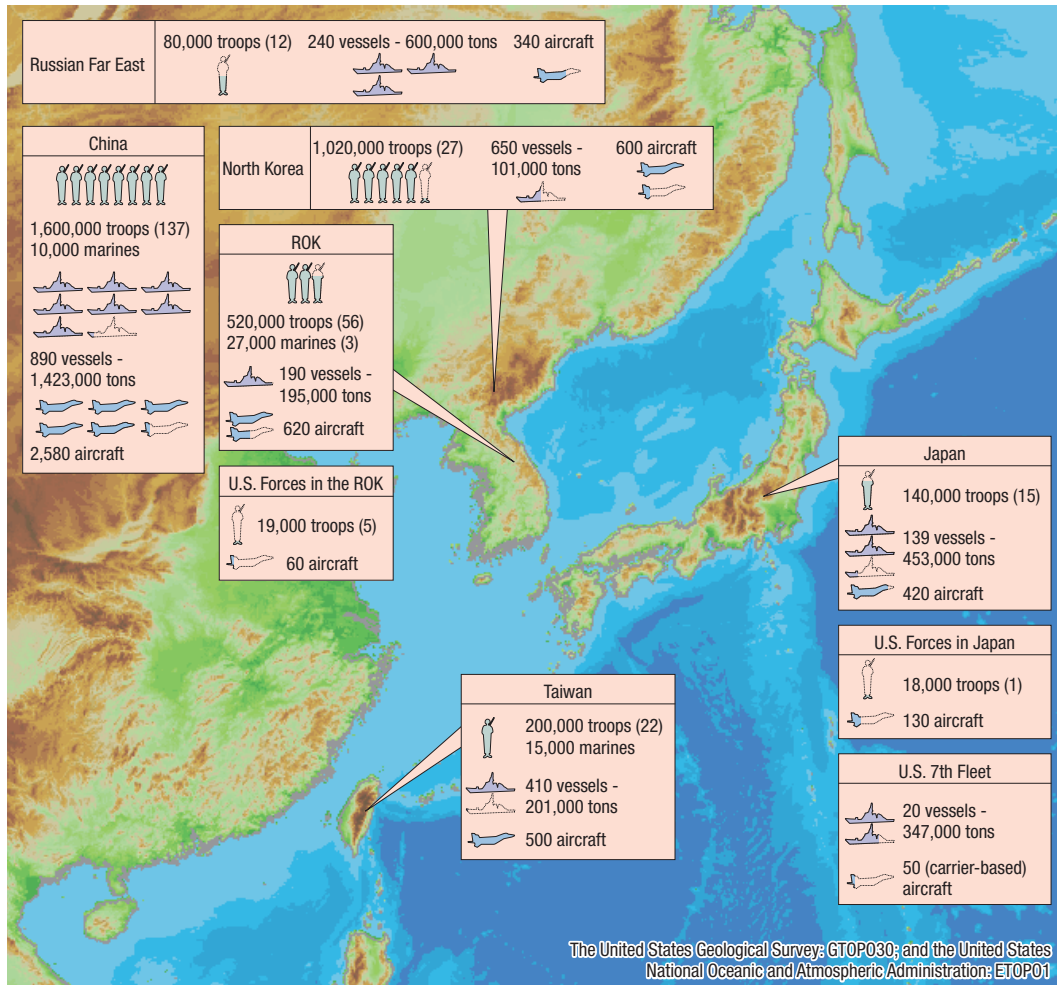


Fig. I-0-0-1 Major Military Forces in the Asia-Pacific Region (Approximate Strength)

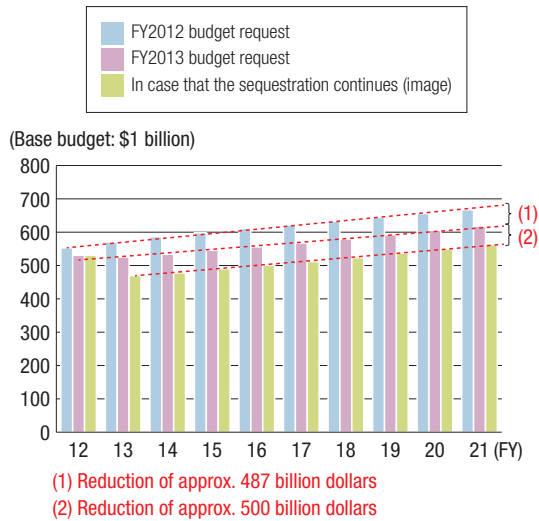


- Notes:
1. Source: "The Military Balance 2014" published by the U.S. Department of Defense, and others.
 2. Figures for Japan, as of the end of 2013, indicate the strength of each SDF; the number of combat aircraft is the sum of ASDF aircraft (excluding transport aircraft) and MSDF aircraft (fixed-wing aircraft only).
 3. Figures of U.S. ground forces in Japan and the ROK are those of Army and Marine Corps personnel combined.
 4. Combat aircraft include Navy and Marine aircraft.
 5. Figures in parentheses show the total number of central units, such as divisions and brigades. Only divisions are included in North Korea.
 6. The number of U.S. 7th Fleet vessels and aircraft indicates those which are forward-deployed in Japan and Guam.

Legend

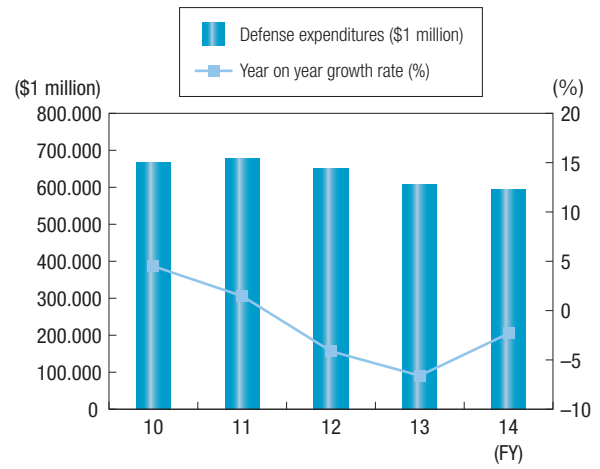
Ground forces (200,000 troops)	Naval vessels (200,000 tons)	Combat aircraft (500 aircraft)
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Fig. I-1-1-1 The Impact of Mandatory Reduction of Government Expenditure on Defense Budget



Created based on the "FY2012 budget request" and "FY2013 budget request" published by the U.S. DOD.

Fig. I-1-1-2 Shifts in the U.S. Defense Budget



Notes: Figures shown are narrowly defined expenses based on Historical Tables, Budget of the United States Government, FY2015. The amount for FY2014 is an estimate.

Fig. I-1-1-3 Structure of the Unified Combatant Command

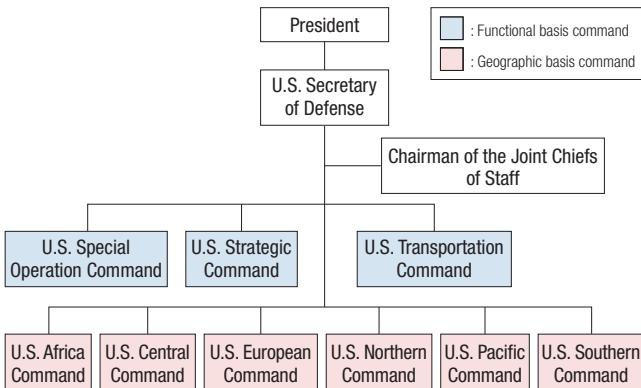
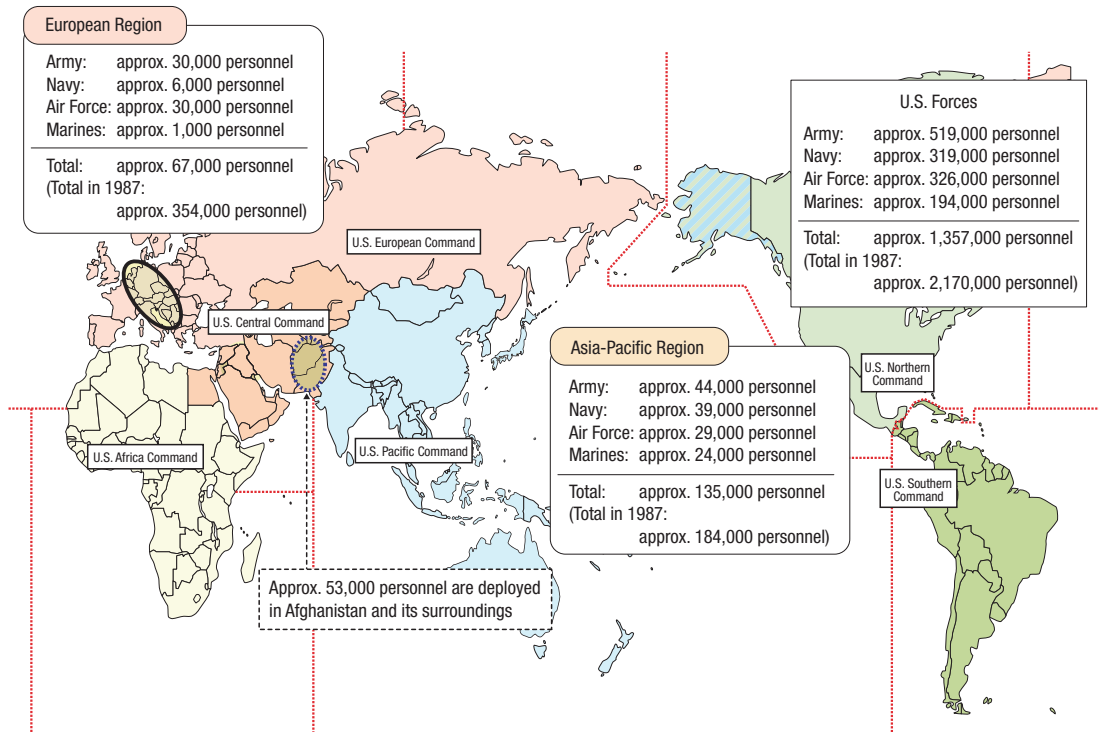


Fig. I-1-1-4 U.S. Forces Deployment Status and the Recent Trend of the U.S. Forces in the Asia-Pacific Region



Notes: 1. Source: Documents published by the U.S. Department of Defense (as of December 31, 2013) and other materials.
 2. The number of personnel deployed in the Asia-Pacific region includes personnel deployed in Hawaii and Guam.

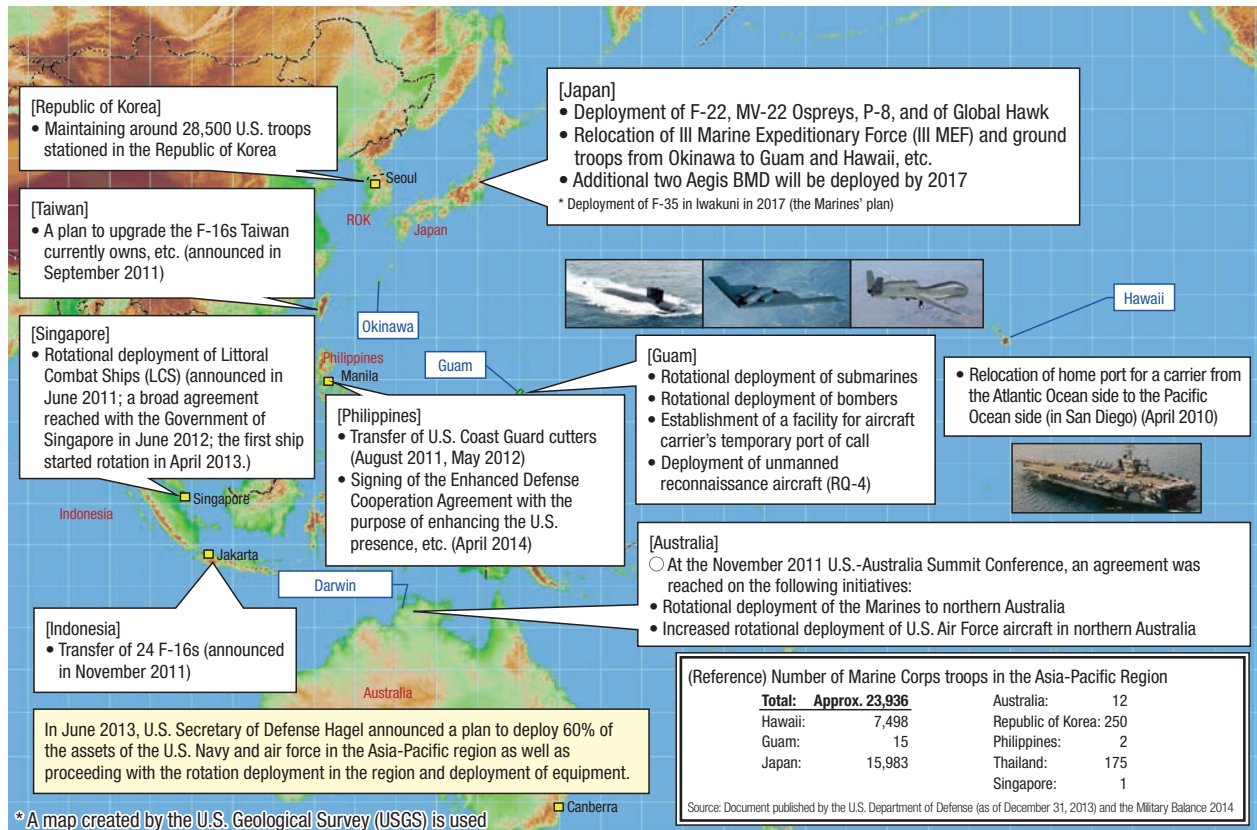
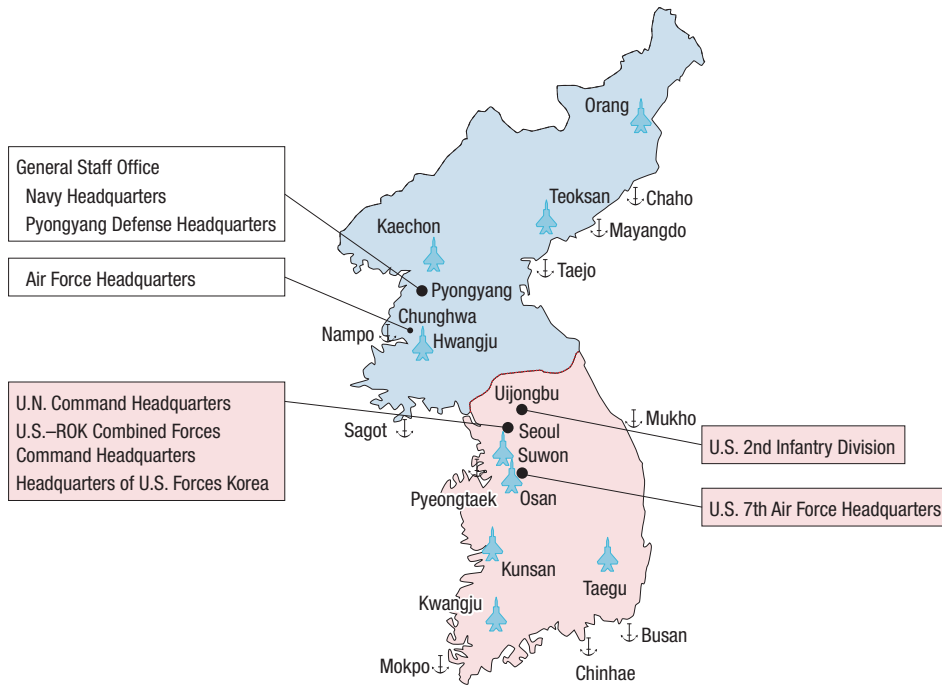


Fig. I-1-2-1 Military Confrontation on the Korean Peninsula



		North Korea	ROK	U.S. Forces in Korea
Total armed forces		Approx. 1.19 million personnel	Approx. 660,000 personnel	Approx. 29,000 personnel
Army	Ground troops	Approx. 1.02 million personnel	Approx. 520,000 personnel	Approx. 19,000 personnel
	Tanks	T-62, T-54/-55, etc. Approx. 3,500	M-48, K-1, T-80 etc. Approx. 2,400	M-1
Navy	Naval vessels	Approx. 650; 101,000 tons	Approx. 190; 195,000 tons	Supporting corps only
	Destroyers		12	
	Frigates	3	10	
	Submarines	20	12	
	Marines		Approx. 27,000 personnel	
Air Force	Combat aircraft	Approx. 600	Approx. 620	Approx. 60
	3rd and 4th generation fighter aircraft	Mig-23 x 56	F-4 x 70	F-16 x 40
		Mig-29 x 18	F-16 x 164	
Su-25 x 34		F-15 x 60		
Reference	Population	Approx. 24.7 million	Approx. 49 million	
	Term of Service	Army: 5–12 years Navy: 5–10 years Air Force: 3–4 years	Army: 21 months Navy: 23 months Air Force: 24 months	

Notes: The Military Balance 2014, etc.

Fig. I-1-2-2 Launch of a Missile, which North Korea Called a "Satellite" on December 12, 2012

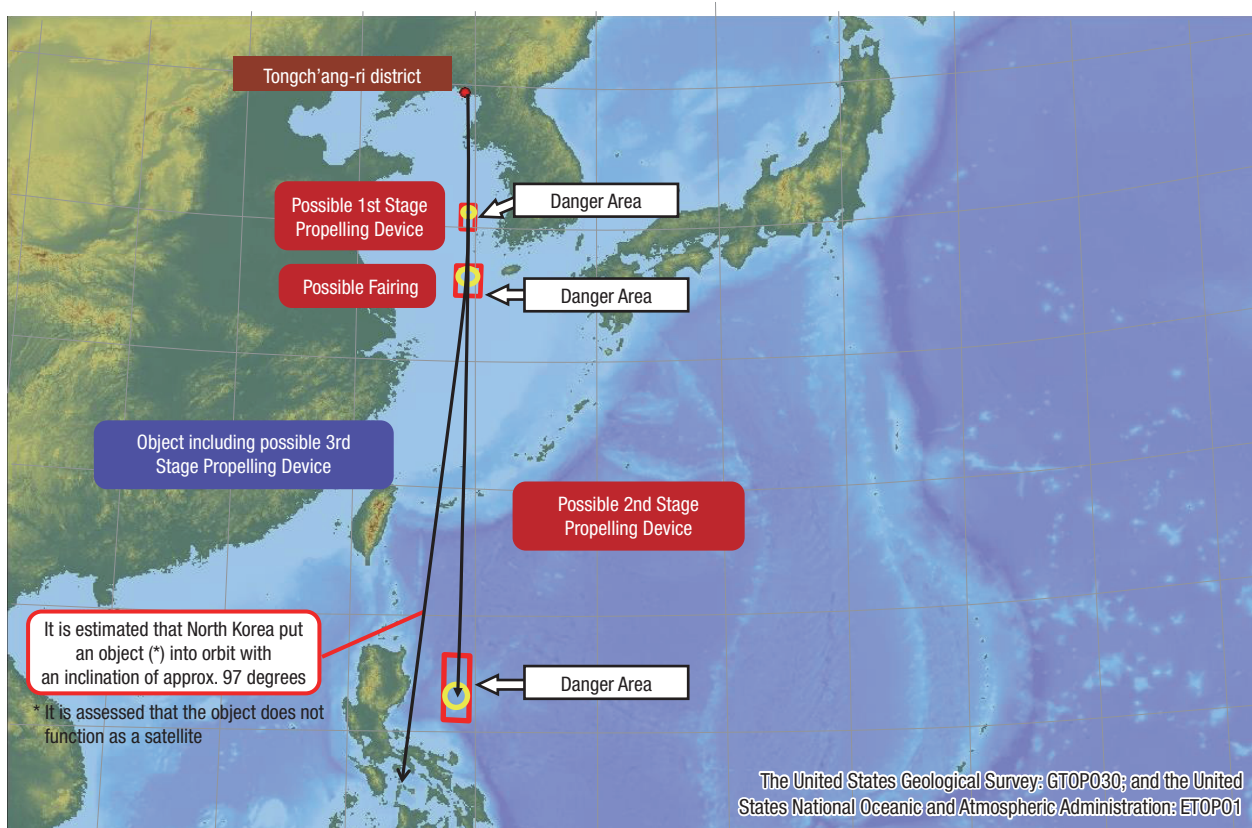
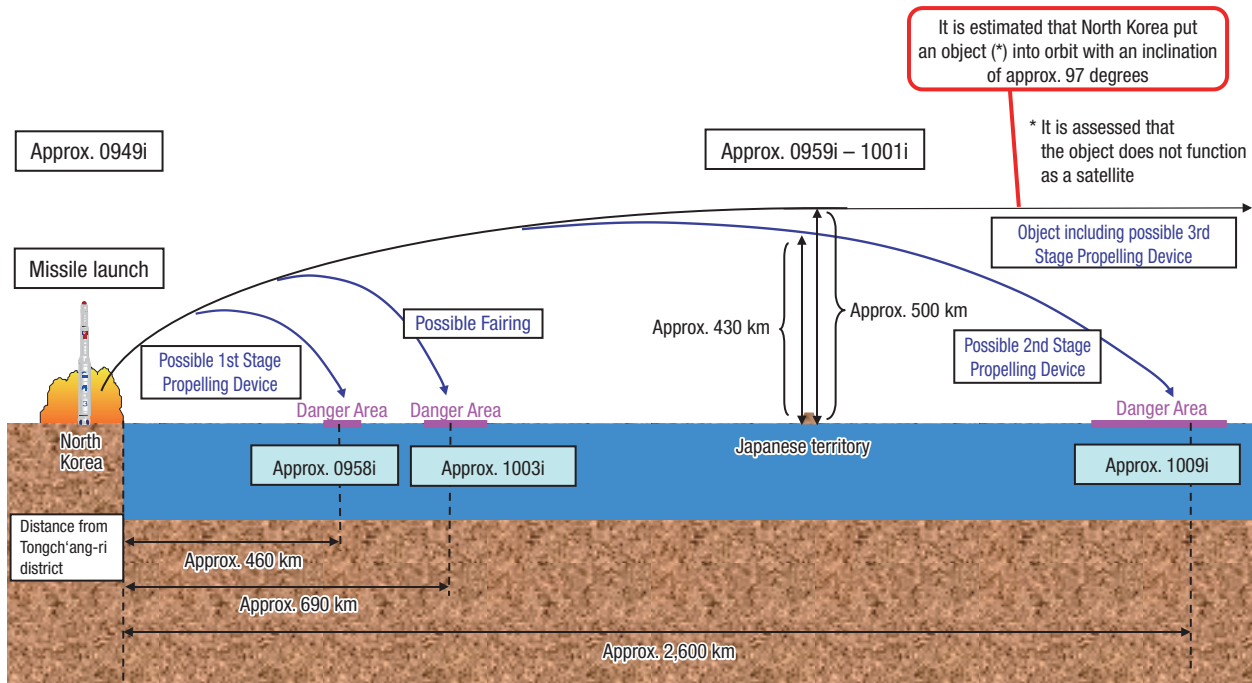
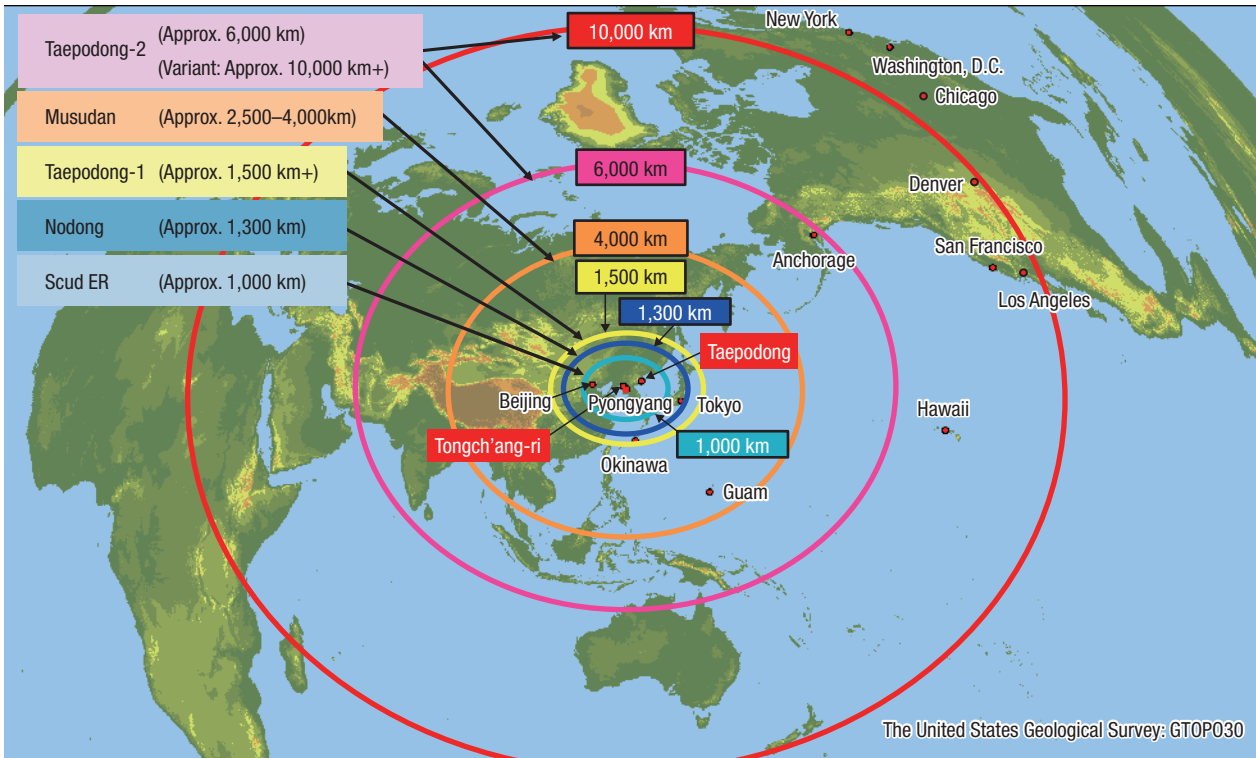
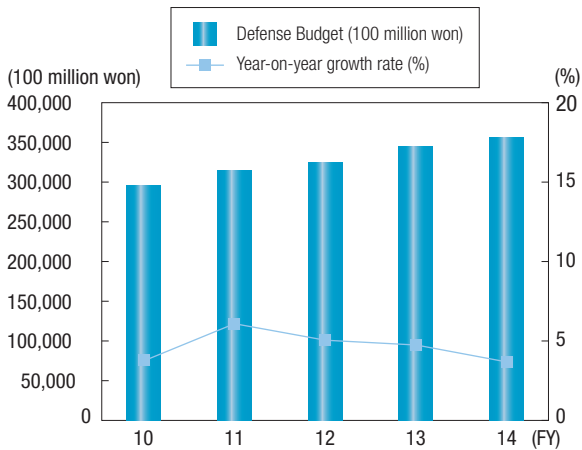


Fig. I-1-2-3 Range of North Korean Ballistic Missiles



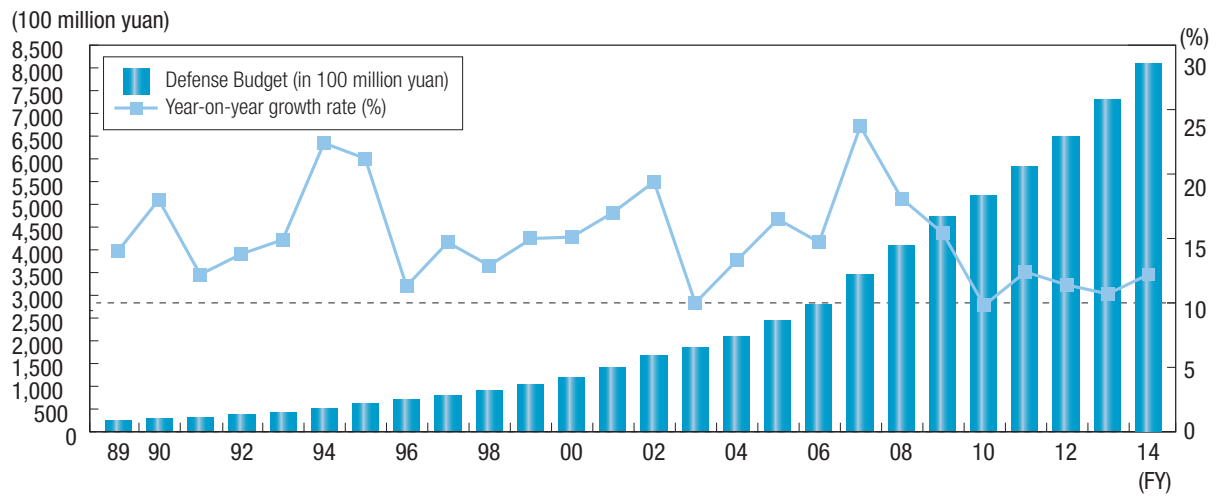
* The figure above shows a rough image of the distance each missile can reach from Pyongyang for the sake of convenience.

Fig. I-1-2-4 Change in the ROK's Defense Budget



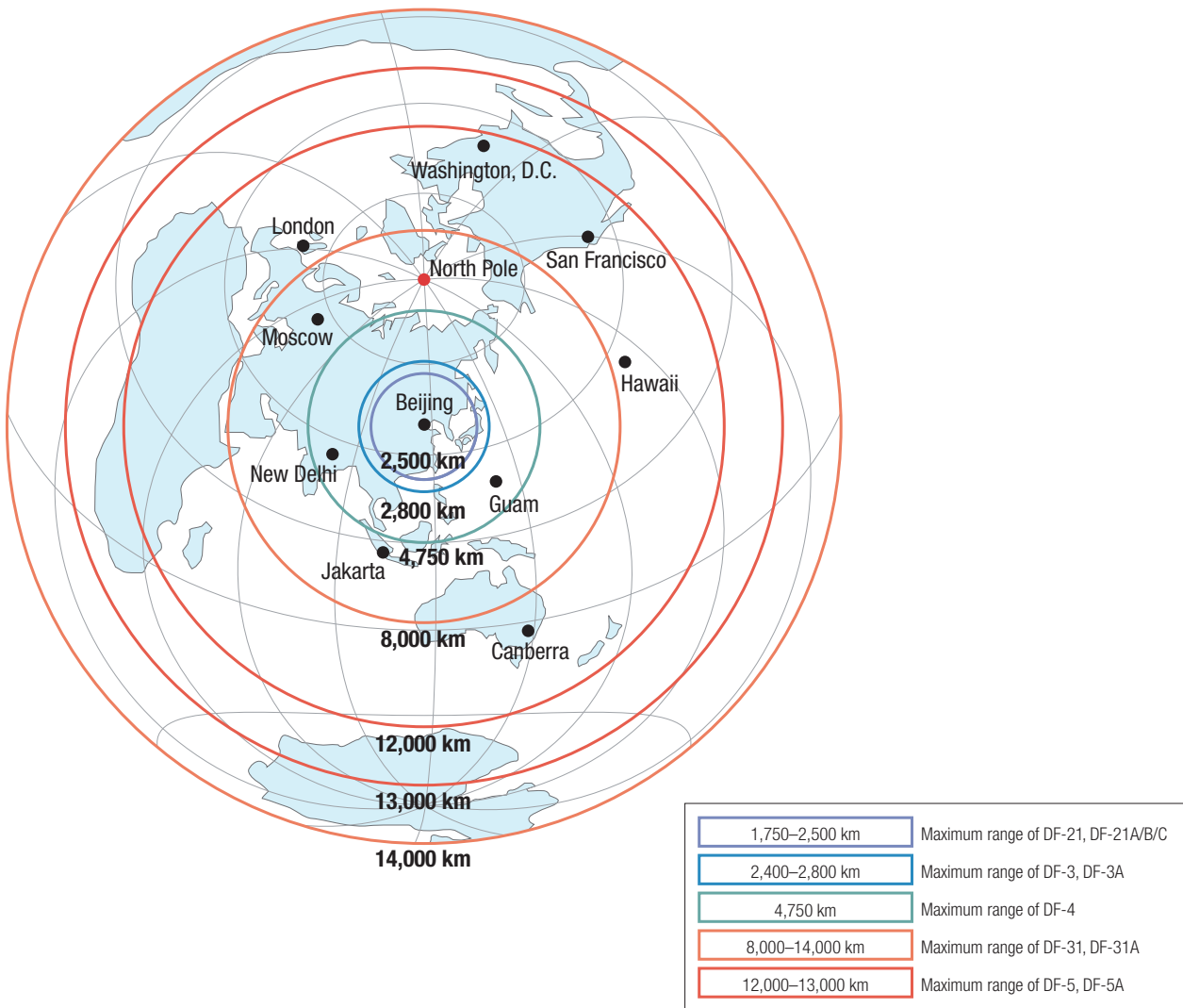
Notes: 1. ROK Defense White Paper 2012 for FY2010 to 2012.
2. The Ministry of National Defense website for FY2013 to 2014.

Fig. I-1-3-1 Change in China's Announced Defense Budget



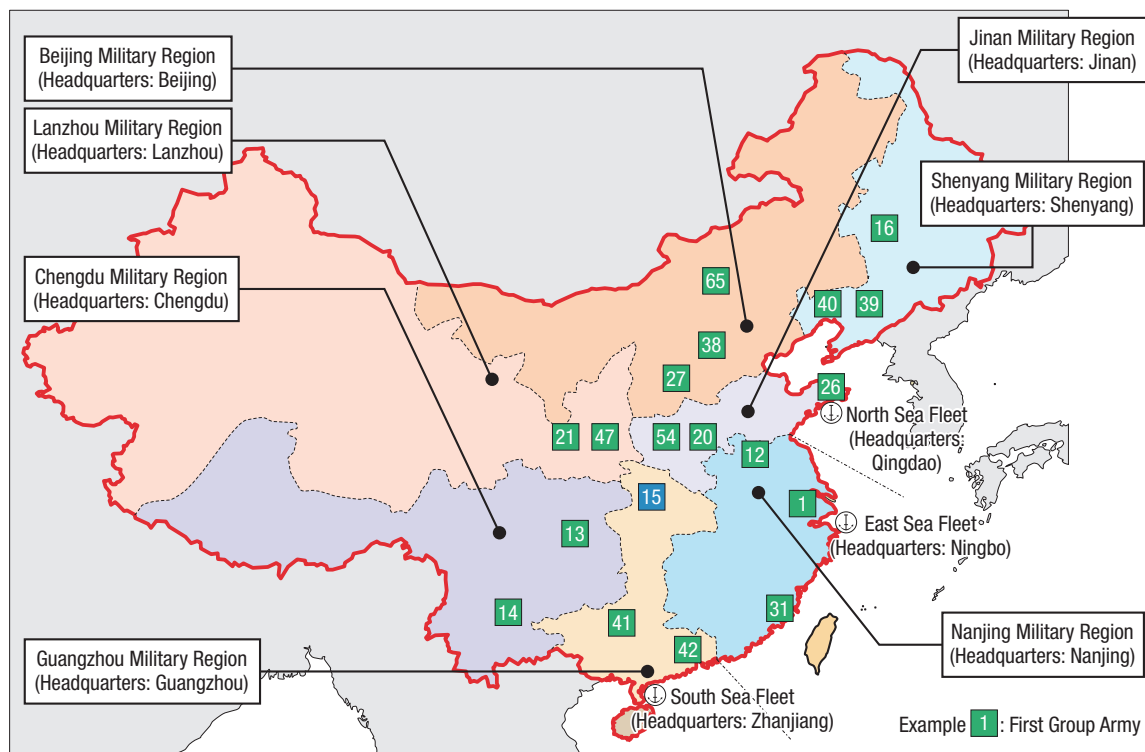
Notes: The total defense budgets for FY2002 and FY2004 were not disclosed, while the growth rates and the amount of increase for these two fiscal years were disclosed. The total defense budgets for the two fiscal years based on the growth rates and the amount of increase in combination with the initial defense budgets of the previous years were calculated. However, the numbers as a result of the calculation was found to be inconsistent with the numbers China disclosed the following year. In this graph, 168.4 billion yuan and 210 billion yuan for FY2002 and FY2004, respectively, were used based on the calculation conducted on the assumption that the disclosed growth rates and the amount of increase are based on the actual defense expenditures for FY2001 and FY2003.

