

### Section 3. Basic Frameworks Supporting the Japan–U.S. Security Arrangements

From the time that the current Japan–U.S. Security Treaty was concluded to the present day both Japan and the United States have developed their alliance in response to the changing security environment through constant effort to ensure effective cooperation with the Japan–U.S. Security Arrangements, the significance of which was described in the previous Section, as the basis. That effort took place in the form of close policy consultations between Japan and the United States, and has borne fruit in the form of a variety of efforts related to defense cooperation by both nations.

This section explains the basic frameworks that support the Japan–U.S. Security Arrangements, such as the forums of Japan–U.S. consultations and the agreements that have resulted from them, and the Japan–U.S. security cooperation arrangements.

Fig. III-2-3-1 Major Fora for Japan–U.S. Security Consultations

Consultative Forum	Participants		Purpose	Legal Basis
	Japanese Side	U.S. Side		
Security Consultative Committee (SCC) ("2+2" Meeting)	Minister for Foreign Affairs, Minister of Defense	U.S. Secretary of State, U.S. Secretary of Defense <sup>1</sup>	Study of matters which would promote understanding between the Japanese and U.S. Governments and contribute to the strengthening of cooperative relations in the areas of security, which form the basis of security and are related to security	Established on the basis of letters exchanged between the Prime Minister of Japan and the U.S. Secretary of State on January 19, 1960 in accordance with Article IV of the Japan–U.S. Security Treaty
Security Subcommittee (SSC)	Participants are not specified <sup>2</sup>	Participants are not specified <sup>2</sup>	Exchange of view on security issues of mutual concern to Japan and the United States	Article IV of the Japan–U.S. Security Treaty and others
Subcommittee for Defense Cooperation (SDC) <sup>3</sup>	Director-General of North American Affairs Bureau, Ministry of Foreign Affairs; Director General of Bureau of Defense Policy, Director General of Bureau of Operational Policy, Ministry of Defense; Representative from Joint Staff <sup>4</sup>	Assistant Secretary of State, Assistant Secretary of Defense, Representative from: U.S. Embassy in Japan, USFJ, Joint Staff, PACOM	Study and consideration of consultative measures to Japan and the United States including guidelines to ensure consistent joint responses covering the activities of the SDF and USFJ in emergencies	Established on July 8, 1976 as a sub-entry under the Japan–U.S. Security Consultative Committee in its 16th meeting Reorganized at the on June 28, 1996 Japan–U.S. vice-ministerial consultation
Japan–U.S. Joint Committee (once every two weeks in principle)	Director-General of North American Affairs Bureau, Ministry of Foreign Affairs; Director General of Bureau of Local Cooperation, Ministry of Defense; and others	Deputy Commander of USFJ, Minister and Counselor at the U.S. Embassy, and others	Consultation concerning implementation of the Status of Forces Agreement	Article XXV of the Status of Forces Agreement

Notes: 1. The U.S. side was headed by the U.S. Ambassador to Japan and the Commander-in-Chief of the U.S. Pacific Command before December 26, 1990.

2. Meeting are held from time to time between working-level officials of the two Governments, such as officials corresponding in rank to vice-minister or assistant secretary.

3. A Council of Deputies consisting of Deputy-Director General and Deputy Assistant Secretaries was established when the SDC was recognized on June 28, 1996.

4. Then Director-General of the Bureau of Defense Operations was added on September 23, 1997.

Fig. III-2-3-2 Japan–U.S. (Minister-Level) Consultations (Since 2006)

Date	Type of Consultation/ Place	Participants	Outline and Results
January 17, 2006	Japan–U.S. Defense Ministers Meeting/ Washington, D.C.	Minister of State for Defense Nukaga Secretary of Defense Rumsfeld	<ul style="list-style-type: none"> <li>• Agreed on the significance and importance of the U.S.–Japan Security Arrangements and on the acceleration of activities for successful realignment of U.S. Forces</li> <li>• Minister of State for Defense Nukaga announced expectations of deliberation on the new U.S.–Japan Alliance</li> <li>• Exchanged opinions on humanitarian and reconstruction assistance in Iraq and crimes committed by U.S. military personnel in Japan</li> </ul>
April 23, 2006	Japan–U.S. Defense Ministers Meeting/ Washington, D.C.	Minister of State for Defense Nukaga Secretary of Defense Rumsfeld	<ul style="list-style-type: none"> <li>• Discussed the cost of relocating the U.S. Marine Corps in Okinawa to Guam</li> </ul>
May 1, 2006	Japan–U.S. Security Consultative Committee ("2+2" Meeting)/ Washington, D.C.	Minister of State for Defense Nukaga Foreign Minister Aso Secretary of Defense Rumsfeld Secretary of State Rice	<ul style="list-style-type: none"> <li>• Confirmed the importance of the U.S.–Japan Alliance and the importance of international cooperation regarding the fight against terrorism, and reconstruction and democratization of Iraq</li> <li>• Appreciation expressed by the U.S. for Japan's support including the dispatch of SDF personnel</li> <li>• Exchanged opinions on Iran's nuclear issue and the situations in North Korea and China</li> <li>• Final agreement to the realignment of forces, and an announcement of the document titled "United States–Japan Roadmap for Realignment Implementation"</li> </ul>
May 3, 2006	Japan–U.S. Defense Ministers Meeting/ Washington, D.C.	Minister of State for Defense Nukaga Secretary of Defense Rumsfeld	<ul style="list-style-type: none"> <li>• Exchanged opinions on the specific measures to implement the finalized realignment plan</li> </ul>
June 4, 2006	Japan–U.S. Defense Ministers Meeting/ Singapore	Minister of State for Defense Nukaga Secretary of Defense Rumsfeld	<ul style="list-style-type: none"> <li>• Confirmed the significance of the final agreement on the U.S. Forces realignment</li> </ul>
April 30, 2007	Japan–U.S. Defense Ministers Meeting/ Washington, D.C.	Minister of State for Defense Kyuma Secretary of Defense Gates	<ul style="list-style-type: none"> <li>• Agreed on steadily implementing the respective realignment initiatives, securing information, enhancing operational cooperation in areas such as information sharing in BMD, and continuing to deliberate on the roles, missions, and capabilities</li> </ul>
May 1, 2007	Japan–U.S. Security Consultative Committee ("2+2" Meeting)/ Washington, D.C.	Minister of State for Defense Kyuma Foreign Minister Aso Secretary of Defense Gates Secretary of State Rice	<ul style="list-style-type: none"> <li>• Confirmed the steady implementation of the U.S. Forces realignment according to the Roadmap of May 2006</li> <li>• Confirmed the enhancement of BMD cooperation and operational cooperation, especially regarding intelligence cooperation</li> <li>• Reconfirmed that the commitment of the United States to Japan's defense through various U.S. military capacities remains unchanged</li> <li>• Disclosed the document titled "Alliance Transformation: Advancing United States–Japan Security and Defense Cooperation"</li> </ul>
August 8, 2007	Japan–U.S. Defense Ministers Meeting/ Washington, D.C.	Minister of State for Defense Koike Secretary of Defense Gates	<ul style="list-style-type: none"> <li>• Agreed on the early realization of the U.S. Forces Realignment following the Roadmap of May 2006 which was created through U.S.–Japan consent</li> <li>• Exchanged opinions on the enhancement of information security and the fight against terrorism</li> </ul>
November 8, 2007	Japan–U.S. Defense Ministers Meeting/ Ministry of Defense	Minister of State for Defense Ishiba Secretary of Defense Gates	<ul style="list-style-type: none"> <li>• Discussed the transformation of the Japan–U.S. Alliance adapting to the future along with specific topics such as replenishment-related activities in the Indian Ocean and the U.S. Forces realignment</li> <li>• Concerning the BMD, both countries confirmed their continuous cooperation; the deliberation of their roles, missions, and capabilities; and the importance of enhancing the effectiveness of their bilateral cooperation</li> </ul>
May 31, 2008	Japan–U.S. Defense Ministers Meeting/ Singapore	Minister of State for Defense Ishiba Secretary of Defense Gates	<ul style="list-style-type: none"> <li>• Agreed on continuous closely knit cooperation for the peace and stability of the international community such as resuming replenishment support in the Indian Ocean</li> <li>• Reconfirmed the steady implementation following the Roadmap of May 2006 and exchanged opinions on future plans</li> </ul>
May 1, 2009	Japan–U.S. Defense Ministers Meeting/ Washington, D.C.	Minister of State for Defense Hamada Secretary of Defense Gates	<ul style="list-style-type: none"> <li>• Confirmed the necessity of continuing consultations at a high level with regard to a number of issues involving the U.S. and Japan, including response to North Korea; the commitment of the U.S. to the defense of Japan; continuous progress in the realignment of the U.S. Forces; continuing U.S.–Japan dialogue regarding the QDR and the National Defense Program Guidelines</li> <li>• Exchange views on assistance to Afghanistan/Pakistan, counter-piracy measures, F-X, etc.</li> </ul>

