

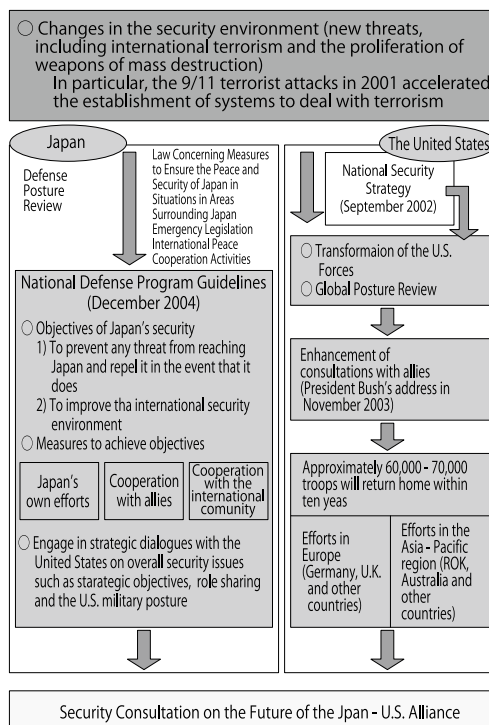
Section 2. Japan-U.S. Security Consultation on the Future of the Japan-U.S. Alliance and other Matters

The maintenance of peace and security requires the appropriate development of its means depending on changes in the security environment. To develop an effective cooperative relationship between Japan and the United States as Japan's ally based on the Japan-U.S. Security Arrangements, the Governments and people of both countries must make constant efforts in developing the alliance depending on changes in the security environment from time to time.

In consideration of the items described in Fig. III-2-2-1, Japan and the United States have been engaged in consultations on the future Japan-U.S. Alliance, including force posture realignment, in recent years. As a result, the two countries have reached various epoch-making agreements for further enhancing the future Japan-U.S. Alliance. Japan and the U.S. are engaged in all types of efforts in close coordination based on the Japan-U.S. Alliance, including the May 2006 agreement on force posture realignment.

This section explains details of consultations, including the outline and background of Japan-U.S. consultations on the future Japan-U.S. Alliance and the realignment of USFJ.

Fig. III-2-2-1 Background of Japan-U.S. Consultations



1. Outline of Recent Japan-U.S. Consultations

1. Post-Cold War Developments Concerning the Japan-U.S. Security Arrangements

During the Cold War era, the Japan-U.S. Security Arrangements contributed to the maintenance of security of Japan as a member of the Free World and the maintenance of peace and security in the region surrounding Japan.

Since the end of the Cold War era, Japan and the United States have held various types of dialogues depending on changes in the international security environment. The two countries announced the Japan-U.S. Joint Declaration on Security, which clarifies the direction of bilateral cooperation for the 21st century, at the Japan-U.S. summit meeting held in Tokyo in April 1996. (See Reference 36)

The Japan-U.S. Joint Declaration on Security reaffirmed that the bilateral security relationship would remain the cornerstone for maintaining stability and prosperity in the region, and indicated cooperative measures in specific areas that would serve as important pillars to enhance the credibility of the Japan-U.S. Alliance.

Based on the Declaration, in September 1997, the two countries established new Guidelines for Japan-U.S. Defense Cooperation (hereafter referred to as the “Guidelines”), and implemented various measures. Through these measures, Japan-U.S. defense cooperation has become more effective, and the credibility of the Japan-U.S. Security Arrangements has further strengthened. (See Section 3-2, Reference 37)

2. Activities since the 9/11 Terrorist Attacks

(1) Background of Japan-U.S. Consultations

Since the terrorist attacks on September 11, 2001, Japan and the U.S. have pursued new postures to deal with the changing security environment including emerging threats such as international terrorist activities and the proliferation of weapons of mass destruction, as shown in Figure III-2-2-1.

Based on the understanding that it is important for Japan and the United States to maintain close exchanges in reviewing respective defense and security policies in the new security environment, the Japan-U.S. Security Consultative Committee² (hereafter referred to as the “2+2 meeting”) held in December 2002 confirmed that the bilateral security consultations should be intensified. Since then, working-level consultations have been held.

Those Japan-U.S. consultations have been conducted as part of bilateral strategic dialogues from a viewpoint of how to make the capabilities of the Japan-U.S. Alliance more effective in meeting changes of the times. Japan has proactively addressed these consultations for the maintenance of its own security, based on the basic policy to maintain deterrence and capabilities and to reduce burdens on local communities.

Japan’s basic policy reflects the perception that amid the changing security environment, and in order to maintain a strong Japan-U.S. Alliance it requires both the enhancement of reliability and effectiveness of U.S. commitment to the defense of Japan and the maintenance of peace and security of the Asia-Pacific region and broad and firm support of the people of the two countries.

Based on this basic policy, Japan-U.S. consultations have confirmed strategic objectives common to both countries at first, examined Japan-U.S. roles, missions and capabilities in order to achieve common strategic objectives, and then examined force posture realignment (realignment of USFJ) based on those roles, missions and capabilities, and have established the direction of Japan-U.S. Alliance gradually and comprehensively.

a. Confirmation of Common Strategic Objectives (the First Stage)

The two countries identified the strategic objectives concerning defense and security that should be achieved by them in the region and the world, and confirmed them in the Joint Statement³ at the two plus two meeting held in February 2005. At this meeting, the two countries agreed that they should intensify consultations on the sharing of the roles, missions and capabilities as examined at the second stage and on force posture realignment as studied at the third stage. (See 2 of this section)

b. Examination of Roles, Missions and Capabilities of Japan and the United States (the Second Stage)

The two countries examined the roles, missions and capabilities of the SDF and U.S. forces that would be needed for achieving the strategic objectives identified at the first stage, taking into consideration the developments and

achievements of security and defense policies of the two countries in recent years.

This examination was made to clarify how Japan and the United States should cooperate with each other while the SDF and U.S. forces coordinate adequately before the United States would begin force posture realignment.

Pursuant to these consultations, the two-plus-two meeting held in October 2005 prepared a joint document titled the U.S.-Japan Alliance: Transformation and Realignment for the Future (hereafter referred to as the “SCC document”)⁴. The SCC document indicates the concrete direction of the roles, missions and capabilities shared by Japan and the United States, and other matters. (See 2 of this section)

c. Force Posture Realignment (Realignment of USFJ) (the Third Stage)

The two countries studied the postures of USFJ and the related SDF that would be necessary for performing or demonstrating such roles, missions and capabilities that were examined at the second stage.

The study on the realignment of USFJ was conducted based on the basic policy of maintaining deterrence and capabilities and reducing burdens on local communities.

The SCC document issued in October 2005 indicated the guiding precepts (see Fig. III-2-2-2) and a specific direction of the realignment of postures of USFJ and related units of the SDF for this study. At the two-plus-two meeting held in May 2006, Japan and the United States finalized the realignment in a document titled the Japan-U.S. Roadmap for Realignment Implementation⁵ (hereafter referred to as the Roadmap), which indicated the details for implementing concrete initiatives. (See 2 of this section, Reference 38)

Following this, at the two-plus-two meeting in May 2007, both sides confirmed the progress made in the previous year on the Roadmap, and reaffirmed the importance of steadily implementing it. (See Reference 40)

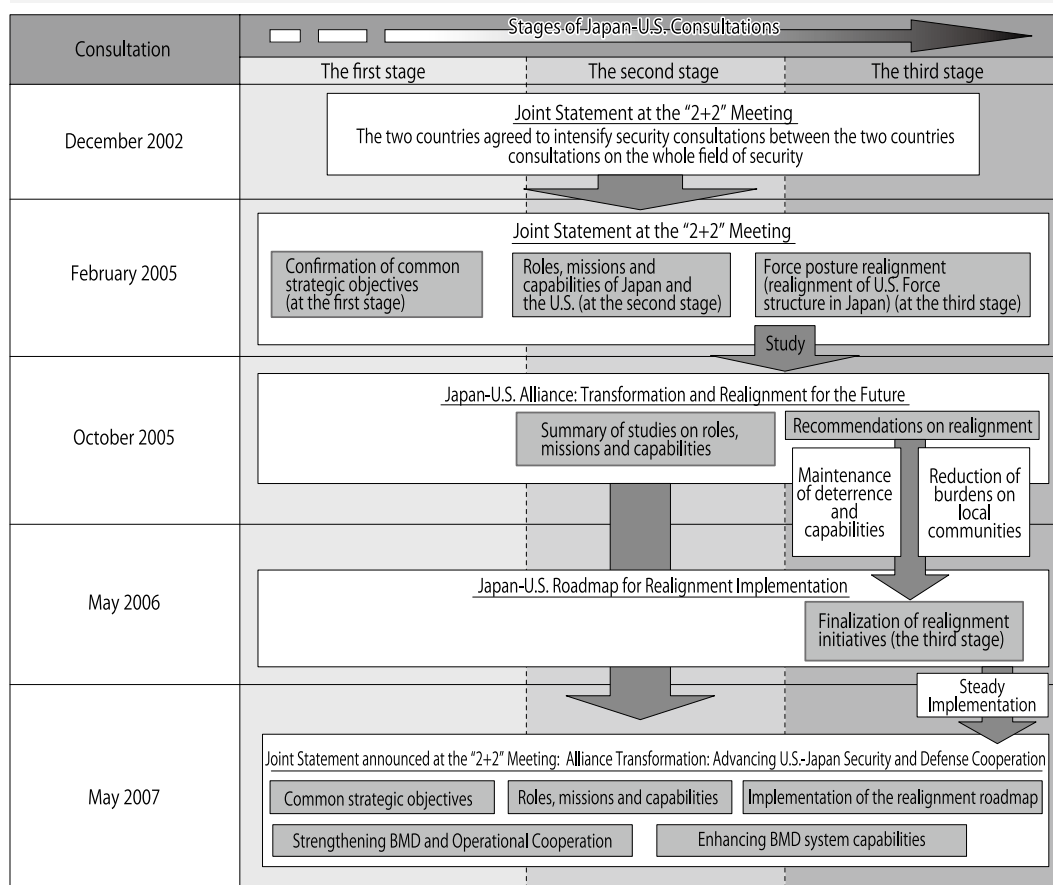
The overview of Japan-U.S. consultations is shown in Fig. III-2-2-3. A joint document was produced at the two-plus-two meeting held at each stage. Thus, the transparency of Japan-U.S. consultations was ensured and their contents were made known in Japan and abroad.

Subsequent consultations, such as the Japan-U.S. Summit Meeting and the Defense Ministers’ Meeting, also reaffirmed that the U.S. Forces realignment shall be steadily carried out in accordance with the Roadmap.

Fig. III-2-2-2 Summary of Guiding Precepts

- 1) The U.S. military in the Asia-Pacific region is a core capability that is indispensable to regional peace and security presence is critical for the peace and stability of the Asia-Pacific region.
- 2) Capabilities will be strengthened through realignment as well as adjustment of roles, missions and capabilities.
- 3) Coordination or interoperability between headquarters will be enhanced or improved for the purpose of flexible and responsive command and control.
- 4) Regular training and exercises, as well as availability of facilities and areas for these purposes, are essential. Dispersal of training can provide greater diversity of training opportunities and can have the ancillary benefit of reducing burdens on local communities.
- 5) Shared military use can promote effectiveness of bilateral cooperation.
- 6) Capacity of the U.S. facilities and areas can provide a critical capability toward meeting local emergency needs such as in disaster relief situations.
- 7) Particular attention is paid to possible realignment of force structure in densely populated areas.
- 8) The civilian-military dual use will be studied, where appropriate, so that it is compatible with operational requirements.

Fig. III-2-2-3 Overview of Japan-U.S. Consultations



(2) Japan-U.S. Alliance for the World and Asia

At the Japan-U.S. Summit Meeting held in 2003, the two countries agreed to enhance the Japan-U.S. Alliance in the global context, by cooperating and strengthening the relationship with the international community in addressing global problems, as part of efforts to deal with a new security environment. Then, at the Japan-U.S. Summit Meeting held in November 2006, they confirmed that they would work on various challenges of the international community based on the policy of Japan-U.S. Alliance for the World and Asia, while further strengthening the Japan-U.S. relationship. At the Hokkaido Toyako Summit in July 2008 and Japan-U.S. Summit Meeting of November 2008 held on the occasion of the APEC Summit Conference, it was confirmed that the Japan-U.S. Alliance is the cornerstone of the peace and prosperity of the Asia-Pacific region and that both countries will work to further strengthen it.

