

Act on Japan Oil, Gas and Metals National Corporation

(Act No. 94 of July 26, 2002)

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Chapter I General Provisions

(Purpose)

Article 1. The purpose of this Act is to provide matters relating to the name, purposes, scope of operations, etc. of the Japan Oil, Gas and Metals National Corporation, Incorporated Administrative Agency.

(Name)

Article 2. The name of an Incorporated Administrative Agency provided in Article 2, Paragraph (1), of the Act on General Rules for Incorporated Administrative Agencies (Act No. 103 of 1999; hereinafter referred to as the “Act on General Rules”), which is established pursuant to the provisions of this Act and the Act on General Rules, shall be Japan Oil, Gas and Metals National Corporation, Incorporated Administrative Agency.

(Purposes of the JOGMEC)

Article 3. The purposes of the Japan Oil, Gas and Metals National Corporation, Incorporated Administrative Agency (hereinafter referred to as the “JOGMEC”) are to supply the necessary funds for exploration, etc. for petroleum and combustible natural gas (hereinafter referred to as “Petroleum, etc.”), exploration for coal and geothermal resources and exploration, etc. relating to metallic minerals and conduct such other operations as may be necessary for promoting the development of petroleum and combustible natural gas resources, coal resources, geothermal resources and metallic mineral resources and for stockpiling petroleum and metallic and other mineral products, thereby contributing to the stable supply at lower prices of Petroleum, etc., coal, geothermal resources and metallic and other mineral products, and to loan such funds and conduct such other operations as may be necessary for controlling mine pollution caused by metal mining and other related industries, thereby contributing to the protection of human health and the preservation of living environment as well as the sound development of metal mining and other related industries.

(Agency Managed under the Medium-term Objectives)

Article 3-2. The JOGMEC shall be an Agency Managed under the Medium-term Objectives provided for in Article 2, Paragraph (2), of the Act on General Rules.

(Office)

Article 4. The JOGMEC shall have its main office in Tokyo.

(Capital)

Article 5. The capital of the JOGMEC shall be the total of the amounts that are deemed to have been contributed by the Government pursuant to the provisions of Article 4, Paragraph (3), and Article 5, Paragraph (4), of the Supplementary Provisions of the Act Concerning Abolition, etc. of the Act on Japan National Oil Corporation and the Act on Metal Mining Agency of Japan (Act No. 93 of 2002; hereinafter referred to as the “Abolishment Act”) and the provisions of Article 5, Paragraph (3), and Article 6, Paragraph (2), of the Supplementary Provisions of the Act for Partial Amendment of the Oil Stockpiling Act, etc., for Measures, etc. against Short Supply in Petroleum in the Event of Disaster (Act No. 76 of 2012).

(2) The Government may make additional contribution to the JOGMEC within the confines of the amount specified by the budget if it is considered necessary. In such case, if the whole or part of the relevant amount contributed should be allocated to credit fund mentioned in Article 17, Paragraph (1), the Government shall indicate the relevant amount.

(3) When receiving a contribution from the Government in accordance with the provision of the preceding Paragraph, the JOGMEC shall increase its capital by the contributed amount.

Chapter II Executives and Staff Members

(Executives)

Article 6. The JOGMEC shall have a President as its head executive and two Auditors as its executives.

(2) The JOGMEC may have, as its executives, an Executive Vice President and up to six Board Members.

(Duties and Authorities of Executive Vice President and Board Members, etc.)

Article 7. The Executive Vice President shall, as directed by the President, represent the JOGMEC and assist the President in administering the operations of the JOGMEC.

(2) The Board Members shall, as directed by the President, assist the President (and, if the JOGMEC has an Executive Vice President, the Executive Vice President) in administering the operations of the JOGMEC.

(3) The Executive Vice President shall act as the Executive prescribed by an Individual Act referred to in Article 19, Paragraph (2), of the Act on General Rules, Provided, however, that if the JOGMEC does not have the Executive Vice President but has the Board Members, then the Board Members shall act as such Executive, and that if the JOGMEC has neither the Executive Vice President nor the Board Members, the Auditors shall so act.

(4) In the case of the proviso of the preceding Paragraph, the Auditor who substitutes for the President or conducts the duties of the President in accordance with the provision of Article 19, Paragraph (2), of the Act on General Rules shall not conduct the duties of Auditor for so long as he or she so substitutes for the President or so conducts the duties of the President.

(Term of Office of Executive Vice President and Board Members)

Article 8. The term of office of the Executive Vice President shall be four years, and the term of office of the Board Members shall be two years.

(Confidentiality Obligations)

Article 9. The executives or staff members of the JOGMEC or those who have been in such positions shall not disclose or make unauthorized use of confidential information or data that they have come to know in conducting their duties.

(Position of Executives and Staff Members)

Article 10. In the application of the Penal Code (Act No. 45 of 1907) and other penal provisions of act, the executives and staff members of the JOGMEC shall be deemed to be staff members who engage in official duties pursuant to the acts and regulations.

Chapter III Operations, etc.

(Scope of Operations)

Article 11. The JOGMEC shall conduct the following operations to achieve the purposes mentioned in Article 3:

- (i) making investments to supply the necessary funds for exploration and extraction of Petroleum, etc. (including oil sand and oil shale; the same applies hereinafter) overseas and in waters around Japan, liquefying and storing combustible natural gas overseas, exploration for coal, exploration for geothermal resources in Japan, and exploration, mining, ore selection, smelting and any other operations incidental thereto of metallic minerals overseas and in waters around Japan (referred to in this Item (i), Item (iv), and Article 14, Paragraph (1), as the “Mining, etc.”) (in the cases of extracting Petroleum, etc. in waters around Japan and the necessary funds for the Mining, etc. of metallic minerals, the application of this Item (i) shall be limited to the necessary funds for purchasing the rights to extract Petroleum, etc. or perform the Mining, etc. of metallic minerals or any other similar rights, from the holders thereof for the purposes of conducting extraction of Petroleum, etc. or performing the Mining, etc. under the purchased rights and the necessary funds for starting such extraction or Mining, etc. under the purchased rights);
- (ii) providing loan of the necessary funds for exploration for metallic minerals (including the necessary funds for supplying the relevant funds) to those who run metal mining businesses;
- (iii) providing guarantee relating to the necessary funds (including the necessary funds for supplying the relevant funds) for extracting Petroleum, etc. overseas (including refining incidental thereto; the same applies in Item (v) below), liquefying and storing combustible natural gas and the mining of coal and the coal cleaning and other operations incidental thereto (referred to in Item (v) below as “Mining, etc. of Coal” in the said Item), extracting geothermal resources in Japan, mining and the ore selection, smelting of metallic minerals overseas and any other operations incidental thereto;
- (iv) acquiring the right to explore for and extract Petroleum, etc. overseas, liquefying combustible natural gas, and exploring for and performing Mining, etc. of metallic minerals (including the right necessary for acquiring the right to such exploration and extraction) and any other rights similar thereto (the application of this Item (iv) shall be limited to the acquisition of such rights for the purpose of assigning them to a party other than the JOGMEC in the case where there are special circumstances that make it difficult for a party other than the JOGMEC to acquire such rights);
- (v) giving guidance on techniques relating to the exploration and extraction of Petroleum, etc. and demonstrating the relevant techniques overseas, giving guidance on techniques relating to Mining, etc. of Coal and demonstrating the relevant techniques, giving guidance on techniques relating to exploration for geothermal resources and demonstrating the relevant techniques, and demonstrating techniques relating to the exploration, mining,

concentration and smelting of metallic minerals;

- (vi) conducting surveys on geological structures, which are necessary for exploring for Petroleum, etc., coal, geothermal resources and metallic minerals (the application of this Item (vi) to the surveys relating to the exploration for coal shall be limited to those conducted overseas; the application of this Item (vi) to the surveys relating to the exploration for metallic minerals shall be limited to those that are conducted overseas with the expenses partially borne by a party other than the Government and the JOGMEC and those that are conducted in water, are important for the national economy and are difficult for a party other than the Government or the JOGMEC to implement as specified by Ordinance of the Ministry of Economy, Trade and Industry; and the application of this Item (vi) to the surveys relating to the exploration for geothermal resources shall include the surveys on the situation of heat source);
- (vii) offering grants to be appropriated to the necessary funds for surveys on geological structures which are necessary for the exploration for coal overseas as well as surveys which are necessary for the development of coal resources, surveys on geological structures which are necessary for the exploration for geothermal resources in Japan (including surveys on the situation of heat source) and surveys on geological structures which are necessary for the exploration for metallic minerals overseas and which are jointly conducted by those who run metal mining businesses and a foreign corporation;
- (viii) collecting and providing information or materials relating to the development of coal resources overseas, the development of geothermal resources in Japan and the development of metallic mineral resources overseas;
- (ix) lending ships as listed below:
 - (a) ships necessary for exploring for Petroleum, etc. and conducting surveys on geological structures required for such exploration; and
 - (b) ships necessary for exploring for metallic minerals and conducting surveys on geological structures required for such exploration.
- (x) managing, on consignment from the Government, the Government-Stockpiled Oil provided for in Article 2, Paragraph (10), of the Oil Stockpiling Act (Act No. 96 of 1975, hereinafter referred to as the “Stockpiling Act”) (except for Designated Oil Products provided for in Article 2, Paragraph (2), of the said Act) and the Government-Stockpiling Facilities provided for in Article 29 of the Stockpiling Act (hereinafter referred to as the “Government-Stockpiling Facilities”);
- (xi) acquiring, possessing and assigning petroleum in relation to operations mentioned in the preceding Item;
- (xii) loaning the necessary funds for strengthening petroleum stockpiling (limited to the necessary funds for purchasing petroleum), as well as making investments for and loaning the necessary funds for establishing facilities required to strengthen petroleum stockpiling (limited to the establishment of such facilities by a corporation in which two or more petroleum refineries and other persons specified by Ordinance of the Ministry of Economy, Trade and Industry, but excluding the establishment of such facilities mainly for the purpose of storing the Government-Stockpiled Oil provided for in Article 2, Paragraph (10), of the Stockpiling Act);
- (xiii) stockpiling metallic and other mineral products;
- (xiv) loaning the necessary funds for taking measures to control mine pollution caused by metal mining industry, etc. (referring to the metal mining industry and the nonmetal mining industry specified by the Ordinance of the Ministry of Economy, Trade and Industry; the same applies hereinafter);
- (xv) managing the mine pollution control reserve pursuant to the provision of Article 7, Paragraph (3), of the Act on Special Measures for Pollution Caused by the Metal Mining Industry, etc. (Act No. 26 of 1973);
- (xvi) collecting and making use of money contributed in accordance with the provision of Article 12, Paragraph (1), of

the Act on Special Measures for Pollution Caused by the Metal Mining Industry, etc. (including its mutatis mutandis application pursuant to Paragraph (3) of the said Article), as well as paying the necessary expenses pursuant to the provision of Article 13, Paragraph (3), of the said Act (including its mutatis mutandis application pursuant to Article 14, Paragraph (2), and Article 30, Paragraph (2), of the said Act);

- (xvii) conducting surveys and giving guidance to control mine pollution caused by metal mining industry, etc.;
- (xviii) running facilities, on consignment from local governments, that are used for processing for controlling the mine pollution caused by mine water or wastewater after the completion of metal mining, etc. and that are of a larger scale than prescribed by the Ordinance of the Ministry of Economy, Trade and Industry;
- (xix) of investment based on the stipulations of Article 34-6, Paragraph (1), of the Act Concerning the Invigoration of the Creation of Scientific Technology and Innovation (Act No. 63 of 2008) and human and technical assistance, conducting those things that are stipulated in a Cabinet Order;
- (xx) conducting operations incidental to operations mentioned in any of the preceding Items.

(2) The JOGMEC shall conduct the following operations, in addition to the operations mentioned in the preceding Paragraph:

- (i) operations to provide the support pursuant to Article 34 of the Stockpiling Act; and
- (ii) operations to control mine pollution in accordance with the provision of Article 30, Paragraph (1), of the Act on Special Measures for Pollution Caused by the Metal Mining Industry, etc.
- (iii) operations to procure the fuel pursuant to Article 33-3 of the Electricity Business Act (Act No. 170 of 1964)

(3) The JOGMEC, in addition to the operations mentioned in the preceding two Paragraphs, may lend ships mentioned in Paragraph (1), Item (ix), for scientific surveys insofar as such lending does not affect the performance of the operations mentioned in the preceding two Paragraphs.