Fig. III-2-3-2 Japan–U.S. (Minister-Level) Consultations (Since 2006)

Date	Type of Consultation/ Place	Participants	Outline and Results
May 30, 2009	Japan–U.S. Defense Ministers Meeting/ Singapore	Minister of State for Defense Hamada Secretary of Defense Gates	<ul style="list-style-type: none"> <li>Continued discussions between Japan and the U.S. confirmed regarding response to North Korea including diplomatic efforts, strengthened expansion deterrence, and MD</li> <li>Views exchanged regarding U.S. restructuring and F-X</li> </ul>
October 21, 2009	Japan–U.S. Defense Ministers Meeting/ Ministry of Defense	Minister of State for Defense Kitazawa Secretary of Defense Gates	<ul style="list-style-type: none"> <li>Defense Minister Kitazawa stated the desire to move forward with specific items of cooperation for the 50th anniversary of the revision of the Japan–U.S. Security Treaty while confirming the importance of the Japan U.S. Alliance</li> <li>Views exchanged regarding regional posture, U.S. military restructuring, and HNS</li> <li>Agreement reached to strengthen cooperation in MD and information security</li> </ul>
May 25, 2010	Japan–U.S. Defense Ministers Meeting/ Washington, D.C.	Minister of State for Defense Kitazawa Secretary of Defense Gates	<ul style="list-style-type: none"> <li>Regarding the issue of the relocation of Futenma Air Station, agreement reached for both countries to continue to work closely together to find a solution</li> <li>Regarding the sinking incident of the ROK vessel, Minister of Defense Kitazawa announced that Japan also denounces North Korea and intends to work closely with international society including the U.S. and ROK.</li> <li>Regarding the recent activities of Chinese vessels, Minister of Defense Kitazawa explained his desire for wide ranging Japan–U.S. cooperation under the given conditions, and Secretary of Defense Gates shared his opinion regarding the importance of cooperation</li> <li>Regarding the Japan–U.S. alliance, agreement was reached for steady cooperation across a wide range of areas.</li> <li>Agreement was also reached to strengthen ties between the defense ministries.</li> </ul>

## 1. Policy Consultations between Japan and the United States

### 1. Major Forums for Japan–U.S. Consultations on Security

Close policy consultations on security are conducted through diplomatic channels as well as between officials in charge of defense and foreign affairs at multiple levels of the Governments of Japan and the United States through the Security Consultative Committee (SCC) (“2+2” meeting), the Security Subcommittee (SSC) and the Subcommittee for Defense Cooperation (SDC). The framework of these consultations is shown in Fig. III-2-3-1.

In addition, the Ministry of Defense organizes Japan–U.S. defense ministerial meetings between the Japanese Minister of Defense and the U.S. Secretary of Defense as necessary where discussions are made with a focus on defense policies of the respective governments and defense cooperation.

The results of Japan–U.S. policy consultations (Cabinet level) are shown in Figure III-2-3-2.

Furthermore, the Ministry of Defense has held working-level meetings when necessary and exchanged information with the U.S. Department of Defense and others under the Japan–U.S. Security Arrangements. The importance of these opportunities has further increased as Japan–U.S. defense cooperation has been enhanced in recent years.



Minister of Defense Kitazawa and Secretary of Defense Gates



Joint Chief of Staff Oriki and U.S. Chairman of the Joint Chiefs of Staff Mullen

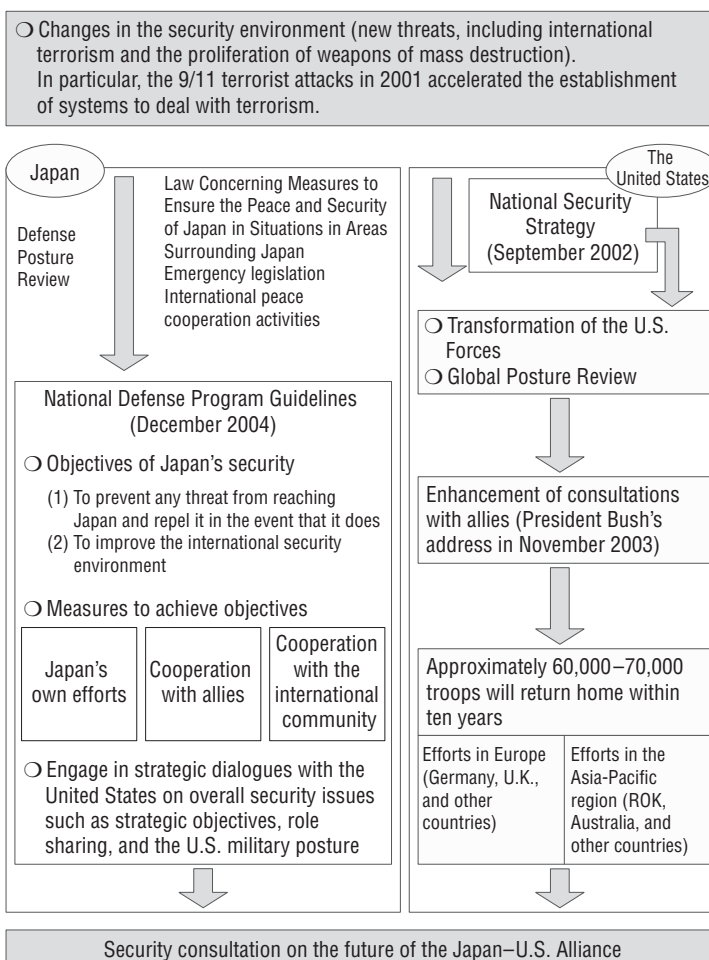
The sharing of information and views at every opportunity and level between Japan and the United States is undoubtedly conducive to increased credibility of the Japan–U.S. Security Arrangements, through further enhancement of close collaboration between the two countries. Therefore, the Ministry of Defense is proactively involved in these activities.

## 2. Background to the Japan–U.S. Consultations

Both Japan and the United States have utilized the consultative framework described above for 50 years since the Japan–U.S. Security Treaty was signed until the present for consultations pertaining to defense cooperation.

The Japan–U.S. Security Arrangements ensured Japan’s security as part of the Free World throughout the Cold War, and at the same time contributed to the peace and security of the region. Furthermore, after the end of the Cold War, as a result of a variety of discussions between Japan and the United States in the face of changes in the international security environment, the Japan–U.S. Joint Declaration on Security was announced at the April 1996 Japan–U.S. summit meeting in Tokyo. In addition, based on that, both Japan and the United States established new Guidelines for Japan–U.S. Defense Cooperation (Guidelines) in September 1997, and

Fig. III-2-3-3 Background of Japan–U.S. Consultations



implemented various measures.

As is shown in Figure III-2-3-3, since the terrorist attacks of September 11, 2001, Japan and the United States have pursued new postures to deal with the changing security environment including emerging new threats such as international terrorist activities and the proliferation of weapons of mass destruction.

Since the December 2002 Japan–U.S. Security Consultative Committee (“2+2” meeting) Japan and the United States have held consultations, including at the working level, as part of strategic discussions relating to both countries’ security from the perspective of improving effectiveness in response to the changes occurring in times like these. Based on the basic policy to maintain deterrence and capabilities and to reduce burdens on local communities, as shown in its National Defense Program Guidelines (NDPG), Japan has been actively engaging in these consultations in order to maintain its security.