3. Recent Developments

At the Japan-U.S. Summit Meeting on February 24, 2009, Prime Minister Aso and President Obama agreed to further strengthen the Japan-U.S. Alliance as well as to work hand in hand to address global issues, such as finance and the international economy, the Afghanistan-Pakistan issue and climate change and energy. Both sides also agreed to steadily carry out the realignment of U.S. forces, including the implementation of the Agreement

concerning the Relocation of U.S. Marine Corps from Okinawa to Guam, signed on February 17, 2009, in line with the Roadmap.

2. Results Achieved by the Japan-U.S. Consultations

1. Common Strategic Objectives (the First Stage)

The common strategic objectives to be pursued by both Japan and the U.S. were confirmed in the Joint Statement at the two-plus-two meeting held in February 2005 and its overview is described below.

- Region: maintenance of security in Japan, strengthening peace and stability in the region, peaceful unification of the Korean Peninsula, peaceful resolution of issues related to North Korea, welcoming China's responsible and constructive roles and development of a cooperative relationship with China, peaceful resolution of issues concerning the Taiwan Strait, improvement of transparency of China's military affairs, constructive involvement by Russia, assistance to peaceful, stable and vibrant Southeast Asia.
- World: promotion of fundamental values such as democracy in the international community, engagement in international peace cooperation activities, reduction and non-proliferation of weapons of mass destruction and means to transport these weapons, prevention and eradication of terrorism, and improvement in effectiveness of the U.N. Security Council.



Prime Minister Aso at a summit with President Obama (February 2009) [Cabinet Public Relations Office]

Fig. III-2-2-4
Japan-U.S. Cooperation in Japan's Defense and Response to Situations in Areas Surrounding Japan (SIASJ)
Including Response to New Threats and Diverse Contingencies

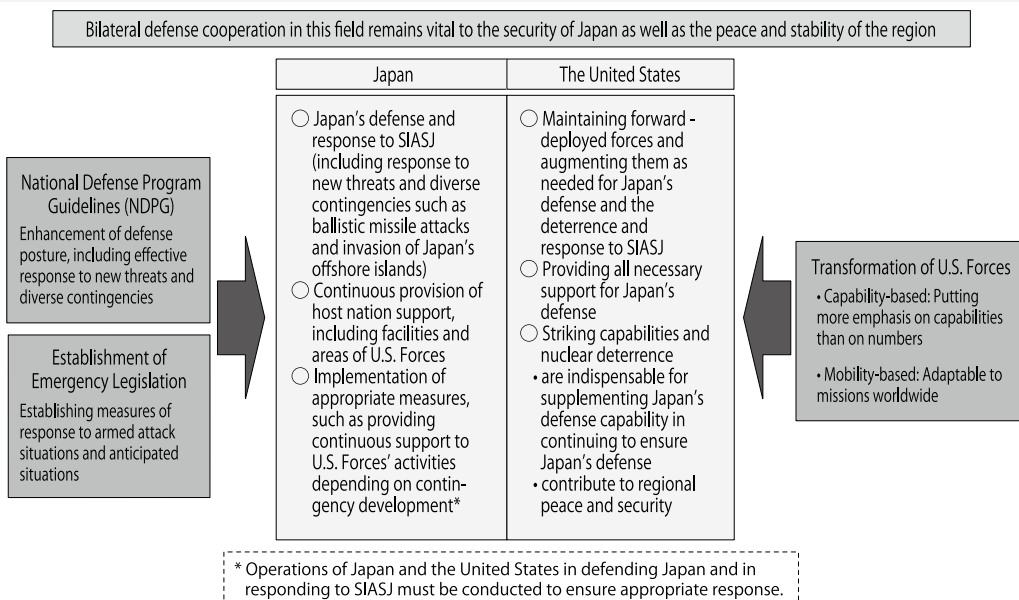
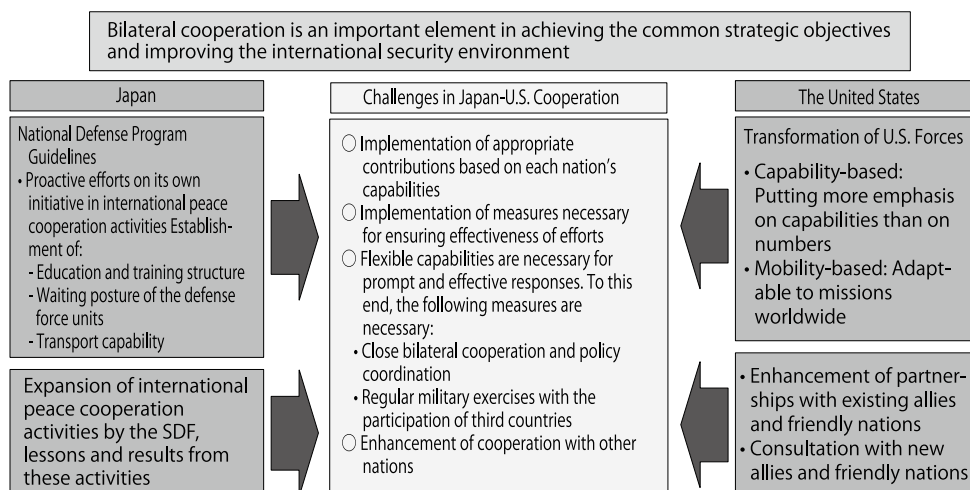


Fig. III-2-2-5 Japan-U.S. Cooperation for Improving the International Security Environment



At the two-plus-two meeting held in May 2007, the two countries reconfirmed their commitments to these common strategic objectives, and highlighted the following strategic objectives (outline) that advance the interests of both countries:

- Achieving denuclearization of the Korean Peninsula through the Six-Party Talks;
- Further encouraging China to act as a responsible international stakeholder, improve transparency in its military affairs, and maintain consistency between its stated policies and actions;
- Increasing cooperation to strengthen the Asia-Pacific Economic Cooperation (APEC) forum as the preeminent regional economic forum;
- Supporting efforts made by the Association of Southeast Asian Nations (ASEAN) to promote democratic values, good governance, the rule of law, human rights, fundamental freedoms, and a unified market economy in Southeast Asia;
- Further strengthening trilateral cooperation among Japan, the United States and Australia in the region and around the world, including in the areas of security and defense;
- Continuing to build upon partnerships with India;
- Ensuring Afghanistan's successful economic reconstruction and political stabilization;
- Contributing to the reconstruction of a unified and democratic Iraq;
- Achieving swift, full implementation of UNSCR 1737 and 1747, aimed at bringing Iran into full compliance with its International Atomic Energy Agency (IAEA) requirements; and
- Achieving broader Japan-North Atlantic Treaty Organization (NATO) cooperation.

2. Roles, Missions and Capabilities of Japan and the United States (the Second Stage)

(1) Basic Concepts of Roles, Missions and Capabilities

The basic concepts on such primary areas indicated in the SCC document as “defense of Japan and responses to situations in areas surrounding Japan, including responses to new threats and diverse contingencies” and “efforts to improve the international security environment” are shown in Figs. III-2-2-4 and III-2-2-5. In due consideration of the increasing importance of these two areas, Japan and the United States will develop their respective defense capabilities and maximize the benefits of innovations in technology.

(2) Examples of Operations in Bilateral Security and Defense Cooperation to be Improved

The SCC document reconfirmed the necessity to strengthen the entire spectrum of bilateral cooperation. The document pointed out specific examples of key areas for further enhancement in the current security environment, as described in Fig. III-2-2-6.

This list of key areas is not intended to be an exhaustive list of possible areas of cooperation, and other areas of operation not explicitly listed above remain important.

Fig. III-2-2-6
Examples of Activities to be Improved in Japan-U.S.
Security and Defense Cooperation

	Example of Area
1	Air defense
2	Ballistic missile defense
3	Proliferation Security Initiative (PSI) and other proliferation prevention activities
4	Anti-terrorism measures
5	Minesweeping, maritime interdiction, and other operations to maintain the security of maritime traffic
6	Search and rescue activities
7	Intelligence, surveillance and reconnaissance (ISR) activities and improvement of capabilities and effectiveness of the activities by using unmanned aerial vehicles (UAV) and patrol aircraft
8	Humanitarian relief operations
9	Reconstruction assistance activities
10	Peacekeeping activities and capacity building for other nation's peacekeeping efforts
11	Guarding operations for important infrastructure including USFJ facilities and areas
12	Disposal and decontamination of weapons of mass destruction (WMD) and other measures against WMD attack
13	Mutual logistic support activities such as supply, maintenance and transportation. Supply cooperation includes mutual provision of aerial maritime refueling. Transportation cooperation includes enhanced or combined efforts of air and maritime transportation (including transportation by high speed vessels (HSVs))
14	Transportation, use of facilities, medical support and other activities for
15	Noncombatant Evacuation Operations (NEOs) Use of ports, airports, roads, sea, airspace and frequency bands

(3) Essential Steps to Strengthen Posture for Bilateral Security and Defense Cooperation

It is important for Japan and the United States to intensify their postures of security and defense cooperation so that the two countries may deal with diverse challenges in the new security environment. For this purpose, the two countries identified essential steps that can be taken in peacetime, which are listed in Fig. III-2-2-7.

(4) Enhancement and Expansion of Japan-U.S. Security and Defense Cooperation

Japan and the U.S. agreed to enhance and improve the effectiveness of Japan-U.S. defense cooperation indicated in the Guidelines and cooperation in other fields, if necessary, that are not specified in the Guidelines. (See Section 3-2)

Fig. III-2-2-7 Essential Measures for Enforcing Bilateral Security and Defense Posture

Category	Item	Content
Measures to be Addressed by Governments as a Whole	Close and continuous policy and/or operational coordination	<ul style="list-style-type: none"> • Close and continuous policy and operational coordination conducted at multiple levels of the Governments of Japan and the United States, ranging from tactics of unit level to strategic consultations, is essential for responding to diverse security issues¹ • Improvement of effectiveness of comprehensive and bilateral coordination mechanisms by clarifying functions based on the "Guidelines"
	Developing bilateral contingency planning	<ul style="list-style-type: none"> • Continuance of bilateral planning for armed attack situations in Japan and mutual cooperation planning for situations in areas surrounding Japan, conducted under the "Guidelines" taking the changing security environment into account • Reflection of Japan's legislation dealing with contingency (providing a strengthened basis for contingency use of facilities, including airports and seaports by the SDF and the U.S. Forces in the plannings mentioned above) • Close coordination with relevant ministries agencies and local authorities, and conducting detailed surveys of airports and seaports
	Enhancing information sharing and/or intelligence-cooperation	<ul style="list-style-type: none"> • Enhancement of information and intelligence sharing and cooperation, at national strategy through unit-level tactics • Additional measures to protect secret information among relevant ministries and agencies
Measures to be Addressed by the SDF and U.S. Forces	Improving interoperability ² between the SDF and U.S. Forces	<ul style="list-style-type: none"> • Maintenance of regular consultations to maintain and enhance interoperability • Enhancement of connectivity between SDF and U.S. Forces headquarters
	Expansion of training opportunities in Japan and the United States	<ul style="list-style-type: none"> • Expansion of bilateral training and exercise opportunities (including the expansion of shared use of training facilities in Japan of the SDF and U.S. Forces) • Expansion of trainings by the SDF in Guam, Alaska, Hawaii and the U.S. mainland
	Shared use of facilities by SDF and U.S. Forces	(To be specified when force posture is realigned)
	Ballistic missile defense (BMD)	<ul style="list-style-type: none"> • Constant information gathering and sharing, and maintenance of readiness and interoperability • If appropriate, U.S. Forces will additionally deploy supplemental capabilities to Japan and SIASJ and adjust their operations

Notes: 1. Close policy consultations on security are conducted between officials of the Governments of Japan and the United States through Security Consultative Committee (SCC) of ministerial level (so-called "2 + 2" meeting), Japan-U.S. defense ministerial meeting the Subcommittee for Defense Cooperation (SDC) and others. As for operations, there exist a comprehensive mechanism and a bilateral coordination mechanism under the Guidelines. (See Section 3 of this chapter)

2. The term "interoperability" refers to the commonness and duality of tactics, equipment, logistics support a bilateral the implementation guidelines for various operations.