(4) The JOGMEC shall strive to limit the provision of guarantee provided for in Paragraph (1), Item (iii), to the cases where the due performance of the guaranteed obligations is, in its opinion, assured.

(5) The scope of metallic minerals mentioned in Paragraph (1), Items (i) to (vii), as well as metallic and other mineral products mentioned in Item (xiii) of the said Paragraph shall be specified by the Ordinance of the Ministry of Economy, Trade and Industry.

(Act No. 39 of 2010, Act No. 76 of 2012, Act No. 78 of 2016, Act No. 94 of 2018, Act No. 49 of 2020, partial revision)

(Separate Accounting)

Article 12. The JOGMEC shall ensure orderly disposition of accounting by establishing a separate account for each group of operations set forth below:

- (i) the operations mentioned in Article 11, Paragraph (1), Item (i) (limited to those relating to Petroleum, etc., but excluding those listed in the following Item), and the operations listed in Item (iii) of the said Paragraph (limited to those relating to Petroleum, etc.) and the operations listed in Item (iv) of the said Paragraph (limited to those relating to Petroleum, etc., other than those listed in the following Item), and the operations listed in Items (v) and (vi) of the said Paragraph (limited to those relating to Petroleum, etc., coal, and geothermal resources), and the operations listed in Items (vii) and (viii) of the said Paragraph (limited to those relating to coal and geothermal heat), and the operations listed in Item (ix) of the said Paragraph (limited to the lending of ships listed in Item (a) of the said Item), the operations mentioned in Items (x) to (xii) of the said Paragraph, and the operations listed in Item (xix) of the said Paragraph (limited to those relating to Petroleum, etc., coal, and geothermal heat), as well as the operations incidental thereto, the operations mentioned in Paragraph (2), Items (i) and (iii), of the said Article, and the operations mentioned in Paragraph (3) of the said Article (limited to the lending of ships for the

purpose of scientific surveys listed in Paragraph (1), Item (ix).(a), of the said Article);

- (ii) the operations mentioned in Article 11, Paragraph (1), Item (i) (limited, in case of those related to petroleum, to those relating to both necessary funds for extracting petroleum and investments made with funds by national finance for the industrial development pursuant to Article 50 of the Act on Special Accounts (Act No. 23 of 2007); limited, in case of combustible natural gas, to those relating to both necessary funds for extracting, liquefying and storing combustible natural gas and investments made with funds by national finance for the industrial development pursuant to Article 50 of the said Act; and limited, in case of metallic minerals, to those relating to investments made with funds by national finance for the industrial development pursuant to Article 50 of the said Act), operations mentioned in Item (iii) of the said Paragraph (limited to those relating to coal, geothermal heat, and metallic minerals); the operations mentioned in Item (iv) of the said Paragraph (limited to those relating to both Petroleum, etc. and investments made with funds by national finance for the industrial development pursuant to Article 50 of the said Act), and the operations mentioned in Items (ii) and (xiii) of the said Paragraph and the operations incidental thereto;
- (iii) the operations mentioned in Article 11, Paragraph (1), Item (i) (limited to those relating to metallic minerals but excluding those specified in the preceding Item), the operations mentioned in Items (iv) to (viii) of the said Paragraph (limited to those relating to metallic minerals), the operations mentioned in Item (ix) of the said Paragraph (limited to the lending of ships listed in Sub-item (b) of the said Item), the operations mentioned in Items (xiv), (xvii) and (xviii) of the said Paragraph and the operations mentioned in Item (xix) of the said Paragraph (limited to those relating to metallic minerals), and operations incidental thereto and the operations mentioned in Paragraph (2), Item (ii), of the said Article and the operations mentioned in Paragraph (3) of the said Article (limited to the lending of ships for the purpose of scientific surveys listed in Paragraph (1), Item (ix).(b), of the said Article);
- (iv) the operations mentioned in Paragraph (1), Item (xv), of the preceding Article and the operations incidental thereto;
- (v) the operations mentioned in Paragraph (1), Item (xvi), of the preceding Article and the operations incidental thereto.

(Act No. 39 of 2010, Act No. 76 of 2012, Act No. 78 of 2016, Act No. 94 of 2018, Act No. 49 of 2020, partial revision)

(Long-term Borrowings and Petroleum, Natural Gas and Metallic Mineral Resources Bonds)

Article 14. The JOGMEC may, with the approval of the Minister of Economy, Trade and Industry, obtain long-term borrowings or issue the petroleum, natural gas, and metallic mineral resource bonds (hereinafter referred to as the “Bonds”) in order to appropriate funds for the necessary expenses for the operations stated in Article 11, Paragraph (1), Item (i) (limited to those relating to necessary funds for extracting Petroleum, etc., liquefying and storing combustible natural gas, and performing Mining, etc. of metallic minerals), the operations stated in Items (ii) to (iv) and Items (xii) to (xiv) of the said Paragraph, and the operations stated in Paragraph (2), Item (iii), of the said Article.

(2) The creditors of the Bonds issued under the preceding Paragraph shall have the right to receive payment of their own claims thereunder from the asset of the JOGMEC in preference to other creditors.

(3) The order of the lien for the preceding Paragraph shall be immediately after the general statutory lien under the provisions of the Civil Code (Act No. 89 of 1896).

(4) The JOGMEC may, with the approval of the Minister of Economy, Trade and Industry, have a bank or trust company to perform all or part of the administrative matters relating to the issuance of the Bonds.

(5) The provisions of Article 705, Paragraphs (1) and (2), and Article 709 of the Companies Act (Act No. 86 of 2005)

shall be applied mutatis mutandis to the bank or trust company that has been consigned in accordance with the provisions of the preceding Paragraph.

(6) In addition to the provisions of the preceding Paragraphs, the matters necessary for the Bonds shall be prescribed by a Cabinet Order.

(Act No. 87 of 2005, Act No. 39 of 2010, Act No. 67 of 2014, Act No. 78 of 2016, Act No. 49 of 2020, partial revision)

(Guarantee)

Article 15. The Government may provide a guarantee for the obligations of the JOGMEC under the long-term borrowings or the bonds (excluding the obligations for which the Government may conclude a guarantee agreement pursuant to the provision of Article 2 of the Act for Special Measures for Introduction of Foreign Capital from the International Bank for Reconstruction and Development, etc. (Act No. 51 of 1953)) subject to the maximum amount of liability decided by the Diet, notwithstanding the provision of Article 3 of the Act on Limitation of Governmental Financial Support to Corporations (Act No. 24 of 1946).