Fig. I-1-3-2 Range of Ballistic Missiles from China (Beijing)



Note: The above image shows a simplified indication of the potential reach of each type of missile taking Beijing as a central point.

Fig. I-1-3-3 Deployment and Strength of the People's Liberation Army



Notes: Army and Air Force Military Regions are identical.

A Group Army consists of several divisions and brigades and has tens of thousands of personnel.

● Military Region headquarters

Ⓛ Fleet headquarters

■ Group Army (Army) headquarters

■ Airborne Corps (Air Force) headquarters

		China	Taiwan (Reference)
Total military forces		Approx. 2.3 million troops	Approx. 290,000 troops
Ground forces	Group troops	Approx. 1.6 million troops	Approx. 200,000 troops
	Tanks	Type-99/A, Type-98/A, Type-96/A, Type-88A/B and others Approx. 7,600 vehicles	M-60, M-48A/H and others Approx. 1,200 vehicles
Maritime forces	Warships	Approx. 890 vessels / 1,423 thousand tons	Approx. 410 vessels / 201,000 tons
	Destroyers & frigates	Approx. 70 vessels	Approx. 30 vessels
	Submarines	Approx. 60 vessels	4 vessels
	Marines	Approx. 10,000 troops	Approx. 15,000 troops
Air forces	Combat aircraft	Approx. 2,580 aircraft	Approx. 500 aircraft
	Modern fighters aircraft	J-10 x 264 Su-27/J-11 x 328 Su-30 x 97 (Fourth-generation fighters x 689)	Mirage 2000 x 56 F-16 x 145 F-CK-1 (IDF) x 128 (Fourth-generation fighters x 329)
Reference	Population	Approx. 1.360 billion	Approx. 23 million
	Term of service	2 years	1 year

Source: The Military Balance (2014) and others.

Fig. I-1-3-4 Recent Chinese Activities in Waters near Japan (The wakes shown are an illustration)

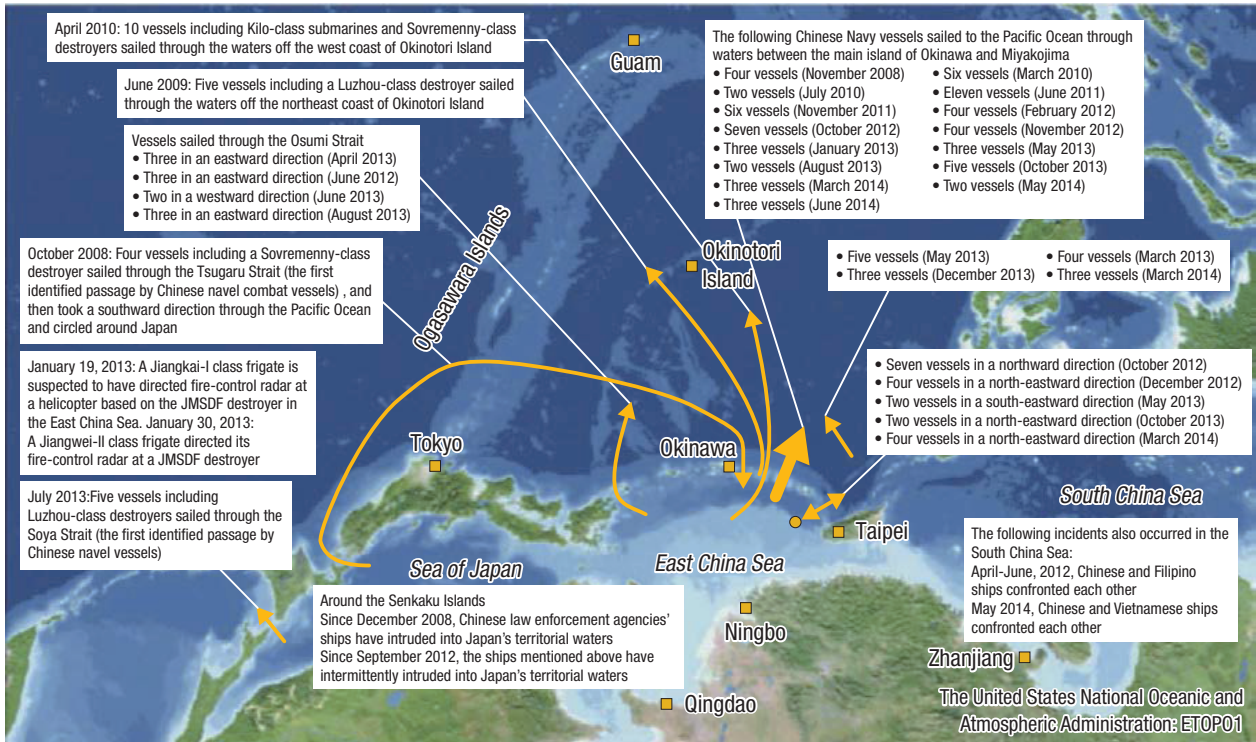


Fig. I-1-3-5 Recent Chinese Activities in Airspace near Japan (The flight paths shown are an illustration)

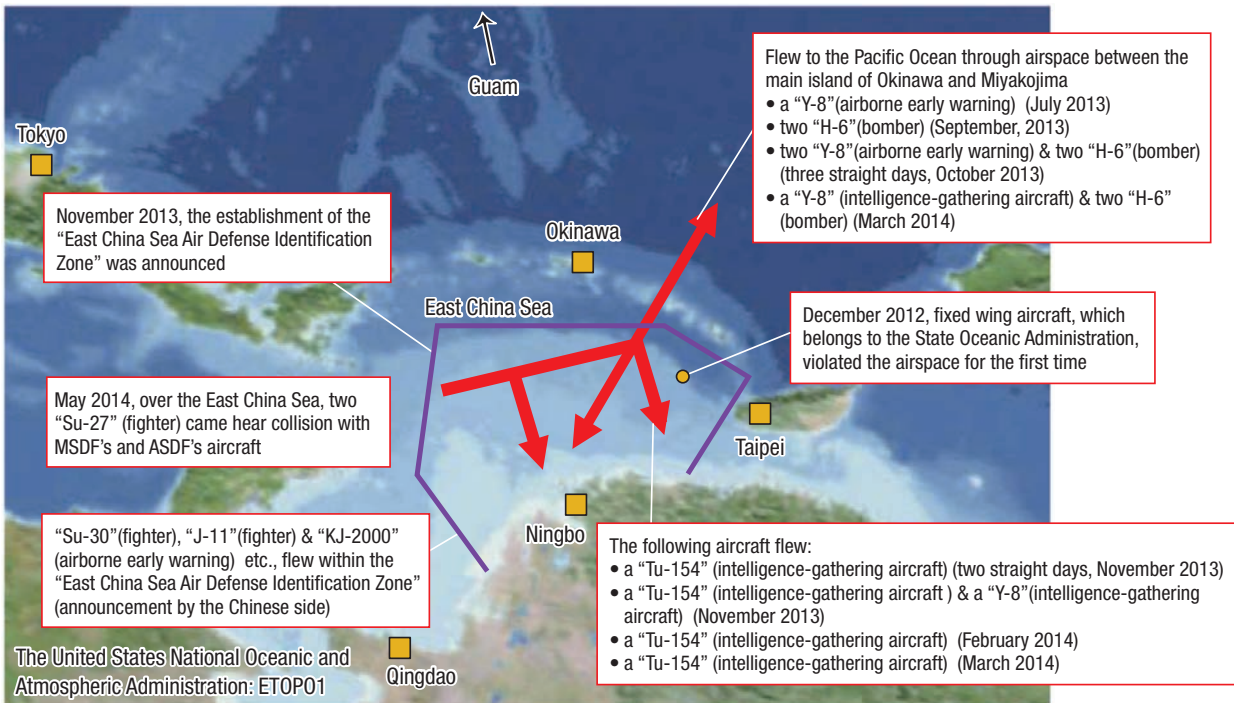


Fig. I-1-3-6 Change in the Number of Scrambles against Chinese Aircraft

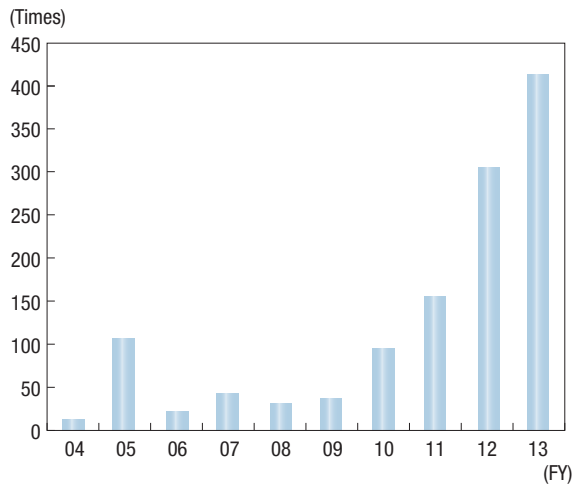
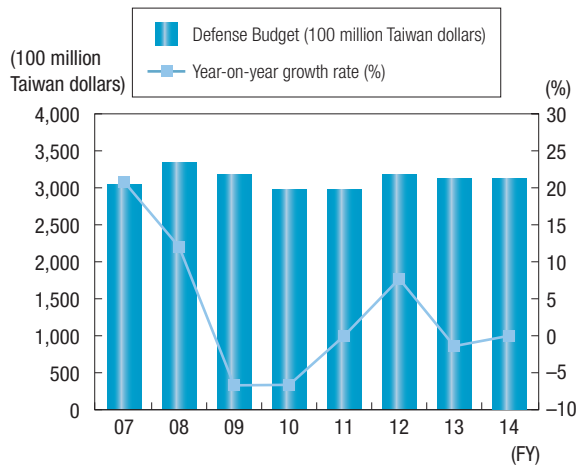
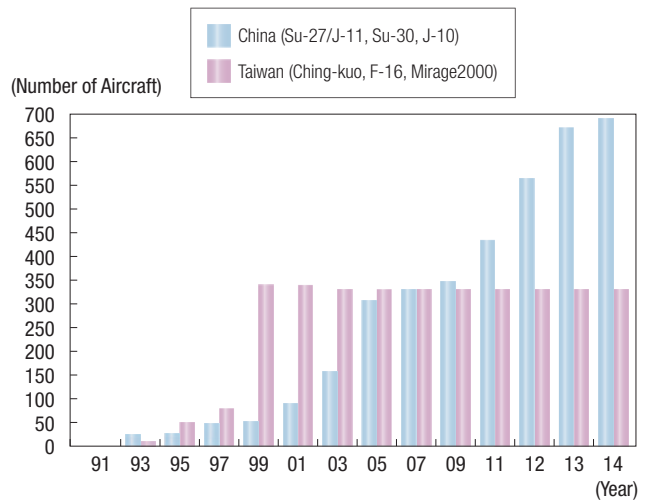


Fig. I-1-3-7 Changes in Taiwan's Defense Budget



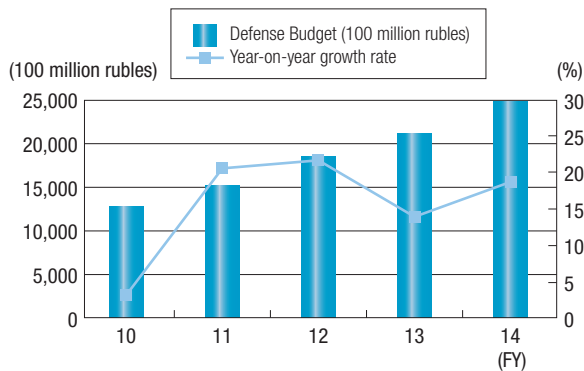
Source: "National Defense Reports," Ministry of Defense of Taiwan, etc.

Fig. I-1-3-8 Changes in Modern Fighter Aircraft of China and Taiwan



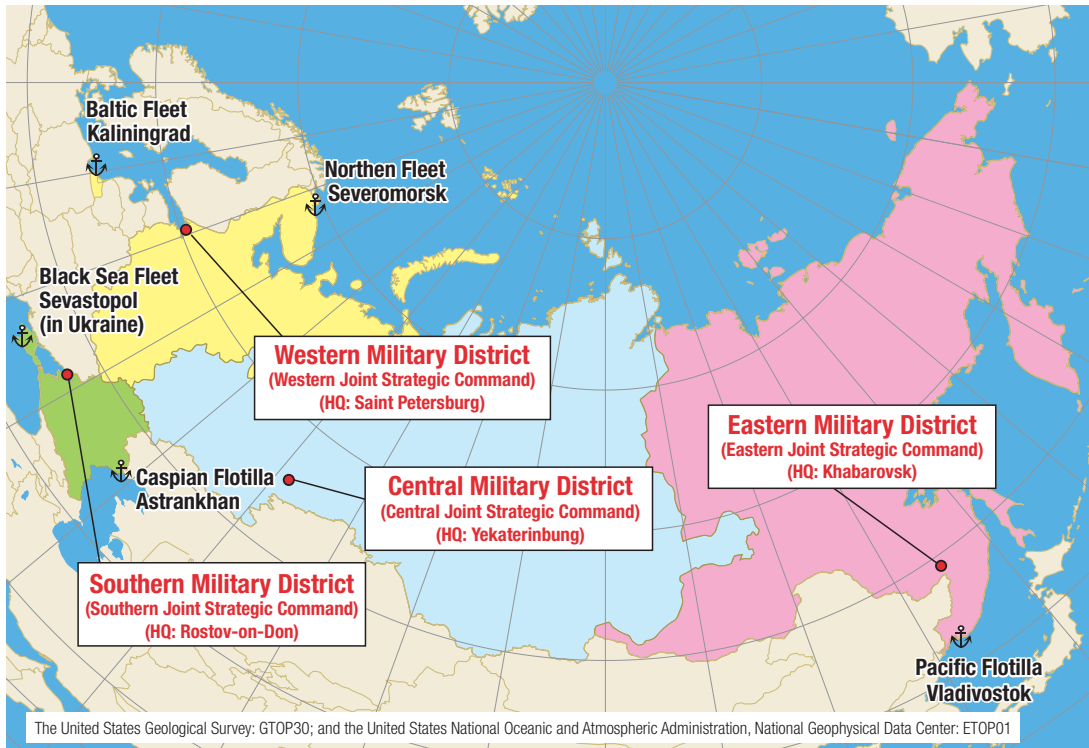
Source: Military Balance (of respective years)

Fig. I-1-4-1 Change in Russia's Defense Budget



Notes: Official figures announced by the Russian Government

Fig. I-1-4-2 Location and Strength of Russian Military



		Russia
Total military forces		Approx. 850,000 troops
Ground forces	Ground troops	Approx. 290,000 troops
	Tanks	T-90, T-80, T-72, etc. Approx. 2,550 (Not including mothballed tanks.) Approx. 20,550 including mothballed tanks)
Maritime forces	Warships	Approx. 980 vessels Approx. 2,070,000 tons
	Aircraft carriers	1 vessel
	Cruisers	5 vessels
	Destroyers	15 vessels
	Frigates	29 vessels
	Submarines	63 vessels
Marines		Approx. 20,000 troops
Air forces	Combat aircraft	Approx. 1,560 troops
	Modern Fighter aircraft	224 MiG-29 aircraft 10 Su-30 aircraft 160 MiG-31 aircraft 18 Su-33 aircraft 220 Su-25 aircraft 28 Su-34 aircraft 289 Su-27 aircraft 12 Su-35 aircraft (4th generation fighter aircraft: Total 961)
	Bombers	16 Tu-160 aircraft 62 Tu-95 aircraft 63 Tu-22M aircraft
Reference	Population	Approx. 142.50 million
	Term of service	1year (In addition to conscription, there is a contract service system)

Notes: Source: The Military Balance 2014 and others.

Fig. I-1-4-3 Changes in the Number of Scrambles against Russian Aircraft

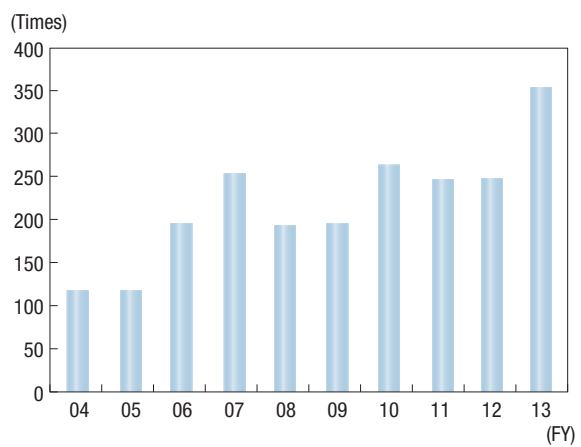
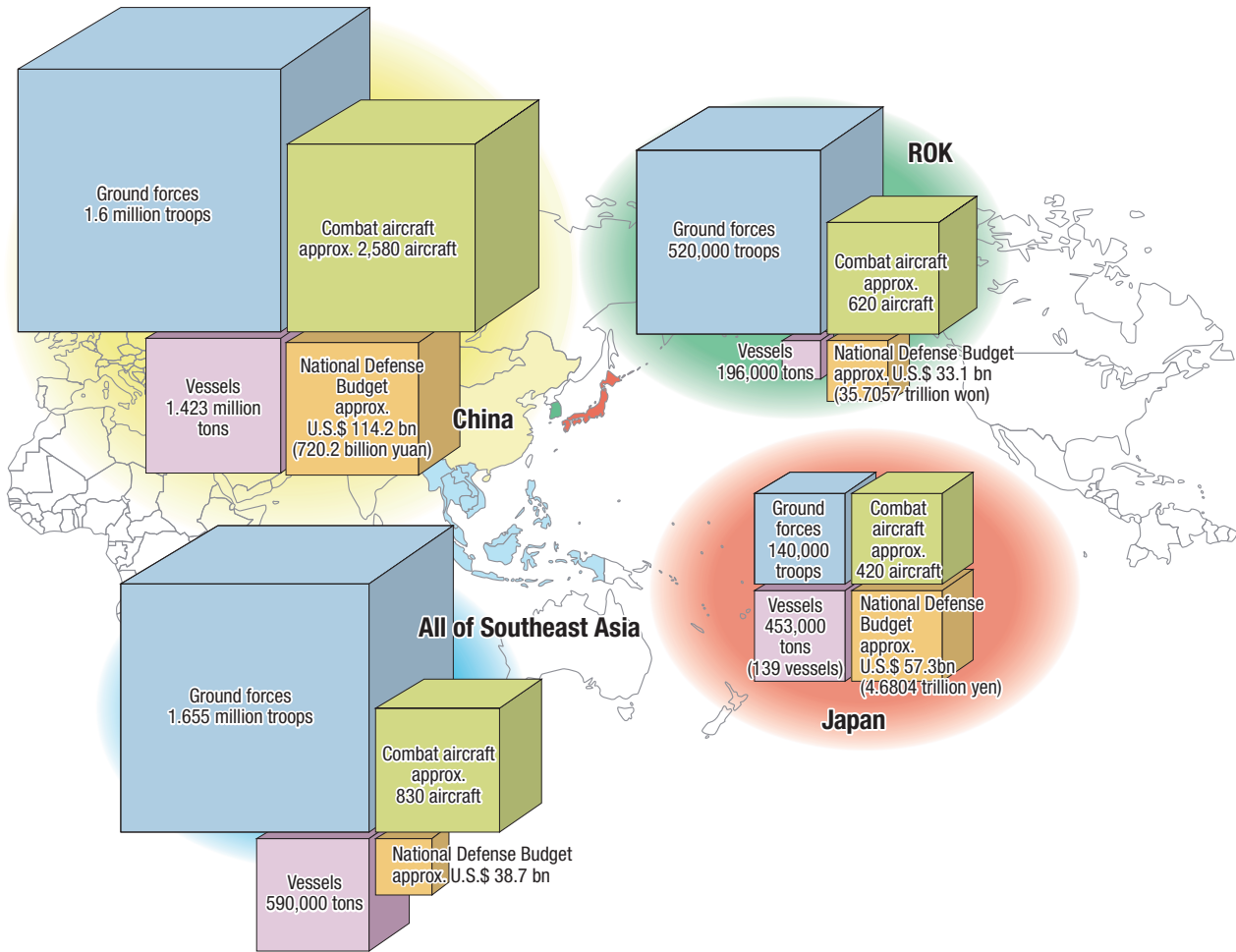
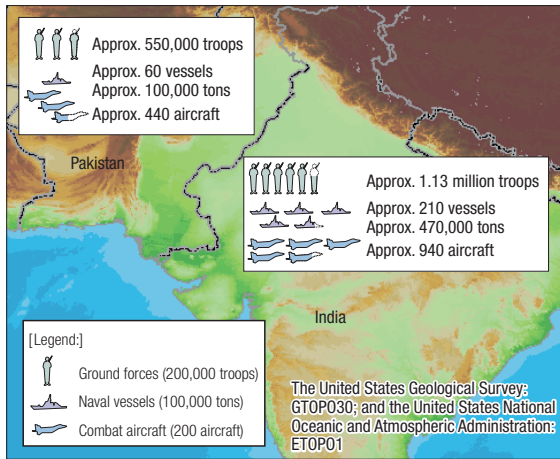


Fig. I-1-5-1 Comparison of Forces Strength and Defense Budget between Southeast Asia and Japan/China/ROK 2013



- Notes:
1. Source: The Military Balance 2014 and others. The size of each block indicates relative size using Japan as the base size.
 2. For Japan, the force strength shows the actual strength of each Self-Defense Force as of the end of FY2011; the number of combat aircraft is the sum of the number of combat aircraft of the ASDF (excluding transport aircraft) and that of the MSDF (fixed-wing aircraft only).
The Japanese national defense budget is the initial budget excluding the cost of the SACO and the reduction of the local burden among the U.S. forces realignment costs.
 3. The national defense budget of China is from the Finance Minister's Budget Report to the National People's congress in 2013.
 4. The national defense budget of the ROK is from the ROK National Defense White Paper 2013.
 5. The national defense budget of China and the ROK is expressed in U.S. dollars and is calculated using the FY2013 Ministry of Finance exchange rates of 82 yen to 1 dollar, 13 yen to 1 yuan, and 76 yen to 1,000 won.
 6. The Japanese national defense budget is expressed in U.S. dollars converting 2013 figures using the FY2013 Ministry of Finance exchange rate of 82 yen to 1 dollar.

Fig. I-1-6-1 Military Forces of India and Pakistan (approximate)



Notes: 1. Figures based on the Military Balance 2014, etc.
 2. Combat aircraft include naval aircraft.

Fig. I-1-8-1 Expansion Situation of the NATO-EU Member States

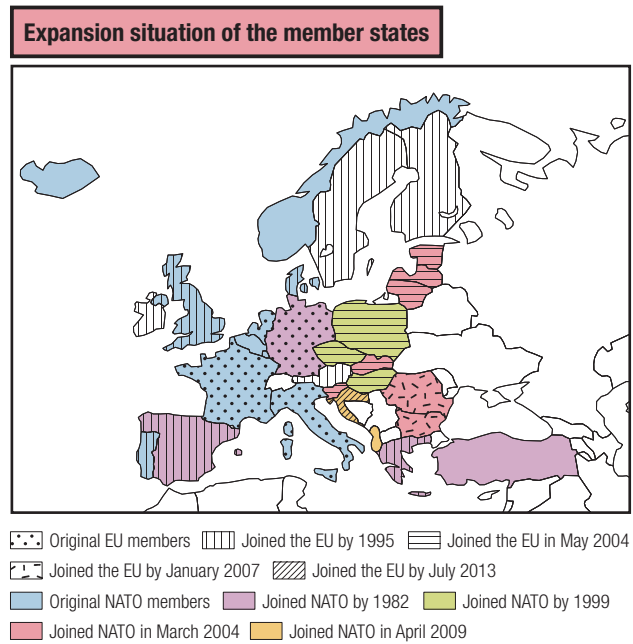
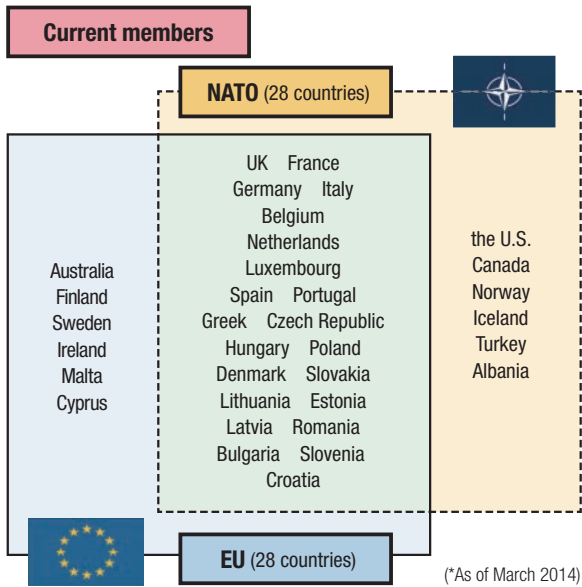
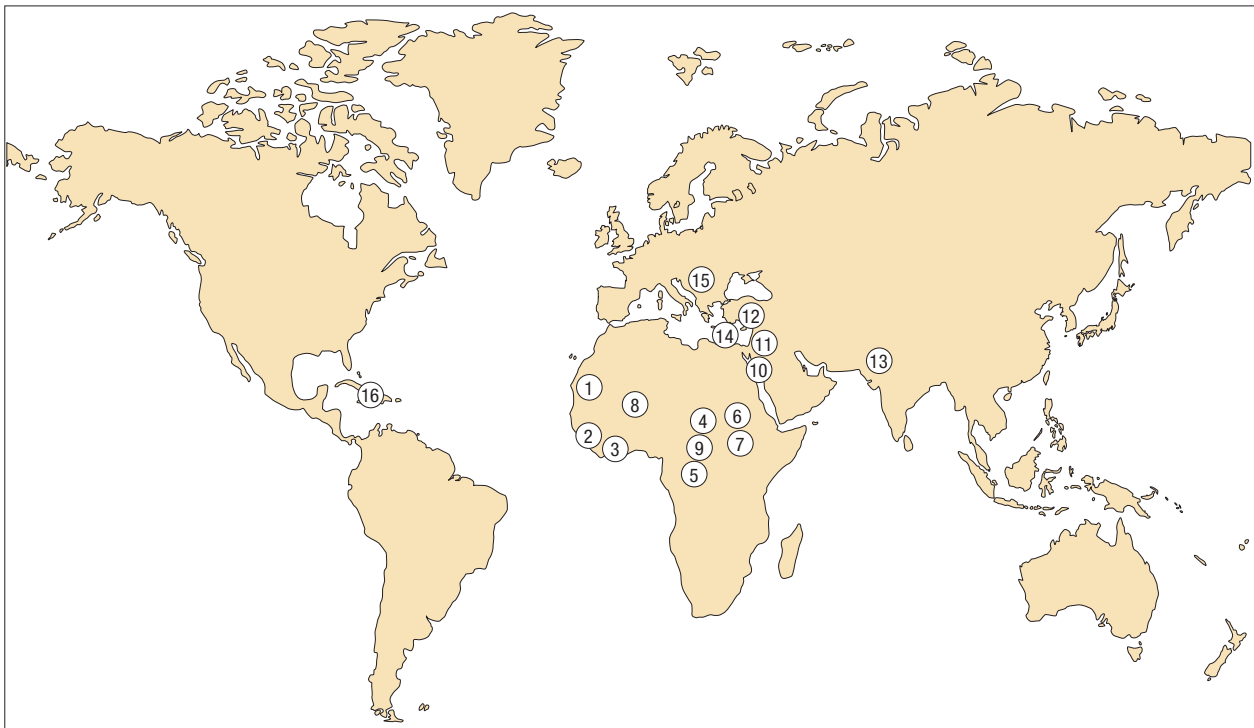


Fig. I-2-1-1 List of Peacekeeping Operations



Notes: According to the United Nations (as of the end of June 2014)

Africa

	Mission	Date Established
①	United Nations Mission for the Referendum in Western Sahara (MINURSO)	Apr 1991
②	United Nations Mission in Liberia (UNMIL)	Sep 2003
③	United Nations Operation in Côte d'Ivoire (UNOCI)	Apr 2004
④	African Union/United Nations Hybrid Operation in Darfur (UNAMID)	Jul 2007
⑤	United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO)	Jul 2010
⑥	United Nations Interim Security Force for Abyei (UNISFA)	Jun 2011
⑦	United Nations Mission in the Republic of South Sudan (UNMISS)	Jul 2011
⑧	United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA)	Apr 2013
⑨	United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA)	Apr 2014

Middle East

	Mission	Date Established
⑩	United Nations Truce Supervision Organization (UNTSO)	May 1948
⑪	United Nations Disengagement Observer Force (UNDOF)	Jun 1974
⑫	United Nations Interim Force in Lebanon (UNIFIL)	Mar 1978

Asia

	Mission	Date Established
⑬	United Nations Military Observer Group in India and Pakistan (UNMOGIP)	Jan 1949

Europe/CIS

	Mission	Date Established
⑭	United Nations Peacekeeping Force in Cyprus (UNFICYP)	Mar 1964
⑮	United Nations Interim Administration Mission in Kosovo (UNMIK)	Jun 1999

The Americas

	Mission	Date Established
⑯	United Nations Stabilization Mission in Haiti (MINUSTAH)	Jun 2004

Fig. I-2-3-1 Major Terrorist Groups Based in Africa and the Middle East Regions

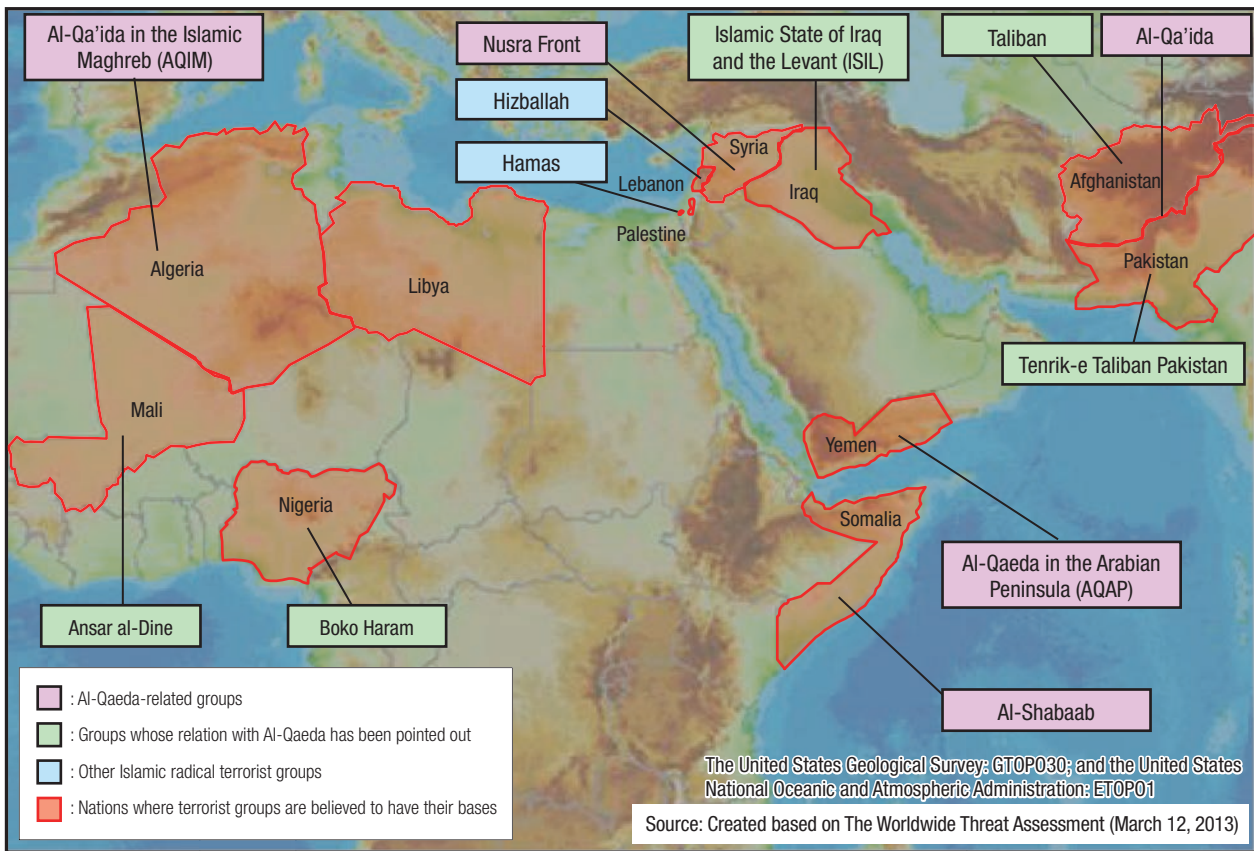


Fig. I-2-6-1 Examples of International Joint Development






Equipment	Year development commenced	Year of unit deployment	Participating countries
Transport aircraft (A400M) 	1982	2013	8 countries including U.K., France, Germany, Italy, and Spain (the U.S. withdrew by 2003)
Fighter aircraft (Euro fighter) 	1986	2003	UK, Germany, Italy, and Spain
Fighter aircraft (F-35) 	2001	Unit not yet in operation	9 countries including U.S., U.K., the Netherlands, and Italy
Unmanned aircraft (Euro Hawk) 	2005	Joint development cancelled	U.S., Germany
Unmanned aircraft (nEUROn) 	2005	Unit not deployed	6 countries including France, Sweden, Italy, and Spain

Fig. I-2-6-2 Top Ranking Countries in Major Conventional Arms Export
(2008–2012)

	Country	Global shares in defense equipment export (%), 2008–2012	Comparison with 2003–2007 Export Values (%)
1	The United States	30	+16%
2	Russia	26	+28%
3	Germany	7	-8%
4	France	6	-18%
5	China	5	+162%
6	United Kingdom	4	+1%
7	Spain	3	+136%
8	Italy	2	+20%
9	Ukraine	2	+49%
10	Israel	2	+17%
11	The Netherlands	2	-24%
12	Sweden	2	+25%
13	Switzerland	1	+14%
14	Canada	1	-7%
15	Norway	1	+211%
16	Republic of Korea	1	+50%
17	South Africa	1	+49%

Note: Based on SIPRI YEARBOOK (2013). Chart shows countries with shares over 1%.

Fig. II-1-2-1 Newly determined three conditions for the “use of force” as measures for self-defense permitted under Article 9 of the Constitution

- When an armed attack against Japan has occurred, or when an armed attack against a foreign country that is in a close relationship with Japan occurs and as a result threatens Japan’s survival and poses a clear danger to fundamentally overturn people’s right to life, liberty and pursuit of happiness.
- When there is no appropriate means available to repel the attack and ensure Japan’s survival and protect its people.
- Use of force to the minimum extent necessary.

