or fisheries (limited to such funds that other financial institutions have difficulty in financing and that have a reimbursement period of more than ten years), which are designated by the Minister of Agriculture, Forestry and Fisheries and the Minister of Finance:

- (i) an approved business operator to establish stable transaction relationship (limited to a small and medium-sized enterprise operator (meaning the small and medium-sized enterprise operator prescribed in Article 2, item (iii) of the JFC Act; the same applies below)): funds necessary to implement business activities to establish stable transaction relationship in accordance with the plan for the business activities to establish stable transaction relationship related to the approval referred to in Article 6, paragraph (1);
 - (ii) an approved business operator to rationalize distribution (limited to a small and medium-sized enterprise operator): funds necessary to implement business activities to rationalize distribution in accordance with the plan for the business activities to rationalize distribution related to the approval referred to in Article 8, paragraph (1);
 - (iii) an approved business operator to reduce environmental burden (limited to a small and medium-sized enterprise operator): funds necessary to implement business activities to reduce environmental burden in accordance with the plan for the business activities to reduce environmental burden related to the approval referred to in Article 9, paragraph (1); and
 - (iv) an approved business operator to support consumer choice (limited to a small or medium-sized enterprise operator): funds necessary to implement business activities to support consumer choice in accordance with the plan for the business activities to support consumer choice related to the approval referred to in Article 10, paragraph (1).
- (2) The interest rate, reimbursement period, and grace period for the lending of funds prescribed in the preceding paragraph are to be specified by the JFC within the scope specified by Cabinet Order.
- (3) Regarding the application of the provisions of Article 11, paragraph (1), item (vi); Article 12, paragraph (1); Article 31, paragraph (2), item (i), (b); Article 41, item (ii); Article 53; Article 58; Article 59, paragraph (1); Article 64, paragraph (1), item (iv); Article 73, item (iii); and Appended Table 2, item (ix) of the JFC Act to the lending of funds prescribed in paragraph (1) provided by the JFC pursuant to the provisions of that paragraph, the terms listed in the middle column of the following table in the provisions of the JFC Act listed in the left-hand column of that table are deemed to be replaced with the terms listed in

the right-hand column of that table.

Article 11, paragraph (1), item (vi)	Operations listed OperationsBusiness stated in the items	The operations services business listed stated in the preceding items and the operations services business prescribed in Article 15, paragraph (1) of the Act on the Promotion of Business Activities by Food, etc. Business Operators and Optimization of Transaction of the Proper Trade in Food, etc., etc. for Realizing a Sustainable Supply of Food, etc., etc. (Act No. 59 of 1991; hereinafter referred to below as the "Sustainable Food Supply Act Act on the Sustainable Supply of Food, etc.")
Article 12, paragraph (1)	Operations listed OperationsBusiness stated in the items	Operations Work listed stated in item (i) and operations work prescribed in Article 15, paragraph (1) of the Sustainable Food Supply Act Act on the Sustainable Supply of Food, etc.
Article 31, paragraph (2), item (i), (b) and Article 41, item (ii)	Or the work listed operations listed business stated in item (2) of Appended Table 2	Or the operations work listed listed stated in item (2) of Appended Table 2 or the operations work prescribed in Article 15, paragraph (1) of the Act on the Sustainable Supply of Food, etc. Sustainable Food Supply Act
	Item (v) of thatthe same paragraph	OperationsWork prescribed in Article 15, paragraph (1) of the Act on the Sustainable Supply of Food, etc. and Article 11, paragraph (1), item (v)
Article 53	Item (v) of that the same paragraph	Operations Work prescribed in Article 15, paragraph (1) of the Act on the Sustainable Supply of Food, etc. and Article 11, paragraph (1), item (v)
Article 58 And Article 59, paragraph (1).	This Act	This Act, the Sustainable Food Supply Act Act on the Sustainable Supply of Food, etc.
Article 64, paragraph (1), item (iv)	Or the work listed operations listed business stated in item (2) of Appended Table 2	Or the work listed operations listed business stated in item (2) of Appended Table 2 or the operations work business prescribed in Article 15, paragraph (1) of the Sustainable Food Supply Act Act on the Sustainable Supply of Food, etc.

	Item (v) of that the same paragraph	Operations Work Business prescribed in Article 15, paragraph (1) of the Act on the Sustainable Supply of Food, etc. and Article 11, paragraph (1), item (v)
Article 73, item (iii)	Article 11	Article 11 Of this Act and Article 15, paragraph (1) of the Sustainable Food Supply Act Act on the Sustainable Supply of Food, etc.
Appended Table 2, item (ix)	Or the lending of funds listed set forth stated in the right-hand column of Appended Table 1, items (i) through (xiv)	Or loan services fund lending operations business listed listed stated in the right-hand column of the Appended Table 1, items (i) through (xiv), or the services operations business prescribed in Article 15, paragraph (1) of the Sustainable Food Supply Act Act on the Sustainable Supply of Food, etc.

(Guarantee of Obligations)

Article 16 (1) Notwithstanding the provisions of Article 11 of the JFC Act, the JFC may guarantee obligations (including an act of assuming obligations that is equivalent to the guarantee of obligations) in relation to the borrowing (limited to borrowing from a foreign bank or other financial institutions specified by Order of the Ministry of Agriculture, Forestry and Fisheries, Order of the Ministry of Economy, Transaction and Industry, or Order of the Ministry of Finance) of long-term funds necessary for an approved business operator to rationalize distribution (limited to small and medium-sized enterprise operators and those specified as equivalent overseas by Order of the Ministry of Agriculture, Forestry and Fisheries, Order of the Ministry of Economy, Transaction and Industry, or Order of the Ministry of Finance) to implement business activities to rationalize distribution overseas in accordance with the plan for the business activities to rationalize distribution in relation to the approval referred to in Article 8, paragraph (1).

(2) Regarding the application of the JFC Act, the guarantee of obligations prescribed in the preceding paragraph is deemed to be the operations listed in the right-hand column of Appended Table 2, item (iv) of the JFC Act under the provisions of Article 11, paragraph (1), item (ii) of the JFC Act.

Subsection 4 Special Provisions of the Act on Strengthening Industrial Competitiveness

Article 17 (1) When a food, etc. business operator that intends to implement business activities to establish stable transaction relationship has been

granted approval referred to in Article 6, paragraph (1) for the plan for the business activities to establish stable transaction relationship (limited to a plan that includes the matters specified in Article 6, paragraph (4), item (i), (c)), the provisions of Article 23, paragraph (6); Article 24 (excluding paragraph (1)); and Articles 26 through 32; Article 35; Article 144, paragraph (1); Article 147, paragraphs (1) and (2); Article 148; and Articles 156 through 158 of the Act on Strengthening Industrial Competitiveness apply by deeming that the approval referred to in Article 23, paragraph (1) of that Act (including the approval of changes under the provisions of Article 24, paragraph (1) of that Act; the same applies below) has been granted to that food, etc. business operator.

(2) When a food, etc. business operator that intends to implement business activities to rationalize distribution has been granted approval referred to in Article 8, paragraph (1) for the plan for the business activities to rationalize distribution (limited to a plan that includes the matters specified in Article 8, paragraph (4), item (i), (c)), the provisions of Article 23; paragraph (6), Article 24 (excluding paragraph (1)); Articles 26 through 32; Article 35; Article 144, paragraph (1); Article 147, paragraphs (1) and (2); Article 148; and Articles 156 through 158 of the Act on Strengthening Industrial Competitiveness apply by deeming that the approval referred to in Article 23, paragraph (1) of that Act has been granted to that food, etc. business operator.

