

**Law for promotion of sorted collection
and
recycling of containers and packaging**

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Chapter 1 : General

(Objective)

Article 1

This legislation has the objective of contributing to the maintenance of the living environment and the healthy development of the national economy through the proper disposal of waste and effective utilization of resources, by for example introducing measures for promoting the sorted collection of waste containers and packaging and the recycling of items thus collected which meet the sorting criteria, with the aim of achieving a reduction in the volume of general waste and a sufficient degree of utilization of recycled resources.

(Definitions)

Article 2

For the purposes of this legislation, "containers and packaging" shall mean containers and packaging for commercial products, which become unnecessary when the said products have been consumed or when the said container³ and packaging have been removed from the products.

2.2. For the purposes of this legislation, "designated containers" shall mean containers and packaging, which are designated as containers for merchandise in directives of the competent ministries.

2.3. For the purposes of this legislation, "designated packaging" shall mean containers and packaging other than designated containers.

2.4. For the purposes of this legislation, "container and packaging waste" shall mean containers and packaging which became general waste (any of the general waste defined in Article 2.2 of the Waste Management and Cleaning Law [Law No. 137 of 1970; hereinafter referred to as "the Waste Management Law"]; the same applies hereinafter).

2.5. For the purposes of this legislation, "sorted collection" shall mean collecting waste based on category and performing the necessary work for such waste (such as classification and compression) as specified in directives of the Ministry of Health and Welfare.

2.6. For the purposes of this legislation, "collected items which meet sorting criteria" shall mean those waste containers and packaging which have been collected by category by municipalities on the basis of the Sorted Collection Programs of municipalities set forth in Article 8, and which meet the criteria specified in directives of the Ministry of Health and Welfare as well as being stored in a facility which the competent ministers (taking into consideration the opinions of the municipalities) specify as a facility that meets the installation requirements defined in directives of the competent ministries (except waste containers and packaging defined in directives of the competent ministries as those that can obviously be transferred with or without charge and that do not have to be recycled).

2.7 For the purposes of this legislation "Items which meet specific sorting criteria" shall mean Items which meet sorting criteria and are specified in directives of the competent ministries for each classification category of containers and packaging specified in directives of the competent ministries (hereinafter referred to as "containers and packaging classification").

2.8. In this legislation, "recycling" of items, which meet the sorting criteria, shall mean:

(1) Using items, which meet sorting criteria as raw materials for products (provided, however, that if the products are used as fuels, only those specified by government directives should apply);

(2) Using items, which meet sorting criteria without modification, as products that serve purposes other than fuel.

(3) Bringing items which meet sorting criteria into a state that can be provided with or without charge to persons who make use of the said items as raw materials for products as set forth in (1).

(4) Bringing items which meet sorting criteria into a state that can be provided with or without charge to persons who makes use of items without modification as set forth in (2). '

2.9. For the purposes of this legislation, packaging shall mean the following acts:

"Use" with respect to containers and

(1) Putting a saleable product into a container or packaging or wrapping it with a container or packaging (except in cases where this is done to comply with entrustment [provided, however, that this shall only apply to those specified in directives of the competent ministries; the same applies for the remainder of this paragraph] from other persons [except non-residents as set forth in Article 6 of the Foreign Exchange and International Trade Management Act (Law No. 228 of 1 949)]; the same applies for the rest of this paragraph and the next paragraph).

(2) Importing a saleable product which has been put into a container or packaging, or which has been wrapped with a container or packaging (except in cases where this is done to comply with entrustment from other persons).

(3) Entrusting either or both of the acts set forth in the preceding two subparagraphs to other persons.

2.10. For the purposes of this legislation, "manufacturing" with respect to designated containers shall mean the following acts:

(1) Manufacturing a designated container (except in cases where this is done to comply with entrustment from other persons; provided, however, that this shall only apply to those specified in directives of the competent ministries; the same applies for the remainder of this paragraph).

(2) Importing a designated container (except in cases where this is done to comply with entrustment from other persons).

(3) Entrusting either or both of the acts set forth in the preceding two subparagraphs to other persons.

2. 11. For the purposes of this legislation, a "designated container user" shall mean a business that uses designated containers for products to be sold in its business (provided, however, that this shall only apply to revenue businesses specified in directives of the competent ministries; the same applies hereinafter), with the exception of:

(1) The national government

(2) Local governments and municipalities

(3) Corporate bodies, which are established through a special establishment action by special legislation, or corporate bodies, which are established by special legislation, require permission from an administrative agency for their establishment, and are specified by government directives.

(4) Small businesses as defined in Article 23 of the Small Business Standards Act (Law No. 154 of 1~63) or other enterprises specified by government directives whose turnover as specified by government directives is less than the sums specified by government directives for the business year (provided, however, that if this period exceeds one year, the period shall be divided into several one-year periods from the starting date and each of these periods shall be used as a business year of the operator).

2. 12. For the purposes of this legislation, a "designated container manufacturer" shall mean a business that is engaged in the manufacture etc. of designated containers and does not fall within the definition of the preceding subparagraph.

2. 13. For the purposes of this legislation, a "designated packaging user" shall mean a business that uses designated packaging for products to be sold in its business excluding those which fall within the definition of any of the subparagraphs of paragraph 1 1.

Chapter 2 : Basic Policies etc.

(Basic Policies)

Article 3

The competent ministers shall establish basic policies for the promotion of sorted collection of container and packaging waste and recycling of items which meet the sorting criteria (hereinafter referred to as "basic policies"), in order to promote the sorted collection of container and packaging waste and recycling of items which meet the sorting criteria, in a comprehensive and systematic manner.

3.2. In basic policies, the following shall be determined:

(1) The basic course to be followed as to the promotion of sorted collection of container and packaging waste and recycling of items which meet the sorting criteria.

(2) Matters concerning measures for restricting the generation of container and packaging waste.