Japan and the United States emphasized at the two-plus-two meeting held in May 2006 that the effectiveness of bilateral security and defense cooperation should be strengthened and improved, and the two countries emphasized the importance of examining the scope of security and defense cooperation to ensure a robust alliance relationship and enhance alliance capabilities.

Furthermore, in the joint statement made at the two-plus-two meeting held in May 2007, the two countries reviewed progress in updating roles, missions, and capabilities in line with the alliance transformation vision indicated in the October 2005 SCC document, and highlighted as follows:

- The redefinition of the SDF's primary mission to include international peacekeeping operations, international disaster relief operations, and responses to situations in areas surrounding Japan;
- Sustained progress in developing more specific planning to reflect the evolving security environment and to better posture the forces of the two countries to operate together in a regional crisis;
- Substantive agreement between the two governments concerning security measures for the protection of classified military information, also known as a General Security of Military Information Agreement (GSOMIA)⁶.
- Establishment of a bilateral Chemical, Biological, Radiological, and Nuclear (CBRN) Defense Working Group;
- Establishment of a flexible, bilateral interagency coordination mechanism to coordinate positions on policy, operations, intelligence, and public affairs positions before and during crisis situations; and

- Execution of joint, bilateral training exercises to strengthen interoperability and advance alliance roles, missions, and capabilities.

3. Force Posture Realignment, Including USFJ (the Third Stage)

(1) Overview

The force posture realignment of USFJ is necessary to maintain the stable presence of USFJ, which serves as deterrence and capabilities in the Asia-Pacific region, to adapt the Japan-U.S. Alliance based on the Japan-U.S. Security Arrangements to a new security environment, and thereby to reinforce the peace of Japan and the peace and security of the Asia-Pacific region.

The implementation of these realignment initiatives will lead to a new phase in alliance cooperation and strengthened alliance capabilities in the region. The measures to be implemented demonstrate the resolve of both parties to strengthen their commitments under the Japan-U.S. Security Treaty and, at the same time, to reduce burdens on local communities, including those on Okinawa.

The construction and other costs for facility development in the implementation of these initiatives will be borne by the Government of Japan unless otherwise specified in the Roadmap. The U.S. Government will bear the operational costs that arise from the implementation of these initiatives. Since the realignment of USFJ is an important task to reduce burdens on local communities, including Okinawa, while maintaining deterrence and capabilities of USFJ, it is decided that proper budgetary measures will be taken after having examined the particulars of costs to be borne by Japan⁷.

An outline of the realignment is described in Fig. III-2-2-8 and Fig. III-2-2-9, and the current status of specific measures is explained below.

(2) Force Posture Realignment in Okinawa

At present, many of USFJ facilities and areas are located in Okinawa.

In particular, U.S. Marine Corps in Okinawa with high mobility and readiness play multiple roles in defending Japan, and in maintaining the peace and security of the region, including responses to the earthquake that took place in Java, Indonesia in May 2006.

As part of its global military posture realignment effort, the U.S. is conducting some reviews to strengthen its force structures in the Pacific. Among these reviews are strengthening Marine Corps crisis response capabilities and redistributing those capabilities to provide greater flexibility to respond with appropriate capabilities according to the nature and location of particular situations. These reviews will also enable increased security cooperation with countries in the region, thereby improving the overall security environment.

In connection with this realignment, a set of integrated measures that will also substantially reduce burdens on Okinawa are identified as follows.

a. Futenma Replacement Facility and Other Matters

The U.S. Marine Corps Air Station Futenma (MCAS Futenma) fulfills the following functions:

- 1) To transport ground units of Marine Corps by helicopters and other means;
- 2) To operate tanker aircraft;
- 3) To accommodate aircraft in case of emergency.

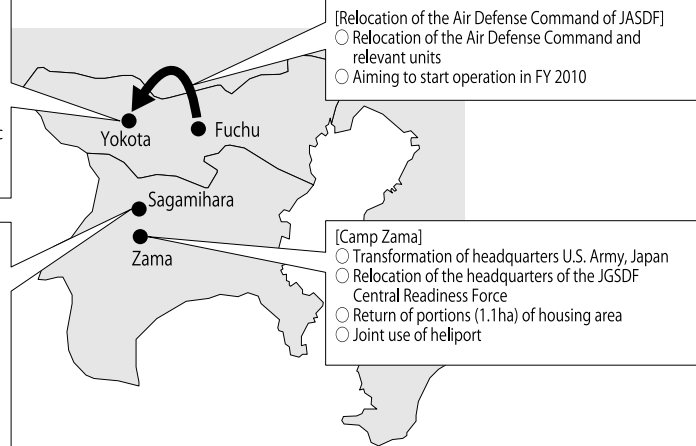
In the meantime, local residents have strongly demanded the early return of MCAS Futenma for their concerns over local safety, noise and traffic of the region as it is located in the middle of the residential area. Therefore, the following initiatives will be implemented on the functions of MCAS Futenma, and then the air station will be returned.

Fig. III-2-2-8 The Force Structure Realignment of U.S. Forces in Japan and the SDF

1. Realignment in Kanto Area

- [Yokota]
- Establishment of the bilateral and joint operations coordination center (BJOCC) at Yokota Air Base
 - Return of portions of airspace, and collocation of U.S. Forces and SDF controllers to the Yokota RAPCON facility, etc.
 - Civilian-military dual-use of Yokota Air Base (specific conditions and modalities are considered between Japan and the United States)

- [Sagami General Depot (SGD)]
- Establishment of facilities along with the transformation of headquarters, U.S. Army, Japan (support facilities, including a training center)
 - Return of some portions of land in front of JR Sagami-hara Station (approximately 15ha)
 - Return of land for underground rail and road (approximately 2ha)
 - Joint use of a specific area (approximately 35ha) of open space in the western section of SGD



2. Realignment in Okinawa

[Shared Use]

- Camp Hansen is used for JGSDF training
- JASDF will use Kadena Air Base for bilateral training with U.S. Forces, while taking into account the noise impact on local communities

[Land Returns]

- The remaining facilities and areas in Okinawa will be consolidated, thereby enabling the return of significant land areas south of Kadena Air Base
- A detailed consolidation plan is being planned

Army POL Depot Kuwae Tank Farm No.1 (total return, approximately 16ha)

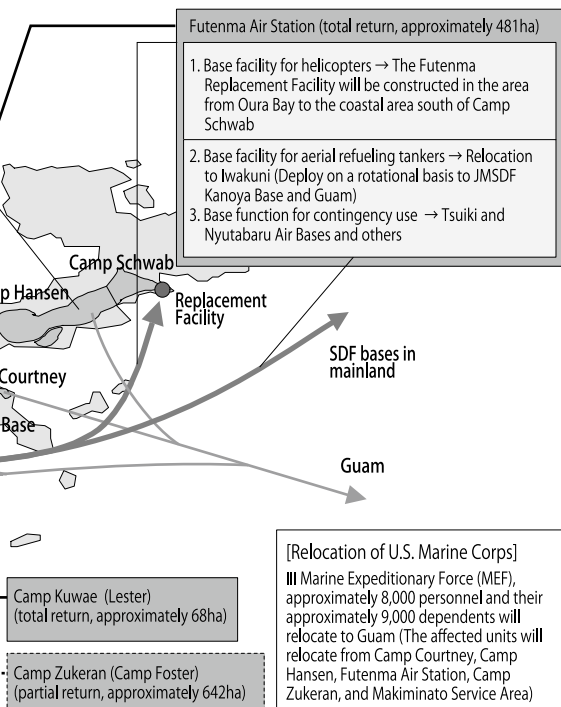
Makimino Service Area (Camp Kinser) (total return, approximately 274ha)

Naha Port (total return, approximately 56ha)

A replacement facility will be constructed in the Naha Port Plan Urasoe-futo district

[Legend]

- Six candidate facilities for land return located south of Kadena Air Base (Land area as of January 1, 2009)



- [Relocation of U.S. Marine Corps]
- Marine Expeditionary Force (MEF), approximately 8,000 personnel and their approximately 9,000 dependents will relocate to Guam (The affected units will relocate from Camp Courtney, Camp Hansen, Futenma Air Station, Camp Zukeran, and Makimino Service Area)

3. Relocation of Aircraft

Aircraft from three U.S. facilities (**Kadena, Misawa and Iwakuni**) will participate in relocated training conducted from the following JSDF facilities: **Chitose, Misawa, Hyakuri, Komatsu, Tsuiki, and Nyutabaru**

Relocation of Carrier Air Wing (F/A-18×49, EA-6B×4, E-2C×4, C-2×2: total 59 aircraft) to Iwakuni



Relocation of KC-130 (12 aircraft) to Iwakuni



Note: Portions of the future civilian air facility will be accommodated at MCAS Iwakuni.

Deployment of X-Band Transportable Radar for BMD (AN/TPY-2: so-called "X-Band Radar System")

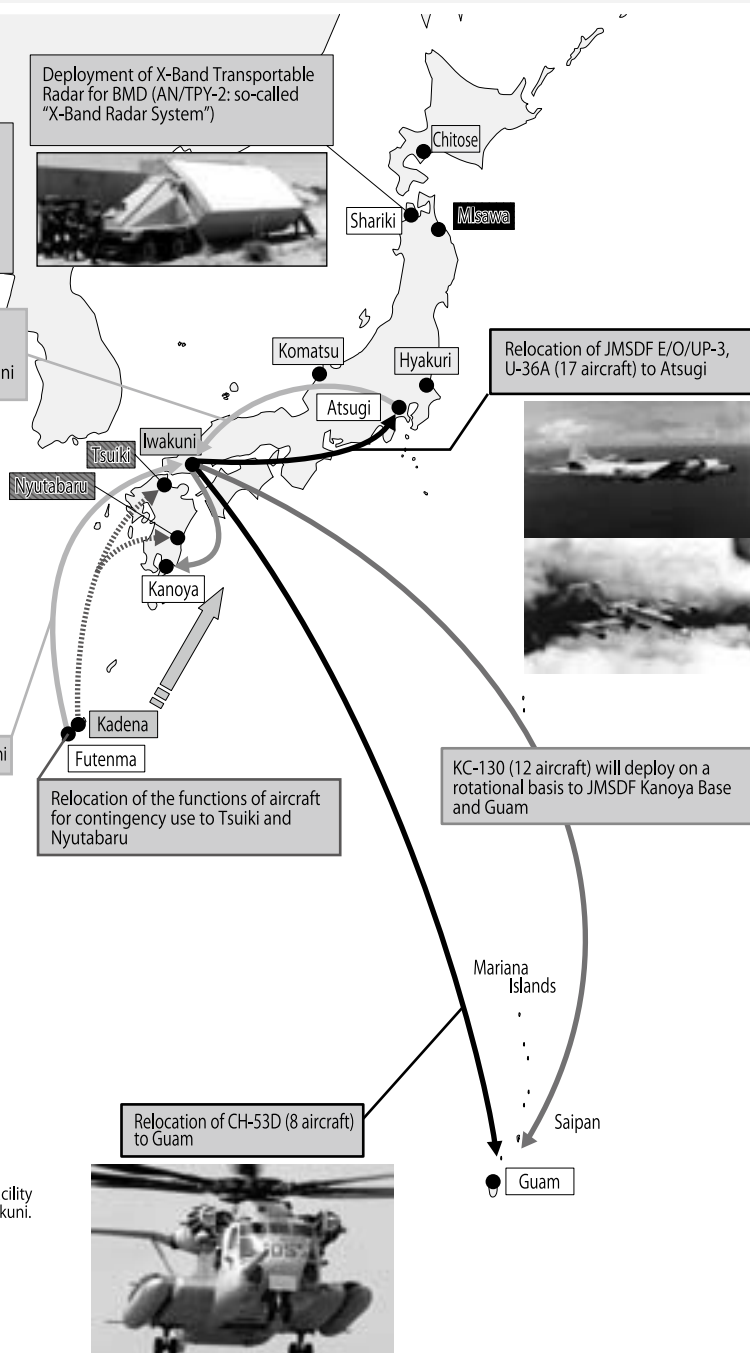


Fig. III-2-2-9 Major Realignment Schedule shown in the Roadmap

Time	Implementation Plans for Realignment
By Summer 2006	For deployment of a U.S. X-Band Radar system to JASDF Shariki Base, necessary arrangements and facility modifications will be made
By October 2006	Return portions of Yokota airspace will be identified
From 2006	Shared use of Camp Hansen that requires no facility improvements will become possible
By March 2007	Consolidation plan for facilities and areas in Okinawa will be developed
From FY 2007	Development of annual plans for training relocation
By U.S. FY 2008 (October 2007 – September 2008)	U.S. Army command and control structure at Camp Zama will be transformed
By September 2008	Portions of Yokota airspace will be returned to Japanese control
July 2009 (or the earliest possible date thereafter)	Permanent site for field-carrier landing practice facility will be selected
FY 2009 (April 2009 -)	Comprehensive study, including conditions required for the possible return of the entire Yokota airspace, will be complemented
FY 2010	JASDF Air Defense Command and relevant units will relocate to Yokota
By FY 2012	The headquarters of the JGSDF Central Readiness Force will arrive at Camp Zama
By FY 2014	Futenma Replacement Facility will be completed Part of U.S. Marine Corps in Okinawa (III Marine Expeditionary Force personnel and their dependents) will relocate to Guam Relocation of Carrier Air Wing from Atsugi to Iwakuni

* Items written in boldface show the implementation of actual measures.