(3) When a food, etc. business operator that intends to implement business activities to reduce environmental burden has been granted approval referred to in Article 9, paragraph (1) for the plan for the business activities to reduce environmental burden (limited to a plan that includes the matters specified in Article 9, paragraph (4), item (i), (c)), the provisions of Article 21-22, paragraph (5); Article 21-23 (excluding paragraph (1)); Article 21-24 (excluding paragraph (1), item (ii)); and Article 144, paragraph (1); Article 147, paragraphs (1) and (2); Article 148; Article 156; and Article 157 of the Act on Strengthening Industrial Competitiveness apply by deeming that the approval referred to in Article 21-22, paragraph (1) of that Act (including the approval of changes under the provisions of Article 21-23, paragraph (1) of that Act) has been granted to that food, etc. business operator.

(4) When a food, etc. business operator that intends to implement business activities to reduce environmental burden has been granted approval referred to in Article 9, paragraph (1) for the plan for the business activities to reduce environmental burden (limited to a plan that includes the matters specified in Article 9, paragraph (4), item (i), (d)), the provisions of Article 23, paragraph (6); Article 24 (excluding paragraph (1)); Articles 26 through 32; Article 35; Article 144 paragraph (1); Article 147, paragraphs (1) and (2); Article 148; and Articles 156 through 158 of the Act on Strengthening Industrial

Competitiveness apply by deeming that the approval referred to in Article 23, paragraph (1) of that Act has been granted to that food, etc. business operator.

(5) When a food, etc. business operator that intends to implement business activities to support consumer choice has been granted approval referred to in Article 10, paragraph (1) for the plan for the business activities to support consumer choice (limited to a plan that includes the matters specified in Article 10, paragraph (4), item (i), (c)), the provisions of Article 23, paragraph (6); Article 24 (excluding paragraph (1)); Articles 26 through 32; Article 35; Article 144, paragraph (1); Article 147, paragraphs (1) and (2); Article 148; and Articles 156 through 158 of the Act on Strengthening Industrial Competitiveness apply by deeming that the approval referred to in Article 23, paragraph (1) of that Act has been granted to that food, etc. business operator.

Subsection 5 Special Provisions on Approval Procedures Related to Restrictions on Disposition of Property

Article 18 When an approved business operator for collaborative support conducts business for collaborative support in accordance with an approved plan for collaborative support (limited to a plan that includes the matters prescribed in Article 11, paragraph (3)), with the fact that the approved business operator for collaborative support has been granted the approval referred to in paragraph (1) of that Article or the approval of changes under the provisions of Article 12, paragraph (1), the approval of the heads of ministries and agencies prescribed in Article 22 of the Act on Regulation of Subsidies is deemed to have been granted.

Subsection 6 Miscellaneous Provisions

(Securing Funds)

Article 19 The national government is to endeavor to secure funds necessary for business activities to establish stable transaction relationship related to the approval referred to in Article 6, paragraph (1); business activities to rationalize distribution related to the approval referred to in Article 8, paragraph (1); business activities to reduce environmental burden related to the approval referred to in Article 9, paragraph (1); and business activities to support consumer choice related to the approval referred to in Article 10, paragraph (1) (referred to below as "approved business activities to establish stable transaction relationship, etc.") and for business for collaborative support related to the approval referred to in Article 11, paragraph (1) (referred to below as "approved business for collaborative support").

(Guidance and Advice)

Article 20 The national government is to provide the necessary guidance and advice for the smooth implementation of approved business activities to establish stable transaction relationship, etc., and of approved business for collaborative support to an approved business operator to establish stable transaction relationship, an approved business operator to rationalize distribution, an approved business operator to reduce environmental burden, and an approved business operator to support consumer choice (referred to as an "approved business operator to establish stable transaction relationship, etc." in the following Article and Article 23, item (ii)) and an approved business operator for collaborative support.

(Reporting)

Article 21 The Minister of Agriculture, Forestry and Fisheries may request an approved business operator to establish stable transaction relationship, etc., or an approved business operator for collaborative support to report on the implementation status of the approved business activities to establish stable transaction relationship, etc., or the approved business for collaborative support.

Section 5 The Organization for Sustainable Food Supply System

(Designation)

Article 22 (1) The Minister of Agriculture, Forestry and Fisheries may designate a general incorporated association or general incorporated foundation whose purpose is to promote business activities by a food, etc. business operator for realizing a sustainable supply of food, etc., and which is found to be capable of properly and reliably carry out the operations stated in the items of the following Article, as the Organization for Sustainable Food Supply System (referred to below as the "OFSYS"), upon their application.

(2) When the Minister of Agriculture, Forestry and Fisheries has made a designation under the provisions of the preceding paragraph (referred to as "designation" in Article 31), the Minister is to issue public notice of the name, address, and location of the office of that OFSYS in the Official Gazette.

(3) If the OFSYS intends to change their name, address, or the location of their office, they must notify the Minister of Agriculture, Forestry and Fisheries of that fact in advance.

(4) If a notification under the provisions of the preceding paragraph has been filed, the Minister of Agriculture, Forestry and Fisheries is to give public notice of that fact in the Official Gazette.

(Operations)

Article 23 The OFSYS is to carry out the following operations:

- (i) guaranteeing obligations related to the borrowing of funds necessary for approved business activities to establish stable transaction relationship, etc., and approved business for collaborative support;
- (ii) arranging for necessary funds for an approved business operator to establish stable transaction relationship, etc., or an approved business operator for collaborative support;
- (iii) collecting, investigating, and researching information on the sustainable supply of food, etc., and disseminating the outcomes from those activities;
- (iv) responding to inquiries and requests for consultation and providing other support regarding matters that are necessary for promoting business activities by a food, etc. business operator for realizing a sustainable supply of food, etc.;
- (v) carrying out operations incidental to the operations stated in the preceding items.

(Entrustment of Operations)

Article 24 (1) The OFSYS may entrust part of the operations stated in item (i) of the preceding Article (excluding decisions on guarantee of obligations) to a financial institution after obtaining the authorization of the Minister of Agriculture, Forestry and Fisheries.

- (2) Notwithstanding the provisions of other Acts, a financial institution may accept entrustment under the provisions of the preceding paragraph and carry out that operations.

(Authorization of Operational Rules)

Article 25 (1) If the OFSYS conducts the operations stated in Article 23, item (i) (referred to below as "obligation guarantee operations"), it must prepare rules concerning the implementation of the obligation guarantee operations (referred to below as "operational rules" in this Section) and obtain authorization from the Minister of Agriculture, Forestry and Fisheries before the commencement of the obligation guarantee operations. The same applies if the OFSYS intends to change the rules.

- (2) If the Minister of Agriculture, Forestry and Fisheries finds that the operational rules for which the Minister has granted the authorization referred to in the preceding paragraph have become inappropriate for the proper and reliable implementation of the obligation guarantee operations, the Minister may order those operational rules to be changed.
- (3) The matters to be contained in the operational rules are to be specified by Order of the Ministry of Agriculture, Forestry and Fisheries.

(Business Plan)

Article 26 (1) Each business year, the OFSYS must prepare a business plan and an income and expenditure budget and obtain authorization from the Minister of Agriculture, Forestry and Fisheries as specified by Order of the Ministry of Agriculture, Forestry and Fisheries. The same applies if the OFSYS intends to change these documents.

(2) After the end of each business year, the OFSYS must prepare a business report, balance sheets, statement of accounts, and inventory of assets, submit them to the Minister of Agriculture, Forestry and Fisheries, and obtain the approval pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

(Separate Accounting)

Article 27 If the OFSYS carries out obligation guarantee operations, it must separate and organize the accounting for obligation guarantee operations and the accounting for other operations.