(Redemption Plan)

Article 16. The JOGMEC shall draw up a redemption plan for its long-term borrowings and bonds and obtain the approval for it from the Minister of Economy, Trade and Industry.

(Credit Funds)

Article 17. The JOGMEC shall establish the credit funds for the operations mentioned in Article 11, Paragraph (1), Item (iii) (limited to those relating to Petroleum, etc.) and the operations incidental thereto, and allocate the amount specified by the Government in accordance with the provision of the latter part of Article 5, Paragraph (2), to the funds.

(2) The credit funds mentioned in the preceding Paragraph shall increase or decrease by the amount of the profits or losses for each business term, as prescribed by the Ordinance of the Ministry of Economy, Trade and Industry.

(Limit of Guarantee)

Article 18. The JOGMEC shall not provide any additional guarantee pursuant to the provision of Article 11, Paragraph (1), Item (iii), in accordance with the provision of the said Item in the case where the current amount of liability relating to the guarantees provided in accordance with the provision of the said Item (limited to the guarantee relating to Petroleum, etc.; the same applies in this Article) exceeds the amount calculated in accordance with the Ordinance of the Ministry of Economy, Trade and Industry on the basis of the amount invested to be allocated to the credit funds mentioned in Paragraph (1) of the preceding Article in accordance with the provision of Article 5, Paragraph (2), and the amount of the increase or decrease in the credit funds pursuant to the provision of Paragraph 2 of the said Article multiplied by the number specified by Cabinet Order.

(Mine Pollution Control Operation Funds)

Article 19. The JOGMEC shall establish the Mine Pollution Control Operation Funds with respect to the operations mentioned in Article 11, Paragraph (1), Item (xvi), and the operations incidental thereto, and allocate thereto an amount equal to the amount contributed pursuant to the provision of Article 12, Paragraph (1), of the Act on Special Measures for Pollution Caused by the Metal Mining Industry, etc. (including its mutatis mutandis application in paragraph (3) of the said Article) plus the added amount pursuant to the provision of Article 13, Paragraph (5).

(2) The provisions of Articles 47 and 67 (limited to the part relating to Item (vii)) of the Act on General Rules shall be

applied mutatis mutandis to the management of the Mine Pollution Control Operation Funds. In such case, the words “money trusts” as used in Article 47, Item (iii), of the Act on General Rules shall read “money trusts for which an agreement for replacement of losses has been concluded.”

Chapter IV Miscellaneous Provisions

(Request from the Minister of Economy, Trade and Industry in Specially Needed Cases)

Article 20. In the case where the situation of a short supply of metallic and other mineral products to Japan has arisen or is threatened to arise, the Minister of Economy, Trade and Industry may request that the JOGMEC sell and deliver metallic and other mineral products from its stockpile, if it is considered especially necessary to ensure stable supply of metallic and other mineral products.

(2) When requested by the Minister of Economy, Trade and Industry in accordance with the provision of the preceding Paragraph, the JOGMEC shall meet the request unless there is a legitimate reason for refusal.

(Consultation with the Minister of Finance)

Article 21. The Minister of Economy, Trade and Industry shall consult with the Minister of Finance in the following cases:

- (i) when intending to give the approval mentioned in Article 13, Paragraph (1);
- (ii) when intending to give the approval mentioned in Article 14, Paragraph (1) or (4), or Article 16.

(Competent Minister, etc.)

Article 22. The competent minister and competent ministry ordinance relating to the JOGMEC under the Act on General Rules shall be the Minister of Economy, Trade and Industry and the Ordinance of the Ministry of Economy, Trade and Industry, respectively.

Article 23. Deleted

Chapter V Penal Provisions

Article 24. One who has disclosed or made unauthorized use of confidential information or data in violation of the provision of Article 9 shall be subject to imprisonment with hard labor for a period not exceeding one year or to a fine not exceeding three hundred thousand (300,000) yen.

Article 25. In the case of any one of the following Items, the executive of the JOGMEC who has committed the relevant violation shall be subject to a fine not exceeding two hundred thousand (200,000) yen:

- (i) when he or she has not obtained approval or consent in the case where he or she is required to obtain approval or consent from the Minister of Economy, Trade and Industry in accordance with the provisions of this Act;
- (ii) when he or she has conducted operations other than those provided for in Article 11, Paragraphs (1) to (3);
- (iii) when he or she has managed the Mine Pollution Control Operation Funds in violation of the provision of Article 47 of the Act on General Rules which is applied mutatis mutandis in Article 19, Paragraph (2).

Supplementary Provisions

(Enforcement Date)

Article 1. This Act shall come into force on the date of enforcement of the provisions mentioned in Article 1, Item (iii), of the Supplementary Provisions of the Abolishment Act. However, the provisions of Article 22 and Article 6 of the Supplementary Provisions shall come into force at the date of promulgation.

(Establishment of the JOGMEC)

Article 2. The JOGMEC shall be established at the time of enforcement of the provision of Article 1 (limited to the section relating to Item (ii)) of the Abolishment Act, notwithstanding the provision of Article 17 of the Act on General Rules.

(2) The JOGMEC shall register immediately after its establishment as prescribed by Cabinet Order, notwithstanding the provision of Article 16 of the Act on General Rules.

(Exceptions to Operations)

Article 3. The JOGMEC shall not conduct operations mentioned in the respective Items of Article 9-2 of the Supplementary Provisions of the Act on Japan National Oil Corporation (Act No. 99 of 1967) after being amended by the provision of Article 6 of the Abolishment Act, within operations mentioned in Article 11, Paragraph (1), Items (i) and (iii), during the period from the date of its establishment to the date before the date of enforcement of the Abolishment Act, notwithstanding the provision of Article 11.

Article 4. The JOGMEC may conduct, in addition to operations provided for in Article 11, Paragraphs (1) to (3), operations mentioned in Article 18, Paragraph (1), Item (ii) (including operations incidental thereto), of the Act on Metal Mining Agency of Japan before being abolished by the provision of Article 1 of the Abolishment Act (Act No. 78 of 1963; hereinafter referred to as the “Old Agency Act”) until March 31, 2007 (or until the date of completion of the operations in case of operations that have been started before the said date,).

