Port and Harbor Act

(Act No. 218 of May 31, 1950)

Chapter I General Provisions

(Purpose)

Article 1 With the aim of contributing to the development of transportation and suitable utilization and balanced growth of national land, the purpose of this Act is to provide for orderly development and appropriate operation of ports and harbors, together with the development and maintenance of waterways, while maintaining consideration for environmental conservation.

(Definitions)

Article 2 (1) In this Act, the term "Port Administrator" means a port authority incorporated pursuant to the provisions of Section 1 of Chapter II or a local public entity under the provisions of Article 33.

(2) As used in this Act, the term "Strategic International Port" means a port serving as the hub of an international ocean freight transportation network for long-distance international ocean container shipping, which is highly functional as a point of communication between that international ocean freight transportation network and domestic ocean freight transportation networks, and which Cabinet Order prescribes as a port whose international competitiveness it is necessary to focus on strengthening; the term "Central International Port" means a port other than a Strategic International Port which Cabinet Order prescribes as a port that serves as the hub of an international ocean freight transportation network; the term "Major Port" means a port other than a Strategic International Port or Central International Port which Cabinet Order prescribes as a port that serves as the hub of a maritime transportation network or that is otherwise of great importance to the national interest; and the term "Regional Port" means a port other than a Strategic International Port, Central International Port, or Major Port.

(3) In this Act, the term "Port Zone" means an area of water for which the consent or notification under the provisions of Article 4, paragraph (4) or paragraph (8) (including as applied mutatis mutandis pursuant to the provisions of Article 9, paragraph (2) and Article 33, paragraph (2)) has been given.

(4) In this Act, the term "Waterfront District" means a district that has been designated as such pursuant to the provisions of Chapter II of the City

Planning Act (Act No. 100 of 1968) or a district that has been designated by the Port Administrator pursuant to the provisions of Article 38.

(5) In this Act, the term "Port Infrastructure" means a part of the infrastructure as set forth in item (i) through item (xi) which is located within a Port Zone or Waterfront District, or a part of the infrastructure as set forth in item (xii) through item (xiv) which is necessary for the use or management of a port:

(i) waterway infrastructure: passages, basins for anchorage, and basins for small craft;

(ii) protective harbor installations: breakwaters, sediment control groins, seawalls, training jetties, sluices, locks, revetments, dikes, groins, and parapets

(iii) mooring facilities: quay walls, mooring buoys, mooring piles, piled piers, floating piers, shallow draft wharves, and dry docking yards;

(iv) port transportation infrastructure: roads, parking lots, bridges, railways, tramways, canals, and heliports;

(v) navigation assistance installations: navigation aids and signaling, lighting, and port communication installations for the entry and clearance of vessels;

(vi) cargo handling facilities: stationary cargo handling machinery, rail-mounted cargo handling equipment, cargo handling areas, and transit sheds;

(vii) passenger facilities: stationary passenger boarding installations, baggage check-in and pick-up areas, lounges, and temporary living quarters;

(viii) storage facilities: warehouses, open storage yards, timber yards and timber ponds, coal storage yards, dangerous goods storage facilities, and oil storage facilities;

(viii)-2 facilities for ship services: water supply facilities, bunkering facilities and coal supply facilities (other than facilities set forth in item (xiii)), ship repair facilities, and ship storage facilities;

(ix) port pollution control facilities: water supply facilities for purifying contaminated water, buffer zones for pollution control, and other facilities designed for pollution control in a port;

(ix)-2 waste disposal facilities: dikes used for waste dumping, waste receiving facilities, waste incinerators, waste crushers, waste oil disposal facilities, and other facilities designed for waste disposal (other than facilities set forth in item (xiii));

(ix)-3 installations that improve the port and harbor environment: beaches, green areas, open spaces, plants, resting areas, and other installations that improve the port and harbor environment;

(x) port employee facilities: break rooms and temporary living quarters, infirmaries, and other employee facilities for ships' crews and harbor workers;

(x)-2 port management facilities: port administration offices, warehouses to

store materials used in port management, and other facilities necessary for port management (other than facilities set forth in item (xiv));

(xi) land used for port infrastructure: the premises of the infrastructure referred to in the preceding items;

(xii) movable equipment: movable cargo handling machinery and movable passenger boarding equipment;

(xiii) movable equipment used for port services: tugboats for assisting in vessel berthing and deberthing; vessels and vehicles for supplying water, fuel, and coal to ships; and vessels and vehicles for handling and transporting waste;

(xiv) movable equipment used in port management: boats for waste recovery, traffic boats, and other movable equipment used in port management.

(6) Infrastructure as set forth in item (i) through item (xi) of the preceding paragraph that is not located inside the Port Zone or Waterfront District is deemed to be Port Infrastructure if approved by the Minister of Land, Infrastructure, Transport and Tourism at the application of the Port Administrator.

(7) In this Act, the term "Port or Harbor Work" means construction, improvements, maintenance, or rehabilitation of Port Infrastructure, or works other than these that are undertaken so as to remove sludge from the port or harbor, to remove solid matter that is contributing to pollution in the port or harbor, to purify contaminated seawater, to remove floating debris, or to otherwise maintain the port or harbor.

(8) In this Act, the term "Passage Needing Development or Maintenance" means a passage in need of development or maintenance works so as to facilitate the transit of vessels in a water area outside a Port Zone or river area prescribed in Article 3, paragraph (1) of the River Act (Act No. 167 of 1964) (hereinafter referred to as a "River Area"), and includes the necessary infrastructure for maintaining a passage's structures, for allowing vessels to navigate safely, and for evacuation; the water areas in question are prescribed by Cabinet Order.

(9) In this Act, the term "Port of Refuge" means a port provided for by Cabinet Order whose main purpose is allowing small craft to anchor so as to take refuge from storms, and which is not used for loading and unloading cargo or for passenger boarding and disembarkation under normal circumstances.

(10) In this Act, the term "Wharf" means, collectively, quay walls and other mooring facilities, ancillary cargo handling facilities, and Port Infrastructure other than mooring facilities that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes.

(Designation of Central Ports for Specified Cargo Imports)

Article 2-2 (1) The Minister of Land, Infrastructure, Transport and Tourism, in consideration of the amount of bulk cargo being imported (hereinafter referred

to as "Imported Bulk Cargo") that is being handled and other circumstances prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, may designate a Strategic International Port, Central International Port, or Major Port as a central port for specified cargo imports if it has a Wharf of the scale prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism and meeting other requirements prescribed thereby whose main use is or will be to handle ocean shipping for Imported Bulk Cargo (hereinafter referred to as a "wharf for specified cargo" in this paragraph and Article 50-6, paragraph (2), item (iii)), and if it is particularly important that the Strategic International Port, Central International Port, or Major Port be used effectively as a contributor that fosters increased cooperation in the ocean shipping of Imported Bulk Cargo, centered around its wharf for specified cargo, so as to strengthen the international competitiveness of Japanese industry.

(2) Having made a designation under the provisions of the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism must issue public notice of this pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(3) On finding that there are no longer grounds for a port's designation as a central port for specified cargo imports as referred to in paragraph (1) (to simplify, this is hereinafter referred to as a "Central Port for Specified Cargo Imports"), the Minister of Land, Infrastructure, Transport and Tourism is to rescind the designation of that Central Port for Specified Cargo Imports.

(4) The provisions of paragraph (2) apply mutatis mutandis to the rescission of a designation under the provisions of the preceding paragraph.

(Provisions on Fishing Ports)

Article 3 The provisions of this Act do not apply to a port or harbor designated by other Acts as a port or harbor used for commercial fishing; provided, however, that this does not apply to a port or harbor so designated that is prescribed by Cabinet Order.

Chapter I-2 Port and Harbor Plans

(Basic Policy for Developing Ports and Harbors and Passages Needing Development and Maintenance)

Article 3-2 (1) The Minister of Land, Infrastructure, Transport and Tourism must formulate a basic policy for the development, use, and maintenance of ports and harbors and for the development of Passages Needing Development and Maintenance (hereinafter referred to as the "Basic Policy").

(2) The Basic Policy must provide:

(i) information about the direction of the development, use, and maintenance of ports and harbors;
(ii) basic information about the location, functions, and capacities of ports and harbors;
(iii) basic information about the location and development of Passages Needing Development and Maintenance;
(iv) basic information about the environmental conservation to be considered in the development, use, and maintenance of ports and harbors and the development of Passages Needing Development and Maintenance;
(v) basic information about the need to ensure cooperation among ports and harbors that are closely related through economic, natural, or social ties;
(vi) basic information about efficient operation of ports and harbors, including port and harbor operation using private-sector knowhow.

(3) The Basic Policy is to be formulated in consideration of the role that ports and harbors and Passages Needing Development and Maintenance are to play in improving transportation systems, appropriate use and balanced development of national land, and enhancing the welfare of the people.

(4) Before formulating or revising the Basic Policy, the Minister of Land, Infrastructure, Transport and Tourism must consult with the heads of the relevant administrative organs and hear the opinions of the Transportation Policy Council.

(5) A Port Administrator may present its opinions on the Basic Policy to the Minister of Land, Infrastructure, Transport and Tourism.

(6) On formulating or revising the Basic Policy, the Minister of Land, Infrastructure, Transport and Tourism must make it public without delay.

(Port Plans)

Article 3-3 (1) The Port Administrator for a Strategic International Port, Central International Port, or Major Port must formulate a plan for the particulars that Cabinet Order prescribes concerning the development, use, and maintenance of the port, and for the maintenance of areas adjacent to the port (hereinafter referred to as a "Port Plan").

(2) A Port Plan must conform to the Basic Policy and satisfy the standards prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism regarding basic information such as about the volume of cargo that the port can handle and other capabilities of the port, the scale and layout of Port Infrastructure that is suitable for the capabilities of the port, the efficient operation of the port, and improvement and maintenance of the port environment.

(3) Before formulating or revising a Port Plan, the Port Administrator for a Strategic International Port, Central International Port, or Major Port must

hear the opinions of the regional port and harbor council.

(4) On formulating or revising a Port Plan (other than when making a minor revision that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes) the Port Administrator for a Strategic International Port, Central International Port, or Major Port must submit it to the Minister of Land, Infrastructure, Transport and Tourism without delay.

(5) The Minister of Land, Infrastructure, Transport and Tourism must hear the opinions of the Transportation Policy Council on a Port Plan submitted pursuant to the provisions of the preceding paragraph.

(6) On finding the Port Plan submitted pursuant to the provisions of paragraph (4) not to be in conformity with the Basic Policy or the standards prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism which are referred to in paragraph (2), or on finding it to be extremely inadequate for the development, use, or maintenance of the port or harbor, the Minister of Land, Infrastructure, Transport and Tourism may call on the Port Administrator to revise the Port Plan.

(7) On finding it unnecessary to take the measures prescribed in the preceding paragraph with regard to the Port Plan submitted pursuant to the provisions of paragraph (4), the Minister of Land, Infrastructure, Transport and Tourism must notify the Port Administrator of this.

(8) On making a minor revision that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as referred to in paragraph (4) to a Port Plan, the Port Administrator for a Strategic International Port, Central International Port, or Major Port must send the Port Plan to the Minister of Land, Infrastructure, Transport and Tourism without delay.

(9) On being notified as under paragraph (7) or making a minor revision that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as referred to in paragraph (4), the Port Administrator for a Strategic International Port, Central International Port, or Major Port must issue public notice giving an outline of the Port Plan without delay, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(10) On formulating or revising a Port Plan, the Port Administrator for a Regional Port must issue public notice giving an outline of the Port Plan without delay, pursuant to an Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(11) The provisions of paragraph (3) apply mutatis mutandis if the Port Administrator for a Regional Port formulates or revises the Port Plan.

(Proposals to Revise Port Plans)

Article 3-4 (1) A person designated as under Article 43-11, paragraph (1) may propose a revision to the Port Plan to the Port Administrator for the Strategic

International Port for which it has been designated; and a person designated as under paragraph (6) of that Article may propose a revision to the Port Plan to the Port Administrator that designated it. In such a case, the person must prepare and present a draft Port Plan showing its proposal which adheres to the Basic Policy.

(2) Upon receipt of a proposal pursuant to the provisions of the preceding paragraph, the Port Administrator must notify the person submitting the proposal without delay as to whether it will revise the Port Plan based on the proposal. In doing so, if the Port Administrator will not revise the Port Plan, it must give a clear reason for this.

Chapter II Port Authorities

Section 1 Incorporation of Port Authorities

(Incorporation)

Article 4 (1) The local government currently managing the port and harbor infrastructure in a port, the local government that has borne the cost of construction or maintenance and administration of port and harbor infrastructure in the port, or a local government within whose confines is an area of land that has the proposed port zone as part of its bordering waters (hereinafter referred to as a "Relevant Local Government") may prepare articles of incorporation and incorporate a port authority independently or jointly.

(2) The provisions of the preceding paragraph do not apply to a port or harbor at which all or most of the waterway infrastructure and protective harbor installations are maintained and managed by a person other than the national or local government, unless that person asks the Relevant Local Government to incorporate a port authority.

(3) A Relevant Local Government incorporating a port authority, after passing an assembly resolution, must issue public notice of its intention to incorporate a port authority independently or jointly, of the scope of the proposed port zone, and of the period during which other Relevant Local Governments must give their opinions, and must reach an agreement with any Relevant Local Government that expresses its opinion. In such a case, the period during which Relevant Local Governments must give their opinions may not be less than one month.

(4) If, during the period set forth in the preceding paragraph, other Relevant Local Governments do not express their opinions pursuant to that paragraph, or if an agreement is reached through the passage of assembly resolutions as provided for in that paragraph, the Relevant Local Governments seeking to incorporate a port authority must consult with and obtain consent from the

person specified in the relevant of the following items pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism with respect to the Port Zone of the port authority:

(i) if it is a Strategic International Port, Central International Port, or Major Port: the Minister of Land, Infrastructure, Transport and Tourism;

(ii) if it is a Port of Refuge whose port authority a prefecture is involved in incorporating: the Minister of Land, Infrastructure, Transport and Tourism;

(iii) if it is a Port of Refuge other than as set forth in the preceding item: the prefectural governor having jurisdiction over the prefecture within whose confines is an area of land that has the proposed port zone as part of its bordering waters.

(5) Before giving the consent referred to in the preceding paragraph for a Port Zone that includes a River Area or all or a part of a coastal conservation area designated pursuant to Article 3 of the Coast Act (Act No. 101 of 1956), the Minister of Land, Infrastructure, Transport and Tourism or the prefectural governor must consult with the river administrator prescribed in Article 7 of the River Act for that river or the coast administrator prescribed in Article 2, paragraph (3) of the Coast Act for that coastal conservation area.

(6) The Minister of Land, Infrastructure, Transport and Tourism or the prefectural governor may not give the consent referred to in paragraph (4) unless the proposed port zone represents the minimum area required for the economic operation and management of the water area as an independent port and is not in conflict with the interests of any local government within whose bordering waters is an area of water that adjoins the proposed port zone, and unless it does not exceed the physical limits for a port as provided in the Act on Port Regulations (Act No. 174 of 1948); provided, however, that consent may be given for a Port Zone that exceeds the physical limits for a port provided for in that Act if there is a compelling reason to exceed those limits to ensure the minimum area necessary for the economical operation and management of the port as an independent port.

(7) A Relevant Local Government seeking to incorporate a port authority at a Regional Port other than a Port of Refuge must fix as the Port Zone an area that represents the minimum area required for the economical operation and management of the water area as an independent port, that is not in conflict with the interests of the local government within whose bordering waters is an area of water that adjoins the Port Zone, and that does not exceed the physical limits for a port provided for in the Act on Port Regulations; provided, however, that the Relevant Local Government may fix a Port Zone that exceeds the physical limits for a port provided for in that Act if there is a compelling reason to exceed those limits to ensure the minimum area necessary for the economical operation and management of the port as an independent port.

(8) If, during the period referred to in paragraph (3), no other Relevant Local Government expresses an opinion pursuant to the paragraph, or if an agreement is reached through the passage of assembly resolutions as provided in that paragraph, the Relevant Local Government provided for in the preceding paragraph must notify the Minister of Land, Infrastructure, Transport and Tourism (or the prefectural governor having jurisdiction over the prefecture within whose confines is an area of land that has the Port Zone as part of its bordering waters, if the prefecture is not involved in incorporating the port authority) of the Port Zone pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(9) A Relevant Local Government seeking to file a notification pursuant to the provisions of the preceding paragraph regarding the scope of a proposed port zone that includes a River Area or all or a part of a coastal conservation area designated pursuant to the provisions of Article 3 of the Coast Act must first consult with the river administrator prescribed in Article 7 of the River Act for that river or the coast administrator prescribed in Article 2, paragraph (3) of the Coast Act for that coastal conservation area.

(10) If an agreement under paragraph (3) is not reached, the Relevant Local Governments may file for mediation with the person that the relevant of the following items prescribes for the category of dispute referred to in that item:

(i) a dispute involving a Strategic International Port, Central International Port, or Major Port: the Minister of Land, Infrastructure, Transport and Tourism;

(ii) a dispute involving a Regional Port, if a prefecture is party to the dispute: the Minister of Land, Infrastructure, Transport and Tourism;

(iii) a dispute involving a port other than as set forth in the preceding two items: the prefectural governor having jurisdiction over the prefecture within whose confine is the area of land that has the proposed port zone as part of its bordering waters.

(11) A filing for mediation as referred to in the preceding paragraph must be accompanied by a full account of the negotiations between the parties and the opinions of the Relevant Local Governments.

(12) On receipt of a filing under paragraph (10), the Minister of Land, Infrastructure, Transport and Tourism or the prefectural governor undertakes mediation while taking into account the background of the issue, the financial positions of the Relevant Local Governments, future development plans, the extent to which the port is used, and the relationship between the port and the Relevant Local Governments; and, if the port in question is a Strategic International Port, Central International Port, or Major Port, undertakes mediation after consulting with the Minister of Internal Affairs and Communications.

(13) Having given the consent referred to in paragraph (4), on receipt of a notification under paragraph (8), or having undertaken mediation under the preceding paragraph, the prefectural governor must report this to the Minister of Land, Infrastructure, Transport and Tourism without delay.

(Legal Personality)

Article 5 A port authority is a non-profit corporation subject to public law.

(Articles of Incorporation)

Article 6 (1) A port authority must include the following information in its articles of incorporation:

(i) its name;

(ii) the names of the local governments establishing the port authority;

(iii) its office address;

(iv) its functions;

(v) the Port Zone;

(vi) information about the number of board members, their terms of office, their appointment and dismissal, and their remuneration; and information about the business of the board;

(vii) information about the organization and staff of the secretariat;

(viii) information about its property and finances;

(ix) information about contributions or sharing of expenses by the local governments establishing the port authority;

(x) information about the appropriation of surplus and handling of losses;

(xi) its means of issuing public notices;

(xii) information about its dissolution.

(2) The articles of incorporation or amendment thereof do not become effective unless approved by the assembly of the local government establishing the port authority.

(Registration)

Article 7 (1) A port authority must register its incorporation, changes in the address of its principal office, and other information that Cabinet Order prescribes, pursuant to the formalities prescribed by Cabinet Order.

(2) Information required to be registered concerning a port authority may not be asserted against a third party until registered.

(Establishment)

Article 8 A port authority is established through registration of its incorporation.

(Public Notice of Port Zone Boundaries)

Article 9 (1) Immediately after its establishment, a port authority must issue public notice of this and of the Port Zone boundaries. The same applies if the Port Zone's boundaries change.

(2) The provisions of Article 4, paragraph (4) through paragraph (9) apply mutatis mutandis if port authority seeks to change the boundaries of the Port Zone.

(3) Having received notification of a change under Article 4, paragraph (8) as applied mutatis mutandis pursuant to the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism or the prefectural governor may call on the port authority making the notification to change the boundaries of the Port Zone on finding that the boundaries of the Port Zone of which the Minister or governor has been notified violate the provisions of paragraph (7) of that Article.

(4) A port authority must make necessary changes to the boundaries of the Port Zone without delay if called on to do so under the preceding paragraph.

(Grounds for Dissolution of Port Authority)

Article 9-2 A port authority is dissolved based on the occurrence of grounds for dissolution prescribed in the articles of incorporation.

(Special Provisions on Dissolution)

Article 10 (1) Dissolution of a port authority does not become effective until the local government becomes the Port Administrator for the port pursuant to the provisions of the second clause of Article 33, paragraph (1); provided, however, that this does not apply if the local government that established the port authority has obtained the approval of the Minister of Land, Infrastructure, Transport and Tourism to dissolve the port authority.

(2) If a port authority has been dissolved and there are outstanding obligations on bonds as set forth in Article 30, paragraph (1) or any other obligations that Cabinet Order prescribes, the local governments that established the port authority perform those obligations jointly pursuant to the provisions of the articles of incorporation.

(Competence of Port Authority under Liquidation)

Article 10-2 A dissolved port authority is deemed to still exist inasmuch as the task of liquidation is concerned, until the completion of the liquidation.

(Liquidators)

Article 10-3 If a port authority has been dissolved, a board member becomes the liquidator; provided, however, that this does not apply if otherwise provided for in the articles of incorporation, or if the head of the local government that

established the port authority appoints a person other than a board member with the consent of the local government's assembly.

(Appointment of Liquidator by Court)

Article 10-4 The court may appoint a liquidator at the request of an interested party, at the request of the public prosecutor, or on its own authority, if there is no person to become liquidator pursuant to the provisions of the preceding Article, or if there is a risk of damage because the position of liquidator has become vacant.

(Dismissal of Liquidator)

Article 10-5 The court may dismiss a liquidator at the request of an interested party, at the request of the public prosecutor, or on its own authority, if there are material grounds to for it to do so.

(Report on Liquidators and Dissolution)

Article 10-6 (1) A liquidator must report the name and address thereof and the grounds for and date of the dissolution to the assembly of the local government that established the port authority.

(2) A liquidator assuming the position of liquidator during the course of the liquidation must report the name and address thereof to the assembly of the local government that established the port authority.

(Duties and Authority of Liquidators)

Article 10-7 (1) The duties of the liquidator are as follows:

(i) to conclude current business;

(ii) to collect debts and perform obligations;

(iii) to deliver residual assets.

(2) A liquidator may take all necessary action in order to perform the duties set forth in the items of the preceding paragraph.

(Demand for Filing of Claims)

Article 10-8 (1) Within two months from the day on which a liquidator assumes that position, the liquidator must issue public notice on at least three occasions, demanding that creditors file their claims within a fixed period. In such a case, the period may not be less than two months.

(2) The public notice referred to in the preceding paragraph must include a supplementary note indicating that a creditor will be excluded from the liquidation unless it files a claim within the relevant period; provided, however, that a liquidator may not exclude any known creditors.

(3) A liquidator must issue an individual demand to each known creditor,

requiring that creditor to file its claim.
(4) The public notice set forth in paragraph (1) is effected by publication in the Official Gazette.

(Filing Claims after End of Period)
Article 10-9 A creditor that files its claim after the end of the period referred to in paragraph (1) of the preceding Article may only make a claim against assets which, after all debts of the port authority have been paid in full, have not yet been delivered to persons with vested rights.

(Vesting of Residual Assets)
Article 10-10 (1) The assets of a dissolved port authority vest in the person designated in the articles of incorporation.
(2) If the articles of incorporation do not designate a person in which rights should vest and does not provide for the way of designating such a person, the liquidator, with the consent of the assembly of the local government that established the port authority, may use the assets of the port authority for a purpose similar to that of the port authority.
(3) Assets that cannot be disposed of pursuant to the provisions of the preceding two paragraphs vest in the local government that established the port authority.

(Supervision by the Court)
Article 10-11 (1) The dissolution and the liquidation of a port authority are subject to the supervision of the court.
(2) The court may conduct the necessary inspections to accomplish the supervision referred to in the preceding paragraph at any time, by its own authority.