(3) Matters concerning geographical areas for which sorted collection of container and packaging waste must be vigorously pursued, and matters concerning measures for the promotion of sorted collection of container and packaging waste.

(4) Matters concerning measures for promoting the recycling of items which meet the sorting criteria, etc.

(5) Matters concerning the adjustment required for smooth and efficient sorted collection of container and packaging waste and recycling of items, which meet the sorting criteria.

(6) Matters concerning the promotion of knowledge related to the importance of promoting the recycling of items, which meet the sorting criteria, etc., as action contributing to environmental preservation.

(7) Other important matters concerning the promotion of sorted collection of container and packaging waste and recycling of items, which meet the sorting criteria.

3.3. When the competent ministers have established basic policies or made changes to the same, they must make this publicly known without delay. (Responsibilities of Businesses and Consumers)

Article 4

Businesses and consumers must seek to minimize the volume of container and packaging waste generated, through rationalization of the way containers and packaging are used, such as by using containers and packaging which can be utilized repeatedly and avoiding the excessive use of containers and packaging. They must also seek to promote sorted collection of container and packaging waste and recycling of items which meet the sorting criteria, by for example using materials obtained from the recycling of items which meet the sorting criteria, or products using these materials.

(Responsibilities of the Government)

Article 5

The government must seek to make the necessary arrangements for promoting sorted collection of container and packaging waste and recycling of items, which meet the sorting criteria, including the financing of these activities.

5.2. The government shall, in its procurement activities, give all due consideration to promoting the use of materials obtained from the recycling of items, which meet the sorting criteria or products using these materials.

5.3. The government must seek to promote research and development for promoting science and technology which will contribute to promoting the collection, processing and utilization of information on containers and packaging as well as of sorted collection of container and packaging waste and recycling of items which meet the sorting criteria, and must seek to take other necessary action such as promoting the widespread use of the products thus obtained.

5.4. The government must endeavor, through education and public relations activities, to promote public awareness of sorted collection of container and packaging waste and recycling of items, which meet the sorting criteria, and to seek the general public's cooperation with respect to implementing this collection and recycling efforts.

(Responsibilities of Local Authorities)

Article 6

Municipalities must endeavor to take action necessary for the sorted collection of container and packaging waste in their respective areas of jurisdiction.

6.2. Prefecture governments must endeavor to provide municipalities with the necessary technical assistance to ensure that the responsibility set forth in the preceding paragraph is carried out in full.

6.3. Prefecture governments and municipalities must seek to take necessary measures to ensure that the recycling of items which meet the sorting criteria, etc., are promoted in accordance with the national government's policies.

Chapter 3 : Recycling Program

Article 7

The competent ministers must determine a five-year program for recycling of items, which meet the sorting criteria (hereinafter referred to as "recycling program") every 3 years, in accordance with the basic policies and directives from the competent ministries.

7.2. In recycling programs, the following matters shall be determined for each item, which meets the relevant specific sorting criteria:

(1) Projected annual quantity of recycled items, which meet the relevant specific sorting criteria.

(2) Matters concerning the establishment of facilities for recycling items which meet the relevant specific sorting criteria.

(3) Matters concerning specific measures for recycling items which meet the relevant specific sorting criteria.

(4) Other important matters concerning the recycling of items which meet the relevant specific sorting criteria.

7.3. When the competent ministers have established recycling programs or made changes to the same, they must make this publicly known without delay.

Chapter 4 : Sorted Collection

(Sorted Collection Programs of Municipalities)

Article 8

When a municipality plans to carry out sorted collection of container and packaging waste, the said municipality must establish a five-year program for sorted collection of container and packaging waste in the area of jurisdiction of the said municipality (hereinafter referred to as "a municipality's sorted collection program") every 3 years, in accordance with the relevant directives of the Ministry of Health and Welfare.

8.2. In a municipality's sorted collection program, the following shall be defined for sorted collection of containers and packaging waste in the area of jurisdiction of the said municipality:

(1) Projected quantities of container and packaging waste generated each year.

(2) Matters concerning measures for restricting the generation of container and packaging waste

(3) Types of container and packaging waste for which sorted collection will be carried out and sorting classifications for collection of the said container and packaging waste.

(4) Of items which meet the sorting criteria which are collected each year, projected quantities for each of the specific sorting criteria and projected quantities of the items specified by the directives of the relevant ministries as set forth in Article 2, paragraph 6.

(5) Basic matters concerning bodies, which perform, sorted collection.

(6)

Matters concerning the maintenance of facilities used for sorted collection.

(7) Other important matters concerning the implementation of sorted collection of container and packaging waste.

8.3. A municipality's sorted collection program must be formulated in accordance with the basic policies and in consideration of the recycling program, and in such a way that it does not contradict the general waste disposal program that is established by the said Article 6, paragraphs 1 of the Waste Disposal Act.

8.4. When a municipality has established a sorted collection program for the said municipality, or has made changes to the same, the municipality must without delay notify the relevant prefecture governor of the details in writing.

8.5. When a prefecture governor has received a sorted collection program from a municipality as set forth in the preceding paragraph, he may provide necessary assistance to the municipality, including advice regarding the implementation of sorted collection.

(Prefecture Level Sorted collection Promotion Program)

Article 9

Prefecture governments must establish five-year programs for promoting the sorted collection of container and packaging waste in each prefecture government's area of jurisdiction (hereinafter referred to as "prefecture sorted collection promotion programs") every 3 years, as specified by the Health and Welfare Ministry's directives.

9.2. In a prefecture sorted collection promotion program, the following shall be determined for promoting sorted collection of container and packaging waste in the area of jurisdiction of the prefecture in question:

(1) Projected annual generation volumes of container and packaging waste for each of the municipalities, which fall within the area of jurisdiction of the said prefecture, and volumes obtained by totaling the said projected generation volumes.