(2) The JOGMEC may conduct, in addition to the operations provided for in Article 11, Paragraphs (1) to (3), and the preceding Paragraph, operations mentioned in Article 18, Paragraph (1), Item (iii), of the Old Agency Act (including the operations incidental thereto) until March 31, 2004 (or until the date of completion of the operations in case of operations that have been started before the said date,).

(3) Regarding the accounting related to the operations mentioned in Paragraph (1), the JOGMEC shall carry out orderly disposition of accounting by establishing a special account therefor separately from the other accountings.

(4) In the case where the operations of the JOGMEC are conducted in accordance with the provisions of Paragraphs (1) and (2), “and the operations mentioned in Items (vii), (viii), (xiv), (xv), (xviii) and (xix) of the said Paragraph” in Article 12, Item (iii), “respective accounts” in Article 13, Paragraph (1), and “Article 11, Paragraphs (1) to (3)” in Article 25, Item (ii), shall read “the operations mentioned in Items (vii), (viii), (xiv), (xv), (xviii) and (xix) and the operations mentioned in Article 4, Paragraph (2), of the Supplementary Provisions”, “respective accounts and the account relating to the operations mentioned in Article 4, Paragraph (1), of the Supplementary Provisions” and “Article 11, Paragraphs (1) to (3), and Article 4, Paragraphs (1) and (2), of the Supplementary Provisions”, respectively.

(5) The provisions of Articles 20-2 to 20-15 and Article 29-2 (including the penal provisions relating to these provisions) of the Old Agency Act shall continue to apply to the operations conducted by the JOGMEC in accordance with the provision of Paragraph (1) even after the enforcement of the Abolishment Act. In such case, the “Agency” in Article 20-2,

Article 20-3, Paragraph (1), Articles 20-4, 20-6 to 20-8, Article 20-9, Paragraphs (1) to (3) and Paragraph (5), Article 20-10, Paragraphs (1) and (2), Article 20-11, Paragraphs (1), (2) and (6), Articles 20-15, 29-2 and 34 of the Old Agency Act, “Article 18, Paragraph (1), Item (ii)” in Article 20-8 of the Old Agency Act, and “accurate surveys or wide-area surveys” in Article 20-11, Paragraph (1), Article 20-13, Paragraph (1) and Article 20-14, Paragraph (1), of the Old Agency Act shall read “Incorporated Administrative Agency Japan Oil, Gas and Metals National Corporation”, “Article 18, Paragraph (1), Item (ii), of the Act on Metal Mining Agency of Japan before being abolished by the provision of Article 1 of the Act on the Abolishment of the Act on Japan National Oil Corporation and the Act on Metal Mining Agency of Japan, etc. (Act No. 93 of 2002)”, and “operations mentioned in Article 4, Paragraph (1), of the Supplementary Provisions of the Act on Japan Oil, Gas and Metals National Corporation (Act No. 94 of 2002)”, respectively.

(6) The provisions of Articles 20-11 to 20-14 (including the penal provisions relating to these provisions) of the Old Agency Act shall continue to apply to the operations conducted by the JOGMEC in accordance with the provision of Paragraph (2) even after the enforcement of the Abolishment Act. In such case, “Agency” in Article 20-11, Paragraphs (1), (2) and (6), and Article 34 of the Old Agency Act, and “accurate surveys or wide-area surveys” in Article 20-11, Paragraph (1), Article 20-13, Paragraph (1), and Article 20-14, Paragraph (1), shall read “Incorporated Administrative Agency Japan Oil, Gas and Metals National Corporation” and “operations mentioned in Article 4, Paragraph (2), of the Supplementary Provisions of the Act on Japan Oil, Gas and Metals National Corporation (Act No. 94 of 2002)”, respectively.

Article 5. The JOGMEC may, for the time being, conduct the following operations, in addition to the operations provided for in Articles 11, Paragraphs (1) to (3), and Paragraphs (1) and (2) of the preceding Article:

- (i)** establishing government stockpiling facilities (limited to those necessary for stockpiling petroleum gas) on consignment from the Government;
- (ii)** conducting operations incidental to the operations mentioned in the preceding Item.

(2) In the case where the operations of the JOGMEC are conducted pursuant to the provisions of the preceding Paragraph, “the operations incidental thereto” in Article 12, Item (i), “Paragraph (2), Item (i) in the said Article” and “Article 11, Paragraphs (1) to (3)” in Article 25, Item (ii), shall be deemed to read “the operations mentioned in Article 5, Paragraph (1), Item (i), of the Supplementary Provisions and the operations incidental thereto”, “Paragraph (2), Item (i) in the preceding Article” and “Article 11, Paragraphs (1) to (3), and Article 5, Paragraph (1), of the Supplementary Provisions”, respectively.

Article 6. In addition to the operations provided for in Paragraphs (1) to (3) of Article 11 hereof, Paragraphs (1) and (2) of Article 4 of the Supplementary Provisions hereof and Paragraph (1) of the preceding Article, the JOGMEC may, for the time being, conduct the operations provided for in Article 25, Paragraph (1), of the Act on Temporary Measures Concerning the Structural Adjustment of the Coal Mining Industry (Act No. 156 of 1955; hereinafter referred to as the “Old Structural Adjustment Act”), which, in certain cases, remains in effect after the repeal of the Old Structural Adjustment Act by Article 2 of the Act on the Rearrangement of Relevant Acts Upon Completion of the Structural Adjustment of the Coal Mining Industry (Act No.16 of 2000; hereinafter referred to as the “Rearrangement Act”) pursuant to the provisions of Article 3, Paragraph (1) or (2), of the Supplementary Provisions of the Rearrangement Act and the operations (hereinafter referred to as the “transitional coal operations”) provided for in Article 12, Paragraph (1), of the Act on Temporary Measures Concerning Compensation, etc. for Coal Mine Damage (Act No. 97 of 1963; hereinafter referred to as the “Old Compensation Act”), which, in certain cases, remains in effect after the repeal of the Old Compensation Act pursuant to the provisions of Article 5, Paragraphs (1) and (2), of the Supplementary Provisions of the Rearrangement Act.

(2) Regarding the accounting related to the transitional coal operations, The JOGMEC shall carry out orderly disposition of accounting by establishing a special account therefor (hereinafter referred to as the "transitional coal account") separately from the other accountings.