(Delegation to the Order of the Ministry of Agriculture, Forestry and Fisheries)

Article 28 Beyond what is provided in the preceding two Articles, necessary matters concerning the finance and accounting of the OFSYS in the case where the OFSYS carries out the obligation guarantee operations are to be specified by Order of the Ministry of Agriculture, Forestry and Fisheries.

(Reports and Inspections)

Article 29 (1) To the extent necessary for ensuring the proper administration of the operations stated in the items of Article 23, the Minister of Agriculture, Forestry and Fisheries may have the OFSYS make necessary reports concerning the status of that operations or assets, or have its officials enter the offices of the OFSYS and inspect the status of its operations or books, documents, and any other items.

(2) The official who conducts an on-site inspection pursuant to the provisions of the preceding paragraph must carry an identification and present it to the persons concerned.

(3) The authority to conduct an on-site inspection under the provisions of paragraph (1) must not be construed as being granted for the purpose of a criminal investigation.

(Order for Improvement)

Article 30 If the Minister of Agriculture, Forestry and Fisheries finds that an improvement on the administration of the operations stated in the items of

Article 23 is necessary, the Minister may order the OFSYS to take necessary measures for the improvement.

(Revocation of Designation)

Article 31 (1) The Minister of Agriculture, Forestry and Fisheries may revoke the designation of the OFSYS if it falls under any of the following items:

- (i) when it is found to be unable to properly and reliably implement the operations stated in the items of Article 23;
- (ii) when it is discovered to have obtained the designation by wrongful means;
- (iii) when it violates the provisions of this Section or an order or disposition based on those provisions; or
- (iv) when it has carried out the obligation guarantee operations without complying with the operational rules that have been granted authorization pursuant to the provisions of Article 25, paragraph (1).

(2) If the Minister of Agriculture, Forestry and Fisheries revokes a designation pursuant to the provisions of the preceding paragraph, the Minister is to issue public notice of that fact in the Official Gazette.

(Deliberation)

Article 32 The Minister of Agriculture, Forestry and Fisheries is to deliberate with the Minister of Finance in advance in any of the following cases:

- (i) when intending to grant authorization referred to in Article 24, paragraph (1), Article 25, paragraph (1), or Article 26, paragraph (1);
- (ii) when intending to grant approval referred to in Article 26, paragraph (2);
or
- (iii) if intending to specify the Order of the Ministry of Agriculture, Forestry and Fisheries referred to in Article 28;

Chapter III Measures for Ensuring Proper Transaction of Food, etc.

Section 1 Basic Policy on Ensuring Proper Transaction of Food, etc.

Article 33 (1) The Minister of Agriculture, Forestry and Fisheries is to formulate a basic policy concerning ensuring proper transaction of food, etc., for realizing a sustainable supply of food, etc. (referred to below as the "basic policy" in this Chapter).

(2) The basic policy is to prescribe the following matters:

- (i) matters concerning the significance of ensuring proper transaction of food, etc., for realizing a sustainable supply of food, etc.;
- (ii) basic matters concerning measures to be taken by a food and drink, etc., business operator, etc., regarding ensuring proper transaction of food and drink, etc.;

- (iii) matters concerning measures related to designated food and drink, etc., prescribed in Article 42, paragraph (1);
 - (iv) basic matters concerning the promotion of the understanding of a general consumer and any other person concerned regarding proper transaction of food, etc.; and
 - (v) other necessary matters concerning the promotion of ensuring proper transaction of food, etc.
- (3) The term "food and drink, etc. business operator, etc." as used in this Chapter means a food, etc. business operator that engages in the business of manufacturing, processing, distribution, or selling food and drink, etc., or a person engaged in agriculture, forestry, or fisheries that engages in the business of producing food and drink, etc.
- (4) The Minister of Agriculture, Forestry and Fisheries is to make changes to the basic policy if necessary due to changes in economic conditions or other developments.
- (5) If the Minister of Agriculture, Forestry and Fisheries intends to formulate or amend the basic policy, the Minister is to deliberate with the head of the relevant administrative organ (if the administrative organ adopts a council system, that administrative organ) and hear the opinions of the Council for Policies on Food, Agriculture, and Rural Areas.
- (6) If the Minister of Agriculture, Forestry and Fisheries has formulated the basic policy pursuant to the provisions of paragraph (1) or has amended it pursuant to the provisions of paragraph (4), the Minister is to make public the basic policy without delay.

Section 2 Investigation on Actual Conditions of Transaction of Food, etc.

(Investigation of Actual Conditions of Transaction of Food, etc.)

- Article 34 (1) For ensuring proper transaction of food, etc., the Minister of Agriculture, Forestry and Fisheries is to conduct an investigation concerning the status of transaction of food, etc., the status of negotiations concerning transaction terms, and other actual conditions of transaction of food, etc. (referred to below as the "investigation of actual conditions of transaction of food, etc.").
- (2) A person who operates a central wholesale market as prescribed in Article 4, paragraph (6) of the Wholesale Market Act (Act No. 35 of 1971) or a local wholesale market as prescribed in Article 13, paragraph (6) of that Act is to endeavor to provide the information held by them concerning both the status of transaction of food, etc., and other current conditions of transaction of food, etc., pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries, to cooperate with investigations of actual conditions of

transaction in food, etc., conducted by the Minister of Agriculture, Forestry and Fisheries.

- (3) If the Minister of Agriculture, Forestry and Fisheries finds it necessary for conducting an investigation of actual conditions of transaction of food etc., the Minister may request necessary cooperation from an administrative organ concerned, and a food, etc. business operator, a person engaged in agriculture, forestry or fisheries and other related business operators.
- (4) If requested to cooperate pursuant to the provisions of the preceding paragraph, an administrative organ concerned and a food, etc. business operator, a person engaged in agriculture, forestry, or fisheries and other related business operators are to endeavor to respond to that request.

(Measures Based on the Investigation of Actual Conditions of Transaction of Food, etc.)

Article 35 For ensuring proper transaction of food, etc., the Minister of Agriculture, Forestry and Fisheries is to provide guidance and advice to a food, etc. business operator and a person engaged in agriculture, forestry or fisheries, to formulate guidelines to ensure the appropriate and effective implementation of measures to be taken by a food, etc. business operator and a person engaged in agriculture, forestry, or fisheries, to review measures concerning Transaction in food, etc., and to take other necessary measures, based on the results of the investigation of actual conditions of transaction of food, etc..

Section 3 Measures for Ensuring Proper Transaction of Food and Drink, etc.

Subsection 1 Measures to Be Taken by Food and Drink, etc. Business Operators, etc.

(Duty of Food and Drink, etc. Business Operators, etc. to Make Efforts)

Article 36 To secure a sustainable supply of food and drink, etc., a food and drink, etc., business operator, etc. must endeavor to take the following measures, in the sale and purchase or other transaction of food and drink, etc. with another food and drink, etc. business operator, etc.:

- (i) that if the counterparty to a transaction requests to negotiate on transaction terms by indicating the cost required for the sustainable supply of the counterparty's food and drink, etc. or any other grounds that the counterparty is asking especially to take into consideration to secure that sustainable supply, the food and drink, etc., business operator, etc. is to respond to that negotiation in good faith; and
- (ii) that beyond what is stated in the preceding item, if the counterparty to a transaction proposes initiatives that contribute to a sustainable supply of

counterparty's food and drink, etc., the food and drink, etc., business operator, etc. is to carry out necessary consideration and cooperation.

(Matters to Be Standards of Judgment for a Food and Drink, etc. Business Operator, etc.)

Article 37 (1) The Minister of Agriculture, Forestry and Fisheries is to specify the matters to be standards of judgment for a food and drink etc. business operator, etc., in Order of the Ministry of Agriculture, Forestry and Fisheries regarding the measures stated in the items of the preceding Article, based on the basic policy.