Fig. II-1-3-1 Outline of the report

	Right of Collective Self-Defense	Collective Security Measures of the U.N. Entailing Military Measures	U.N. PKOs/ Protection and Rescue of Japanese Nationals Abroad/ International Security Cooperation	Response to an Infringement that does not Amount to an Armed Attack
Constitutional Interpretation	<ul style="list-style-type: none"> ○ The provisions of Article 9 of the Constitution should be interpreted as prohibiting the threat or the use of force as means of settling international disputes to which Japan is a party and not prohibiting the use of force for the purpose of self-defense. ○ Even from the view of the Government to date that “these measures necessary for self-defense should be limited to the minimum extent necessary,” it should be interpreted that the exercise of the right of collective self-defense is also included in “the minimum extent necessary.” ○ When a foreign country that is in a close relationship with Japan comes under an armed attack and ○ If such a situation has the potential to significantly affect the security of Japan <p>⇒ Japan should be able to participate in operations to repel such an attack by using forces to the minimum extent necessary, having obtained an explicit request or consent from the country under attack.</p>	<ul style="list-style-type: none"> ○ Participation in collective security measures of the U.N. will not constitute the use of force as means of settling international disputes to which Japan is a party and therefore they should be interpreted as not being subject to constitutional restrictions. 	<ul style="list-style-type: none"> ○ These activities should be interpreted as not constituting the “use of force” prohibited under Article 9 of the Constitution. The use of weapons in the course of the following activities should be interpreted as not being restricted constitutionally. 1. To come to the aid of geographically distant unit or personnel that are engaged in the same U.N. PKO etc., and to use weapons, if necessary, to defend them, in the event that such a unit or personnel are attacked (“kaketsuke-keigo) 2. To remove obstructive attempts against its missions 	<ul style="list-style-type: none"> ○ Even in the case of an infringement which cannot be judged whether it constitutes “an armed attack (an organized and planned use of force),” action to the minimum extent necessary by the SDF to repel such an infringement should be permitted under the Constitution.
Legislative Policies etc.	<ul style="list-style-type: none"> ○ The Diet: Legal source is needed. The approval, either prior or ex post facto, of the Diet should be required. ○ The Government: Discussion and approval by the National Security Council under the leadership of the Prime Minister and a Cabinet Decision should be required. (After a comprehensive assessment, a policy decision not to exercise the right of collective self-defense could be made.) ○ In the case that Japan would pass through the territory of a third country, the consent of that third country should be obtained. 	<ul style="list-style-type: none"> ○ The Diet: Legal source is needed. The approval, either prior or ex post facto, of the Diet should be required. ○ The Government: Proactive contribution should be made. Decisions should be made carefully, based on comprehensive examination on the political significance etc. 	<ul style="list-style-type: none"> ○ Requirements in the Rules of Engagements etc. should be amended in line with U.N. standards. ○ The so-called Five Principles on Japan’s Participation in U.N. PKOs also need to be examined in view of its revision. 	<ul style="list-style-type: none"> ○ It is necessary to enhance the legal system within a scope permitted under international law to enable a seamless response.
<p>The Panel strongly expects that the Government will consider this report earnestly and proceed to take necessary legislative measures.</p>				

Fig. II-2-1-1 Organization of National Security Council

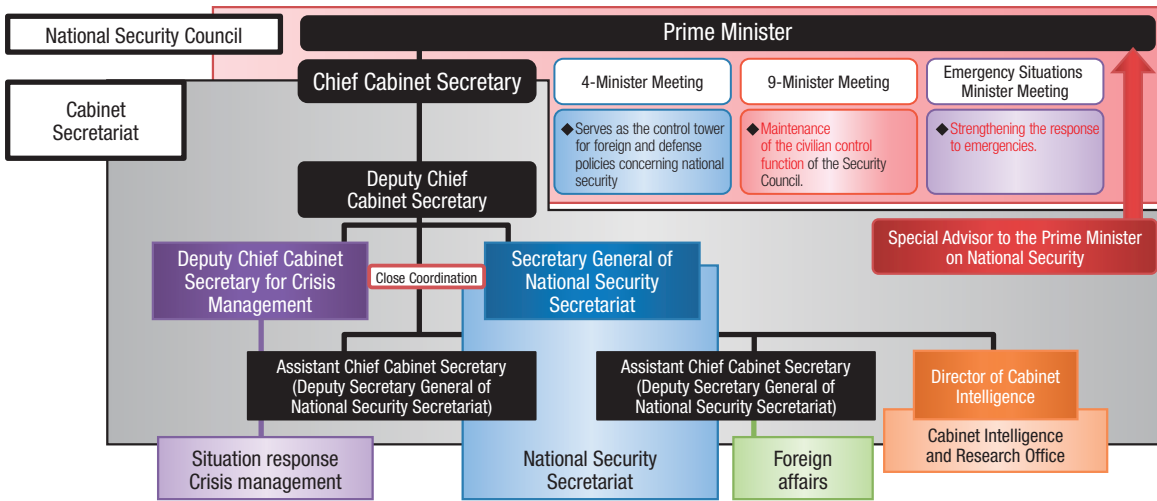


Fig. II-2-1-2 Conceptual Image of Holding Meetings

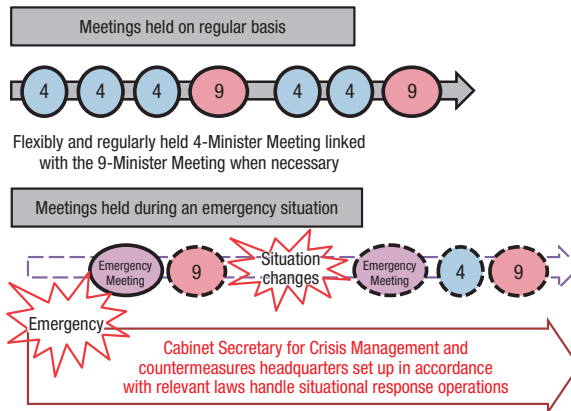
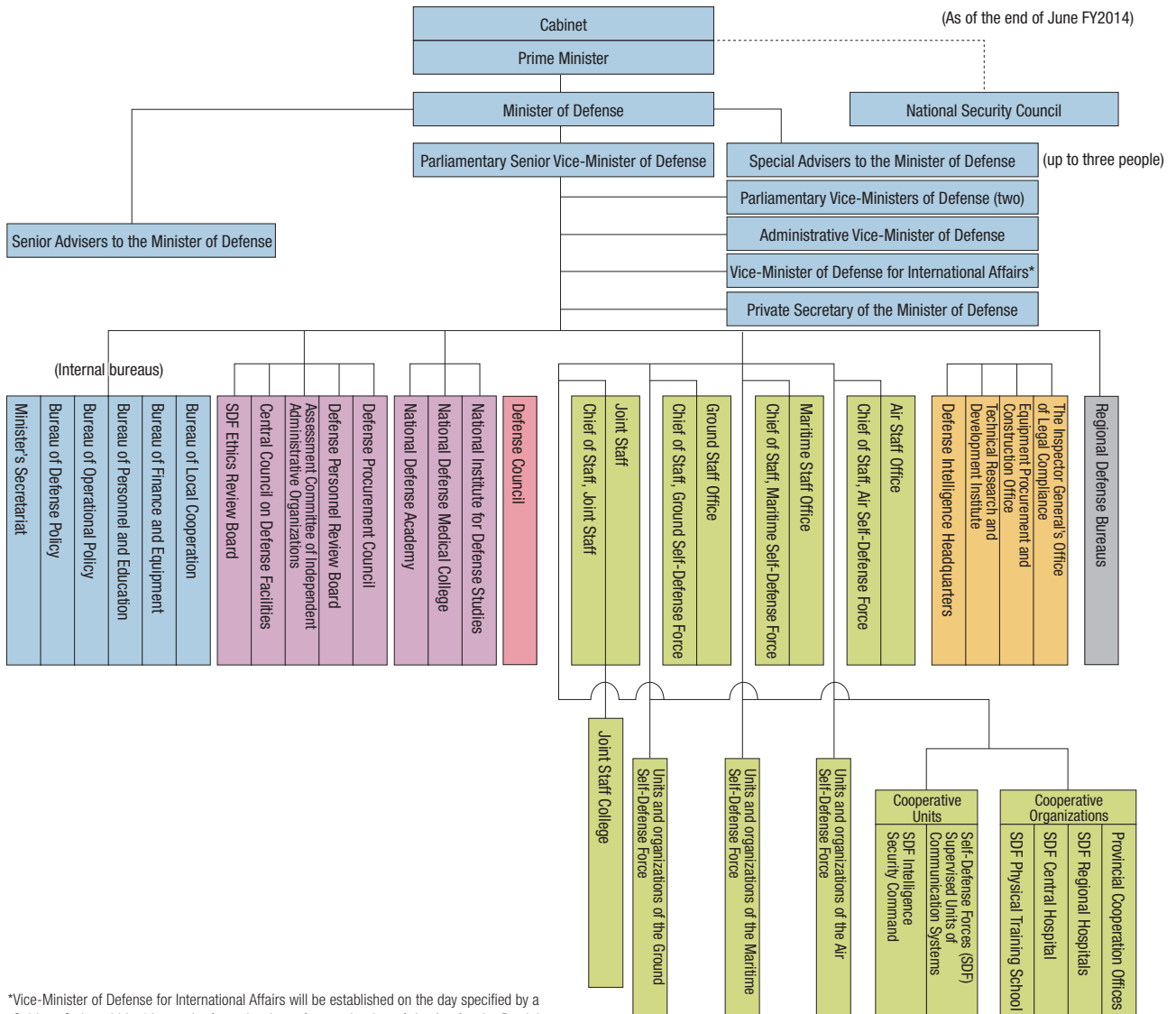


Fig. II-2-2-1 Organizational Chart of the Ministry of Defense



*Vice-Minister of Defense for International Affairs will be established on the day specified by a Cabinet Order within 10 months from the date of promulgation of the Act for the Partial Revision of the Act for Established of the Ministry of Defense, etc. (June 13 2014)

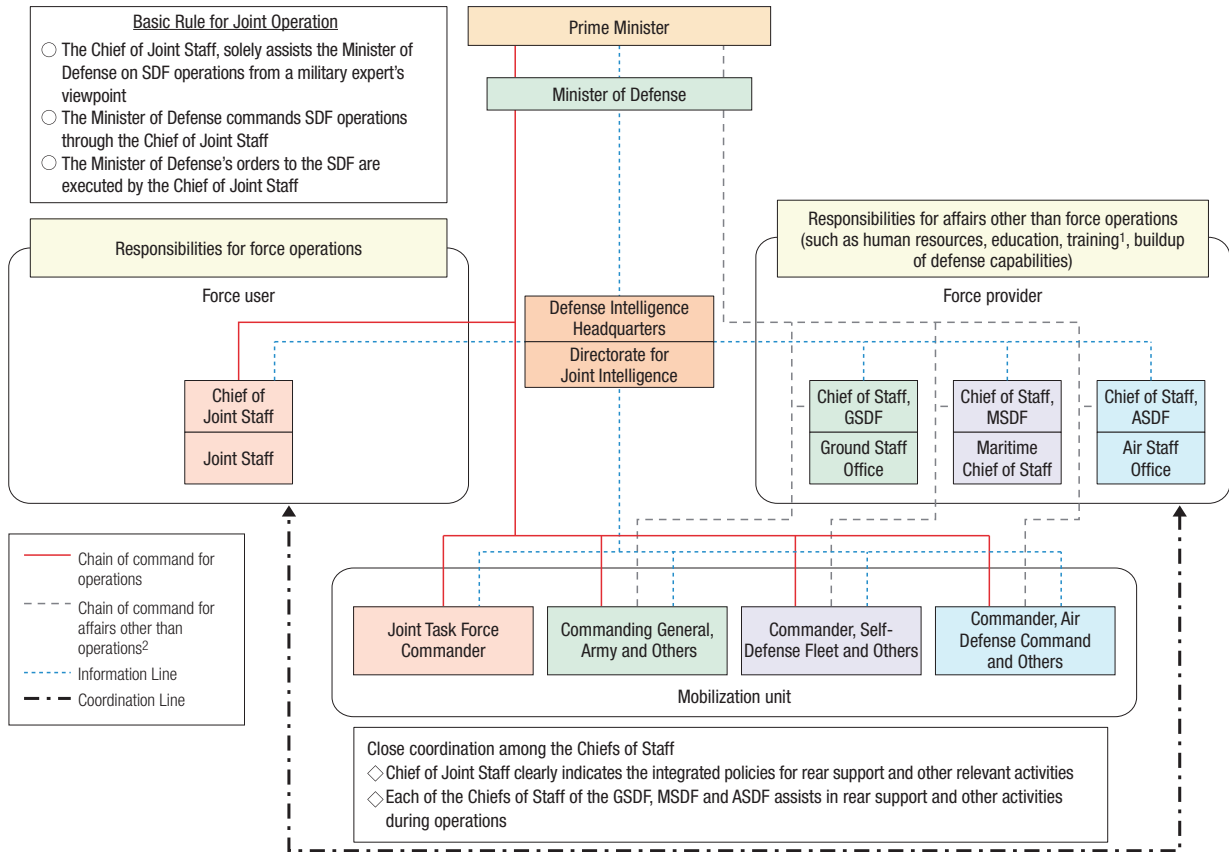
(Excluding temporary or special positions.)

Fig. II-2-2-2 Outline of the Ministry of Defense

Organization	Outline
GSDF*	<ul style="list-style-type: none"> ○ Regional Armies <ul style="list-style-type: none"> ● Composed of multiple divisions and brigades, and other directly controlled units (such as engineer brigades and antiaircraft artillery groups) ● There are five regional armies, each mainly in charge of the defense of their respective regions ○ Divisions and Brigades <ul style="list-style-type: none"> ● Composed of combat units and logistics support units which support combat units, and others ○ Central Readiness Force <ul style="list-style-type: none"> ● Consisting of an airborne brigade, a helicopter brigade, the Central Readiness Regiment, the Special Operation Group, and the Central NBC Weapon Defense Unit
MSDF*	<ul style="list-style-type: none"> ○ Self-Defense Fleet <ul style="list-style-type: none"> ● Consists of key units such as the Fleet Escort Force, the Fleet Air Force (consisting of fixed-wing patrol aircraft units and such), and the Fleet Submarine Force ● Responsible for the defense of sea areas surrounding Japan primarily through mobile operations ○ Regional Units <ul style="list-style-type: none"> ● There are five regional units who mainly protect their responsible territories and support the Self-Defense Fleet
ASDF*	<ul style="list-style-type: none"> ○ Air Defense Command <ul style="list-style-type: none"> ● Composed of three air defense forces and the Southwestern Composite Air Division ● Primarily responsible for general air defense duties ○ Air Defense Force <ul style="list-style-type: none"> ● Composed of key units such as air wings (including fighter aircraft units and others), the Aircraft Control and Warning Wing (including aircraft warning and control units), and Air Defense Missile Groups (including surface-to-air guided missile units and others)
National Defense Academy of Japan (Yokosuka, Kanagawa)	<ul style="list-style-type: none"> ○ An institution for the cultivation of future SDF personnel <ul style="list-style-type: none"> ● Conducts training and education for future SDF personnel (including education that complies with the same university establishment standards as other universities) ○ Offers a science and engineering postgraduate course equivalent to master's or doctoral degree from a university (undergraduate and postgraduate courses) and a comprehensive security postgraduate course equivalent to a master's degree. <ul style="list-style-type: none"> ● Conducts education and training in order to impart a high level of knowledge and research capability
National Defense Medical College (Tokorozawa, Saitama)	<ul style="list-style-type: none"> ○ An institution for the cultivation of future SDF medical personnel, the SDF personnel and engineering personnel who are nurses. <ul style="list-style-type: none"> ● Conducts education and training for future SDF personnel, the SDF personnel and engineering personnel who are nurses who will serve as medical doctors (including education that complies with the School Education Act that universities with medical education also comply to) ○ An institution for the cultivation of future SDF officers who are public nurses, nurses, and SDF engineering personnel. <ul style="list-style-type: none"> ● Conduct education and training for future SDF officers who are public nurses, nurses, and SDF engineering personnel (including education in accordance with the establishment of a university to conduct nursing science education based on the School Education Act) ○ Offers a medical course that complies with university establishment standards for PhD programs for schools of medicine. <ul style="list-style-type: none"> ● Provides education and training on sophisticated theories and their application, and to develop research capabilities related to the knowledge obtained.
National Institute for Defense Studies (Meguro-ku, Tokyo)	<ul style="list-style-type: none"> ○ Organization that functions as a "think tank" of the Ministry of Defense <ul style="list-style-type: none"> ● Conducts basic research and studies related to the administration and operation of the SDF ● Conducts research and compiles data on military history ● Educates SDF personnel and other senior officials ● Manages books and documents of historical value located in the connected library
Defense Intelligence Headquarters (Shinjuku-ku, Tokyo)	<ul style="list-style-type: none"> ○ Central intelligence organization of the Ministry of Defense, which collects and analyzes military data <ul style="list-style-type: none"> ● Collects various military intelligence, including signal intelligence, images and other information acquired by warning and surveillance activities; comprehensively analyzes and assesses the information; and provides information to related organizations within the ministry ● Consists of six communication sites and its headquarters
Technical Research and Development Institute (Shinjuku-ku, Tokyo)	<ul style="list-style-type: none"> ○ Central organization that conducts equipment-related research and development <ul style="list-style-type: none"> ● Conducts R&D in response to the operational needs of each service of the SDF ● Conducts R&D in a wide range of fields, from firearms, vehicles, ships, and aircraft used by each service of the SDF to equipment for responses to NBC weapons and clothing
Equipment Procurement and Construction Office (Shinjuku-ku, Tokyo)	<ul style="list-style-type: none"> ○ Central organization for affairs related to equipment procurement and a part of the construction work required by the SDF to accomplish its duties <ul style="list-style-type: none"> ● Necessary equipment include firearms, explosives fuel, guided weapons, ships, aircraft, and vehicles ● Within the construction work related affairs, the drafting of technical standards and evaluation of plans are conducted
Inspector General's Office of Legal Compliance (Shinjuku-ku, Tokyo)	<ul style="list-style-type: none"> ○ This is an organization that inspects overall tasks of the Ministry of Defense and the SDF from an independent position. <ul style="list-style-type: none"> ● It inspects whether the tasks of the Ministry of Defense and the SDF are properly carried out from an independent position in light of legal compliance under orders from the Minister of Defense.
Regional Defense Bureau (eight locations nationwide)	<ul style="list-style-type: none"> ○ Ensure understanding and cooperation of local public organizations, and conduct cost audit, supervision, and inspection related to acquisition of defense facilities, management, construction, taking measures concerning neighborhood of the base, and procurement of equipment.

*See "Location of Principal SDF Units" at the end of the book.

Fig. II-2-2-3 Operational System of the SDF and Roles of the Chief of Joint Staff and the Chiefs of Staff of the Ground, Maritime, and Air Self-Defense Forces



Notes: 1. The Chief of Joint Staff is responsible for joint training.
 2. With respect to forces affairs other than operations in regards to the Joint Task Force, command responsibilities of the Defense Minister.

Fig. II-3-1-1 Relations among NSS, NDPG, MTDP, and Annual Budget

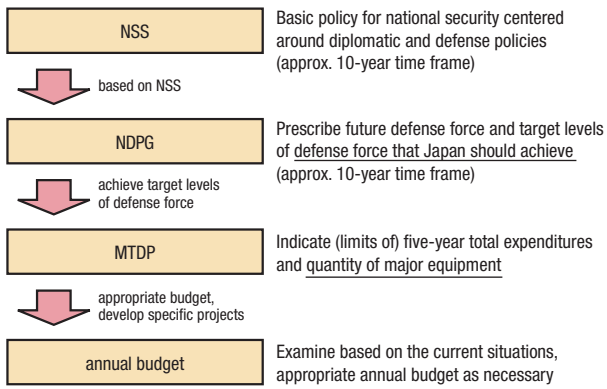


Fig. II-3-2-1 Layout of the NSS and the New NDPG

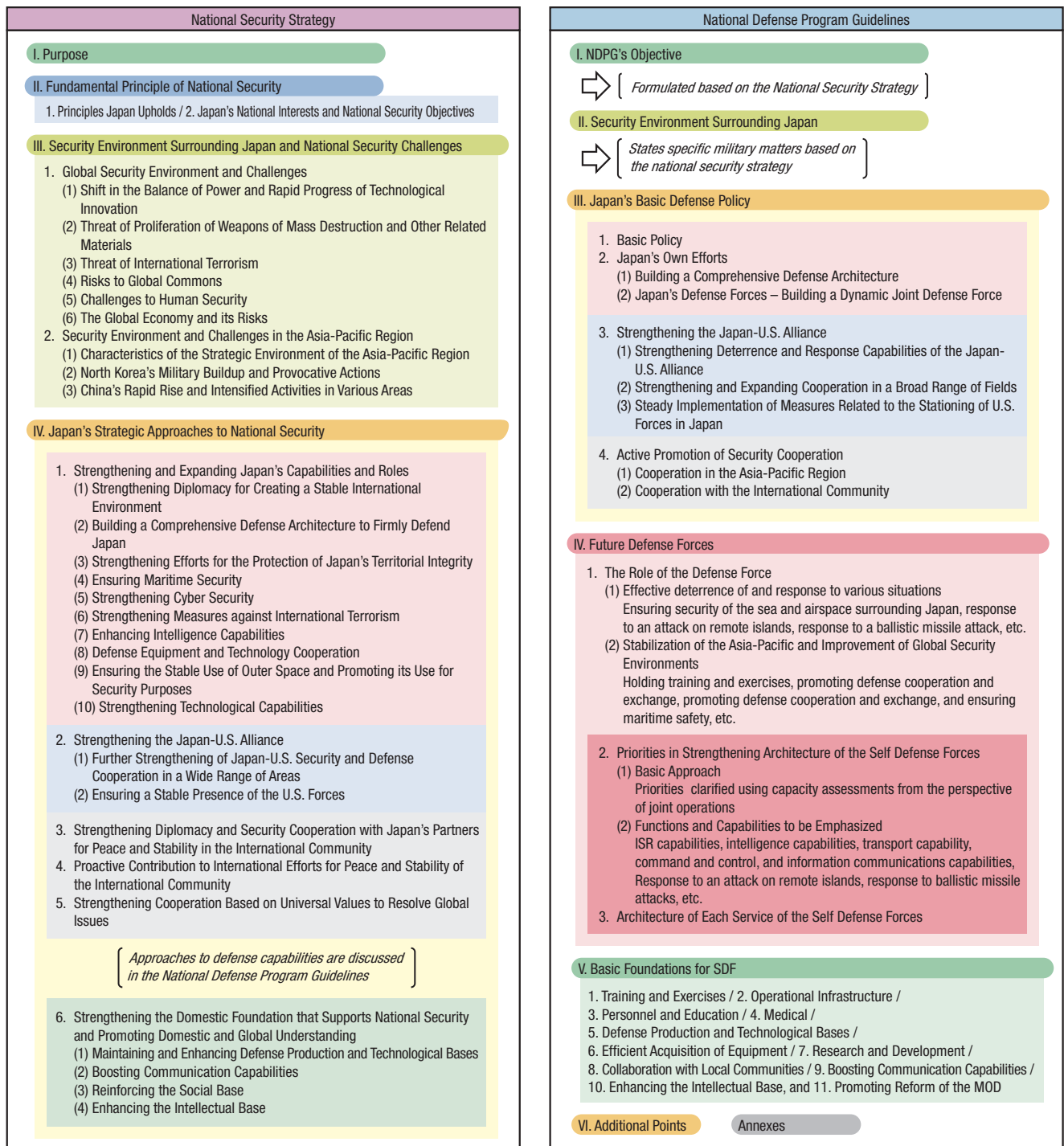


Fig. II-4-1-1 Developments in the Upgrading of Defense Capability to Date

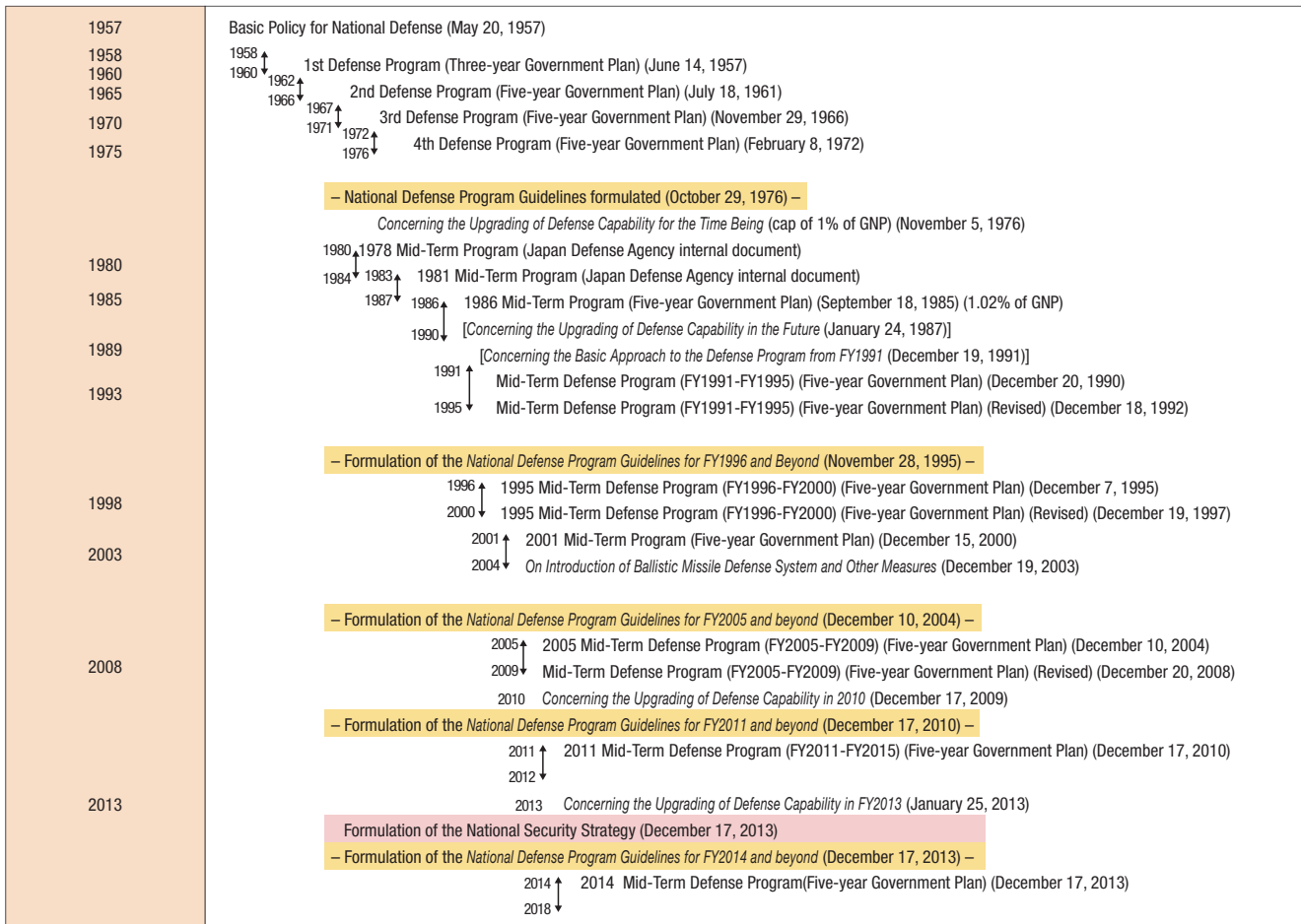


Fig. II-4-1-2 Changes of the Views regarding Defense Capability

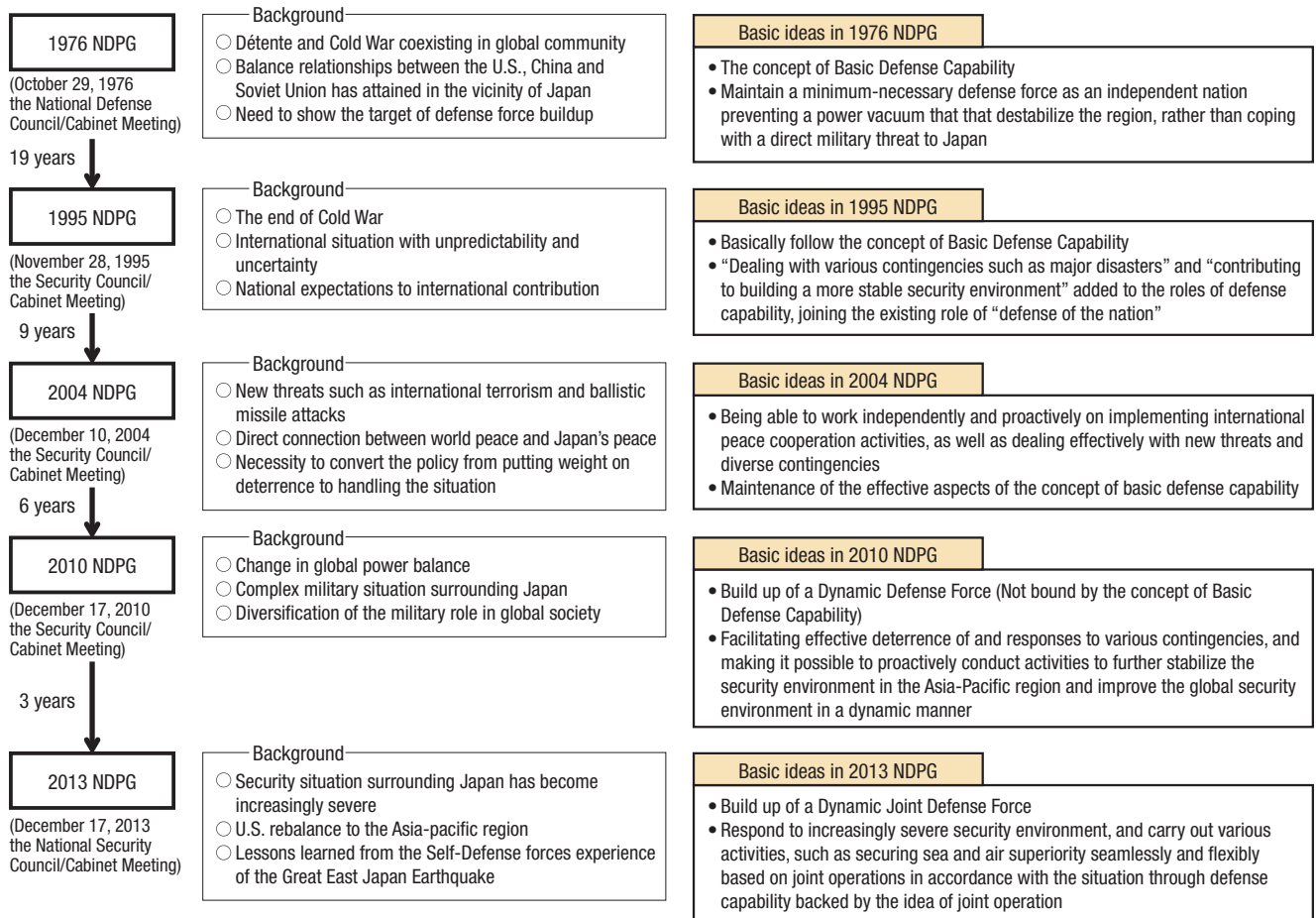


Fig. II-4-2-1 Recent Security Related Issues around Japan

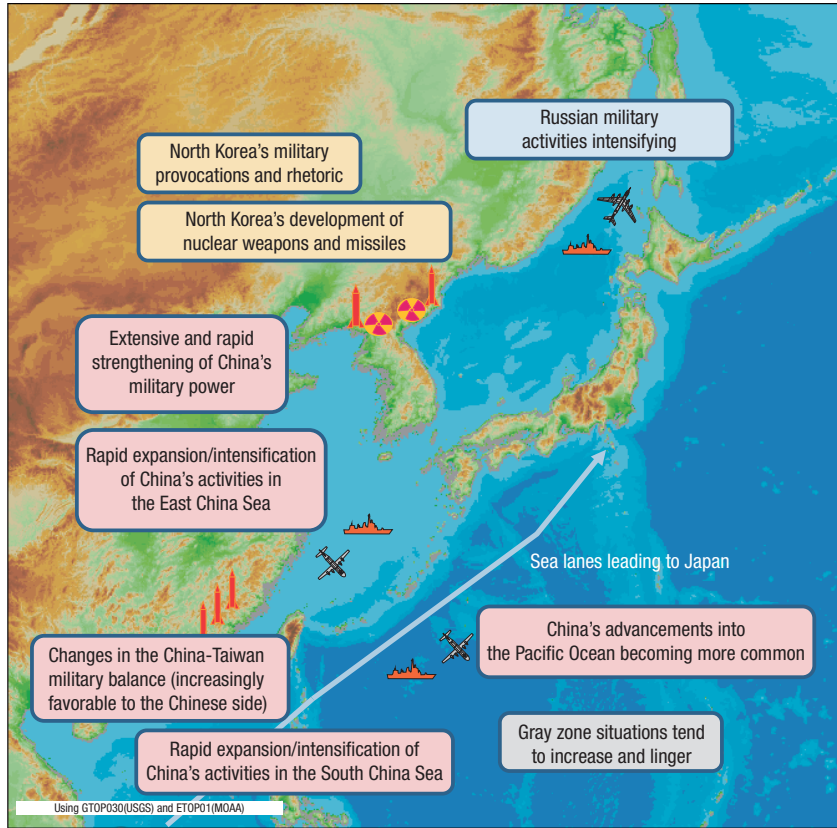


Fig. II-4-3-1 Geospatial Information (Conceptual image)

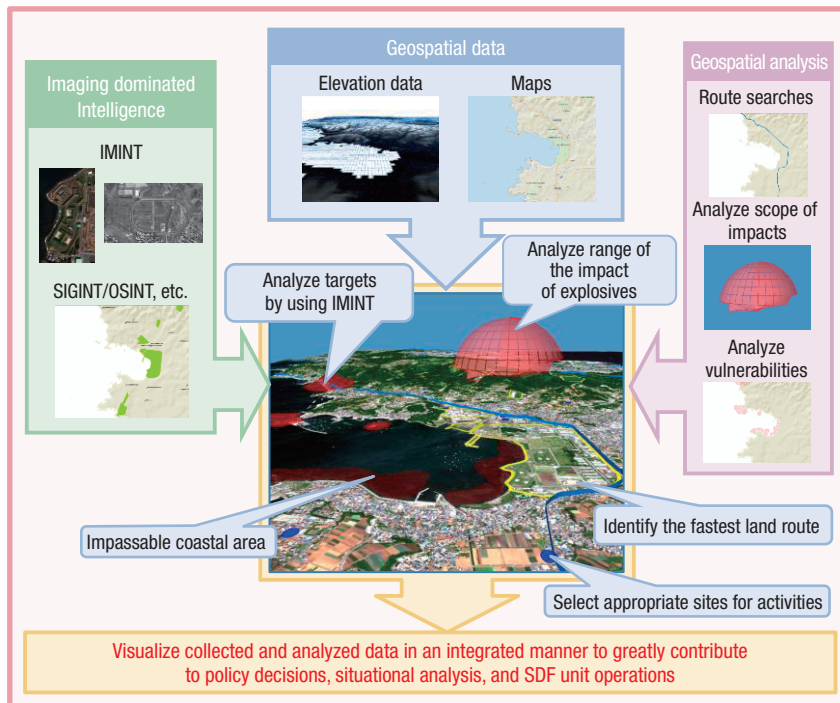


Fig. II-4-3-2 Annex Table of the NEW NDPG

Category		Present (as of the end of FY2013)	Future	
GSDF	Authorized Number of personnel	approx. 159,000	159,000	
	Active-Duty Personnel	approx. 151,000	151,000	
	Reserve-Ready Personnel	approx. 8,000	8,000	
	Major units	Rapid Deployment Units	Central Readiness Force 1 armored division	3 rapid deployment divisions 4 rapid deployment brigades 1 armored division 1 airborne brigade 1 amphibious rapid deployment brigade 1 helicopter brigade
		Regional Deployment Units	8 divisions 6 brigades	5 divisions 2 brigades
		Surface-to-Ship Guided Missile Units	5 surface-to-ship guided missile regiments	5 surface-to-ship guided missile regiments
Surface-to-Air Guided Missile Units		8 anti-aircraft artillery groups/regiments	7 anti-aircraft artillery groups/regiments	
MSDF	Major units	Destroyer Units	4 flotillas (8 divisions)	4 flotillas (8 divisions)
		Submarine Units	5 divisions	6 divisions
		Minesweeping Units	5 divisions	6 divisions
		Patrol aircraft Units	1 flotilla	1 flotilla
Major equipment	Destroyers (Aegis-Equipped Destroyers) Submarines Combat Aircraft	9 squadrons	9 squadrons	
		47	54	
		(6)	(8)	
		16	22	
		approx.170	approx.170	
ASDF	Major units	Air Warning & Control Units	8 warning groups 20 warning squadrons 1 AEW group (2 squadrons)	28 warning squadrons 1 AEW group (3 squadrons)
		Fighter Aircraft Units	12 squadrons	13 squadrons
		Air Reconnaissance Units	1 squadron	—
		Air Refueling/Transport Units	1 squadron	2 squadrons
		Air Transport Units	3 squadrons	3 squadrons
		Surface-to-Air Guided Missile Units	6 groups	6 groups
	Major equipment	Combat aircraft Fighters	approx. 340 approx. 260	approx. 360 approx. 280

Notes: The current number of tanks and howitzers/rockets (authorized number as of the end of FY2013) are respectively approx. 700 and approx. 600, which will be reduced respectively to approx. 300 and approx. 300 in the future.