(Reporting Conclusion of Liquidation)
Article 10-12 Once a liquidation has been concluded, the liquidator must notify the assembly of the local government that established the port authority of this.

(Jurisdiction in Cases involving Appointment of Special Agents)
Article 10-13 The following cases are under the exclusive jurisdiction of the district court having jurisdiction over the locality of the port authority's principal office:
(i) cases involving the appointment of a special agent;
(ii) cases related to supervision of the dissolution and liquidation of a port;
(iii) cases involving a liquidator.

(Restriction on Appeals)

Article 10-14 No appeal may be entered against a judicial decision on the appointment of a liquidator.

(Remuneration of Court-Appointed Liquidators)

Article 10-15 If the court appoints a liquidator pursuant to the provisions of Article 10-4, it may specify the amount of remuneration to be paid by the port authority to that liquidator. In such a case, the court must hear a statement from the liquidator (or, if the port authority employs an auditor, from the liquidator and the auditor).

(Application Mutatis Mutandis of the Act on General Corporations and General Foundations)

Article 11 The provisions of Article 4 and 78 of the Act on General Incorporated Associations and General Incorporated Foundations (Act No. 48 of 2006) apply mutatis mutandis to a port authority.

Section 2 Functions of Port Authorities

(Functions)

Article 12 (1) A port authority carries out the following functions:

(i) preparing a Port Plan;

(ii) keeping the Port Zone and Port Infrastructure that the port authority administers in good condition (this includes removing floating debris, abandoned vessels, and other objects that could hinder the navigation of vessels in the Port Zone; as well as cleaning water areas and preventing pollution within the Port Zone);

(iii) carrying out Port and Harbor Works related to the construction and improvement of Port Infrastructure that is necessary for the development, use, and maintenance of the port and for preserving the area adjacent to the Port Zone (but not works related to waste disposal facilities other than as set forth in item (xi)-3);

(iii)-2 reclaiming or improving land in the Port Zone or Waterfront District, other than as set forth in the preceding item, through land fill in the water area, raising or leveling of ground, and other such works;

(iv) administering Port Infrastructure owned by the national or local government for public use (including the land necessary for the operation of the port), as entrusted;

(iv)-2 placing the necessary regulations on the use of waterway infrastructure;

(v) personally operating the public mooring facilities that are needed to make things more convenient for the general public, assigning mooring spaces to

vessels using these facilities, and otherwise placing the necessary regulations on their use;

(v)-2 accepting port entry notices and port departure notices from vessels entering and leaving the Port Zone;

(vi) setting up the necessary infrastructure for fire-fighting, rescue, and security and preparing the necessary oil fences, chemicals, and other materials to remove oil spills in the Port Zone;

(vii) conducting the necessary surveys and studies and compiling the necessary statistics for the development, use, and maintenance of the port and harbor, and advertising the port and harbor;

(viii) supplying water to vessels, assisting in docking and undocking, handling the waste oils generated by vessels, and providing other services, if these are not provided properly or adequately by other persons;

(ix) renting out Port Infrastructure that it administers if this need not be made available for public use or if it is not appropriate for the port authority to personally operate it;

(x) regulating the use of Port Infrastructure by persons using transit sheds, cargo handling equipment, and other port-authority-administered Port Infrastructure to render the necessary services for the port to operate, so as to ensure the smooth flow of cargo traffic and effective use of Port Infrastructure;

(xi) arranging the necessary services for the port to operate;

(xi)-2 facilitating the loading and unloading, storage, sorting, and transportation of cargo in the Port Zone and Waterfront District, other than as set forth in the preceding item

(xi)-3 administering and operating dikes used for waste dumping, marine waste treatment facilities (meaning facilities for treating waste materials generated by vessels or offshore facilities provided for in Article 3, item (x) of the Act on Prevention of Marine Pollution and Maritime Disasters (Act No. 136 of 1970) (including toxic liquid waste provided by Article 44 of that Act) or waste materials generated as a result of the functions set forth in item (ii), or for treating materials collected in the effort to prevent marine pollution, other than dikes used for waste dumping; the same applies hereinafter), waste oil disposal facilities (meaning waste oil disposal facilities as set forth in Article 3, item (xiv) of that Act), and emission treatment facilities (meaning emission treatment facilities provided for in Article 44 of that Act);

(xii) setting up or administering facilities such as break areas and temporary living quarters for ships' crews and harbor workers to promote employee welfare;

(xiii) preparing and publishing the latest port tariff showing the prescribed charges for using the services and infrastructure necessary for using the

port;

(xiv) other necessary functions to provide the services set forth in the preceding items.

(2) Ordinance of the local government establishing the port authority that the articles of incorporation prescribes, provides for the necessary particulars of the port entry notices and port departure notices prescribed in item (v)-2 of the preceding paragraph.

(3) Ordinance of the local government referred to in the preceding paragraph must be formulated with due respect to the original draft prepared by the port authority.

(4) In addition to the rates for the charges that the port authority itself has established, a port tariff provided for in paragraph (1), item (xiii) must give the rates listed in the documents submitted pursuant to the provisions of Article 45, paragraph (1) or (2) and the rates of which it is notified as under the provisions of paragraph (5) of that Article.

(5) A port authority must issue public notice giving an outline of the Port Infrastructure under its administration, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(Regulations)

Article 12-2 A port authority may establish regulations for the administrative processes within its authority, insofar as they do not conflict with laws and regulations or ordinance of the local government that established the port authority.

(Non-Involvement with Private Enterprises)

Article 13 (1) A port authority must not obstruct or interfere with the fair activities of private enterprises in the port transportation business, warehousing business, or other business related to the transportation and storage of goods, and must not engage in business that puts it in competition with such persons.

(2) A port authority must not subject any person to unequal treatment as concerns the use of infrastructure and the administration and operation of the port and harbor.

Section 3 Organizational Structure of Port Authorities

(The Board)

Article 14 A port authority has a board.

(Authority and Responsibility of the Board)

Article 15 The board decides on the policies of the port authority and directs and regulates the operation of administrative processes at the port authority.

(Organizational Structure of the Board and Appointment of Members)

Article 16 (1) The board comprises no more than seven members, pursuant to the articles of incorporation.

(2) Notwithstanding the provisions of the preceding paragraph, the number of members may be increased up to eleven for the board of a port authority established by more than three local governments.

(3) The head of the local government establishing a port authority appoints the board members referred to in the preceding two paragraphs from among persons with extensive knowledge and wide experience in matters relating to ports and harbors and from among persons known to be highly reputable, with the consent of the assembly of the local government.

(4) The total number of board members provided for in paragraph (1) and (2) must be more than twice the number of members set forth in the proviso to paragraph (1), item (ii) of the following Article.

(Persons Not Eligible as Board Members)

Article 17 (1) The following persons may not become board members:

(i) a Member of the National Diet;

(ii) a member of the assembly of the local government; provided, however, that this does not apply if only one board member is appointed for each local government from among assembly members recommended by the assembly of the local governments establishing the port authority;

(iii) a person doing contracting jobs involving construction works for the port authority, or if such a person is a corporation, the officer thereof or any person with at least the same authority as an officer, regardless of title (this includes a person falling under this category during the period of one year prior to the appointment);

(iv) the officer of an organization of contractors as set forth in the preceding item or any person with at least the same authority as an officer, regardless of title (this includes a person falling under this category during the period of one year prior to the date of appointment).

(2) A board member that comes to fall under one of the items of the preceding paragraph during that member's term of office must resign.

(Board Members' Terms of Office)

Article 18 (1) The term of office of a board member is no more than three years; provided, however, that the term of office of a board member who has filled a vacancy is the remainder of the predecessor's term of office.

(2) A board member may be reappointed.
(3) The terms of office of the board members first taking office following the incorporation of the port authority are set by the head of the local government establishing the port authority at the time of their appointment, in such a way as to prevent multiple members' terms of office from expiring at the same time.

(Dismissal of Board Members)
Article 19 The head of a local government establishing a port authority may dismiss a board member with the consent of the assembly on finding that the member is unable to perform the duties thereof owing to a mental or physical disorder or on finding that the member has acted contrary to the duties thereof or that the behavior of the member is unbecoming of a board member.

(Chairperson)
Article 20 (1) The board has a chairperson that the board members elect from among their own ranks.
(2) The chairperson presides over the meetings of the board.

(Effecting Resolutions)
Article 21 (1) The business of the board is decided by the majority vote of its members.
(2) A board member may not participate in the vote on a matter in which the member personally holds a special interest, as determined by the board.

(Auditors)
Article 22 (1) A port authority may employ an auditor, pursuant to the provisions of the articles of incorporation.
(2) The provisions of Article 16, paragraph (3) and Article 17 and 19 apply mutatis mutandis to the appointment and dismissal of auditors.

(Duties and Authority of Chairperson)
Article 23 (1) The chairperson, on behalf of the port authority, presides over the functions of the port authority as its head and carries out the administrative processes related to the development, use, maintenance, and administration of the port which have been placed under the chairperson's authority pursuant to laws and regulations or local government ordinance as referred to in Article 45-2.
(2) A board member other than the chairperson, pursuant to the articles of incorporation, represents the port authority, assists the chairperson in administering the functions of the port authority, acts as a proxy in handling the duties of the chairperson if the chairperson is unable to attend to them,

and performs the duties of the chairperson if the position is vacant.
(3) An auditor audits the functions of the port authority.

(Restrictions on Authority of the Board)
Article 23-2 Restrictions on a board member's authority to represent the port authority may not be asserted against a third party in good faith.

(Acting in Conflict of Interest)
Article 23-3 A board member does not have the authority to represent the port authority in a matter that involves a conflict of interest between the port authority and the member. In such a case, the court must appoint a special agent, at the request of an interested party or the public prosecutor.

(Secretariat)
Article 24 A port authority has a secretariat and employs the necessary staff to handle administrative processes, pursuant to the provisions of the articles of incorporation.

(Local Port and Harbor Council)
Article 24-2 (1) A local port and harbor council is to be established within the port authority of a Strategic International Port, Central International Port, or Major Port for the purpose of investigating and deliberating on important matters involving the port when so requested by the chairperson of the board; and is to be established within the port authority of a Regional Port as necessary, pursuant to the regulations referred to in Article 12-2.
(2) The regulations referred to in Article 12-2 provide for the necessary particulars concerning the title, organizational structure, and operation of the local port and harbor council.

(Remuneration of the Chairperson)
Article 25 (1) A port authority must pay a salary to full-time board members, auditors, and employees.
(2) The amount of the salary referred to in the preceding paragraph must be determined based on the nature and responsibilities of the assignments and on standards adopted for persons engaged in similar duties in the local area; provided, however, that it must not exceed the amount of the salary of the head of the local government establishing the port authority (or of whichever of the two or more persons falling under this category receives the higher remuneration, if applicable).
(3) Board members and auditors receiving a salary as referred to in paragraph (1) must not engage in other work for remuneration.

(Status as Government Employees)

Article 26 Board members, auditors, and employees of a port authority are deemed to be under the employ of the government pursuant to laws and regulations, as regards the application of penal laws.

(Appointment and Dismissal of Board Members If Port Authority Is Established by Two or More Local Governments)

Article 27 If a port authority has been established by two or more local governments, the port authority's articles of incorporation must provide for the head of the local governments' and the assemblies' exercise of authority as regards the appointment and dismissal of board members under Article 16, paragraph (3); the proviso to Article 17, paragraph (1), item (ii); Article 18, paragraph (3); Article 19; and Article 22, paragraph (2).

Section 4 Finances of Port Authorities

(Contributions)

Article 28 No person other than the local governments establishing a port authority may contribute to the port authority.

(Financial Principles)

Article 29 The costs required for a port authority to carry out its functions (other than the costs of Port and Harbor Works) are covered by charges and rent for Port Infrastructure and other facilities under its management, charges for supplying water and other services provided by the port authority, and other revenue derived from the administration and operation of the port.

(Issuance of Bonds)

Article 30 (1) A port authority may issue bonds to raise funds for the construction, improvement, or rehabilitation of Port Infrastructure.

(2) The provisions of Article 5-3, paragraph (1), (2), and (11) of the Local Government Finance Act (Act No. 109 of 1948) (but only the parts that deal with the necessary criteria for judging whether to grant a person permission), and Article 5-4, paragraph (1) (excluding item (i) and (ii)), paragraph (2) and (6) (but only the part to which the proviso to Article 5-3, paragraph (1) of that Act pertains) apply mutatis mutandis to a case as referred to in the preceding paragraph. In such a case, the phrase "the following local government" elsewhere than as listed in the items of Article 5-4, paragraph (1) of that Act is deemed to be replaced with "the following port authority or a port authority whose losses from the preceding year were covered under Article 31, paragraph

(2) of Port and Harbor Act (Act No. 218 of 1950)".

(3) Each business year, a port authority must set aside money in a redemption reserve fund, pursuant to the provisions of the articles of incorporation, to be used to cover the redemption of bonds issued pursuant to the provisions of paragraph (1).

(4) The redemption reserve fund referred to in the preceding paragraph must not be used for any purpose other than the redemption of bonds.

(Handling of Profits and Losses)

Article 31 (1) If there is still a balance after allocation of surplus into the redemption reserve fund referred to in the preceding Article and the reserve for future losses, a port authority must transfer the balance to the local government that established it, pursuant to the provisions of the articles of incorporation.

(2) If a loss incurred by a port authority cannot be offset adequately by the reserve for future losses referred to in the preceding paragraph, the local government that established the port authority must cover the loss, pursuant to the provisions of the articles of incorporation.

(Inventory of Assets)

Article 32 A port authority must prepare an inventory of assets, a balance sheet, and a profit and loss statement and submit them to the local government that established it within two months after the end of each business year.

Chapter III Local Government as Port Administrator

(Deciding on Local Public Entity as Port Administrator)

Article 33 (1) For a port where no port authority has been incorporated, a Relevant Local Government may itself become the Port Administrator or may incorporate a local public entity as referred to in Article 284, paragraph (2) or (3) of the Local Autonomy Act (Act No. 67 of 1947) as the Port Administrator. The same applies at a port where a port authority has been incorporated, if the port authority is to be dissolved pursuant to the provisions of the articles of incorporation.

(2) The provisions of paragraph (2) through (13) of Article 4 apply mutatis mutandis to a case as referred to in the preceding paragraph; the provisions of paragraphs (4) through (9) of that Article apply mutatis mutandis if the local government, as the Port Administrator, makes changes to the boundaries of the Port Zone; and the provisions of Article 9, paragraph (1) apply mutatis mutandis if the local government, as the Port Administrator, formulates or changes the boundaries of the Port Zone. In such a case, the phrase "A

Relevant Local Government incorporating a port authority" is deemed to be replaced with "A Relevant Local Government that will itself become the Port Administrator or that is incorporating a local public entity as referred to in Article 284, paragraph (2) or (3) of the Local Autonomy Act to act as the Port Administrator".

(Functions)

Article 34 The provisions of Article 12 and 13 apply mutatis mutandis to the functions of a local government that acts as the Port Administrator.

(The Board)

Article 35 (1) A local government that acts as the Port Administrator may establish a board as the organ to carry out the functions set forth in the provisions of the preceding Article.

(2) Local government ordinance provides for the title, organizational structure, and authority of the board.

(Local Port and Harbor Council)

Article 35-2 (1) A local port and harbor council is to be established within the local government acting as the Port Administrator of a Strategic International Port, Central International Port, or Major Port for the purpose of investigating and deliberating on important matters involving the port when so requested by the head of the local government acting as the Port Administrator (or by the board set forth in paragraph (1) of the preceding Article, if one is established within the local government); and is to be established within the local government acting as the Port Administrator of a Regional Port as necessary, pursuant to the provisions of local government ordinance.

(2) Local government ordinance provides for the necessary particulars concerning the title, organizational structure, and operation of the local port and harbor council.

(If a Port Authority Is Established)

Article 36 (1) If a port authority is established or the local government becomes the Port Administrator pursuant to the provisions of Article 33 in a port where another local government was acting as the Port Administrator pursuant to the provisions of that Article, the local government that has hitherto been the Port Administrator loses its position as the Port Administrator insofar as the Port Zone is under the jurisdiction of the new Port Administrator.

(2) The provisions of the preceding paragraph apply mutatis mutandis if the local government becomes the Port Administrator pursuant to the second sentence of Article 33, paragraph (1) at a port where the port authority has hitherto been

the Port Administrator.

Chapter IV Port Zone and Waterfront District

(Permission for Works within Port Zone)

Article 37 (1) A person seeking to engage in the conduct set forth in one of the following items within the Port Zone or the area adjacent to the Port Zone which the Port Administrator designates (hereinafter referred to as the "Area Adjacent to the Port") must obtain the permission of the Port Administrator to do so; provided, however, that this does not apply if a person licensed under Article 2, paragraph (1) of the Public Surface-Water Reclamation Act (Act No. 57 of 1921) engages in that conduct within the area of water for which the person is licensed:

(i) occupying an area of water (or the air space above it or the sea floor provided for by Cabinet Order; the same applies hereinafter) or public, open space within the Port Zone;

(ii) collecting sand or earth in an area of water or public, open space within the Port Zone;

(iii) doing construction or making improvements to waterway infrastructure, protective harbor installations, mooring facilities, canals and irrigation ditches, or drainage ditches (other than in association with the occupancy referred to in item (i));

(iv) engaging in conduct, other than as set forth in the preceding items, which is provided for by Cabinet Order and which could seriously obstruct the development, use, or maintenance of the port.

(2) If conduct as referred to in the preceding paragraph would seriously obstruct the use or maintenance of the port; seriously impede the implementation of a Port Plan of which public notice has been issued pursuant to the provisions of Article 3-3, paragraph (9) or (10); or otherwise considerably interfere with the development of the port, the Port Administrator must not permit it; and must also not permit the occupation of the area of water referred to in item (i) or the conduct referred to in item (iv) of the preceding paragraph in connection with the waterway infrastructure under its management other than in a case as provided by Cabinet Order.

(3) If the national or local government seeks to engage in conduct referred to in paragraph (1), the phrase "must obtain the permission of the Port Administrator to do so" in paragraph (1) is deemed to be replaced with "must reach an agreement with the Port Administrator"; and the phrase "not permit" in the preceding paragraph is deemed to be replaced with "not agree to".

(4) The Port Administrator may levy an occupancy fee or sand and earth collection fee against a person that has obtained the permission referred to in

paragraph (1), item (i) or item (ii) for an area of water or public, open space within the Port Zone, pursuant to local government ordinance or the regulations referred to in Article 12-2; provided, however, that this does not apply to conduct engaged in as a result of an agreement between the persons provided for in the preceding paragraph.

(5) A Port Administrator, pursuant local government ordinance or the regulations referred to in Article 12-2, may levy a monetary penalty against a person using fraud or other wrongful means to avoid having a occupancy fee or sand and earth collection fee as referred to in the preceding paragraph levied against it, in an amount not exceeding five times the amount that the person avoided having levied against it.

(6) Occupancy fees and sand and earth collection fees as referred to in paragraph (4) and monetary penalties as referred to in the preceding paragraph are part of the revenue of the Port Administrator.

(Areas Adjacent to Ports)

Article 37-2 (1) The designation of the Area Adjacent to a Port under paragraph (1) of the preceding Article must be made so as to encompass the minimum area required for the maintenance of the Port Zone and the area adjacent to it, and must be within the space of one hundred meters outside the Port Zone.

(2) Before designating the Area Adjacent to a Port, the Port Administrator must first issue public notice of the date, time, and place for a public hearing and of the area that the administrator seeks to designate, and hold a public hearing to give persons with an interest in that area an opportunity to state their opinions. The same applies if the administrator seeks to change the Area Adjacent to the Port.

(3) After designating the Area Adjacent to a Port, the Port Administrator must issue public notice of the designated area and notify the Minister of Land, Infrastructure, Transport and Tourism of the same.

(Prohibited Conduct)

Article 37-3 (1) It is prohibited for any person, without due cause, to dispose of or leave a vessel or other object designated by the Port Administrator in the Port Zone, the Area Adjacent to the Port, the Waterfront District, or the area for the Port Infrastructure approved by the Minister of Land, Infrastructure, Transport and Tourism pursuant to the provisions of Article 2, paragraph (6) (but only the area that the Port Administrator designates on finding it to be especially necessary for the development, use, and maintenance of the port because of the use, location, and other circumstances of the Port Infrastructure).

(2) A Port Administrator must issue public notice pursuant to Ordinance of the

Ministry of Land, Infrastructure, Transport and Tourism on designating an area or object under the preceding paragraph. The same applies if the administrator rescinds such a designation.

(3) The designations and rescissions referred to in the preceding paragraph become effective on the issuance of public notice as referred to in that paragraph.

(Waterfront Districts)

Article 38 (1) The Port Administrator may establish a Waterfront District in an area other than a city planning area designated pursuant to the provisions of Article 5 of the City Planning Act.

(2) The Waterfront District referred to in the preceding paragraph must represent the minimum area required for the administration and operation of the port in an area of land that has the Port Zone as part of its bordering waters.

(3) Before establishing a Waterfront District as referred to in paragraph (1) the Port Administrator must first issue public notice of this pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism and make the proposal on the area for the Waterfront District available for public inspection for two weeks from the day of the public notice.

(4) On finding the proposal on the area for the Waterfront District not to comply with the provisions of paragraph (2), an interested party may bring this to the attention of the Minister of Land, Infrastructure, Transport and Tourism and request the Minister to call on the Port Administrator to change the proposal on the area for the Waterfront District, prior to the end of the period for public inspection referred to in the preceding paragraph.

(5) Having received a request as referred to in the preceding paragraph and on finding that request to be reasonable after giving the Port Administrator an adequate opportunity to show that the proposal on the area for the Waterfront District is in compliance with the provisions of paragraph (2) at a public hearing held by the Transport Council at the port, the Minister of Land, Infrastructure, Transport and Tourism may call on the Port Administrator to change the proposal on the area for the Waterfront District, indicating the reason for this.

(6) On finding that the measures referred to in the preceding paragraph need not be taken with regard to the proposal on the area for the Waterfront District referred to in paragraph (3), the Minister of Land, Infrastructure, Transport and Tourism must notify the Port Administrator of this.

(7) A Port Administrator must not establish a Waterfront District as referred to in paragraph (1) before making the necessary changes to the proposal on the area for the Waterfront District or being notified as referred to in the

preceding paragraph, if called on to act as referred to in paragraph (5).

(8) On establishing a Waterfront District as referred to in paragraph (1), the Port Administrator must issue public notice of this and make the area of the Waterfront District available for public inspection, pursuant to an Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(9) The establishment of a Waterfront District as referred to in paragraph (1) comes into effect through the issuance of public notice as referred to in the preceding paragraph.

(Notification of Conduct in Waterfront Districts)

Article 38-2 (1) A party seeking to engage in conduct set forth in one of the following items within a Waterfront District must notify the Port Administrator of this no later than 60 days prior to the start of the work that involves that conduct, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism; provided, however, that this does not apply if a person that has been granted the permission referred to in Article 37, paragraph (1) seeks to engage in permitted conduct or if a person as set forth in paragraph (3) of that Article seeks to engage in the conduct agreed upon with the Port Administrator as under that paragraph:

(i) construction or improvement of waterway infrastructure, canals, irrigation ditches, or drainage ditches;

(ii) construction or improvement of waste disposal facilities that Cabinet Order prescribes other than those on the premises of a factory or workplace provided for in the following item (but only waste disposal facilities used exclusively for the treatment of waste generated in the factory or workplace in question);

(iii) construction or expansion of a factory or a workplace where the total floor area of the workshops or the total area of the premises of the factory or workplace located within one industrial complex exceeds the area that Cabinet Order prescribes (hereinafter referred to as a "Factory or Workplace");

(iv) construction or improvement of facilities that Cabinet Order prescribes which may seriously obstruct the development, use, or maintenance of the port, other than as set forth in the preceding three items.