(2) The matters to be standards of judgment prescribed in the preceding paragraph are to be specified by taking into consideration the quality of food and drink, etc., the status of their handling at each stage of production, manufacture, processing, distribution, or sale, the actual status of their transaction, and other circumstances, and are to be amended if necessary depending on any changes in these circumstances.

(3) When the Minister of Agriculture, Forestry and Fisheries intends to specify the matters to be standards of judgment prescribed in paragraph (1) or to make the amendments referred to in the preceding paragraph, the Minister is to deliberate with the Fair Transaction Commission and hear the opinions of the Council for Policies on Food, Agriculture, and Rural Areas.

(Guidance and Advice)

Article 38 If the Minister of Agriculture, Forestry and Fisheries finds it necessary to ensure the proper implementation of the measures stated in the items of Article 36 by food and drink, etc. business operators, etc., the Minister may provide the necessary guidance and advice to that food and drink, etc. business operators, etc. regarding the implementation of that measures, in consideration of the matters to be standards of judgment prescribed in paragraph (1) of the preceding Article.

(Recommendations and Public Announcement)

Article 39 (1) If the Minister of Agriculture, Forestry and Fisheries finds that the status of the implementation of the measures stated in the items of Article 36 by a food and drink, etc. business operator, etc., is significantly inadequate in light of the standards of judgement prescribed in Article 37, paragraph (1), the Minister may recommend that the food and drink, etc., business operator, etc., take the measures, while showing the grounds for the Minister's judgment.

(2) If a food and drink, etc. business operator, etc. that has received the recommendations referred to in the preceding paragraph fails to follow the recommendations, the Minister of Agriculture, Forestry and Fisheries may

make public that fact.

(Reports and Inspections)

Article 40 (1) To the extent necessary for the enforcement of the provisions of paragraph (1) of the preceding Article, the Minister of Agriculture, Forestry and Fisheries may have a food and drink, etc. business operator, etc. make necessary reports concerning the status of implementation of the measures stated in the items of Article 36, or have its officials enter the offices or other workplaces of the food and drink, etc. business operator, etc. and inspect books, documents and any other items.

(2) The official who conducts an on-site inspection pursuant to the provisions of the preceding paragraph must carry an identification and present it to the persons concerned.

(3) The authority to conduct an on-site inspection under the provisions of paragraph (1) must not be construed as being granted for the purpose of a criminal investigation.

Subsection 2 Measures Related to Designated Food and Drink, etc.

(Designation of Designated Food and Drink, etc.)

Article 41 (1) The Minister of Agriculture, Forestry and Fisheries may designate food and drink, etc. by Order of the Ministry of Agriculture, Forestry and Fisheries, which are difficult to recognize the costs required for their sustainable supply in sale and purchase or other trade between the food and drink, etc. business operators, etc. due to that the transaction terms tend to be determined without sufficient negotiation or other circumstances, due to their nature such as that their qualities are particularly likely to deteriorate with the passage of time, being sold and purchased on a daily basis as daily necessities of life.

(2) When the Minister of Agriculture, Forestry and Fisheries intends to make a designation under the provisions of the preceding paragraph, the Minister must hear the opinions of persons specified by Order of the Ministry of Agriculture, Forestry and Fisheries such as the Council for Policies on Food, Agriculture, and Rural Areas and an organization whose main member or equity investor is the food and drink, etc. business operator, etc., which are to be designated.

(3) The provisions of the preceding paragraph apply mutatis mutandis when intending to cancel a designation under the provisions of paragraph (1).

(Certified Organization for Indicator Creation)

Article 42 (1) For each of the food and drink, etc., designated under the

provisions of paragraph (1) of the preceding Article (referred to below as "designated food and drink, etc."), the Minister of Agriculture, Forestry and Fisheries may, pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries, certify an organization that is organized by a food and drink, etc. business operator, etc. of that designated food and drink, etc. (referred to below as a "designated food and drink, etc. business operator, etc.") or by an organization whose main member or equity investor is the designated food and drink, etc. business operator, etc. and that is found to conform to the requirements stated in the items of paragraph (4), as a person that conducts the following operations (referred to below as the "operations of indicator creation, etc."), upon their application:

- (i) creation of an indicator to be referred to regarding the cost required for the sustainable supply of the designated food and drink, etc. related to that application in the sale and purchase and other trade between designated food and drink, etc. business operators, etc.; collection of materials that contribute to the creation of that indicator; and making that indicator public; and
 - (ii) provision of information necessary to contribution to promoting understanding by the designated food and drink, etc. business operator, etc., general consumer, and other persons concerned of the indicator prescribed in the preceding item and the necessity of a sustainable supply of the designated food and drink, etc. related to that application.
- (2) a person who intends to obtain certification under the provisions of the preceding paragraph (referred to below as an "applicant") must submit a written application stating the following matters (referred to below as a "written application") to the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries:
- (i) the name and address of the applicant and the name of their representative;
 - (ii) designated food and drink, etc. subject to the operations of indicator creation, etc.;
 - (iii) matters concerning the administration system of the operations of indicator creation, etc.;
 - (iv) matters concerning the securing of funds necessary for the administration of the operations of indicator creation, etc. and;
 - (v) matters concerning the designated food and drink, etc. business operator, etc. or organization that forms the applicant.
- (3) The rules concerning the operations of indicator creation, etc. related to the application (referred to below as the "operational rules" in this Subsection) must be attached to the written application.
- (4) If an application referred to in paragraph (1) has been submitted and the

Minister of Agriculture, Forestry and Fisheries finds that the applicant related to that application conforms to the following requirements, the Minister is to grant the certification under the provisions of that paragraph:

- (i) that the contents of the written application and the operational rules are appropriate in light of the basic policy;
 - (ii) that the contents of the written application and the operational rules do not violate any law or regulation;
 - (iii) that the contents of the operational rules conform to the following standards:
 - (a) that it contributes to the clarification of the costs required for the sustainable supply of the designated food and drink, etc. related to the application referred to in paragraph (1) in the sale and purchase and other Transaction between designated food and drink, etc. business operators, etc.; and
 - (b) that in creating the indicators prescribed in paragraph (1), item (i), it involves designated food and drink, etc. business operators, etc. related to the application referred to in that paragraph or organizations whose main member or equity investor is that designated food and drink, etc. business operator, etc. (excluding the applicant) who are found to represent two or more stages among the production, manufacture, processing, distribution, or sale specified for each of the designated food and drink, etc. by Order of the Ministry of Agriculture, Forestry and Fisheries;
 - (iv) that the applicant has sufficient knowledge, ability, and financial basis to properly and reliably carry out the operations of indicator creation, etc.; and
 - (v) that beyond what is stated in the preceding items, the applicant conforms to other requirements specified by Order of the Ministry of Agriculture, Forestry and Fisheries as necessary to properly and reliably carry out the operations of indicator creation, etc.
- (5) When the Minister of Agriculture, Forestry and Fisheries intends to grant certification under the provisions of paragraph (1), the Minister must hear the opinions of the designated food and drink, etc. business operators, etc. who are found to represent each stage of production, manufacture, processing, distribution, or sale of the designated food and drink, etc. related to that application in that paragraph, and other interested persons, as provided for by Order of the Ministry of Agriculture, Forestry and Fisheries.
- (6) When the Minister of Agriculture, Forestry and Fisheries intends to grant certification under the provisions of paragraph (1), the Minister must deliberate with the Fair Trade Commission.
- (7) If the Minister of Agriculture, Forestry and Fisheries grants certification under the provisions of paragraph (1), they must issue public notice of that fact pursuant to the provisions of Order of the Ministry of Agriculture, Forestry

and Fisheries.