These Japan–U.S. consultations have confirmed strategic objectives common to both countries (first stage), examined Japan–U.S. roles, missions, and capabilities to achieve the common strategic objectives (second stage) and examined force posture realignment based on the roles, missions, and capabilities of both countries (third stage) and have established the direction of the Japan–U.S. Alliance gradually and comprehensively. The results of the studies at each stage were released. The first stage results were released in the Joint Statement of the February 2005 “2+2” meeting, the second stage results were summarized in the report titled “U.S.–Japan Alliance: Transformation and Realignment for the Future” prepared at the October 2005 “2+2” meeting, and the third stage results were summarized in the “United States–Japan Roadmap for Realignment Implementation” (Roadmap) from the May 2006 “2+2” meeting.

At present, both parties agreed in the summit meeting between then Prime Minister Yukio Hatoyama and President Barack Obama<sup>5</sup> on November 13, 2009, to promote the process of deepening the Japan–U.S. alliance, through continued bilateral cooperation in terms of security issues, but also in various areas such as disaster prevention and the environment, mainly in the Asia-Pacific region. This policy was announced in statements from Prime Minister Hatoyama and President Obama on January 19 this year, and was confirmed in the “2+2” meeting Joint Statement on the same day.

(See Section 1, this Section 2-3, Section 4, Reference 37–41 and Reference 45–47)



ASDF Chief of Staff Hokazono, who was awarded a U.S. Legion of Merit and Chief of Staff of the U.S. Air Force Schwartz



MSDF Chief of Staff Akahoshi, U.S. Chief of Naval Operations Roughead, (right), and Chief of Staff of the U.S. Air Force Schwartz (center)



GSDF Chief of Staff Yoshifumi Hibako and U.S. Chief of Staff of the Army Casey

## **2. Guidelines for Japan–U.S. Defense Cooperation and Policies to Ensure Their Effectiveness**

It is necessary for both Japan and the United States to discuss and decide the roles each will fill in case of an armed attack on Japan or other situation in advance in order to respond rapidly in that event. There is a framework pertaining to those roles between Japan and the United States, the Guidelines for Japan–U.S. Defense Cooperation (Guidelines) and the various policies for ensuring its effectiveness. Based on that framework and the changing security environment surrounding Japan, both Japan and the United States continuously study cooperation plans for the two countries, and hold consultations on them.

Here is an overview of the framework.

### **1. The Guidelines for Japan–U.S. Defense Cooperation**

In 1996, the reexamination of the Guidelines for Japan–U.S. Defense Cooperation<sup>6</sup> was mentioned in the Japan–U.S. Joint Declaration on Security. Based on this, Japan and the United States both reviewed the previous guidelines in order to enhance credibility towards Japan–U.S. security, and a new version of the Guidelines was acknowledged at the Security Consultative Committee (SCC) (“2+2” meeting) in September 1997. The outline is as follows. (See Reference 38)

#### **(1) Objectives of the Guidelines**

The Guidelines aim to create a solid basis for more effective and more credible Japan–U.S. cooperation under normal circumstances, and in case of an armed attack against Japan and in situations in areas surrounding Japan.

#### **(2) Matters for Cooperation Prescribed in the Guidelines**

##### **a. Cooperation under Normal Circumstances**

Both governments will maintain close cooperation for the defense of Japan and for the creation of a more stable international security environment, and will promote cooperation in various fields under normal circumstances. Such cooperation includes information sharing and policy consultations; security dialogues and defense exchanges; U.N. peacekeeping operations (PKO) and international humanitarian operations; bilateral defense planning, and mutual cooperation planning; enhancing bilateral exercises and training; and establishing a bilateral coordination mechanism.

##### **b. Actions in Response to Armed Attack against Japan**

Bilateral actions in response to an armed attack against Japan remain a core aspect of Japan–U.S. defense cooperation. The SDF will primarily conduct defensive operations<sup>7</sup> while U.S. forces conduct operations to supplement and support the SDF’s operations. Both parties will respond based on respective concepts of operations in a coordinated manner.

(See Reference 52)

##### **c. Cooperation in Situations in Areas Surrounding Japan**

The Governments of both Japan and the United States will make every effort, including diplomatic efforts, to prevent situations in areas surrounding Japan<sup>8</sup> from occurring.

(See Reference 53)



### (3) Bilateral Programs under the Guidelines

In order to promote Japan–U.S. cooperation under the Guidelines in an effective manner and to ensure successful bilateral defense cooperation, the two countries need to conduct consultative dialogues throughout the spectrum of security conditions mentioned above. In addition, both sides must be well informed and coordinate at multiple levels to accomplish such objectives. To that end, the two governments will strengthen their information and intelligence-sharing and policy consultations by taking advantage of all available opportunities, and will establish the following two mechanisms to facilitate consultations, coordinate policies, and coordinate operational functions.

#### a. Comprehensive Mechanism

The Comprehensive Mechanism has been created so that not only the SDF and U.S. forces but also the relevant agencies of the respective governments conduct bilateral works based on the Guidelines under normal circumstances. In the comprehensive mechanism, bilateral work such as bilateral defense planning and mutual cooperation planning will be conducted so as to be able to respond smoothly and effectively to armed attacks against Japan and to situations in areas surrounding Japan. (See Fig. III-2-3-4)

