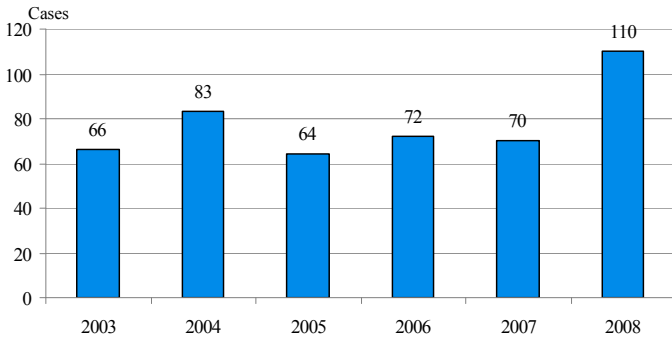


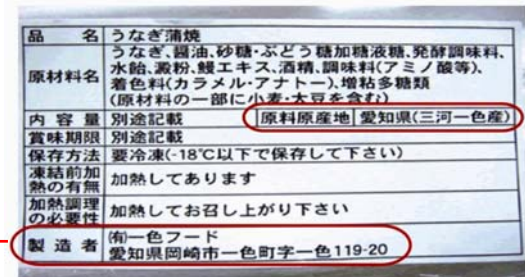
### 1 Securing Consumers' Confidence in Foods -- Including Fishery Products

- The year 2008 saw a series of scandals affecting citizens' confidence in foods. Regarding fishery products, a dummy company was found to have falsely labeled grilled eel as produced in Isshiki, dealing a great shock to the eel production area.
- In the face of these scandals, the government has instructed the relevant parties to comply with food labeling requirements, based on the Japan Agricultural Standards Law.
- While government agents in charge of food labeling have been carrying out their surveillance and control on inappropriate labeling, the government has been implementing measures to secure food companies' compliance with laws, regulations, and ethics.

Changes in Number of Instructions Based on JAS Law



Source: Ministry of Agriculture, Forestry and Fisheries



A false label put on the back of a product in the eel mislabeling scandal

Place of origin of ingredients: Aichi Prefecture (Mikawaishiki)

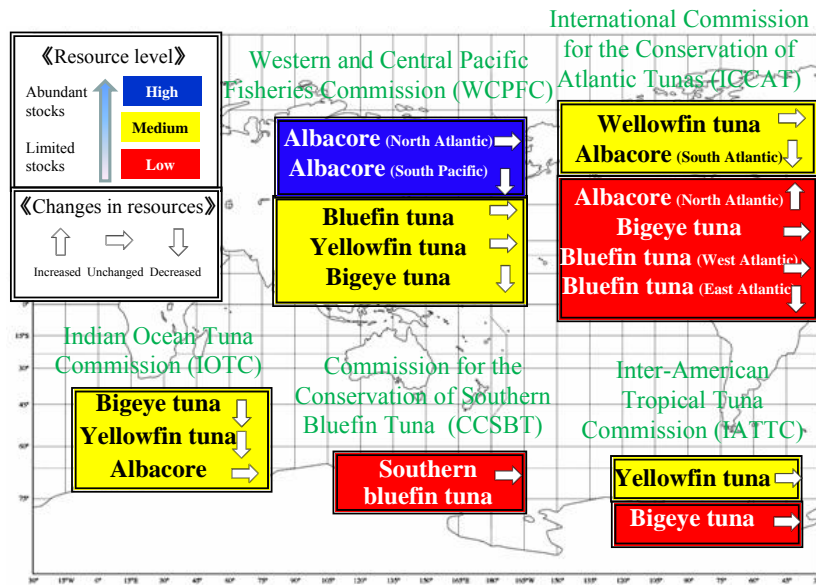
Manufacturer: Isshiki Food Inc.