Regarding major equipment/units that may also serve for BMD missions, their acquisition/formation will be allowed within the number of Destroyers (Aegis-Equipped Destroyers), Air Warning & Control Units and Surface-to-Air Guided Missile Units specified above.

Fig. II-4-3-3 NDPG Comparison Tables

Category		1976 NDPG	1995 NDPG	2004 NDPG	2010 NDPG	
GSDP	Authorized Number of personnel		160,000	155,000	154,000	
	Active-Duty Personnel	180,000	145,000	148,000	147,000	
	Reserve-Ready Personnel		15,000	7,000	7,000	
	Major units	Regionally deployed units in peacetime	12 divisions 2 combined brigades	8 divisions 6 brigades	8 divisions 6 brigades	8 divisions 6 brigades
		Rapid Deployment Units	1 armored division 1 artillery brigade 1 airborne brigade 1 training group 1 helicopter brigade	1 armored division 1 airborne brigade 1 helicopter brigade	1 armored division Central Readiness Force	Central Readiness Force 1 armored division
		Surface-to-Air Guided Missile Units	8 anti-aircraft artillery groups	8 anti-aircraft artillery groups	8 anti-aircraft artillery groups	7 anti-aircraft artillery groups
Major Equipment	Tanks Artillery (Main artillery) ¹	(approx. 1,200) ² (approx. 1,000/vehicle) ²	approx. 900 (approx. 900/vehicle)	approx. 600 (approx. 600/vehicle)	approx. 400 (approx. 400/vehicle)	
MSDF	Major units	Destroyer units for mobile operations regional deployment	4 flotillas (Regional units) 10 units	4 flotillas (Regional units) 7 units	4 flotillas (8 divisions) 5 divisions	4 flotillas (8 divisions) 4 divisions
		Submarine units	6 divisions	6 divisions	4 divisions	6 divisions
		Minesweeper Units	2 flotillas	1 flotilla	1 flotilla	1 flotilla
Patrol aircraft units		(Land-based) 16 squadrons	(Land-based) 13 squadrons	9 squadrons	9 squadrons	
Major equipment	Destroyers Submarines Combat aircraft	approx. 60 16 approx. 220	approx. 50 16 approx. 170	47 16 approx. 150	48 22 approx. 150	
ASDF	Major units	Air Warning & Control Units	28 warning groups 1 squadron	8 warning groups 20 warning squadrons 1 squadron	8 warning groups 20 warning squadrons 1 AEW group (2 squadrons)	4 warning groups 24 warning squadrons 1 AEW group (2 squadrons)
		Fighter Aircraft Units			12 squadrons	12 squadrons
		Fighter-interceptor units	10 squadrons	9 squadrons		
		Support fighter units	3 squadrons	3 squadrons		
		Air Reconnaissance Units	1 squadron	1 squadron	1 squadron	1 squadron
		Air Transport Units	3 squadrons	3 squadrons	3 squadrons	3 squadrons
	Aerial Refueling/Transport Units	—	—	1 squadron	1 squadron	
Surface-to-Air Guided Missile Units	6 groups	6 groups	6 groups	6 groups		
Major Equipment	Combat aircraft (Fighters)	approx. 430 (approx. 350) ²	approx. 400 approx. 300	approx. 350 approx. 260	approx. 340 approx. 260	
Major equipment/units that may also serve for BMD missions ³	Aegis-equipped destroyers	—	—	4 ships	6 ships ⁴	
	Air Warning & Control Units	—	—	7 warning groups	11 warning groups/units	
	Surface-to-Air Guided Missile Units	—	—	4 warning squadrons 3 groups	6 groups	

Notes: 1. Categorized as main artillery up till 2004 NDPG, but categorized in the 2010 NDPG as artillery except for surface-to-air guided missile units.

2. Although not stated in the 1976 NDPG, it is listed here for comparison with the NDPG table after 1995.

3. "Major equipment/units that may also serve for BMD missions" refers to the number of main equipment in the MSDF or number of major units in the ASDF.

4. According to the 2012 NDPG, additional deployment of Aegis destroyers equipped with ballistic missile defense functions may be carried out within the number of destroyers set above, depending on factors such as the development of ballistic missile defense technology and financial matters.

Fig. II-4-3-4 Fighter Unit Architecture

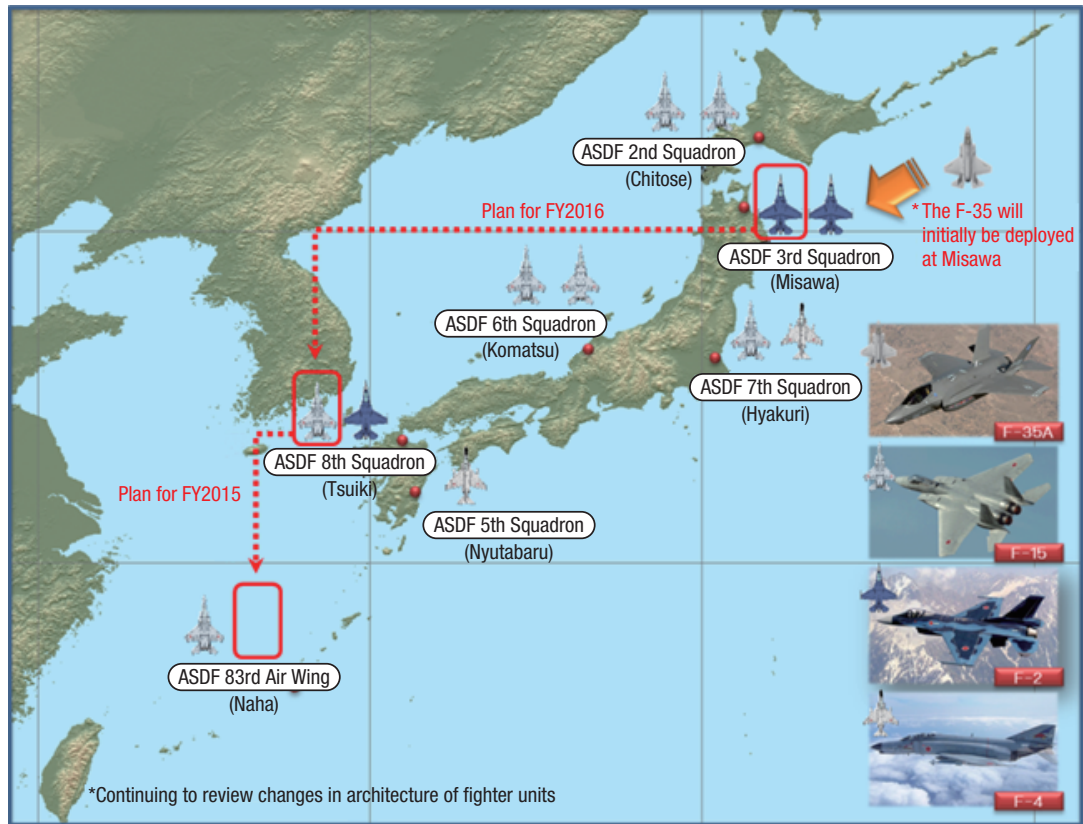


Fig. II-4-3-5 The Project Manager System

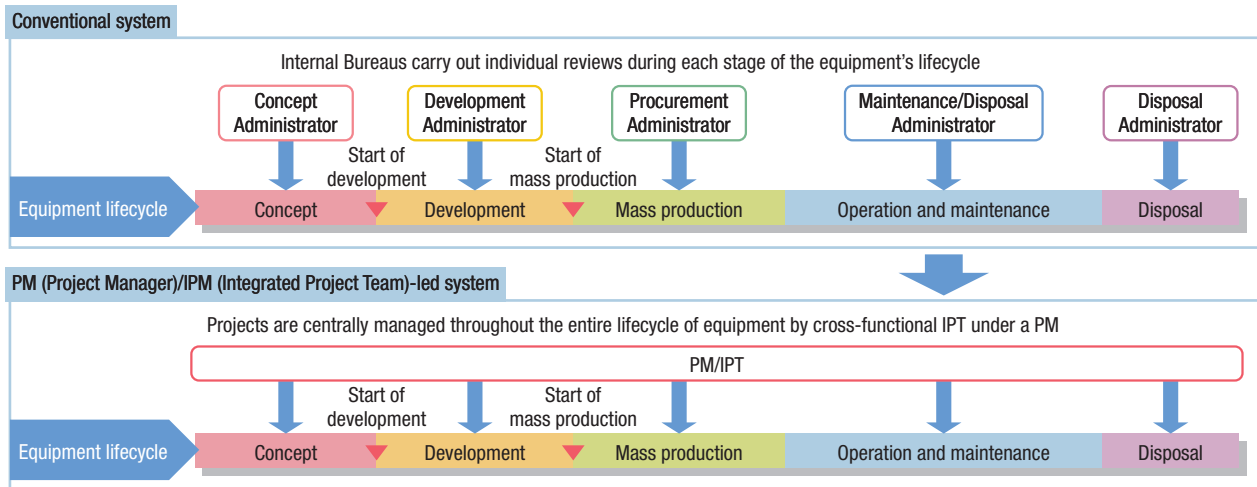


Fig. II-5-1-1 Operations of the Ground Central Command

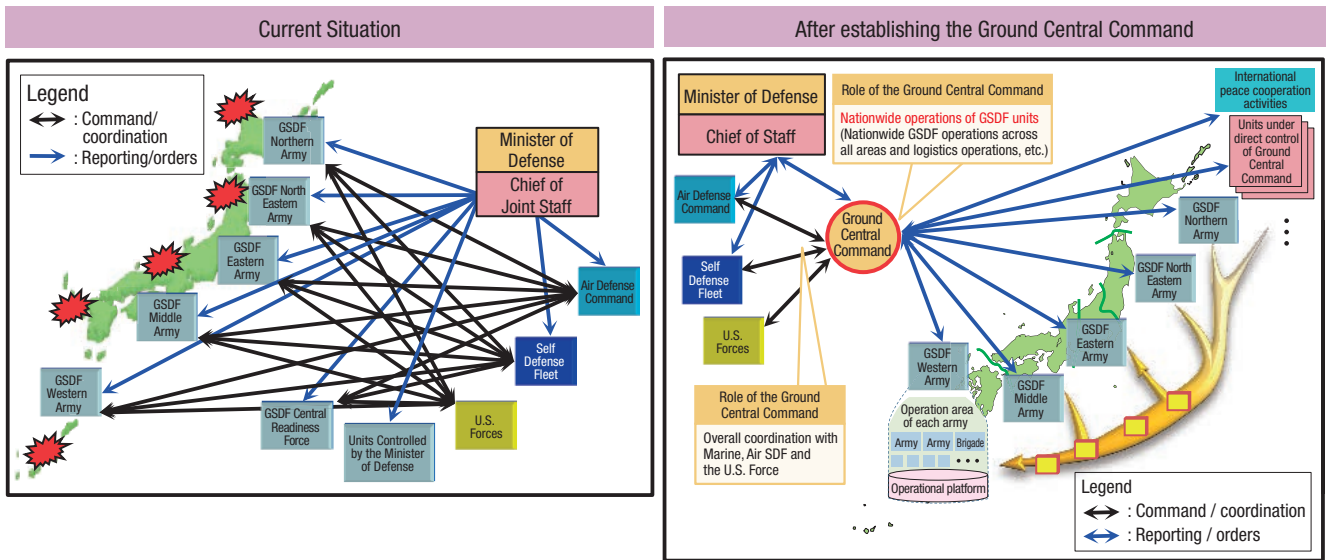


Fig. II-5-1-2 Changes in Tank and Howitzer Deployment

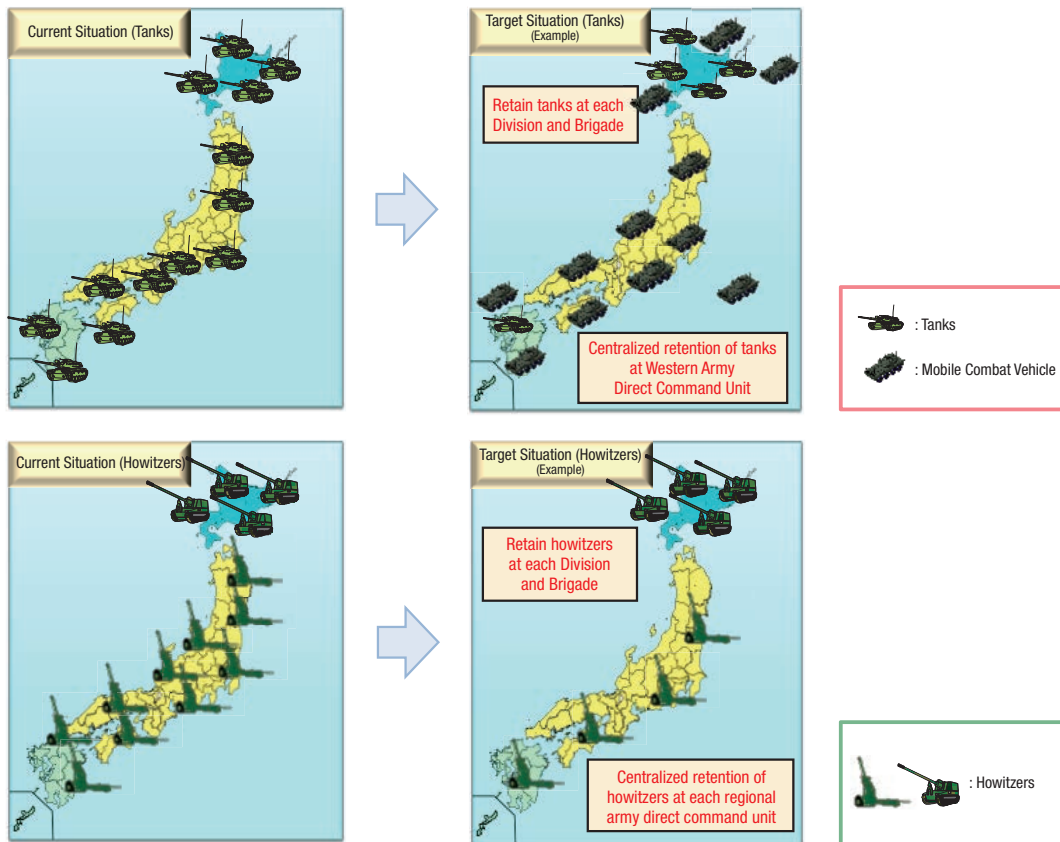
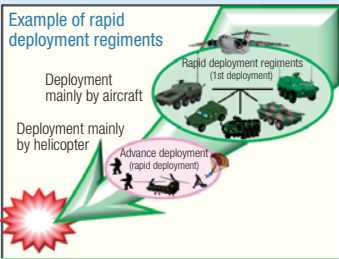


Fig. II-5-1-3 Programs Related to Providing Effective Deterrent and Response to Various Situations

Category		Main Programs
Ensuring security of the sea and airspace surrounding Japan		<ul style="list-style-type: none"> ○ Introduce new airborne early warning (control) aircraft and unmanned aerial vehicles. ○ Steadily procure fixed-wing patrol aircraft (P-1), destroyers and submarines
Response to attacks on remote islands	Development of a persistent ISR structure	<ul style="list-style-type: none"> ○ Deploy a coast observation unit to <i>Yonaguni</i> Island as well as establish one squadron in the air warning unit and deploy it at <i>Naha</i> Air Base. ○ Establish a deployment structure for mobile air defense radar on remote islands in the southwestern region.
	Obtaining and securing air superiority	<ul style="list-style-type: none"> ○ Steadily procure fighter (F-35A) and fighter modernization (F-15). ○ Introduce new aerial refueling/transport aircraft.
	Obtaining and securing maritime supremacy	<ul style="list-style-type: none"> ○ Increase the number of Aegis-equipped destroyers and introduce new destroyers. ○ Steadily procure patrol helicopters (SH-60K) and steadily increase the number of surface-to-ship guided missiles.
	Improvement of capabilities for rapid deployment and response	<ul style="list-style-type: none"> ○ Introduce tilt-rotor aircraft and steadily procure transport aircraft (C-2). ○ Refit existing Tank Landing Ships (LST), and consider the role of multipurpose vessels. ○ Consider active utilization of civilian transport capabilities. ○ Newly deploy area security units, and newly establish an amphibious Rapid Deployment Brigade.
	Development of C3I	<ul style="list-style-type: none"> ○ Station GSDF, MSDF, and ASDF personnel in the main headquarters of each of the other services. ○ Extend the secured exclusive communication link for the SDF to <i>Yonaguni</i> Island, and newly deploy mobile multiplex communication equipment at <i>Naha</i> Air Base.
Response to ballistic missile attacks		<ul style="list-style-type: none"> ○ Increase the number of Aegis-equipped destroyers, promote continuous development of advanced interceptor missiles for BMD (SM-3 Block II A), and introduce advanced interceptor missiles (PAC-3 MSE). ○ Conduct studies on the best mix of the overall posture of its future BMD system, including new BMD equipment. ○ Study possible response capabilities to address the means of ballistic missile launches and related facilities, and will take necessary measures.
Response in outer space and cyberspace		<ul style="list-style-type: none"> ○ Steadily develop a sophisticated X-Band satellite communications system, and promote space situational awareness efforts, and research on satellite protection, and work to enhance the resiliency of its satellites. ○ Enhance survivability of the various SDF systems, strengthen information gathering functions, etc., and develop a practical training environment.
Response to large-scale disasters		<ul style="list-style-type: none"> ○ Develop capabilities to respond immediately by transporting and deploying sufficient numbers of SDF units, as well as establish a rotating staff posture, in order to respond to various natural disasters.
Strengthening intelligence capabilities		<ul style="list-style-type: none"> ○ Drastically reinforce capabilities to gather intelligence from the diverse sources, including SIGINT, GEOINT, and HUMINT. ○ Recruit and train personnel who would engage in information gathering and analysis.

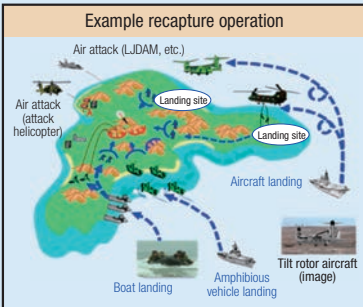
Fig. II-5-1-4 Example of Rapid Deployment to the Southwest Area



- Introduce "rapid deployment regiments" to rapid deployment divisions & brigades that will swiftly respond to various situations.
- To enhance readiness and mobility, introduce mobile combat vehicles (MCV) suitable for air transportation

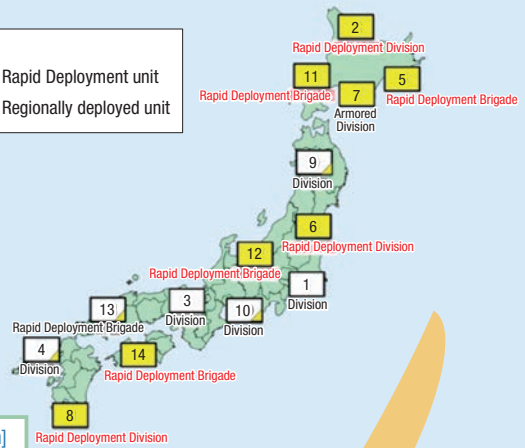
[Amphibious operation capabilities]
Procure amphibious vehicles, along with introducing tilt-rotor aircraft so as to support amphibious operations, etc.

[Amphibious Rapid Deployment Brigade (temp)]
A mobile operation unit will be maintained with specialist functions so that amphibious operations can be carried out effectively.

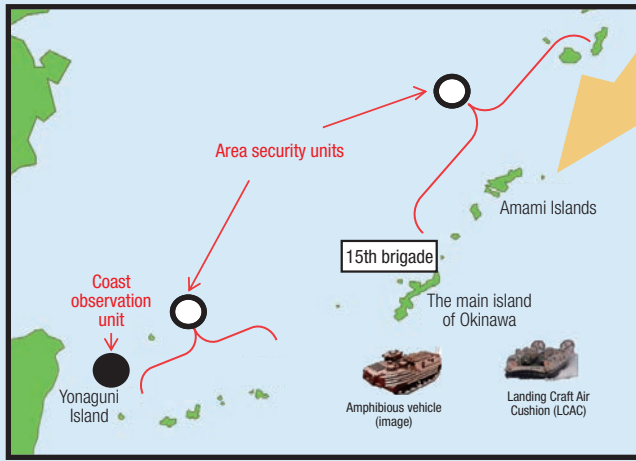


Mobile combat vehicle

Legend
 : Rapid Deployment unit
 : Regionally deployed unit



[Area security units in the southwestern region]
In addition to deploying a coast observation unit on Yonaguni island, deploy area security units in the remote islands in the southwestern region.



Tilt-rotor aircraft (image)



transport aircraft C-2



Transport vessel

Fig. II-5-1-5 Programs for the Stabilization of the Asia-Pacific Region and Improvement of the Global Security Environments

Category	Main Programs
Holding training and exercises	○ Proactively promote bilateral and multilateral combined training and exercises in the Asia-Pacific region.
Promoting defense cooperation and exchange	○ Promote multilayered bilateral and multilateral defense cooperation and exchange on various levels, including high level exchange and unit exchange.
Promoting capacity building assistance	○ Help the militaries of countries eligible for support strengthen their capacities in various fields, including humanitarian assistance, disaster relief, landmine/unexploded ordinance disposal and defense medicine. ○ Work with the U.S. and Australia to carry out effective and efficient assistance while coordinating diplomatic policy.
Ensuring maritime security	○ Support anti-piracy operations off the coast of Somalia and in the Gulf of Eden and provide capacity building assistance to coastal countries in the region. ○ Carry out joint training and exercises with other countries in waters outside of Japan.
Implementing international peace cooperation activities	○ Strengthen information gathering capabilities in the deployed area and improve the armor performance of defense equipment. ○ Enhance posture of engineering units and enhance posture related to telecommunications, supplies, medical services and family assistance, etc. ○ Dispatch SDF personnel to local mission headquarters and UN DPKO develop human resources from a long-term perspective ○ Expand educational content at the Japan Peacekeeping Training and Research Center and enhance cooperation in education with related ministries and agencies.
Cooperating with efforts to promotes arms control, disarmament, and non-proliferation	○ Actively engage in order to cooperate with international initiatives on arms control and arms reductions, including human contributions. ○ Promote initiatives for non-proliferation, through participating in Proliferation Security Initiative (PSI) exercises.

Fig. II-5-1-6 Annex from the New Medium Term Defense Program

Service	Equipment	Quantity
GSDF	Mobile Combat Vehicles	99
	Armored Vehicles	24
	Amphibious Vehicles	52
	Tilt-Rotor Aircraft	17
	Transport Helicopters (CH-47JA)	6
	Surface-to-Ship Guided Missiles	9 companies
	Mid-Range Surface-to-Air Guided Missiles	5 companies
	Tanks	44
	Howitzers (except mortars)	31
MSDF	Destroyers	5
	(Aegis-Equipped Destroyers)	(2)
	Submarines	5
	Other Ships	5
	Total	15
	(Tonnage)	(approx. 52,000 t)
	Fixed-Wing Patrol Aircraft (P-1)	23
Patrol Helicopters (SH-60K)	23	
Multipurpose Helicopters (Ship-Based)	9	
ASDF	New Airborne Early Warning (Control) Aircraft	4
	Fighters (F-35A)	28
	Fighter Modernization (F-15)	26
	New Aerial Refueling/Transport Aircraft	3
	Transport Aircraft (C-2)	10
	Upgrade of PATRIOT Surface-to-Air Guided Missiles (PAC-3 MSE)	2 groups & education
Joint units	Unmanned Aerial Vehicles	3

Note: Acquisition of ship-based unmanned aerial vehicles will be allowed within the number of Patrol Helicopters (SH-60K) specified above.

Fig. II-5-2-1 Structure of Committees

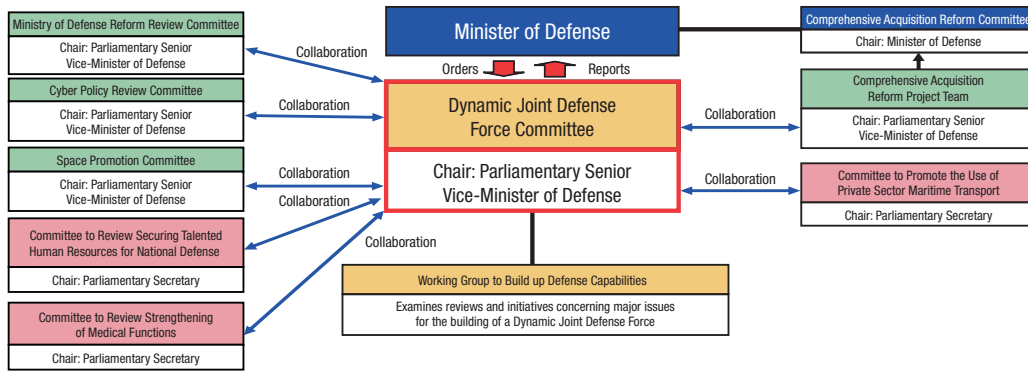


Fig. II-5-3-1 Main Aspects of Build-up of Defense Capabilities for FY2014

Category		Main Programs
I. Effective deterrence and response to various situations	Ensure security of the sea and airspace surrounding Japan	Acquire fixed-wing patrol aircraft (P-1), construct destroyers and submarines, construct multipurpose rescue vessels for disaster dispatch, review the introduction of new airborne early warning (control) aircraft and extended duration unmanned aerial vehicles, etc.
	Response to attacks on remote islands	Deploy a coast observation unit on <i>Yonaguni</i> Island, reorganize ASDF Airborne Early Warning Group, acquire fighter (F-35A), review introduction of tilt rotor aircraft, promote policies related to the utilization of private sector transport capacity, develop amphibious capabilities (newly establish an amphibious unit, develop training and education infrastructure, purchase reference items for amphibious vehicles, and improve amphibious operation performance of vessels, etc.), and integrate the Japan-U.S. outdoor command and telecommunication system, etc.
	Response to ballistic missile attacks	Deploy PAC-3 unit at Ichigaya, convert fixed warning control radar (FPS-7) and add functions for BMD response, carry out survey and research on future ballistic missile defense systems, etc.
	Response in outer space	Carry out technology study on replacement satellite for the current X-band satellite communication satellite (Super Band C2) and examine possible PFI implementation, research telecommunication jamming measures for satellite communication systems, and survey and research approaches to satellite defense, etc.
	Response in cyber space	Develop cyber intelligence gathering equipment, design the next cyber defense analysis system, research technologies to counter cyber attacks on networks, develop and secure human resources for countering cyber attacks, and strengthen partnerships with other countries and private-sector companies, etc.
	Response to large-scale disasters	Maintain and strengthen functions of camps and bases that will serve as a hub during a disaster, carry out training on large-scale and special disasters, review introduction of tilt rotor aircraft, and construct multipurpose rescue vessels for disaster dispatch, etc.
	Strengthening intelligence capabilities	Strengthen structure of Defense Attachés dispatched to Africa and expand the use of geospatial data, etc.
II. Stabilization of the Asia-Pacific region and improvement of the global security environment	Strengthen bilateral and multilateral cooperation for stabilizing the Asia-Pacific region and carry out training and exercises as needed and as appropriate. More actively participate in international peace cooperation activities in order to respond appropriately to global security issues with the development of wheeled armored vehicles.	
III. Measures for the strengthening of the Japan-U.S. Alliance	Steadily carry out specific measures for the relocation of U.S. Marine Corps stationed in Okinawa to Guam, the relocation of Futenma Air Station, and the relocation of aircraft carrier from Atsugi Air Station to Iwakuni Air Station.	
IV. Measures for personnel and education	Strengthen recruiting operations and re-employment assistance, improve and expand SDF reserve personnel, expand the defense meritorious badge, etc.	
V. Initiatives for greater efficiency	Streamline maintenance costs by extending regular maintenance intervals, purchase defense equipment in bulk, revise specifications for the use of civilian items and defense equipment, set up project managers, etc.	
VI. Ministry of Defense reform	Mutually deploy civilian officials and uniformed personnel, newly establish the position of Defense Councillor, manage defense equipment in an integrated manner during the entire lifecycle, strengthen strategy planning function of the Bureau of Defense Policy, carry out initiatives to strengthen information dissemination functions, and strengthen comprehensive coordination function of the Minister's Secretariat	
VII. Other	SDF organization, structure, and personnel	Newly establish an amphibious brigade provisional unit specializing in amphibious operations (tentative name), reorganize ASDF Airborne Early Warning Group, and carry out various unit reorganizations, including the establishment of the Air Tactical Training Group, in order to provide effective deterrent and respond to various situations. Increase the number of active SDF personnel.
	Promotion of base measures	Steadily implement measures surrounding bases in order to achieve harmony between defense facilities and surrounding communities as well as carry out measures to facilitate and streamline the stationing of U.S. forces in Japan.
	Strengthening of education and research systems	Carry out measures to strengthen the education and research systems at the National Institute for Defense Studies, National Defense Academy of Japan, and National Defense Medical College, as well as develop an environment where personnel can focus on their work duties.
	Promotion of technological research and development	Research fuel cells for unmanned submersible robots, research robots that can be used to counter threats from a nuclear accident, and research radar and firing systems for detecting stealth aircraft, etc.

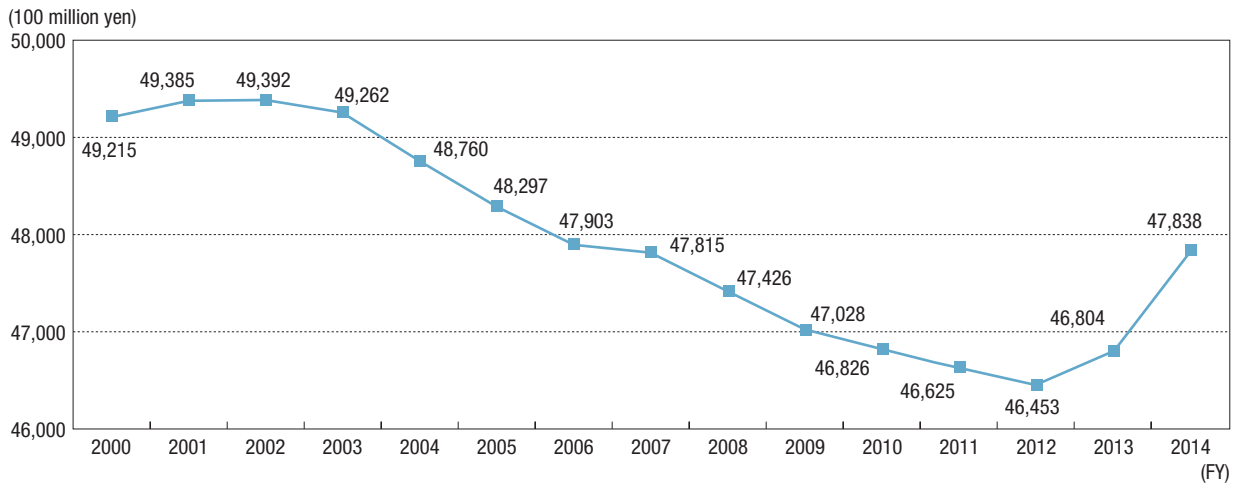
Fig. II-5-4-1 Comparison Between FY2013 Budget and FY2014 Budget

(100 million)

Category	FY2013	FY2014	
			Fiscal YOY growth (▲ indicates negative growth)
Annual expenditure (note)	46,804	47,838	1,035 (2.2%)
Personnel and food provisions expenses	19,896	20,930	1,034 (5.2%)
Material expenses	26,908	26,909	1 (0.0%)
Future obligation (note)	31,100	33,594	2,493
New contracts	16,517	19,465	2,948 (17.8%)
Existing contracts	14,583	14,129	▲454 (▲3.1%)

Notes: Does not include SACO-related expenses, U.S. forces realignment-related expenses (portion meant to reduce the burden on the local community), or expenses associated with the acquisition of new government aircraft based on "The Policy Concerning Government Aircraft" (August 7, 2013 decision by the Review Committee on Government Aircraft). If these are included, the figures are 4,753.8 billion yen for FY2013 and 4,884.8 billion yen for FY2014, and for future obligation, 3,230.8 billion yen for FY2013 and 3,630.4 billion yen for FY2014.

Fig. II-5-4-2 Trend in Defense-Related Expenditures Over the Past 15 Years



Note: Does not include SACO-related expenses, or U.S. forces realignment-related expenses (portion meant to reduce the burden on the local community). Total sum of defense expenditures including these are 4,935.5 billion yen for FY2000, 4,955.0 billion yen for FY2001, 4,955.7 billion yen for FY2002, 4,952.7 billion yen for FY2003, 4,902.6 billion yen for FY2004, 4,856.0 billion yen for FY2005, 4,813.6 billion yen for FY2006, 4,801.3 billion yen for FY2007, 4,779.6 billion yen for FY2008, 4,774.1 billion yen for FY2009, 4,790.3 billion yen for FY2010, 4,775.2 billion yen for FY2011, 4,713.8 billion yen for FY2012, 4,753.8 billion yen for FY2013, and 4,848.8 billion yen for FY2014.