Fig. III-2-3-4 Structure of Comprehensive Mechanism

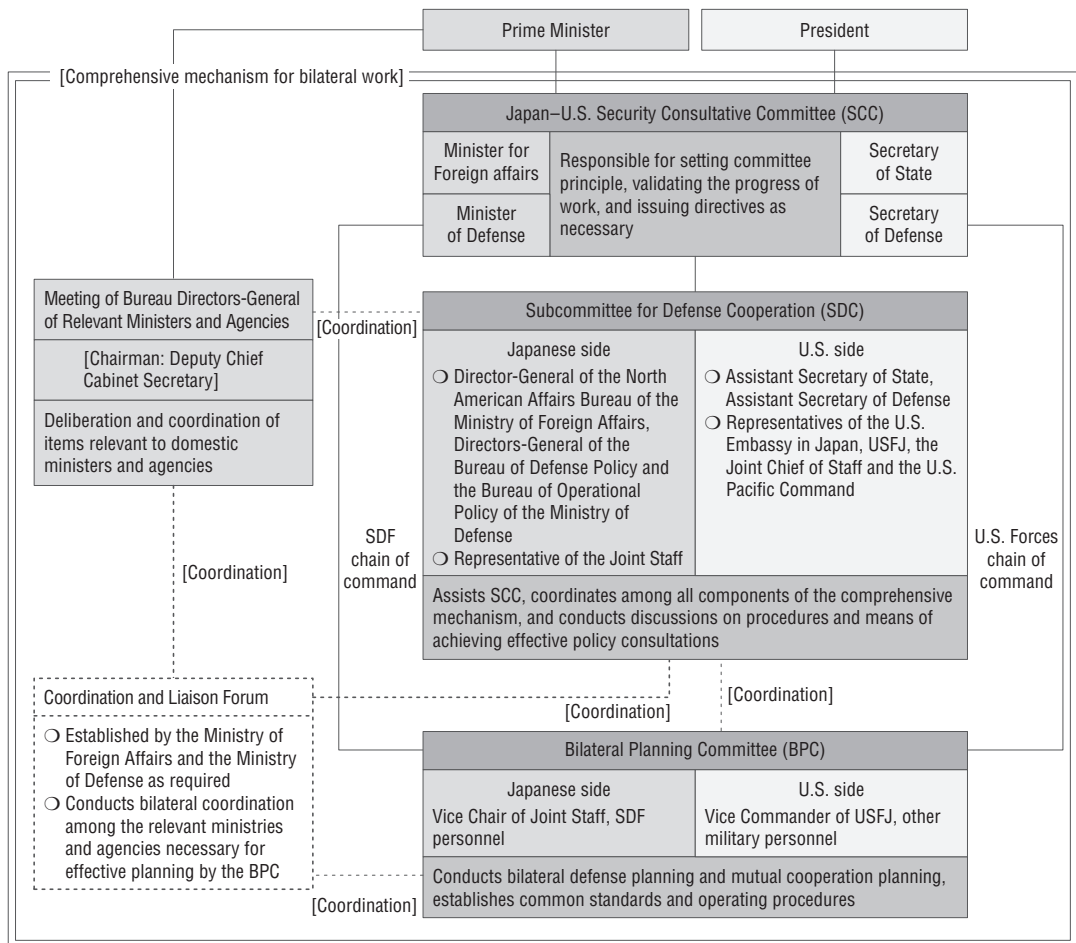
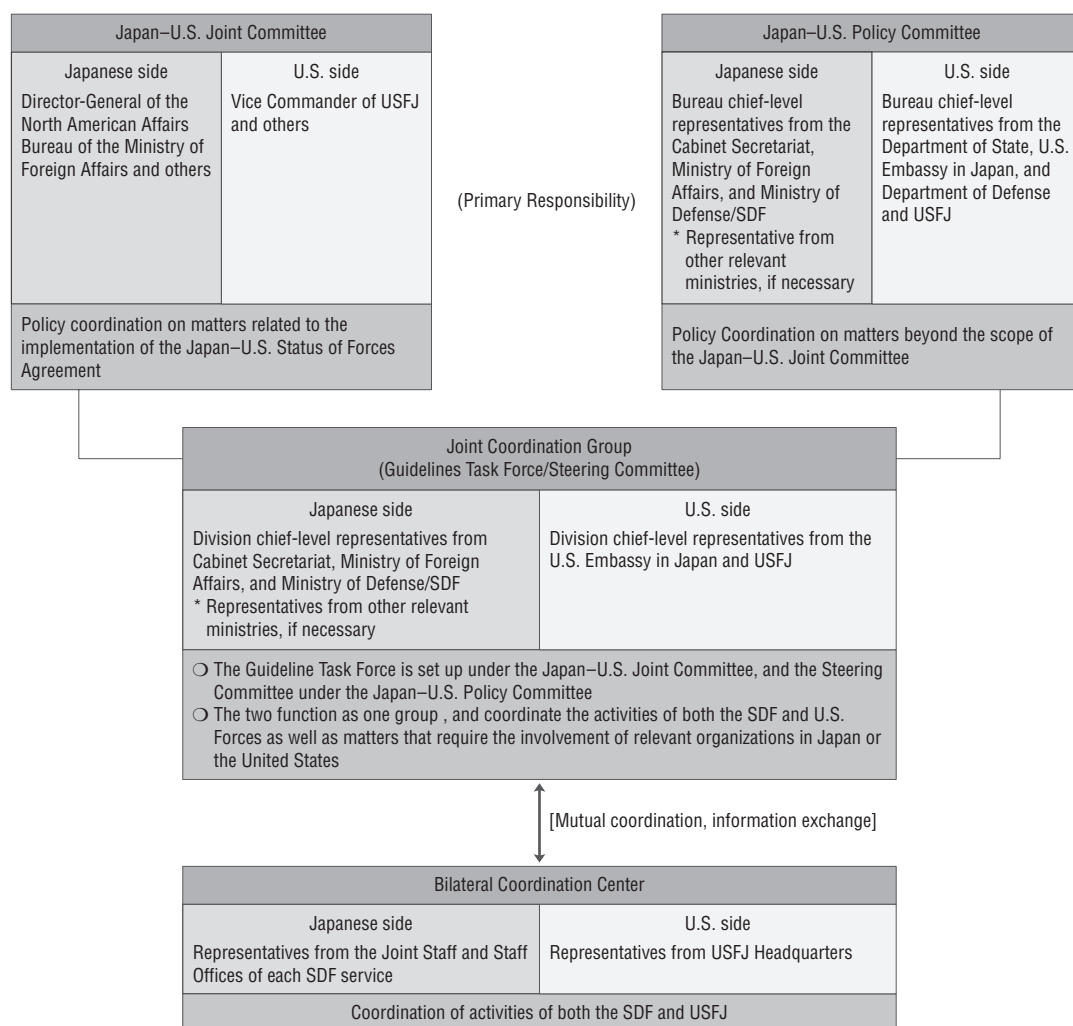


Fig. III-2-3-5 Framework of Coordination Mechanism



## b. Coordination Mechanism

The coordination mechanism, established in 2000, is being set up in normal circumstances so that the two countries may coordinate their respective activities in the event of an armed attack against Japan and in situations in areas surrounding Japan.

(See Fig. III-2-3-5)

## 2. Various Policies for Ensuring the Effectiveness of the Guidelines

### (1) Measures for Ensuring the Effectiveness of the Guidelines

In order to ensure the effectiveness of the Guidelines, it is important to properly take necessary measures, including legal ones, regarding Japan-U.S. cooperation in case of armed attack situations and situations in areas surrounding Japan. From this perspective, it is necessary for the Government of Japan as a whole to collaborate in advancing bilateral work between Japan and the United States, including examination of bilateral defense planning and mutual cooperation planning of the Guidelines in peacetime.



Based on this, laws such as the Law concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan (1999) and the Ship Inspection Operations Law (2000) are being established in light of Japan–U.S. cooperation in areas surrounding Japan.

Also, measures are being taken to facilitate U.S. force operations as a part of strengthening of security cooperation legislation for situations such as armed attacks. (See Part III, Chapter I, Section 1)

## **(2) Outline of the Law concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan and the Ship Inspection Operations Law**

The Law concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan establishes the measures (response measures)<sup>9</sup> that Japan will implement in response to situations in areas surrounding Japan and the actual implementation procedures. The Ship Inspection Operations Law provides for the types, measures, and other matters of ship inspection operations implemented by Japan in response to situations in areas surrounding Japan. Its outline is as follows.

The Prime Minister, facing a situation in areas surrounding Japan and deeming it necessary to adopt measures including such SDF activities as rear area support<sup>10</sup>, rear area search and rescue operations, and ship inspection operations, must request a Cabinet decision on such measures and on a draft basic plan of response measures. The Prime Minister must obtain prior approval, or ex post facto approval in case of emergency, from the Diet in order for the SDF to conduct response measures.

In accordance with the basic plan, the Minister of Defense will draw up an implementation guideline (including designation of implementation areas), obtain approval for the guideline from the Prime Minister, and give the SDF orders to conduct rear area support, rear area search and rescue activities, and ship inspection operations.

Heads of relevant administrative organizations will implement response measures and may request the heads of local governments to provide the necessary cooperation for the organizations to exercise their authorities in accordance with relevant laws and regulations and the basic plan. In addition, the heads of relevant administrative organizations may ask persons other than those from the national government to cooperate as necessary in accordance with relevant laws and regulations and the basic plan<sup>11</sup>.

The Prime Minister reports to the Diet without delay when the Cabinet has made a decision or approved its revision, or when the response measures have been completed.

## **(3) Rear Area Support**

Rear area support means support measures, including the provision of goods, services, and conveniences, given by Japan in rear areas to U.S. Forces conducting activities that contribute to the achievement of the objectives of the Japan–U.S. Security Treaty in situations in areas surrounding Japan. (Article 3, Paragraph 1, Item 1 of the Law concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan)

As rear area support, the SDF provides goods and services, including supplies, transportation, repair, maintenance, medical services, communications, airport and seaport activities, and base activities.

## **(4) Rear Area Search and Rescue Operations**

Rear area search and rescue operations mean operations conducted by the SDF in situations in areas surrounding Japan to search and rescue those who engage in combat and are stranded in rear areas (including transporting those rescued). (Article 3, Paragraph 1, Item 2 of the Law concerning the Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan).

If one does not engage in combat but still faces a mishap he/she will be also rescued. In addition, if there is anyone in the territorial waters of a foreign country adjacent to the implementation area in which the SDF

is conducting activities, the SDF will also rescue that person, after having obtained approval from that foreign country. However, this is limited to cases in which no combat operations are conducted at that time and are expected to be conducted in those waters throughout the period during which the SDF conducts rescue activities.