(2) A party seeking to notify the Port Administrator pursuant to the provisions of the preceding paragraph must submit a written notice to the Port Administrator, giving the following information:

(i) the name or title and address of the person, or the name of the person's representative if it is a corporation;

(ii) the following information, for conduct set forth in item (i) or (ii) of the preceding paragraph:

(a) the location, type, and structure of the infrastructure;
(b) plans for the use of the facilities.

(iii) the following information, for conduct set forth in item (iii) of the preceding paragraph:
(a) the location, type, and ground area of the Factory or Workplace and the floor area of the workshops;
(b) the approximate quantity of incoming and outgoing cargo associated with the operation of the Factory or Workplace and the transportation plan;
(c) the approximate quantity of waste that will be generated by the operation of the Factory or Workplace and a disposal plan;

(iv) other information specified by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(3) Work specifications for the infrastructure involved in the conduct referred to in the notification given in a written notice as referred to in the preceding paragraph and other documents specified by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism must accompany that written notice.

(4) If a person that has notified a Port Administrator pursuant to the provisions of paragraph (1) seeks to change a piece of information set forth in item (ii) through (iv) of paragraph (2) in connection with the conduct subject to the notification, the person must notify the Port Administrator of this no later than 60 days prior to the start of the work to which the change in that information pertains, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(5) If a piece of information set forth in paragraph (2), item (i) changes while the relevant conduct is in progress, the person that notified the Port Administrator pursuant to the provisions of paragraph (1) must notify the Port Administrator of this without delay.

(6) The provisions of paragraph (3) apply mutatis mutandis to a notification as under the provisions of paragraph (4).

(7) Having received a notification under the provisions of paragraph (1) or (4) and finding that the conduct subject to the notification does not conform to the criteria set forth in the following items (or in items (iii) and (iv), as regards the conduct set forth in paragraph (1), items (i), (ii), and (iv); the same applies in the following paragraph and paragraph (10)), the Port Administrator may issue a recommendation within 60 days from the receipt of the notification, advising the person making that notification to change the plan or take other necessary measures in connection with the conduct subject to the notice:

(i) the transportation plan for incoming and outgoing cargo at the Factory or Workplace to be constructed or expanded is appropriate in light of the capabilities of the Port Infrastructure at the Port and the Port Plan of which public notice has been issued pursuant to the provisions of Article 3-3,

paragraph (9) or (10);

(ii) the quantity and type of waste that will be generated from the construction or expansion of the Factory or Workplace and disposed of within the Port Zone or Waterfront District (other than on the premises of the Factory or Workplace) is appropriate in light of the waste disposal plan specified in the Port Plan of which public notice has been issued pursuant to the provisions of Article 3-3, paragraph (9) or (10);

(iii) the conduct will not seriously obstruct the implementation of the Port Plan of which public notice has been issued pursuant to the provisions of Article 3-3, paragraph (9) or (10);

(iv) the conduct will not seriously obstruct the use and maintenance of the port.

(8) Having received a notification under the provisions of paragraph (1) or (4) and finding that the conduct subject to the notification (other than conduct referred to in paragraph (1), item (ii) or (iv)) does not conform to the criteria set forth in the items of the preceding paragraph and would make it difficult to administer and operate the port unless major revisions were made to the Port Plan regarding the development of waterway infrastructure, protective harbor installations, mooring facilities, and port transportation infrastructure, the Port Administrator, within 60 days from the receipt of the notification, may order the person making the notification to revise the plan for the conduct subject to the notice.

(9) Before engaging in conduct as set forth in one of the items of paragraph (1) (other than conduct provided for in the proviso to that paragraph), a person as set forth in Article 37, paragraph (3) must notify the Port Administrator based on the formalities for notification under that paragraph; and must notify the Port Administrator based on the formalities for notification under the provisions of paragraph (4) before changing a piece of information of which the person has already notified it.

(10) Having been notified as under the provisions of the preceding paragraph and finding that the conduct subject to the notice does not conform to the criteria referred to in the items of paragraph (7), the Port Administrator, within 60 days from the receipt of the notice, may request the person that notified it to revise the plan or take other necessary measures in connection with the conduct subject to the notice.

(Designation of Zones)

Article 39 (1) A Port Administrator may designate zones as set forth in the following items within the Waterfront District:

(i) a commercial zone: an area intended for handling passengers or general cargo;

(ii) a special cargo zone: an area intended for handling coal, ores, and other

cargo normally handled in bulk;

(iii) an industrial zone: an area intended for establishing factories and other industrial facilities;

(iv) a railway junction zone: an area intended to connect railways with ferryboats;

(v) a fishing zone: an area intended for handling marine products or for fishing boats to make the necessary preparations to go out fishing;

(vi) a bunker zone: an area intended for storing and supplying fuel for vessels;

(vii) a hazardous materials zone: an area intended for handling explosives and other hazardous materials;

(viii) a marina zone: an area intended for yachts, motor boats, and other sporting and recreational vessels;

(ix) a scenery and recreation zone: an area intended to preserve the scenery and promote the welfare of harbor workers and persons visiting the port.

(2) Zones referred to in the preceding paragraph must be designated so as to fall within the area under the jurisdiction of the local government acting as the Port Administrator (or the local government that has established the port authority, if the port authority is the Port Administrator).

(Restrictions within Zones)

Article 40 (1) It is prohibited for a building or structure prescribed by ordinance of the local government that is acting as the Port Administrator (or the local government that has established the port authority, has jurisdiction over the zone, and is specified by the articles of incorporation, if the port authority is the Port Administrator) to be constructed if it will seriously interfere with the intended use of the zones set forth in the preceding Article, or for a building or structure to be remodeled or undergo a change in use that causes it to be classified as a structure prescribed by such ordinance.

(2) When formulating ordinance of the local government as referred to in the preceding paragraph, the local government that establishes the port authority must pay due respect to the original draft prepared by the port authority.

(3) The local government referred to in paragraph (1) may include a provision in its ordinance imposing a fine of not more than 300,000 yen on a person that violates the provisions of that paragraph.

(Measures against Illegal Structures)

Article 40-2 (1) The Port Administrator may order the owner or possessor of a building or other structure constructed in violation of paragraph (1) of the preceding Article or of a building or structure that has undergone a change in use or remodeling and come to violate that paragraph to remove, relocate, remodel, or change the use of the building or structure.

(2) Irrespective of the category of proceeding to be held for statements of opinion under the provisions of Article 13, paragraph (1) of the Administrative Procedure Act (Act No. 88 of 1993), before issuing an order under the preceding paragraph, the Port Administrator must hold a hearing.
(3) A Port Administrator holding a hearing as referred to in the preceding paragraph must permit a person to participate in hearing proceedings if that person has an interest in the order and requests to participate in the proceedings pursuant to the provisions of Article 17, paragraph (1) of the Administrative Procedure Act.

(Alteration of Undesirable Structures)

Article 41 (1) A Port Administrator may order the owner or possessor of a building or structure within a zone to remodel, relocate, or remove the building or structure if it comes to fall under a category provided by ordinance which is referred to in Article 40, paragraph (1) following its enforcement and seriously interferes with the intended use of the zone.
(2) The provisions of paragraph (2) and (3) of the preceding Article apply mutatis mutandis before a Port Administrator issues an order as referred to in the preceding paragraph.
(3) The Port Administrator must compensate the owner or possessor of a building or structure for a loss resulting from an order under the provisions of paragraph (1), if the owner or possessor incurs a loss that would not have normally arisen but for the order or incurs a loss of profits that would have normally been earned but for the order.
(4) If a person entitled to receive compensation pursuant to the provisions of the preceding paragraph is dissatisfied with the amount of compensation determined by the Port Administrator, the person may bring a suit against the Port Administrator for an increase in the amount of compensation, within six months from the day on which the person is notified of the amount of compensation.

Chapter V Cost of Port and Harbor Works

(Bearing of Costs)

Article 42 (1) If a Port Administrator undertakes major works such as construction or improvement of waterway infrastructure, protective harbor installations, or mooring facilities in a Strategic International Port, Central International Port, or Major Port (other than small-scale infrastructure as prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism) for public use, the cost of those works is shared between the national government and the Port Administrator, with each bearing one-half of the total

cost.

(2) If a Port Administrator undertakes works such as construction or improvement of waterway infrastructure or protective harbor installations in a Port of Refuge, the cost of those works is shared between the national government and the Port Administrator, with each bearing one-half of the total cost.

(3) The provisions of the preceding two paragraphs do not apply if the amount to be borne by the national government is not reported to the Minister of Land, Infrastructure, Transport and Tourism in advance and incorporated into the budget approved by the National Diet.

(4) The provisions of Article 17 and Article 19, paragraph (1) of the Local Government Finance Act apply mutatis mutandis to a port authority as referred to in paragraph (1). In such a case, the phrase "local government" in that Act is deemed to be replaced with "port authority".

(Subsidies for Costs)

Article 43 If the national government finds it to be particularly necessary, it may provide a subsidy other than as prescribed in the preceding Article, within the limits of the budget, to help finance Port and Harbor Works for public use undertaken by the Port Administrator (other than Port Infrastructure as set forth in item (iv)) based on the following criteria:

(i) up to two-fifths of the cost of Port and Harbor Works for the construction or improvement of small-scale infrastructure as prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism which is referred to in paragraph (1) of the preceding Article and which is among the waterway infrastructure, protective harbor installations, or mooring facilities in a Strategic International Port, Central International Port, or Major Port;

(ii) up to one-half of the cost of Port and Harbor Works for the construction or improvement of port transportation infrastructure in a Strategic International Port, Central International Port, or Major Port;

(iii) up to two-fifths of the cost of Port and Harbor Works for the construction or improvement of waterway infrastructure, protective harbor installations, mooring facilities, or port transportation infrastructure in a Regional Port;

(iv) up to one-half of the cost of Port and Harbor Works for the construction or improvement of port pollution control facilities or installations that improve the port and harbor environment;

(v) up to one-third of the cost of Port and Harbor Works for the construction or improvement of dikes used for waste dumping or marine waste treatment facilities.

(Implementation of Port and Harbor Works for Port Infrastructure Sharing

Functionality with Other Structures; Bearing of Costs)

Article 43-2 Implementation of Port and Harbor Works for Port Infrastructure that has shared functionality with other structures and the bearing of costs are determined through consultation between the Port Administrator and the administrator of the structure.

(Bearing of Costs by Person Causing a Need for Work)

Article 43-3 (1) If the need for a Port or Harbor Work arises as a result of the works or conduct of a party other than the Port Administrator, the Port Administrator may order the party to bear all or part of the costs, to the extent of the need that the person has caused.

(2) The scope of persons from which costs to be borne are collected and the method of their collection in a case as referred to in the preceding paragraph are prescribed by ordinance of the local government acting as the Port Administrator (or of the local government prescribed in the articles of incorporation from among the local governments that have established the port authority, if the port authority is the Port Administrator).

(Bearing of Costs by Persons Benefiting)

Article 43-4 (1) If a person benefits significantly from a Port or Harbor Work, the Port Administrator may order that person to bear part of the costs, to the extent that the person benefits.

(2) The provisions of paragraph (2) of the preceding Article apply mutatis mutandis to a case as referred to in the preceding paragraph.

(Costs to Be Borne for Port Environment Improvement Works)

Article 43-5 (1) In accordance with the criteria prescribed by Cabinet Order, the Minister of Land, Infrastructure, Transport and Tourism, by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, or the Port Administrator, by port ordinance, may cause an enterprise to bear part of the costs for Port or Harbor Works (but only for construction or improvement of Port Infrastructure, if the Port or Harbor Works are implemented by the minister) that the minister or administrator undertakes to improve or maintain the port environment (excluding the pollution control works referred to in Article 2, paragraph (2) of the Environmental Pollution Control Expense Sharing Act (Act No. 133 of 1970)), if the work contributes to environmental conservation for factories or enterprises within the Port Zone or Waterfront District, or prevents or alleviates the deterioration of the living environment in the surrounding areas resulting from their establishment or business activities.

(2) Before causing an enterprise to bear costs pursuant to the provisions of the preceding paragraph, the Minister of Land, Infrastructure, Transport and

Tourism must first hear the opinions of the Transportation Policy Council, and the Port Administrator must first hear the opinions of the local port and harbor council.

(3) The Minister of Land, Infrastructure, Transport and Tourism is to reimburse a Port Administrator, pursuant to the provisions of Article 52, paragraph (2), for costs borne under that paragraph in the amount equivalent to what is arrived at when the costs to be borne that have been paid to the national government pursuant to the provisions of paragraph (1) are multiplied by the proportion to be borne as prescribed in Article 52, paragraph (2).

Chapter VI Passages Needing Development or Maintenance

(Development and Maintenance)

Article 43-6 The Minister of Land, Infrastructure, Transport and Tourism develops and maintains Passages Needing Development and Maintenance.

Article 43-7 The provisions of Articles 55-2, 55-4, and 55-5 apply mutatis mutandis to works in Passages Needing Development and Maintenance.

(Prohibitions)

Article 43-8 (1) It is prohibited for any person, without due cause, to dispose of or leave a vessel, soil, stone, or any other object prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism in a Passage Needing Development or Maintenance.

(2) A person seeking to install or otherwise set up a structure and thereby occupy an area of water in a Passage Needing Development or Maintenance, or to collect sand and earth in such a passage, must obtain the permission of the Minister of Land, Infrastructure, Transport and Tourism to do so.

(3) The Minister of Land, Infrastructure, Transport and Tourism must not give permission if the conduct referred to in the preceding paragraph would seriously obstruct the transit of vessels or otherwise seriously interfere with the development or maintenance of the Passage Needing Development or Maintenance.

(4) The provisions of Article 37, paragraph (3) apply mutatis mutandis to a case as referred to in the preceding two paragraphs.

(Bearing of Costs)

Article 43-9 (1) The costs of developing and maintaining a Passage Needing Development or Maintenance are borne by the national government, except in a case as referred to in the following paragraph or the following Article.

(2) The provisions of Article 43-2, Article 43-3, paragraph (1) and Article 43-4,

paragraph (1) apply mutatis mutandis to the cost of works for a Passage Needing Development or Maintenance.

(3) The scope of persons from which costs to be borne are collected pursuant to the provisions of Article 43-3, paragraph (1) or Article 43-4, paragraph (1) as applied mutatis mutandis to the preceding paragraph and the way in which they are collected are prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(Implementation of Works Requested by Enterprises)

Article 43-10 The provisions of Article 8, paragraph (1) and (2) of the Enterprise Rationalization Promotion Act (Act No. 5 of 1952) apply mutatis mutandis to works in a Passage Needing Development or Maintenance.

Chapter VII Port Operating Companies

Section 1 Designation of a Port Operating Company

(Designation of Port Operating Companies)

Article 43-11 (1) At the application of a stock company that is found to satisfy all of the following requirements, the Minister of Land, Infrastructure, Transport and Tourism may designate that company as the person operating a group of wharves at a Strategic International Port (meaning an aggregate of two or more Wharves in the same port (but only Wharves whose mooring facilities, ancillary cargo handling areas, and Port Infrastructure other than mooring facilities as prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism consist of the administrative property prescribed in Article 3, paragraph (2) of the National Property Act (Act No. 73 of 1948) or Article 238, paragraph (4) of the Local Autonomy Act, and only Wharves that also meet the criteria prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism for their purpose and location; the same applies hereinafter), but may only designate one such person for each Strategic International Port:

(i) the business content for operation of the group of wharves is in conformity with the Port Plan of the Strategic International Port;

(ii) the company has an appropriate and reliable plan for the business of operating the group of wharves , beyond as set forth in the preceding item;

(iii) the company has a sufficient financial basis to operate the group of wharves;

(iv) if the company operates a Wharf at the Strategic International Port that is not a part of the group of wharves, its integrated operation of the Wharf and that group of wharves as one unit contributes to the efficient operation of the group of wharves at the Strategic International Port.

(2) The Minister of Land, Infrastructure, Transport and Tourism is to only designate one person as under the provisions of the preceding paragraph in connection with an integrated group of wharves at two or more Strategic International Ports designated by the minister for the contribution that the integrated operation of their groups of wharves makes to strengthening international competitiveness. In such a case, the term "Strategic International Port" in that paragraph is deemed to be replaced with "two or more Strategic International Ports to which the application pertains".

(3) On making a designation under the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism must issue public notice of this pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(4) On finding there to no longer be grounds for a designation under paragraph (2), the Minister of Land, Infrastructure, Transport and Tourism is to rescind that designation.

(5) The provisions of paragraph (3) apply mutatis mutandis to the rescission of a designation under the preceding paragraph.

(6) At the application of a stock company that is found to satisfy all of the following requirements, the Port Administrator of a Central International Port may designate that company as the person operating a group of wharves at the Central International Port, but may only designate one such person:

(i) the business content for operation of the group of wharves is in conformity with the Port Plan of the Central International Port;

(ii) the company has an appropriate and reliable plan for the business of operating the group of wharves, beyond as set forth in the preceding item;

(iii) the company has a sufficient financial basis to operate the group of wharves;

(iv) if the company operates a Wharf at the Central International Port that is not a part of the group of wharves, its integrated operation of the Wharf and that group of wharves as one unit contributes to the efficient operation of the group of wharves at the Central International Port.

(7) The Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of a Central International Port is not to make the designation under paragraph (1) or the preceding paragraph if the person filing the application referred to in paragraph (1) or the preceding paragraph falls under one of the following items:

(i) one of its directors or company auditors (or any of its directors or executive officers, if it is a company with committees; referred to individually as an "officer" in the following item) is an adult ward, a person under curatorship, or a person subject to a decision commencing bankruptcy proceedings whose bankruptcy is undischarged;

(ii) one of its officers has been sentenced to imprisonment or a heavier punishment, and it has not yet been five years since the date the officer completed the sentence or ceased to be subject to its enforcement.

(8) Having received an application as referred to in paragraph (1) or (6), the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of a Central International Port must make the content of the application available for public inspection for a period of two weeks, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(9) A person constituting an interested party as regards the content of an application made available for public inspection pursuant to the provisions of the preceding paragraph may submit a written opinion to the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator by the ending date of the public inspection period.

(10) Before making a designation as under paragraph (1), the Minister of Land, Infrastructure, Transport and Tourism must first gain the consent of the Port Administrator of the Strategic International Port that the designation involves.

(11) If a group of wharves to which a paragraph (6) application pertains includes the following Port Infrastructure, before making a designation as under that paragraph, the Port Administrator of the Central International Port must first obtain the consent of the Minister of Land, Infrastructure, Transport and Tourism:

(i) Port Infrastructure constituting administrative property prescribed Article 3, paragraph (2) of the National Property Act;

(ii) Port Infrastructure constituting administrative property prescribed in Article 238, paragraph (4) of the Local Autonomy Act, for which the national government has borne or subsidized the costs of construction works.

(12) On making a designation as under paragraph (1) or paragraph (6), the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of the Central International Port must issue public notice of the trade name and head office address of the person designated (hereinafter referred to as the "Port Operating Company") pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(13) Before changing its trade name or head office address, a Port Operating Company must first notify the Minister of Land, Infrastructure, Transport and Tourism or Port Administrator of the Central International Port that designated it.

(14) On receiving a notification under the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism or Port Administrator of a Central International Port must issue public notice of this pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

Article 43-12 (1) A person seeking designation under paragraph (1) or paragraph (6) of the preceding Article must submit a written application to the Minister of Land, Infrastructure, Transport and Tourism or to the Port Administrator of the Central International Port, giving the following information, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism:

(i) its trade name and head office address;

(ii) a plan for the business of operating the group of wharves giving the following information (hereinafter referred to as the "Operating Plan"):

(a) the hours during which it will make infrastructure and services available at the group of wharves (and at any Wharves it operates at that port that are not a part of the group of wharves; the same applies in (b) and (c) below);

(b) the location, type, structure, and other information that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes regarding the cargo handling facilities that it needs to operate the group of wharves and regarding other facilities prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism which it will construct or improve itself;

(c) the information that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as concerning the system for operating the group of wharves;

(d) information that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes beyond what is set forth in items (a) through (c).

(2) An estimate of business revenues and expenses and other documents prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism must accompany the application referred to in the preceding paragraph.

(Revision of Operating Plans)

Article 43-13 (1) Before revising its Operating Plan, a Port Operating Company must obtain the approval of the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of the Central International Port that issued its designation; provided, however, that this does not apply to a minor revision as Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes.

(2) The provisions of Article 43-11, paragraph (1) (excluding item (iii)) apply mutatis mutandis to the approval of the Ministry of Land, Infrastructure, Transport and Tourism referred to in the preceding paragraph, and the provisions paragraph (6) of that Article (excluding item (iii)) apply mutatis mutandis to the approval of the Port Administrator of the Central

International Port referred to in the preceding paragraph.

(3) The provisions of Article 43-11, paragraph (10) apply mutatis mutandis to before the Minister of Land, Infrastructure, Transport and Tourism gives the approval referred to in paragraph (1).

(4) Before giving the approval referred to in paragraph (1) to a Port Operating Company whose designation the Minister of Land, Infrastructure, Transport and Tourism has consented to pursuant to the provisions of Article 43-11, paragraph (11), the Port Administrator of a Central International Port must first obtain the consent of the Minister of Land, Infrastructure, Transport and Tourism.

(5) On making a minor revision as Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes which is as referred to in the proviso to paragraph (1), a Port Operating Company must notify the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of the Central International Port that issued the designation of this without delay.

(Special Provisions on Notification with regard to Conduct in Waterfront Districts)

Article 43-14 Having been designated as under Article 43-11, paragraph (1) or paragraph (6) or having received the approval referred to in paragraph (1) of the preceding Article, a Port Operating Company is deemed to have made the notification, pursuant to Article 38-2, paragraph (1) or paragraph (4), that those provisions require it to make regarding the construction or improvement of the Port Infrastructure that Article 43-12, paragraph (1), item (2)(b) refers to as being prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, as stated in the Operating Plan for which it has been designated or received approval.

(Mergers and Splits)

Article 43-15 (1) A resolution for a merger or split involving a Port Operating Company does not become effective without the approval of the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of the Central International Port that issued the designation.

(2) The provisions of Article 43-11, paragraph (10) apply mutatis mutandis before the Minister of Land, Infrastructure, Transport and Tourism gives the approval referred to in the preceding paragraph; and the provisions of Article 43-13, paragraph (4) apply mutatis mutandis before the Port Administrator of a Central International Port gives the approval referred to in the preceding paragraph.

(Separate Accounting)

Article 43-16 A Port Operating Company must manage its accounting for the business of operating its group of wharves separately from its accounting for other business, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(Supervision Orders)

Article 43-17 (1) On finding it to be necessary to do so in order to ensure the proper implementation of the business of operating a group of wharves, the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of a Central International Port may issue orders to a Port Operation Company that are necessary from a business supervision perspective.

(2) On finding it to be necessary to do so in issuing an order as referred to in the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism may call for the opinion of the Port Administrator of the Strategic International Port in connection with which the Port Operating Company has been designated.

(Business Suspension and Closure)

Article 43-18 (1) Before suspending or closing the whole of its business of operating a group of wharves, a Port Operating Company must obtain the permission of the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of the Central International Port that designated it.

(2) The provisions of Article 43-11, paragraph (10) apply mutatis mutandis to before the Minister of Land, Infrastructure, Transport and Tourism gives the permission referred to in the preceding paragraph.

(3) Before giving the permission referred to in paragraph (1) to a Port Operating Company for whose designation it has obtained the consent of the Minister of Land, Infrastructure, Transport and Tourism pursuant to the provisions of Article 43-11, paragraph (11), the Port Administrator of a Central International Port must first notify the Minister of Land, Infrastructure, Transport and Tourism of this.

(4) On being notified as under the provisions of the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism may state the opinion that the minister considers to be necessary with regard to the permission referred to in paragraph (1) to the notifying Port Administrator of a Central International Port.