Fig. II-5-4-3 Structure of Defense-Related Expenditures

Structure of Defense-Related Expenditures

Annual expenditure

Defense-related expenditures are broadly classified into personnel and food provision expenses and material expenses (operating expenses). Material expenses (operating expenses) are further classified into obligatory outlay expenses and general material expenses (activity expenses).

Personnel and food provisions expenses	Expenses relating to wages for personnel, retirement allowance, meals in barracks, etc.
Material expenses (operating expenses)	Expenses relating to procurement; repair and upgrading of equipment; purchase of oil; education and training of staff; facilities improvement; barracks expenses such as lighting, heating, water and supplies; technology research and development; cost-sharing for the stationing of USFJ; and expenses related to measures to alleviate the burden on local communities hosting U.S. bases in Japan
Obligatory outlay expenses	Expenses paid in FY2014 based on contracts made before FY2013
General material expenses (activity expenses)	Expenses paid in FY2014 based on contracts made in FY2014

Amount of future obligation

In the improvement of defense capabilities, it is common for work in areas like the procurement of equipment and the upgrading of facilities to be carried out over several years. Consequently, a procedure is undertaken whereby a contract that extends for multiple years is arranged (five years in principle), and the government promises in advance at the time of the agreement to make payment at a fixed time in the future.

Future obligation refers to the sum of money to be paid in the following year and beyond, based on contracts like this which extend for multiple years.

Example: Case in which 10 billion yen of equipment is procured under a contract to run for four years

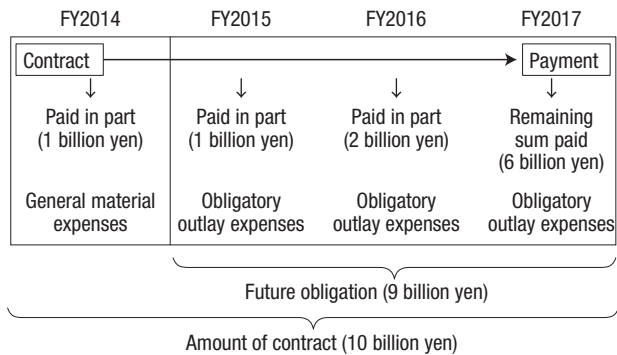


Fig. II-5-4-4 Relationship Between Annual Expenditure and Future Obligation Due to New Contracts

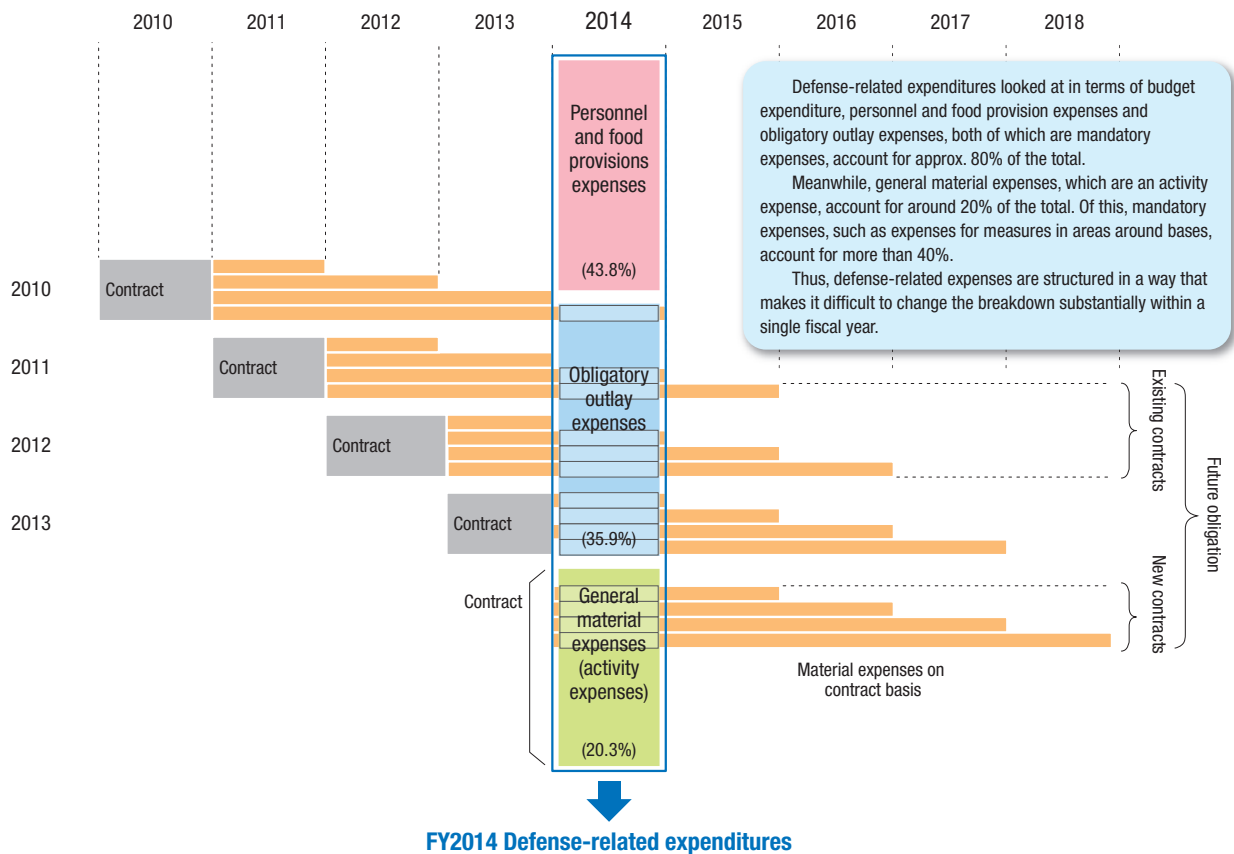
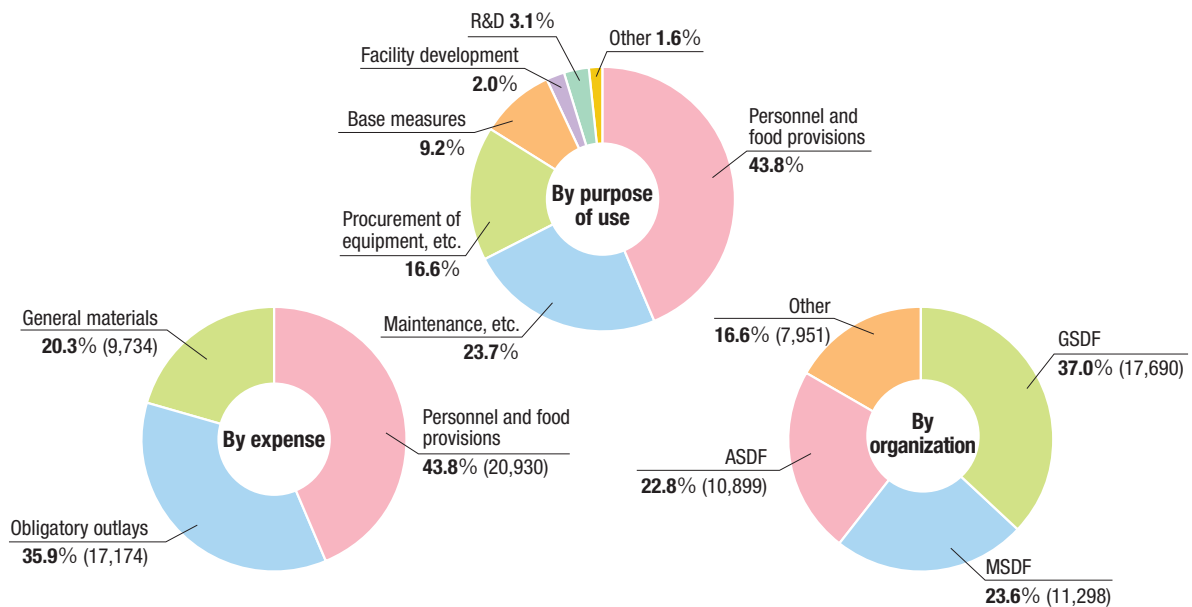


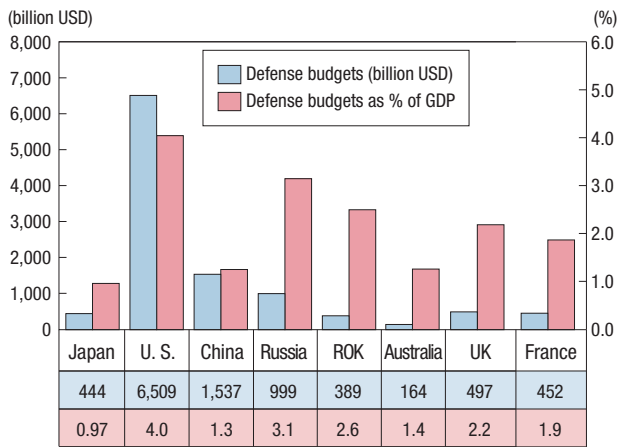
Fig. II-5-4-5 Breakdown of Defense-Related Expenditures (FY2013)



Notes: 1. () is the budget amount, unit: 100 million yen.

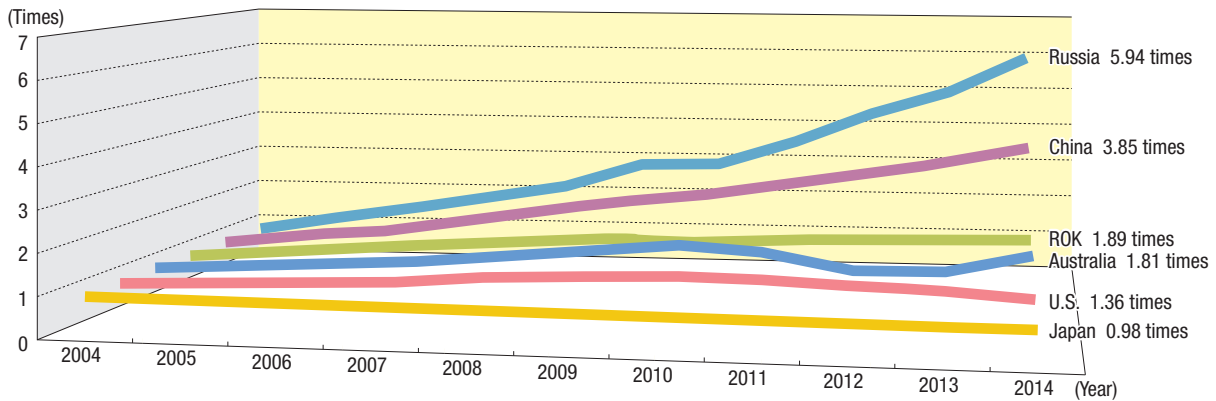
2. The above figure shows SACO-related expenses (12.0 billion yen), excluding the portion meant to reduce the burden of local community (89.0 billion yen) out of the U.S. forces realignment expenses.

Fig. II-5-4-6 Defense Budgets of Major Countries (FY2012)



Notes: 1. Defense budgets are from each country's public documents.
 Conversion to dollar is referred to purchasing power parity as published by the OECD (official rate listed on line) (One dollar=104.684687 yen=4.230683 yuan=18.488463 ruble=847.93237 won=1.481086 Australian dollar=0.689656 pound=0.84096 euro (France))
 2. Defense budgets as a proportion of GDP have been estimated based on figures published by the governments of each country.

Fig. II-5-4-7 Changes in Defense Budgets in Surrounding Countries Over the Past Ten Years



Notes: 1. Created based on the defense budgets published by each country.
 2. These are numerical values obtained by simple calculation of the ratio between the defense budgets each year, with the FY2004 value as 1 (times) (rounded off two decimal places).
 3. The definition and breakdown of the defense budgets of each country are not necessarily clear. As we must take into account various factors such as foreign exchange fluctuations and price levels of each country, it is very difficult to draw a comparison of defense budgets among countries.

Fig. III-1-1-1 Conceptual Image of Warning and Surveillance of the Sea Areas and Airspace Surrounding Japan



Crew member for destroyer engaging in warning and surveillance



P-3C patrol Aircraft engaging in warning and surveillance in flight



E-767 Early Warning and Control Aircraft



E-2C Early Warning Aircraft

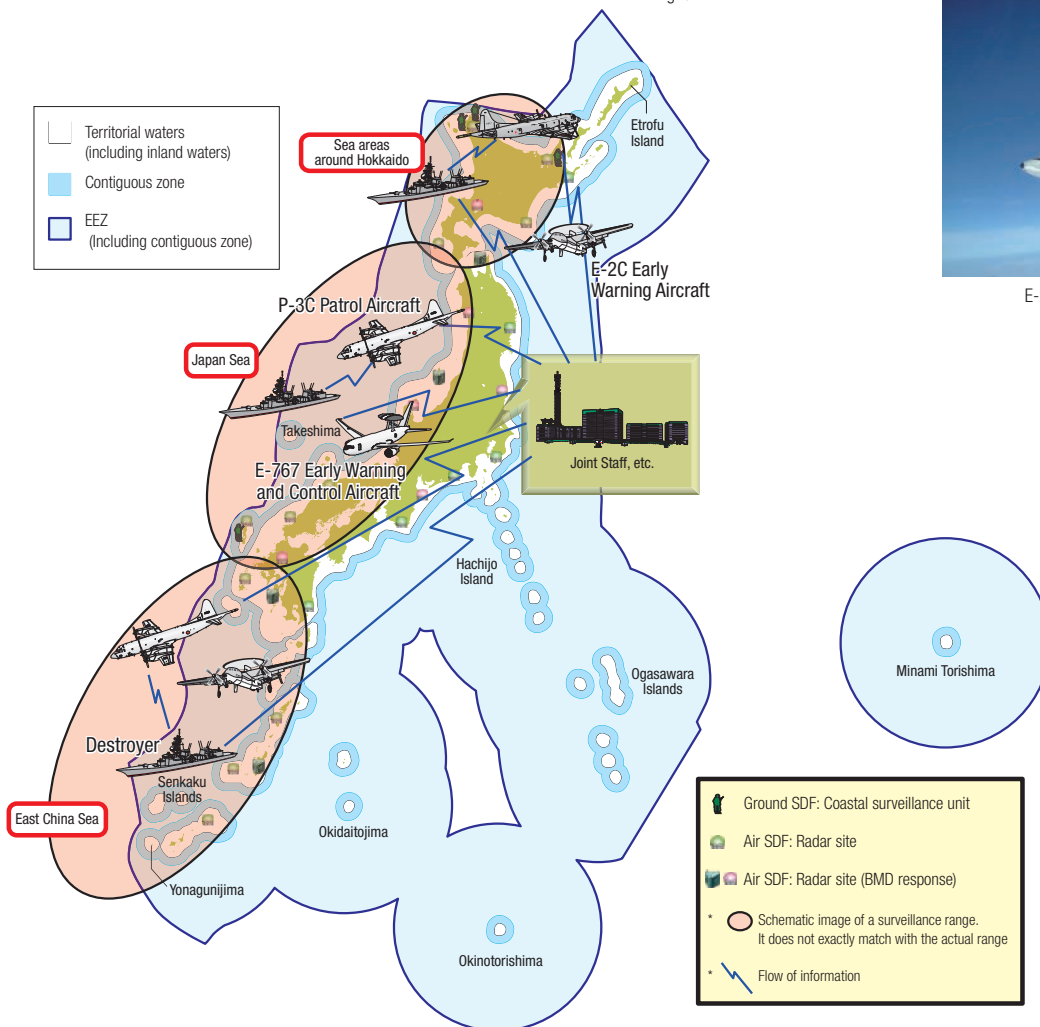


Fig. III-1-1-2 Number of Incursions into the Territorial Waters around the Senkaku Islands Performed by Chinese Government Ships

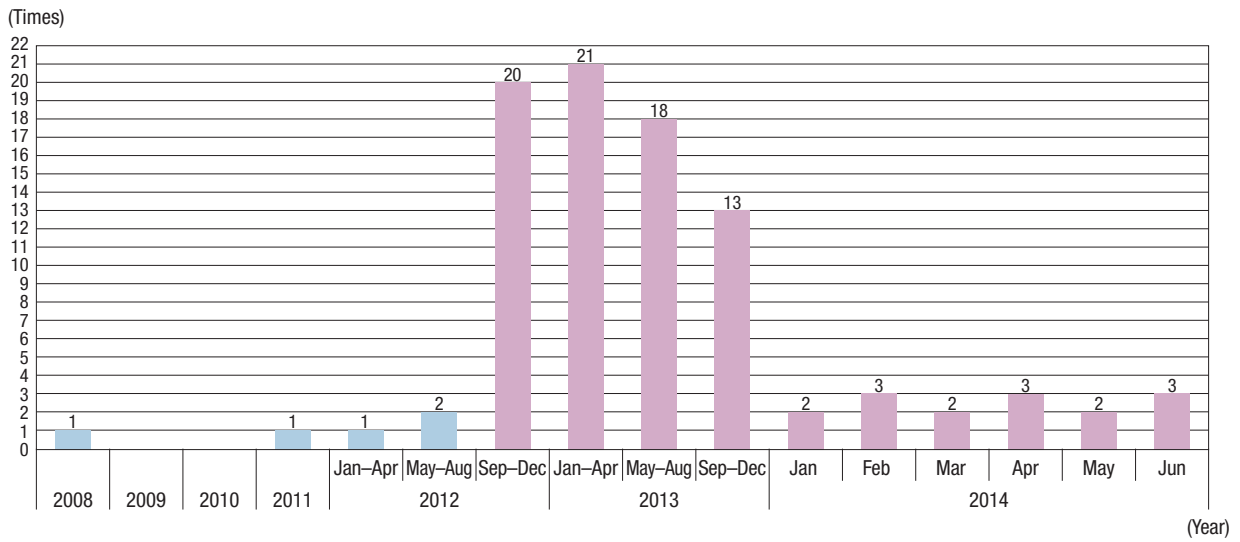
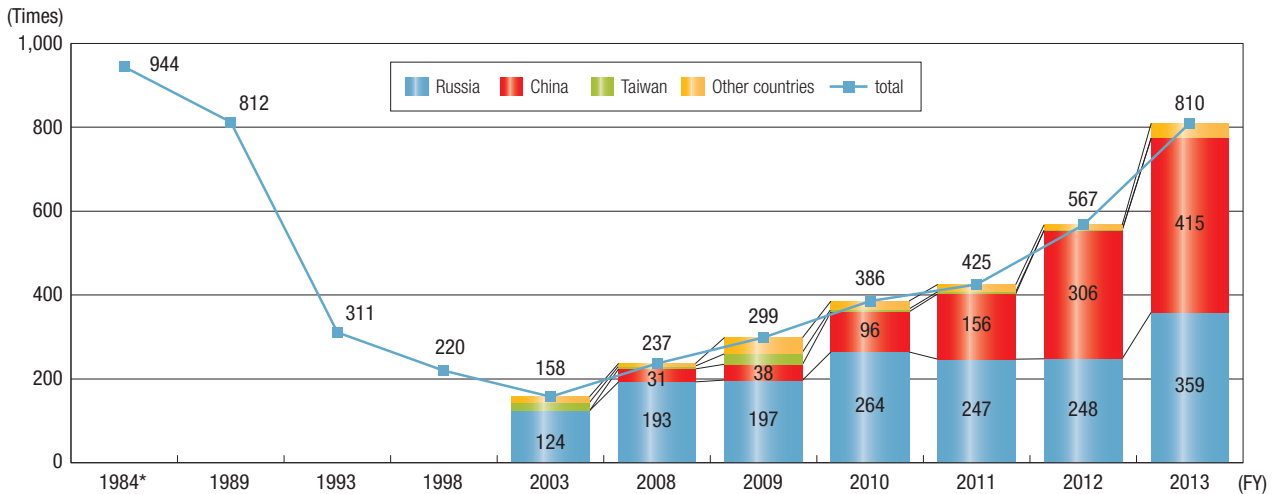


Fig. III-1-1-3 Number of Scrambles since the Period of the Cold War and Its Breakdown



Note: The Peak of the period of the cold war

Fig. III-1-1-4 Example Flight Patterns of Russian and Chinese Aircraft to Which Scrambles Responded

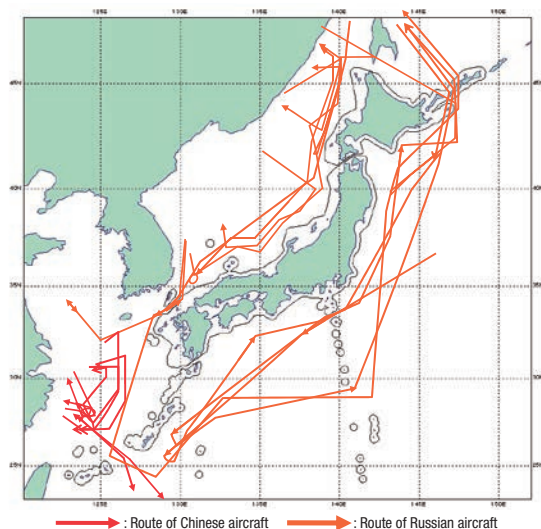


Fig. III-1-1-5 Air Defense Identification Zone (ADIZ) for Japan and Neighboring Countries

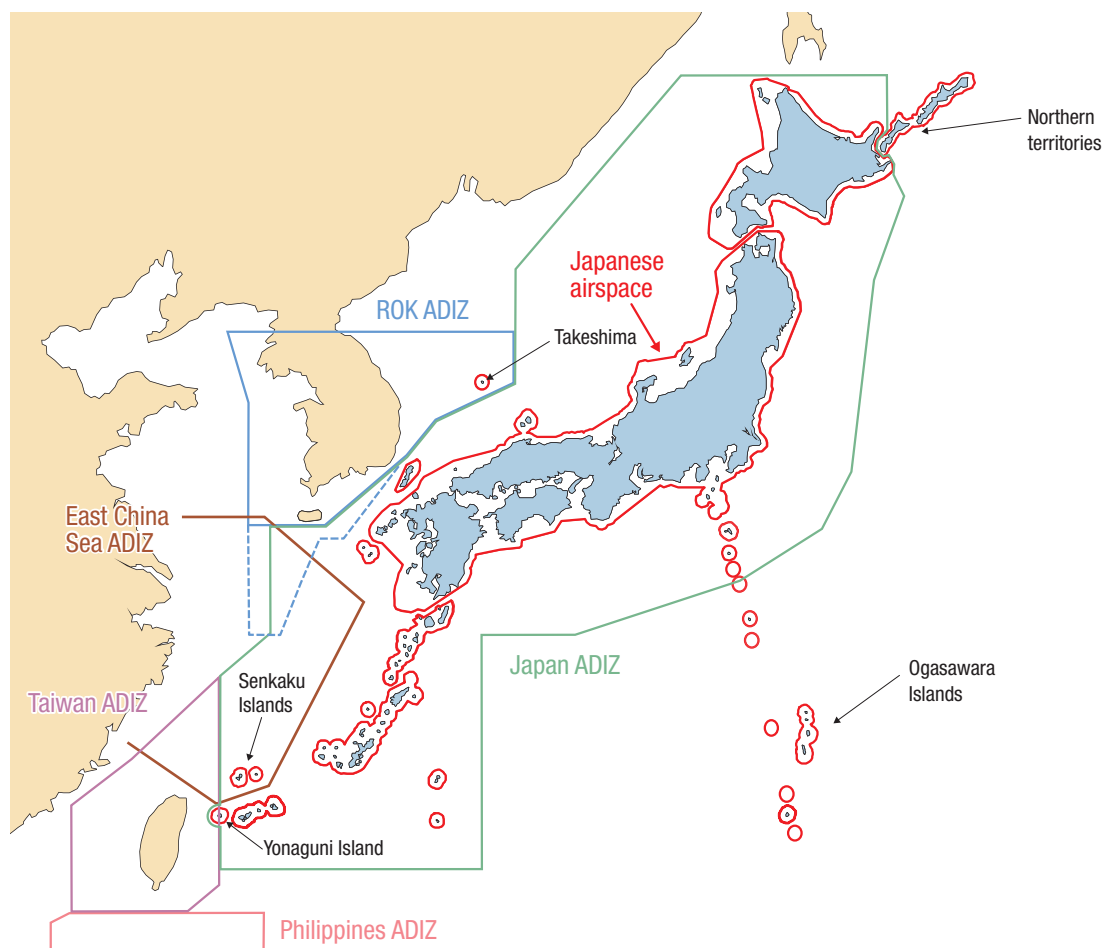


Fig. III-1-1-6 Conceptual Image of Defending Japan's Offshore Islands

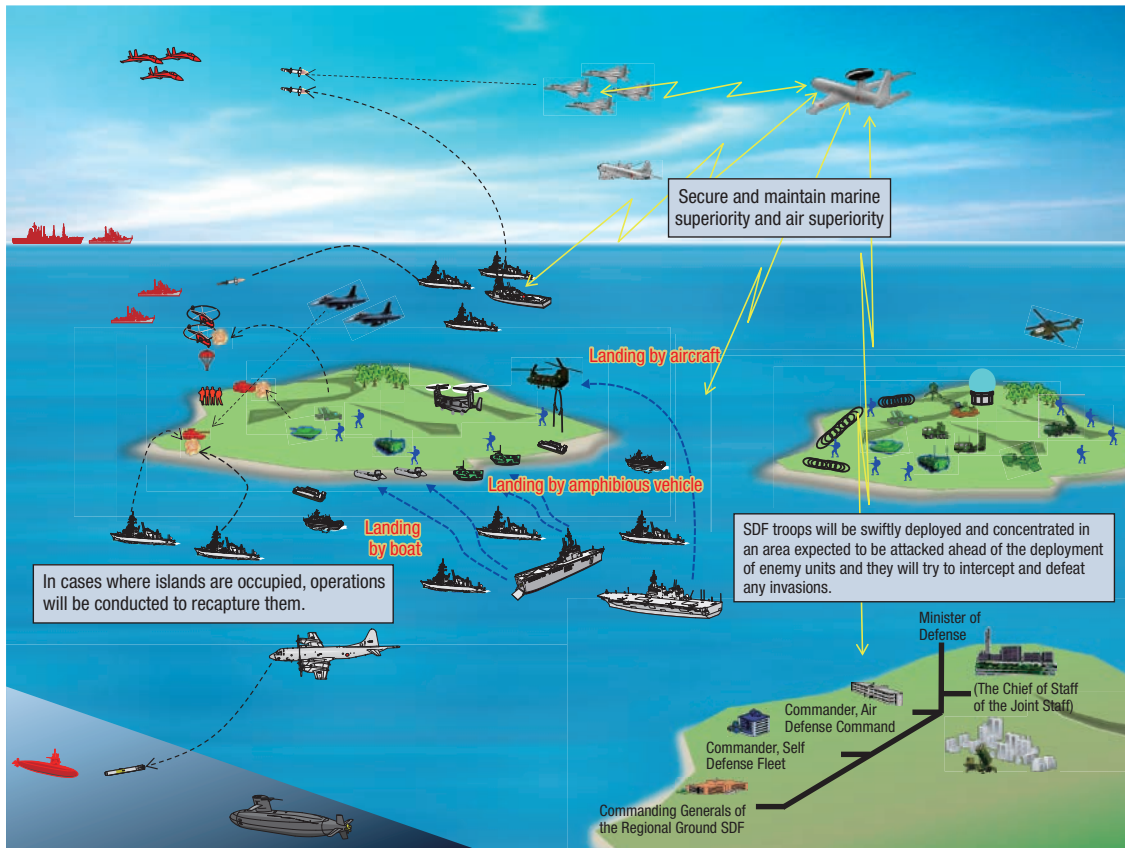


Fig. III-1-1-7 History of Efforts for BMD Development in Japan

1995	Commenced a comprehensive study on the posture of the air defense system of Japan and a Japan-U.S. joint study on ballistic missile defense
1998	North Korea launched a ballistic missile over Japanese territory
	The Security Council and the Cabinet meeting approved the commencement of the Japan-U.S. joint cooperative technical research on ballistic missile defense (BMD) for parts of the sea-based upper-tier system
1999	Started the Japan-U.S. joint cooperative technical research on four major components for advanced interceptor missiles
2002	Decision by the United States on the initial deployment of BMD
2003	The Security Council and the Cabinet meeting approved the introduction of BMD system and other measures, and the deployment of BMD in Japan started
2005	The Security Council and the Cabinet meeting approved a Japan-U.S. Cooperative Development on advanced interceptors for BMD
2006	North Korea launched seven ballistic missiles toward the Sea of Japan
2007	The deployment of Patriot PAC-3 units started SM-3 launch tests by Aegis destroyers started
2009	North Korea launched one ballistic missile toward the Pacific Ocean in April and seven toward the Sea of Japan in July Orders for ballistic missile destruction measures were issued for the first time (March)
2012	North Korea launched missiles which it called "Satellites" in April and December
	April: The missile was in flight for over a minute before disintegrating and landing in the Yellow Sea December: Passed through Okinawa airspace towards the Pacific Minister of Defense issued the operation order for the implementation of Destruction Measures against ballistic missiles, etc.
2014	North Korea launched some ballistic missiles in March, June and December
	March 3: Two missiles were launched and landing in the Sea of Japan
	March 26: Two missiles were launched and it were flighted over 500km and landing in the Sea of Japan July 9: Some missiles were launched and it were flighted at most 500km and landing in the Sea of Japan

Fig. III-1-1-8 Build-up and Operational Concept of BMD

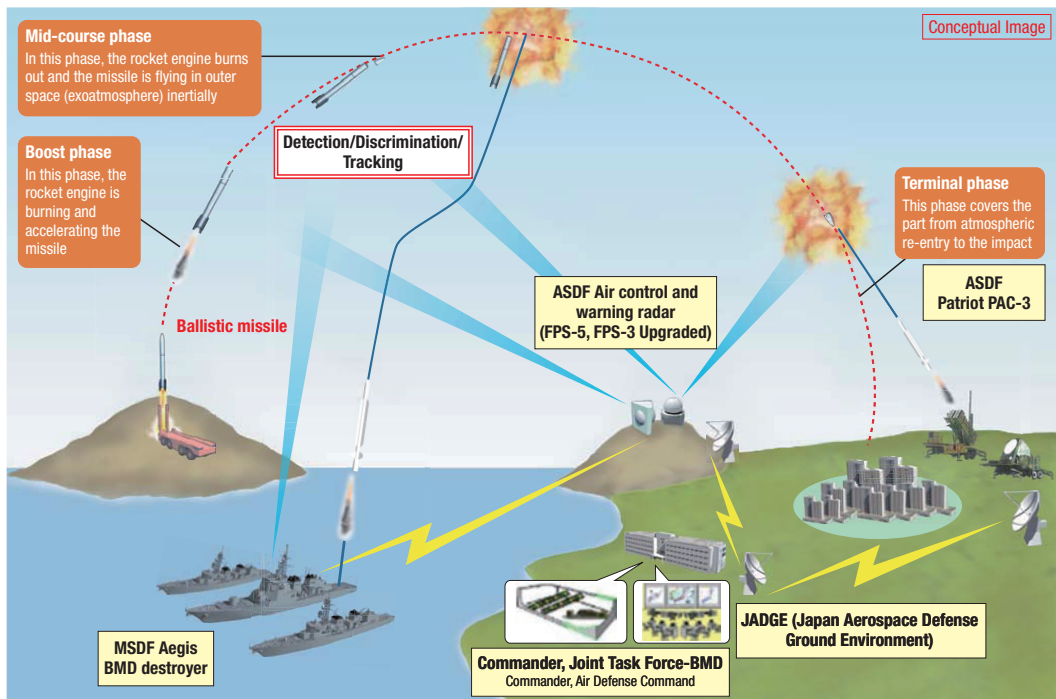


Fig. III-1-1-9 Enhanced PAC-3C Missile (PAC-3 MSE: image)

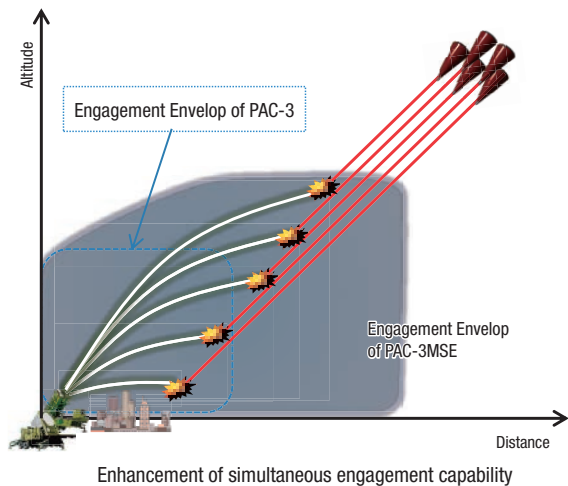


Fig. III-1-1-10 Flow of Response to Ballistic Missiles

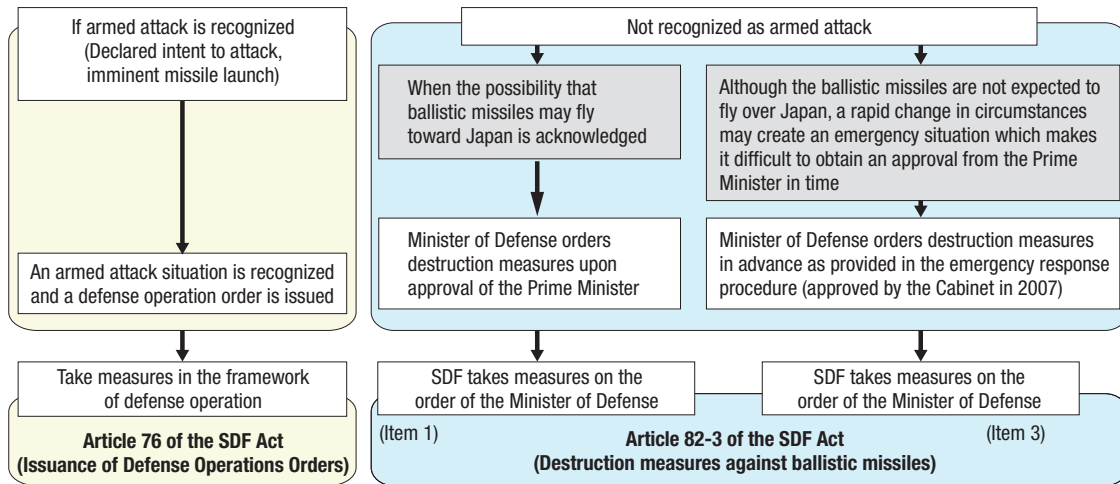


Fig. III-1-1-11 Outline of the Japan-U.S. Cooperative Development of Advanced Interceptors for BMD