(3) In cases where the JOGMEC conducts its operations pursuant to the provisions of Paragraph (1) of this Article, "the operations provided for in Article 11, Paragraphs (1) to (3)," in Article 25, Item (ii), and "and Cabinet Order based thereon" in Article 50 of the Act on General Rules shall be deemed to be deemed to read "the operations provided for in Article 11, Paragraphs (1) to (3), and the transitional coal operations provided for in Article 6, Paragraph (1), of the Supplementary Provisions" and "the Act on Temporary Measures Concerning the Structural Adjustment of the Coal Mining Industry (Act No. 156 of 1955; limited to the part which remains in effect pursuant to the provisions of Article 3, Paragraph (2), of the Supplementary Provisions of the Rearrangement Act) prior to its repeal under Article 2 of the Act on the Rearrangement of Relevant Acts Upon Completion of the Structural Adjustment of the Coal Mining Industry (Act No. 16 of 2000; hereinafter referred to as the 'Rearrangement Act') and the Act on Temporary Measures Concerning Compensation, etc. for Coal Mine Damage (Act No. 97 of 1963; limited to the part which remains in effect pursuant to the provisions of Article 5 of the Supplementary Provisions of the Rearrangement Act) prior to its repeal under Article 2 of the Rearrangement Act, and the orders based on these Acts", respectively.

(4) The JOGMEC may, with the approval of the Minister of Economy, Trade and Industry, entrust a part of the operations of the transitional coal operations (limited to the operations (including the operations incidental thereto) provided for in Article 12, Paragraph (1), Items (i) to (iii), of the Old Compensation Act which remain in effect pursuant to the provisions of Article 5, Paragraphs (1) and (2), of the Supplementary Provisions of the Rearrangement Act; the same shall apply in Paragraph (7)) to a financial institution or other juridical person specified by Cabinet Order.

(5) Notwithstanding the provisions of any other Acts, a financial institution may accept entrustment of the operations related to the approval provided for in the preceding Paragraph and may perform said operations.

(6) Officers and employees of a financial institution or other juridical person specified by Cabinet Order that has accepted the entrustment of operations under Paragraph (4) (hereinafter referred to in this Article as the "entrusted financial institution, etc.") who engage in the said entrusted operations shall be deemed to be employees engaging in public service pursuant to acts and regulations, in relation to the application of the Penal Code and other penal provisions.

(7) When the Minister of Economy, Trade and Industry deems necessary for ensuring the sound and appropriate operation of the transitional coal operations, the said Minister shall have the power to cause the entrusted financial institution, etc. to make a report on the entrusted operations, or have his/her officials enter the offices or other places of business of the entrusted financial institution, etc. to inspect its operating conditions or its books, documents and other articles.

(8) When the officials conduct on-site inspection pursuant to the provisions of the preceding Paragraph, they shall carry a certificate of identification and shall present it to the relevant parties.

(9) The authority for on-site inspection under Paragraph (7) shall not be construed as granted for criminal investigation.

(10) Any officer or employee of the entrusted financial institution, etc. who has failed to give the report under Paragraph (7) or has given a false report, or has refused, interfered with or evaded the inspections under the said Paragraph shall be punished by a fine of not more than two hundred thousand yen.

(Payments, etc. in the Account for Transitional Coal Account)

Article 7. In the event that the Minister of Economy, Trade and Industry has determined, after orderly disposition of accounting related to the transitional coal account pursuant to the provisions of Article 44, Paragraph (1) or (2), of the Act on General Rules for the final business year of the Period for the Medium-term Objectives, the amount that the JOGMEC is to pay to the national treasury from the amounts specified in the following Items in accordance with the classification

listed in the relevant Item, having taken into consideration the amount to be appropriated as funds necessary for transitional coal operations, the JOGMEC shall pay the said amount to the national treasury, as specified by Cabinet Order:

- (i) in cases where there are reserve funds provided for in Article 44, Paragraph (1), of the Act on General Rules, the amount obtained by adding the amount of said reserve funds to the total amount of reimbursement made during the said Period for the Medium-term Objectives of loans under Article 25, Paragraphs (1), Items (viii), (xi)-2 and (xvi)-4, of the Old Structural Adjustment Act, which remain in effect with regard to the reimbursement of said loans pursuant to the provisions of Article 3, Paragraph (2), of the Supplementary Provisions of the Rearrangement Act, and of loans under Article 12, Paragraph (1), Items (ii) and (iii), of the Old Compensation Act which remain in effect with regard to the reimbursement of said loans pursuant to the provisions of Article 5, Paragraph (2), of the Supplementary Provisions of the Rearrangement Act (collectively referred to in this Article as the "loans"); and
 - (ii) in cases where there is loss carried forward pursuant to the provisions of Article 44, Paragraph (2), of the Act on General Rules (including the case where there are neither reserve funds provided for in Paragraph (1), of said Article nor loss carried forward provided for in Paragraph (2), of the said Article), the total amount of reimbursement of loans that was made during the said Period for the Medium-term Objectives.
- (2) When attempting to determine the amount pursuant to the provisions of the preceding Paragraph, the Minister of Economy, Trade and Industry shall consult with the Minister of Finance.
- (3) The JOGMEC shall, when it has made payments pursuant to the provisions of Paragraph (1), reduce its stated capital by the amounts specified in the following Items in accordance with the category listed in the relevant Item:
- (i) In the case listed in Paragraph (1), Item (i), the amount obtained by subtracting the amount of reserve funds as set forth in the said Item from the amount of the payment; and
 - (ii) In the case listed in paragraph (1), Item (ii), the amount obtained by adding the amount of the loss carried forward as set forth in the said Item to the amount of the payment (or the amount of the payment in cases where there is no loss carried forward).
- (4) In addition to the preceding three Paragraphs, procedures for making payments and other matters concerning the disposition of reserve funds and reimbursement of loans shall be specified by Cabinet Order.

(Delegation to Cabinet Order)

Article 8. In addition to Articles 3 through 5 of these Supplementary Provisions, the transitional measures necessary for the establishment of the JOGMEC and other transitional measures necessary for the implementation of this Act shall be specified by Cabinet Order.