(i) Function to Transport Ground Units of Marine Corps by Helicopters and Other Means

(a) Status of Basic Plan Based on the SACO Final Report

In the Special Action Committee on Okinawa (SACO) Final Report prepared in December 1996, the two countries agreed to totally return MCAS Futenma after an adequate replacement facility is completed within five to seven years. (See 4 of this section)

A sequence of events related to the replacement facility for MCAS Futenma (hereafter referred to as the “Futenma Replacement Facility (FRF)”) after the issuance of the Final Report are shown in Fig. III-2-2-10. In 2002, the Basic Plan of the FRF was finalized. After that, although an environmental impact assessment procedure started in 2004, and the technical site survey, a necessary procedure for commencement of construction begun in 2003, the process did not go smoothly, and as the construction of the FRF was expected to take nine and a half years, it is now expected that it will take another ten years or so to relocate and return MCAS Futenma.

In addition, a U.S. military helicopter accident took place in Ginowan City in August 2004. It became evident that the existence of MCAS Futenma in the middle of the residential area has a potential risk, and therefore it was strongly recognized that the early relocation and return of MCAS Futenma is essential.

In order to drive away a general feeling of unrest among local residents, the two Governments conducted a study again on how to realize early relocation and return of MCAS Futenma during the course of Japan-U.S. consultations on the realignment of USFJ.

(b) Basic Concept of Review of Futenma Relocation

The U.S. Marine Corps in Okinawa consist of air, ground, logistics and command elements, and the interaction of those elements in actual operations is necessary. Therefore, both sides conducted a study based on the recognition that the FRF needs to be located within Okinawa Prefecture so that rotary wing aircraft currently stationed at MCAS Futenma will be located near the other elements with which they train or operate on a regular basis.

In the study, both sides considered several factors, including safety of neighboring communities and military personnel, noise impacts on local communities, impacts on the natural environment including seaweed beds, and operational requirements in peacetime and in contingencies.

Fig. III-2-2-10 Background for the Construction of the Futenma Air Station Replacement Facility (FRF)

Month & Year	Background	Remarks
April 1996 December	Prime Minister Hashimoto and U.S. Ambassador Mondale held a meeting and the total return of Marine Corps Air Station Futenma (MCAS Futenma) was expressed SACO Interim Report SACO Final Report → Construction of a sea-based facility off the east coast of the main island of Okinawa	Up to local government's acceptance of the FRF and the Cabinet decision (three years and eight months)
November 1999 December	Governor of Okinawa Prefecture Inamine expressed that the coastal area of Henoko in Nago City was designated as the relocation site Mayor of Nago City Kishimoto expressed that the city would accept the FRF "Government Policy on Relocation of MCAS Futenma" (Cabinet decision) → Construction in the "Coastal Area of Henoko, Nago City in Camp Schwab Water Area"	
July 2002	Development of the "Basic Plan of the FRF"	From the Cabinet decision to the development of the Basic Plan (two years and seven months)
April 2004 August September	The Environmental Impact Assessment (EIA) procedure started (Abolished in 2007) A helicopter of U.S. Forces crashed into a university campus in Ginowan City, Okinawa Offshore operation of the boring survey started	From the development of the Basic Plan to the beginning of the EIA (one year and nine months)
October 2005	A new plan was agreed on in the SCC document → The FRF will be constructed in an "L"-shaped configuration that combines the southern shoreline areas of Camp Schwab and adjacent water areas of Oura Bay	
April 2006 May August	A basic agreement was concluded with Nago City and Ginoza Village → The plan to construct two runways aligned in a "V"-shape was agreed on, regarding the construction of the FRF The FRF plan was finalized in the U.S.-Japan Roadmap for Realignment Implementation Memorandum of Basic Understanding was concluded between the Defense Agency and Okinawa Prefecture "GOJ Efforts for USFJ Force Structure Realignment and Others"(Cabinet decision) → Abolition of 1999 GOJ Policy Establishment of the Council on Measures for Relocation of MCAS Futenma	
June 2007 August	Survey of existing conditions started The EIA procedure started	
March 2008 July	Survey based on the EIA scoping document started Establishment of "the working team on eliminating the danger associated with MCAS Futenma" and "the working team on facilitating the construction plan for Futenma Relacement Facility and environmental impact assesment"	

(c) Overview of Futenma Relocation

Based on the aforementioned concept, both sides conducted the study intensively. As a result, in the SCC document prepared in October 2005, the initiative to "locate the FRF in an 'L'-shaped configuration that combines the shoreline areas of Camp Schwab and adjacent water areas of Oura Bay" was approved.

Thereafter, as a result of consultation with local municipalities, including Nago City, agreements on the FRF were made with Nago City and Ginoza Village in April 2006 stating that, based on the initiative approved in the SCC document, two runways would be constructed to avoid an air route above the surrounding area pursuant to the request from the local communities, and that the runways should be constructed by paying due attention to the following points: 1) safety of lives of local residents; 2) conservation of the natural environment; and 3) the feasibility of the project. Then, it was decided that the Ministry of Defense, Okinawa Prefecture, Nago City, Ginoza Village and related local municipalities would continue to have consultations on the plan of construction of the FRF in good faith on a continuous basis to reach a conclusion.

Based on the above-mentioned agreement, both countries agreed in the Roadmap, to locate the FRF in a configuration that combines the Henoko-saki and adjacent water areas of Oura and Henoko Bays. This facility

includes two runways aligned in a “V”-shape, each runway having a length of 1,600meters plus two 100-meter overruns. The length of each runway portion of the facility is 1,800meters, exclusive of seawalls.

The facility ensures agreed operational capabilities while addressing issues of safety, noise, and environmental impacts.

As indicated in the SACO Final Report, the FRF will have capabilities to support operations of helicopters now stationed in MCAS Futenma and operations of aircraft taking off and landing in a short field. There’s no plan to operate fighter aircraft from this facility.

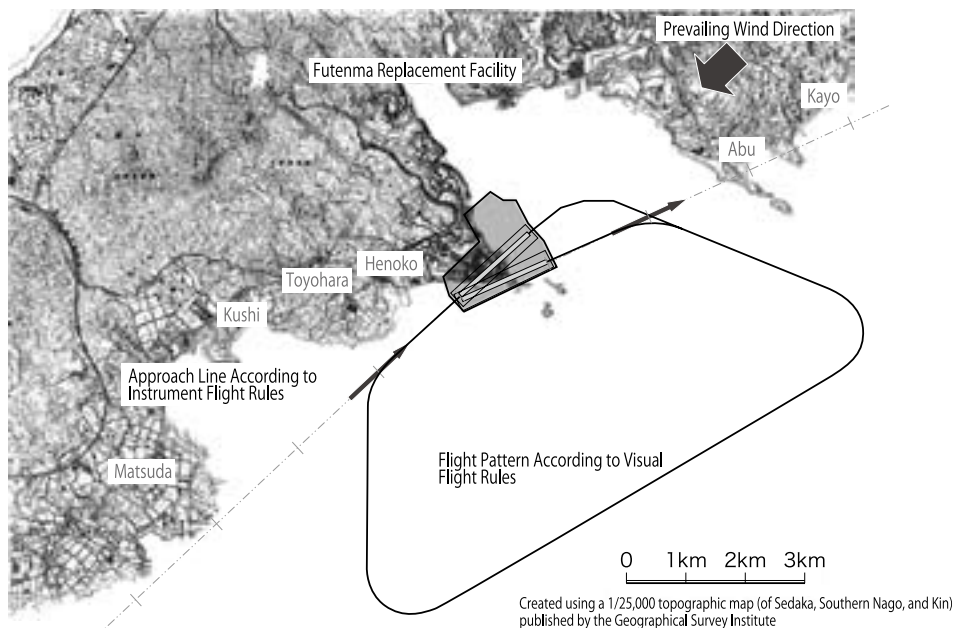
Furthermore, it is indicated that, in order to locate the FRF in the Camp Schwab area, necessary adjustments will be made, such as reconfiguration of Camp Schwab facilities and adjacent water surface areas.

In principle, the construction method for the FRF will be landfill. The construction work is targeted for completion by 2014. It is indicated that relocation to the FRF will occur when the facility is fully operationally capable. (See Fig. III-2-2-11)

In the case of the newly agreed FRF, construction work will be carried out mainly on land earlier and more steadily than the old plan. Thus, earlier relocation becomes possible. In addition, the portion to be constructed in the offshore area will be made as small as possible. Thus, full consideration is given to environmental impacts.

Concerning the construction of the FRF, the Governor of Okinawa Prefecture and the then Minister of State for Defense signed, in May 2006, a Memorandum of Basic Understanding in which both parties agreed to cope with the issue based on the Government plan and paying due attention to: 1) removal of danger of MCAS Futenma; 2) safety of lives of local residents; 3) conservation of the natural environment; and 4) feasibility of the project.

Fig. III-2-2-11 Diagram of the Futenma Replacement Facility



(d) Status of Coordination with Local Communities

The Government made a Cabinet decision on May 30, 2006 to proceed with the construction based on the plan approved at the two-plus-two meeting held on May 1, 2006 and by taking into consideration the positions of the Government, Okinawa Prefecture and the related local municipalities and background of the relocation of MCAS Futenma, aimed to develop a construction plan immediately. It was also decided that the specific construction plan, safety/environmental measures and local development measures should be addressed through consultations made at a consultative organ, which is established jointly with Okinawa Prefecture and related local municipalities⁸.

In response, the Council Meeting on Measures for Relocation of Futenma Air Station⁹ was set up in August 2006 and has held nine meetings thus far (as of April 2009). At the 8th meeting in July 2008, it was agreed to set up under the Council Meeting the “Working Team for Removing Possible Risks at Futenma Air Station” and the “Working Team for Smooth Implementation of Construction Plan and Environmental Impact Assessment for FRF”, ensuring close consultations between working-level officials of the Government and Okinawa Prefecture.

(e) Status of Implementation of the Environmental Impact Assessment

The Environmental Impact Assessment Scoping Document (hereafter referred to as the “Scoping Document”) was sent to the Governor of Okinawa Prefecture and others on August 7, 2007. Following the public announcement and inspection, additional and revised documents concerning the Scoping Document, which also incorporated the views of the Governor of Okinawa Prefecture, were presented to the Governor of Okinawa Prefecture in March 2008, and a survey in accordance with the Scoping Document began. Upon completion of a year-long assessment covering all four seasons, in March 2009 a Draft Environmental Impact Statement was formulated and, on April 1, sent to the Governor of Okinawa Prefecture. It was made available for general public inspection from April 2 to May 1, and several meetings for explanation were held during the period. Thus the procedure for the environmental impact assessment has proceeded.

(ii) Function to Operate Tanker Aircraft

Air refueling aircraft KC-130 (12 in total) are to be relocated from Futenma Air Station to Marine Corps Air Station (MCAS) Iwakuni (in Yamaguchi Prefecture) under the Roadmap as well as the SACO Final Report. They will be regularly deployed on a rotational basis to Kanoya Base (in Kagoshima Prefecture) and Guam for training and operations. Consultations are being held between Japan and the U.S. pertaining to training and operations at Kanoya Base.

(iii) Base Function to Accommodate Aircraft in Contingencies

Strengthened contingency use of Nyutabaru Air Base (in Miyazaki Prefecture) and Tsuiki Air Base (in Fukuoka Prefecture) will be provided for U.S. forces. When site surveys are completed, facility improvements for the strengthened use will be made as necessary before MCAS Futenma is returned. These improved facilities, when completed, will also support the bilateral training activities, which should be expanded according to the studies on roles, missions and capabilities.