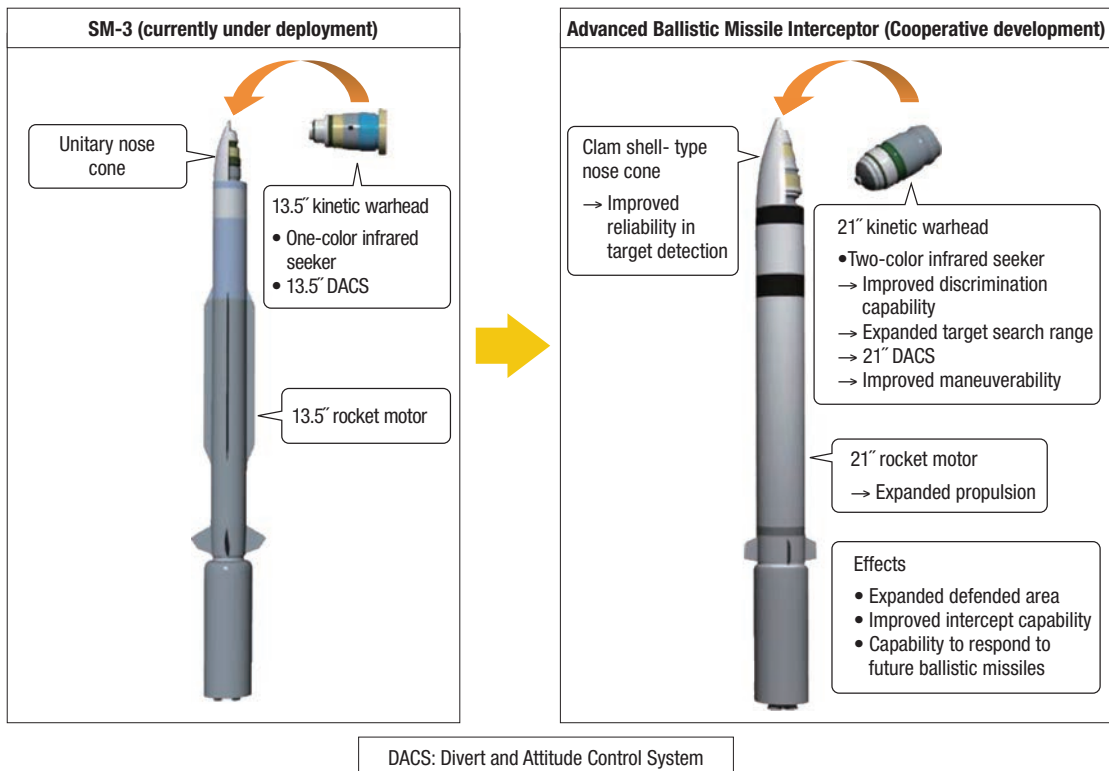


Fig. III-1-1-12 MOD/SDF Comprehensive Measures to Deal with Cyber Attacks

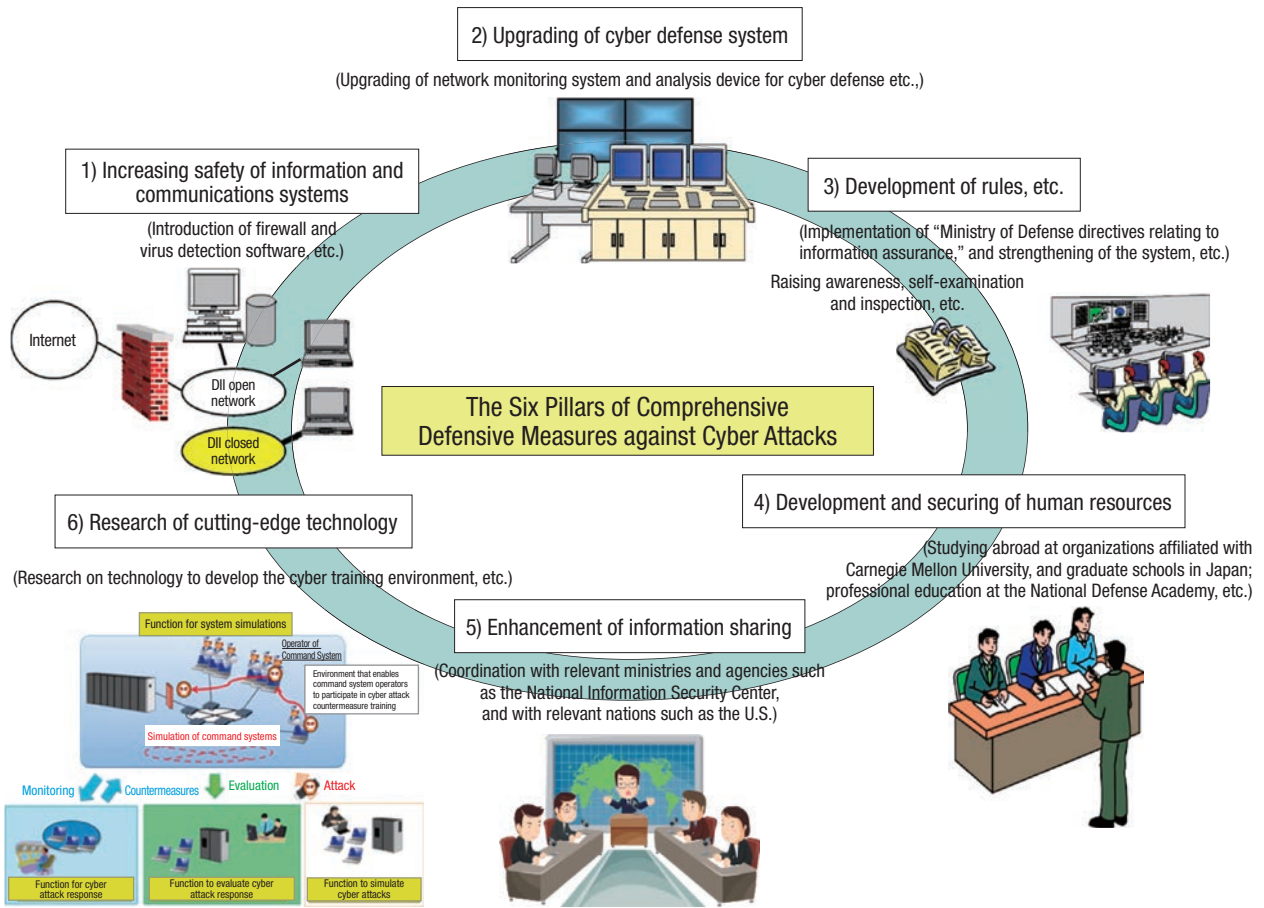


Fig. III-1-1-13 Conceptual Image of a Cyber Defense Group

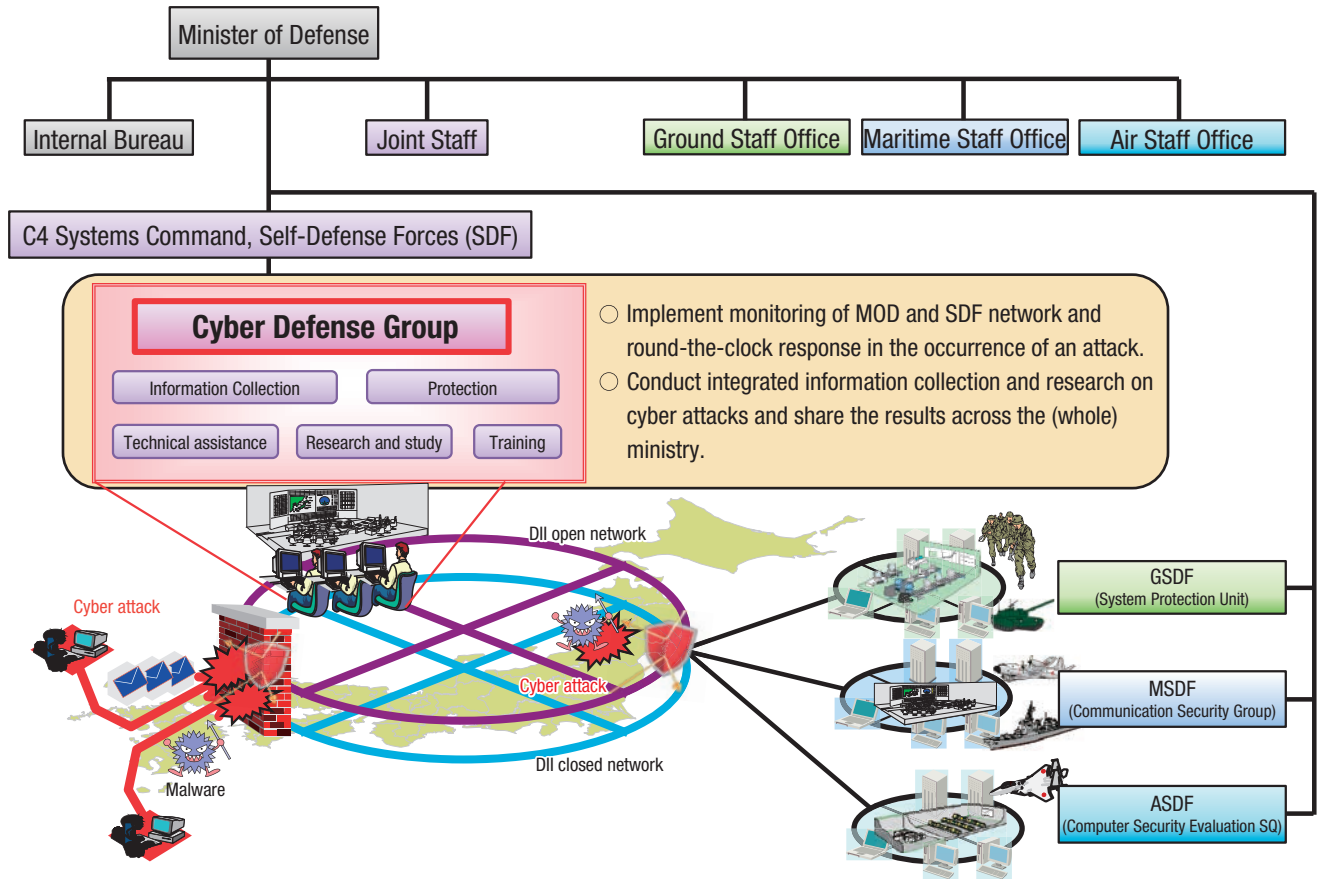


Fig. III-1-1-15 State of Readiness for Disaster Dispatches (Standard)

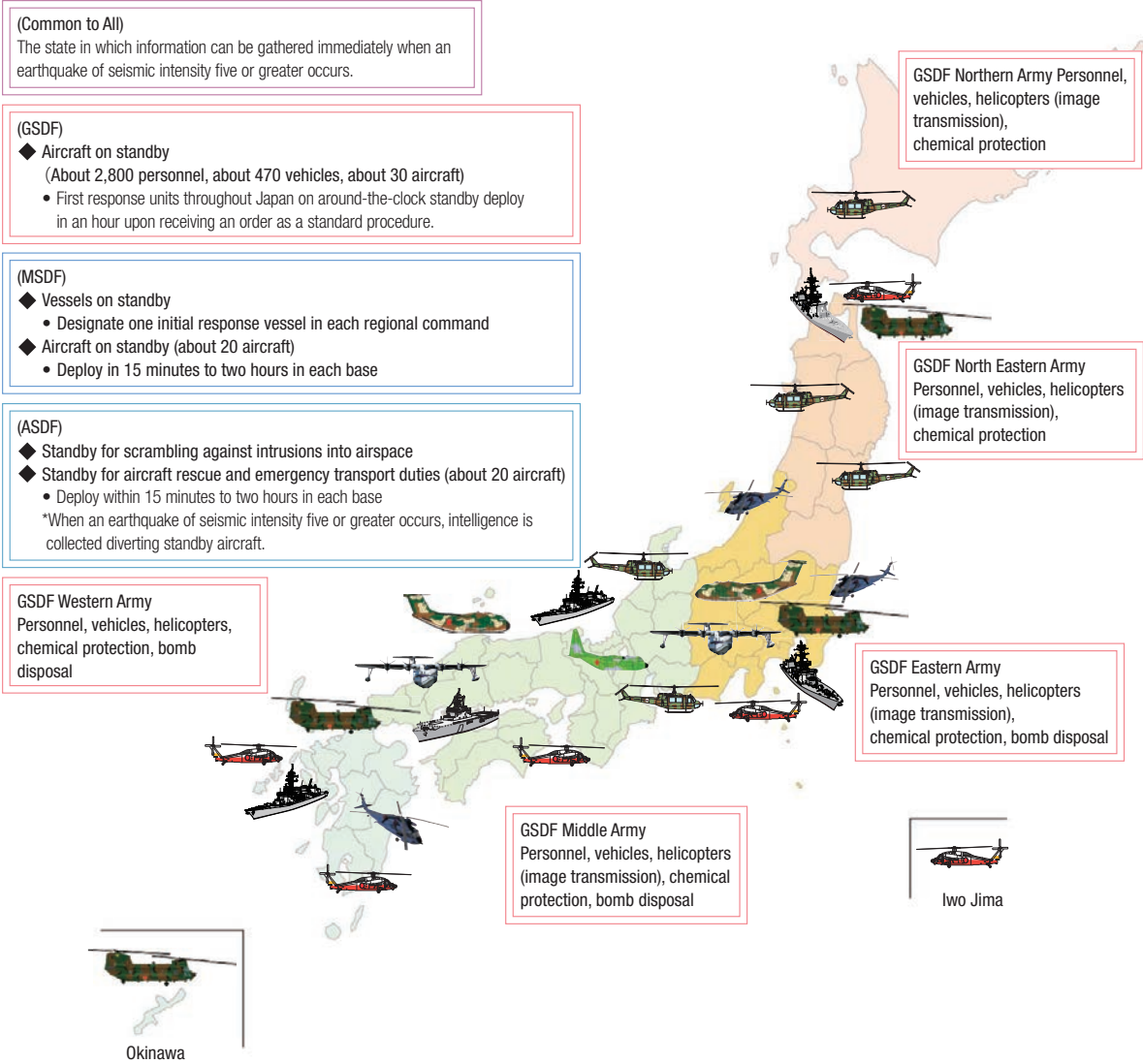


Fig. III-1-1-16 Record of Disaster Relief Dispatches (FY2013)

Description	Number of dispatches	Total number of personnel	Total number of vehicles	Total number of aircraft	Total number of vessels
Responses to storm, flood, and earthquake disasters	23	79,708	6,805	598	51
Transporting emergency patients	401	2,116	8	438	0
Search and rescue	25	4,257	800	57	0
Assisting firefighting	93	2,281	283	102	0
Other	13	687	53	60	0
Total	555	89,049	7,949	1,255	51

Fig. III-1-1-17 Outline of Self-Defense Forces Plan for Countermeasures against Nankai Trough Earthquakes

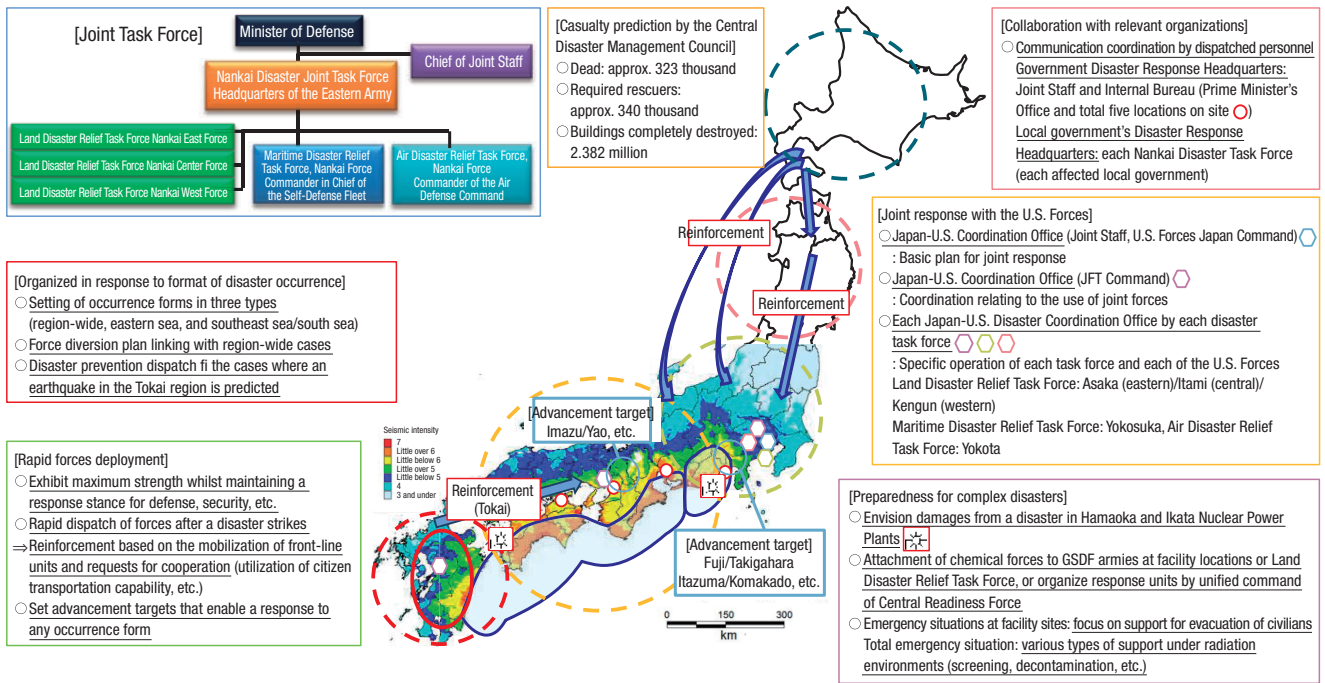


Fig. III-1-1-18 Example of Operations against the Attacks by Guerillas and Special Forces



Fig. III-1-1-19 Ordering Procedure and Image Regarding Transport of Japanese Nationals Overseas, etc.

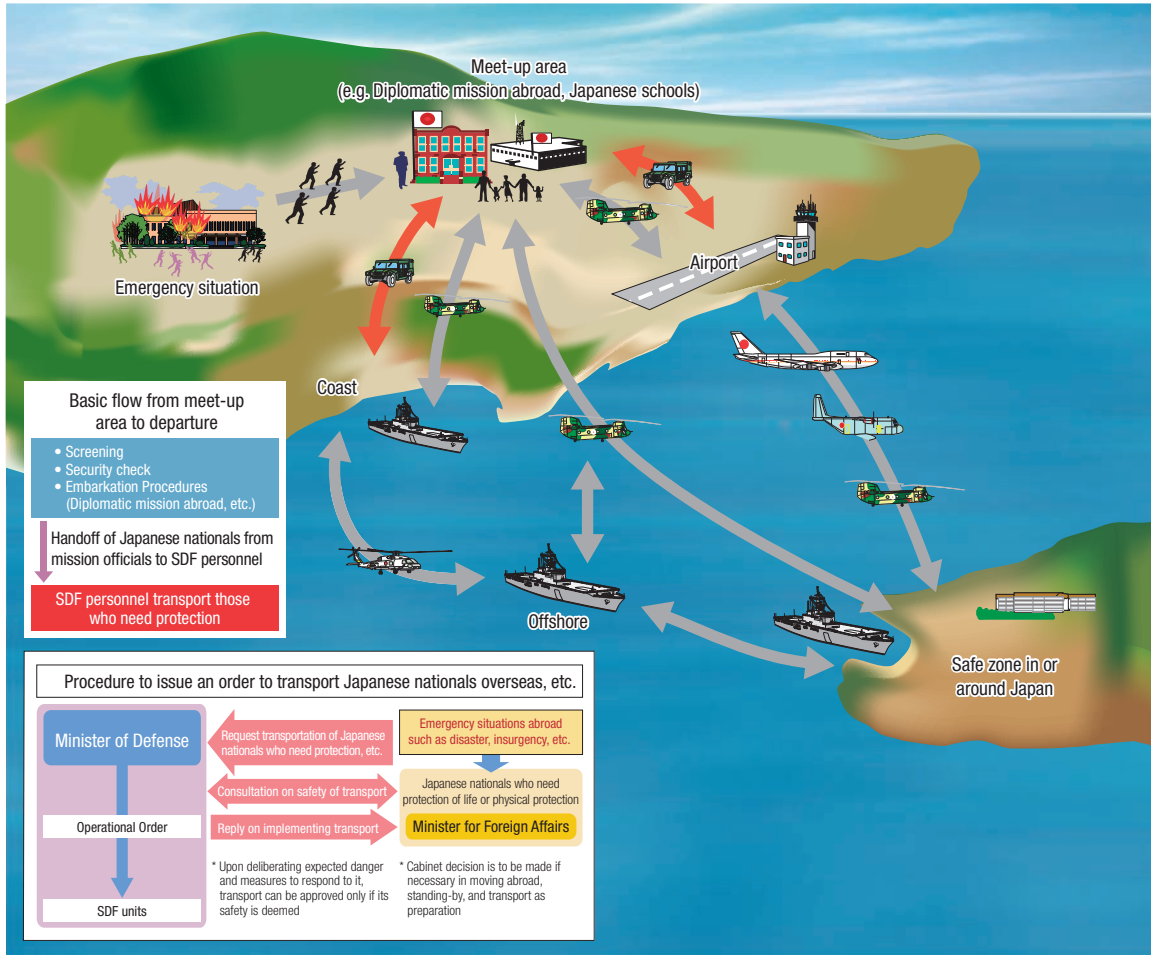


Fig. III-1-1-20 Main Details of Revision of the SDF Act

(1) "Transportation safety" (related to Article 84-3, Item 1)

Regarding the current provisions concerning "transportation safety," based on discussions in the previous Diet and other places, the expressions of the provision has been changed to make its original meaning clearer than it is (there is no substantial change to the contents).

(2) Widening the range of individuals subject for transportation (related to Article 84-3, Item 1)

- The following individuals has been added to the individuals subject for transportation in the previous law (Japanese or foreign nationals who require protection).
 - People who will be required in the implementation of the transportation (e.g. Japanese Government officials, company associates, doctors, etc.)
 - People for whom an early visitation or accompaniment by others is recognized as appropriate (e.g. people involved such as family members, etc.)

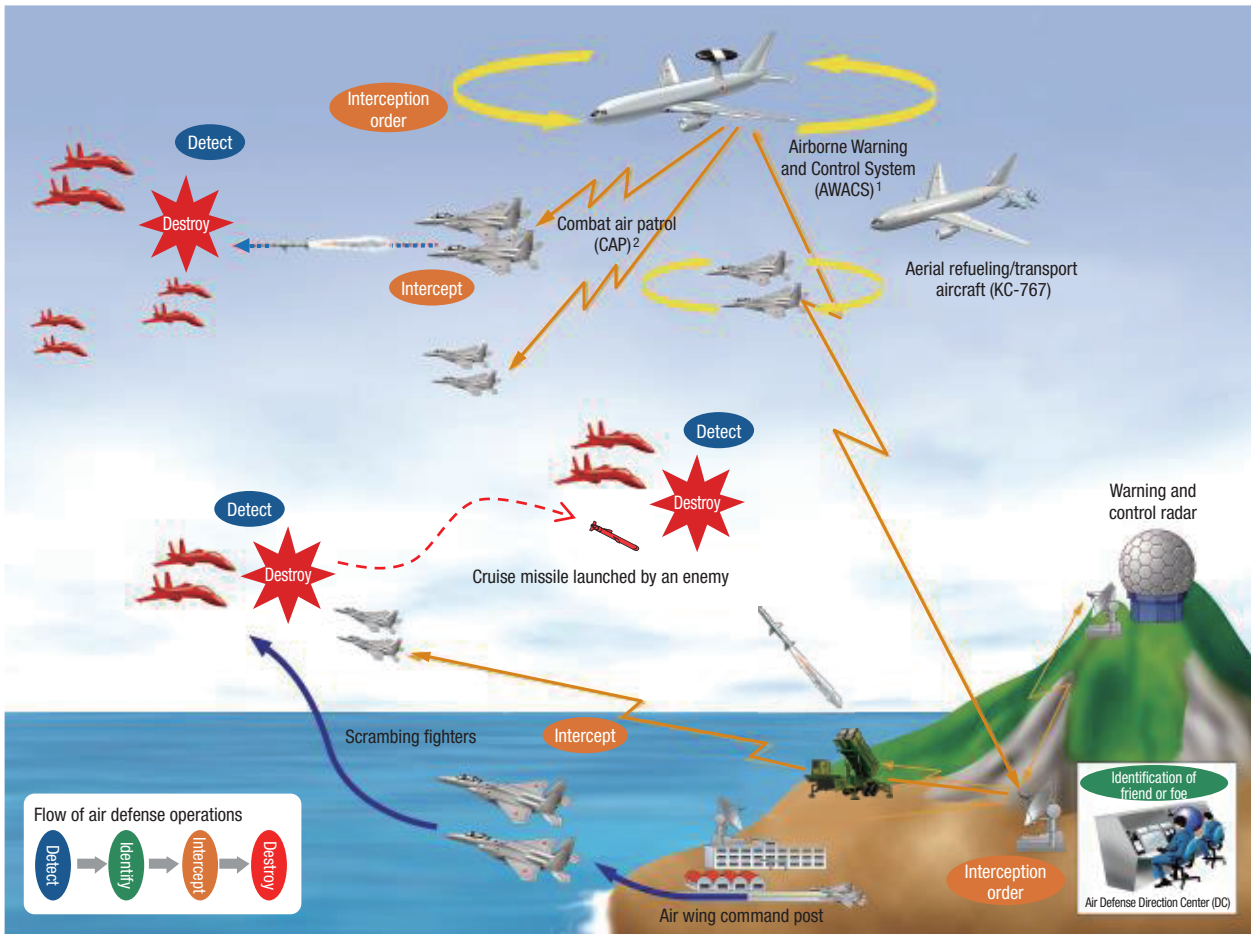
(3) Implementation of transportation by vehicles (related to Article 84-3, Item 3)

- Vehicles have been added to the aircraft and ships, as a means of transportation used by the SDF.

(4) Amendment of the provisions pertaining to weapon usage (related to Article 94-5)

- Based on (2) and (3) above, necessary amendment of the provisions pertaining to weapon usage was conducted (usage rights of weapons will remain as the self-defense type).
 - 1) The following has been added to the locations where SDF officers engaged in duties can use weapons (places where vehicles are located, places where individuals subject for transportation are waiting on stand-by, and places where operation is to be carried out, such as confirmation of the status of transportation routes, will be added)
 - 2) People who are under the supervision of SDF officers as a result of the transportation duties carried out by them (e.g. individuals subject for transportation under (2), front-line government employees who are active at congregation sites, etc.) will be added to the individuals subject for protection.

Fig. III-1-1-21 Example of Air Defense Operations



- Notes: 1. Aircraft with airborne warning and control functions in waters distant from its national land and with alternative control capabilities for defense ground environments.
2. Keeping armed fighters on an airborne alert so that they can immediately respond to approaches by enemy aircraft.

Fig. III-1-1-22 Example of the Strategy for Defending Sea Areas Surrounding Japan

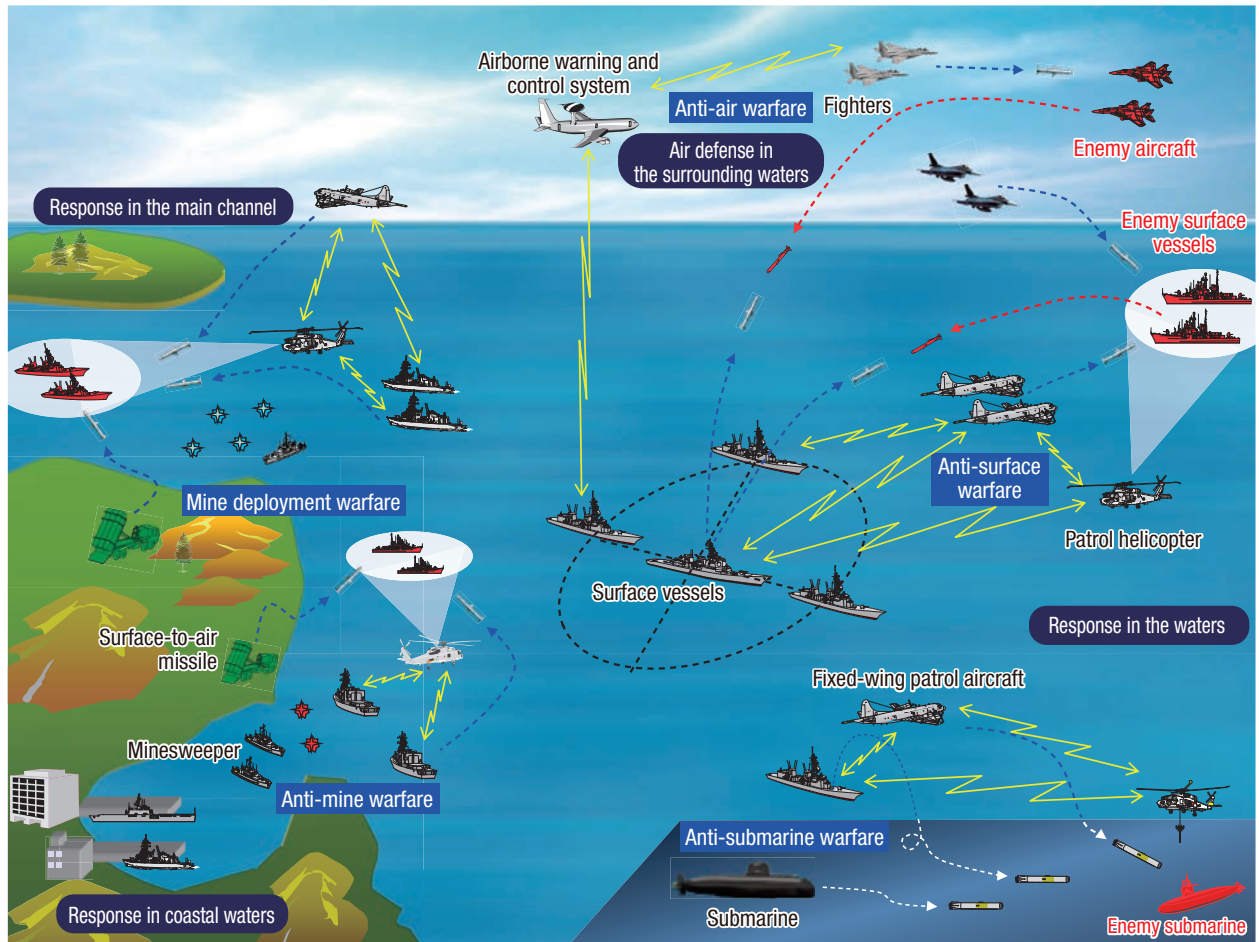


Fig. III-1-1-23 Example of Operations for Coping with the Landing of Invading Forces

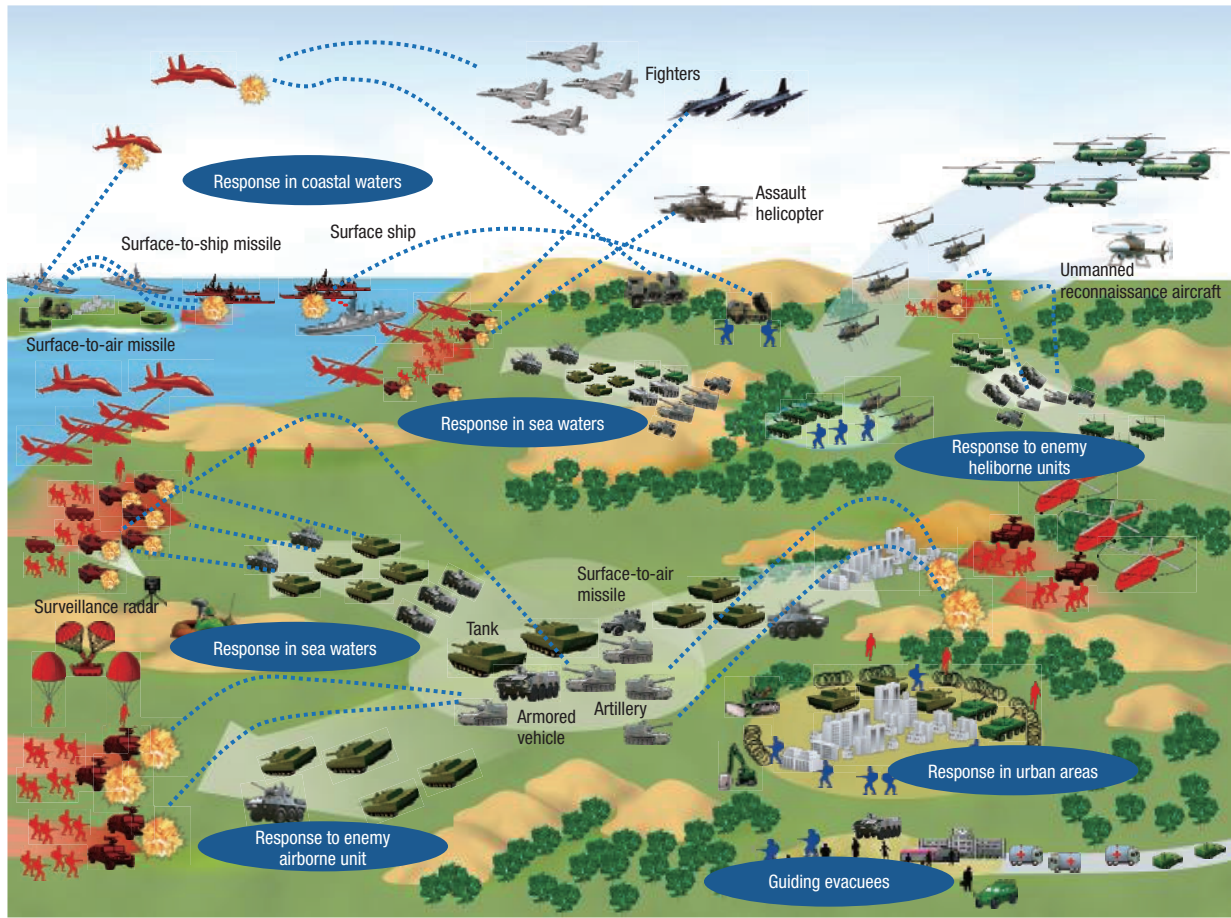
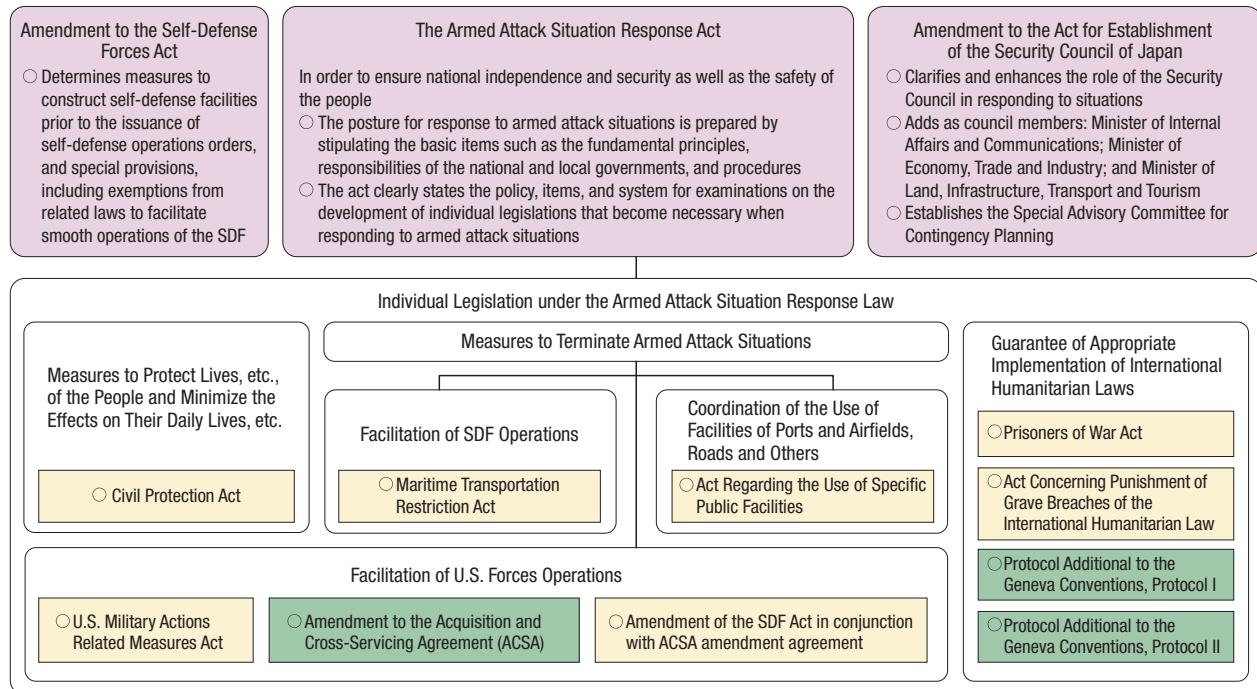
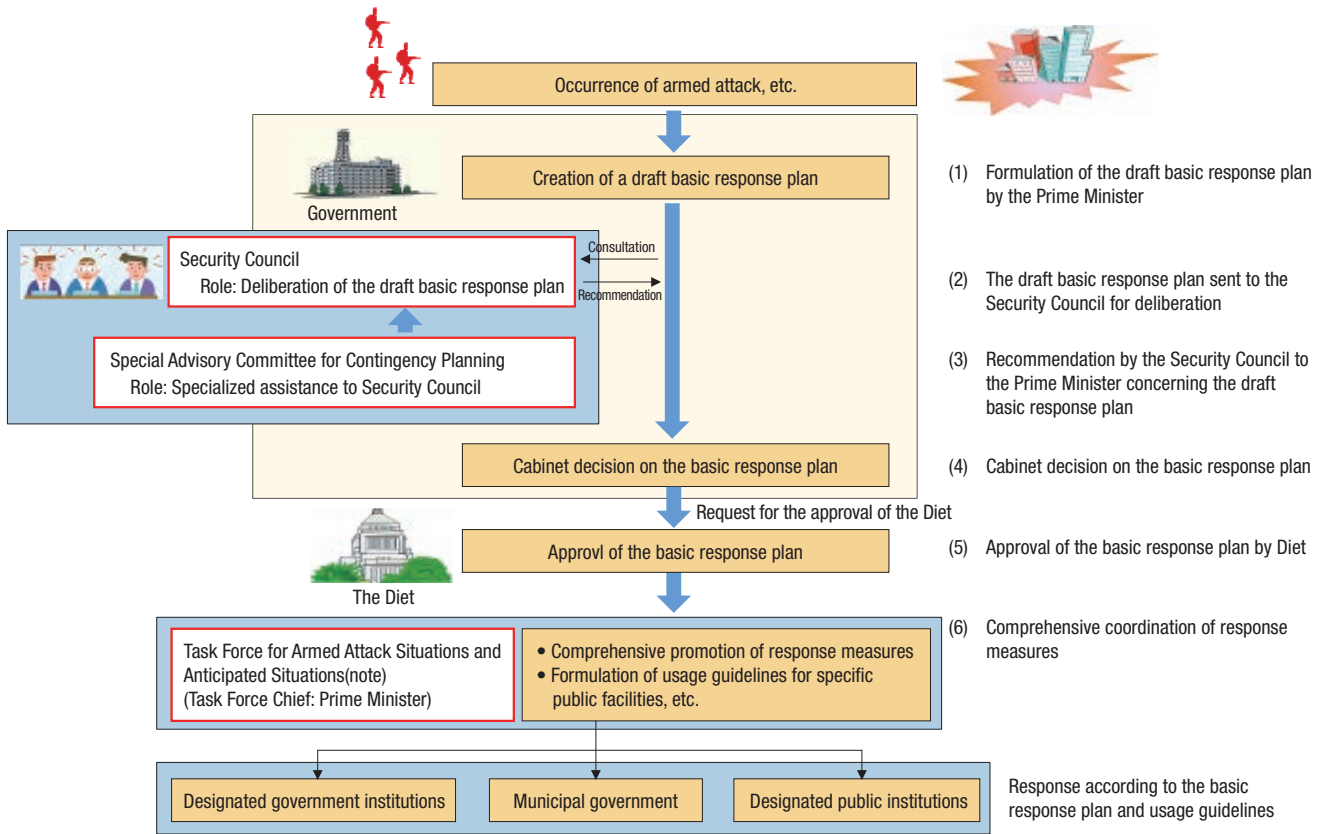


Fig. III-1-2-1 Outline of the Emergency Legislation



- Laws established in the ordinary Diet session in 2003 (three laws related to emergency legislation)
- Laws established in the ordinary Diet session in 2004 (seven laws related to emergency legislation)
- Treaties ratified in the ordinary Diet session in 2004 (three related treaties)

Fig. III-1-2-2 Procedures for Responding to Armed Attack Situations



Notes: The Task Force will be established in the Cabinet for general advancement of measures to respond to armed attacks and other situations.