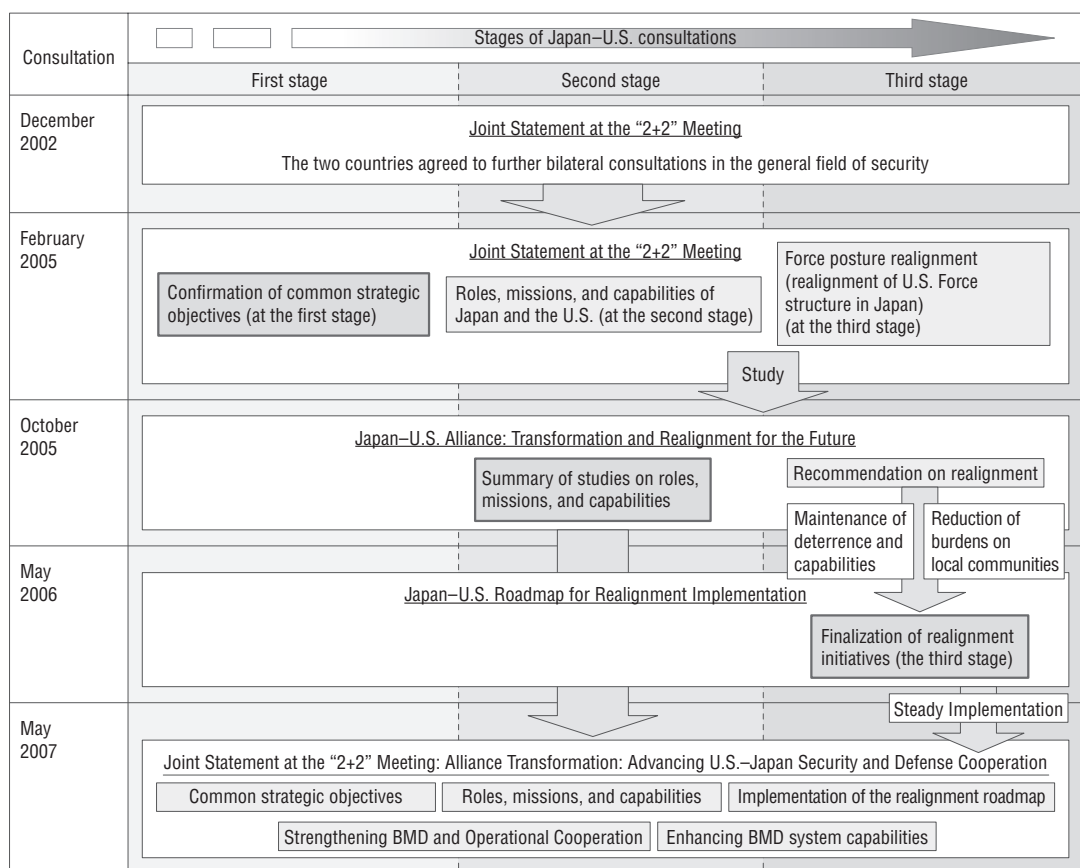
### (5) Ship Inspection Operations

Ship inspection operations mean operations conducted by Japan in situations in areas surrounding Japan to inspect and confirm the cargo and destination of ships (excluding warships and others<sup>12</sup>) and to request, if necessary a change of sea route, or destination port or place, for the purpose of strictly enforcing the regulatory measures concerning trade or other economic activities to which Japan is a party. These activities are conducted based on the U.N. Security Council Resolution or the consent of the flag state<sup>13</sup> in the territorial waters of Japan or in the surrounding high seas (including the EEZ<sup>14</sup>) (Article 2 of the Ship Inspection Operations Law).

## 3. Japan–U.S. Agreements Based on Japan–U.S. Consultations

Japan and the United States have utilized the bilateral consultations described in 1 of this Section in recent years, as shown in Fig. III-2-3-6, to engage in consultations pertaining to security aspects of the future of the Japan–U.S. alliance, including force posture realignment. As a result, various agreements, including the May

Fig. III-2-3-6 Overview of Japan–U.S. Consultations



2006 agreement on force posture realignment, were concluded to strengthen the Japan–U.S. alliance in the future. Those agreements are summarized here.

## 1. Common Strategic Objectives (First Stage)

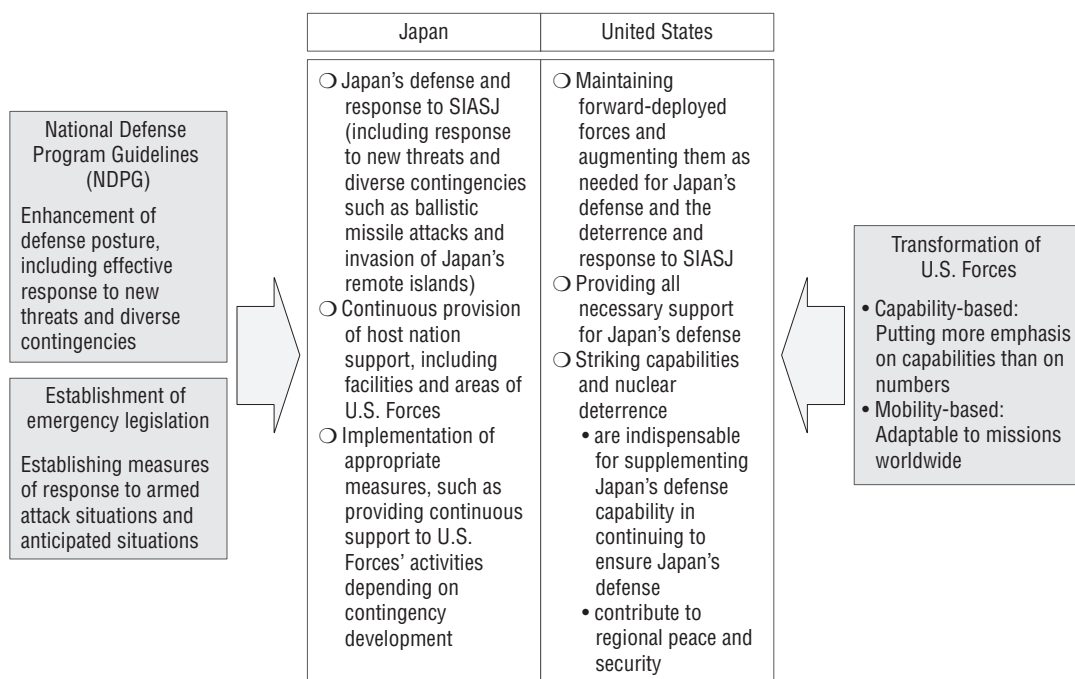
The common strategic objectives to be pursued by both Japan and the United States were confirmed in the Joint Statement of the February 2005 “2+2” meeting and its overview is described below.

- 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 regional role 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, and assistance to a 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 the effectiveness of the U.N. Security Council

At the “2+2” meeting held in May 2007, the two countries reconfirmed their respective commitments to these common strategic objectives, and highlighted the following strategic objectives (outline) that will advance the interests of both countries.

Fig. III-2-3-7 Japan–U.S. Cooperation in Japan’s Defense and Response to Situations in Area Surrounding Japan (SIASJ) Including Response to New Threats and Diverse Contingencies

Bilateral defense cooperation in this field remains vital to the security of Japan as well as to the peace and stability of the Japan



\* Operations of Japan and the United States in defending Japan and in responding to SIASJ must be conducted to ensure appropriate response.

- Achieve denuclearization of the Korean Peninsula through the Six-Party Talks
- Further encourage China to act as a responsible international stakeholder, improve transparency in its military affairs, and maintain consistency between its stated policies and its demonstrated 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, 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 and full implementation of UNSCR 1737 and 1747 which are aimed at bringing Iran into full compliance with its International Atomic Energy Agency (IAEA) requirements
- Achieving broader Japan–North Atlantic Treaty Organization (NATO) cooperation

## **2. Roles, Missions, and Capabilities of Japan and the United States (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 Figures III-2-3-7 and III-2-3-8. With due consideration to 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-2-3-9.

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

### **(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 are capable of dealing 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-2-3-10.

### **(4) Enhancement and Expansion of Japan–U.S. Security and Defense Cooperation**

Japan and the United States agreed to enhance and improve the effectiveness of Japan–U.S. defense cooperation indicated in the Guidelines, as well as cooperation in other fields, if necessary, that are not specified in the Guidelines. See Section 2 of this Chapter.

Japan and the United States emphasized at the “2+2” meeting held in May 2006 that the effectiveness of bilateral security and defense cooperation should be strengthened and improved, and that the two countries emphasized the importance of examining the scope of security and defense cooperation to ensure a robust relationship and enhance the alliance’s capabilities.