(Rescission of Designations)

Article 43-19 (1) The Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of a Central International Port may rescind the Article 43-11, paragraph (1) or paragraph (6) designation of a Port Operating

Company designated thereby if it falls under one of the following items:
(i) it is found to be unable to engage in the business of operating the group of wharves properly;
(ii) it violates this Act or an order based on this Act;
(iii) it violates an order under the provisions of Article 43-17, paragraph (1).

(2) Once a Port Operating Company that the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of a Central International Port has designated obtains the permission to close the whole of its business of operating a group of wharves as under the provisions of paragraph (1) of the preceding Article, the minister or administrator is to rescind its Article 43-11, paragraph (1) or paragraph (6) designation.

(3) On rescinding an Article 43-11, paragraph (1) or paragraph (6) designation pursuant to the provisions of the preceding two paragraphs, the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of a Central International Port must issue public notice of this pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(4) The provisions of Article 43-11, paragraph (10) apply mutatis mutandis to before the Minister of Land, Infrastructure, Transport and Tourism rescinds a designation as under paragraph (1), and the provisions of paragraph (3) and paragraph (4) of the preceding Article apply mutatis mutandis if the Port Administrator of a Central International Port rescinds a designation as under paragraph (1).

(Measures Taken upon Rescission of Designations)

Article 43-20 (1) On having its Article 43-11, paragraph (1) designation rescinded pursuant to the provisions of paragraph (1) or paragraph (2) of the preceding Article, the Port Operating Company of a Strategic International Port must hand over the whole of the business of operating the group of wharves for which it was designated to the Port Administrator of the Strategic International Port or to the Port Operating Company that the Minister of Land, Infrastructure, Transport and Tourism designates as taking over the whole of the business of operating that group of wharves.

(2) On having its Article 43-11, paragraph (6) designation rescinded pursuant to the provisions of paragraph (1) or paragraph (2) of the preceding Article, the Port Operating Company of a Central International Port must hand over the whole of the business of operating the group of wharves for which it was designated to the Port Administrator of the Central International Port or to the Port Operating Company that the Port Administrator designates as taking over the whole of the business of operating that group of wharves.

(3) Beyond what is prescribed in the preceding two paragraphs, Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism provides for the

handover of the business of operating a group of wharves and other necessary particulars for if an Article 43-11, paragraph (1) or paragraph (6) designation is rescinded pursuant to the provisions of paragraph (1) or paragraph (2) of the preceding Article.

Section 2 Restricting the Holding of Voting Rights to Ensure Proper Operation of Port Operating Companies

(Restrictions on Holding Voting Rights)

Article 43-21 (1) It is prohibited for any person to acquire or hold a number of voting rights (this includes voting rights in respect of shares that cannot be asserted against the issuer pursuant to the provisions of Article 147, paragraph (1) or Article 148, paragraph (1) of the Act on Book Entry of Corporate Bonds and Shares (Act No. 75 of 2001), and excludes voting rights that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes in consideration of the manner in which they are acquired or held or other circumstances; hereinafter referred to as "subject voting rights" in this Chapter) which constitutes 20 percent (or 15 percent, if a fact is present that is prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism as something that is presumed to have a material influence on decisions about the relevant company's financial and operational policies; hereinafter referred to as the "threshold holding ratio" in this Article) or more of all shareholders' voting rights in a Port Operating Company (if it is a stock company, this excludes voting rights in respect of shares that do not allow voting rights to be exercised with regard to all matters that can be resolved at a shareholders meeting, but includes voting rights in respect of shares that are deemed to have voting rights pursuant to the provisions of Article 897, paragraph (3) of the Company Act (Act No. 86 of 2005); the same applies hereinafter in this Section); provided, however, that this does not apply if the national government, local government, port authority, or a stock company that a local government holds at least two-thirds of all shareholders' voting rights in acquires or holds subject voting rights.

(2) If the number of subject voting rights that a person holds does not increase or in any other case that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes, the provisions of the main clause of the preceding paragraph do not apply to a person's acquiring or coming to hold subject voting rights in a Port Operating Company in a number equal to or greater than the threshold holding ratio of all shareholders' voting rights.

(3) In a case as referred to in the preceding paragraph, a person acquiring or coming to hold subject voting rights in a Port Operating Company in a number equal to or greater than the threshold holding ratio of all shareholders' voting

rights (hereinafter referred to as a "specified holder" in this Article) must notify the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of the Central International Port that issued the designation, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, that it has become a specified holder and of the information that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes.

(4) In a case as referred to in paragraph (2), the specified holder must take the necessary measures to become the holder of a number of subject voting rights in the Port Operating Company that is less than the threshold holding ratio, within three months from the day on which the person becomes a specified holder.

(5) In applying the provisions of the preceding paragraphs to a case set forth in one of the following items, the person in question is deemed to acquire or hold the subject voting rights prescribed in the item:

(i) the person in question has or will have the authority to exercise subject voting rights in a Port Operating Company or the authority to give instructions on the exercise of those voting rights based on the provisions of a money trust contract or other contract or pursuant to the provisions of the law: those subject voting rights;

(ii) a person that is related to the person in question through a shareholding relationship, familial relationship, or other special relationship that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes acquires or holds subject voting rights in a Port Operating Company: the subject voting rights that the person with the special relationship to the person in question acquires or holds.

(6) Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes the necessary particulars concerning the application of the provisions of the preceding paragraphs.

(Submission of Statements of Holdings in Subject Voting Rights)

Article 43-22 (1) A person that becomes the holder of subject voting rights in a Port Operating Company exceeding five percent of all shareholders' voting rights (but only a person that is not the national government, local government, or port authority; hereinafter referred to as a "holder of subject voting rights" in this paragraph) must submit a statement of holdings in subject voting rights to the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of the Central International Port that issued the designation, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, in which the holder gives the subject voting rights holding rate (meaning the rate arrived at when the number of subject voting rights that the

holder of subject voting rights holds is divided by the number representing all shareholders' voting rights in the Port Operating Company), the purpose for which they are held, and other information that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes.

(2) The provisions of paragraph (5) of the preceding Article apply mutatis mutandis when the provisions of the preceding paragraph are applicable.

(Collection of Reports and Inspection of Persons Submitting Statements of Holdings in Subject Voting Rights)

Article 43-23 (1) If the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of a Central International Port that has received a statement of holdings in subject voting rights pursuant to paragraph (1) of the preceding Article suspects that the statement of holdings in subject voting rights contains false information or fails to include information that it is required to contain, the minister or administrator may order the person submitting the statement of holdings in subject voting rights to submit reports or materials that should serve as a reference, or may have the relevant officials inspect the documents and other articles of the person (but only as is necessary in connection with the information contained in the statement of holdings in subject voting rights).

(2) An official conducting an inspection pursuant to the provisions of the preceding paragraph must carry identification and present it to the person concerned.

(3) The authority under the provisions of paragraph (1) must not be construed as having been accorded for the purpose of a criminal investigation.

(Disclosure of Total Number of Issued Shares)

Article 43-24 A Port Operating Company, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, must disclose its total number of issued shares, the number of all shareholders' voting rights, and other information that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes.

Section 3 Governmental Contributions to Specified Port Operating Companies

(Governmental Contributions)

Article 43-25 On finding it to be particularly necessary to improve the efficiency and quality of the business of operating a group of wharves undertaken by a Port Operating Company at a Strategic International Port in order to strengthen the international competitiveness of that Strategic International

Port, the government may make a contribution to the Port Operating Company, within the limits of the budget.

(Business Plans)

Article 43-26 (1) A Port Operating Company at a Strategic International Port to which the government is making a contribution pursuant to the provisions of the preceding Article (hereinafter referred to as a "Specified Port Operating Company") must prepare a business plan and income and expenditure budget for the business year and submit these to the Minister of Land, Infrastructure, Transport and Tourism before the start of each business year (or without delay after receiving a contribution under the preceding Article, in the business year that includes the day on which it received that contribution). The same applies if it seeks to revise them.

(2) When a business plan and income and expenditure budget as under the preceding paragraph is submitted, the Minister of Land, Infrastructure, Transport and Tourism must send copies of them to the Port Administrator of the Strategic International Port with which the Specified Port Operating Company is associated.

(3) A Specified Port Operating Company must prepare a balance sheet, profit and loss statement, and business report for the business year and submit them to the Minister of Land, Infrastructure, Transport and Tourism within three months following the end of each business year.

(Amendment of Articles of Incorporation)

Article 43-27 (1) A resolution to amend the articles of incorporation or to distribute dividends of surplus or otherwise appropriate the retained earnings of a Specified Port Operating Company does not become effective without the approval of the Minister of Land, Infrastructure, Transport and Tourism.

(2) The provisions of Article 43-11, paragraph (10) apply mutatis mutandis to before the Minister of Land, Infrastructure, Transport and Tourism gives the approval referred to in the preceding paragraph.

(Consultation)

Article 43-28 If the government is making contributions to a Port Operating Company pursuant to the provisions of Article 43-25, the Minister of Land, Infrastructure, Transport and Tourism must first consult with the Minister of Finance before:

(i) giving the approval referred to in Article 43-13, paragraph (1), Article 43-15, paragraph (1) or paragraph (1) of the preceding Article;

(ii) giving the permission referred to in Article 43-18, paragraph (1);

(iii) rescinding an Article 43-11, paragraph (1) designation pursuant to the

provisions of Article 43-19, paragraph (1).

Chapter VIII Miscellaneous Provisions

(Charges Levied by Port Administrator)

Article 44 (1) If a Port Administrator levies charges for the use of the facilities or services it provides (other than harbor dues referred to in paragraph (1) of the following Article), it must establish the rates in advance and make them public at least thirty days prior to the date on which they take effect. The same applies before it revises them.

(2) A Port Administrator may not levy charges as referred to in the preceding paragraph for use of waterway infrastructure (other than basins for anchorage) or protective harbor installations.

(3) On finding the rate established by the Port Administrator pursuant to the provisions of paragraph (1) to be unreasonable or in violation of this Act, an interested person may bring this to the attention of the Minister of Land, Infrastructure, Transport and Tourism and request the minister to call on the Port Administrator to revise the rate, by the date on which the rate takes effect.

(4) Having received a request as referred to in the preceding paragraph and finding that request to be reasonable after giving the Port Administrator an adequate opportunity to explain the appropriateness of the rate and its conformity to this Act at a public hearing held by the Transport Council at the port, the Minister of Land, Infrastructure, Transport and Tourism may call on the Port Administrator to revise the rate, indicating the reason for this.

(5) A Port Administrator must make the necessary revisions to its rates without delay if called on to do so by the Minister of Land, Infrastructure, Transport and Tourism as referred to in the preceding paragraph.

(6) A port authority, pursuant to the regulations referred to in Article 12-2, may levy a monetary penalty against a person using fraud or other wrongful means to avoid having a charge referred to in paragraph (1) levied against it, in an amount not exceeding five times the amount that the person avoided having levied against it.

(Harbor Dues)

Article 44-2 (1) A Port Administrator may levy harbor dues on a vessel entering the port, in association with the use of the port; provided, however, that no harbor dues may be levied on a vessel engaged in maritime safety and rescue, hydrographic or meteorological observation, or monitoring commercial fishing, nor from the vessels that Cabinet Order prescribes.

(2) Before levying harbor dues as referred to in the preceding paragraph, the Port Administrator of a Strategic International Port must first prepare a ceiling for

the rates and consult with and obtain the consent of the Minister of Land, Infrastructure, Transport and Tourism, pursuant to an Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism. The same applies before it revises them.

(3) A Port Administrator as referred to in the preceding paragraph must set rates within the ceiling for which it has obtained the consent referred to in that paragraph and notify the Minister of Land, Infrastructure, Transport and Tourism in advance pursuant to an Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism. The same applies before it revises them.

(4) The provisions of paragraphs (1), (3), (4), and (5) of the preceding Article apply mutatis mutandis to harbor dues that a Port Administrator other than as referred to in paragraph (2) levies; and the provisions of paragraph (6) of the preceding Article apply mutatis mutandis to harbor dues that a port authority levies.

(Measures to Address Delinquencies)

Article 44-3 (1) The provisions of Article 231-3, paragraph (1) and (2) and the first sentence of paragraph (3) of the Local Autonomy Act apply mutatis mutandis to harbor dues and other charges, monetary penalties, and other revenue of a port authority. This being the case, the phrase "ordinance of the local public entity" in paragraph (2) of that Article is deemed to be replaced with "regulations referred to in Article 12-2 of the Port and Harbor Act".

(2) The revenue referred to in the preceding paragraph and the charges and arrears referred to in the provisions of Article 231-3, paragraph (2) of the Local Autonomy Act as applied mutatis mutandis pursuant to the preceding paragraph are secured under a statutory lien after national taxes and local taxes; the provisions of Articles 18 through 18-3 of the Local Tax Act (Act No. 226 of 1950) apply mutatis mutandis to the period of prescription for these; and the provisions of Article 17 through 17-4 of that Act apply mutatis to their handling.

(3) The regulations referred to in Article 231-3, paragraph (2) of the Local Autonomy Act as applied mutatis mutandis pursuant to paragraph (1) do not take effect until approved by the assembly of the local government establishing the port authority.

(Charges Collected by Persons Other than Port Administrators)

Article 45 (1) A person other than the Port Administrator that seeks to collect charges for providing the necessary port infrastructure or services to allow for the use of that port (other than the charges collected by a Port Operating Company which Ordinance of the Ministry of Land, Infrastructure, Transport

and Tourism prescribes as provided for in the following paragraph) must set its rates and submit a document showing those rates to the Port Administrator.

(2) Before collecting the charges that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as being for the use of the group of wharves it operates, a Port Operating Company must set its rates and submit a document showing those rates to the Minister of Land, Infrastructure, Transport and Tourism or Port Administrator of the Central International Port that issued its designation.

(3) On finding a rate shown in a document submitted by a Port Operating Company pursuant to the provisions of the preceding paragraph to fall under one of the following items, the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of the Central International Port that has received that document may order the Port Operating Company to change the rate within an established timeframe:

(i) it subjects particular users to unfair differential treatment;

(ii) it is extremely inappropriate in view of socioeconomic conditions and is likely to make it extremely difficult for users to use the group of wharves.

(4) The provisions of Article 43-11, paragraph (10) apply mutatis mutandis to before the Minister of Land, Infrastructure, Transport and Tourism issues an order under the preceding paragraph.

(5) Having received a documentary submission under paragraph (2) and deciding not to issue an order under paragraph (3), the Minister of Land, Infrastructure, Transport and Tourism must notify the Port Administrator of the Strategic International Port for which the Port Operating Company has been designated of the contents of the document.

(6) The provisions referred of the preceding paragraphs do not apply to the facilities and services provided under a one-time contract.

(Delegation of Administrative Processes)

Article 45-2 A local government that has established a port authority may delegate administrative processes related to the development, use, maintenance, and administration of the port (other than administrative processes to be handled by the local government pursuant to an Act or Cabinet Order) to the chairperson of the port authority's board; provided, however, that imposition of obligations or delegation of administrative processes that limit a person's rights must be based on ordinance of the local government.

(Request in Case of Demurrage)

Article 45-3 On finding that the smooth operation of the port is seriously hindered by a shortage of mooring facilities due to the large number of vessels that have called, the Port Administrator may request a person administrating

the mooring facilities other than itself to make as many of those facilities as possible available to vessels calling at the port.

(Transfer of Port Infrastructure Whose Costs Have Been Borne or Subsidized by National Government)

Article 46 (1) Before transferring, mortgaging, or renting out Port Infrastructure that the national government has borne or subsidized the costs of construction works for, the Port Administrator must obtain the approval of the Minister of Land, Infrastructure, Transport and Tourism; provided, however, that this does not apply if it has reimbursed the national government in an amount equal to that which the national government bore or subsidized, or if the renter makes the rented property available for public use and the rental term is less than three years.

(2) A Port Administrator must not take an action that makes the Port Infrastructure under its administration unavailable for public use without having obtained the approval of the Minister of Land, Infrastructure, Transport and Tourism pursuant to the provisions of the main clause of the preceding paragraph or unless it is in the case referred to in the proviso to that paragraph.

(Prohibition of Unfair Differential Treatment)

Article 47 (1) On finding that the conduct of a Port Administrator is in violation of the provisions of Article 13 (including as applied mutatis mutandis pursuant to the provisions of Article 34), the Minister of Land, Infrastructure, Transport and Tourism may call on the Port Administrator to discontinue or change its conduct.

(2) The Port Administrator must discontinue its conduct or make the necessary changes to that conduct without delay if called on to do so by the Minister of Land, Infrastructure, Transport and Tourism as referred to in the preceding paragraph.

Article 48 Deleted

(Report on Settlement of Accounts)

Article 49 (1) The Port Administrator of a Strategic International Port, Central International Port, or Major Port must prepare and disclose the income and expenditures of its business and reports on the port on an annual basis, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(2) On finding that it is necessary to do so, the Minister of Land, Infrastructure, Transport and Tourism may call on the port authority to submit a copy of a

report as referred to in the preceding paragraph.

(Port Ledgers)

Article 49-2 (1) A Port Administrator must prepare a port ledger for the port under its management.

(2) Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism provides for the necessary particulars concerning port ledgers.

(Standardization of Vessel Entry and Departure Documents)

Article 50 (1) Notwithstanding the provisions of Article 12, paragraph (2), Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes the formats for applications for the use of public Port Infrastructure pursuant to local government ordinance based on Article 12, paragraph (2) (including as applied mutatis mutandis pursuant to Article 34; hereinafter the same applies in this paragraph and paragraph (4) of the next Article), other local government ordinance, and the regulations referred to in the provisions of Article 12-2; and the formats for entrance and clearance notices as referred to in Article 12, paragraph (1), item (v)-2 and other notices issued to the Port Administrator (hereinafter referred to individually as an "Application or Notice") as provided for by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism (excluding an Application or Notice made through an electronic data processing system pursuant to the provisions of paragraph (4) of the next Article).

(2) Beyond what is set forth in the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism may give the necessary instructions to the Port Administrator in order to standardize the format of vessel entry and departure documents that the Port Administrator receives.

(Establishment and Management of Electronic Data Processing Systems)

Article 50-2 (1) The Minister of Land, Infrastructure, Transport and Tourism may establish and manage the following electronic data processing systems:

(i) a system for quickly and correctly processing the Applications and Notices prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism and for quickly and correctly processing notices of decisions, notices of receipt, and other notices prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism that the Port Administrator makes with regard to those Applications and Notices (hereinafter individually referred to as a "decision or processing notice" in this Article);

(ii) a system that allows for the efficient implementation of Port and Harbor Works through the collection, analysis, and provision of information on waves and other information that Ordinance of the Ministry of Land,

Infrastructure, Transport and Tourism prescribes (hereinafter referred to as "wave and other information" in this Article);

(iii) a system that allows for the reliable and smooth management of entry into and departure from the restricted zones (meaning zones established and administered pursuant to Article 29, paragraph (1) of the Act on Ensuring the Security of International Marine Vessels and International Port Infrastructure (Act No. 31 of 2004) of an important international terminal (meaning an important international terminal prescribed in paragraph (1) of that Article; the same applies in the following paragraph) by allowing a person to verify the personally identifiable information of persons entering and leaving the restricted zone (meaning their photographs and other information with which those persons can be distinguished, as prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism; hereinafter the same applies in this Article).

(2) A Port Administrator using an electronic data processing system as referred to in item (i) of the preceding paragraph, a person being provided with wave or other information through an electronic data processing system as referred to in item (ii) of that paragraph (other than the national government or the Port Administrator), and either the administrator of an important international terminal that uses an electronic data processing system as referred to in item (iii) of that paragraph or a person whose personally identifiable information undergoes verification through such an electronic data processing system must cover the fee to use it, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(3) The Minister of Land, Infrastructure, Transport and Tourism must issue public notice of the Port Administrator referred to in the preceding paragraph in the Official Gazette.

(4) Notwithstanding the provisions of Article 12, paragraph (2), Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes the formats for Applications and Notices made and decisions and processing notices issued through electronic data processing systems.

(5) Beyond what is prescribed in the preceding paragraphs, Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes the necessary particulars concerning the establishment and management of electronic data processing systems.

(6) The term "electronic data processing system", as referred to in the preceding paragraphs (other than in paragraph (3)), means one that is as the relevant of the following items prescribes, for a system as set forth in that item:

(i) one as set forth in paragraph (1), item (i): an electronic data processing system that connects the computers designated by the Minister of Land, Infrastructure, Transport and Tourism (and their input and output devices;

hereinafter the same applies in this paragraph) with the computers used by Port Administrators and persons submitting Applications and Notices and receiving decisions and processing notices, over a telecommunications line;

(ii) one as set forth in paragraph (1), item (ii): an electronic data processing system that connects the apparatuses collecting wave and other information that are designated by the Minister of Land, Infrastructure, Transport and Tourism with computers used by persons receiving the wave and other information, over a telecommunications line;

(iii) one as set forth in paragraph (1), item (iii): an electronic data processing system that connects the computers designated by the Minister of Land, Infrastructure, Transport and Tourism with the apparatuses checking the personally identifiable information, over a telecommunications line.

(Establishment of Joint Committees of Port Administrators)

Article 50-3 (1) On finding it to be necessary, from a comprehensive and broad-based perspective, to facilitate the development, use, and maintenance of two or more ports that have different Port Administrators, the Minister of Land, Infrastructure, Transport and Tourism may recommend the Port Administrators of these ports to set their rules by agreement and to establish a joint committee as a means of communicating and coordinating with each other on the preparation of Port Plans, use of the ports, improvement of the port environments, and other important matters related to the development, use, and maintenance of the ports.

(2) Before making a recommendation pursuant to the provisions of the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism is to consult with the Minister of Internal Affairs and Communications if the recommendation will be directed at a Port Administrator that is the local government.

(3) On finding it to be necessary to do so, the Minister of Land, Infrastructure, Transport and Tourism may request a port authority to report whether or not there is a joint committee as referred to in paragraph (1) of which it is a member, and, if such a joint committee has been established, may call on the port authority to submit the rules of the joint committee.

(4) The provisions of Article 252-2-2, paragraph (2) and (6); Article 252-3; Article 252-4, paragraph (1); and Article 252-6 (limited to the provisions related to Article 252-2-2, paragraph (2)) of the Local Autonomy Act are applicable if a Port Administrator that is the local government joins a joint committee as referred to in paragraph (1). In such a case, any port authority that is a part of that joint committee is deemed to be an ordinary local government inasmuch as the application of those provisions is concerned.

(5) The provisions of Article 252-2-2, paragraph (6); Article 252-3; and Article

252-4, paragraph (1) of the Local Autonomy Act apply mutatis mutandis to a joint committee as referred to in paragraph (1) that is comprised only of port authorities.

(Joint Committees for Port-Based Regional Disaster Management)

Article 50-4 (1) The Minister of Land, Infrastructure, Transport and Tourism, the heads of Port Administrators, the heads of other relevant administrative organs, or the officials they appoint, may establish a joint committee for port-based regional disaster management (hereinafter referred to as a "joint committee" in this Article) in order to hold the necessary consultations to maintain port functions in times of disaster through regional coordination among two or more ports that have different Port Administrators.

(2) On finding it to be necessary to do so, a joint committee may call on the relevant administrative organs and enterprises other than its members to submit materials, give opinions or explanations, and provide it with other necessary cooperation.

(3) The members of a joint committee must respect the results of its consultation with respect to the particulars agreed upon at a meeting for consultation as referred to in paragraph (1).

(4) Beyond what is prescribed in the preceding three paragraphs, a joint committee prescribes the necessary particulars of the operation of the joint committee.