Supplementary Provisions (Extract from Act No. 130 of June 23, 2004)

(Effective Date)

Article 1. This Act shall come into force on October 1, 2004; provided, that the provisions listed in the following Items shall come into force on the date set forth in the Item in question.

- (ii) Articles 2, 7, 10, 13 and 18 hereof and Articles 9 to 15, 28 to 36, 38 to 76-2, 79 and 81 of the Supplementary Provisions, April 1, 2005.

Supplementary Provisions (Extract from Act No. 87 of July 26, 2005)

This Act shall come into force on the date of enforcement of the Companies Act.

Supplementary Provisions (Act No. 39 of June 2, 2010)

(Effective Date)

(1) This Act shall come into force on July 1, 2010: provided, that the amended provisions of Article 4 shall come into force at the date specified by the Cabinet Order within a period not exceeding one year counting from the date of promulgation.

(Transitional Measures for Penal Provisions)

(2) The application of penal provisions to the acts committed before the Act comes into effect shall be governed by the acts in force at the time of the act in question.

Supplementary Provisions (Act No. 76 of September 5, 2012) (Extract)

(Effective Date)

Article 1. This Act shall come into effect as of the date specified by Cabinet Order, within a period not exceeding six months from the date of promulgation; provided, however, that the provisions listed in the following Items shall come into effect as of the date specified in the relevant Item:

- (i) the provisions of Articles 5, 6 and 10 of the Supplementary Provisions, the date of promulgation;
- (ii) the provisions of Article 3 (excluding the provisions revising Article 11, Paragraph (1), Items (x) and (xii), and Paragraph (2) of the said Article of Act on Japan Oil, Gas and Metals National Corporation (hereinafter the "JOGMEC Act"), the provisions revising Article 12, Item (i), of the JOGMEC Act (limited to the part adding "and the operations listed in Paragraph (2), Item (i), of the said Article" immediately after "operations incidental to them"), the provisions revising Article 12, Item (iii), of the JOGMEC Act (limited to the part changing "and Paragraph (2) of the said Article" to ", operations listed in Paragraph (2), Item (ii), of the said Article and Paragraph (3) of the said Article " (limited to the part related to operations listed in Article 11, Paragraph (2), Item (ii)), the provisions revising Article 5, Paragraph (2), of the Supplementary Provisions of the JOGMEC Act, and the revising provisions listed in the following Item) and Articles 7 through 9, Articles 16, 21(excluding the revising provisions listed in the following Item) , 22 and 23 (excluding the provisions revising Article 85, Paragraph (2), Item (i).(b), and the provisions revising Item (ii).(f) of the said Paragraph (limited to the part revising the Article/Paragraph number from " Article 34, Paragraph (1)" to " Article 42, Paragraph (1)")) of the Act on Special Accounts (Act No.23 of 2007) of the Supplementary Provisions and the revising provisions listed in the following Item), the date specified by Cabinet Order within a period not exceeding three months from the date of promulgation;
- (iii) the provisions of Article 3 (limited to the provisions revising Article 5 of the JOGMEC Act (limited to the part related to Article 6, Paragraph (2), of the Supplementary Provisions of the Act for the Partial Revision of the Oil Stockpiling Act etc. to Respond to the Shortage in the Oil Supply in Times of Disaster etc. (Act No. 76 of 2012)), the provisions revising Article 6 of the Supplementary Provisions of the JOGMEC Act, and the provisions

revising the said Article so as to change its Article number to Article 8 of the Supplementary Provisions of the JOGMEC Act and to add two Articles immediately after Article 5 of the Supplementary Provisions of the JOGMEC Act), and the provisions of Articles 12, 18 through 20, 21 (limited to the provisions revising Articles 12 and 13 of the Supplementary Provisions of the Act on the New Energy and Industrial Technology Development Organization (Act No. 145 of 2002); referred to in Article 5 of the Supplementary Provisions as the "NEDO Act") and 23 (limited to the provisions revising Article 15 of the Supplementary Provisions of the Act on Special Accounts), April 1, 2013.

(Transitional Measures Concerning Separate Accounting)

Article 7. The provisions of Article 12 of the JOGMEC Act as amended pursuant to the provisions of Article 3 (limited to the part related to the operations listed in Article 11, Paragraph (1), Item (ix), of the JOGMEC Act and the operations set forth in Paragraph (3) of the said Article) shall apply to the classification of accounting related to the operations listed in Article 11, Paragraph (1), Item (ix), of the JOGMEC Act, or the operations specified in Paragraph (3) of the said Article, each conducted on or after October 1, 2012; and with regard to the classification of accounting related to the operations listed in Paragraph (1), Item (ix), of the said Article or the operations specified in Paragraph (3) of the said Article, each conducted on or before September 30, 2012, the provisions which were in force prior to the amendment shall remain applicable.

(Exclusion from Taxation)

Article 8. In the case of succession of the rights by JOGMEC pursuant to the provisions of Article 5, Paragraph (1), or Article 6, Paragraph (1), of the Supplemental Provisions, no registration and license tax shall be imposed for the registration made relating to said succession within one year from the date of said succession.

(2) In the case of succession of the rights by JOGMEC pursuant to the provisions of Article 5, Paragraph (1), or Article 6, Paragraph (1), of the Supplemental Provisions, no real estate acquisition tax shall be imposed on the acquisition of real estate related to said succession.

(Transitional Measures Concerning Penal Provisions)

Article 9. The application of penal provisions to the acts committed prior to the enforcement of this Act (or the provisions listed in Article 1, Items (ii) and (iii), of the Supplementary Provisions with regard to said provisions) shall be governed by the acts in force at the time of the act in question.

(Delegation to Cabinet Order)

Article 10. In addition to in the provisions of Article 2 through the preceding Article, and Articles 19, 20 and 22 of the Supplementary Provisions, the transitional measures necessary for the enforcement of this Act shall be specified by Cabinet Order.

(Review)

Article 11. After five years from the enforcement of this Act, the Government shall review the status of enforcement of the newly enacted Stockpiling Act and take such measures regarding the provisions thereof as it may deem necessary based on the results of such review.

Supplementary Provisions (Act No. 67 of June 13, 2014) (Extract)

(Effective Date)

Article 1. This Act shall come into effect as of the date on which the Act for Partial Revision of the Act on General Rules for Incorporated Administrative Agencies (Act No.66 of 2014; hereinafter referred to as the "Amendment Act on the Act on General Rules") shall come into effect; provided, however, that the provisions listed in the following Items shall come into effect as of the date specified in the relevant Item.