(2) Projected annual generation volumes of each of the items which meet specific sorting criteria for each of the municipalities which fall within the area of jurisdiction of the said prefecture, and annual volumes of each of the items which meet specific sorting criteria, obtained by totaling the projected volumes for individual municipalities.

(3) Projected annual volumes for each of the municipalities, and volumes obtained by totaling' the projected volumes for individual municipalities, for items collected within the area of jurisdiction of the said prefecture and set forth in Article 2, paragraph 6 as items specified by directives of the competent ministries.

(4) Matters concerning the promotion of sorted collection, including promoting exchanges of information on sorted collection among municipalities which fall within the area of jurisdiction of the said prefecture and the dissemination of knowledge on the importance of promoting sorted collection.

9.3. Prefecture sorted collection promotion programs must be formulated in accordance with the basic policies and in consideration of the recycling program.

9.4. Prefecture sorted collection promotion programs (only those parts relating to subparagraphs (I) to (3) of paragraph 2) must be formulated in such a way that they are compatible with sorted collection programs defined by the municipalities which fall within the area of jurisdiction of the said prefecture (this shall only apply to parts concerning paragraph 2. subparagraphs (1) and (4) of the preceding Article).

9.5. When a prefecture has established a prefecture sorted collection promotion program or has made changes to the same, the said prefecture must notify this in writing to the Health and Welfare Minister and make it publicly known without delay.

9.6. When the Health and Welfare Minister has received a prefecture sorted collection promotion program from any prefecture, the Minister, pursuant to -the provisions of the preceding paragraph, must publish total annual volumes of each of items which meet the specific sorting criteria, which are obtained by totaling the volumes of each of the items which meet the specific sorting criteria as set forth in paragraph 2, subparagraph (2).

9.7. When the Health and Welfare minister has received a prefecture sorted collection promotion program from any prefecture as set forth in paragraph 5, he may provide necessary assistance including relevant advice to the said prefecture.

(Sorted Collection, etc., of Container and Packaging Waste)

Article 10

When a municipality has established a sorted collection program for the said municipality, the municipality must carry out sorted collection of container and packaging waste in accordance with the program.

10.2. When a municipality carries out sorted collection of container and packaging waste, the said municipality must establish sorted collection criteria to be met by the residents of the municipality who generate container and packaging waste, and must take necessary measures to make the criteria known to the residents.

10.3. When sorted collection criteria have been established as set forth in the preceding paragraph, the residents of the municipality who generate container and packaging waste must comply with the criteria and sort container and packaging waste correctly before taking it to the places of collection.

10.4. Municipalities which have established sorting criteria pursuant to paragraph 2 shall seek to take necessary measures for promoting proper sorting and placement of container and packaging waste, in accordance with the said sorting criteria, by the residents of the said municipalities who generate the container and packaging waste, by for example taking into consideration the volume of general waste other than container and packaging waste which is sorted and placed appropriately in conformity with the said sorting criteria when determining handling fees as set forth in Article 6-2, paragraph 6 of the Waste Management Law.

Chapter 5 : Implementation of Recycling

(Obligation for Recycling by Designated Container Users)

Article 11

Designated container users must, in accordance with directives of the competent ministries, each year recycle designated containers which they use in their business (except for designated containers associated with the authorization set forth in Article ~_8, paragraph I and designated containers associated with products exported from Japan; the same applies for the remainder of this article excluding subparagraph (2)--- of the following paragraph) and which rent the specific sorting criteria for the relevant classification of containers and packaging, for the volume required.

11.2. The required recycling volume specified in the preceding paragraph shall be calculated by multiplying the volume set forth in subparagraph (1) by the proportion set forth in subparagraph (2) for each of the items which meet the specific sorting criteria.

The volume obtained by multiplying the required total recycling volume by a proportion designated by the Competent ministers as the proportion of the volume of containers and packaging that should be recycled by designated container users or designated container manufacturers as against the required total recycling volume.

(2) The proportion obtained by multiplying the percentage set forth in (2)-1 by the rate set forth in (2)-2, and multiplying the resultant proportion by the percentage obtained by dividing the volume set forth in (2)-3 by the volume set forth in (2)-4 for each of the business types defined by directives of the competent ministries with jurisdiction over business that the said designated container users conduct involving the use of designated containers in connection with items which meet the relevant specific sorting criteria, and then calculating the total of these proportions for individual business types.

(2)- 1

Of the volume set forth in the preceding subparagraph, the percentage that the competent ministers determine as the rate which should be represented by the volume recycled by a designated container manufacturer that manufactures the said designated containers which are used in a business belonging to the said business type.

(2)-2

The proportion determined by the competent ministers based on the percentage obtained by taking the total projected sales for the relevant year of products for which the said designated containers are used in a business belonging to the said business type, and dividing them by the sum of the total figure and the total projected sales for the said year of the said designated containers which have been manufactured and which are used in a business belonging to the said business type.

(2)-3

Of the volume of the said designated containers which the said designated container user utilizes in a business belonging to the said business type and for products sold in the said year, the volume which is calculated in accordance with directives of the competent ministries as the projected generation volume of container and packaging waste. (2)-4 Of the volume of the said designated containers which all designated container users use in a business belonging to the said business type and for products which are sold in the said year, the volume which the competent ministers determine as the projected generation volume of container and packaging waste.

(3) The required total recycling volume set forth in subparagraph I of the preceding paragraph shall be determined by competent ministers based on the sum of the volume obtained by taking the total volume of items which meet the relevant specific sorting criteria for the said year as specified in Article 9, paragraph 6, and multiplying this by the "designated user/manufacturer responsibility proportion" (the proportion designated by competent ministers as the proportion of the volume that is recycled by a designated container user, designated container manufacturer, or designated packaging user as against the volume of the item which meets the specific sorting criteria in question; the same applies for the remainder of this paragraph) and the volume calculated in accordance with directives of the competent ministries as the volume that should be recycled in the said year by a designated container user, designated container manufacturer or designated packaging user from the volume of items which meet the said specific sorting criteria, and which were obtained by the end of the year preceding the said year and were not recycled (provided, however, that when this volume exceeds the volume obtained by multiplying the Volume for the said year of items which meet the said specific sorting criteria as defined in Article 7, paragraph 2, subparagraph (1) by the designated user/manufacturer responsibility proportion, this volume shall be the volume obtained by the multiplication).