(Joint Committees for Improving Operational Efficiency at Strategic International Ports)

Article 50-5 (1) For each Strategic International Port (or for the two or more Strategic International Ports designated under Article 43-11, paragraph (2), if applicable; hereinafter the same applies in this Article), the Minister of Land, Infrastructure, Transport and Tourism, the head of the Port Administrator at the Strategic International Port, the heads of other relevant administrative organs, or the officials they appoint, or the Port Operating Company at the Strategic International Port may establish a joint committee for improving operational efficiency at the Strategic International Port in order to hold the necessary consultations to improve operational efficiency at the Strategic International Port through the integrated operation of the group of wharves at that Strategic International Port.

(2) The provisions of paragraph (2) through paragraph (4) of the preceding Article apply mutatis mutandis to a joint committee for improving operational efficiency at a Strategic International Port. In such a case, the phrase "paragraph (1)" in paragraph (3) of that Article is deemed to be replaced with "paragraph (1) of the following Article", and the phrase "the preceding three

paragraphs" in paragraph (4) of that Article is deemed to be replaced with "the preceding two paragraphs as applied mutatis mutandis pursuant to paragraph (1) and paragraph (2) of the following Article".

(CPSCI Use Plan)

Article 50-6 (1) The Port Administrator of a Central Port for Specified Cargo Imports (hereinafter referred to as a "CPSCI Administrator") may prepare a plan to facilitate that port's effective use as a contributor that fosters increased cooperation in the ocean shipping of Imported Bulk Cargo (hereinafter referred to as a "CPSCI Use Plan").

(2) Broadly speaking, the following must be provided for in a CPSCI Use Plan:

(i) a basic policy for facilitating the effective use of the Central Port for Specified Cargo Imports as a contributor that fosters increased cooperation in the ocean shipping of Imported Bulk Cargo;

(ii) the policy goals of the CPSCI Use Plan;

(iii) information concerning projects to improve the quality of wharves for specified cargo in order to achieve the policy goals referred to in the preceding item (referred to as "projects to improve the quality of wharves for specified cargo" in the following paragraph and Article 50-8, paragraph (1)) and other projects, and concerning the entity implementing them;

(iv) information concerning cooperation with other ports that contribute to fostering increased cooperation in the ocean shipping of Imported Bulk Cargo;

(v) information that the CPSCI Administrator considers necessary for the implementation of the CPSCI Use Plan, beyond what is set forth in the preceding items.

(3) The following information regarding the implementation of projects to improve the quality of wharves for specified cargo may be prescribed as part of the information set forth in item (iii) of the preceding paragraph:

(i) information concerning conduct requiring permission as referred to in Article 37, paragraph (1);

(ii) information concerning conduct requiring notification as referred to in the provisions of Article 38-2, paragraph (1) or paragraph (4);

(iii) information concerning the business of operating specified wharves as referred to in the provisions of Article 54-3, paragraph (1) after being rented property as under the provisions of paragraph (7) of that Article.

(4) CPSCI Use Plan must conform to the Basic Policy.

(5) Before prescribing the information set forth in paragraph (2), item (iii) in the CPSCI Use Plan, the CPSCI Administrator must first obtain the consent of the person it seeks to designate as the implementing entity referred to in that item.

(6) Before prescribing the information set forth in paragraph (2), item (iv) in the

CPSCI Use Plan, the CPSCI Administrator must first consult with Port Administrators of the other ports referred to in that item.

(7) Before prescribing the information set forth in paragraph (3), item (iii) in the CPSCI Use Plan, the CPSCI Administrator must first obtain the consent of the Minister of Land, Infrastructure, Transport and Tourism, if the specified wharves referred to in Article 54-3, paragraph (1) that the information concerns include the following Port Infrastructure:

(i) Port Infrastructure constituting administrative property prescribed in Article 3, paragraph (2) of the National Property Act;

(ii) Port Infrastructure constituting administrative property prescribed in Article 238, paragraph (4) of the Local Autonomy Act, for which the national government has borne or subsidized the costs of construction works.

(8) Before prescribing the information set forth in paragraph (3), item (iii) in the CPSCI Use Plan, the CPSCI Administrator must take the necessary measures, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, to ensure that the details of that information are made available for public inspection and that property is otherwise rented out as under in Article 54-3, paragraph (7) based on fair procedures.

(9) After formulating a CPSCI Use Plan, the CPSCI Administrator must make it public without delay and send it to the Minister of Land, Infrastructure, Transport and Tourism, the implementing entity referred to in paragraph (2), item (3), and the Port Administrators for the other ports referred to in item (iv) of that paragraph.

(10) On being sent a CPSCI Use Plan pursuant to the provisions of the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism may provide the necessary advice to the CPSCI Administrator.

(11) The provisions of paragraph (5) through the preceding paragraph apply mutatis mutandis to the revision of a CPSCI Use Plan.

(Joint Committees for Use of Central Ports for Specified Cargo Imports)

Article 50-7 (1) A CPSCI Administrator seeking to prepare a CPSCI Use Plan may establish a joint committee to facilitate the use of the Central Port for Specified Cargo Imports (hereinafter referred to as a "joint committee" in this Article) in order to effect the necessary coordination to prepare and implement the CPSCI Use Plan.

(2) A joint committee consists of the following members:

(i) the CPSCI Administrator seeking to prepare the CPSCI Use Plan;

(ii) persons expected to implement the projects that the administrator seeks to prescribe in the CPSCI Use Plan;

(iii) the Relevant Local Government, users of the Central Port for Specified Cargo Imports, academic experts, and other persons that the CPSCI

Administrator finds to be necessary.

(3) A CPSCI Administrator that establishes a joint committee pursuant to the provisions of paragraph (1) must notify persons set forth in item (ii) of the preceding paragraph regarding the necessary coordination referred to in that paragraph.

(4) A person notified as under the preceding paragraph must agree to coordinate as per the notice unless the person has legitimate grounds for not doing so.

(5) The Minister of Land, Infrastructure, Transport and Tourism may provide the necessary advice at the request of the member of a joint committee in order to facilitate the preparation of the CPSCI Use Plan.

(6) The provisions of Article 50-4, paragraph (3) and (4) apply mutatis mutandis to a joint committee. In such a case, the phrase "paragraph (1)" in paragraph (3) of that Article is deemed to be replaced with "Article 50-7, paragraph (1)" and the phrase "the preceding three paragraphs" in paragraph (4) of that Article is deemed to be replaced with "Article 50-7, paragraphs (1) through (5) and the preceding paragraph as applied mutatis mutandis pursuant to paragraph (6) of that Article".

(Special Provisions on Permission for Works within Port Zones)

Article 50-8 (1) Once a CPSCI Use Plan prescribing the information set forth in Article 50-6, paragraph (3), item (i) or item (iii) is made public pursuant to the provisions of paragraph (9) of that Article, the entity implementing projects to improve the quality of wharves for specified cargo is deemed to have received the permission referred to in Article 37, paragraph (1) or the authorization referred to in Article 54-3, paragraph (2) on the day of the publication in connection with that information.

(2) Once a CPSCI Use Plan prescribing the information set forth in Article 50-6, paragraph (3), item (ii) is made public pursuant to the provisions of paragraph (9) of that Article, a notification as under in Article 38-2, paragraph (1) or paragraph (4) is deemed to have been made.

(Conclusion of Cooperative Infrastructure Agreements)

Article 50-9 (1) The owners and holders of rights in infrastructure that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as the necessary Port Infrastructure for fostering increased cooperation in the loading and unloading, storage, and sorting of Imported Bulk Cargo and to which the information set forth in Article 50-6, paragraph (2) item (iii) that is prescribed in the CPSCI Use Plan pertains (hereinafter referred to as "cooperative infrastructure" in this Article) (the term "owners and holders of rights" refers to the owners of the infrastructure, owners of the land constituting the premises of the infrastructure, and persons with the right

to use and profit from that land (other than rights clearly established on provisional equipment or for temporary use; the same applies in the following paragraph); the same applies hereinafter) may conclude an agreement on the development and management of the cooperative infrastructure, by their unanimous agreement.

(2) Persons seeking to become the owners and holders of rights in cooperative infrastructure that is scheduled for construction or under construction and to which the information set forth in Article 50-6, paragraph (2), item (iii) that is prescribed in the CPSCI Use Plan pertains (this includes the owners of land constituting the premises of the cooperative infrastructure and persons with the right to use and profit from the land; hereinafter each such person is referred to as a "Prospective Owner or Holder of Rights") may conclude an agreement on the development and management of the cooperative infrastructure, by their unanimous agreement .

(3) The following information is to be prescribed in an agreement as provided in paragraph (1) or the preceding paragraph (hereinafter referred to as a "Cooperative Infrastructure Agreement"):

(i) the cooperative infrastructure to be the subject of the Cooperative Infrastructure Agreement (hereinafter referred to as "Cooperative Infrastructure Under Agreement");

(ii) information as set forth in the following items that needs to be prescribed with respect to the development and management of Cooperative Infrastructure Under Agreement:

(a) criteria for the scale, structure, or use of cargo handling facilities, storage facilities, and other Port Infrastructure constituting Cooperative Infrastructure Under Agreement;

(b) how the necessary costs for the development and management of cargo handling facilities, storage facilities, and other Port Infrastructure constituting Cooperative Infrastructure Under Agreement will be shared;

(c) other information concerning the development and management of the Cooperative Infrastructure Under Agreement.

(iii) the valid term of the Cooperative Infrastructure Agreement;

(iv) measures for if a person violates the Cooperative Infrastructure Agreement.

(4) A Cooperative Infrastructure Agreement requires the approval of the CPSCI Administrator.

(Inspection of Cooperative Infrastructure Agreements for Which Applications for Approval Have Been Filed)

Article 50-10 (1) When an application is filed for the approval referred to in paragraph (4) of the preceding Article, the CPSCI Administrator must issue public notice of this and make the Cooperative Infrastructure Agreement

available for inspection by the relevant persons for a period of two weeks from the date of that public notice, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(2) On the issuance of a public notice as under the preceding paragraph, the relevant persons may submit written opinions on the Cooperative Infrastructure Agreement to the CPSCI Administrator by the last day of the public inspection period referred to in that paragraph.

(Approval of Cooperative Infrastructure Agreements)

Article 50-11 (1) If application for the approval referred to in Article 50-9, paragraph (4) falls under all of the following items, the CPSCI Administrator must give the approval referred to in that paragraph:

(i) the application process complies with laws and regulations;

(ii) use of the Cooperative Infrastructure Under Agreement is not unduly limited;

(iii) the information set forth in Article 50-9, paragraph 3, items (ii) through (iv) meet the criteria prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(2) Having given the approval referred to in Article 50-9, paragraph (4), a CPSCI Administrator must issue public notice of this, make the Cooperative Infrastructure Agreement available for public inspection at its office, and give a clear indication in a visible place in the Cooperative Infrastructure Under Agreement or in the area of land forming the premises of that infrastructure that the infrastructure constitutes Cooperative Infrastructure Under Agreement or that Cooperative Infrastructure Under Agreement is located in that area, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(Amendment of Cooperative Infrastructure Agreements)

Article 50-12 (1) Before the owners and holders of rights or Prospective Owners and Holders of Rights in Cooperative Infrastructure Under Agreement amend the information prescribed in the Cooperative Infrastructure Agreement, they must decide to do so by unanimous agreement and obtain the approval of the CPSCI Administrator.

(2) The provisions of the preceding two Articles apply mutatis mutandis to approval for an amendment as referred to in the provisions of the preceding paragraph.

(Effect of Cooperative Infrastructure Agreements)

Article 50-13 A Cooperative Infrastructure Agreement on whose Article 50-11, paragraph (2) approval (including as applied mutatis mutandis pursuant to

paragraph (2) of the preceding Article) public notice has been issued is effective against a person that becomes an owner or holder of rights or a Prospective Owner or Holder of Rights in Cooperative Infrastructure Under Agreement after the notification.

(Rescission of Cooperative Infrastructure Agreement)

Article 50-14 (1) Before the owners and holders of rights or Prospective Owners and Holders of Rights in Cooperative Infrastructure Under Agreement rescind a Cooperative Infrastructure Agreement that has been given the approval referred to in Article 50-9, paragraph (4) or Article 50-12, paragraph (1), they must decide to do so by unanimous agreement and obtain the approval of the CPSCI Administrator.

(2) On giving the approval referred to in the preceding paragraph, the CPSCI Administrator must issue public notice of this.

(Status of Lessees)

Article 50-15 If the information prescribed in a Cooperative Infrastructure Agreement concerns the authority of lessees of Cooperative Infrastructure Under Agreement, those lessees are deemed to be the owners and rights holders as regards the Cooperative Infrastructure Agreement, and the provisions of Article 50-9 through the preceding Article apply.

(Recommendations)

Article 51 On finding it to be particularly necessary to do so in connection with the development, use, or maintenance of a Strategic International Port, Central International Port, or Major Port, the Minister of Land, Infrastructure, Transport and Tourism may recommend the Relevant Local Government to establish a Port Administrator.

(State-Run Port and Harbor Works)

Article 52 (1) The Minister of Land, Infrastructure, Transport and Tourism may personally implement the following Port and Harbor Works within the limits of the budget, if those works are necessary for making public transportation more convenient, preventing pollution, or improving the environment at a Strategic International Port, Central International Port, or Major Port or for making public transportation more convenient at a Port of Refuge, and if an agreement is reached between the national government and the Port Administrator:

(i) Port and Harbor Works on mooring facilities and ancillary cargo handling areas that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as being necessary for a Strategic International Port to function as the hub of an international ocean freight transportation network

for long-distance international ocean container shipping;

(ii) Port and Harbor Works on waterway infrastructure, protective harbor installations, mooring facilities (other than as prescribed in the preceding paragraph), and port transportation infrastructure that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as being necessary for a Strategic International Port, Central International Port, or Major Port to function as the hub of a maritime transport network;

(iii) large-scale Port and Harbor Works on the port pollution control facilities, installations that improve the port environment, dikes used for waste dumping, and marine waste treatment facilities that are necessary for a Strategic International Port, Central International Port, or Major Port to function as a hub of a transport network as referred to in the preceding item, and that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes;

(iv) large-scale Port and Harbor Works on the waterway infrastructure or protective harbor installations that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes, in a Port of Refuge;

(v) Port and Harbor Works requiring sophisticated technology and other works difficult for the Port Administrator to personally implement, other than as set forth in the preceding items.

(2) The Port Administrator of the port in question bears the proportion of the costs that is set forth in each of the following items for constructing or improving the infrastructure set forth in the item that is part of the Port and Harbor Works implemented by the Minister of Land, Infrastructure, Transport and Tourism pursuant to the provisions of the preceding paragraph:

(i) mooring facilities that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as referred to in item (i) of the preceding paragraph, at a Strategic International Port: three-tenths;

(ii) ancillary cargo handling areas associated with the facilities referred to in the preceding item: one-third;

(iii) waterway infrastructure, protective harbor installations, mooring facilities (but only those that are necessary for the port to function as the hub of an international ocean freight transportation network and that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes), or port transportation infrastructure (other than as set forth in item (i) and item (viii)) at a Strategic International Port or Central International Port: one-third;

(iv) waterway infrastructure, protective harbor installations, mooring facilities, or port transportation infrastructure (other than as set forth in item (i), the preceding item, and item (viii)) at a Strategic International Port, Central International Port, or Major Port: four-point-five-tenths;

(v) port pollution control facilities or installations that improve the port and harbor environment at a Strategic International Port, Central International Port, or Major Port: one-half;

(vi) dikes used for waste dumping or marine waste treatment facilities at a Strategic International Port, Central International Port, or Major Port: two-thirds;

(vii) waterways and protective harbor installations at a Port of Refuge (other than as set forth in the following item): one-third;

(viii) waterway infrastructure, protective harbor installations, or port transportation infrastructure (but only those that involve the Port and Harbor Works set forth in item (v) of the preceding paragraph): one-half;

(3) The provisions of Article 17-2, paragraph (1) and Article 19, paragraph (2) of the Local Government Finance Act apply mutatis mutandis to the port authority in a case as referred to in the preceding paragraph. In such a case, the term "local public entity" is deemed to be replaced with "port authority".

(Transfer of Land or Structures)

Article 53 The Minister of Land, Infrastructure, Transport and Tourism may transfer a tract of land or a structure created through Port and Harbor Works prescribed in the preceding Article to the Port Administrator. In such a case, the part of the price for the transfer that represents the amount of the costs that the Port Administrator has borne is without charge.

(Renting Out Port Infrastructure)

Article 54 (1) Other than as prescribed in the preceding Article, the Minister of Land, Infrastructure, Transport and Tourism (or the Minister of Finance, for ordinary property under Article 3 of the National Property Act) must rent out Port Infrastructure (and the land necessary to administer and operate the port) created through Port and Harbor Works prescribed in Article 52 or entrust their administration to the Port Administrator.

(2) The Port Administrator bears the costs of administrating Port Infrastructure that has been placed under its administration pursuant to the provisions of the preceding paragraph. In such a case, the use fees and rents derived from Port Infrastructure is the revenue of the Port Administrator.

(3) Beyond what is prescribed in the preceding paragraph, Cabinet Order prescribes the necessary particulars concerning entrusting a person with the administration of Port Infrastructure.

Article 54-2 (1) Once a Port Administrator has been incorporated, Port Infrastructure owned or administered by the national government at that time which needs to be made available for public use (other than navigation aids)

must be transferred, rented out, or placed under the administration of the Port Administrator.

(2) The provisions of the preceding two Articles apply mutatis mutandis to a case referred to in the preceding paragraph. In such a case, the term "Port Administrator" in the last sentence of Article 53 is deemed to be replaced with "local public entity acting as the Port Administrator (or, if the local public entity is a local public entity as referred to in Article 284, paragraph (2) or (3) of the Local Autonomy Act, the local government that has established that local public entity) or the local government establishing the port authority".

(Renting Out Administrative Property Constituting Specified Wharves)

Article 54-3 (1) A person operating or seeking to operate specified wharves (meaning wharves operated as one unit by a single person; hereinafter the same applies in this Article) may apply to the Port Administrator of the relevant port (hereinafter referred to simply as the "port administrator" in this Article), pursuant to the provisions of Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, for certification that the business of operating specified wharves conforms with the Port Plan for that port and with other requirements prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(2) On the filing of an application for authorization referred to in the preceding paragraph, the port administrator is to authorize the operation of specified wharves subject to that application if it finds it to comply with the requirements of that paragraph.

(3) Before granting the authorization referred to in the preceding paragraph, the port administrator must first gain the consent of the Minister of Land, Infrastructure, Transport and Tourism if the specified wharves subject to the application for authorization referred to in paragraph (1) include the following Port Infrastructure:

(i) Port Infrastructure constituting administrative property prescribed in Article 3, paragraph (2) of the National Property Act;

(ii) Port Infrastructure constituting administrative property prescribed in Article 238, paragraph (4) of the Local Autonomy Act for which the national government has borne or subsidized the costs of construction works.

(4) Before granting the authorization referred to in paragraph (2), the port administrator must take the necessary measures, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, to ensure that the application for authorization is made available for public inspection and that property is otherwise rented out as under paragraph (7) based on fair procedures.

(5) Having granted the authorization referred to in paragraph (2) (other than

when this is granted with the consent of the Minister of Land, Infrastructure, Transport and Tourism pursuant to the provisions of paragraph (3)), the port administrator must notify the Minister of Land, Infrastructure, Transport and Tourism of this without delay, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(6) Having granted the authorization referred to in paragraph (2), the port administrator must disclose the name of the person granted the authorization and an overview of the operation of the specified wharves and other information specified by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, without delay.

(7) Notwithstanding the provisions of Article 18, paragraph (1) of the National Property Act or Article 238-4, paragraph (1) of the Local Autonomy Act, the Port Administrator may rent out administrative property (meaning administrative property referred to in Article 3, paragraph (2) of the National Property Act or Article 238, paragraph (4) of the Local Autonomy Act) that constitutes specified wharves to a person granted the authorization referred to in paragraph (2).

(8) The provisions of Article 604 of the Civil Code (Act No. 89 of 1896) and Article 3 and 4 of the Act on Land and Building Leases (Act No. 90 of 1991) do not apply to the renting out of property referred to in the preceding paragraph.

(9) The provisions of Article 21, 23, and 24 of the National Property Act and the provisions of Article 238-2, paragraph (2) and Article 238-5, paragraph (4) through (6) of the Local Autonomy Act apply mutatis mutandis to the renting out of property as referred to in the provisions of paragraph (7).

(10) When the provisions of Article 46, paragraph (1) are applied to the port administrator's renting out of administrative property as prescribed in paragraph (7) to a person granted the authorization referred to in the provisions of paragraph (2), the phrases "or if" and "less than three years" in the proviso to that paragraph are deemed to be replaced with "if" and "less than three years or the property is rented out pursuant to the provisions of Article 54-3, paragraph (7)", respectively.

(11) If the port administrator finds that the operation of specified wharves does not comply with the requirements referred to in paragraph (1), it may recommend that the person granted the authorization referred to in paragraph (2) take the necessary measures.

(12) If the person subject to a recommendation referred to in the provisions of the preceding paragraph does not take the necessary measures as recommended, the port administrator may rescind its paragraph (2) authorization. In such a case, the port administrator must promptly notify the Minister of Land, Infrastructure, Transport and Tourism of this.

(13) Beyond what is prescribed in the preceding paragraphs, Ordinance of the

Ministry of Land, Infrastructure, Transport and Tourism prescribes the necessary particulars concerning the renting out of specified wharves.

(Renting Out Administrative Property Forming Groups of Wharves)

Article 55 (1) Notwithstanding the provisions of Article 54, paragraph (1) and the provisions of Article 18, paragraph (1) of the National Property Act, the Minister of Land, Infrastructure, Transport and Tourism may rent out to a designated Port Operating Company Port Infrastructure created through Port and Harbor Works referred to in Article 52 which constitutes administrative property as referred to in Article 3, paragraph (2) of the National Property Act and which forms a group of wharves.

(2) Before renting out Port Infrastructure pursuant to the provisions of the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism must first obtain the consent of the Port Administrator of the Strategic International Port for which the Port Operating Company has been designated, with regard to the rental period.

(3) The Minister of Land, Infrastructure, Transport and Tourism must consult with the Minister of Finance prior to renting out property as under the provisions of paragraph (1).

(4) Notwithstanding the provisions of Article 238-4, paragraph (1) of the Local Autonomy Act, the Port Administrator of a Strategic International Port may rent out administrative property as referred to in Article 238, paragraph (4) of that Act which forms the group of wharves operated by the Port Operating Company designated pursuant to the provisions of Article 43-11, paragraph (1), to the Port Operating Company.

(5) Notwithstanding the provisions of Article 18, paragraph (1) of the National Property Act or Article 238-4, paragraph (1) of the Local Autonomy Act, the Port Administrator of a Central International Port may rent out administrative property as referred to in Article 3, paragraph (2) of the National Property Act or Article 238, paragraph (4) of the Local Autonomy Act which forms the group of wharves operated by the designated Port Operating Company, to the Port Operating Company.

(6) The provisions of Article 604 of the Civil Code and Article 3, Article 4, Article 13, and Article 14 of the Act on Land and Building Leases do not apply to the renting out of property under paragraph (1), paragraph (4), or the preceding paragraph.

(7) The provisions of Article 21 and Article 23 through 25 of the National Property Act apply mutatis mutandis to the renting out of property under the provisions of paragraph (1); the provisions of Article 21, Article 23, and Article 24 of that Act apply mutatis mutandis to the renting out of property under the provisions of paragraph (5); and the provisions of Article 238-2, paragraph (2)

and Article 238-5, paragraph (4) through (6) of the Local Autonomy Act apply mutatis mutandis to the renting out of property under paragraph (4) or paragraph (5).