Because operations using long runways cannot be replicated at the FRF, improved contingency use of civilian facilities will be examined in the context of bilateral contingency planning, and appropriate arrangements will be made in order to realize the return of MCAS Futenma.

(iv) Efforts to Eliminate Danger at MCAS Futenma

In August 2007 the Ministry of Defense announced various measures as part of efforts to remove possible risks at Futenma Air Station: 1) improving approach and takeoff routes including actively avoiding areas of high

residential density, 2) expanding clear zones¹⁰ and other measures for safe return from the area around the airfield when there is engine trouble, 3) improving equipment to make the runways more easily visible at night, and 4) developing automatic flight control systems rather than relying on eyesight. The Ministry of Defense is steadily implementing these measures.

The Japan-U.S. Joint Committee agreed in February 2008 that of these measures the Government of Japan would improve facilities to make runways more easily visible at night and to expand clear zones.

b. Force Reductions and Relocation to Guam

In conjunction with the realignment of U.S. Marine Corps capabilities in the Asia-Pacific region, the personnel of the III Marine Expeditionary Force (III MEF) will be relocated to Guam¹¹ and the remaining Marine units in Okinawa will be realigned. Due to this realignment in Okinawa, it is planned that approximately 8,000 III MEF personnel and their approximately 9,000 dependents will be relocated from Okinawa to Guam by 2014 in a manner that maintains unit integrity. U.S. Marine Corps forces remaining in Okinawa will consist of Marine Air Ground Task Force elements, such as command, ground, aviation, and combat service support, as well as a base support capability.

As for costs of relocating U.S. forces to Guam, the Governments of both Japan and the United States held consultations on how both sides should share such costs. At the Japan-U.S. defense summit meeting held in April 2006, both sides agreed on the sharing of costs for providing facilities and infrastructure involved in the relocation of U.S. forces to Guam, as described in Fig. III-2-2-15. (See 3 of this section)

The relocation of the U.S. Marine Corps in Okinawa to Guam is extremely important for advancing the realignment of U. S. Forces and reducing the burden on Okinawa. The Ministry of Defense has held constant consultations on how to implement the Roadmap with the U.S. Government, with the intention of steadily carrying out the realignment of U.S. Forces in accordance with the Roadmap.

With respect to projects funded by Japanese direct cash contributions (“Mamizu” projects), Japan and the United States reached a common understanding on specific details and necessary costs for projects to be financed in FY 2009, as well as on the fundamental scheme to implement projects. Therefore, the costs for on-base infrastructure and design projects (approximately 34.6 billion yen) were appropriated in the FY 2009 budget. (See Fig. III-2-2-12)

Moreover, in order to further solidify and legally ensure Japan and U.S. bilateral action, such as Japanese cash contributions over the course of several years, the Government of Japan signed an agreement on the relocation of U.S. Marine Corps from Okinawa to Guam (Agreement Between the Government of Japan and the Government of the United States of America Concerning the Implementation of the Relocation of III Marine Expeditionary Force Personnel and Their Dependents from Okinawa to Guam) with the Government of the United States on February 17, 2009. This Agreement entered into force on May 19, 2009. (See Reference 41)

Furthermore, the Ministry of Defense has developed the necessary systems, such as the setting up of Guam Relocation Project Office, in preparation for full-fledged Guam Relocation Projects including the projects funded by private finance initiatives in and after FY 2009.

c. Land Returns and Shared Use of Facilities

(i) Return of Significant Land Areas South of Kadena Air Base

The facilities and areas of USFJ are located in densely populated areas south of Kadena Air Base (approximately 1,500ha in total). Following the relocation and return of MCAS Futenma, and the transfer of III MEF personnel to Guam described above, the remaining facilities and areas in Okinawa will be consolidated, thereby enabling the return of significant land areas south of Kadena Air Base.

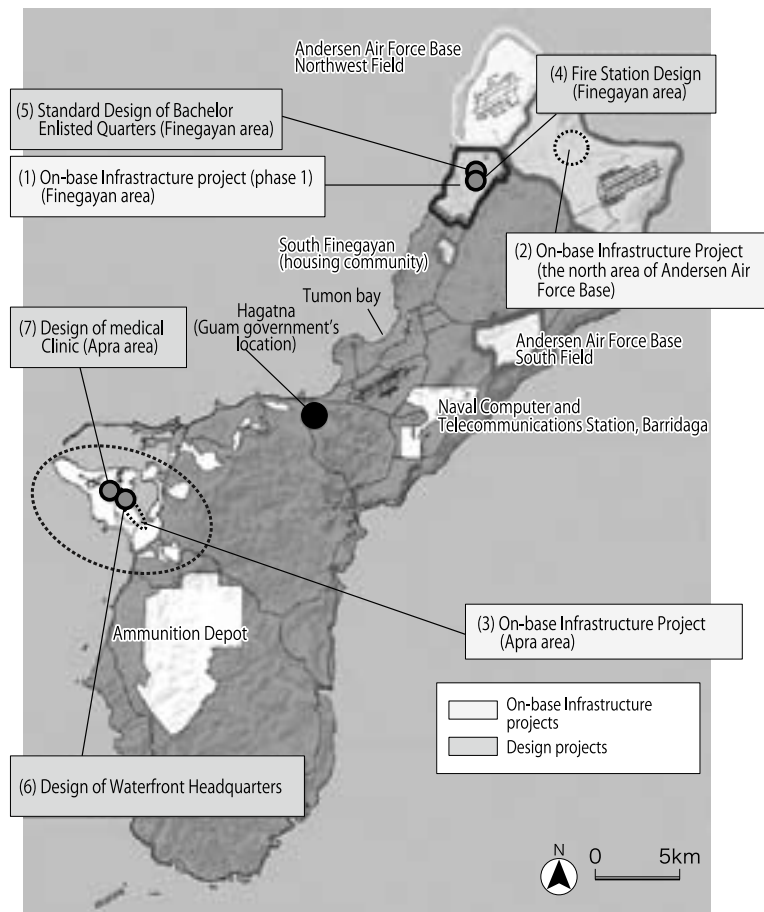
The Roadmap has stipulated the development of a detailed consolidation plan for the six candidate facilities

(Camp Kuwae, Camp Zukeran, MCAS Futenma, Makiminato Service Area, Naha Port, and Army POL Depot Kuwae Tank Farm No.1), and is currently under deliberation between Japan and the United States. (See Fig. III-2-2-8)

(ii) Steady Implementation of the SACO Final Report

The steady implementation of the SACO Final Report prepared in 1996 is important because it aims to properly maintain the capabilities and readiness of USFJ and to reduce impacts of operations of U.S. forces on local residents of Okinawa. In the Roadmap, Japan and the United States agreed to the possibility that the SACO relocation and return initiatives may need to be re-evaluated.

Fig. III-2-2-12 Details of “Mamizu ” projects in JFY 2009 budget



* Areas subject to the projects are conceptual and do not indicate specific sites.

(iii) Shared Use of USFJ Facilities and Areas in Okinawa

The SDF has only a limited number of facilities in Okinawa, including Naha Air Base, and most of them are located in urbanized areas with some operational restriction. Therefore, the shared use of USFJ facilities and areas in Okinawa will greatly improve the training environment for SDF units in Okinawa, and facilitate bilateral training and interoperability between the SDF and U.S. forces. Some of the shared use will enable it to improve readiness and contribute to maintaining the safety of local residents at a time of disaster.

Based on such concepts, it was decided that Camp Hansen would be used for GSDF training, and training

commenced in March 2008. ASDF will use Kadena Air Base for bilateral training with U.S. forces while taking into account noise impacts on local communities.

d. Relationships among Realignment Initiatives

Within the overall realignment package in the Roadmap, the Okinawa-related realignment initiatives are interconnected. Specifically, consolidation and land returns in the south of Kadena depend on completing the relocation of III MEF personnel and dependents from Okinawa to Guam. The III MEF relocation from Okinawa to Guam is dependent on: 1) tangible progress toward completion of the FRF; and 2) Japan's financial contribution to fund development of required facilities and infrastructure in Guam.

(3) Improvement of U.S. Army Japan Command and Control Capacity

To have enhanced mobility and readiness as well as to enable joint missions, the headquarters of U.S. Army Japan (USARJ) at Camp Zama (in Kanagawa Prefecture) was activated as the headquarters of the I Corps (Forward)/USARJ in December 2007 and the transformation¹² took place at the end of September 2008. This transformation is based on the global realignment of the U.S. Army as part of the overall transformation of U.S. forces. The transformed USARJ headquarters in Japan will continue to hold the same core mission of defending Japan and maintaining the peace and security of the Far East.

To enable rapid responses to various contingencies, the GSDF Central Readiness Force Headquarters that centrally controls mobile operation units and specialized units will be relocated to Camp Zama¹³ by Japan Fiscal Year 2012 so that it may strengthen coordination with the transformed USARJ headquarters.

In accordance with the transformation of USARJ headquarters, a battle command training center and other support facilities will be constructed within U.S. Forces Sagami General Depot (SGD) (in Kanagawa Prefecture) using U.S. funding. In addition, measures will be implemented for more effective and efficient use of Camp Zama and SGD, including partial return of facilities and areas. The partial return of land (approx. 17ha) at SGD facilities and areas was approved by the Japan-U.S. Joint Committee in June 2008.

(4) Yokota Air Base and Airspace

a. Establishment of the Bilateral Joint Operations Coordination Center (BJOCC)

Enhancement of coordination between headquarters, combined with the transition to a joint operations structure, is quite important from the perspective of ensuring flexible and rapid responses of the SDF and U.S. forces. The headquarters of USFJ located at Yokota Air Base (in Tokyo) plays an important role in the various mechanisms¹⁴ under the Guidelines. Therefore, along with the relocation of ASDF Air Defense Command as mentioned below, the Bilateral Joint Operations Coordination Center (BJOCC)¹⁵ is to be established and it is planned to complete construction/installation of facilities and infrastructure and to commence operations at the BJOCC by Japanese Fiscal Year 2010.

b. Relocation of ASDF Air Defense Command

ASDF Air Defense Command located in Fuchu City, Tokyo has an air defense mission as well as a function as a headquarters for BMD operations. In the case of air defense and BMD, response time is very short. Therefore, it is quite important for the SDF and U.S. forces to immediately share necessary information. Thus, in Japan Fiscal Year 2010, ASDF Air Defense Command and its relevant units will relocate to Yokota Air Base, where the headquarters of U.S. 5th Air Force is located, and construction/installation work¹⁶ is being conducted. This arrangement and the establishment of the above-mentioned BJOCC will make it possible to enhance coordination between headquarters of the SDF and U.S. forces, including the sharing of information concerning air defense and BMD.

c. Yokota Airspace

At Yokota Air Base, U.S. forces conduct radar approach control for the Yokota airspace spreading from the western part of the Tokyo Metropolitan area to Niigata Prefecture. To facilitate the operation of civilian airplanes that enter the airspace, however, the following measures are pursued.

- (i) Establish a program in Japan Fiscal Year 2006 to inform commercial aviation entities of procedures for transiting Yokota airspace.
- (ii) Develop procedures in Japan Fiscal Year 2006 for the temporary transfer of responsibility for air traffic control of portions of Yokota airspace to Japanese authorities, when not required by military purposes.
- (iii) Return air traffic control of portions of Yokota airspace to Japanese authorities by September 2008 after having identified the returned portions by October 2006.
- (iv) Complete a study¹⁷ of the conditions required for the possible return of the entire Yokota airspace by Japan Fiscal Year 2009.

In response, the procedure mentioned in (b) as above started in September 2006. The themes of 1) identification of the airspace portions to be returned by September 2008 and 2) collocation of U.S. forces and SDF controllers at the Yokota Radar Approach Control (Yokota RAPCON) facility were mutually agreed by the Governments of Japan and the United States.