(Obligation for Recycling by Designated Container Manufacturers)

Article 12

Designated container manufacturers must, in accordance with directives from the competent ministries, recycle every year those designated containers which they manufacture (except designated containers associated with the authorization set forth in Article 18, paragraph I and designated containers which are exported from Japan; the same applies for the remainder of this article) and which meet the specific sorting criteria for the relevant classification of containers and packaging, for the volume required.

12.2. The required recycling volume set forth in the preceding paragraph shall be calculated by multiplying the volume set forth in subparagraph (1) by the proportion set forth in subparagraph (2) for each of the items which meet the said sorting criteria.

(1) The volume set forth in paragraph 2, subparagraph (I) of the preceding article.

(2) The proportion obtained by multiplying the percentage set forth in (2)-1 by the rate set forth in (2)-2, and multiplying the resultant proportion by the percentage obtained by dividing the volume set forth in (2)-3 by the volume set forth in (2)-4 for each of the business types defined by directives of the competent ministries (as specified in paragraph 2, subparagraph (2) of the preceding Article) to which the designated container user associated with the designated items which meet the said sorting criteria and are manufactured by the said designated container manufacturer belongs, and then calculating the total of these proportions for individual business types.

(2)-1 The proportion defined in paragraph 2 subparagraph (2) I of the preceding Article.

(2)-2 The proportion obtained by subtracting the percentage set forth in paragraph 2, subparagraph (2)-2 of the preceding Article from (1).

(2)-3 Of the volume of the said designated containers which are manufactured by the said designated container manufacturer and are used in a business belonging to the said business type and sold in the said year, the volume calculated in accordance with directives of the competent ministries as the projected generation volume of container and packaging waste.

(2)-4 Of the volume of the said designated containers which are manufactured by all of the said designated container manufacturers and are, used in a business belonging to the said business type and sold in the said year, the volume determined by competent ministers as the projected generation volume of containers and packaging waste.

(Obligation for Recycling by Designated Packaging Users)

Article 13

Designated packaging users must, in accordance with directives of the competent ministries, recycle every year designated packaging which they use in their business (except for designated packaging associated with the authorization defined in Article 18, paragraph 1, and designated packaging associated with products which are exported from Japan; the same applies for the remainder of this Article) and which meet the specific sorting criteria for the relevant classification of containers and packaging, for the volume required.

13.2. The required recycling volume set forth in the preceding paragraph shall be calculated by multiplying the volume set forth in subparagraph (1) by the percentage obtained by dividing the volume set forth in subparagraph (2) by the volume set forth in subparagraph (.3) for each of the items which meet the specific sorting criteria.

(1) The volume obtained by subtracting the volume set forth in Article 11, paragraph 2, subparagraph (1) from the required total recycling volume set forth in the same subparagraph.

(2) Of the volume of designated packaging associated with items which meet the said specific sorting criteria and which are used by the said designated packaging user in its business for products sold in the said year, the volume calculated in accordance with directives of the competent ministries as the projected generation volume of container and packaging waste.

(3) Of the volume of the said designated packaging used by all designated packaging users in their business for products sold in the said year, the volume specified by the competent ministers as the projected generation volume of container and packaging waste.

(Conditions for an Operator to be Regarded as Having Performed Recycling)

Article 14

When a designated container user, designated container manufacturer or designated packaging user has signed a recycling contract as set forth in Article 23, paragraph I with a designated body as set forth in Article 21, paragraph I for the recycling of all or part of the required recycling volume set forth in Articles 1 1- 13 and has fulfilled its duty on the basis of that contract, the designated container user, designated container manufacturer or designated packaging user shall be regarded as having performed recycling for the volume of interns which meet the said specific sorting criteria corresponding to the volume entrusted.

(Authorization for Recycling)

Article 15

When a designated container user, designated container manufacturer or designated packaging user plans to perform recycling for all or part of the required recycling volume set forth in Articles 1 1- 1 3 (including cases in which any of these entities plans to perform recycling through entrustment to those other than the designated entities set forth in Article 21, paragraph 1), the business user or operator must, in accordance with directives of the competent ministries, be authorized by the competent ministers as having met all of the following requirements :

(1) An entity, which performs acts necessary for the said recycling must meet the requirements, specified by directives of the competent ministries.

(2) An entity set forth in the preceding subparagraph must own facilities, which meet the requirements specified by directives of the competent ministries.

(3) The volume for recycling, as set forth in subparagraph (5) of the following paragraph, must meet the requirements concerning geographical area aforesaid which meet specific sorting criteria as specified by directives of the competent ministries.

15.2. Those who desire to be authorized as set forth in the preceding paragraph must, in accordance with directives of the competent ministries, submit application forms to the competent ministers, including the following information, and other documents required by the directives of the competent ministries:

(1) The name or business name and address, and in the case of a corporation, the name of the person who represents the company.

(2) The type and volume of designated containers used in the said business, designated containers manufactured in the said business, or designated packaging used in the said business, and the container/ packaging classification to which the said designated container/ packaging belongs.

(3) (3) The required recycling volume of items which meet specific sorting criteria and which concern the container/packaging classification set forth in the preceding subparagraph, as set forth in

Articles 11-13.

- (4) The items, which meet the specific sorting criteria and for which recycling is planned with respect to the said authorization.
- (5) The volume of items which meet the specific sorting criteria as set forth in the preceding subparagraph and the volume by the municipality of items which meet the said specific sorting criteria.
- (6) The facilities which are used for the recycling in question and the entity which performs necessary acts for recycling concerning the said authorization. 15.3. The competent ministers shall give the authorization set forth in paragraph I when they have confirmed that the recycling concerning the application for authorization as set forth in paragraph I meets all the requirements set forth in that paragraph.