(8) In applying the provisions of Article 46, paragraph (1) to the renting out of administrative property pursuant to the provisions of paragraph (4) by the Port Administrator of a Strategic International Port to the Port Operating Company designated pursuant to the provisions of Article 43-11, paragraph (1), the phrases "or if" and "less than three years" in the proviso to that paragraph are deemed to be replaced with "if" and "less than three years or the property is rented out pursuant to the provisions of Article 55, paragraph (4)", respectively.

(9) In applying the provisions of Article 46, paragraph (1) to the renting out of administrative property pursuant to the provisions of paragraph (5) by the Port Administrator of a Central International Port to the designated Port Operating Company, the phrases "or if" and "less than three years" in the proviso to that paragraph are deemed to be replaced with "if" and "less than three years or the property is rented out pursuant to the provisions of Article 55, paragraph (5)", respectively.

(10) Beyond what is prescribed in the preceding paragraphs, Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes the necessary particulars concerning the renting out of a group of wharves.

(Entry onto Other Persons' Land)

Article 55-2 (1) If it is essential for staff engaged in field investigations and surveying for Port and Harbor Works to enter onto another person's land, the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator may have its staff enter onto the land.

(2) Before having its staff enter onto another person's land pursuant to the provisions of the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator must notify the owner or the possessor of the land of this at least five days prior to the date on which the staff will enter onto the land; provided, however, that this does not apply if it proves difficult to notify that person.

(3) Entry as referred to in paragraph (1) must not take place before sunrise or after sunset, except with the consent of the owner or the possessor of the land.

(4) When entering onto another person's land pursuant to the provisions of paragraph (1), a staff member as referred to in that paragraph must carry an identification card and produce it at the request of a concerned person.

(Temporary Use of Another Person's Land during Unexpected Disasters)

Article 55-3 (1) If it is essential to do so in order to protect Port Infrastructure from imminent danger due to an unexpected disaster, the Port Administrator

may order persons present at the scene or residents in the vicinity to work to protect the Port Infrastructure, and may temporarily use other persons' land or may use, expropriate, or expend other persons' soil, stones, bamboo, wood, or other materials.

(2) The provisions of Chapter III of the Administrative Procedure Act do not apply to the order referred to in the preceding paragraph.

(Administration of Infrastructure for Port-Based Regional Disaster Management by the Minister of Land, Infrastructure, Transport and Tourism)

Article 55-3-2 (1) Notwithstanding the provisions of Article 54, paragraph (1), on finding it to be necessary to do so in order to implement emergency regional disaster measures (meaning ensuring emergency transportation extending over the boundaries of a single prefecture and other emergency disaster measures (meaning emergency disaster measures as prescribed in Article 50, paragraph (1) of the Basic Act on Disaster Control Measures (Act No. 223 of 1961)) that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as being implemented using Port Infrastructure; hereinafter the same applies in this Article), the Minister of Land, Infrastructure, Transport and Tourism may personally administer Port Infrastructure that has been created through Port or Harbor Works as prescribed in Article 52 inside a port-based regional disaster management zone (meaning a Port Zone or Waterfront District or a zone in which there is Port Infrastructure that the Minister of Land, Infrastructure, Transport and Tourism has approved pursuant to Article 2, paragraph (6), for which the minister has issued public notice in advance, having found there to be a particular need for the Port Infrastructure in order to implement emergency regional disaster measures, based on its use, location, or other circumstances; hereinafter the same applies in this Article) and that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as being necessary for implementing emergency regional disaster measures (referred to as "infrastructure for port-based regional disaster management" in this Article).

(2) Before establishing a port-based regional disaster management zone, the Minister of Land, Infrastructure, Transport and Tourism must first consult with and obtain the consent of the Port Administrator of the port where the infrastructure for port-based regional disaster management is located.

(3) Having established a port-based regional disaster management zone, the Minister of Land, Infrastructure, Transport and Tourism must issue public notice of the extent of the zone without delay.

(4) The provisions of the preceding two paragraphs apply mutatis mutandis to the change and disestablishment of a port-based regional disaster management

zone.

(5) Having begun to manage infrastructure for port-based regional disaster management pursuant to the provisions of paragraph (1), the Minister of Land, Infrastructure, Transport and Tourism must issue public notice of the period during which the minister will manage the infrastructure and of other information prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, without delay.

(6) If the Minister of Land, Infrastructure, Transport and Tourism manages infrastructure for port-based regional disaster management pursuant to the provisions of paragraph (1), the minister may request the Port Administrator of the port where the infrastructure is located to take the necessary measures (other than as prescribed in the following paragraph) to implement emergency regional disaster measures.

(7) When managing infrastructure for port-based regional disaster management pursuant to the provisions of paragraph (1), the Minister of Land, Infrastructure, Transport and Tourism may temporarily use another person's land or may use, expropriate, or expend other persons' soil, stones, bamboo, wood, and other materials in the port-based regional disaster management zone if it is essential to do so in order to implement emergency regional disaster measures.

(Use by the Minister of Land, Infrastructure, Transport and Tourism of Objects within Passages Needing Development and Maintenance)

Article 55-3-3 If an unexpected disaster occurs that causes an obstruction to vessel transit and it is essential to do so in order to ensure the transit of vessels used for emergency transportation, the Minister of Land, Infrastructure, Transport and Tourism may use, expropriate, or expend a vessel, marine equipment, or other object within an area of a Passage Needing Development or Maintenance which Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as an area in which doing so is particularly necessary in order to ensure the transit of vessels in the event of an unexpected disaster.

(Prohibited Conduct within Emergency Waterways)

Article 55-3-4 (1) It is prohibited for any person, without due cause, to dispose of or leave a vessel, soil, stone, or any other object prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism in an emergency waterway (meaning a waterway in an area of water other than a Port Zone, Passage Needing Development or Maintenance, or River Area, whose area Cabinet Order prescribes as one in which it would be necessary to urgently ensure vessel transit if an unexpected disaster were to occur; hereinafter the

same applies).

(2) A person seeking to install or otherwise set up a structure and thereby occupy an area of water in an emergency waterway, or to collect sand and earth in such a waterway, must obtain the permission of the Minister of Land, Infrastructure, Transport and Tourism to do so.

(3) The Minister of Land, Infrastructure, Transport and Tourism must not give permission if the conduct referred to in the preceding paragraph would seriously obstruct the transit of vessels in the event of an unexpected disaster or would seriously interfere with the removal of sunken objects and other objects in the event of an unexpected disaster.

(4) The provisions of Article 37, paragraph (3) apply mutatis mutandis to the preceding two paragraphs.

(5) If an unexpected disaster occurs that causes an obstruction to vessel transit and it is essential to do so in order to ensure the transit of vessels used for emergency transportation, the Minister of Land, Infrastructure, Transport and Tourism may use, expropriate, or expend a vessel, marine equipment, or other object within an emergency waterway.

(Compensation for Loss)

Article 55-4 (1) The national government or the Port Administrator must compensate a person that has incurred a loss due to the conduct referred to in Article 55-2, paragraph (1); Article 55-3, paragraph (1); Article 55-3-2, paragraph (7); Article 55-3-3; or paragraph (5) of the preceding Article.

(2) The provisions of Article 41, paragraphs (3) and (4) apply mutatis mutandis to the case referred to in the preceding paragraph. In such a case, the term "the Port Administrator" in paragraph (4) of that Article is deemed to be replaced with "the national government or the Port Administrator".

(Compensation for Works Necessitated by Port and Harbor Works)

Article 55-5 (1) If a Port or Harbor Work undertaken by the Minister of Land, Infrastructure, Transport and Tourism or by the Port Administrator causes a person other than the Port Administrator to need to undertake a work, the national government or the Port Administrator must compensate the person for the cost of that work to the extent of the need that the Port or Harbor Work has caused; provided, however, that if the person derives a particular profit from the work that the Port or Harbor Work caused it to need to undertake, the national government or Port Administrator may refrain from compensating the person for the cost of that work to the extent of the profit derived.

(2) The provisions of Article 41, paragraph (4) apply mutatis mutandis to the case referred to in the preceding paragraph. In such a case, the term "the Port Administrator" in that paragraph is deemed to be replaced with "the national

government or the Port Administrator".

(Special Provisions on Costs of Port and Harbor Works Borne by National Government If Costs to Be Borne Are Collected from Enterprises)

Article 55-6 If a Port or Harbor Work undertaken by the Minister of Land, Infrastructure, Transport and Tourism or by the Port Administrator was requested by an enterprise pursuant to the provisions of Article 8, paragraph (1) of the Enterprise Rationalization Promotion Act, the costs of the work less the amount to be borne by the enterprise pursuant to the provisions of paragraph (2) or (4) of that Article is shared by the national government and the Port Administrator, or is subsidized by the national government, based on the proportion of cost sharing or the rate of subsidies for Port and Harbor Works referred to in this Act or other laws and regulations concerning Port and Harbor Works; and if a Port or Harbor Work undertaken by the minister or administrator constitutes the pollution control work prescribed in in Article 2, paragraph (2) of the Environmental Pollution Control Cost Sharing Act, the costs of the work less the amount to be borne by the enterprise pursuant to the provisions of that Act is shared by the national government and the Port Administrator, or is subsidized by the national government, based on the proportion of cost sharing or the rate of subsidies for Port and Harbor Works referred to in this Act or other laws and regulations concerning Port and Harbor Works.

(Loans for the Construction and Improvement of Port Infrastructure with Specific Uses)

Article 55-7 (1) If the Port Administrator of a Strategic International Port, Central International Port, or Major Port extends an interest-free loan to cover the costs required to construct or improve port infrastructure with specific uses, to a person other than a Port Administrator (and other than the national government) that the Minister of Land, Infrastructure, Transport and Tourism finds to conform to the criteria that Cabinet Order prescribes, and in addition to complying with the criteria referred to in the provisions of paragraph (3), the conditions of the loan are in conformity with the criteria that Cabinet Order prescribes which are referred to in paragraph (5), the national government may extend the Port Administrator an interest-free loan to cover that loan in the amount that Cabinet Order prescribes, up to the amount of the loan extended by the Port Administrator.

(2) Port infrastructure with specific uses as referred to in the preceding paragraph means the following Port Infrastructure for which a construction plan or an improvement plan has been prescribed in the Port Plan of which public notice has been issued pursuant to the provisions of Article 3-3,

paragraph (9):

(i) quay walls or piled piers used as Cabinet Order prescribes and ancillary cargo handling facilities and other Port Infrastructure that Cabinet Order prescribes;

(ii) cargo handling facilities or storage facilities (but only storage facilities in a Strategic International Port) located near a Wharf used as Cabinet Order prescribes and ancillary roads and other Port Infrastructure that Cabinet Order prescribes.

(3) Before extending a loan in connection with which the national government has extended it a loan as referred to in paragraph (1), a Port Administrator must establish in the terms of the loan that if the borrower uses it for a purpose other than that for which it is intended or violates the terms of the loan, the Port Administrator may levy an additional charge against the borrower pursuant to the provisions of Cabinet Order.

(4) If the Port Administrator levies an additional charge based on the conditions of a loan pursuant to the provisions of the preceding paragraph, it is to pay all or part of that additional charge to the national government, pursuant to the provisions of Cabinet Order.

(5) Beyond what is prescribed in the preceding two paragraphs, Cabinet Order prescribes the method of repayment, shortening and extending the term of repayment, the levying of late fees, and the necessary criteria for the terms of loans extended by the national government which are referred to in paragraph (1) and loans extended by the Port Administrator in connection with the extension of a loan by the national government as referred to in that paragraph.

(Loans for Improving Specially Specified Port Infrastructure Subject to Technical Standards)

Article 55-8 (1) If the Port Administrator of a Strategic International Port, Central International Port, or Major Port extends an interest-free loan to cover the costs required to improve specially specified port infrastructure subject to technical standards to a person other than a Port Administrator (and other than the national government) that the Minister of Land, Infrastructure, Transport and Tourism finds to conform to the criteria that Cabinet Order prescribes, and in addition to complying with the criteria referred to in the provisions of paragraph (3) of the preceding Article as applied mutatis mutandis pursuant to paragraph (3), the conditions of the loan are in conformity with the criteria that Cabinet Order prescribes which are referred to in paragraph (5) of the preceding Article as applied mutatis mutandis pursuant to paragraph (3), the national government may extend the Port Administrator an interest-free loan to cover that loan in the amount that Cabinet Order prescribes, up to the amount of the loan extended by the Port

Administrator.

(2) Specially specified port infrastructure subject to technical standards as referred to in the preceding paragraph means specified port infrastructure subject to technical standards as prescribed in Article 56-2-21, paragraph (1) which Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as Port Infrastructure that is likely to cause a particularly severe and long-term obstruction to vessel transit in the event of damage due to an unexpected disaster, because of the large amount of earth, sand, or other objects that such a disaster would cause to pour into the waterway infrastructure (but only waterway infrastructure that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes as that in connection with which it is particularly necessary to act in order to ensure vessel transit in the event that an unexpected disaster occurs), and for which an improvement plan has been prescribed in the Port Plan of which public notice has been issued pursuant to the provisions of Article 3-3, paragraph (9).

(3) The provisions of paragraphs (3) through (5) of the preceding Article apply mutatis mutandis to the extension of a loan by the national government as referred to in paragraph (1) and to the extension of a loan by the Port Administrator of a Strategic International Port, Central International Port, or Major Port in connection the extension of a loan by the national government as referred to in that paragraph.

(Loans for Constructing and Improving Port Infrastructure Forming Groups of Wharves)

Article 55-9 (1) If the Port Administrator of a Strategic International Port or Central International Port extends an interest-free loan to a Port Operating Company to cover the costs required to construct or improve cargo handling facilities or other Port Infrastructure prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism which forms a group of wharves, and the conditions of the loan are in conformity with the provisions of Article 55-7, paragraph (3) as applied mutatis mutandis pursuant to the following paragraph and the criteria that Cabinet Order prescribes which is referred to in paragraph (5) of that Article as applied mutatis mutandis pursuant to the following paragraph, the national government may extend the Port Administrator an interest-free loan in the amount that Cabinet Order prescribes, up to the amount of the loan extended by the Port Administrator.

(2) The provisions of Article 55-7, paragraph (3) through (5) apply mutatis mutandis to the extension of a loan by the national government as referred to in the preceding paragraph and to the extension of a loan by the Port Administrator of a Strategic International Port or Central International Port in connection with the extension of a loan by the national government as

referred to in that paragraph. In such a case, the term "the Port Administrator" as used in those provisions is deemed to be replaced with "the Port Administrator of a Strategic International Port or Central International Port" and the term "the borrower" in the provisions of paragraph (3) of that Article is deemed to be replaced with "the borrowing Port Operating Company".

(Ports Not Designated as Port Zones)

Article 56 (1) If an area of water has been designated and public notice issued with respect thereto by the prefectural governor having jurisdiction over a prefecture within whose confines is an area of land that has a proposed area of water in a port not designated as a Port Zone as part of its bordering waters, a person seeking to construct waterway infrastructure, protective harbor installations, or mooring facilities in that area of water (other than in a Passage Needing Development or Maintenance or an emergency waterway), to occupy a part of the area of water (other than based on reclamation of a public-owned water area), to collect sand and earth, or to engage in any other conduct that Cabinet Order prescribes which is likely to interfere with the use or maintenance of the port, must obtain the permission of the prefectural governor to do so.

(2) The provisions of Article 4, paragraph (5) and (6) apply mutatis mutandis if the prefectural governor designates an area of water area pursuant to the provisions of the preceding paragraph.

(3) The provisions of Article 37, paragraph (2) through (6) apply mutatis mutandis to a case as referred to in paragraph (1).

Article 56-2 (1) It is prohibited for any person, without due cause, to dispose of or leave a vessel or other object designated by the prefectural governor in an area of water of which public notice has been issued pursuant to the provisions of paragraph (1) of the preceding Article (but only an area that the prefectural governor designates on finding it to be especially necessary for the use and maintenance of the port because of the use, location, and other circumstances of Port Infrastructure (other than an area in a Passage Needing Development or Maintenance or an emergency waterway)).

(2) The provisions of Article 37-3, paragraph (2) and (3) apply mutatis mutandis if the prefectural governor designates an area or object pursuant to the preceding paragraph, or if the prefectural governor rescinds such a designation.

(Technical Standards for Port Infrastructure)

Article 56-2-2 (1) In addition to being constructed, improved, and maintained based on any other applicable laws and regulations, waterway infrastructure, protective harbor installations, mooring facilities, and other Port

Infrastructure that Cabinet Order prescribes (hereinafter referred to as "Port Infrastructure Subject to Technical Standards") must be constructed, improved, and maintained so as to comply with the technical standards that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes in terms of the performance required of Port Infrastructure Subject to Technical Standards (hereinafter such standards are referred to as "Technical Standards").

(2) The maintenance of Port Infrastructure Subject to Technical Standards as referred to in the preceding paragraph must be implemented through regular point inspections and in other ways that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes.

(3) A person (other than the national government) seeking to construct or improve Port Infrastructure Subject to Technical Standards that is found to have a substantial influence on public safety or to otherwise substantially impact the national interest as prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism must have it confirmed by the Minister of Land, Infrastructure, Transport and Tourism or by a person registered by the Minister of Land, Infrastructure, Transport and Tourism pursuant to the provisions of the following Article (hereinafter referred to as a "Registered Confirmation Agency") that the Port Infrastructure Subject to Technical Standards to be constructed or improved is in compliance with the Technical Standards; provided, however, that this does not apply to construction or improvement using a design method established by the Minister of Land, Infrastructure, Transport and Tourism.

(4) A person seeking the confirmation referred to in the preceding paragraph may apply for the confirmation of the Minister of Land, Infrastructure, Transport and Tourism or of a Registered Confirmation Agency pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(5) Beyond what is prescribed in the preceding two paragraphs, Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes the format of written application forms and other necessary particulars concerning confirmation.

(Registration)

Article 56-2-3 (1) The registration referred to in paragraph (3) of the preceding Article (hereinafter referred to as "Registration") is effected based at the application of a person seeking to engage in the confirmation services prescribed in that paragraph (hereinafter referred to as "Confirmation Services").

(2) The Minister of Land, Infrastructure, Transport and Tourism must register a person filing an application pursuant to the provisions of the preceding

paragraph (hereinafter referred to in this paragraph as an "applicant") if it satisfies all of the following requirements. Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism provides for the necessary procedures for registration in such a case:

(i) it will carry out Confirmation Services using a method that lets it comprehensively evaluate the infrastructure's performance to judge whether the infrastructure to be constructed or improved will be in conformity with the Technical Standards (hereinafter referred to in the following item as a "judgment as to conformity");

(ii) confirmation personnel as specified in Article 56-2-8, paragraph (1) will make the judgments as to conformity, and those personnel will be not less than two in number;

(iii) the applicant does not fall under any of the following sub-items as one that is controlled by a person that must obtain a confirmation pursuant to the provisions of paragraph (3) of the preceding Article or by a person undertaking the design or construction of Port Infrastructure (referred to as a "person involved in the construction of port infrastructure" in this item and Article 56-2-10, paragraph (2)):

(a) the applicant is a stock company, and the person involved in the construction of port infrastructure is its parent company (as provided in Article 879, paragraph (1) of the Companies Act);

(b) more than one-half of the officers of the applicant (or more than one-half of its managing members, if the applicant is a membership company (meaning a membership company as provided in Article 575, paragraph (1) of the Companies Act)) are officers or employees of the person involved in the construction of port infrastructure (this includes persons that were officers or employees of the person involved in the construction of port infrastructure in the last two years);

(c) the applicant (or the officer with the authority to represent it, if the applicant is a corporation) is the officer or employee of the person involved in the construction of port infrastructure (this includes persons that were officers or employees of the person involved in the construction of port infrastructure in the last two years).

(3) A person referred to in one of the following may not be registered:

(i) a person that has been sentenced to a fine or heavier punishment for violating this Act or an order based on this Act, if two years have not passed from the date on which the person completed the sentence or ceased to be subject to its enforcement;

(ii) a person that has not gone two years since the cancellation of its registration pursuant to the provisions of Article 56-2-15;

(iii) a corporation with an officer that falls under either of the preceding two

items.

(4) The following information must be entered in the Registered Confirmation Agencies register:

(i) the registration date and registration number;

(ii) the name or title and address of the Registered Confirmation Agency, and if it is a corporation, the name of its representative;

(iii) the address of the workplace where the Registered Confirmation Agency conducts Confirmation Services;

(iv) information that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes, beyond what is set forth in the preceding three items.

(5) The Minister of Land, Infrastructure, Transport and Tourism must not conduct Confirmation Services that Registered Confirmation Agencies are able to do.

(Renewal of Registration)

Article 56-2-4 (1) Registrations not renewed at least once every three years as provided by Cabinet Order cease to be valid once that period elapses.

(2) The provisions of the preceding Article (other than paragraph (5)) apply mutatis mutandis to a registration renewal as referred to in the preceding paragraph.

(Duty of Confirmation)

Article 56-2-5 (1) Unless it has legitimate grounds for not doing so, a Registered Confirmation Agency must conduct Confirmation Services without delay when so requested.

(2) A Registered Confirmation Agency must conduct Confirmation Services fairly and in the way prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(Notification of Changes to Registered Information)

Article 56-2-6 A Registered Confirmation Agency must notify the Minister of Land, Infrastructure, Transport and Tourism no later than two weeks before the date on which it seeks to change a particular set forth in Article 56-2-3, paragraph (4) item (ii) through item (iv).

(Confirmation Services Regulations)

Article 56-2-7 (1) Prior to commencing Confirmation Services, a Registered Confirmation Agency must establish regulations on the implementation of Confirmation Services (hereinafter referred to as "Confirmation Service Regulations") and obtain the approval of the Minister of Land, Infrastructure,

Transport and Tourism. The same applies if it seeks to revise them.

(2) On finding that Confirmation Service Regulations approved as referred to in the preceding paragraph have become inappropriate to allow for the proper and reliable implementation of Confirmation Services, the Minister of Land, Infrastructure, Transport and Tourism may order the modification of those Confirmation Service Regulations.

(3) Confirmation Service Regulations must provide for the way in which Confirmation Services are implemented, fees for Confirmation Services, and other particulars prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(Confirmation Personnel)

Article 56-2-8 (1) Confirmation personnel are appointed from among graduates of a university or college of technology as prescribed in the School Education Act (Act No. 26 of 1947) who hold a degree in civil engineering or a field related to Port Infrastructure construction, or persons prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism who are found to have equivalent academic qualifications; who have more than ten years of experience in researching and developing methods for comprehensively evaluating the performance of Port Infrastructure (but only in doing the work prescribed by Ordinance by the Ministry of Land, Infrastructure, Transport and Tourism) at a research institute as prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(2) A Registered Confirmation Agency must notify the Minister of Land, Infrastructure, Transport and Tourism no later than fifteen days after appointing confirmation personnel. The same applies to any changes in confirmation personnel.

(3) The Minister of Land, Infrastructure, Transport and Tourism may order a Registered Confirmation Agency to dismiss one of its confirmation personnel if that member of its personnel violates this Act, an order or disposition based on this Act, or the Confirmation Service Regulations, or displays highly improper behavior involving Confirmation Services.

(4) A person that has been dismissed as confirmation personnel pursuant to an order under the preceding paragraph may not become a member of the confirmation personnel for two years from the date of dismissal.

(Duty of Confidentiality)

Article 56-2-9 (1) It is prohibited for a Registered Confirmation Agency (or its officer, if it is a corporation; the same applies in the next paragraph), its employee, (including confirmation personnel; the same applies in the next paragraph), or a person formerly acting in such a capacity to disclose any

confidential information learned in the course of Confirmation Services or to use such information for the person's own benefit.

(2) In applying the Penal Code (Act No. 45 of 1907) and other penal provisions, a Registered Confirmation Agency and its employees engaged in Confirmation Services are deemed to be officials engaged in public service pursuant to the law.