119-20 Azaissshiki, Isshikicho, Okazaki City, Aichi

### 2 For the Sustainable Use of Tuna Resources

- Some tuna resources have deteriorated due to IUU (illegal, unreported, and unregulated) disorderly fishing operations outside international frameworks, rising pressures for expanding catches, and other factors. Concerns exist about the adverse effects of tuna farming on resources.
- The International Commission for the Conservation of Atlantic Tunas (ICCAT) and the Western and Central Pacific Fisheries Commission (WCPFC) have reduced their tuna catch quotas. ICCAT has created a system for ICCAT observers to inspect round haul netters and farming facilities to verify the quantity of Atlantic bluefin tuna catches being transferred to farming facilities.
- The government promotes efforts to reduce the number of tuna longline fishing boats in far and adjacent seas by 87.
- It is important to make efforts to preserve tuna resources for sustainable use over a long period of time.

Tuna Resources



Source: "FY2008 International Fish Resources," Fisheries Agency and Fisheries Research Agency

### 3 Toward the Sustainable Use of Whale Resources

- Japan has implemented measures for the sustainable use of marine resources including whales.
- At its 60th annual meeting, the International Whaling Commission agreed to create the Small Working Group on the future of the IWC. The SWG and IWC chairs prepared their views as a proposal for consideration at an intermediate meeting, and the SWG prepared views on the future of the IWC. Japan has been making efforts to normalize the IWC on the precondition of continued whaling for research purposes.
- In February 2009, the anti-whaling group Sea Shepherd conducted dangerous sabotage actions against Japan's whaling research fleet, throwing bottles containing chemicals onto a ship and leading its boat to collide with a whaling research ship. The government has asked the relevant countries, including the country where the ship in question was registered, to take responsibility. The relevant Japanese government agencies are cooperating to secure safe whaling research operations.



The Sea Shepherd (right) collides with a whaling research ship (left).



Researchers check a whale during the sabotage. Seen behind is the Sea Shepherd boat.

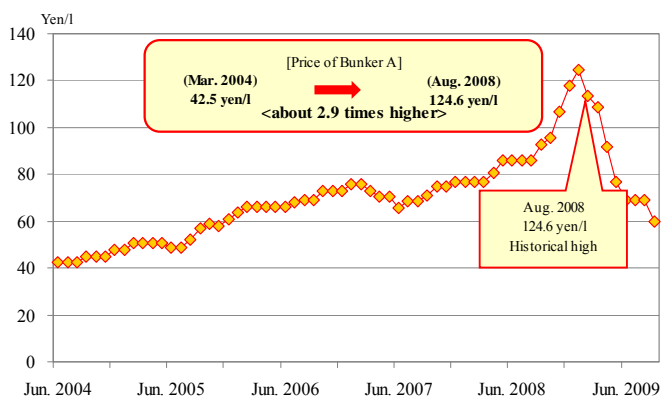
### 4 Progress in Research -- Major Progress Made Toward Improving Eel Production Technology

- In June and August 2008, researchers successfully caught four mature Japanese eels (two males and two females) and baby eels in the middle layer of waters in the southern West Mariana Ridge, achieving great progress in research into migration and spawning of parent eels for improving eel farming technology.

### 5 Wild Fluctuations in Fuel Prices

- Prices of fuel oil for fishing rose sharply (the price of fuel oil A soared from 42.5 yen per liter in March 2004 to 124.6 yen per liter in August 2008), exerting a serious impact on fishery business management.
- On July 15, 2008, fishery workers throughout Japan suspended operations in a bid to demonstrate that fuel oil price spikes were causing a crisis in Japan's fishing industry.
- In July 2008, the government implemented a package of emergency measures for fisheries affected by fuel oil spikes, including an emergency program to ease fuel oil price hikes. It also took advantage of a supplementary budget for FY2008 to implement various measures against fuel oil spikes.
- It is important to enhance the fishing industry to make it invulnerable to such fluctuations.

Changes in the Price of Fuel Oil A for Fishing



Fuel's Share of Total Fishing Costs

	(December 2008)	
	2006	2008 (%)
Small trawlers	23.8	<b>30.1</b>
Gill netters	15.8	<b>20.6</b>
Offshore trawlers	23.6	<b>29.9</b>
Coastal squid fishing boats	30.7	<b>38.1</b>

Source: Fisheries Agency