Fig. III-2-3-8 Japan–U.S. Cooperation for Improving the International Security Environment

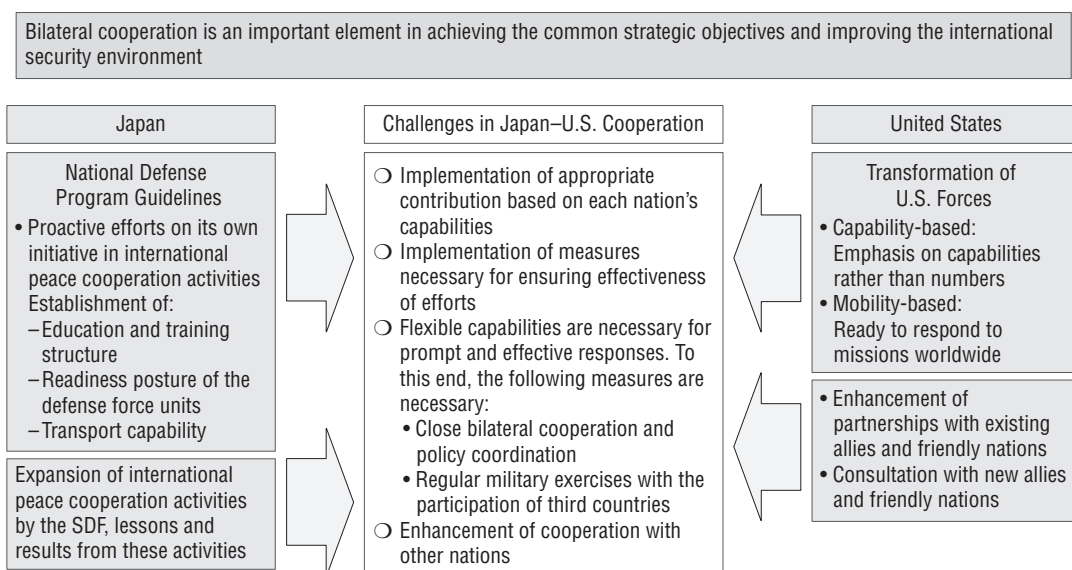


Fig. III-2-3-9 Examples of Activities to be Improved in Japan–U.S. Security and Defense Cooperation

	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 such 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 (HSV)).
14	Transportation, use of facilities, medical support and other activities for Noncombatant Evacuation Operations (NEO)
15	Use of ports, airports, roads, sea, airspace, and frequency bands

Fig. III-2-3-10 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"> <li>• Close and continuous policy and operational coordination conducted at all levels of the Japanese and U.S. governments, ranging from unit-level tactics to strategic consultations, is essential for responding to diverse security issues<sup>1</sup></li> <li>• Improvement of effectiveness of comprehensive and bilateral coordination mechanisms by clarifying functions based on the “Guidelines”</li> </ul>
	Developing bilateral contingency planning	<ul style="list-style-type: none"> <li>• 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</li> <li>• 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)</li> <li>• Close coordination with relevant ministries, agencies, and local authorities, and conducting detailed surveys of airports and seaports</li> </ul>
	Enhancing information sharing and/or intelligence cooperation	<ul style="list-style-type: none"> <li>• Enhancement of information and intelligence sharing and cooperation for national strategy to unit-level tactics</li> <li>• Additional measures to protect shared confidential information among relevant ministries and agencies</li> </ul>
Measures to be addressed by the SDF and U.S. Forces	Improving interoperability <sup>2</sup> between the SDF and U.S. Forces	<ul style="list-style-type: none"> <li>• Maintenance of regular consultations to maintain and enhance interoperability</li> <li>• Enhancement of connectivity between SDF and U.S. Forces headquarters</li> </ul>
	Expansion of training opportunities in Japan and the United States	<ul style="list-style-type: none"> <li>• 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)</li> <li>• Expansion of training for SDF members and units in Guam, Alaska, Hawaii, and the U.S. mainland</li> </ul>
	Shared use of facilities by the SDF and U.S. Forces	(To be specified when force posture is realigned)
	Ballistic missile defense (BMD)	<ul style="list-style-type: none"> <li>• Constant information gathering and sharing, and maintenance of readiness and interoperability</li> <li>• If appropriate, U.S. Forces will additionally deploy supplemental capabilities to Japan and SIASJ and adjust their operations</li> </ul>

Notes: 1. Close policy consultations on security are conducted between Japanese and U.S. government officials through the Security Consultative Committee (SCC) at the 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 mechanism under the Guidelines. (See this chapter, Section 3)

2. The term “interoperability” refers to the commonness and duality of tactics, equipment, logistics support in the implementation guidelines for various operations.

Furthermore, in the joint statement made at the “2+2” 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:

- 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)<sup>15</sup>
- Establishment of a bilateral Chemical, Biological, Radiological, and Nuclear (CBRN) Defense Working Group
- Establishment of a flexible, bilateral interagency coordination mechanism to coordinate policy, operations, intelligence, and public affairs positions before and during crisis situations
- Execution of joint, bilateral training exercises to strengthen interoperability and advance alliance roles, missions, and capabilities



### 3. The USFJ and other Force Posture Realignment (Third Stage)

#### (1) Guiding Precepts for Force Posture Realignment

In the October 2005 “2+2” Joint Statement, the following items were listed as guiding precepts for force posture realignment of the USFJ based on the previously described first and second stages.

- Enhanced coordination and improved interoperability between headquarters is a core capability of critical importance to Japan and the United States.
- Both sides recognized the continued importance of Headquarters, U.S. Forces Japan for strengthened bilateral coordination.

Fig. III-2-3-11 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 Sagamihara 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 side of SGD)



##### [Relocation of the Air Defense Command of JASDF]

- Relocation of the Air Defense Command and relevant units
- Aiming to start operation in FY2010

##### [Camp Zama]

- Transformation of headquarters U.S. Army, Japan
- Relocation of the headquarters of the JGSDF Central Readiness Force
- Return of portions (1.1ha) of housing area
- Joint use of heliport

#### 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]

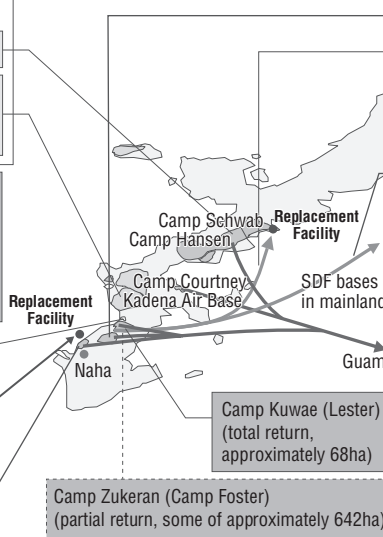
- The remaining facilities and areas in Okinawa will be consolidated, thereby enabling the return of significant land areas south of Kadena Air Base
- A detailed consolidation plan is being developed

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

Naha Port (total return, approximately 56ha)

A replacement facility will be constructed in the Naha Port and Harbor Plan Urasoe-Pier district

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



##### Futenma Air Station (total return, approximately 481ha)

1. Base facility for helicopters—The Futenma Replacement Facility will be constructed in the area from Oura Bay to the coastal area south of Camp Schwab
2. Base facility for aerial refueling tankers—Relocation to Iwakuni (deploy on a rotational basis to JMSDF Kanoya Base and Guam)
3. Base function for contingency use—Tsuiki and Nyutabaru Air Bases and others

[Relocation of U.S. Marine Corps] III 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 Makiminato Service Area)

Legend: ■ Six candidate facilities for land return located south of Kadena Air Base (Land area as of January 1, 2010)

Fig. III-2-3-11 The Force Structure Realignment of U.S. Forces in Japan and the SDF

### 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

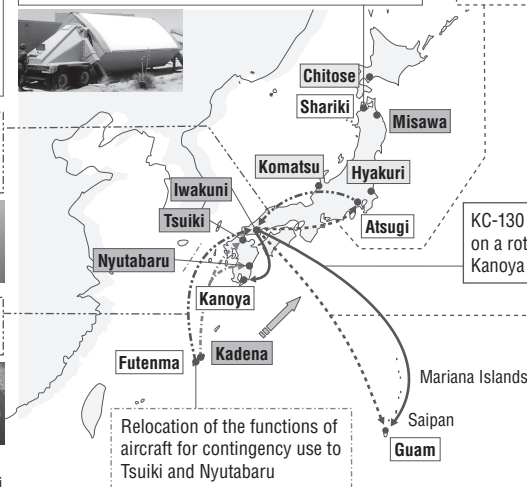


Relocation of KC-130 (12 aircraft) to Iwakuni



Note: Portion 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")