Fig. III-1-2-3 Measures to be Implemented by Designated Administrative Organizations, Municipal Governments or Designated Public Organizations

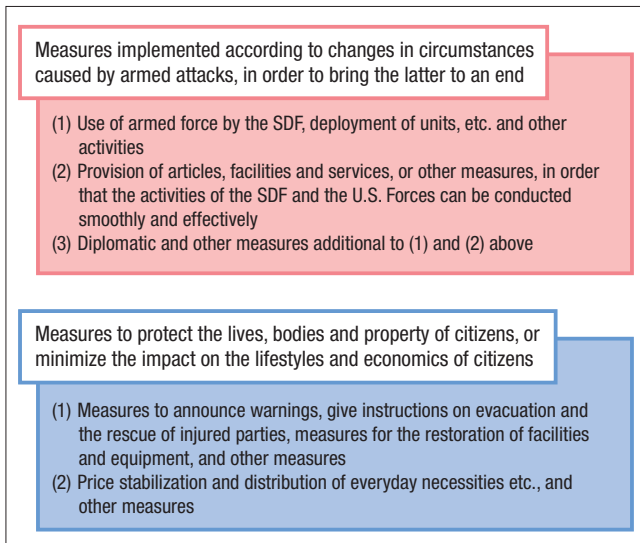
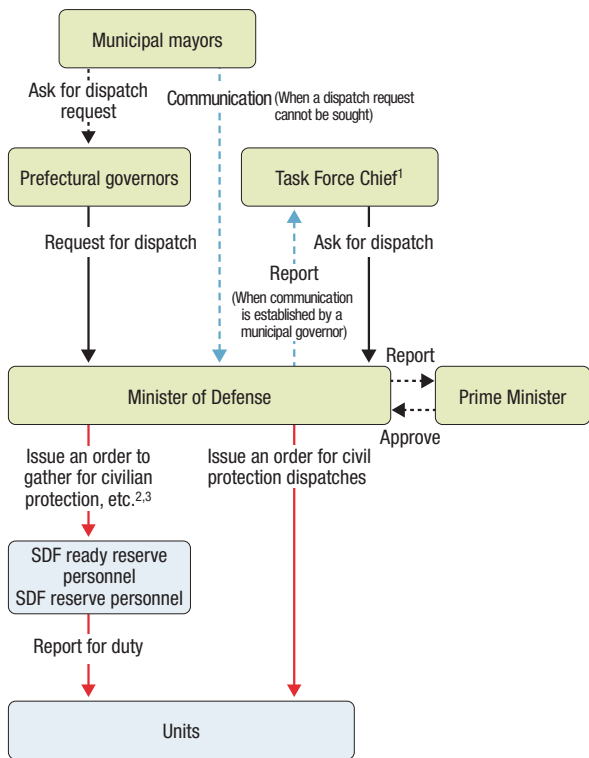


Fig. III-1-2-4 Responsibilities of the National and Municipal Governments

Main body	Responsibility
Government	<ul style="list-style-type: none"> Has a unique mission to defend Japan, protect the homeland and the lives, bodies, and properties of the people Respond to armed attack situations and take every possible measure by using all organizations and functions Implement all possible measures as a whole nation
Municipal Government	<ul style="list-style-type: none"> Has responsibilities of protecting the region and the lives, bodies, and properties of the residents Implement necessary measures in mutual cooperation with the national government, other municipal governments, and other institutions
Designated Public Institutions	<ul style="list-style-type: none"> Implement necessary measures in the scope of their work, in mutual cooperation with the national government, municipal governments, and other institutions
People	<ul style="list-style-type: none"> Strive to provide necessary cooperation for implementation of response measures taken by the designated administrative institutions, municipal governments, or designated public institutions

Fig. III-1-2-5 Mechanism of Civil Protection Dispatches



- Notes: 1. Armed Attack Situations Task Force Chief or Emergency Response Situation Task Force Chief.
 2. If specifically needed.
 3. Ready reserve personnel and reserve personnel will be called on if necessary upon the approval of the Prime Minister.

Fig. III-2-1-1 Deployment Map of the U.S. Forces in Japan

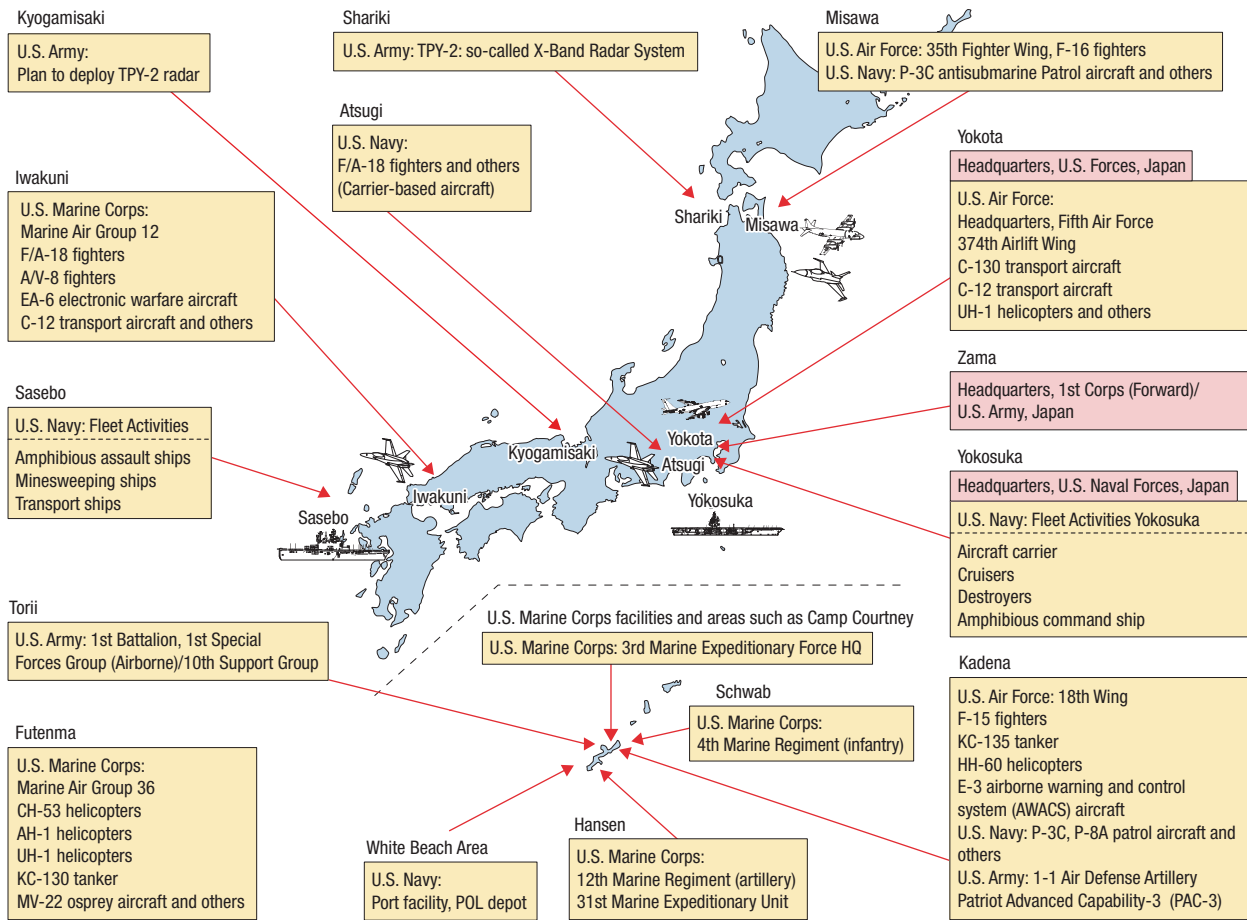
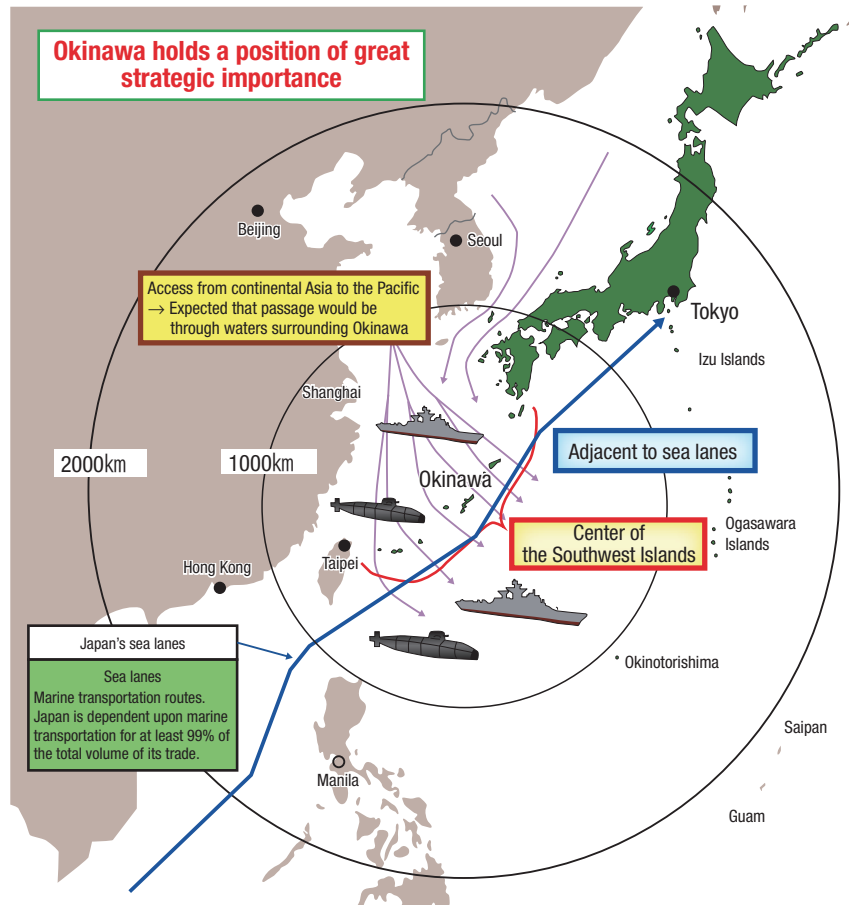


Fig. III-2-1-2 The Geopolitical Positioning of Okinawa and the Significance of the U.S. Marine Corps Stationed in Okinawa



1. Reasons for Stationing the U.S. Marine Corps in Okinawa

- Compared to locations such as the U.S. mainland, Hawaii and Guam, Okinawa is closer to various regions in East Asia.
⇒ In the event where urgent deployment within this region is required, the U.S. military in Okinawa can respond rapidly.
- Okinawa has the geographic advantage of being located in a place with certain distance from Japan's neighbors.
- Okinawa is in a crucial strategic position in terms of the access to the Eurasian Continent and the Pacific Ocean, as it is located more or less in the center of the Nansei Islands and is close to Japan's sea lanes.

2. The Significance & Roles of the U.S. Marine Corps in Okinawa

- With their high level of mobility and readiness*, the U.S. Marine Corps in Okinawa plays various roles, including securing the peace and safety of the region through such endeavors as assisting in the defense of Japan and providing support after the Great East Japan Earthquake as well as dealing with the Java earthquake in Indonesia in May 2006
⇒ The stationing of USFJ in Okinawa, an area with unique geographic characteristics, including the Marine corps, which has high-level mobility and readiness to carry out a wide range of duties and to deal with various types of emergencies, makes a significant contribution to the security of Japan, and to peace and stability in the Asia-Pacific region.

* The Marine Corps constantly utilizes all combat elements (land, sea and air) during its drills and deployments, so it is suited to providing a rapid response in the event of all kinds of situations.

Fig. III-2-2-1 Major Consultations on Policies Held Between Japanese and U.S. Government Officials Concerning Japan-U.S. Security Issues

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 ¹	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 ²	Participants are not specified ²	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) ³	Director-General of North American Affairs Bureau, Ministry of Foreign Affairs; Director General of Bureau of Defense Policy, Director General of the Bureau of Operational Policy, Ministry of Defense; Representative from Joint Staff ⁴	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 subentry under the Japan-U.S. Security Consultative Committee in its 16th meeting Reorganized at the Japan-U.S. vice-ministerial consultation on June 28, 1996
Japan-U.S. Joint Committee	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 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. Meetings 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-2-2-2 Framework of Comprehensive Mechanism

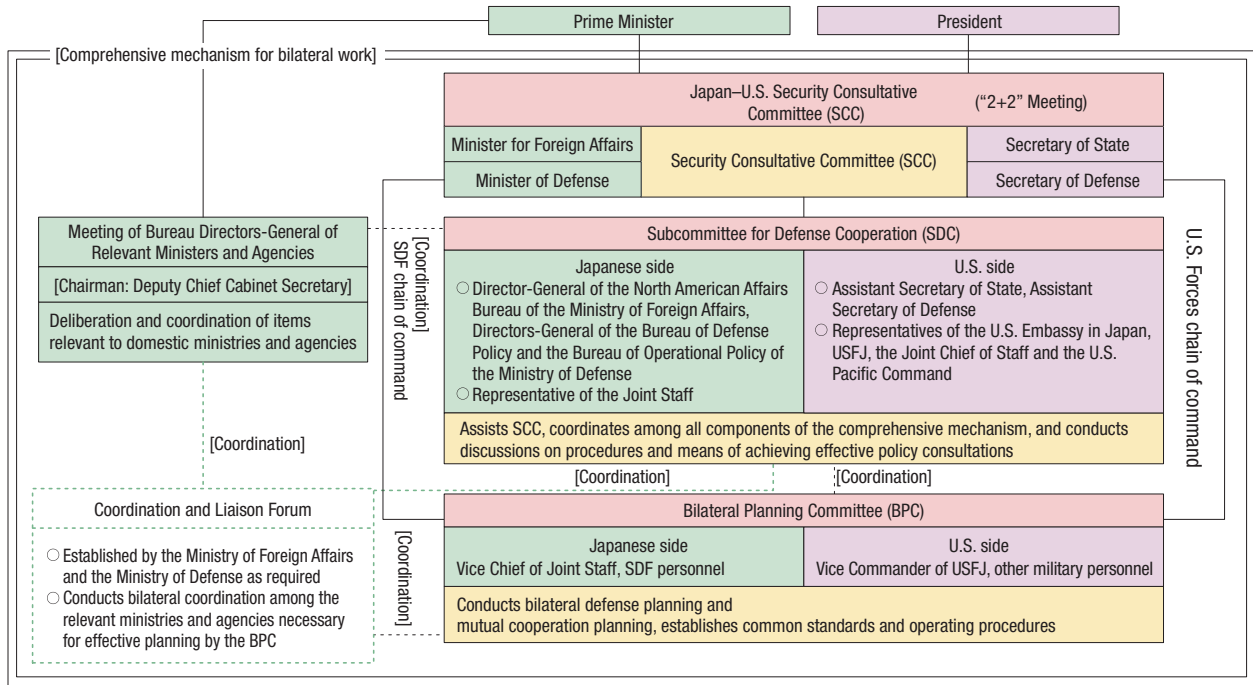


Fig. III-2-2-3 Framework of Coordination Mechanism

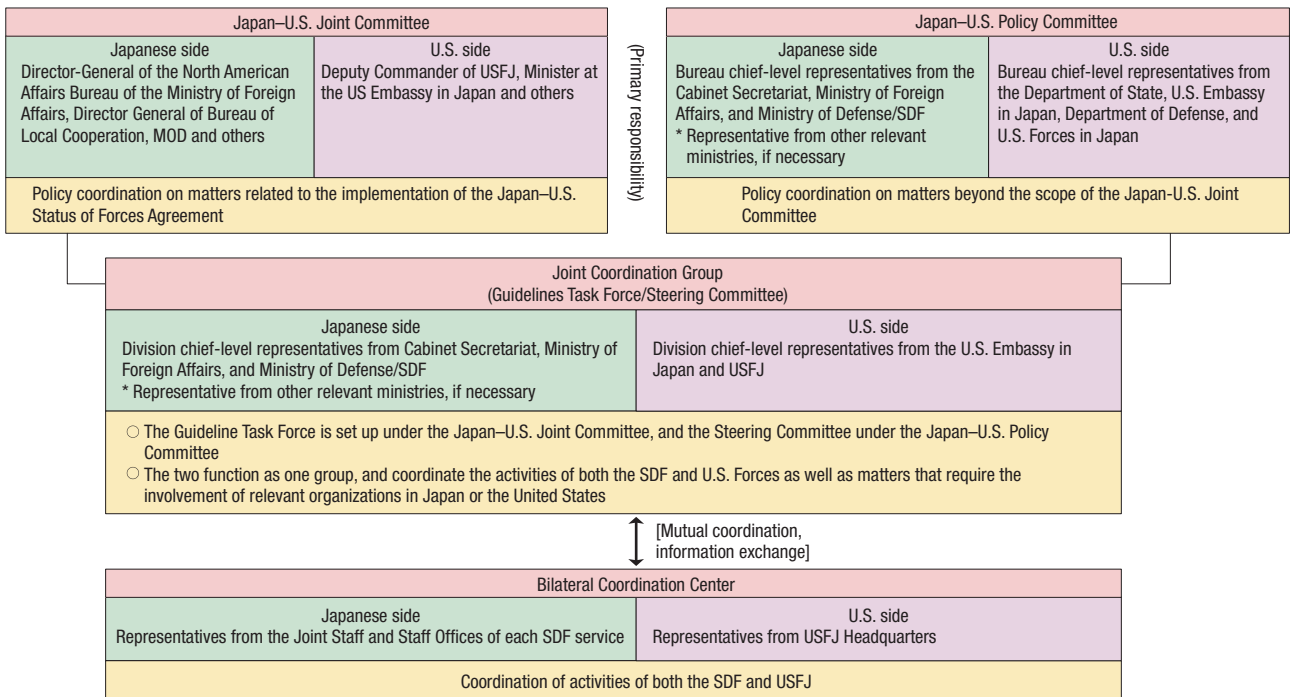


Fig. III-2-2-4 Acquisition and Cross-Servicing Agreement (ACSA) between Japan and the United States

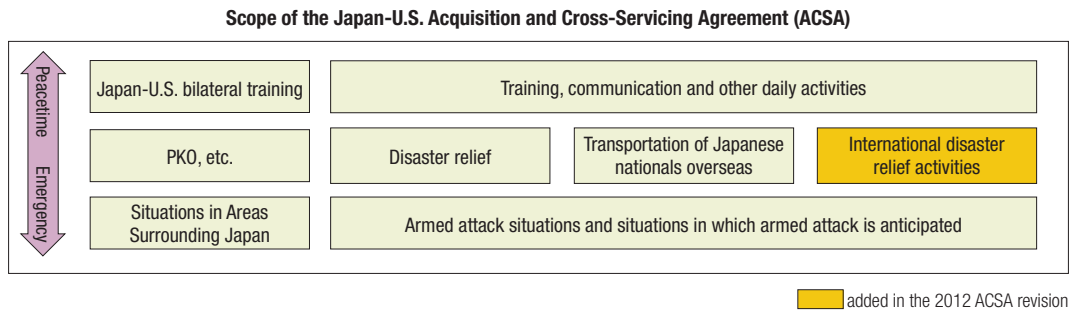


Fig. III-2-2-5 Major Milestones in Security Cooperation Between Japan and the United States

1951		The former Japan-U.S. Security Treaty is signed
1952	Years of the former Japan-U.S. Security Treaty	The treaty enters into force
1958		Fujiyama-Dulles Talks (agreement on the revision of the treaty)
1960	Revision of Japan-U.S. Security Treaty and the new Japan-U.S. Security Treaty	The new Japan-U.S. Security Treaty is signed and enters into force
1968		(Ogasawara Islands are returned to Japan)
1969		Sato-Nixon Talks (agreement on the renewal of the Japan-U.S. Security Treaty and the return of Okinawa to Japan)
1972		(Okinawa is returned to Japan)
1976	Formulation of the former guidelines and expanding Japan-U.S. defense cooperation	(Agreement on the establishment of Sub-Committee for U.S.-Japan Defense Cooperation)
1978		Formulation of the former "Guidelines for U.S.-Japan Defense Cooperation" (the Former Guidelines)
1991		(Collapse of USSR and end of the Cold War)
1996	End of the Cold War and establishment of the current guidelines	Japan-U.S. Joint Declaration on Security (Hashimoto-Clinton Talks)
1997		SACO Final Report
1997		Formulation of the current "Guidelines for U.S.-Japan Defense Cooperation" (the Current Guidelines)
2001		9/11 terrorist attacks in the U.S.
2003	Japan-U.S. relations since the 9/11 Terrorist attacks in the United States	The Japan-U.S. Alliance in the global context (Koizumi-Bush Talks)
2006		Formulation of the United States-Japan Roadmap for Realignment Implementation
2006		The Japan-U.S. Alliance of the New Century (Koizumi-Bush Talks)
2007		The Japan-U.S. Alliance for the World and Asia (Abe-Bush Talks)
2007		Irreplaceable Japan-U.S. Alliance (Abe-Bush Talks)
2010		50th anniversary of the conclusion of the Japan-U.S. Security Treaty
2012		Japan-U.S. Joint Statement: A Shared Vision For the Future (Noda-Obama Talks)
2013		Agreement on the review of the current "Guidelines for U.S.-Japan Defense Cooperation" (the Current Guidelines)
2014		The United States and Japan: Shaping the Future of the Asia-Pacific and Beyond (Abe-Obama Talks)

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

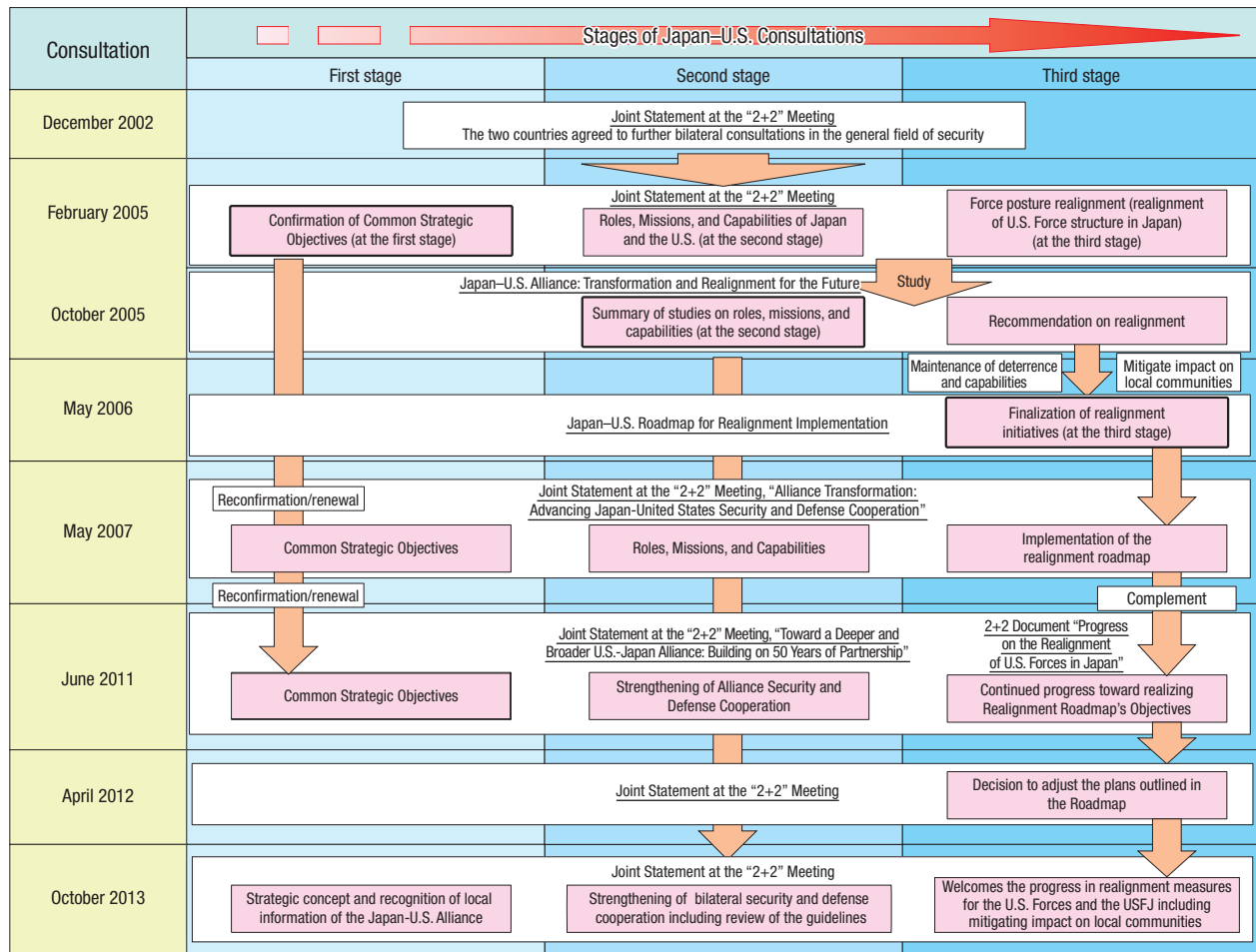


Fig. III-2-2-7 The Enhancement of Joint/Shared Use, Joint Training/Exercises, and Joint Intelligence, Surveillance and Reconnaissance (ISR) Activities (conceptual image)

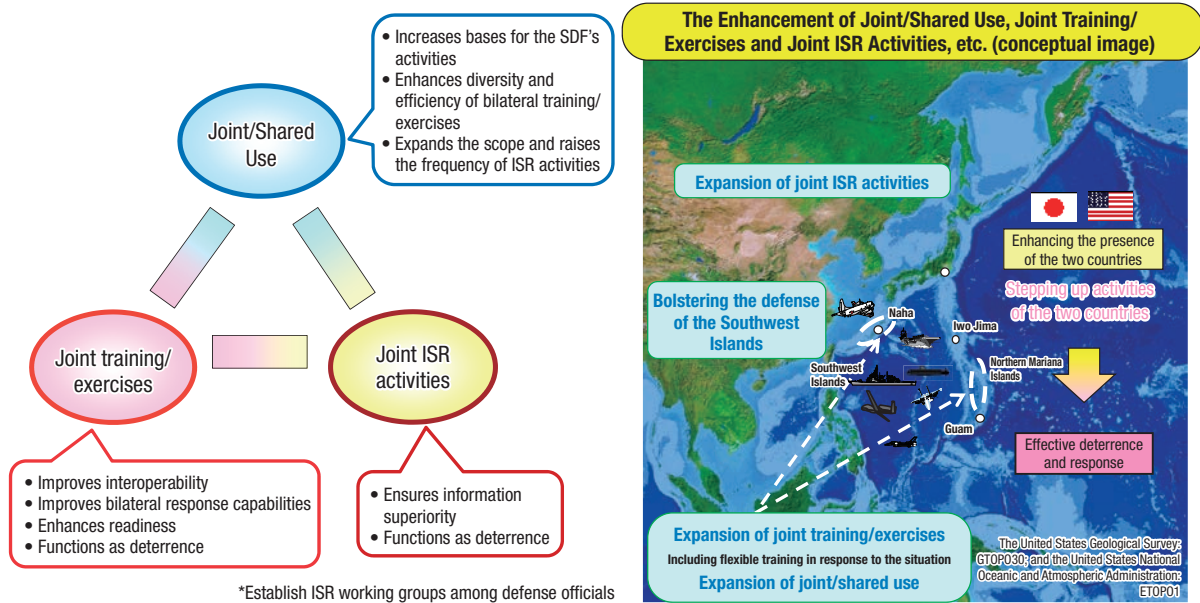
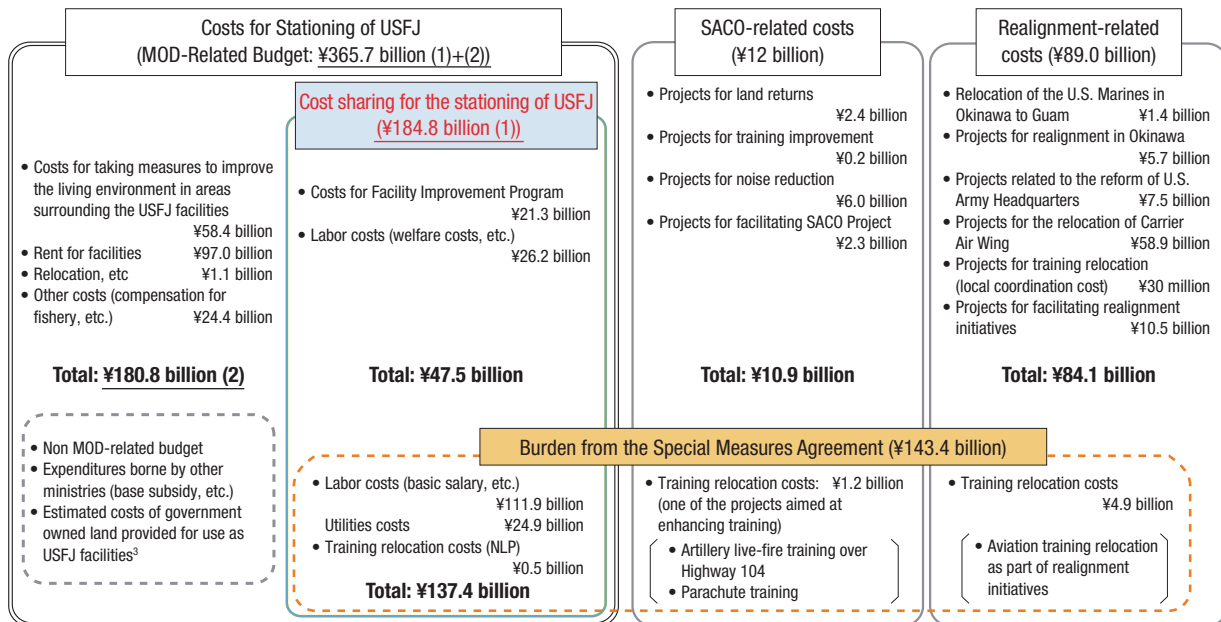