(Grounds for Disqualification)

Article 43 A person may not obtain the certification under the provisions of paragraph (1) of the preceding Article if that person falls under any of the following items:

- (i) a person that is not a corporation (including an organization without legal personality whose representative or administrator has been designated; the same applies below in this Article);
- (ii) the corporation or their executive officer conducting the operations (including the representative or administrator of an organization without legal personality whose representative or administrator has been designated; the same applies in item (iv) and Article 50) has been sentenced to a fine or more severe punishment pursuant to the provisions of this Act or other laws concerning trade in food and drink etc. specified by Cabinet Order, and two years have not elapsed from the day the execution of the sentence was completed or the sentence no longer applied;
- (iii) a corporation whose certification under of the provisions of paragraph (1) of the preceding Article has been revoked pursuant to the provisions of Article 49, paragraph (1), and two years have not elapsed from the day of that revocation; or
- (iv) a corporation whose executive officer conducting the operations is a person who served as an executive officer conducting the operations of a corporation whose certification was revoked under the provisions of paragraph (1) of the preceding Article under the provisions of Article 49, paragraph (1) within 30 days before the day of that revocation, and for which two years have not elapsed from the day of that revocation.

(Certification of Changes)

Article 44 (1) If the organization that has obtained certification under the provisions of Article 42, paragraph (1) (referred to below as a "certified organization for indicator creation, etc.") intends to change any of the matters stated in paragraph (2), item (i) or items (iii) through (v) of that Article or their operational rules (excluding minor changes specified by Order of the Ministry of Agriculture, Forestry and Fisheries), the organization must obtain certification of change from the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

(2) If a certified organization for indicator creation, etc. makes a minor change specified by Order of the Ministry of Agriculture, Forestry and Fisheries as referred to in the preceding paragraph, that organization must notify the

Minister of Agriculture, Forestry and Fisheries of that fact without delay.
(3) The provisions of Article 42, paragraphs (2) through (7) apply mutatis mutandis to the certification of changes referred to in paragraph (1).

(Notification of Discontinuation)

Article 45 If a certified organization for indicator creation, etc. intends to discontinue their operations of indicator creation, etc. regarding the designated food and drink, etc. related to that certification, that organization must notify the Minister of Agriculture, Forestry and Fisheries of that fact pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

(Request for Necessary Cooperation)

Article 46 (1) If a certified organization for indicator creation, etc. finds it necessary for conducting the operations of indicator creation, etc., they may request necessary cooperation from the designated food and drink, etc. business operator, etc. of the designated food and drink, etc. related to their certification and other persons concerned specified by Order of the Ministry of Agriculture, Forestry and Fisheries for each of that designated food and drink, etc.
(2) If a designated food and drink, etc. business operator, etc. and the persons concerned that are specified by Order of the Ministry of Agriculture, Forestry and Fisheries prescribed in the preceding paragraph are requested to cooperate pursuant to the provisions of that paragraph, they are to endeavor to respond to the request.

(Guidance and Advice)

Article 47 The Minister of Agriculture, Forestry and Fisheries is to provide necessary guidance and advice for ensuring the proper and reliable administration of the operations of indicator creation, etc. to a certified organization for indicator creation, etc..

(Order for Improvement)

Article 48 If the Minister of Agriculture, Forestry and Fisheries finds it necessary to improve the administration of operations of indicator creation, etc. by a certified organization for indicator creation, etc., the Minister may order that certified organization for indicator creation, etc. to take necessary measures for the improvement.

(Revocation of Certification)

Article 49 (1) The Minister of Agriculture, Forestry and Fisheries may revoke the certification of a certified organization for indicator creation, etc., if they

fall under any of the following items:

- (i) if they have no longer conformed to any of the requirements stated in the items of Article 42, paragraph (4);
 - (ii) if they have come to fall under Article 43, item (i), (ii), or (iv);
 - (iii) if it is discovered that they have been certified under the provisions of Article 42, paragraph (1) (including certification for a change as referred to in Article 44, paragraph (1)) by wrongful means;
 - (iv) if they have failed to make a report under the provisions of Article 51, paragraph (1) or have made a false report, or has refused, obstructed, or evaded an inspection under the provisions of that paragraph without justifiable grounds; or
 - (v) if they have violated this Act, any of the laws specified by Cabinet Order stated in Article 43, item (ii), any of the orders based on these laws, or any of the dispositions based on these laws and orders.
- (2) The provisions of Article 42, paragraphs (5) through (7) apply mutatis mutandis to the revocation of the certification under the provisions of the preceding paragraph.

(Duty of Confidentiality)

Article 50 A current or former officer or employee of a certified organization for indicator creation, etc. must not divulge any confidential information learned regarding the operations stated in Article 42, paragraph (1), item (i).

(Reports and Inspections)

- Article 51 (1) To the extent necessary for ensuring the proper administration of the operations of indicator creation, etc., the Minister of Agriculture, Forestry and Fisheries may have a certified organization for indicator creation, etc. make necessary reports concerning the status of the operations of indicator creation, etc. or have its officials enter the office of the certified organization for indicator creation, etc. and inspect the status of the operations for indicator creation, etc. or books, documents, and any other items.
- (2) The official who conducts an on-site inspection pursuant to the provisions of the preceding paragraph must carry an identification and present it to the persons concerned.
 - (3) The authority to conduct an on-site inspection under the provisions of paragraph (1) must not be construed as being granted for the purpose of a criminal investigation.

Section 4 Notification to the Fair Trade Commission

Article 52 If the Minister of Agriculture, Forestry and Fisheries considers there

to be a fact that falls under unfair trade practice concerning trade in food, etc., the Minister is to notify the Fair Trade Commission of the fact.

Section 5 Miscellaneous Provisions

Article 53 The national government must endeavor to increase public understanding of policies for realizing a sustainable supply of food, etc. and to seek public cooperation for the implementation of the policies, through public relations activities and other activities.

Chapter IV Miscellaneous Provisions

(Delegation of Authority)

Article 54 Part of the authority of the Minister of Agriculture, Forestry and Fisheries prescribed in this Act may be delegated to the head of local branch office, pursuant to the provisions of Order of the Ministry of Agriculture, Forestry and Fisheries.

(Delegation to Order of the Ministry of Agriculture, Forestry and Fisheries)

Article 55 Beyond what is provided for in this Act, procedures for the implementation of this Act and other necessary matters concerning the enforcement of this Act are to be specified by Order of the Ministry of Agriculture, Forestry and Fisheries.

Chapter V Penal Provisions

Article 56 A person who has divulged any confidential information in violation of the provisions of Article 50 is to be punished by a fine of not more than 500,000 yen.

Article 57 In cases falling under any of the following items, a person who has committed that violation is to be punished by a fine of not more than 300,000 yen:

- (i) if a person has failed to make a report under the provisions of Article 21 or has made a false report;
- (ii) if a person has failed to make a report under the provisions of Article 29, paragraph (1); Article 40, paragraph (1); or Article 51, paragraph (1) or has made a false report, or has refused, obstructed, or evaded an inspection under these provisions; or
- (iii) if a person has violated an order under the provisions of Article 30.

Article 58 (1) If the representative of a corporation (including an organization without legal personality whose representative or administrator has been designated; the same applies below in this Article) or the agent, employee, or any other worker of a corporation or individual commits a violation referred to in the preceding Article concerning the business of the corporation or individual, in addition to the offender being subject to punishment, the corporation or individual is also subject to the punishment referred to in that Article.

(2) If an organization without legal personality is subject to punishment pursuant to the provisions of the preceding paragraph, their representatives or administrators are to represent the organization in their procedural act, and the provisions of laws concerning criminal proceedings that have corporations as defendants or suspects are to apply *mutatis mutandis*.

Supplementary Provisions [Extract]

(Effective Date)

Article 1 This Act is to come into effect on the day specified by Cabinet Order within a period not exceeding six months from the date of promulgation.