(Changes in Authorization)

Article 16

When a designated container user, designated container manufacturer or designated packaging user who has been given authorization as set forth in Paragraph 1 of the preceding Article plans to change any of the items set forth in subparagraphs 3 to 6 of paragraph 2 of the same Article (except for minor changes specified by directives of the competent ministries), the business user or operator must be so authorized by the competent ministers.

16.2. The provisions of paragraphs 2 and 3 of the preceding Article shall also apply to changes in authorization as set forth in the preceding paragraph.

(Revocation of Authorization)

Article 17

The competent ministers may revoke the said authorization when they have judged that the situation has changed and recycling concerning the authorization set forth in Article 15, paragraph I no longer meets any one of the subparagraphs of the said paragraph.

(Authorization for Self-Collection)

Article 18

When a designated container user, designated container manufacturer or designated packaging user collects for itself or through entrustment to another party the designated containers it uses or manufactures or the designated packaging it uses, it may apply to the competent ministers for authorization to conduct collection of designated containers or packaging using a method which is appropriate for achieving the collection rate specified by directives of the competent ministries.

18.2. The competent ministers shall, when they have given the authorization set forth in the preceding paragraph, publish the name and address of the entity which has been authorized, as well as the type and volume of the designated containers/packaging collected and the collection method.

18.3. The competent ministers may revoke the said authorization when they have judged that the situation has changed and the collection method concerning the authorization set forth in paragraph I has become inappropriate for achieving the collection rate specified by directives of the competent ministries as set forth in the said paragraph.

(Guidance and Advice)

Article 19

The competent ministers may give necessary guidance and advice to a designated container user, designated container manufacturer or designated packaging user for implementing the recycling in question when they have judged that such guidance or advice is necessary in order to ensure that recycling is made for the required recycling volume set forth in Articles 11-13.

(Recommendations and Orders)

Article 20

When a designated container user, designated container manufacturer or designated packaging user (hereinafter referred to as "designated manufacturer/ user" with the exception of Article 39) without justifiable reason fails to perform recycling as set forth in the preceding Article, the competent ministers may instruct the said designated manufacturer/user to perform the said recycling, by issuing recommendations to that effect.

20.2. When a designated manufacturer/user who has been issued with recommendations as set forth in the preceding paragraph has failed to comply with the recommendations, the competent ministers may make public announcement to that effect.

20.3. When a designated manufacturer/user who has been given the recommendation set forth in paragraph I still without justifiable reason fails to take any action concerning the recommendations following a public announcement as set forth in the preceding paragraph to the effect that it has not complied with the recommendations, the competent ministers may order the said designated manufacturer/user to take action, with respect to the recommendations.

Chapter 6 : Designated Bodies

(Designation etc.)

Article 21

The competent ministers may designate a body specified under Article 34 of the Civil Law (Law No. 89 of 1918) which is considered capable of performing the work set forth in the following Article (hereinafter referred to as "recycling work") in an appropriate and reliable manner as a body which performs recycling work (hereinafter referred to as a "designated body") after considering the application submitted from the said body.

21.2. The competent ministers must, when they have made designation as set forth in the preceding paragraph, publish the name and address of the designated body as well as the address of its office.

21.3. When a designated body plans to change its name or address or the address of its office, it must notify this fact to the competent ministers in advance.

21.4. When the competent ministers have received notification as set forth in the preceding paragraph, they must announce matters concerning the notification in question..

(Recycling Work)

Article 22

Designated bodies shall, under entrustment from designated manufacturers/ users, recycle items which meet the sorting* criteria.

(Entrustment of Recycling Work)

Article 23

A designated body may, under authorization by the competent ministers, entrust part of the work necessary for the concluding a contract concerning the entrustment set forth in the preceding article (hereinafter referred to as "recycling contract") or the payment of fees for the said entrustment (hereinafter referred to as "entrustment fees") to a body to which the designated manufacturer/user belongs and which is specified by government directives.

23.2. When authorization as set forth in the preceding paragraph has been given, the body designated by government directives as set forth in the same paragraph may perform the work in question under entrustment as set forth in the said paragraph regardless of the provisions of other legislation.

(Recycling Work Rules)

Article 24

When a designated body is to perform recycling work, it must establish a set of recycling rules regarding the method of performing the recycling work, the method of calculating entrustment fees, and other matters specified by directives of the competent ministries, and must submit the same for approval by the competent ministers prior to commencing the work. The same applies when a designated body wishes to change its recycling rules.

24.2. The competent ministers must give the approval set forth in the preceding paragraph when they have confirmed that the approval request as set forth in the said paragraph meets all of the following requirements:

(1) The methods of implementing recycling work and calculating the entrustment fees have been defined in a clear and appropriate manner.

(2) The responsibilities of designated bodies and entities which sign recycling contracts or contracts for the implementation of recycling of items which meet the sorting criteria, as well as matters concerning the payment of entrustment fees, have been defined in a clear and appropriate manner.

(3) There is no undue discrimination against any particular parties.

(4) There is no danger of inappropriately harming the interests of related operators or general consumers.

24.3. The competent ministers may order a given party to change the recycling work rules when they have judged that the situation has changed and the recycling work rules as authorized in paragraph I have now become inappropriate for the proper and reliable implementation of recycling work.

(Operating Plan, etc.)

Article 25

Designated bodies must, pursuant to the directives of the competent ministries, prepare an Operating Plan and an Income and Expenditure Budget concerning the said recycling work and submit them for approval by the competent ministers for every business year. The same applies when a designated body wishes to change these documents.

25.2. Operating Plans must specify the entrustment fees and the volume of items which meet the relevant specific sorting criteria which are to be recycled for each municipality and for each of the items which meet the specific sorting criteria.