With regard to the measure 1) above, the area adjacent to the west side of Haneda Airport was reduced by about 40% on September 25, 2008 and the control operation was returned to Japan. With respect to the measure 2) above, the collocation of U.S. forces and Japanese controllers started in May 2007. The lessons learned here will be incorporated into deliberations on required conditions for the complete return of the Yokota airspace. (See Fig. III-2-2-13)



ASDF controllers together with U.S. force controllers at the Yokokota RAPCON facility

d. Civilian-Military Dual Use of Yokota Air Base

At the Japan-U.S. Summit Meeting held in May 2003, it was agreed that the feasibility of a civilian-military dual use of Yokota Air Base would be bilaterally studied by both governments. A Liaison Conference was then established as a working panel attended by ministries and agencies (the Cabinet Secretariat, the Ministry of Foreign Affairs, the Ministry of Land, Infrastructure and Transport, the Defense Agency (now reorganized as the Ministry of Defense)), the Defense Facilities Administration Agency (then)) and the Tokyo Metropolitan Government. Since then, discussions have been made.

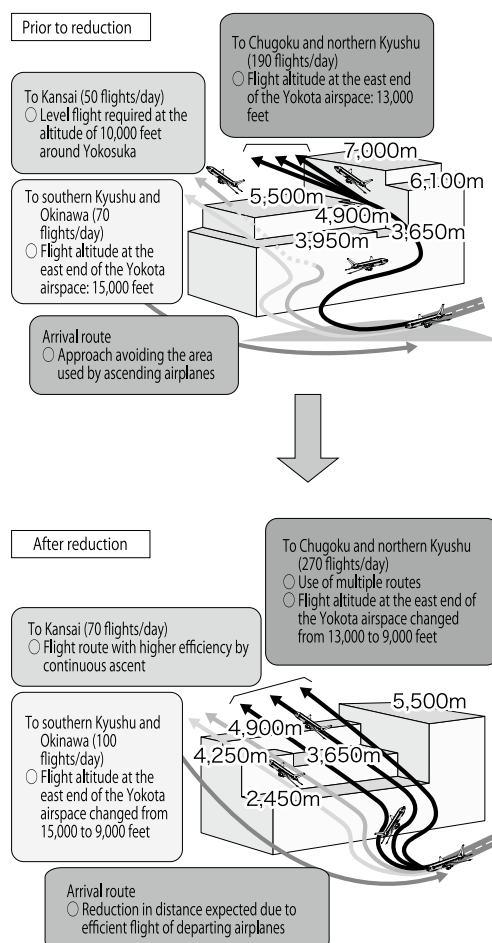
The Governments of Japan and the United States have conducted a study, starting in October 2006, of the specific conditions and modalities in the study group, with the understanding that the dual use will not compromise military operations and safety of Yokota Air Base¹⁸, and based on further coordination and the outcome of the study, both governments will consult and then make appropriate decisions.

(5) Relocation of Carrier Air Wing from Atsugi Air Facility to MCAS Iwakuni

a. Significance of U.S. Aircraft Carrier Deployment

The presence of the U.S. Pacific Fleet plays an important role in maintaining the regional peace and stability, including the safety of its maritime traffic in the Asia-Pacific region. U.S. aircraft carriers are the core capability in the Fleet. In order to ensure the long-term forward deployment capabilities of aircraft carriers and carrier-based

Fig. III-2-2-13 Yokota Airspace



aircraft, it is necessary to secure an operational base in Japan. The conventional aircraft carrier Kitty Hawk had been deployed in this area and anchored in Yokosuka (in Kanagawa Prefecture). After more than 40 years since its commissioning, Kitty Hawk was reaching retirement age. Thus, in September 2008, Kitty Hawk was replaced by the nuclear-powered carrier George Washington, commissioned in 1992.

Nuclear-powered aircraft carriers have excellent combatant and operational capabilities. Since they are driven by energy generated in a nuclear reactor, there is no need to replenish fuel, and they are able to maintain the high speeds necessary for the operation of aircraft. Having a strong U.S. Navy presence continuously maintained in areas surrounding Japan by deploying the nuclear carrier George Washington would contribute to the security of Japan and to the maintenance of peace and security in the region. Furthermore, it would



The U.S. nuclear-powered aircraft carrier USS George Washington entering the Port of Yokosuka [U.S. Navy]

symbolize the deep commitment of the United States to the Japan-U.S. Alliance.

The U.S. Navy vows that it will continue to ensure that all of its nuclear-powered warships (including the nuclear carrier George Washington) adhere to the relevant safety policies. For example, the nuclear reactor will normally be shut down while the aircraft carrier is anchored, and repair work and fuel changes will not be carried out in Japan. The Government of Japan intends to continue taking all possible measures to ensure safety. (See Section 3-6-3)

b. Base for Carrier-Based Aircraft

When the U.S. aircraft carrier is deployed in Yokosuka, Atsugi Air Facility (in Kanagawa Prefecture) is currently used as a base for carrier-based aircraft. Since Atsugi Air Facility is located in the center of an urban district, noise of carrier jets taking off and landing particularly had been problems for a long time.

These problems should be resolved as soon as possible in order to stably maintain the Japan-U.S. Security Arrangements and the operations of carriers under the arrangements from now into the future.

After the completion of the runway relocation project at MCAS Iwakuni, the safe operations of aircraft will be possible in a less intrusive manner.

In consideration of these matters, Carrier Air Wing Five (CVW-5) squadrons will be relocated from Atsugi Air Facility to MCAS Iwakuni. This relocation, consisting of F/A-18, EA-6B, E-2C and C-2 aircraft (59 aircraft in total), will be completed by 2014, subsequent to the following: (1) completion of necessary facilities, and (2) adjustment of training airspace and the Iwakuni RAPCON airspace.

The relocations will be conducted after the runway is moved offshore to mitigate impacts of the increased operations at MCAS Iwakuni due to this relocation. Related measures will also be taken, including the relocation of JMSDF's EP-3 and other aircraft from MCAS Iwakuni to Atsugi Air Facility, the regular rotational deployment of KC-130 aircraft (which are to be relocated from MCAS Futenma to MCAS Iwakuni) to JMSDF Kanoya Base and Guam, and the relocation of U.S. Marine Corps CH-53D helicopters from MCAS Iwakuni to Guam.

It is expected that the area requiring residential noise-abatement work (so-called first category area) will decrease from approximately 1,600ha to 500ha. Thus, the noise around MCAS Iwakuni will be alleviated. Furthermore, safety will be improved as the runway will be relocated offshore and approach and takeoff routes will be established above the water. (See Fig. III-2-2-8)

As for field-carrier landing practice (FCLP), a bilateral framework to conduct a study on a permanent FCLP facility is to be established with the goal of selecting a permanent site by July 2009 or the earliest possible date thereafter. In addition, the SCC document confirmed that U.S. forces will continue to conduct FCLPs at Iwo Jima in accordance with existing temporary arrangements until a permanent FCLP training facility is identified.

c. Resumption of Commercial Aviation at MCAS Iwakuni

Considering that the local governments, including Yamaguchi Prefecture and Iwakuni City, have been working together to request the resumption of commercial aviation, the Governments of Japan and the United States have been engaged in discussions to identify such issues as the relations between commercial aviation resumption and the operations of U.S. forces and to study its feasibility. As a result, in October 2005, it was agreed that commercial aviation operations of four round trips per day would be allowed as long as such operations do not compromise U.S. military operational requirements.

Since it was then agreed in the Roadmap that portions of the future civilian air facility would be accommodated at MCAS Iwakuni, bilateral coordination has been carried out, and the Ministry of Defense explained the location of commercial aviation facilities to the local governments in May 2007.

(6) Ballistic Missile Defense

As confirmed in the examination on roles, missions and capabilities, Japan and the United States will continue close coordination on Ballistic Missile Defense (BMD) as the two countries improve their respective BMD capabilities.

In June 2006 the new U.S. Forward Based X-Band Transportable (FBX-T) Radar System (AN/TPY-2; hereafter referred to as the “X-Band Radar System”) with the sophisticated capability to search and track ballistic missiles was deployed to ASDF Shariki Air Station (in Aomori Prefecture) and operations commenced¹⁹. The data obtained by the X-Band Radar System will be shared by the two countries. Thereby, the capabilities to intercept missiles directed at Japan and capabilities for protecting the Japanese people and coping with damage will improve.

Also in October 2006 U.S. Army Patriot PAC-3 capabilities were deployed to Kadena Air Base and Kadena Ammunition Storage Area, and in addition Aegis-equipped cruisers, which are forward-deployed in the Western Pacific region, have been installed with BMD capabilities over some phases since August 2006.

This deployment of U.S. forces’ BMD capabilities to Japan contributes to the improvement of our country’s defense against missile attacks, the maintenance of deterrence of USFJ and the safety of Japanese citizens.

(7) Training Relocation

As for training relocation²⁰, initially, aircraft from three U.S. facilities, Kadena Air Base, Misawa Air Base (in Aomori Prefecture) and MCAS Iwakuni will participate in bilateral training with the SDF conducted at the following SDF facilities: Chitose (in Hokkaido), Misawa, Hyakuri (in Ibaraki Prefecture), Komatsu (in Ishikawa Prefecture), Tsuiki and Nyutabaru.

Since March 2007, U.S. forces have conducted training relocation from Misawa Air Base, MCAS Iwakuni and Kadena Air Base to ASDF Chitose, Misawa, Hyakuri, Komatsu, Tsuiki, and Nyutabaru Air Bases.

The Government of Japan is improving infrastructure for training relocation at SDF facilities as necessary after conducting site surveys.

Furthermore, the Regional Defense Bureaus are working to implement smooth training and have established local headquarters in cooperation with the ASDF and to support the U.S. military in the conduct of training relocation, by communicating with related local government organizations and responding to nearby citizens concerned about their peace and safety during training.



U.S. Air Force F-16 fighter during training relocation to ASDF Komatsu Air Base [U.S.A.F.]

3. Initiatives for Smooth Implementation of the Realignment of USFJ

The previously mentioned Roadmap intends to enhance the effectiveness of the Japan-U.S. Security Arrangements, maintain deterrence and capabilities, and contribute to the long-awaited reduction of burdens on local communities where USFJ facilities and areas are located. Therefore, it is important to ensure the implementation of the Roadmap, based on the Cabinet decision in May 2006 on the efforts by the Government of Japan regarding the realignment of U.S. forces structure in Japan and others. (See Reference 39)

The Law Concerning Special Measures on Smooth Implementation of the Realignment of U.S. Forces in Japan and Related SDF Forces²¹ (hereafter referred to as the “USFJ Realignment Special Measures Law”) was passed in May 2007 and enacted on August 29, 2007. Following is a general description of that law.

1. Overview of the USFJ Realignment Special Measures Law

(1) Institutionalization of Provision of Realignment Grant

The realignment grant is a measure the Government takes for those local municipalities that accept increased burdens to implement the realignment of USFJ, in appreciation of their contribution to the maintenance of peace and security of Japan, and is needed for facilitating the smooth implementation of the realignment of USFJ.

The grant is awarded for purposes other than for conventional measures around bases²², which have been paid before, and will be used to improve the convenience of lives of residents in the local communities²³ where the realignment is implemented and to contribute to the promotion of local industries²⁴, during the period—10 years in principle—including time before and after the realignment. The grant is awarded to related communities depending on the progress of USFJ realignment measures, after the Ministry of Defense has specified defense facilities and nearby communities.

(2) Establishment of Exception to the Grant Rate for Public Works Projects, or Other Treatment

While burdens on local municipalities are increasing due to realignment, some municipalities bear extremely heavy burdens. These municipalities will be required to carry out public works such as roads and ports promptly and special grant-rate measures targeted for such municipalities will contribute to a smooth implementation of the realignment. However, the public works as mentioned above will often be implemented by the national government or prefectures and, in some cases, will be beyond the areas of certain municipalities. In these cases, that the public works may be infeasible with the realignment grant. Therefore, the USFJ Realignment Special Measures Law provides the following measures to promote industrial development of the areas consisting of municipalities with particularly heavy burdens and surrounding municipalities²⁵ (Special Area for Development concerning Realignment). (See Fig. III-2-2-14)

- A council chaired by Minister of Defense and consisting of relevant Ministers (Council for Local Development concerning Realignment of U.S. Forces in Japan and Related SDF Forces²⁶) will be established under the Ministry of Defense.
- The Governor of a prefecture will apply to Minister of Defense for the designation of Special Area for Development concerning Realignment, and submit a development plan (Development Plan for Special Area for Development concerning Realignment-draft), including public works projects for roads, ports and others.
- Upon receipt of an application from the Governor of a prefecture, the Council will deliberate on the designation of Special Area for Development concerning Realignment and on the decision of a development plan for the area²⁷.