(Transitional Measures Concerning Penal Provisions)

Article 2 Prior laws and regulations continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act.

Supplementary Provisions [Act No. 102 of July 16, 1999] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on the day the Act Partially Amending the Cabinet Act (Act No. 88 of 1999) comes into effect; provided, however, that the provisions stated in the following items are to come into effect on the days specified respectively in those items:

(i) omitted; and

(ii) the provisions of Article 10, paragraphs (1) and (5), Article 14, paragraph (3), Article 23, Article 28, and Article 30 of the Supplementary Provisions: the date of promulgation.

(Transitional Measures Specified Separately)

Article 30 Beyond what is prescribed in Article 2 through the preceding Article, transitional measures that become necessary as a result of the enforcement of this Act are to be provided for separately by law.

Supplementary Provisions [Act No. 109 of July 26, 1999] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on the date of promulgation.

(Transitional Measures for Penal Provisions)

Article 5 Prior laws and regulations continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 6 Beyond what is provided for in Article 2 through the preceding Article of the Supplementary Provisions, transitional measures necessary for the enforcement of this Act are to be specified by Cabinet Order.

(Review)

Article 7 When ten years have elapsed since the enforcement of this Act, the government is to review the system related to wholesale markets, while taking into account the status of implementation of the provisions amended by this Act and changes in the social and economic situations surrounding wholesale markets, from the viewpoint of promoting the sound development and revitalization of wholesale markets, and if the government finds it necessary, take necessary measures based on the results of the review.

Supplementary Provisions [Act No. 115 of July 30, 1999] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on October 1, 1999.

Supplementary Provisions [Act No. 160 of December 22, 1999] [Extract]

(Effective Date)

Article 1 This Act (excluding Articles 2 and 3) is to come into effect on January 6, 2001; provided, however, that the provisions stated in the following items are to come into effect on the days specified respectively in those items:

- (i) the provisions of Article 995 (limited to the part related to the provisions amending the Supplementary Provisions of the Act Partially Amending the Act on the Regulation of Nuclear Source Material, Nuclear Fuel Material and Reactors) and Article 1305, Article 1306, Article 1324, paragraph (2), Article 1326, paragraph (2) and Article 1344: the date of promulgation.

Supplementary Provisions [Act No. 66 of May 17, 2000] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on the day specified by Cabinet Order within a period not exceeding three months from the date of promulgation.

Supplementary Provisions [Act No. 28 of April 11, 2001] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on the day specified by Cabinet Order within a period not exceeding two months from the date of promulgation.

Supplementary Provisions [Act No. 15 of March 31, 2002] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on April 1, 2002.

Supplementary Provisions [Act No. 79 of July 3, 2002] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on August 1, 2002.

Supplementary Provisions [Act No. 8 of March 31, 2003] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on April 1, 2003.

Supplementary Provisions [Act No. 31 of April 26, 2006] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on May 29, 2006.

Supplementary Provisions [Act No. 50 of June 2, 2006] [Extract]

This Act is to come into effect on the day on which the Act on General Incorporated Associations and General Incorporated Foundations is to come into effect.

Supplementary Provisions [Act No. 58 of May 25, 2007] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on October 1, 2008.

(Transitional Measures Concerning Penal Provisions)

Article 8 Prior laws and regulations continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act.

(Delegation to Cabinet Order)

Article 9 Beyond what is provided for in Article 2 through the preceding Article of the Supplementary Provisions, transitional measures necessary for the enforcement of this Act are to be specified by Cabinet Order.

Supplementary Provisions [Act No. 39 of May 2, 2011] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on the date of promulgation; provided, however, that the provisions of Article 5, paragraph (1) and Article 47 of this Act, and Article 22 through Article 51 of the Supplementary Provisions come into effect on April 1, 2012.

Article 50 (2) Beyond what is prescribed in the preceding paragraph, the transitional measures necessary for the enforcement of this Act are to be specified by Cabinet Order.

(Transitional Measures Concerning Application of Penal Provisions)

Article 51 Prior laws and regulations continue to govern the applicability of penal provisions to acts committed before the enforcement of the provisions prescribed in the proviso to Article 1 of the Supplementary Provisions.

Supplementary Provisions [Act No. 74 of June 24, 2011] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on the day on which 20 days have elapsed from the date of promulgation.

Supplementary Provisions [Act No. 84 of November 27, 2013] [Extract]

(Effective Date)

Article 1 This Act is to come into effect on the day specified by Cabinet Order within a period not exceeding one year from the date of promulgation; provided, however, that the provisions of Article 64, Articles 66 and 102 of the Supplementary Provisions are to come into effect on the date of promulgation.

(Effect of Dispositions)

Article 100 Regarding any disposition, procedure or other act that has been taken, before the enforcement of this Act, pursuant to the provisions of the respective Acts before the amendment (including orders based on those Acts; the same applies below in this Article), if the respective amended Acts contain provisions corresponding to the relevant provisions, the disposition, procedure, or other act is deemed to have been taken under the relevant provisions of the respective amended Acts, unless otherwise provided for in the Supplementary Provisions.

(Transitional Measures Concerning Penal Provisions)

Article 101 Prior laws and regulations continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act, and to acts committed after the enforcement of this Act but which, pursuant to this Act, prior laws and regulations continue to govern.

(Delegation to Cabinet Order)

Article 102 Beyond what is prescribed in the Supplementary Provisions, transitional measures necessary for the enforcement of this Act (including transitional measures concerning penal provisions) are to be specified by Cabinet Order.

Supplementary Provisions [Act No. 103 of December 13, 2013] [Extract]

(Effective Date)

Article 1 This Act is to come 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 stated in the following items are to come into effect on the days specified respectively in those items.

(i) omitted; and

(ii) the provisions of Article 17 of the Supplementary Provisions: the date of promulgation of the Act Partially Amending the Pharmaceutical Affairs Act (Act No. 84 of 2013), or the date of promulgation of this Act, whichever comes later.

Supplementary Provisions [Act No. 62 of June 22, 2018] [Extract]

(Effective Date)

Article 1 This Act is to come 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 stated in the following items are to come

into effect on the days specified respectively in those items.

(i) the provisions of the following Article and Article 5, Article 8, Article 9, and Article 32 of the Supplementary Provisions: the date of promulgation;

(ii) omitted; and

(iii) the provisions of Article 1, the provisions in Article 2 to amend Chapter III of the Act on Promotion of Food Marketing Structure Improvement to Chapter II and to add one Chapter after that Chapter (limited to the part related to Article 27, paragraph (2)), and the provisions of Article 4, Articles 15 through 18, and Article 30 of the Supplementary Provisions: the day specified by Cabinet Order within a period not exceeding two years from the date of promulgation.

(Transitional Measures Concerning the Basic Policy on the Rationalization of Distribution of Food, etc.)

Article 5 (1) The Minister of Agriculture, Forestry and Fisheries may formulate and make public the basic policy on the rationalization of distribution of food, etc. in accordance with the provisions of Article 4 of the Act on the Rationalization of Distribution and the Proper Transaction in Food, etc. amended by the provisions of Article 2 (referred to below as the "new Food, etc. Distribution Act") even before the day on which this Act comes into effect (referred to below as the "effective date").

(2) The basic policy on the rationalization of distribution of food, etc. specified pursuant to the provisions of the preceding paragraph is deemed to have been specified pursuant to the provisions of Article 4 of the new Food, etc. Distribution Act on the effective date.