25.3. Designated bodies must, pursuant to the directives of the competent ministries, prepare an Annual Report and an Annual Statement concerning the said recycling work and submit them to the competent ministers after the end of every business year.

(Suspension/Cancellation of Recycling Work)

Article 26

A designated body may not suspend or cancel all or any part of the recycling work without first obtaining Permission from the competent ministers.

(Conclusion/Cancellation of Contracts)

Article 27

Designated bodies must not refuse to conclude recycling contracts, except when an applicant for a recycling contract has previously signed another recycling contract and there is an overdue entrustment fee concerning the applicant or there is some other justifiable reason specified by directives of the competent ministries. 27.2. Designated bodies must not cancel a recycling contract,

except when the designated container user with which it has a recycling contract has stopped selling products which use designated containers subject to the recycling contract or when there is any other justifiable reason concerning the business user as specified by directives of the competent ministries.

(Obligation to Protect Confidentiality)

Article 28

No person who is or has been an officer or employee of a designated body may disclose confidential information acquired in connection with recycling work.

(Account Books)

Article 29

Designated bodies must, pursuant to the directives of the competent ministries, maintain account books and record information concerning recycling work in the same as required by directives of the competent ministries, and must retain these documents.

(Reporting and Inspection Visits)

Article 30

The competent ministers may, as long as necessary to ensure the proper implementation of recycling work, instruct designated bodies to provide necessary reports on the said recycling work or on the asset status, or send their staff to a designated body's office to inspect the status of the said recycling work or other materials such as account books and documents.

30.2_. The staff of competent ministers assigned to make inspection visits as set forth in the preceding paragraph must carry identification cards showing their positions and must show the same, to all those concerned.

30.3. The authority given to staff sent to a designated body's office for inspection as set forth in paragraph I must not be construed as that recognized for criminal investigation.

(Supervisory Order)

Article 31 The competent ministers may, as long as necessary to implement the provisions of this chapter, issue orders necessary for supervisory purposes concerning recycling work to designated bodies.

(Cancellation of Designation etc.)

Article 32

The competent ministers may cancel a designation which has been made pursuant to Article 2 1, paragraph I (hereinafter in this Article referred to as "the designation") when a designated body's behavior falls within the definition of either of the following paragraphs.

(1) When the designated body is considered to be incapable of performing recycling work in an appropriate and reliable manner.

(2) When there has been illegal conduct with respect to the designation.

(3) When the designated body has violated an order or disposal based on the said provision

or any of the provisions of this chapter, or has performed recycling work without conforming" to the recycling" work rules defined in Article 24, paragraph I and approved as set forth in the said paragraph.

32.2. When a competent minister has cancelled a designation as set forth in the preceding paragraph, this fact must be made publicly known.

Chapter 7 : Miscellaneous

(Measures Taken by the Government, etc.)

Article 33

The entities specified in Article 1, paragraph 1, subparagraphs (1)-(3) must, in accordance with the purport of this legislation, seek to take necessary measures to ensure the correct disposal of waste and effective use of resources for those items which meet the specific sorting criteria with respect to the container/packaging classifications to which the containers and packaging it uses in its business belong.

(Reflecting Costs Required for Recycling in Prices)

Article 34

In view of the fact that it is important to ensure that product prices accurately reflect the costs required in recycling efforts for reducing container and packaging waste and promoting the effective use of container/packaging-related resources, the government must seek to make the purport and content of this legislation known to the public through public relations activities, etc., and to ensure that the general public accept and cooperate in this legislation, in order to contribute to the smooth and correct reflection of these costs in prices.

(Statements by Heads of Municipalities)

Article 35

Heads of municipalities where sorted collection of container and packaging waste is being conducted may, pursuant to the directives of competent ministries and when they have judged that there is a risk that items which meet the sorting criteria concerning the sorted collection in question may not be recycled, make a statement to this effect to the competent ministers.

(Obligation to Use the Products of Recycling etc.)

Article 36

Those who operate businesses in which they can make use of products obtained through the recycling of items which meet the sorting criteria shall, pursuant to the Law for Promotion of Utilization of Recyclable Resources (Law No. 48 of 1991), be obliged to make use of such products.

36.2. Operators who use containers and packaging in their business or those who are engaged in the manufacturing, processing or marketing of containers and packaging shall, pursuant to the Law for Promotion of Utilization of Recyclable Resources, be obliged to promote the sorted collection of such containers and packaging relating to their business which are discarded as container and packaging waste, and to take measures to promote the recycling of items which meet the sorting criteria thus obtained.

(Exceptions, etc., to the Waste Management Law)

Article 37

Designated bodies, designated manufacturers/users who have been authorized as specified in Article 15, paragraph 1, or those who perform acts necessary for the recycling of items which meet the, sorting criteria (only those acts corresponding to the transportation or reclamation of general waste) as their work under entrustment from either of the aforesaid (in the case of those working under entrustment from the designated manufacturers/users who have been authorized as set forth in Article 15, paragraph 1, only those set forth in paragraph 2, subparagraph (6) of the said Article) may, regardless of the provisions of Article 7, paragraph I or paragraph 4 of the Waste Management Law, perform the work in question as their work without obtaining the authorization set forth in these provisions.

37.2. Designated bodies must comply with standards specified by government directives when entrusting the actions set forth in the preceding paragraph to a third party.

(Account Books)

Article 38

Designated container users, designated container manufacturers or designated packaging users must, pursuant to the directives of competent ministries, maintain account books and record in these books details which are required to be recorded pursuant to the directives of competent ministries concerning the sales of products for which designated containers are used, the manufacture of designated containers, or sales of products for which designated packaging are used and recycling of items which meet the sorting criteria, and must retain these documents.

(Collection of Reports)

Article 39

The competent ministers may, pursuant to government directives and as long as necessary to ensure the implementation of this legislation, instruct a designated container user, designated container manufacturer or designated packaging user to report on the status, etc., of business in which designated containers are used, of the manufacturing, etc., of designated containers or of business in which designated packaging are used, and the status of recycling of items which meet the sorting criteria.