- (i) the provisions of Article 14, Paragraph (2), Article 18 and Article 30 of the Supplementary Provisions: the date of the promulgation of this Act.

(Effect of Dispositions)

Article 28. Any dispositions, procedures or other acts that were or should have been carried out prior to the enforcement of this Act pursuant to the provisions of any acts (including regulations promulgated thereunder) in effect prior to the amendment by this Act shall be deemed the dispositions, procedures or other acts that were or should have been carried out pursuant to the comparable provisions of the acts and regulations, as amended by this Act, (referred to in this Article as the "new acts and regulations"), except as otherwise stipulated by acts (including Cabinet Ordinances promulgated thereunder).

(Transitional Measures Concerning Penal Provisions)

Article 29. The application of penal provisions to the acts committed prior to the enforcement of this Act, and to those acts conducted after the enforcement of this Act which is deemed to remain in force pursuant to the provision of these Supplementary Provisions, shall be governed by the acts in force at the time of the act in question.

(Delegation of other transitional measures to Cabinet Order, etc.)

Article 30. In addition to from the provisions of Articles 3 to the preceding Article of the Supplementary Provisions, the transitional measures necessary to enforce this Act (including the transitional measures pertaining to penal provisions) shall be specified by a Cabinet Order (or rules of the National Personnel Authority with respect to the matters on which the National Personnel Authority has jurisdiction).

Supplementary Provisions (Act No. 78 of November 16, 2016)

(Effective Date)

- (1) This Act shall come into effect as of the date of its promulgation.

(Transitional Measures Concerning Penal Provisions)

- (2) The application of penal provisions to the acts committed prior to the enforcement of this Act shall be governed by the acts in force at the time of the act in question.

Supplementary Provisions (Act No. 94 of December 14, 2018)

(Date of enforcement)

Article 1. This Act will go into effect on the date stipulated by a government ordinance which is no later than six months after the date of promulgation.

(Enforced on January 17, 2019, the date stipulated by the Government Ordinance No. 3 of 2019)

(Transitional measures)

Article 35. The transitional measures (including transitional measures related to penalties) that are necessary in relation to enforcement of this Act will be stipulated by a government ordinance.

Supplementary Provisions (Act No. 49 of June 12, 2020)

(Date of enforcement)

Article 1. This Act will go into effect on April 1, 2022. Provided, however, that the following provisions will go into effect on the date stipulated below.

(1) Of Article 1, the provisions amending the Table of Contents of the Electricity Business Act (limited to the portions changing “electricity utility” to “of electricity utility, etc.”, “supply order, etc.” to “handling of disaster, etc.”, “Article 33” to “Article 34”, and “Article 34” to “Article 34-2”), the provisions adding two Articles after Article 26 of that Act, the provisions amending Article 27, Paragraph (1), of that Act, the provisions amending Article 27-12 of that Act, the provisions amending Article 27-26, Paragraph (1), of that Act, the provisions amending Article 27-29 of that Act, the provisions amending the title of Chapter 2, Section 7, Subsection 1, of that Act, the provisions amending Article 28 of that Act, the provisions amending Article 28-40, Item (v), of that Act, the provisions amending the title of Subsection 5 of that Section, the provisions adding the heading to Article 31 of that Act, of Subsection 6 of that Section, the provisions changing “Article 34” to “Article 34-2”, the provisions adding one Article to Subsection 5 of that Section, the provisions amending Article 119, Item (ix), of that Act and the provisions amending Article 120, Item (iv), of that Act, the provisions of Article 5 (excluding the amendment provisions stated in Item (iii)), of Article 6, the provisions amending Article 16, Paragraph (4), of the Supplementary Provisions of the Act for Partial Revision of the Electricity Business Act etc. (limited to the portion that changes “Article 66-11” to “Article 66-10”) and the provisions amending Article 23, Paragraph (3), of the said Supplementary Provisions, and the provisions of Article 6, Article 7, Article 9 through Article 12, and Article 28 of the Supplementary Provisions: The date of promulgation.

(2) Omitted.

(3) The provisions of Article 1 (excluding the amendment provisions set forth in the preceding two Items), of Article 3, the provisions amending Article 17.1, Paragraph (1), of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities (limited to the portion changing “Article 98, Item (i)” to “Article 98, Paragraph (1), Item (i)”), the provisions of Article 4, and, of Article 5, the provisions adding one Item to Article 11, Paragraph (2), of the Act on the Japan Oil, Gas and Metals National Corporation, Independent Administrative Agency, the provisions amending Article 12, Item (i), of that Act, and the provisions amending Article 14, Paragraph (1), of that Act (limited to the portion adding at the end of the said Paragraph “, and the operations stated in Article 11, Paragraph (2), Item (iii)”), and the provisions of Article 17 of the Supplementary Provisions: The date stipulated by the government ordinance, which date is no later than one year and six months after the date of promulgation.

(Enforced on October 1, 2020 by the Government Ordinance No. 296 of 2020)

(Effectiveness of disposition, etc.)

Article 9. Unless otherwise provided in the Supplementary Provisions, all dispositions, procedures and other actions that were conducted under the provisions of the respective Acts (or the respective provisions set forth in each Item of Article 1 of the Supplementary Provisions; the same applies hereinafter in this Article) in effect prior to the amendment thereto made by this Act (including orders issued thereunder; the same applies hereinafter in this Article) will be deemed to have been conducted under the provisions of the respective Acts in effect after the amendment thereto made by this Act insofar as the comparable provisions are included in both the respective Acts prior to, and the respective Acts after, the amendment thereto made by this Act.

(Transitional measures related to penalties)

Article 10. Penalties for actions conducted before enforcement of this Act will be imposed according to the previous law.

(Delegation to government ordinances)

Article 11. In addition to the stipulations in Article 2 through Article 10 of the Supplementary Provisions, transitional measures (including transitional measures related to penalties) that are necessary in relation to the enforcement of this Act will be stipulated by government ordinances.

(Review)

Article 12. At an appropriate time after five years from the enforcement of this Act, the government will take such measures as it may deem necessary in light of the results of its review of the strength and sustainability of the electricity supply system and the manner in which the provisions of this Act as amended by this Act have been implemented.