Relocation of JMSDF E/O/UP-3, U-36A (17 aircraft) to Atsugi



KC-130 (12 aircraft) will deploy on a rotational basis to JMSDF Kanoya Base and Guam

Relocation of CH-53D (8 aircraft) to Guam



Relocation of the functions of aircraft for contingency use to Tsuiki and Nyutabaru

Fig. III-2-3-12 Major Realignment Schedule shown in the Roadmap

Time	Implementation Plans for Realignment
By Summer 2006	<b>Necessary arrangements and facility modifications will be made for deployment of a U.S. X-Band Radar system to JASDF Shariki Base</b>
By October 2006	<b>Portions of Yokota airspace to be returned will be identified</b>
From 2006	<b>Shared use of Camp Hansen, which requires no facility improvements, will start</b>
By March 2007	Consolidation plan for facilities and areas in Okinawa will be developed
From FY2007	<b>Development of annual plan for training relocation</b>
By U.S. FY2008 (October 2007–September 2008)	<b>U.S. Army command and control structure at Camp Zama will be transformed</b>
By September 2008	<b>Portions of Yokota airspace will be returned to Japanese control</b>
July 2009 (or the earliest possible date thereafter)	Permanent site for field-carrier landing practice facility will be selected
FY2009 (April 2009–)	<b>Comprehensive study, including conditions required for the possible return of the entire Yokota airspace, will be completed</b>
FY2010	JASDF Air Defense Command and relevant units will relocate to Yokota
By FY2012	The headquarters of the JGSDF Central Readiness Force will relocate to Camp Zama
By FY2014	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.

Note: Items written in boldface show completed measures.

- Regular training and exercises, as well as availability of facilities and areas for these purposes, are essential to ensure readiness, employability, and interoperability of forces.
- Dispersal of training can provide greater diversity of training opportunities and can reduce burdens of training on local communities.
- Shared military use of both U.S. and SDF facilities and areas is valuable in promoting effectiveness of bilateral cooperation and increasing efficiencies.
- Adequate capacity of facilities and areas is necessary. Capacity above typical daily peacetime usage levels also plays a critical and strategic role in meeting contingency requirements, and can provide an indispensable and critical capability toward meeting local emergency needs such as in disaster relief and consequence management situations.
- This capacity can provide an indispensable and critical capability toward meeting local emergency needs such as in disaster relief and consequence management situations.
- Particular attention will be paid to possible realignment of force structure in such regions where U.S. facilities and areas are concentrated in densely populated areas.
- Opportunities to introduce civil-military dual-use of U.S. facilities and areas will be studied, where appropriate. Implementation of such dual-use must be compatible with military missions and operational requirements.

## (2) Force Posture Realignment Outline

Based on the above precepts, specific force posture realignment proposals were listed in the May 2006 Roadmap. Figures III-2-3-11 and III-2-3-12 show the overview of that realignment. Furthermore, the following items list the concepts relating to each of those realignment proposals.

- The individual realignment initiatives form a coherent package.
- Within the overall package, the Okinawa-related realignment initiatives are interconnected.
- Specifically, consolidation and land returns 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 contributions to fund development of required facilities and infrastructure on Guam.

## 4. Japan–U.S. Bilateral Training and Exercises

Bilateral training and exercises conducted by the SDF and U.S. Forces are categorized as command post exercises, in which hypothetical situations are set up, with the objectives of improving the decision making abilities of officers and the ability of staff to make adjustments, and field exercises, in which actual units move in training areas or sea and air space with the objective of improving overall coordination between Japan and the United States. These kinds of training are useful for enhancing their respective tactical skills<sup>16</sup>. Bilateral training and exercises are also indispensable as a means of facilitating mutual understanding and close communication under normal circumstances, thereby improving interoperability and ensuring the smooth conduct of Japan–U.S. bilateral actions. In addition, it is important for the SDF to conduct necessary trainings for collaboration and coordination between



Japanese and U.S. personnel coordinating during an exercise

the SDF and U.S. Forces in normal circumstances so that the SDF may carry out the missions conferred by the Law concerning the Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan, and other laws. Such efforts serve to maintain and enhance the credibility and deterrent effect of the Japan–U.S. Security Arrangements.

Therefore, the SDF has conducted a variety of bilateral training and exercises with U.S. Forces by now, and maintains a policy to enhance these training and exercises in the future. For example, units from the SDF and U.S. Forces participated in the Japan–U.S. Bilateral Joint Training Exercise (a command post exercise) in January 2010. With the cooperation of relevant ministries, Japan–U.S. bilateral response to defense of Japan was exercised and the SDF’s responses and Japan–U.S. cooperation were examined assuming various situations such as situations in areas surrounding Japan. The purpose of this was to maintain and enhance integrated joint operation capabilities. Furthermore, Japan–U.S. Joint Regional Army command post exercises, special anti-submarine exercises, Japan–U.S. Joint Fighter combat training, and others, continue as efforts to improve interoperability at the military service and unit levels.  
(See Reference 53)



Japanese and U.S. vessels navigating parallel to one another

## 5. The Acquisition and Cross-Servicing Agreement between Japan and the United States

The basic principle of the Acquisition and Cross-Servicing Agreement (ACSA)<sup>17</sup> between Japan and the United States is that if one side requests the provision of goods or services, the other side should provide them<sup>18</sup>. The Agreement is designed to positively contribute to the smooth and effective operation of the Japan–U.S. Security Treaty and to efforts for international peace made under the leadership of the United Nations. Its scope of application includes various occasions such as bilateral training and exercises in peacetime, U.N. peacekeeping operations, situations in areas surrounding Japan, and armed attack situations.

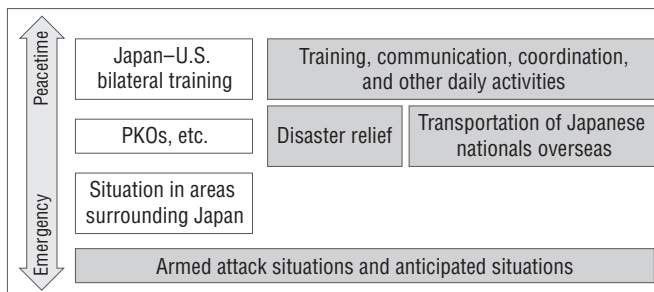
(See Fig. III-2-3-13)

Fig. III-2-3-13 Japan–U.S. Acquisition and Cross-Servicing Agreement (ACSA)

### Significance of reciprocal provision of supplies and services

In general, supplies and services necessary for unit operations are replenished by the units themselves. However, in such cases where units of allied nations are operating together, the reciprocal provision of supplies and services on site would enhance the flexibility of the operations.

### Scope of application of the ACSA



Shaded portions were added as a result of the 2004 revision.

## 6. Mutual Exchanges of Equipment and Technology

Japan proactively promotes cooperation in areas of equipment and technology while bearing in mind the maintenance of Japan's technology and production base and the mutual cooperation principle based on the Japan–U.S. Security Treaty and the Mutual Defense Assistance Agreement between Japan and the United States of America.

In view of the progress in technological cooperation between Japan and the United States, the improvement of technological level, and other factors, Japan decided to transfer its military technology to the United States despite the provisions of the Three Principles on Armed Exports and related regulations. And, in 1983, Japan concluded the Exchange of Notes concerning the Transfer of Military Technologies to the United States of America<sup>19</sup>. In June 2006, the Exchange of Notes concerning the Transfer of Arms and Military Technologies to the United States of America<sup>20</sup> was concluded to replace the foregoing Exchange of Notes.

(See Part II, Chapter 2, Section 2)

Under these frameworks, the Government of Japan decided to provide the United States with 19 items of arms and military technology, including portable surface-to-air missile (PSAM) technology and weapon technologies related to joint technological research on BMD.

Japan and the United States consult with each other at forums such as the Systems and Technology Forum (S&TF), which provides opportunities for exchanging opinions about military equipment and technology, and conduct cooperative research and development regarding the specific projects agreed upon at the forums. Since 1992, the two countries have concluded the joint project agreement, and conducted 18 joint projects (14 of which have been completed). Japan–U.S. cooperation in military equipment and technology is significant for improving interoperability and reducing R&D costs and risks, and the two countries have been examining the possibility of expanding joint research projects in the future.