(Keeping and Inspection of Financial Statements and Business Reports)

Article 56-2-10 (1) In addition to preparing an inventory of property, a balance sheet, a profit and loss statement or income and expenditure statement, and a business report for the business year (or electronic or magnetic records (meaning records used in computer data processing which are created in electronic form, magnetic form, or any other form that cannot be perceived through the human senses; hereinafter the same applies in this Article), if electronic or magnetic records are prepared in lieu of paper documents; each of these is referred to as a "financial statement or business report" in the next paragraph and Article 64, paragraph (2)) and submitting these to the Minister of Land, Infrastructure, Transport and Tourism within three months after the end of each business year, a Registered Confirmation Agency must keep its financial statements and business reports at its office for five years.

(2) A person involved in the construction of port infrastructure or any other interested person may make the following requests at any time during the business hours of a Registered Confirmation Agency; provided, however, that the person must pay the fee set by the Registered Confirmation Agency to make a request as referred to in item (ii) or item (iv):

(i) a request to inspect or copy a financial statement or business report;

(ii) a request for a certified copy or extract of a document referred to in the preceding item;

(iii) a request to inspect or copy something that has been made to show the information recorded in an electronic or magnetic record, through the means prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, if a financial statement or business report is prepared as an electronic or magnetic record;

(iv) a request to be provided with the information recorded in an electronic or magnetic record as referred to in the preceding item by electronic or magnetic means (meaning through the use of an electronic data processing system or the application of information and communications technology in a way that is prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism), or a request to be issued a paper document giving that information.

(Suspension or Discontinuation of Services)

Article 56-2-11 A Registered Confirmation Agency must not suspend or discontinue all or part of Confirmation Services without the permission of the Minister of Land, Infrastructure, Transport and Tourism.

(Compliance Order)

Article 56-2-12 If a Registered Confirmation Agency comes to no longer conform to one of the items of Article 56-2-3, paragraph (2), the Minister of Land, Infrastructure, Transport and Tourism may order the Registered Confirmation Agency to take the necessary measures to conform to those provisions.

(Order of Improvement)

Article 56-2-13 On finding that a Registered Confirmation Agency is in violation of Article 56-2-5, the Minister of Land, Infrastructure, Transport and Tourism may order the Registered Confirmation Agency to conduct the Confirmation Services under that Article or to take the necessary measures to improve the way it conducts Confirmation Services or any other services.

(Reports and Inspections)

Article 56-2-14 (1) The Minister of Land, Infrastructure, Transport and Tourism may have a Registered Confirmation Agency report the status of Confirmation Services or accounting, and may have the relevant officials enter the office or other workplace of a Registered Confirmation Agency and inspect the status of Confirmation Services or its books, records, or other objects, within the limits of what is necessary for the implementation of the provisions of this Act.

(2) An official carrying out an on-site inspection pursuant to the preceding paragraph must carry identification and present it to the relevant persons.

(3) The authority for an on-site inspection under paragraph (1) must not be construed as having been accorded for the purpose of a criminal investigation.

(Revocation of Registration)

Article 56-2-15 The Minister of Land, Infrastructure, Transport and Tourism may revoke a registration or order the suspension of all or part of Confirmation Services during a fixed period of time if a Registered Confirmation Agency falls under one of the following items:

(i) it comes to falls under Article 56-2-3, paragraph (3) item (i) or item (iii);

(ii) it violates the provisions of Article 56-2-6; Article 56-2-8, paragraph (2); Article 56-2-10, paragraph (1); Article 56-2-11; or the following Article;

(iii) it performs Confirmation Services without the approval referred to in Article 56-2-7, paragraph (1), or performs Confirmation Services without adhering to the Confirmation Service Regulations that have been approved

as referred to in that paragraph;

(iv) it violates an order referred to in the provisions of Article 56-2-7, paragraph (2); Article 56-2-8, paragraph (3); Article 56-2-12; or Article 56-2-13;

(v) it rejects a request under the provisions of one of the items of Article 56-2-10, paragraph (2), without legitimate grounds for doing so;

(vi) it obtained its registration through wrongful means.

(Bookkeeping)

Article 56-2-16 A Registered Confirmation Agency must keep books, enter therein the information prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism with regard to Confirmation Services, and keep them on file, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(Public Notice)

Article 56-2-17 The Minister of Land, Infrastructure, Transport and Tourism must give public notice in the Official Gazette:

(i) on making a registration;

(ii) on receipt of a notification as referred to in Article 56-2-6;

(iii) on granting the permission referred to in Article 56-2-11;

(iv) on revoking a registration or ordering the suspension of all or part of Confirmation Services pursuant to the provisions of Article 56-2-15;

(v) if the Minister of Land, Infrastructure, Transport and Tourism decides to personally conduct all or part of the Confirmation Services pursuant to the provisions of Article 56-2-19, paragraph (1) or to stop conducting all or part of the Confirmation Services the minister had been personally conducting.

(Request for Administrative Review)

Article 56-2-18 A person may file a request with the Minister of Land, Infrastructure, Transport and Tourism for an administrative review under the Administrative Appeals Act (Act No. 160 of 1962) as regards a disposition or inaction involving the Confirmation Services provided by a Registered Confirmation Agency.

(Implementation of Confirmation Services by Minister of Land, Infrastructure, Transport and Tourism)

Article 56-2-19 (1) If a Registered Confirmation Agency suspends all or part of its Confirmation Services with the permission referred to in Article 56-2-11; if a Registered Confirmation Agency is ordered to suspend all or part of its Confirmation Services pursuant to the provisions of Article 56-2-15; or if it

becomes difficult for a Registered Confirmation Agency to conduct all or part of its Confirmation Services due to a natural disaster or other reason and the Minister of Land, Infrastructure, Transport and Tourism finds it to be necessary to do so, the minister is to personally conduct all or part of those Confirmation Services.

(2) Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism provides for the transferal of Confirmation Services and other necessary particulars for cases in which the Minister of Land, Infrastructure, Transport and Tourism personally conducts all or part of Confirmation Services pursuant to the provisions of the preceding paragraph; a Registered Confirmation Agency discontinues all or part of its Confirmation Services with the permission referred to in Article 56-2-11; or a registration is revoked pursuant to the provisions of Article 56-2-15.

(Payment of Fees)

Article 56-2-20 (1) A person (other than an independent administrative agency as prescribed in Article 2, paragraph (1) of the Act on General Rules for Independent Administrative Agencies (Act No. 103 of 1999) and provided for by Cabinet Order in consideration of the duties of the agency and other conditions) seeking the confirmation referred to in Article 56-2-2, paragraph (2) (but only if this is done by the Minister of Land, Infrastructure, Transport and Tourism), must pay a fee to the national government in the amount provided by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism in consideration of actual costs.

(2) The fee referred to in the preceding paragraph must be paid by revenue stamp; provided, however, it may be paid in cash, pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, if a person applies for the confirmation prescribed in the preceding paragraph using an electronic data processing system as prescribed in Article 3, paragraph (1) of the Act on Use of Information and Communications Technology in Administrative Procedures (Act No. 151 of 2002), pursuant to that paragraph.

(Issuing Recommendations to Persons Managing Specified Port Infrastructure Subject to Technical Standards)

Article 56-2-21 (1) If a protective harbor installation or other Port Infrastructure Subject to Technical Standards that Ordinance of Ministry of Land, Infrastructure, Transport and Tourism prescribes as likely to cause an obstruction to vessel transit in the event of damage due to an unexpected disaster (hereinafter referred to as "Specified Port Infrastructure Subject to Technical Standards") and that is administered by a person other than the Port Administrator (and other than the national or local government; the same

applies to Article 56-5, paragraph (3)) is found to no longer be in compliance with the Technical Standards and to be likely to cause a severe obstruction to vessel transit in the event of damage due to an unexpected disaster, the Port Administrator may recommend that the person administering the Specified Port Infrastructure Subject to Technical Standards take the necessary measures.

(2) If a person subject to a recommendation under the preceding paragraph does not take the necessary measures as recommended and is without legitimate grounds for failing to do so, the Port Administrator may order the person to take the recommended measures.

(Reporting to Minister of Land, Infrastructure, Transport and Tourism)

Article 56-2-22 The Minister of Land, Infrastructure, Transport and Tourism may request a Port Administrator to submit the necessary reports or provide technical assistance on the maintenance and administration of Specified Port Infrastructure Subject to Technical Standards for the port under its administration.

(Construction or Improvement of Waterway Infrastructure and Installations)

Article 56-3 (1) A person seeking to construct or improve waterway infrastructure, protective harbor installations, or mooring facilities that Cabinet Order prescribes (hereinafter referred to as "Waterway Infrastructure or Installations") in an area of water (other than the Port Zone and areas of water for which public notice has been issued pursuant to the provisions of Article 56, paragraph (1) and Article 9, paragraph (1) of the Act on the Preservation of Low Tide Levels and Development of Infrastructure to Preserve and Facilitate Use of Exclusive Economic Zones and the Continental Shelve (Act No. 41 of 2010); hereinafter the same applies in this Article) must notify the prefectural governor, pursuant to the provisions of an Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, of the design of the Waterway Infrastructure or Installation, the boundaries of the water area in which it is located, and the information prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, by 60 days prior to the start of the work. The same applies if the person seeks to change a particular of which it has notified the governor; provided, however, that, if the change makes a work unnecessary, the person must notify the governor without delay following the change.

(2) On being notified as under the preceding paragraph and finding that the Waterway Infrastructure or Installation subject to the notice are not in conformity with the Technical Standards, the prefectural governor may prohibit or restrict the person giving the notice from constructing or improving

the Waterway Infrastructure or Installation or order that person to take the necessary measures, but only within 60 days from the receipt of the notice.

(3) Before constructing or improving Waterway Infrastructure or Installations in an area of water, the person set forth in Article 37, paragraph (3) must notify the prefectural governor of this based on the formalities for notification referred to in the provisions of paragraph (1), and before changing a particular of which the person has notified the prefectural governor, the person must notify the governor of this based on the formalities for notification referred to in the provisions of that paragraph.

(4) On being notified as under the preceding paragraph and finding that Waterway Infrastructure or Installations under that notice are not in conformity with the Technical Standards, the prefectural governor may request the person giving the notice to take the necessary measures, but only within 60 days from the receipt of the notice.

(5) Upon receipt of a report referred to in the provisions of paragraph (1) or a notification referred to in the provisions of paragraph (3), the prefectural governor must give public notice of the information in the report or notification pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(Disciplinary Action)

Article 56-4 (1) The Minister of Land, Infrastructure, Transport and Tourism, the prefectural governor, or the Port Administrator may order a party falling under item (i) (this means the Minister of Land, Infrastructure, Transport and Tourism, for a person violating the provisions set forth in sub-item (a); the prefectural governor, for a person violating the provisions set forth in sub-item (b); and the Port Administrator, for a person violating the provisions set forth in sub-item (c)) or a person falling under item (ii) or item (iii) to suspend works and other conduct; to alter, relocate, or remove a structure, vessel, or other object (hereinafter referred to as a "Structure or Other Object"; to set in place the necessary facilities or take other measures to eliminate or prevent an obstruction that has resulted or could result from the works and other conduct or from the Structure or Other Object; or to restore things to their original state; and may revoke or suspend the permission given under item (i) or change the conditions attached to the approval or attach new conditions to the approval, for a person falling under item (ii) or item (iii):

(i) a person violating the following provisions:

(a) the provisions of Article 43-8, paragraph (1) or (2) or Article 55-3-4, paragraph (1) or (2);

(b) the provisions of Article 56, paragraph (1) or Article 56-2, paragraph (1);

(c) the provisions of Article 37, paragraph (1) or Article 37-3, paragraph (1).

(ii) a person violating the conditions attached to a permission under Article 37, paragraph (1); Article 43-8, paragraph (2); Article 55-3-4, paragraph (2); or Article 56, paragraph (1);

(iii) a person that obtained a permission as under Article 37, paragraph (1); Article 43-8, paragraph (2); Article 55-3-4, paragraph (2); or Article 56, paragraph (1) by fraud or other wrongful means.

(2) If the Minister of Land, Infrastructure, Transport and Tourism; the prefectural governor; or the Port Administrator seeks to issue an order for the necessary measures to be taken pursuant to Article 40-2, paragraph (1); Article 41, paragraph (1); or the preceding paragraph, and through no fault thereof, the person to which the order should be issued cannot be identified, the minister, governor, or administrator may take those measures personally or have them taken by a person ordered or entrusted thereby. In such a case, the Minister of Land, Infrastructure, Transport and Tourism; prefectural governor; or Port Administrator must first issue public notice indicating a reasonable, fixed period of time in which the person must take the relevant measures and indicating that if the person fails to take those measures within that period of time, the minister, governor, administrator, or person ordered or entrusted thereby will take those measures.

(3) Having removed or caused the removal of a Structure or Other Object pursuant to the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism; prefectural governor; or Port Administrator must retain the Structure or Other Object.

(4) Having retained a Structure or Other Object pursuant to the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism; prefectural governor; or Port Administrator must issue public notice, pursuant to Ordinance of the Ministry of Infrastructure and Transport, of the information that Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism prescribes, for the return of the Structure or Other Object to the owner, possessor, or holder of title to the Structure or Other Object (hereinafter referred to as the "Owner, Possessor, or Title Holder").

(5) If there is a risk of loss or damage to a Structure or Other Object retained pursuant to the provisions of paragraph (3), or if such a Structure or Other Object is not returned after three months from the date of the public notice referred to in the provisions of the preceding paragraph and storage necessitates costs or fees that are unreasonable in comparison with the value assessed for the Structure or Other Object pursuant to the provisions of Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, the Minister of Land, Infrastructure, Transport and Tourism; prefectural governor; or Port Administrator may put the Structure or Other Object up for sale and retain the proceeds pursuant to Ordinance of the Ministry of Land,

Infrastructure, Transport and Tourism.

(6) If there is no purchaser for a Structure or Other Object put up for sale under the provisions of the preceding paragraph and the value referred to in the provisions of that paragraph is extremely low, the Minister of Land, Infrastructure, Transport and Tourism; prefectural governor; or Port Administrator may dispose of that Structure or Other Object.

(7) The price at which a Structure or Other Object has been sold pursuant to the provisions of paragraph (5) may be allocated to cover the costs needed to put it up for sale.

(8) The costs necessary for removal, storage, sale, public notice, and other measures prescribed in paragraph (2) through (5) are borne by the Owner, Possessor, or Title Holder to which the Structure or Other Object must be returned or by the person that should be ordered to take the measures as prescribed in paragraph (2).

(9) If a Structure or Other Object stored pursuant to the provisions of paragraph (3) (or the price at which it has been sold pursuant to the provisions of paragraph (5); hereinafter the same applies) cannot be returned even after six months from the date of public notice under the provisions of paragraph (4), ownership of a Structure or Other Object stored by the Minister of Land, Infrastructure, Transport and Tourism passes to the national government; ownership of a Structure or Other Object stored by a prefectural governor passes to the prefecture governed thereby; and ownership of a Structure or Other Object stored by a Port Administrator passes to the Port Administrator.

(Collection of Reports)

Article 56-5 (1) The Minister of Land, Infrastructure, Transport and Tourism; prefectural governor; or Port Administrator may ask for the necessary reports from a person that has obtained permission under Article 37, paragraph (1); Article 43-8, paragraph (2); Article 55-3-4, paragraph (2); or Article 56, paragraph (1), or may have the relevant officials enter a place associated with the permitted conduct or the office or place of business of the person that has obtained that permission and inspect the circumstances of the permitted conduct or the structures, records, documents, and other necessary objects associated with the permitted conduct, within the limits of what is necessary for the implementation of the provisions of this Act and pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(2) The Minister of Land, Infrastructure, Transport and Tourism or the Port Administrator of a Central International Port may ask a Port Operating Company to give the necessary reports on its operational or accounting status or may have the relevant officials enter the office or other place of business of a Port Operating Company designated thereby; inspect its operational or

accounting status or its facilities, records, documents, and other objects used in its business; and question persons concerned; within the limits of what is necessary for the implementation of the provisions of this Act and pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(3) A Port Administrator may ask a person that is other than a Port Administrator and that is administering Specified Port Infrastructure Subject to Technical Standards to report on the maintenance and administration of that infrastructure; and may have the relevant officials enter the office or other place of business of the person administering that Specified Port Infrastructure Subject to Technical Standards and inspect the circumstances of the maintenance and administration of that infrastructure; the Specified Port Infrastructure Subject to Technical Standards itself; or records, documents, and other objects; within the limits of what is necessary for the implementation of the provisions of this Act and pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(4) An official carrying out an on-site inspection pursuant to the provisions of the preceding three paragraphs must carry identification and present it to the relevant persons.

(5) The authority for an on-site inspection under paragraph (1) through paragraph (3) must not be construed as having been accorded for the purpose of a criminal investigation.

(Coercive Collection)

Article 56-6 (1) If a person has not paid costs that that person is to bear pursuant to a disposition based on the provisions of Article 43-5, paragraph (1) (but only one reached by the Minister of Land, Infrastructure, Transport and Tourism); a disposition based on the provisions of Article 43-2, Article 43-3, paragraph (1) or Article 43-4, paragraph (1) as applied mutatis mutandis pursuant to Article 43-9, paragraph (2); a disposition based on the provisions of Article 8, paragraph (2) of the Enterprise Rationalization Promotion Act as applied mutatis mutandis pursuant to Article 43-10; a disposition involving Port or Harbor Works based on the provisions of paragraph (4) of that Article; or a disposition based on Article 56-4, paragraph (8) (but only one reached by the Minister of Land, Infrastructure, Transport and Tourism) by the due date, the Minister of Land, Infrastructure, Transport and Tourism must demand that the person pay those costs, using a formal demand notice to specify a due date. In such a case, the due date to be specified in the formal demand notice must be a date that is more than 20 days from the day that the formal demand notice is issued.

(2) After making a demand under the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism may levy late fees pursuant to the

provisions of Cabinet Order. In such a case, the amount of the late fees must not exceed the amount calculated at a rate of 14.5% per annum.

(3) If a person subject to a demand as under the provisions of paragraph (1) fails to pay the monies it must pay by the specified due date, the Minister of Land, Infrastructure, Transport and Tourism may collect the costs to be borne referred to in paragraph (1) and the late fees referred to in the preceding paragraph pursuant to the formalities for measures to address national tax delinquency. Costs to be borne and late fees in such a case are secured under a statutory lien after national taxes and local taxes.

(4) Late fees take precedence over costs to be borne.

(Consultation with Heads of Relevant Administrative Organs)

Article 57 (1) Before giving the approval referred to in Article 46, paragraph (1) for facilities used mainly in commercial fishing and before calling upon a person to act as referred to in Article 3-3, paragraph (6) or Article 47 concerning a matter of great importance to commercial fishing, the Minister of Land, Infrastructure, Transport and Tourism must consult with the Minister of Agriculture and Forestry and Fisheries.

(2) Before implementing works to construct or improve waterway infrastructure, protective harbor installations, or mooring facilities in a Strategic International Port, Central International Port, or Major Port pursuant to the provisions of Article 8, paragraph (4) of the Enterprise Rationalization Promotion Act, the Minister of Land, Infrastructure, Transport and Tourism must consult with the Minister of Economy, Trade and Industry if the amount of the costs to be borne under that paragraph exceeds one-half of the total cost of the work.

(Relationship with Other Laws and Regulations)

Article 58 (1) The provisions of Article 48 and 49 of the Building Standards Act (Act No. 201 of 1950) do not apply to zones designated pursuant to the provisions of Article 39.

(2) The authority of the prefectural governor under the provisions of the Public Surface Water Reclamation Act (or that of the head of a designated city specified in Article 252-19, paragraph (1) of the Local Autonomy Act, within the borders of that designated city; hereinafter the same applies in this paragraph) is exercised by the Port Administrator insofar as the Port Zone or land reclaimed from public surface water in the Port Zone is concerned (or jointly by the prefectural governor and the Port Administrator, for a Port Zone located within a River Area or land reclaimed from public surface water in a Port Zone that is located within a River Area).

(3) If a Port Administrator finds that, because all or part of the land under a

public notice of permission for completion issued pursuant to the provisions of Article 22, paragraph (2) of the Public Surface Water Reclamation Act which has been reclaimed from public surface water in the port that it manages has not been provided for the use indicated in the public notice pursuant to the provisions of Article 11 or Article 13-2, paragraph (2) of that Act for a considerable period of time, or because there is found to be no prospect of its being used for that use presently or in the future, the Port Administrator finds it to be necessary to facilitate its effective and proper use and issues public notice of all or part of the borders of the reclaimed land and of the information prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, the phrase "ten years" in the provisions of Article 27, paragraph (1) of that Act is deemed to be replaced with "five years" and the phrase "within ten years" in the provisions of Article 29, paragraph (1) of that Act is deemed to be replaced with "within five years", beginning on the date of the public notice. In such a case, if the borders represent all or part of the reclaimed land approved by the Minister of Land, Infrastructure, Transport and Tourism pursuant to the provisions of Article 47, paragraph (1) of the Act, the Port Administrator must consult with the Minister of Land, Infrastructure, Transport and Tourism in advance.

(4) Special provisions on fishing zones are as specified by laws on fishing ports.

(Reviewing Agency)

Article 58-2 A request for an administrative review of the authority that the mayor of a municipality exercises as the Port Administrator under the Public Surface Water Reclamation Act based on the provisions of paragraph (2) of the preceding Article (but only that constituting an item (i) statutory entrusted function prescribed in Article 2, paragraph (9), item (i) of the Local Autonomy Act) is to be filed with the Minister of Land, Infrastructure, Transport and Tourism.

(Application of the Administrative Case Litigation Act)

Article 59 (1) In applying the Act on the Use of Public Lands and Properties Managed by Public Entities to Port Infrastructure for public use that is under the administration of a port authority, the chairperson of the port authority's board is deemed to be an administrative agency.

(2) In applying the Administrative Execution by Proxy Act (Act No. 43 of 1948) to an order referred to in Article 38-2, paragraph (8); Article 40-2, paragraph (1); Article 41, paragraph (1); Article 56-2-21, paragraph (2); or Article 56-4, paragraph (1); to the exercise of authority referred to in the Public Surface Water Reclamation Act based on the provisions of Article 58, paragraph (2); or to an order as referred to in Article 1 of the Act on the Use of Public Lands and

Properties Managed by Public Entities, the chairperson of the port authority's board is deemed to be an administrative agency.

(3) In applying the Administrative Case Litigation Act (Act No. 139 of 1962) to the exercise of authority under this Act; the exercise of authority based on entrustment under in the provisions of Article 45-2; the exercise of authority under the Public Surface Water Reclamation Act or under the Act on the Use of Public Lands and Properties Managed by Public Entities based on the provisions of Article 58, paragraph (2); the exercise of authority to collect costs to be borne under the provisions of the Enterprise Rationalization Promotion Act or the Environmental Pollution Control Expense Sharing Act; or a petition to apply the Administrative Execution by Proxy Act, the chairperson of the port authority's board is deemed to be an administrative agency.

(Consultation with Transportation Council)

Article 60 The Minister of Land, Infrastructure, Transport and Tourism must consult with the Transportation Council on the following matters:

(i) the consent referred to in the provisions of Article 4, paragraph (4) (including as applied mutatis mutandis pursuant to Article 9, paragraph (2) and Article 33, paragraph (2); but only consent connected with a Strategic International Port, Central International Port, or Major Port);

(ii) mediation under the provisions of Article 4, paragraph (12) (including as applied mutatis mutandis pursuant to Article 33, paragraph (2));

(ii)-2 approval under the proviso to Article 10, paragraph (1);

(iii) the particulars of a request to change the borders of the Waterfront District referred to in the provisions of Article 38;

(iv) the particulars of a request to revise a rate as under Article 44 (including as applied mutatis mutandis pursuant to Article 44-2, paragraph (4));

(iv)-2 consent to harbor dues under Article 44-2;

(v) a recommendation to establish a Port Administrator under the provisions of Article 51.