(Inspection Visits)

Article 40

The competent ministers may, pursuant to government directives and as long as necessary to ensure the imp. Implementation of this legislation, send their staff to the offices, factories, operating plants and, warehouses of designated manufacturers/users to inspect materials such as account books and documents.

40.2. The staff of competent ministers who are assigned to make inspection visits as set forth in the proceeding paragraph must carry identification cards indicating their position and must show the same to all those concerned.

40.3. The authority given to staff sent to a designated body's office etc. for inspection as set forth in paragraph I must not be construed as that recognized for criminal investigation.

(Exceptions Granted for Special Areas)

Article 41

When this legislation is to be applied to a region which includes a special area, the expressions "municipality" and "head of municipality" shall be replaced with the expressions "metropolis" and "metropolitan governor", respectively.

(Consultation)

Article 42

When the Health and Welfare Minister establishes The Ministry of Health and Welfare directive as set forth in Article 2, paragraph 6, he must consult with the Minister of International Trade and Industry, the Minister of Finance, and the Minister of Agriculture, Forestry and Fishery.

(Competent Ministers etc.)

Article 43

For the purposes of this legislation, the competent ministers shall be the Minister of Health and Welfare, the Minister of International Trade and Industry, the Minister of Finance, and the Minister of Agriculture, Forestry and Fishery. However, for each of the matters set forth in the following subparagraphs, the ministers set forth in the said subparagraphs shall act as the competent ministers:

(1) Matters concerning the formulation of basic policies as set forth in Article 3, paragraph 1, and changes to and publication of the basic policies as set forth in Article 3, paragraph 3:

Minister of Health and Welfare, Minister of International Trade and Industry, Minister of Finance, Minister of Agriculture, Forestry and Fishery, and Director General of the Environmental Agency.

(2) Matters concerning the determination of proportions as set forth in Article 11, paragraph 2, subparagraph (2)-2, the determination of quantities as set forth in Article 11, paragraph 2, subparagraph (2)-4, the determination of quantities as set forth in Article 13, paragraph 2, subparagraph (3), the authorization as set forth in Article 15, paragraphs I and 3, the acceptance of documents as set forth in Article 15, paragraph 2, the approval of changes as set forth in Article 16, paragraph I, the revocation of authorization as set forth in Article 17, the authorization as set forth in Article 18, paragraph 1, the publication as set forth in Article 18, paragraph 2, the revocation of authorization as set forth in Article 18, paragraph 3, the guidance and advice as set forth in Article 19, the recommendations as set forth in Article 20, paragraph 1, the publication as set forth in Article 20, paragraph 2, the order as set forth in Article 20, paragraph 3, the collection of reports as set forth in Article 39, and the inspection visits as set forth in Article 40:

Minister of Health and Welfare, Minister of International Trade and Industry, and the minister responsible for business in which the designated container user in question or the business user of designated packaging in question uses designated containers or designated packaging, or for business in which the designated container manufacturer in question manufactures designated containers.

(3) Matters concerning the determination of quantities as set forth in Article 12, paragraph 2, subparagraph (2)-2, and statements by heads of municipalities as set forth in Article 35:

Minister of Health and Welfare. Minister of International Trade and Industry.

43.2. For the purposes of this legislation, directives of the competent ministries shall mean orders issued by the Minister of Health and Welfare, the Minister of International Trade and Industry, the Minister of Finance, or the Minister of Agriculture, Forestry and Fishery. However, the directives of competent ministries given in each of the following subparagraphs shall be treated as set forth in the said subparagraphs:

(1) The directives of the competent ministries set forth in Article 11, paragraph 2, subparagraph (2)-3, Article 13, paragraph 2, subparagraph (2), and Article 15, paragraph 1, subparagraphs (1)-(3):

Orders issued by the Minister of Health and Welfare, the Minister of International Trade and Industry, or the minister responsible for business in which the designated container user in question or the designated packaging user in question uses designated containers or designated packaging, or for business in which the designated container manufacturer manufactures designated containers.

(2) The directives of the competent ministries set forth in Article 2, paragraph 10, subparagraph (1), Article 12, paragraph 1, Article 11), __, paragraph 2, subparagraph (2)-3, and Article 35:

Orders issued by the Minister of Health and Welfare or the Minister of International Trade and Industry.

43.3. Pursuant to government directives, the authority of a competent minister as set forth in Articles 39 and 40 may be entrusted to the head of a regional branch bureau or the governor of a prefecture.

(Opinion Hearing)

Article 44

When the competent ministers determine directives of the competent ministries, proportions, percentages, or quantities as set forth in Articles 11-13 or give approval as set forth in Article 24, paragraph 1 or Article 25, paragraph 1, they may hear opinions from the operators concerned and from other interested parties should they decide that it is necessary to do so.

(Transitional Arrangements)

Article 45

When an order has been established, changed or revoked pursuant to the provisions of this legislation, necessary transitional arrangements (including those concerning penalties) can be established pursuant to that order, provided that the arrangements are deemed as being reasonably necessary in connection with establishing, changing or revoking the order.

Chapter 8 : Penalties

Article 46

Those who violate an order as set forth in Article 20, paragraph 3 shall be subject to a fine of up to 500,000 yen.

Article 47

When a designated body has committed any of the following violations, the officers or employees of the said designated body shall be subject to a fine of up to 300,000 yen.

(1) When it has cancelled all of its recycling work without obtaining permission as set forth in Article 26.

(2) When it has not maintained account books as specified in Article 29 or has made false entries in said books, or when it has not retained the recorded account books.

(3) When it has not made reports as set forth in Article 30, paragraph 1 or when it has made false reports.

(4) When it has refused, obstructed or avoided an inspection as set forth in Article 30, paragraph 1.