(Transitional Measures Concerning Loans by the Japan Finance Corporation)

Article 6 Prior laws and regulations continue to govern loans related to loan contracts that the Japan Finance Corporation concluded before the enforcement date pursuant to the provisions of Article 6, paragraph (1) of the Act on Promotion of Food-Marketing Structure Improvement before the amendment by the provisions of Article 2 (referred to below as the "former Structure Improvement Act"), the approval of changes and revocation of approval related to the approved plan prescribed in Article 5, paragraph (2) of the former Structure Improvement Act related to those loans, and the collection of reports under the provisions of Article 10 of the former Structure Improvement Act related to that approved plan.

(Transitional Measures Concerning the Organization of Food-marketing Structure Improvement)

Article 7 (1) An organization provided for in Article 11, paragraph (1) of the

former Structure Improvement Act that has already been designated under the provisions of that paragraph at the time of the enforcement of this Act (referred to below as the "former organization") is deemed to have been designated under the provisions of Article 16, paragraph (1) of the new Food, etc. Distribution Act on the effective date.

- (2) The former organization that is deemed to have received a designation under the provisions of Article 16, paragraph (1) of the new Food, etc. Distribution Act pursuant to the provisions of the preceding paragraph is to carry out the operations stated in the items of Article 17 of the new Food, etc. Distribution Act, as well as the operations stated in Article 12, item (i) of the former Structure Improvement Act (limited to the part related to item (i)) related to an obligation guarantee contract for which a former organization has concluded before the effective date pursuant to the provisions of that Article, and operations incidental to that operations (referred to below as "former obligation guarantee operations, etc." in this paragraph and Article 28 of the Supplementary Provisions). In this case, the former obligation guarantee operations, etc. are deemed to be the operations stated in Article 17, item (i) of the new Food, etc. Distribution Act and operations incidental to that operations, regarding the application of the new Food, etc. Distribution Act.
- (3) Prior laws and regulations continue to govern the approval of changes and revocation of approval related to the approved plan prescribed in Article 5, paragraph (2) of the former Structure Improvement Act related to the obligation guarantee contract stated in the preceding paragraph, and the collection of reports under the provisions of Article 10 of the former Structure Improvement Act related to that approved plan.

Article 8 (1) The former organization must make changes to the operational rules in accordance with the provisions of Article 19 of the new Food, etc. Distribution Act and obtain the authorization of the Minister of Agriculture, Forestry and Fisheries by the effective date.

- (2) The Minister of Agriculture, Forestry and Fisheries is to deliberate with the Minister of Finance in advance if granting the authorization referred to in the preceding paragraph.
- (3) The operational rules that have been granted the authorization referred to in paragraph (1) are deemed to have been granted the authorization referred to in Article 19, paragraph (1) of the new Food, etc. Distribution Act on the effective date.

Article 9 (1) The former organization must change their business plan and income and expenditure budget and obtain the authorization of the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of Article 20,

- paragraph (1) of the new Food, etc. Distribution Act before the effective date.
- (2) The Minister of Agriculture, Forestry and Fisheries is to deliberate with the Minister of Finance in advance if granting the authorization referred to in the preceding paragraph.
- (3) A business plan and an income and expenditure budget that have been granted authorization referred to in paragraph (1) are deemed to have been granted authorization referred to in Article 20, paragraph (1) of the new Food, etc. Distribution Act on the effective date.

Article 10 If the former organization has violated the provisions of Article 8, paragraph (1) or paragraph (1) of the preceding Article, the Minister of Agriculture, Forestry and Fisheries may revoke the designation under the provisions of Article 16, paragraph (1) of the new Food, etc. Distribution Act that was deemed to have been received pursuant to the provisions of Article 7, paragraph (1) of the Supplementary Provisions.

(Review)

Article 11 Approximately five years after the enforcement of this Act (regarding the provisions stated in Article 1, item (iii) of the Supplementary Provisions, the relevant provisions; the same applies in Article 31 of the Supplementary Provisions), the government is to review the provisions of the new Wholesale Market Act and the new Food, etc. Distribution Act respectively, in light of the trends and actual conditions of production, distribution and consumption of food, etc. (meaning the food, etc. prescribed in Article 2, paragraph (1) of the new Food, etc. Distribution Act; the same applies below in this Article), from the viewpoint of realizing a distribution structure for food, etc. that contributes to the growth and development of the agriculture, forestry or fisheries and the food distribution industry, and to the promotion of the interests of a general consumer, and make the necessary revisions based on the results of those reviews.

(Transitional Measures Concerning Penal Provisions)

Article 31 Prior laws and regulations continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act, and to acts committed after the enforcement of this Act but which, pursuant to the Supplementary Provisions, prior laws and regulations continue to govern.

(Delegation to Cabinet Order)

Article 32 Beyond what is provided for in the Supplementary Provisions, transitional measures necessary for the enforcement of this Act (including transitional measures concerning penal provisions) are to be specified by

Cabinet Order.

Supplementary Provisions [Act No. 69 of June 18, 2025] [Extract]

(Effective Date)

Article 1 This Act is to come 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 stated in the following items are to come into effect on the days specified respectively in those items.

(i) the provisions of the following Article, Article 5, Article 6, Articles 8 through 10, Article 11, paragraphs (1) through (4), and Article 14 of the Supplementary Provisions: the date of promulgation; and

(ii) the provisions in Article 1 to amend Article 33 of the Act on the Rationalization of Distribution and the Proper Transaction in Food, etc. (excluding the part that amends that Article to Article 58); the provisions that amend Article 32, item (ii) of that Act (excluding the part that amends the term "Article 23, paragraph (1)" to "Article 29, paragraph (1)" and the part that amends the term "person" to "when"); the provisions that amend Article 32 of that Act to Article 57 and add an Article before that Article in Chapter V of that Act (excluding the part that amends Article 32 of that Act to Article 57); the provisions that delete the title of Article 29 of that Act; the provisions that amend Article 28 of that Act to Article 35 and add a Section and Section title after that Article (excluding the part that amends Article 28 of that Act to Article 35) and the provisions that amend Article 27 of that Act to Article 34 and add a Section and Section title before that Article in Chapter III of that Act (excluding the part that amends Article 27 of that Act to Article 34); the provisions of Article 2 (excluding the provisions that amend Articles 1 and 16 of the Wholesale Market Act) and the provisions of Article 11, paragraph (5) of the Supplementary Provisions: the day specified by Cabinet Order within a period not exceeding one year from the date of promulgation.

(Transitional Measures Concerning the Basic Policy on Promoting Business Activities by a Food, etc. Business Operator)

Article 2 (1) The Minister of Agriculture, Forestry and Fisheries may formulate or amend and make public the basic policy concerning the promotion of business activities by a food, etc. business operator for realizing a sustainable supply of food, etc. as prescribed in paragraph (1) of that Article (referred to as the "basic policy on business activities" in the following paragraph), in accordance with the provisions of Article 5 of the Act on the Promotion of Business Activities by a Food, etc. Business Operator and the Ensuring Proper

Transaction of Food, etc. for Realizing a Sustainable Supply of Food, etc. amended by the provisions of Article 1 (referred to below as the "new Act"), even before the day on which this Act comes into effect (referred to below as the "effective date").

- (2) The basic policy on business activities that has been formulated or amended pursuant to the provisions of the preceding paragraph and has been made public is deemed to have been formulated pursuant to the provisions of Article 5, paragraph (1) of the new Act, to have been amended pursuant to the provisions of paragraph (3) of that Article, and to have been made public pursuant to the provisions of paragraph (5) of that Article on the effective date.

(Transitional Measures Concerning the Plans to Rationalize Distribution of Food, etc.)

Article 3 (1) Prior laws and regulations continue to govern an application for approval of a plan to rationalize distribution of food, etc. (meaning a plan to rationalize distribution of food, etc. under the provisions of Article 5, paragraph (1) of the Act on Rationalization of Distribution and the Proper Transaction in Food, etc. before amendment by the provisions of Article 1 (referred to as the "former Food, etc. Distribution Act" in the following paragraph and paragraph (2) of the following Article)); the same applies in the following paragraph) which has been filed before the effective date pursuant to the provisions of that paragraph and for which a disposition of whether or not to grant approval has not been made at the time of the enforcement of this Act.