(3) Special Financial Operations of the Japan Finance Corporation (JFC) and Other Measures

a. Reasons Why Japan Shares Expenses of Relocating U.S. Forces to Guam

The relocation of U.S. Marine Corps stationed in Okinawa out of the prefecture has been strongly desired by the residents of Okinawa Prefecture. It is important to complete the relocation of U.S. Marine Corps from Okinawa to Guam as soon as possible, which enables the reduction of burdens on Okinawa while maintaining the deterrence and capabilities of the USFJ.

Therefore, the Government of Japan has actively approached the United States to negotiate the relocation. As a result, the two countries agreed on the sharing of costs of the relocation. If the United States alone undertakes the development of necessary facilities and infrastructure (electricity, water and waste water, and solid waste disposal) in Guam, the task is expected to take a very long time, despite the need to complete the relocation at an early date. Therefore, the Government of Japan decided to support the United States in its development of

Fig. III-2-2-14
Exceptions to the Grant Rate for Public Works (examples)

Project Name*1	Ordinary Grant Rate	Exceptions to the Grant Rate	
		Mainland	Okinawa
Roads	1/2	5.5/10	Rate prescribed by the Special Measures Law for Okinawa Development (9.5/10 and others)
Harbors	1/2 (4/10)*2	5.5/10 (4.5/10)*2	
Fishing ports	1/2	5.5/10	

Notes: 1. In addition, waterworks, sewage, land improvement and facilities for compulsory education are treated as exceptions.
2. The figures in parentheses show the examples of grant rates for the construction and improvement of small-scale water facilities, outlying facilities, and berthing facilities specified by the ordinance of the Ministry of Land, Infrastructure, Transport and Tourism as provided for in Article 42.1 of the Port and Harbor Law.

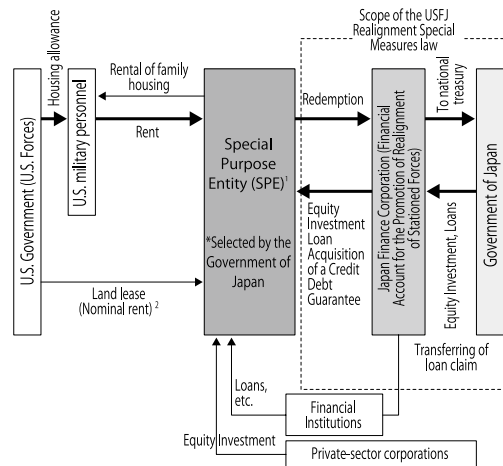
Fig. III-2-2-15
Breakdown of Cost of Relocating U.S. Forces to Guam

Project		Sources	Amount
Cost borne by Japan	Administration buildings, instruction buildings, barracks and QOL facilities	(Direct) fiscal spending	\$2.8 billion (upper limit)
	Family housing	Equity investment	\$1.5 billion
		Loans, etc.	\$0.63 billion
		Cost reduction by improved efficiency	\$0.42 billion
	Infrastructure (electricity, water and waste water, and solid waste disposal)	Loans, etc.	\$0.74 billion
Total			\$6.09 billion
Cost borne by the United States	Helidromes, communication facilities, training support facilities, maintenance and refilling facilities, fuel and ammunition warehouses and other basic facilities	(Direct) fiscal spending	\$3.18 billion
	Roads (high-standard roads)	Loans or (direct) fiscal spending	\$1 billion
	Total		\$4.18 billion
Aggregate amount			\$10.27 billion

- The details of the projects are based on the estimates at the planning stage, and the amount and schemes are subject to change.
- Japan is committed to sharing cost not according to the ratio to the total amount but based on the amount required for each of the facilities and infrastructures. The cost will be further examined. Under the Agreement, Japanese cash contributions (Mamizu) is up to 2.8 billion dollars in U.S. 2008 fiscal year (real value has been converted using the dollar-based purchasing power in the relevant fiscal year).
- As for family housing, the cost was reduced by \$0.42 billion (by improved efficiency) from \$2.55 billion to \$2.13 billion.
- As for equity investment and loans, the amount spent will be recovered through rents and fees paid by the United States.
- The cost of moving the Marine Corps from Okinawa to Guam and the cost for the Corps' activities in Guam are not included in the aggregate amount of \$10.27 billion.
- Financial expenses (Mamizu) by both U.S. and Japan includes infrastructure development projects

Fig. III-2-2-16

Image of Project Scheme of Family Housing for Which Private Finance Initiative is Utilized



Notes: 1. SPE : Special Purpose Entity

2. \$1 in the U.S. housing privatization Project.

3. Assuming a similar scheme for private projects related to infrastructure

necessary facilities, including Marine headquarters buildings, barracks and family housing, and infrastructure. Japan will bear the cost for the relocation on the basis of actual requirement of facilities and infrastructure. In other words, Japan will not bear the cost based on a certain percentage of the total costs necessary for the relocation, which the United States requested in the negotiation.

Also, the development of family housing and infrastructure for Marine personnel will be funded by private finance initiatives by means of equity investment and loans so that the Government of Japan's financial burden may be reduced as much as possible. The funds for projects will be recovered by rents and service charges paid by the U.S. side in the future.

The agreed amounts of the costs of relocation to Guam to be shared by Japan and the United States are based on the estimation prepared by the U.S. side at the stage of study, and therefore such amounts are only approximate. To reduce and rationalize the amount of cost to be borne by Japan, it will be important for the Government of Japan to carefully examine concrete project schemes and the detailed estimate for spending. Therefore, GOJ will take budgetary measures after thorough examinations have been made in cooperation with the Japan Finance Corporation²⁸ (JFC) and efforts have been made to reduce the amount of costs required. (See Fig. III-2-2-15)

b. Outline of Special Financial Operations of JFC

To properly and stably implement overseas projects for which private finance initiative is utilized for a long period, it will be necessary to employ the capability of JFC which has expertise and experience in this field.

Therefore, it was decided to authorize JFC to conduct financial services for facilitating the USFJ realignment as exceptional measures under the USFJ Realignment Special Measures Law, so that JFC can make equity investments, loans and other operations that will be needed for projects to facilitate the relocation of U.S. Marine Corps in Okinawa to Guam, and to authorize the Government of Japan to take special financial measures for such operations. (See Fig. III-2-2-16)

(4) Measures for USFJ Local Employees

The employment of USFJ local employees may be adversely affected by the USFJ realignment, because defense facilities will be returned, U.S. Marine Corps in Okinawa will relocate to Guam, and other measures will be taken as a result of the realignment of USFJ.

Therefore, the Government of Japan decided to take measures to maintain their employment, including education and skill training. (See Section 3-6)

(5) Validity of the Law

- The law shall be valid for 10 years.
- Despite the validity of the law, measures including special operations of JFC shall remain effective for a considerable length of time.

2. Measures based on the USFJ Realignment Special Measures Law

Based on the USFJ Realignment Special Measures Law, 14 defense facilities and 33 municipalities were identified as realignment defense facilities and realignment municipalities qualified for realignment grants in October 2007. During 2008 Iwakuni City, Nago City, Ginoza Village, Zama City, and three municipalities related to Camp Hansen, were additionally identified, and 14 defense facilities and 39 municipalities received realignment grants. In the budget for FY 2009 approximately 9.1 billion yen has been earmarked for realignment grants.

4. Various Measures Concerning USFJ Facilities and Areas

Ensuring the stable use of the USFJ facilities and areas is essential for the achievement of the objectives of the Japan-U.S. Security Treaty. The Government of Japan has long been implementing measures to harmonize the stable use of these facilities and areas with requests of the surrounding local communities.

1. USFJ Facilities and Areas Located in Japan, Excluding Okinawa

(1) Iwakuni Runway Relocation Project

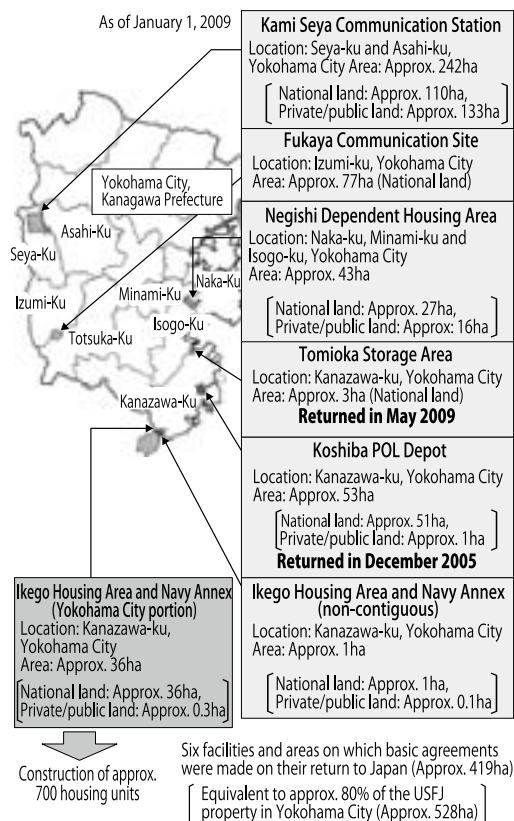
In response to requests of Iwakuni City and other local governments, the Government of Japan has decided to proceed with the project to relocate the runway approximately 1,000 meters to the east (offshore) in order to solve the problems related to operations, safety and noise and to ensure the stable use of MCAS Iwakuni. (See 2 of this section)

(2) Realignment of USFJ Facilities and Areas in Kanagawa Prefecture

Considering that local governments concerned and other organizations have strongly requested the return of USFJ facilities and areas in Kanagawa Prefecture, the Governments of Japan and the United States held consultations on the ideal state of these facilities and areas. As a result of consultations, the two countries reached a common understanding regarding a basic stance on the return of the six facilities and areas in Yokohama City, including KamiSeya Communication Station, and the construction of approximately 700 units of U.S. family housing in the Yokohama City portion of Ikego Housing Area and Navy Annex. The Japan-U.S. Joint Committee agreed upon the result of the consultation in October 2004.

The construction of U.S. family housing will: 1) pave the way for the extensive return of six USFJ facilities and areas (approximately 419ha in total) in Kanagawa Prefecture; and 2) solve the current housing shortage problem of U.S. Navy in Japan. In addition, it is essential to achieve the objectives of the Japan- U.S. Security Treaty. Therefore, the Ministry of Defense is making utmost efforts to realize the abovementioned housing

Fig. III-2-2-17
Facilities and Areas Related to the Realignment of
USFJ Facilities and Areas in Kanagawa Prefecture



construction through coordination with the United States and local governments concerned through such procedures as design and environmental impact assessment. (See Fig. III-2-2-17)

Of these six facilities and areas, in 2005, the whole land area of Koshiba POL Depot, and, in May 2009, Tomioka Storage Area, were returned to Japan. As for the remaining four facilities and areas, the Ministry of Defense will be attentive to the requests of related local governments concerning the use of land, and will ask the United States to return them as soon as possible.

2. USFJ Facilities and Areas in Okinawa

As of January 2008, approximately 74% of the area of USFJ facilities and area (for exclusive use) are concentrated in Okinawa Prefecture, and they take up approximately 10% of the area of the prefecture, and approximately 18% of the area of the main island of Okinawa. Therefore, the Cabinet and the Government as a whole are addressing the issues related to Okinawa as one of the most important tasks. The Ministry of Defense, for its own part, has so far been strongly committed to implementing a number of measures to resolve these issues, while at the same time, harmonizing the achievement of objectives of the Japan-U.S. Security Treaty with the requests of local communities.