Article 48

Any person who has committed any of the following violations shall be subject to a fine of up to 200,000 yen:

(1) Any person who has not maintained account books as set forth in Article 38 or has made false entries in said books, or any person who has not retained recorded account books.

(2) Any person who has not made reports as set forth in Article 39, or any person has made false reports.

(3) Any person who has refused, obstructed or avoided an inspection as set forth in Article 40, paragraph 1 .

Article 49

When a representative of a corporation, or a person who works for a corporation or for a person such as a representative or an employee, has committed any of the violations set forth in the preceding three Articles in connection with the work of the said corporation or person shall be subject to the penalties set forth in the Article, in question, in addition to the person who actually committed the violation.

Schedules

(Date of Enforcement)

Article 1

This legislation shall take effect on a date specified by government directive, provided that the date is within six months from the date of proclamation. However, the following provisions shall be enforced from the date set forth in the respective subparagraph:

(1) Provisions set forth in Articles 8 and 9: From a date specified by government directive, provided that the date is within one year from the date of proclamation.

(2) Provisions set forth in Article 10, Chapter 5. Articles 33-36, Articles 38-40. Article 46, Article 48 of the Law and Article 5 of the Schedules (provided, however, that this shall be limited to the provision concerning the modification to the Health and Welfare Ministry Establishment Act (Law No. 151 of 1949) adding a subparagraph after Article 6, subparagraph (27)-2 [provided, however, that this shall be limited to the part concerning "... give authorization for recycling and revoke that authorization, and give authorization for self-collection of designated containers or designated packaging and revoke that authorization"]):

From a date specified by government directive, provided that the date is within 2 years from the date of proclamation.

(Exempt Periods during which the Application of the Legislation shall be suspended)

Article 2

The provisions of Articles 1 1 - 1 3 shall not apply to designated manufacturers/ users who are small businesses as set forth in Article 2 of the Small Business Basic Law or other operators specified by government directives by March 3 1, 2000.

2.2. The provisions set forth in Chapters 3-5, Article 33, and Articles 35-40 shall not apply to containers and packaging which are mainly made of paper or those which are mainly made of plastic and are specified by government

directives, by the date specified by government directives provided that said date is within 5 years from the date of proclamation.

(Review)

Article 3

When ten years have passed from the date of enforcement of this legislation, the government shall review the status of enforcement of the provisions set forth in Chapter 5. Chapter 6, and Articles 38-40, and shall take necessary action based on the result of this review,

(Partial Modification to The Ministry of Finance Establishment Act)

Article 4

The Ministry of Finance Establishment Act (Law No. 144 of 1949) shall be partly modified as follows:

The following subparagraph shall be added after Article 4, subparagraph (1 27)-3:

(1 27)-4 Matters in the relevant types of business which concern the promotion of sorted collection and recycling of containers and packaging and which are governed by the Law for Promotion of Sorted Collection and Recycling of Containers and Packaging (Law No. I 12 of 1995).

"and subparagraph (127)-j~" in Article 34 shall be replaced with "to subparagraph (1'~/_7)_4", and "as well as" in the same article shall be replaced with "and".

(Partial Modification to The Ministry of Health and Welfare Ministry Establishment Act)

Article 5

The Ministry of Health and Welfare Establishment Act shall be partly modified as follows:

"and the Temporary Arrangement Act for the Promotion of the Rationalization of the Use of Energy etc. and Business Activities Concerning the Utilization of Recyclable Resources (Law No. 18 of 1993)" in Article 28, paragraph ~_8 shall be replaced with "..., the Temporary Arrangement Act for the Promotion of the Rationalization of the Use of Energy etc, and Business Activities Concerning the Utilization of Recycled Resources (Law No. 18 of 1993) and the Law for Promotion of Sorted Collection and Recycling of Containers and Packaging (Law No. 1 12 of 1995)",

Subparagraph ('_7)-3 of Article 6 shall be changed to (27)-4 and the following subparagraph shall be added after subparagraph (27)-2:

(27)-3 Pursuant to the Law for Promotion of Sorted Collection and Recycling of Containers and Packaging to establish basic policies and recycling programs, give authorization for recycling and revoke said authorization, authorize the self-collection of designated containers or designated packaging and revoke said authorization, designate designated bodies based on the provisions of the Legislation, and execute supervision of the designated bodies including authorization.

(Partial Modification to The Ministry of Agriculture, Forestry and Fishery Establishment Act)

Article 6

The Ministry of Agriculture, Forestry and Fishery Establishment Act (Law No. 153 of 1949) shall be partly modified as follows:

Subparagraph (86)-4 of Article 4 shall be changed to (86)-5 and the following subparagraph shall be added after subparagraph (86)-3:

and the following

(86)-4 To deal with administrative work relating to the implementation of the Law for Promotion of Sorted Collection and Recycling of Containers and Packaging (Law No. 1 12 of 1995) and belongs to the business field in question.

(Partial Modification to The Ministry of International Trade and Industry Establishment Act)

Article 7

The Ministry of International Trade and Industry Establishment Act (Law No. 275 of 1952) shall be partly modified as follows:

Subparagraph (44)-3 of Article 4 shall be changed to (44)-4 and the following subparagraph shall be added after subparagraph (44)-2:

(44)-3 Matters concerning the implementation of the Law for Promotion of Sorted Collection and Recycling of Containers and Packaging (Law No. 112 of 1995).

(Partial Modification to The Environmental Agency Establishment Act)

Article 8

The Environment Agency Establishment Act (Law No. 88 of 1971) shall be partly modified as follows: Subparagraph (5)-4 of Article 4 shall be changed to (5)-5 and the following subparagraph shall be added after subparagraph (5)-3: (5)-4 To deal with administrative work relating to the establishment, modification, and publication of basic policies under the Law for Promotion of Sorted Collection and Recycling of Containers and Packaging (Law No. 112 of 1995) and belongs to the business field in question.