- (2) Prior laws and regulations continue to govern the approval of changes and revocation of approval regarding a food, etc. a plan to rationalize distribution that has been approved under Article 5, paragraph (1) of the former Food, etc. Distribution Act at the time of the enforcement of this Act (including a plan to rationalize distribution of food, etc. that has been approved pursuant to prior laws that continue to govern after the effective date pursuant to the provisions of the preceding paragraph), the operations to promote the food, etc. distribution rationalization business conducted by the Japan Finance Corporation (meaning the operations provided for in Article 7, paragraph (1) of the former Food, etc. Distribution Act and the guarantee of obligations provided for in Article 8, paragraph (1) of the former Food, etc. Distribution Act), the operations to support the food, etc., distribution rationalization business conducted by the Agriculture, Forestry and Fisheries Fund Corporation for Innovation, Value-chain and Expansion Japan (meaning the operations provided for in Article 9 of the former Food, etc. Distribution Act), the operations stated in the items of Article 17 of the former Food, etc. Distribution Act conducted by the former OFSYS (meaning the former OFSYS under the provisions of Article 16, paragraph (1) of the former Food, etc.

Distribution Act that has been designated pursuant to the provisions of that paragraph at the time of the enforcement of this Act) and the collection of reports from the approved business operator under Article 6, paragraph 1 of the former Food, etc. Distribution Act.

(Transitional Measures Concerning the Organization for Improvement of Food Distribution System)

Article 4 (1) The former OFSYS is deemed to have been designated under the provisions of Article 22, paragraph (1) of the new Act on the effective date.

(2) The former OFSYS that is deemed to have received the designation under the provisions of Article 22, paragraph (1) of the new Act pursuant to the provisions of the preceding paragraph is to carry out, in addition to the business stated in the items of Article 23 of the new Act, the operations related to the obligation guarantee contract concluded by the former OFSYS before the effective date pursuant to the provisions of Article 17 of the former Food, etc. Distribution Act (limited to the part related to item (i)) of that Act and operations incidental to the relevant operations (referred to below as "former obligation guarantee operations, etc." in this paragraph and Article 27 of the Supplementary Provisions). In this case, regarding the application of the provisions of the new Act, the former obligation guarantee operations, etc., is deemed to be the operations stated in Article 23, item (i) of the new Act and operations incidental to the relevant operations.

Article 5 (1) The former OFSYS must make changes to the operational rules in accordance with the provisions of Article 25 of the new Act and obtain authorization from the Minister of Agriculture, Forestry and Fisheries before the effective date,.

(2) The Minister of Agriculture, Forestry and Fisheries is to deliberate with the Minister of Finance if granting the authorization referred to in the preceding paragraph.

(3) Operational rules that have been granted the authorization referred to in paragraph (1) are deemed to have been granted the authorization referred to in Article 25, paragraph (1) of the new Act on the effective date.

Article 6 (1) The former OFSYS must make changes to the business plan and income and expenditure budget, pursuant to the provisions of Article 26, paragraph (1) of the new Act, and obtain the authorization from the Minister of Agriculture, Forestry and Fisheries before the effective date, .

(2) The Minister of Agriculture, Forestry and Fisheries is to deliberate with the Minister of Finance if granting the authorization referred to in the preceding paragraph.

- (3) A business plan and an income and expenditure budget that have been granted authorization referred to in paragraph (1) are deemed to have been granted authorization referred to in Article 26, paragraph (1) of the New Act on the effective date.

Article 7 If the former OFSYS violates the provisions of Article 5, paragraph (1) or paragraph (1) of the preceding Article of the Supplementary Provisions, the Minister of Agriculture, Forestry and Fisheries may revoke the designation under the provisions of Article 22, paragraph (1) of the new Act that was deemed to have been granted pursuant to the provisions of Article 4, paragraph (1) of the Supplementary Provisions.

(Transitional Measures Concerning the Basic Policy on Ensuring Proper Transaction of Food, etc.)

Article 8 (1) The Minister of Agriculture, Forestry and Fisheries may formulate or change and make public the basic policy on ensuring proper transaction of food, etc. for realizing a sustainable supply of food, etc. as prescribed in paragraph (1) of that Article (referred to as the "basic policy on ensuring proper transaction" in the following paragraph), in accordance with the provisions of Article 33 of the new Act, even before the effective date of the provisions stated in Article 1, item (ii) of the Supplementary Provisions (referred to below as the "effective date of item (ii)").

- (2) The basic policy on ensuring proper transaction that has been formulated or changed pursuant to the provisions of the preceding paragraph and has been made public is deemed to have been formulated pursuant to the provisions of Article 33, paragraph (1) of the new Act, to have been changed pursuant to the provisions of paragraph (4) of that Article, and to have been made public pursuant to the provisions of paragraph (6) of that Article on the effective date of item (ii).

(Transitional Measures Concerning Consultation with the Council for Policies on Food, Agriculture, and Rural Areas)

Article 9 If the Minister of Agriculture, Forestry and Fisheries intends to formulate or amend the standards of judgment prescribed in Article 37, paragraph (1) of the new Act and intends to designate or cancel the designation of designated food and drink, etc. prescribed in Article 42, paragraph (1) of the new Act, the Minister may consult with the Council for Policies on Food, Agriculture, and Rural Areas and carry out other necessary acts even before the effective date of item (ii).

(Transitional Measures Concerning Certification of a Certified Organization for

Indicator Creation, etc.)

Article 10 (1) A person who intends to obtain the certification stated in Article 42, paragraph (1) of the new Act may submit an application for the certification in accordance with the provisions of paragraphs (2) and (3) of that Article even before the effective date of item (i).

(2) If an application for the certification stated in the preceding paragraph has been submitted, the Minister of Agriculture, Forestry and Fisheries may grant the certification and give public notice of this in accordance with the provisions of Article 42, paragraphs (4) through (7) and Article 43 of the new Act even before the effective date of item (i). In this case, the person who has obtained the certification is deemed to have been granted the certification stated in Article 42, paragraph (1) of the new Act on the effective date of item (i), and the public notice is deemed to have been given pursuant to the provisions of paragraph (7) of that Article on the effective date of item (i).

(Effect of Dispositions)

Article 12 Regarding any disposition, procedure, or other act that has been taken or is to be taken, before the date on which this Act comes into effect (for the provisions stated in Article 1, item (ii) of the Supplementary Provisions, the relevant provisions; the same applies in the following Article and Article 15 of the Supplementary Provisions), pursuant to the provisions of the respective Acts before the amendment, if the respective amended Acts contain the provisions corresponding to the relevant provisions, the disposition, procedure, or other act is deemed to have been taken or is to be taken under the relevant provisions of the respective amended Acts, unless otherwise provided for in the Supplementary Provisions.

(Transitional Measures Concerning Penal Provisions)

Article 13 Prior laws and regulations continue to govern the applicability of penal provisions to acts committed before the effective date of this Act, and to acts committed after the effective date of this Act but which, pursuant to the Supplementary Provisions, prior laws and regulations continue to govern.

(Delegation to Cabinet Order)

Article 14 Beyond what is provided for in the Supplementary Provisions, transitional measures necessary for the enforcement of this Act (including transitional measures concerning penal provisions) are to be specified by Cabinet Order.

(Review)

Article 15 Approximately five years after the enforcement of this Act, the

government is to review the status of implementation of the provisions amended by this Act, and is to take the necessary measures based on the results of the review if the government finds it necessary.