Fig. III-2-2-18 State of Progress of the SACO Final Report

[Return of Land]

1. Already Returned

Name of Facility (Project)	State of Progress
Aha Training Area (Return of total area)	○ Totally returned in December 1998 (Cancellation of joint use)
Sobe Communication Site (Return of total area)	○ April 1999: The Japan-U.S. Joint Committee came to an agreement on the land return after the relocation of communication systems including communication facilities such as antennas and others to Camp Hansen ○ March 2006: The Japan-U.S. Joint Committee came to an agreement on the release of land to which the Special Measures Law for USFJ Land was applied ○ June 2006: Land to which the Special Measures Law for USFJ Land was applied (approx. 236m ²) was returned ○ December 2006: Remaining portion (approximately 53ha) returned (Sobe Communication Site totally returned [approximately 53ha])
Yomitan Auxiliary Airfield (Return of total area)	○ October 2002: The Japan-U.S. Joint Committee came to an agreement on land return after the relocation of the Sobe Communication Site ○ May 2006: The Japan-U.S. Joint Committee came to an agreement on partial land return ○ July 2006: Partially returned (approximately 138ha) ○ December 2006: Remaining portion (approximately 53ha) returned (Yomitan Auxiliary Airfield totally returned [approximately 191ha])
Senaha Communication Station (Return of most area)	○ March 2002: The Japan-U.S. Committee came to an agreement on the return of most land after the relocation of communication systems including antennas and others to Torii Communication Station ○ September 2006: Partially returned (approximately 61ha excluding the microwave tower portion) ○ October 2006: The microwave tower portion consolidated into Torii Communication Station

2. Process for Return in Progress

Name of Facility (Project)	State of Progress
Northern Training Area (Return of more than half the area)	○ April 1999: The Japan-U.S. Joint Committee came to an agreement on land return following the relocation of seven helicopter landing zones and others ○ December 1998-March 2000: environmental survey (past year survey) ○ November 2002-March 2004: environmental survey (continuous environmental survey) ○ February 2006: The Japan-U.S. Joint Committee came to an agreement on the change of the agreement in April 1999 (Helicopter Landing Zones (HLZ): from 7 HLZs to 6 HLZs, reduction of the scale of the site preparation from 75m to 45m in diameter) ○ February-August 2006: Environmental impact assessment document (draft) was released and examined, and the Governor of Okinawa expressed his opinion about the draft ○ December 2006-March 2007: the Governor of Okinawa expressed his opinion on the final environment impact assessment document and the document was released and examined ○ March 2007: The Japan-U.S. Joint Committee came to an agreement on the construction of the HLZs (Phase I : three out of six) ○ July 2007: Phase I of the construction of Helicopter Landing Zones started (Phase I : three out of six) ○ January 2008: The Japan-U.S. Joint Committee came to an agreement on the construction of the Helicopter Landing Zones (Phase II: the remaining three zones)
Gimbaru Training Area (Return of total area)	○ June 2007: The mayor of Kin announced the acceptance of the relocation of the Helicopter Landing Zones to Kin Blue Beach Training Area ○ January 2008: The Japan-U.S. Joint Committee came to an agreement on land return after the HLZ was relocated to Kin Blue Beach Training Area, and the other facilities were relocated to Camp Hansen ○ December 2008: The Japan-U.S. Joint Committee came to an agreement on the construction of HLZ and Mud Removal Facility and the site development to the Fire Fighting Training Facility

3. Specific Measures Stated in the United States-Japan Roadmap for Realignment Implementation

Name of Facility (Project)	State of Progress
MCAS Futenma (Return of total area → return of total area)	See Fig. III-2-2-10 "Background for the Construction of the Futenma Replacement Facility (FRF)" * May 2006: Completion of the FRF (having two runways laid out in a "V"-shape) by 2014 aimed at in the United States-Japan Roadmap for Realignment Implementation
Camp Kuwae (Return of most areas → return of total area)	○ July 2002: Youth center was furnished ○ March 2003: Part of northern side returned (approximately 38ha) ○ January 2005: The Japan-U.S. Joint Committee came to an agreement on the relocation and construction of the Naval Hospital and other related facilities ○ December 2006: The Japan-U.S. Joint Committee came to an agreement on the construction of the Naval Hospital ○ February 2008: The Japan-U.S. Joint Committee came to an agreement on the construction of support facilities (HLZ etc.) of the Naval Hospital ○ December 2008: The Japan-U.S. Joint Committee came to an agreement on the construction of support facilities (Utility) of the Nacal Hospital * May 2006: Discribed as total return in the United States-Japan Roadmap for Realignment Implementation

Makiminato Service Area (Return of partial area → return of total area)	*May 2006: Described as total return in the United States-Japan Roadmap for Realignment Implementation
Naha Port Facility (Return of total area → return of total area)	<ul style="list-style-type: none"> ○ November 2001: Three Councils, such as the Consultative on the Relocation of Naha Port were established ○ January 2003: Fourth meeting of the Consultative Body for the Relocation of Naha Port confirmed the site and configuration of the replacement facility ○ July 2003: The Japan-U.S. Joint Committee revised and agreed on the site and configuration of the replacement facility that were agreed by the Committee in 1995 <p>*May 2006: Described as total return in the United States-Japan Roadmap for Realignment Implementation</p>
Housing Consolidation Camp Zukeran (Return of partial area → return of partial area)	<p>(Phase I: Golf Range Area) (Camp Zukeran)</p> <ul style="list-style-type: none"> ○ April 1999: The Japan-U.S. Joint Committee came to an agreement on the relocation and construction of housing and others ○ July 2002: Two highrises were furnished ○ July 2006: An underpass was furnished <p>(Phase II: Sada Area) (Camp Zukeran)</p> <ul style="list-style-type: none"> ○ February 2002: The Japan-U.S. Joint Committee came to an agreement on the relocation and construction of housing and others ○ September 2005: Two highrises and 38 townhouses and others were furnished <p>(Phase III: Eastern Chatan Area) (Camp Zukeran)</p> <ul style="list-style-type: none"> ○ March 2004: The Japan-U.S. Joint Committee came to an agreement on the relocation and construction of the housing units and others ○ June 2008: 35 townhouses were furnished <p>(Phase IV: Futenma and Upper Plaza Area)(Camp Zukeran)</p> <ul style="list-style-type: none"> ○ March 2005: The Japan-U.S. Joint Committee came to an agreement on the relocation and construction of the housing units and others <p>*May 2006: Described as partial return in the United States-Japan Roadmap for Realignment Implementation</p>

[Adjustment of Training and Operation Methods]

Name of Facility (Project)	State of Progress
Relocation of Artillery Live-fire Training over Highway 104	○ Relocated to five maneuver areas in mainland Japan in FY 1997
Parachute Drop Training	○ Relocation training conducted at Iejima Auxiliary Airfield since July 2000

[Implementation of Noise Reduction Initiatives]

1. Already Implemented

Name of Facility (Project)	State of Progress
Installation of Noise Reduction Baffles at Kadena Air Base	○ Furnished in July 2000

2. Implementation Underway

Name of Facility (Project)	State of Progress
Relocation of the U.S. Naval Ramp at Kadena Air Base	<ul style="list-style-type: none"> ○ September 2008: Rinse Facility was furnished ○ February 2009: The Japan-U.S. Joint Committee came to an agreement on the relocation of Navy Ramp

3. Specific Measures Stated in the United States-Japan Roadmap for Realignment Implementation

Name of Facility (Project)	State of Progress
Transfer of KC-130 aircraft to Iwakuni Air Base	○ May 2006: United States-Japan Roadmap for Realignment Implementation stated that the KC-130 squadron would be based at MCAS Iwakuni with its headquarters, maintenance support facilities, and family support facilities, and that the aircraft would regularly deploy on a rotational basis for training and operations to MSDF Kanoya Base and Guam

Of these measures, the Ministry of Defense believes that the steady implementation of the proposals set out in the Final Report of the Special Action Committee on Okinawa (SACO), which was completed by the Governments of Japan and the United States, would be the most reliable way to reduce the burden on the people of Okinawa. Therefore, the Ministry of Defense is making efforts to realize the proper and rapid implementation of such proposals. (See 2 of this section)

(1) Efforts for Realignment, Consolidation and Reduction before the Establishment of SACO

When Okinawa was returned to Japan in 1972, the Government of Japan provided 83 facilities and areas covering approximately 278km² for exclusive use by USFJ under the Japan-U.S. Security Treaty. However, their concentration in Okinawa has led to strong calls for their realignment and reduction on the grounds that regional promotion and development projects are restricted and the lives of residents are seriously affected.

In view of these circumstances, both countries have continued their efforts to realign, consolidate and reduce USFJ facilities and areas, focusing on issues that are strongly voiced by local communities. In light of the items identified by the joint statement issued by then Prime Minister Eisaku Sato of Japan and then President Richard Nixon of the United States in 1972, a plan for the realignment and consolidation of USFJ facilities and areas in Okinawa was endorsed by the Security Consultative Committee (SCC) held in 1973, 1974 and 1976. It was agreed at the meeting of the Japan-U.S. Joint Committee of 1990 that both sides would proceed with the necessary adjustments and procedures for the return of land, known as the 23 Issues. Meanwhile, under the agreement reached at the Japan-U.S. Summit of 1995 regarding the so-called Three Okinawa Issues (the return of Naha Port, the return of Yomitan Auxiliary Airfield, and the relocation of artillery live-fire training over Highway 104) strongly demanded by the residents of the prefecture, it was agreed that efforts would be made to resolve the issues. (See Reference 42)

(2) Backgrounds of the Establishment of SACO and Other Matters

Public interest in Okinawa-related issues heightened across the country in response to an unfortunate incident that occurred in 1995 as well as the refusal of the then Governor of Okinawa to sign land lease renewal documents under the Special Measures Law for USFJ Land.

Considering that the burden on the people of Okinawa should be reduced as much as possible and shared by the whole nation, the Government has, for the sake of future development of Okinawa, decided to put even greater efforts into bringing about steady progress in the realignment, consolidation and relocation of USFJ facilities and areas, and to do its utmost to take measures for industrial development in Okinawa. In order to hold consultations on issues related to USFJ facilities and areas in Okinawa, the Government established the Okinawa Action Council between the central government and Okinawa Prefecture, and SACO between Japan and the United States in 1995.

Since then, the issues on Okinawa were intensely discussed for about one year, and the so-called SACO Final Report was compiled in 1996. (See Reference 43)

(3) Overview of the SACO Final Report and Progress

The SACO Final Report stipulates the return of land (the total return of six facilities, including MCAS Futenma, and the partial return of five others, such as the Northern Training Area), the adjustment of training and operational procedures (the termination of artillery live-fire training over Highway 104 and the dispersion of similar live-fire training into maneuver areas on mainland Japan), the implementation of noise-reduction initiatives, and the improvement of operational procedures under the Status of Forces Agreement. The land to be returned based on the SACO Final Report represents approximately 21% (about 50km²) of USFJ facilities and areas in Okinawa, exceeding the roughly 43km² of land returned during the period between the reversion of

Okinawa and the implementation of the SACO Final Report.

The facilities and areas relating to the SACO Final Report, as well as major progress, are described in Fig. III-2-2-18 and Fig. III-2-2-19.

The changes in the numbers and area of USFJ facilities and areas (for exclusive use) as a result of the efforts described above are described in Fig. III-2-2-20.

The Ministry of Defense will continue to make its maximum efforts aiming at realizing the SACO Final Report with the understanding and support of local communities.

(4) Efforts for the Use of Returned Land Used for USFJ Facilities and Areas

Regarding the return of the land used for USFJ facilities and areas, the Ministry of Defense has taken measures to restore vacated land to its original state by removing buildings and structures, and to provide benefits for the owner of the land in accordance with the Special Measures Law for USFJ Land Release. Under the Special Measures Law for Okinawa Development (enforced in 2002), benefits are provided for the owner of large-scale vacated land or designated vacated land.

Pursuant to the Policy toward Tasks in Each Field Related to Promotion and Facilitation of Utilizing Returned Land Used for MCAS Futenma, formulated in December 2001, related municipalities have been making efforts to establish returned land use plans. In February 2006, Okinawa Prefecture and Ginowan City established a basic policy for the use of returned land used for MCAS Futenma.

The Ministry of Defense will continue efforts to promote and facilitate the utilization of vacated land in coordination and cooperation with related ministries and prefectural and municipal governments.

Fig. III-2-2-19
Facilities and Areas Relating to the SACO Final Report

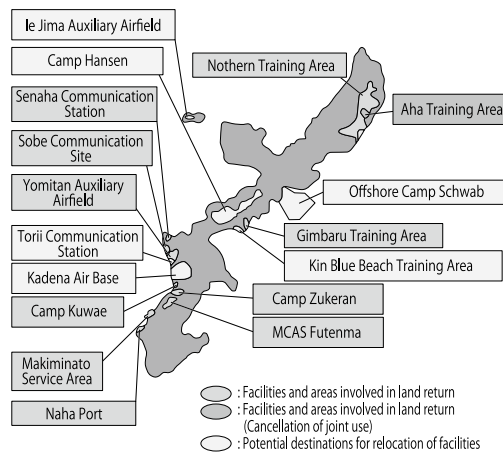


Fig. III-2-2-20
Changes in Number and Area of USFJ Facilities and
Areas (exclusive use) in Okinawa