(Conditions for Permission)

Article 60-2 (1) The Minister of Land, Infrastructure, Transport and Tourism; prefectural governor; or Port Administrator may attach any necessary conditions to a permission under the provisions of this Act.

(2) The conditions referred to in the preceding paragraph are limited to the minimum conditions required to ensure the reliable implementation of what is being permitted, and must not place an undue obligation on the person obtaining the permission.

(Transitional Measures)

Article 60-3 If Cabinet Order or Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism is established, revised, or repealed based on the provisions of this Act, the necessary transitional measures (including transitional measures for penal provisions) may be established by that Cabinet Order or Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, within a scope that is judged to be reasonably necessary in connection with its establishment, revision, or repeal.

(Delegation of Authority)

Article 60-4 Part of the authority of the Minister of Land, Infrastructure, Transport and Tourism referred to in this Act may be delegated to the Regional Development Bureau Director General or the Hokkaido Development Bureau Director General, pursuant to Cabinet Order.

(Classification of Administrative Processes)

Article 60-5 Administrative processes that it has been decided the prefecture will handle pursuant to the provisions of Article 4, paragraph (4) (including as applied mutatis mutandis pursuant to Article 9, paragraph (2) and Article 33, paragraph (2), the same applies hereinafter), paragraph (5) (including as applied mutatis mutandis pursuant to Article 9, paragraph (2), Article 33, paragraph (2), and Article 56, paragraph (2), the same applies hereinafter), paragraph (8) (including as applied mutatis mutandis to Article 9, paragraph (2) and Article 33, paragraph (2); the same applies hereinafter), paragraph (12) and paragraph (13) (including as applied mutatis mutandis to Article 33, paragraph (2)); Article 9, paragraph (3); and Article 56, paragraph (1) (but only the parts dealing with administrative process of designating areas of water) (limited to processes involving the consent of the prefectural governor under Article 4, paragraph (4) for those that it has been decided the prefecture will handle pursuant to that paragraph; limited to processes involving coordination that the prefectural governor under paragraph (5) of that Article undertakes for those that it has been decided the prefecture will handle pursuant to that paragraph; and excluding processes involving a notification that a prefecture under paragraph (8) of that Article undertakes for those that it has been decided the prefecture will handle pursuant to that paragraph) constitute item (i) statutory entrusted functions as prescribed in Article 2, paragraph (9), item (i) of the Local Autonomy Act.

(Penal Provisions)

Article 61 (1) A person failing to submit a report or material pursuant under Article 43-23, paragraph (1) or submitting a false report or material; or a person refusing, obstructing, or evading an inspection under that paragraph is

subject to imprisonment with required labor for not more than one year, a fine of not more than three million yen, or both.

(2) A person violating the provisions of Article 43-21, paragraph (1) or paragraph (4) is subject to imprisonment with required labor for not more than one year, a fine of not more than one million yen, or both.

(3) A person falling under one of the following items is subject to imprisonment with required labor for not more than one year or a fine of not more than one million yen:

(i) a person violating the provisions of Article 56-2-9, paragraph (1);

(ii) a person violating a business suspension order under in the provisions of Article 56-2-15.

(4) A person falling under one of the following items is subject to imprisonment with required labor for not more than one year or a fine of not more than five hundred thousand yen:

(i) a person violating the provisions of Article 37, paragraph (1); Article 43-8, paragraph (2); Article 55-3-4, paragraph (2); or Article 56, paragraph (1);

(ii) a person violating the provisions of Article 37-3, paragraph (1); Article 43-8, paragraph (1); Article 55-3-4, paragraph (1); or Article 56-2, paragraph (1).

(5) A person falling under one of the following items is subject to imprisonment with required labor for not more than six months, a fine of not more than five hundred thousand yen, or both:

(i) a person failing to submit a notification under Article 43-21, paragraph (3) or submitting a false notification;

(ii) a person failing to submit a statement of holdings in subject voting rights under Article 43-22, paragraph (1) or submitting a statement of holdings in subject voting rights giving false information.

(6) A person violating a disposition under Article 38-2, paragraph (8); Article 56-3, paragraph (2); or Article 56-4, paragraph (1) is subject to a fine of not more than five hundred thousand yen.

(7) In a case falling under one of the following items, the violating director, executive officer, accounting advisor (or official acting in that capacity, if an accounting advisor is a corporation), company auditor, or official of a Port Operating Company is subject to a fine of not more than five hundred thousand yen:

(i) the person violates an order under Article 43-17, paragraph (1)

(ii) the person collects charges without having submitted a document under Article 45, paragraph (2) or without complying with the rates shown in the document;

(iii) the person collects charges in violation of an order under Article 45, paragraph (3).

(8) A person falling under one of the following items is subject to a fine of not

more than three hundred thousand yen:

(i) a person failing to submit a notification under Article 38-2, paragraph (1) or (4) or the first sentence or second sentence of Article 56-3, paragraph (1) or submitting a false notification;

(ii) a person that discontinues all Confirmation Services without obtaining permission under Article 56-2-11;

(iii) a person failing to report, making a false report, or refusing, interfering with, or evading an inspection under Article 56-2-14, paragraph (1);

(iv) a person failing to keep books, failing to make entries or making false entries in its books, or failing to keep its books on file, in violation of the provisions of Article 56-2-16;

(v) a person failing to report as under Article 56-5, paragraph (1) or (3) or making a false report; or a person refusing, interfering with, or evading an inspection under that paragraph.

(9) On failing to report as under Article 56-5, paragraph (2) or making a false report; on refusing, interfering with, or evading an inspection pursuant to the provisions of that paragraph; or on failing to give a statement or giving a false statement in response to questioning under that paragraph, the violating director, executive officer, accounting advisor (or official acting in that capacity, if the accounting advisor is a corporation), company auditor, or official of a Port Operating Company, is subject to a fine of not more than three hundred thousand yen.

(10) A board member that, while receiving remuneration under the provisions of Article 25, paragraph (1), becomes the officer of a commercial organization or personally engages in a for-profit undertaking is subject to imprisonment with required labor of not more than six months or a fine of not more than three hundred thousand yen.

Article 62 (1) If the representative of a corporation (or of an organization that is not a corporation but which has provided for a representative or an administrator; hereinafter the same applies in this Article) or the agent, employee, or other worker of a corporation or individual commits an offense referred to in the provisions set forth in one of the following items, in addition to the offender being subject to punishment, the corporation is subject to the fine referred to in the item and the individual is subject to the fine referred to in the provisions in question:

(i) paragraph (1) of the preceding Article: a fine of not more than two hundred million yen;

(ii) paragraph (2) of the preceding Article: a fine of not more than one hundred million yen;

(iii) paragraph (5) of the preceding Article: the fine referred to in that

paragraph.

(2) If an organization that is not a corporation is subject to punishment pursuant to the provisions of the preceding paragraph, its representative or administrator represents it with regard to procedural acts, and the provisions of laws on criminal proceedings that have a corporation as the defendant or a suspect apply mutatis mutandis.

Article 63 If the representative of a corporation or the agent, employee, or other worker of a corporation or individual violates the provisions of Article 61, paragraph (3), (4), (6), or (8) in connection with the business of the corporation or individual, in addition to the offender being punished, the corporation or individual is subject to the fine referred to in the provisions in question.

Article 64 (1) In a case that falls under one of the following items, the violating director, executive officer, accounting advisor, official acting in that capacity, or company auditor of a Port Operating Company is subject to a non-criminal fine of not more than five hundred thousand yen:

(i) the person revises the Operating Plan without obtaining approval under Article 43-13, paragraph (1);

(ii) the person suspends or closes all of its business of operating a group of wharves in violation of the provisions of Article 43-18, paragraph (1);

(iii) the person fails to submit a business plan or income and expenditure budget, in violation of the provisions of Article 43-26, paragraph (1);

(iv) the person fails to submit a balance sheet, profit and loss statement, or business report, or submits ones into which false information has been entered or recorded.

(2) A person failing to keep a financial statement or business report, failing to enter information that is required to be entered in a financial statement or business report, or entering false information therein, in violation of the provisions of Article 56-2-10, paragraph (1); or a person denying a request under one of the items of paragraph (2) of that Article without legitimate grounds for doing so is subject to a non-criminal fine of not more than two hundred thousand yen.

(3) A person failing to submit a notification under the provisions of Article 38-2, paragraph (5) or the proviso to the last sentence of Article 56-3, paragraph (1), or submitting a false notification is subject to a non-criminal fine of not more than one hundred thousand yen.

Supplementary Provisions [Extract]

(Effective Date)

(1) This Act comes into effect on the date of its promulgation; provided, however, that the provisions of Article 42 come into effect from April 1st, 1951.

(Special Provisions on Particularly Important Ports for Development of Domestic Industry)

(2) Until otherwise provided for by law, provisions on Port and Harbor Works in Central International Ports govern the national government's bearing or subsidizing of the costs of Port and Harbor Works that the Port Administrator or the Minister of Land, Infrastructure, Transport and Tourism undertakes in Major Port that is particularly important for the development of domestic industry and that is prescribed by Cabinet Order.

(Interest-Free Loans by the National Government)

(3) Until otherwise provided for by law, the national government may extend an interest-free loan to a Port Administrator in an amount equivalent to what the national government bears pursuant to the provisions of Article 42, paragraph (1) or paragraph (2) (or pursuant to the provisions of any law or regulation that has different provisions as to the proportion borne by the national government; the same applies hereinafter), within the scope of the budget, to cover the costs required for Port Infrastructure construction or improvement works whose costs the national government bears pursuant to the provisions of Article 42, paragraph (1) or paragraph (2) and which fall under Article 2, paragraph (1), item (ii) of the Act on Special Measures to Facilitate Social Infrastructure Development through the Use of Proceeds from the Sale of Nippon Telegraph and Telephone Corporation Stock (Act No. 86 of 1987; hereinafter referred to as the "Act on Special Measures for Infrastructure Development").

(4) Until otherwise provided for by law, the national government may extend an interest-free loan to a Port Administrator in an amount equivalent to what the national government subsidizes pursuant to the provisions of Article 43 (or pursuant to the provisions of any law or regulation that has different provisions as to the proportion subsidized by the national government; the same applies hereinafter), within the scope of the budget, to cover the costs required for Port Infrastructure construction or improvement works whose costs the national government may subsidize pursuant to the provisions of Article 43 and which fall under Article 2, paragraph (1), item (ii) of the Act on Special Measures for Infrastructure Development.

(5) Until otherwise provided for by law, the national government may extend an interest-free loan to a Port Administrator, within the scope of the budget, to cover part of the costs required for Port Infrastructure construction or improvement works, other than Port and Harbor Works referred to in the preceding two paragraphs, that fall under Article 2, paragraph (1), item (ii) of

the Act on Special Measures for Infrastructure Development.

(6) The term of repayment for loans from the national government as referred to in the preceding three paragraphs is the period that Cabinet Order prescribes of up to five years (including a grace period of up to two years).

(7) Beyond what is prescribed in the preceding paragraph, Cabinet Order provides for the method of repayment for a loan under paragraphs (3) through (5) of the Supplementary Provisions, the shortening of the term of repayment, and other necessary particulars concerning repayment.

(8) In applying Article 42, paragraph (3) to a loan that the national government extends to a Port Administrator pursuant to paragraph (3) of the Supplementary Provisions, the phrase "the amount to be borne by the national government" in that paragraph is deemed to be replaced with "the amount of the loan to be extended by the national government pursuant to the paragraph (3) of the Supplementary Provisions".

(9) Having extended a loan to a Port Administrator pursuant to paragraph (3) of the Supplementary Provisions, the national government is to bear its share of the works covered by the loan as under the provisions of Article 42, paragraph (1) or (2) by delivering an amount of money equivalent to the loan repayment at the time for repayment.

(10) Having extended a loan to a Port Administrator pursuant to paragraph (4) of the Supplementary Provisions, the national government is to subsidize the works covered by the loan in an amount equivalent to the loan as under the provisions of Article 43, and is to do so by delivering an amount of money equivalent to the loan repayment at the time for repayment.

(11) Having extended a loan to a Port Administrator pursuant to paragraph (5) of the Supplementary Provisions, the national government is to subsidize the works covered by the loan in an amount equivalent to that loan, and is to do so by delivering an amount of money equivalent to the loan repayment at the time for repayment.

(12) To apply the preceding three paragraphs if a Port Administrator shortens the term of repayment established based on paragraphs (6) and (7) of the Supplementary Provisions and repays an interest-free loan under paragraph (3) through (5) of the Supplementary Provisions that it has been extended (other than in a case that Cabinet Order prescribes), repayment is deemed to have taken place at the time of the original term of repayment.

(13) The provisions of Article 46 apply mutatis mutandis to Port Infrastructure that the national government extends an interest-free loan to cover the required costs of works for pursuant to paragraphs (3) through (5) of the Supplementary Provisions, paragraph (7) of the Supplementary Provisions of the Act on Port and Harbor Works for Development in Hokkaido (Act No. 73 of 1951), paragraph (5) of the Supplementary Provisions of the Act on Special

Measures for Promotion and Development in the Amami Islands (Act No. 189 of 1954), the supplementary provisions of Article 9, paragraph (1) of the Act on Special Measures for Promotion and Development in Okinawa (Act No. 131 of 1971) before its loss of effect, and the supplementary provisions of Article 5, paragraph (1) of the Act on Special Measures for Promotion in Okinawa (Act No. 14 of 2002). In such a case, the phrase "that the national government has borne or subsidized the costs of construction works for" in Article 46, paragraph (1) is deemed to be replaced with "that the national government has extended an interest-free loan to cover the required costs of works for pursuant to paragraphs (3) through (5) of the Supplementary Provisions, paragraph (7) of the Supplementary Provisions the Act on Port and Harbor Works for Development in Hokkaido, paragraph (5) of the Supplementary Provisions of the Act on Special Measures for Promotion and Development in the Amami Islands, the supplementary provisions of Article 9, paragraph (1) of the Act on Special Measures for Promotion and Development in Okinawa before its loss of effect, or the supplementary provisions of Article 5, paragraph (1) of the Act on Special Measures for Promotion in Okinawa" and the phrase "that which the national government bore or subsidized" in that paragraph is deemed to be replaced with "associated with costs that the national government bore or subsidized as prescribed in paragraph (9) of the Supplementary Provisions, paragraph (11) of the Supplementary Provisions of the Act on Port and Harbor Works for Development in Hokkaido, paragraph (8) of the Supplementary Provisions of the Act on Special Measures for Promotion and Development in the Amami Islands, Article 9, paragraph (8) of the Supplementary Provisions of the Act on Special Measures for Promotion and Development in Okinawa before its loss of effect, Article 5, paragraph (7) of the Supplementary Provisions of the Act on Special Measures for Promotion in Okinawa, or associated with a national government subsidy under paragraph (10) or (11) of the Supplementary Provisions".

(14) The provisions of Article 46 do not apply to the Port Infrastructure prescribed in the previous paragraph that is associated with costs that the national government bears or subsidizes as prescribed in paragraph (9) of the Supplementary Provisions, paragraph (11) of the Supplementary Provisions of the Act on Port and Harbor Works for Development in Hokkaido, paragraph (8) of the Supplementary Provisions of the Act on Special Measures for Promotion and Development in the Amami Islands, Article 9, paragraph (8) of the Supplementary Provisions of the Act on Special Measures for Promotion and Development in Okinawa before its loss of effect, or Article 5, paragraph (7) of the Supplementary Provisions of the Act on Special Measures for Promotion in Okinawa, or associated with a national government subsidy under paragraph (10) or (11) of the Supplementary Provisions.

(15) Until otherwise provided for by law, the national government may extend an interest-free loan to a corporation (other than a port authority) that a local government has contributed to or funded (including a corporation that a local government has contributed all of the contributions to or fully funded) and that the Minister of Land, Infrastructure, Transport and Tourism finds to conform to the criteria that Cabinet Order prescribes, to cover part of the costs required for public-use Port Infrastructure construction or improvement works that Cabinet Order prescribes and that fall under Article 2, paragraph (1), item (i) of the Act on Special Measures for Infrastructure Development.

(16) The term of repayment for loans from the national government as referred to in the preceding paragraphs is within twenty years (including a grace period of up to five years).

(17) On finding it to be necessary to do so in order to ensure the proper implementation of business connected with a loan under the provisions of paragraph (15) of the Supplementary Provisions (or of business closely related to works that are covered by the loan, whose necessary costs it is found to be permissible to pay with revenue from the aforementioned business; hereinafter the same applies in this paragraph), the Minister of Land, Infrastructure, Transport and Tourism may order the person receiving that loan to submit reports or materials on its operational and financial status as concerns the business connected with the loan; may have the relevant officials inspect records, documents, and other objects; may have the relevant officials question persons concerned; and may make recommendations for improving operations involved in the business connected with the loan.

(18) If a person receiving a loan as under paragraph (15) of the Supplementary Provisions does not comply when called on to submit a report or material or when inspected or questioned as under the preceding paragraph, or does not follow a recommendation under that paragraph, the national government may shorten the term of repayment for all or part of the loan.

(19) Beyond what is prescribed in the preceding three paragraphs, Cabinet Order provides for the method of repayment for a loan from the national government as referred to in paragraph (15) of the Supplementary Provisions, and prescribes other criteria for the terms and conditions of such a loan.

(Special Provisions on Designating Port Operating Companies for Particular Strategic International Ports)

(20) If the Minister of Land, Infrastructure, Transport and Tourism does not receive an application as referred to in Article 43-11, paragraph (1) for a Strategic International Port (or for the two or more Strategic International Ports designated under Article 43-11, paragraph (2), if applicable; hereinafter the same applies in this paragraph and paragraph (30) of the Supplementary

Provisions) within three months from the date on which the Port and Harbor Act and Article 1, item (i) of the Supplementary Provisions of the Act Partially Amending the Act on the Administration and Operation of Specified Wharves for International Trade (Act No. 9 of 2011) take effect; or if the Minister of Land, Infrastructure, Transport and Tourism decides not to make the designation referred to in that paragraph for any of the applicants applying within three months from that date and finds there to be no prospect of making the designation under that paragraph for some time, the minister may designate classes for groups of wharves in a Strategic International Port in consideration of the administrative and operational status of the port's Wharves and any other circumstances, and for a group of wharves in each class, may designate a single stock company that is found to satisfy the following requirements as the person to operate the part of the groups of wharves that belongs to that class (hereinafter referred to as a "Specific Group of Wharves"), at the application of that stock company (hereinafter referred to as a "Specially Designated Port Operating Company"):

(i) the business content for operation of the Specific Group of Wharves is in conformity with the Port Plan of the Strategic International Port;

(ii) the company has an appropriate and reliable plan for the business of operating the Specific Group of Wharves, beyond as set forth in the preceding item;

(iii) the company has a sufficient financial basis to operate the Specific Group of Wharves;

(iv) if the company operates a Wharf at the Strategic International Port which is not a part of the Specific Group of Wharves (but only a Wharf neighboring the Specific Group of Wharves within the area designated by the Minister of Land, Infrastructure, Transport and Tourism), its integrated operation of that Wharf and the Specific Group of Wharves as one unit contributes to the efficient operation of the Specific Group of Wharves at the Strategic International Port.

(21) On designating classes for groups of wharves as under the provisions of the preceding paragraph or on designating areas pursuant to item (iv) of that paragraph, the Minister of Land, Infrastructure, Transport and Tourism must issue public notice of this pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.

(22) The provisions of Article 43-11, paragraphs (4) and (5) apply mutatis mutandis to the designation of classes for groups of wharves as under in paragraph (20) of the Supplementary Provisions.

(23) Having designated classes for groups of wharves as under paragraph (20) of the Supplementary Provisions, the Minister of Land, Infrastructure, Transport and Tourism is not to make a designation under the provisions of Article 43,

paragraph (1) until four years have passed from the date of the designation (or until rescission of the designation, if the Minister of Land, Infrastructure, Transport and Tourism rescinds the designation of classes for groups of wharves pursuant to the provisions of Article 43-11, paragraph (4) as applied mutatis mutandis pursuant to the preceding paragraph).

(24) An application as referred to in paragraph (20) of the Supplementary Provisions may only be made after one year has passed from the date of the designation of classes for groups of wharves as under the provisions of that paragraph.

(25) The provisions of Article 43-11, paragraphs (7) through (10) and Article 43-12 apply mutatis mutandis to the designation of a Specially Designated Port Operating Company referred to in paragraph (20) of the Supplementary Provisions. In such a case, the term "group of wharves" in Article 43-12, paragraph (1), item (ii) is deemed to be replaced with "Specific Group of Wharves prescribed in paragraph (20), item (iv) of the Supplementary Provisions" and the phrase "and at any Wharves" in that item is deemed to be replaced with "and at any Wharves (but only those within the area designated by the Minister of Land, Infrastructure, Transport and Tourism pursuant paragraph (20), item (iv) of the Supplementary Provisions".

(26) As regards a Specially Designated Port Operating Company with a designation under paragraph (20) of the Supplementary Provisions, the designation under that paragraph is deemed to be a designation under Article 43-11, paragraph (1); the Specially Designated Port Operating Company is deemed to be a Port Operating Company under that paragraph; a Specific Group of Wharves is deemed to be a group of wharves; and the provisions of this Act (other than the proviso to Article 43-21, paragraph (1) (but only the part that involves the national government); Article 43-22, paragraph (1) (but only the part that involves the national government); Chapter VII Section 3; and Article 64, paragraph (1), items (iii) and (iv)) apply. In such a case, the phrase "Article 43-11, paragraph (1)" in Article 43-13, paragraph (2) is deemed to be replaced with "paragraph (20) of the Supplementary Provisions".

(27) A Specially Designated Port Operating Company's designation under paragraph (20) of the Supplementary Provisions ceases to be valid once four years have passed since the date of the designation of classes for groups of wharves as referred to in that paragraph.

(28) If a designation under paragraph (20) of the Supplementary Provisions ceases to be valid pursuant to the preceding paragraph, the Specially Designated Port Operating Company must hand over all of the business of operating the Specific Group of Wharves for which it has been designated to the Port Administrator of the Strategic International Port in which the Specific Group of Wharves has been designated or to a person designated as under the

provisions of Article 43-11, paragraph (1) for that Strategic International Port.

(29) The provisions of Article 43-20, paragraph (3) apply mutatis mutandis to a case as prescribed in the preceding paragraph.

(30) If, on the last day in the four-year period counting from the day on which classes are designated for groups of wharves as under paragraph (20) of the Supplementary Provisions, a single Specially Designated Port Operating Company is operating all of the Specific Groups of Wharves in the Strategic International Port for which the designation was made after having been designated as under that paragraph, paragraph (28) of the Supplementary Provisions does not apply to that Specially Designated Port Operating Company. In such a case, the Specially Designated Port Operating Company is deemed to have been designated as under the provisions of Article 43-11, paragraph (1) on the day after the last day in that four-year period.

(Special Provisions for Port Operating Companies at Specific Central International Ports)

(31) Until otherwise provided for by law, if a Central International Port has Wharves used for long-distance international ocean container shipping with a scale of at least what is prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, and is as Cabinet Order prescribes, in consideration of the container volume that is being handled and other circumstances prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, as a port at which ensuring efficient operation through private-sector knowhow is particularly important for strengthening international competitiveness, that port is deemed to be a Strategic International Port, and the provisions on Port Operating Companies (other than the proviso to Article 43-21, paragraph (1) (but only the part that involves the national government); Article 43-22, paragraph (1) (but only the part that involves the national government); Chapter VII Section 3; and Article 64, paragraph (1) items (iii) and (iv)) and on Specially Designated Port Operating Companies at Strategic International Ports apply. In such a case, the word "four" in paragraphs (23) and (27) of the Supplementary Provisions and the preceding paragraph is deemed to be replaced with "five", and the phrase "one year" in paragraph (24) of the Supplementary Provisions is deemed to be replaced with "two years".