(See Reference 55)

## 7. Measures to Ensure the Smooth Stationing of the USFJ

The stationing of the USFJ forms the core of the Japan–U.S. Security Arrangements and also demonstrates the deep commitment of the United States to Japan and the Asia-Pacific region. The USFJ greatly contributes to the peace and stability of Japan and the region in various ways. In particular, their presence is considered to function as a visible deterrent. Thus, the Government of Japan tries to enhance the credibility of the Japan–U.S. Security Arrangements by actively taking various measures to ensure the smooth stationing of the USFJ.

(See Section 2-2)

### 1. Japan's Measures, etc., Based on the Status of Forces Agreement

Matters pertaining to USFJ facilities and areas and the status of the USFJ are stipulated in the Status of Forces Agreement (SOFA), which has provisions regarding facilities and areas for the use of the USFJ (USFJ facilities and areas), satisfying labor requirements of the USFJ, etc.

#### (1) Provision of USFJ Facilities and Areas

Japan provides facilities and areas for the USFJ under the provisions of the SOFA, in accordance with agreements reached through the Japan–U.S. Joint Committee between the governments of Japan and the United States, at no cost to the United States.

The Government has concluded lease contracts with owners of private and public land on which these facilities and areas exist in order to ensure the stable use of necessary USFJ facilities and areas. However, should



the Government be unable to obtain the approval of land owners, it will acquire a title to use<sup>21</sup> under the Special Measures Law for USFJ Land<sup>22</sup>, after compensating the landowners for any loss they may suffer in the process.

## (2) Satisfying Labor requirements of the USFJ

The USFJ requires manpower (labor) to maintain its forces, and SOFA stipulates that the labor requirements of the USFJ shall be satisfied with the assistance of the Government of Japan.

As of the end of FY2009, 25,812 USFJ local employees (hereinafter referred to as the “employees”) work at USFJ facilities and areas throughout Japan, working as office workers at headquarters, engineers at maintenance/supply facilities, members of security units and fire departments on base, and staff of welfare/recreational facilities. They perform functions essential for the smooth operations of the USFJ, and support its activities.

The Government of Japan hires these employees in accordance with the provisions of SOFA. The Ministry of Defense supports the stationing of the USFJ by performing administrative work for personnel management, payment of wages, healthcare, welfare, etc.

## 2. Cost Sharing for the Stationing of the USFJ

Japan plays an important role in bearing the costs for the stationing of the U.S. Forces in Japan to ensure the smooth and effective implementation of the Japan–U.S. Security Arrangements.

Fig. III-2-3-14 Outline of Cost Sharing for the Stationing of USFJ

Item	Outline	Ground
Costs for Facilities Improvement Program (FIP) <sup>1</sup>	○ Barracks, family housing, environmental facilities, etc., have been constructed in the USFJ facilities and areas by the GOJ since FY1979 and provided to the USFJ	Within the Framework of the Status of Forces Agreement
Labor costs	○ Welfare costs, etc., since FY1978 and portion of pay that exceeds the pay conditions of national public employees since FY1979 have been borne by the GOJ (USFJ differential, language allowance, and portion of the retirement allowance, which exceeds the pay standard of national public employees were abolished in FY2008, upon the provision of measures to avoid drastic changes in payments)	Within the Framework of the Status of Forces Agreement
	○ Eight kinds of allowances such as adjustment allowance have been borne by the GOJ since FY1987	Special Measures Agreement (FY1987)
	○ Basic pay, etc., have been borne by the GOJ since FY1991 (by gradually increasing the costs borne by the GOJ, the total amount has been borne within the scope of the upper limit of the number of workers since FY1995)	Special Measures Agreement (FY1991)
Utilities costs	○ Electricity, gas, water supply, sewerage and fuel costs (for heating, cooking or hot water supply) have been borne by the GOJ since FY1991 (by gradually increasing the costs borne by the GOJ, the total amount has been borne within the scope of the upper limit of the procured quantity since FY1995)	Special Measures Agreement (FY1991)
	○ The upper limit of the procured quantity provided in the Special Measures Agreement (FY1996) has been cut by 10% after subtracting the quantity of the off-base U.S. residential housing since FY2001	Special Measures Agreement (FY2001)
	○ The GOJ will bear the costs for fuel etc., equivalent to the FY2007 budget of 25.3 billion yen for FY2008, and those equivalent to 24.9 billion yen, a reduction of 1.5% from the FY2007 budget for FY2009 and 2010	Special Measures Agreement (FY2008)
Training relocation costs	○ Additionally required costs incident to the relocation of the training requested by the GOJ have been borne by the GOJ since FY1996	Special Measures Agreement (FY1996)

Note 1: Concerning the costs for FIP, the Government of Japan formulated the “Criteria for adopting FIP projects” to make an effort for efficiency in the implementation of FIP as follows:

- 1) Concerning facilities contributing to the improvement of foundation for the stationing of USFJ (bachelor housing, family housing, and others), the Government of Japan improves those facilities steadily considering necessity, urgency, and other factors.
- 2) Concerning welfare facilities such as recreational facilities and entertainment-oriented facilities, the Government of Japan especially scrutinizes the necessity and refrains from newly adopting facilities regarded as entertainment-oriented and profit-oriented (shopping malls and others).



Due to soaring prices and wages in Japan since the mid-1970s, and changes in the international economy, the United States has felt considerable pressure in bearing the costs for the stationing of the USFJ. In consideration of such circumstances, and with a view to making efforts to the greatest extent possible within the framework of SOFA, the Government of Japan began to bear labor costs such as welfare costs (costs for the employee's welfare) in FY1978. Then in FY1979, due to the suddenly stronger yen against the dollar, Japan began to bear costs for facilities improvement programs.

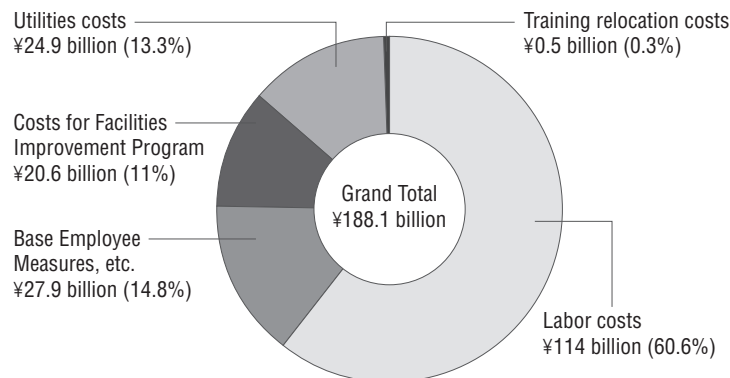
Furthermore, as the labor costs soared due to changes in economic conditions that affected both countries, employment stability of the employees was adversely impacted, and there was even concern that it would affect the activities of the USFJ. Therefore in 1987 the governments of Japan and the United States agreed on a special measure in Article 24 of SOFA (the Special Measures Agreement)<sup>23</sup> as a provisional measure for an exception to the cost principle in SOFA. Based on this agreement, the Government of Japan would bear labor costs such as the adjustment allowance (currently replaced by the regional allowance), and as the Special Measures Agreement (SMA) was revised later on, the costs borne by the Government of Japan expanded to cover labor costs for base pay, etc., and utility costs from FY1991, and its financial responsibility further expanded to cover training relocation costs from FY1996.

Still, Japan carefully considered its own difficult financial situation in relation to the costs borne by Japan for the stationing of the USFJ and they peaked in the FY1999 budget (annual expenditure base) and have since been declining.

Under the new SMA put into effect in May 2008, the framework of the previous SMA will be maintained for the sharing of labor costs and training relocation costs; while costs such as those for utilities will be reduced at a fixed rate. The new agreement also states that the U.S. Government will make further efforts to reduce its expenditures. Furthermore, an agreement was made between the U.S. and Japanese Governments for a comprehensive review of cost sharing for the stationing of the USFJ in order to enhance its efficiency and effectiveness.

(See Figure III-2-3-14, 15)

Fig. III-2-3-15 Outline of Cost Sharing for the Stationing of USFJ  
(FY2010 Budget)



Notes: 1. The grand total has dropped by 2.4% from the previous year.  
2. Numbers in parentheses represent the relative composition within the whole.