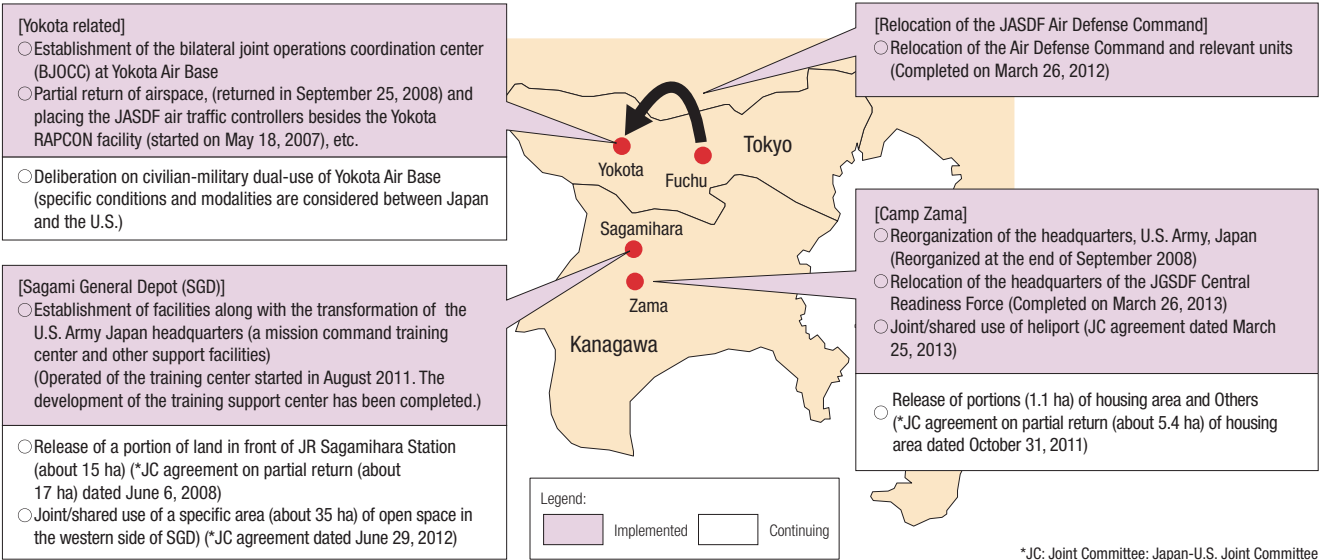
Fig. III-2-3-1 U.S. Forces Japan-related Costs (Budget for FY 2014)



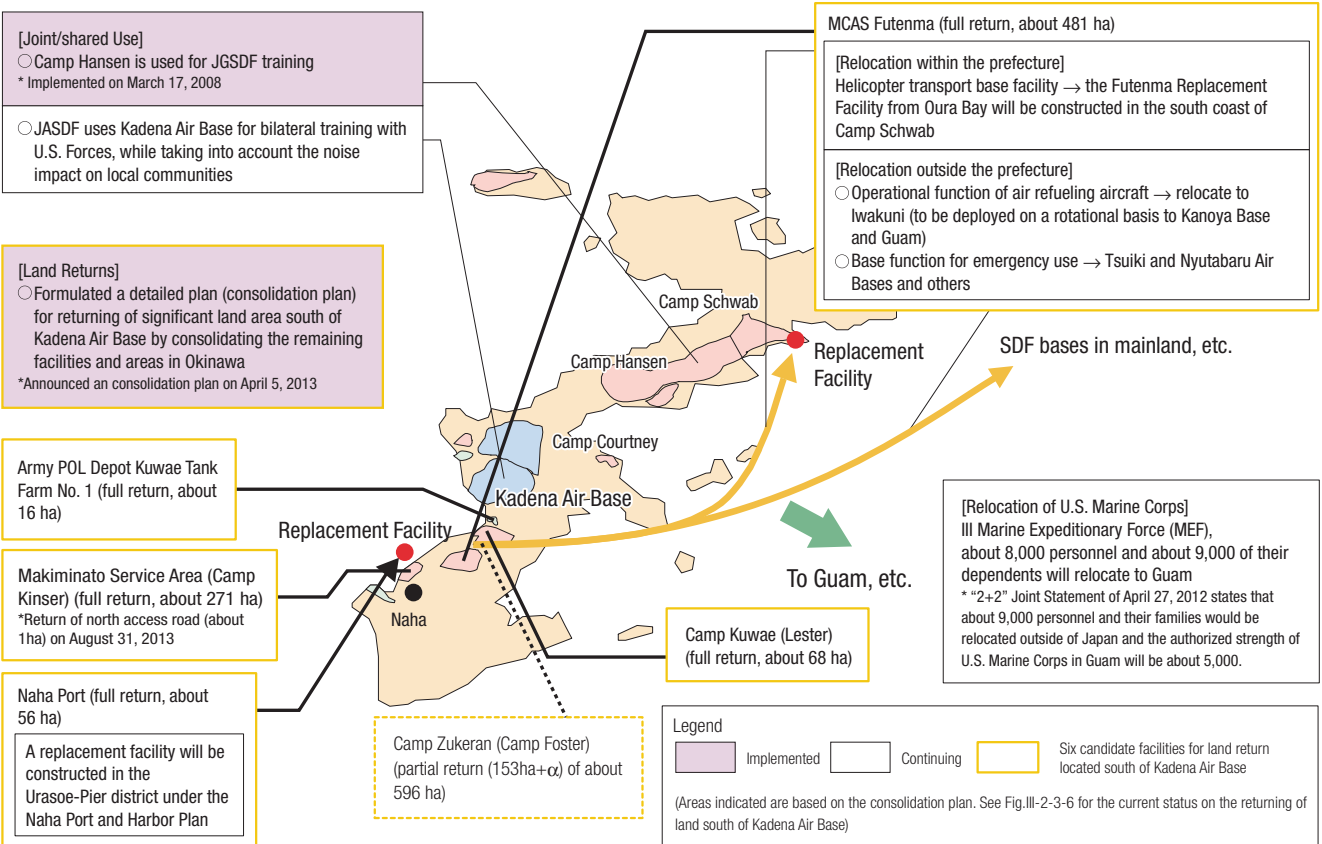
Notes: 1. Training relocation costs under the Special Measures Agreement extend either into the cost sharing for the stationing of USFJ or the SACO-related costs and the realignment-related costs.
 2. The SACO-related costs refer to the cost for implementing the contents of the SACO Final Report to reduce the impact on people in Okinawa, while the realignment-related costs refers to the cost relating to a step to contribute to reducing the impact on local communities as part of the realignment initiatives. Since the cost-sharing for the stationing of USFJ is Japan's voluntary effort to bear some costs in light of the importance of ensuring the smooth and effective implementation of the Japan-U.S. Security Arrangements, its nature is different from the SACO-related costs and the realignment-related costs, and is categorized separately.
 3. The costs related to the stationing of USFJ include the MOD-related budget, other ministry-related budgets (base subsidy, etc.): ¥38.4 billion, FY2013 Budget) and the estimated costs of government-owned land provided for use as USFJ facilities (¥166.0 billion, FY2013 Estimated Costs).
 4. Numbers may not add up due to rounding

Fig. III-2-3-2 Progress of the Realignment of Force Structure of USFJ and the SDF Described in "Japan-U.S. Roadmap for Realignment Implementation"

1. Realignment in the Kanto Area



2. Realignment in Okinawa



3. Relocation of Aircraft, etc.

Relocation of training conducted in **Kadena**, **Misawa** and **Iwakuni** to each of SDF bases, **Chitose**, **Misawa**, **Hyakuri**, **Komatsu**, **Tsuiki** and **Nyutabaru**, as well as to Guam. Relocation to Guam, etc. was agreed upon at the Japan-U.S. Joint Committee in January 2011.

Relocation of carrier-based aircraft squadrons to Iwakuni



Relocation of the KC-130 squadron to Iwakuni



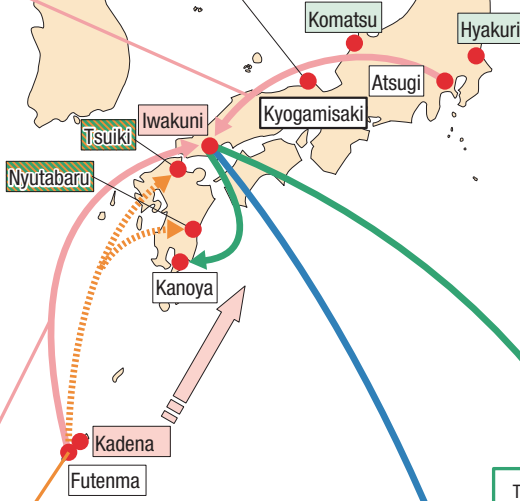
Portions of the future civilian air facility will be accommodated at MCAS Iwakuni (the airport opened on December 13, 2012)



TPY-2 Radar: deployment of so-called "X-band Radar System")



Deploying TPY-2 Radar
*Confirmed at the "2+2" Joint Statement on October 3, 2013



Legend

- Implemented
- Continuing

Relocation of MSDF E/O/UP-3 squadrons, etc. from Iwakuni to Atsugi (Confirmed at the "2+2" Joint Statement on October 3, 2013 that they would be maintained at MCAS Iwakuni)

The KC-130 squadron will be deployed on a rotational basis to MSDF Kanoya Base and Guam

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

Relocation of the CH-53D squadron to Guam (Already relocated to continental U.S.)

Mariana Islands
Saipan
Guam

Fig. III-2-3-3 Facilities and Areas Related to the SACO Final Report

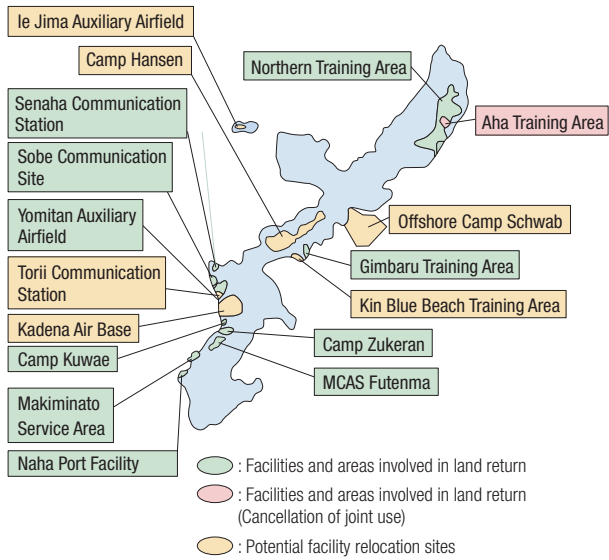


Fig. III-2-3-4 Changes in Number and Area of the USFJ Facilities and Areas (Exclusive Use) in Okinawa

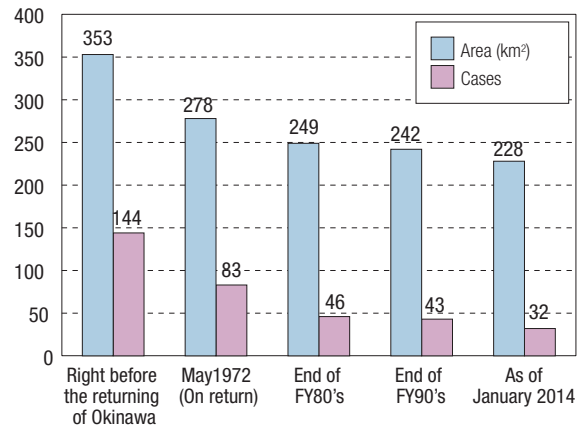
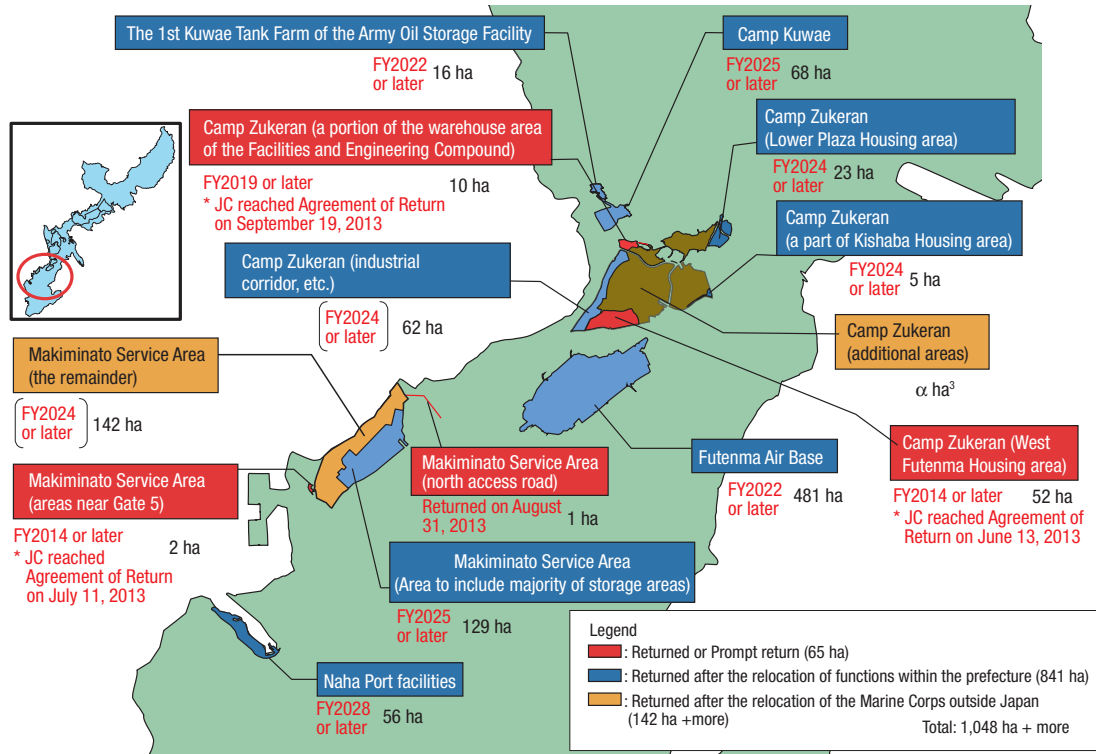


Fig. III-2-3-5 Background for the Futenma Airfield Replacement Facility

Month & Year	Background
April 1996	Then Prime Minister Hashimoto and then U.S. Ambassador Mondale held a meeting, and the full return of Marine Corps Air Station Futenma (MCAS Futenma) was announced. SACO Interim Report. → The airfield will be returned within five to seven years, following the completion of an adequate replacement facility.
December 1996	SACO Final Report → A maritime facility will be constructed off the east coast of the main island of Okinawa (one that can be dismantled).
November 1999	Then Governor of Okinawa Inamine stated that he had chosen the Henoko coast region of Nago City as a candidate for the facility relocation on condition that it would be for joint military-civilian use
December 1999	Then 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 Nago City Hennoko coastal region in the water area of Camp Schwab
July 2002	“Basic Agreement Regarding the Use of Replacement Facilities” concluded between the Director General of Defense Agency and the Governor of Okinawa. “Basic Plan for Replacement Facilities for MCAS Futenma” was prepared. → Scale, construction methods, and specific construction site decided.
November 2003	Then Secretary of Defense Rumsfeld visited Okinawa.
April 2004	The Environmental Impact Assessment (EIA) procedure started (abolished in 2007).
August 2004	A U.S. Force helicopter crashed into a university campus in Ginowan City, Okinawa.
October 2005	“2+2” Joint Statement → Agreement on a new plan (an L shape plan connecting the coastal area of Camp Schwab with the adjacent water area of Oura bay)
April 2006	“Basic Agreement Regarding the Construction of the MCAS Futenma Replacement Facility” concluded between the Director General of the Defense Agency, the Mayor of Nago, and the village mayor of Ginoza. → Agreement was reached by creating flight paths avoiding overflight of the surrounding region (the V shape plan).
May 2006	“2+2” Joint Statement → Final adjustments made for the “U.S.-Japan Roadmap for Realignment Implementation,” V shape plan approved “Basic Confirmation Regarding the Realignment of U.S. Military Forces in Okinawa” concluded between the Director General of the Defense Agency and the Governor of Okinawa. “GOJ Efforts for USFJ Force Structure Realignment and Others” (Cabinet decision) → The cabinet decision of December 1999 was abolished.
August 2006	Establishment of “the Council on Measures for Relocation of MCAS Futenma”
June 2007	Environmental survey started.
August 2007	The EIA scoping document was sent to the governor, municipal mayors etc. of Okinawa.
March 2008	Survey based on the EIA scoping document was started.
April 2009	Draft Environment Impact Statement was sent to the governor and municipal mayors of Okinawa.=
May 2009	“The Guam International Agreement” was approved by the Diet.
September 2009	Conclusion of a three-party coalition government agreement between the Democratic Party of Japan, the Social Democratic Party, and the People’s New Party. Agreement on reviewing the status of the U.S. Forces realignment and U.S. Forces bases in Japan.
November 2009	Establishment of the Ministerial-Level Working Group on the Replacement Facility for Futenma Air Station. Japan–U.S. summit meeting Agreement on resolving the relocation of Futenma Air Station expeditiously through the working group.
December 2009	Ministerial Committee on Basic Policies convened, Exploratory Committee for the Okinawa Bases Issue was established.
January 2010	“2+2” Joint Statement → Confirmation of efforts to maintain deterrence and capabilities while reducing the impact on local communities, including Okinawa.
May 2010	“2+2” Joint Statement Intention to locate the Futenma replacement facility at the Camp Schwab Henoko area and adjacent waters was confirmed “Government Efforts Related to Items Authorized by the United States-Japan Security Consultative Committee on May 28, 2010” (Cabinet decision).
August 2010	Futenma Replacement Facility Bilateral Experts Study Group Report
June 2011	“2+2” Joint Statement Confirming the commitment that a replacement plan should be completed as early as possible after 2014, while deciding that the shape of the runway in the replaced facility should be V-shaped.
December 2011– January 2012	The Environmental Impact Statement report was sent to the governor of Okinawa.
February 2012	The Japan-U.S. Joint Statement was announced on the realignment of the U.S. forces stationed in Japan. Official discussion was initiated to delink two issues—the movement of Marines to Guam and resulting land returns South of Kadena—from progress on the FRF.
April 2012	“2+2” Joint Statement The current plan to relocate the air base from Futenma to Henoko was reconfirmed to be the only viable solution.
December 2012	Revised Environment Impact Statement was sent to the governor and municipal mayors of Okinawa.
March 2013	Application for approval of public water body reclamation was submitted to the governor of Okinawa.
October 2013	“2+2” Joint Statement → Recognition was reaffirmed that the Futenma Replacement Facility would be constructed in Henoko should be the only solution to avoid continuous use of the facility
December 2013	Mayor of Okinawa approved reclamation of the public water body related to the Futenma Replacement Facility construction project

Fig. III-2-3-6 Return of Land Areas South of Kadena Air Base



Notes: 1. The times and years are based on the best case scenario concerning the return of specific facilities/areas after the completion of necessary measures and procedures to be taken by the Governments of Japan and the United States. The periods may become delayed due to such factors as the progress of the preparation for relocation in Okinawa by the Government of Japan and the U.S. Government's efforts for relocation of the U.S. Marine Corps to outside Japan. Furthermore, the times and fiscal years in parentheses do not include the time necessary for relocation of the Marine Corps from Japan because, though the conditions for returning the areas include its relocation to outside of Japan, the plan for the relocation is yet to be decided. Consequently, the times of return of these areas may be changed depending on the progress of the relocation of the Marine Corps from Japan.

2. The area of each area is an approximate figure and may be slightly modified based on the results of future surveys, etc.

3. Studies will be made in the process of developing a master plan to determine the feasibility of additional land returns.

*JC: Japan-U.S. Joint Committee

Fig. III-2-3-7 Chronology of MV-22 Osprey Deployment to Okinawa

June 6, 2011	Provided information to relevant local governments and other organizations on the announcement made by the U.S. Department of Defense to replace the CH-46 deployed at MCAS Futenma with the MV-22 in the latter half of 2012.
June 13–26	Provided safety/noise information that GOJ had been obtained so far to relevant local governments and other organizations.
June 24	Received a letter with 29 questions from Okinawa Governor and others.
September 1	The first written response was handed to Okinawa Governor and others by Administrative Vice-Minister.
September 2–13	Provided an explanation on the first written response to relevant local governments and other organizations.
December 20	The second written response was handed to Okinawa Governor by chief of the Okinawa Defense Bureau.
December 20–January 17, 2012	Provided an explanation on the second written response above to relevant local governments and other organizations.
April 12	A prompt report on the accident involving an MV-22 in Morocco was provided to relevant local governments and other organizations.
June 13–	Provided an explanation on the results of the Environment Review, MV-22 pamphlet, and the content of the third response to the questions to Okinawa Prefecture, relevant local governments and other organizations.
June 14	A prompt report on the accident involving a CV-22 in Florida was provided to relevant local governments and other organizations.
June 26–	Provided an explanation on the information provided from U.S. side regarding the accidents in Morocco and Florida to relevant local governments and other organizations.
June 29–	Provided an explanation on the content of the Host Nation Notification and the press release to relevant local governments and other organizations.
July 20	Provided information from the U.S. side stating that the MV-22 would be offloaded on MCAS Iwakuni on July 23 to relevant local governments and other organizations.
August 1–September 18	Received four questionnaires regarding the Environment Review etc., from the Okinawa Governor and others.
August 28–	Provided an explanation on the “Analysis and Evaluation Report on the MV-22 Accident in Morocco” to relevant local governments and other organizations.
August 28–	Provided an explanation on the “Analysis and Evaluation Report on the CV-22 Accident in Florida” to relevant local governments and other organizations.
August 28–	Q&A session on Osprey deployment with members of the Iwakuni City Council full member committee.
September 19–	Provided an explanation on the report “MV-22 Osprey deployment in Okinawa” to relevant local governments and other organizations.
September 21	Provided Yamaguchi Prefecture and Iwakuni City with the information that function check flights, etc. were commenced at MCAS Iwakuni.
September 27-28	Provided information on the contents of the responses to the questionnaires from Okinawa Prefecture and others received from August 1 to September 18 to Okinawa Prefecture, other relevant local governments and other organizations.
November 2	In the nationwide prefectural governors meeting hosted by the Government, Defense Minister explained the initial training plan with the MV-22 Osprey, and Prime Minister and Defense Minister asked for the governors’ cooperation in relocating the training to outside Okinawa.
December 10	The MOD received another letter of questions from Governor of Okinawa in response to the answers to his initial questions which the MOD submitted to him in September.
December 12–14	The MOD provided explanations to Okinawa Prefecture and relevant local governments in Okinawa regarding the content of the second set of answers the MOD prepared, since some of these answers did not satisfactorily address the letter of questions from the Governor of Okinawa Prefecture on environmental review.
December 25	The MOD received a request from the Governor of Okinawa to investigate the details of the flight operations of MV-22.
January 28, 2013	The Committee for the Okinawa Prefectural Citizens’ Rally and the Okinawa Prefectural Assembly submitted a petition to the Prime Minister.
April 30	The MOD provided explanation to the relevant local governments and other organizations regarding U.S. explanation on the deployment of the squadron (unloaded at MCAS Iwakuni in summer 2013).
July 1	It was announced that squadron plans to be unloaded at the final week of July to MCAS Iwakuni
September 25	Relocation to MCAS Futenma was completed.

Fig. III-2-3-8 Facilities and Areas Related to the Reorganization of the USFJ Facilities and Areas in Kanagawa Prefecture

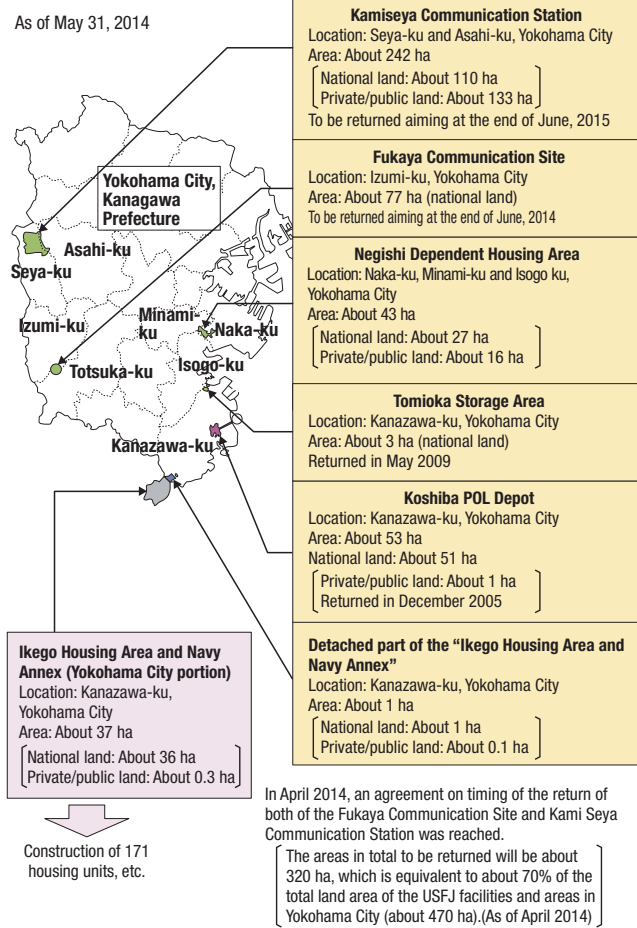


Fig. III-3-1-1 High-Level Visits (January 2013-Early July 2014)

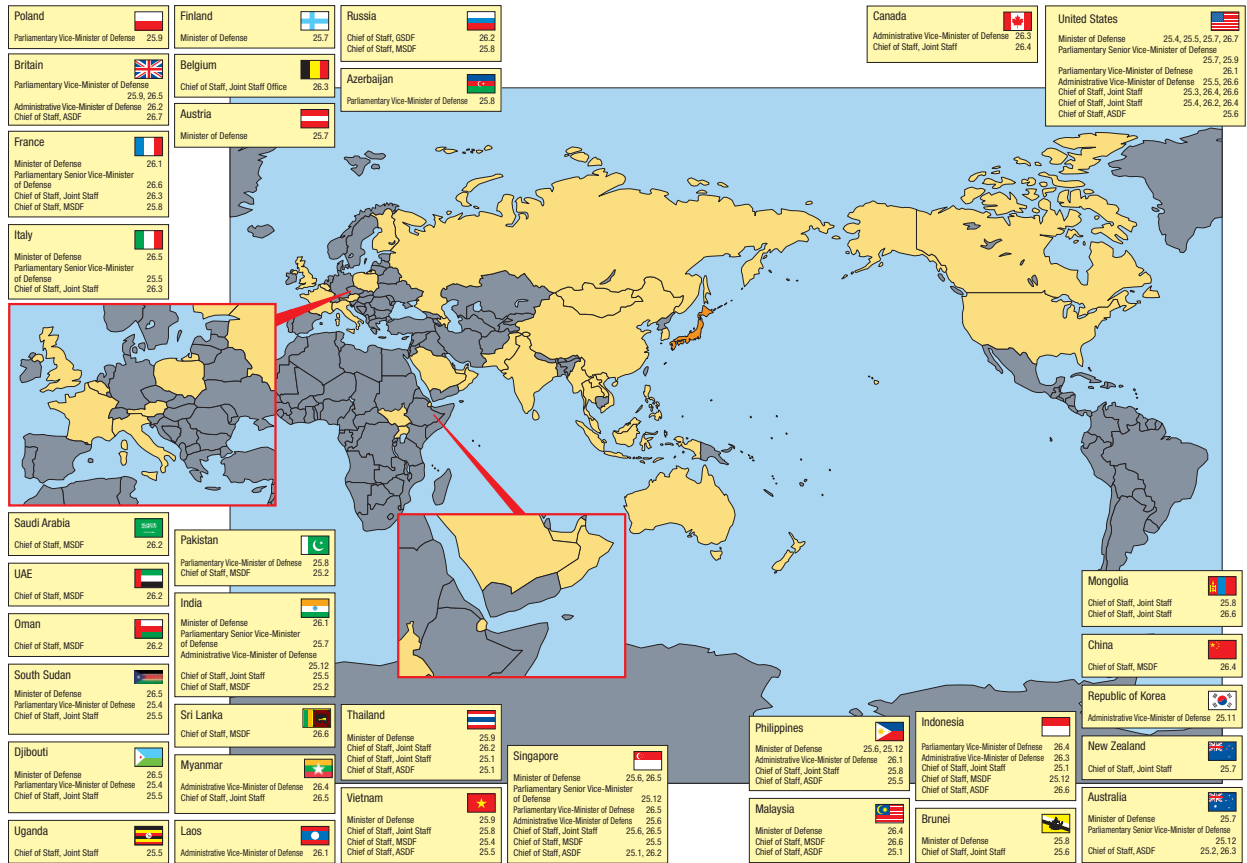


Fig. III-3-1-2 Security Dialogues and Defense Exchanges

Classification	Type	Significance	Outline
Bilateral	Exchange between Defense Ministers and high-level officials	Improving and reinforcing mutual trust and cooperation through frank exchanges of views on regional situations and national defense policies that are important common interests to both sides, as well as enhancing following defense exchanges	<ul style="list-style-type: none"> • Dialogues and mutual visits between Japan's Defense Minister and Defense Ministers from other countries • Dialogues and mutual visits between Japan's Parliamentary Senior Vice-Minister for Defense, Parliamentary Vice-Minister for Defense, Administrative Vice-Minister of Defense, Chief of Joint Staff, GSDF, MSDF, ASDF Chiefs, and their counterparts in the other countries
	Regular consultation between defense	Paving the way for high-level dialogues and exchanges through continuous and direct exchanges of views between national defense policy-makers, and contributing to the enhancement of mutual trust and cooperation between related countries	<ul style="list-style-type: none"> • Consultations between Director-General-level officials, Deputy Director-General-level officials, and their counterparts • Dialogue between Japan's Joint Staff, GSDF, MSDF, ASDF, and their counterparts in foreign countries
	Exchange between units	Contributing to the improvement and enhancement of mutual trust and cooperation between related countries through bilateral exercises and events for exchanges	<ul style="list-style-type: none"> • Personnel exchanges • Mutual visits to training squadrons aircraft, and bilateral exercises for search and rescue operations
	Exchange of students	In addition to the original educational purposes, deepening the understanding of the other countries' defense policies and, the situation of their defense units, as well as building mutual trust through the promotion of relatively long-term personnel, and establishing human networks	<ul style="list-style-type: none"> • Mutual acceptance of students • Dispatch of students to overseas military-related organizations
	Research exchanges	Deepening mutual understanding between researchers of both countries through frank exchange of opinions for the maintenance and promotion of defense exchanges	Research exchanges between Japan's National Institute for Defense Studies and military-related research organizations in other countries
Multilateral	Security dialogue	Deepening mutual understanding on the recognition of situations and on security perceptions among related countries, and multilateral issues broadly	<ul style="list-style-type: none"> • Dialogues at the ADMM-Plus and ARF • Multilateral dialogues sponsored by the Ministry of Defense Japan • Multilateral dialogues sponsored by governments • Multilateral dialogues sponsored by private sectors
	Multilateral exercises and seminars	Improving skills and contributing to improvement enhancement of mutual trust and cooperation through multilateral exercises and seminars	<ul style="list-style-type: none"> • Personnel exchanges • Multilateral exercises and seminars related to disaster relief, minesweeping, and submarine rescue operations

Fig. III-3-1-3 From Dialogues and Exchanges to Cooperation

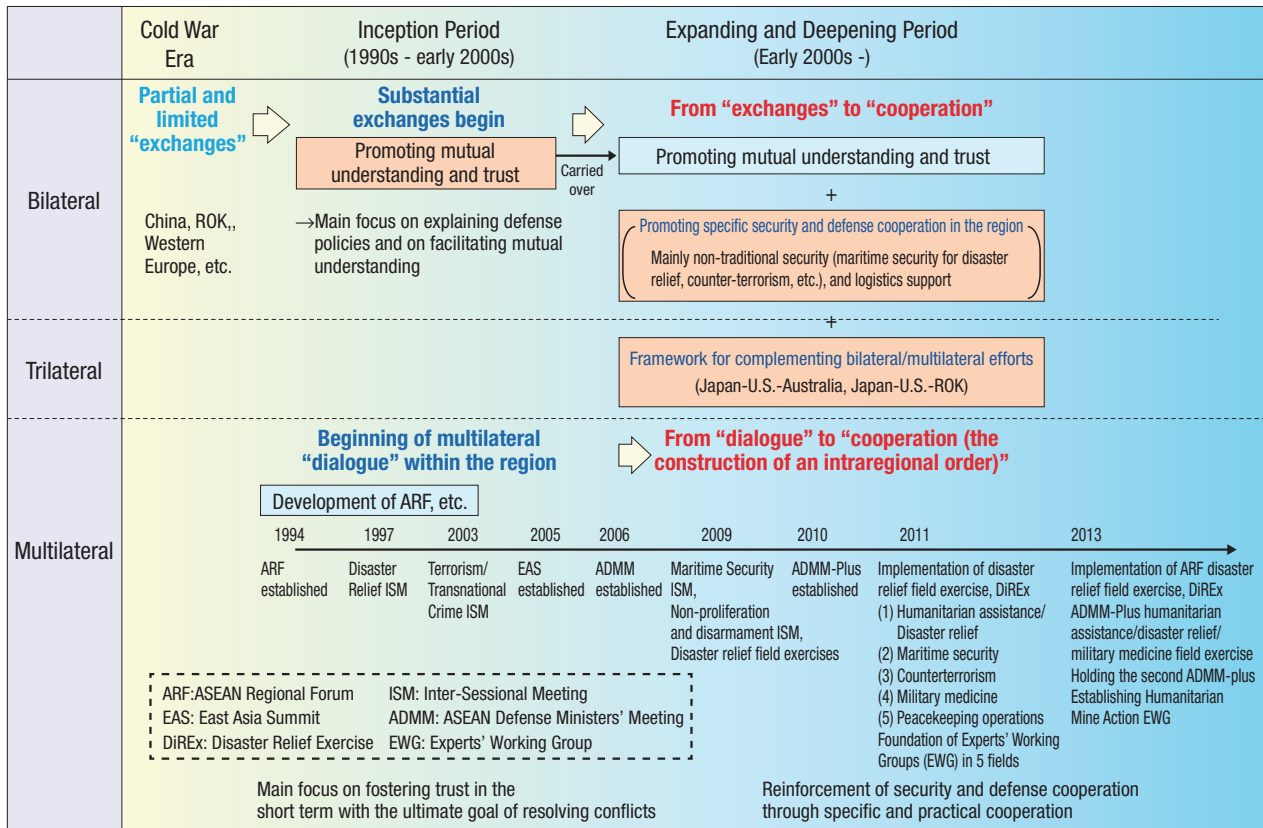


Fig. III-3-1-4 Image of Defense Cooperation and Exchanges

LEVEL	Examples of Specific Initiatives
Crisis Management and Confidence-Building	<ul style="list-style-type: none"> ○ Personnel Exchanges (high-level exchange, working-level exchange etc) ○ Unit-to-Unit Exchanges, Mutual Visits by vessels and aircrafts ○ Goodwill Training
Mutual Cooperation	<ul style="list-style-type: none"> ○ Students Exchanges, Research Exchanges ○ Memorandums of Defense Cooperation and Exchanges ○ Information Security Agreement ○ Acquisition and Cross-Servicing Agreements (ACSA) ○ Various Cooperation in Non-Traditional Security (including joint training) <ul style="list-style-type: none"> • ARF Disaster Relief Exchanges (DIREx), Joint Search and Rescue Exercises • JPN-AUS Cooperation (Cambodia PKO, East Timor PKO, Iraq Reconstruction and Assistance Activities) • Pacific Partnership, Cooperation with countries and organizations in Counter-Piracy)
Assistance	<ul style="list-style-type: none"> ○ Capacity building Assistance

Fig. III-3-1-5 Organizational Chart and Overview of the ASEAN Defense Ministers' Meeting-Plus (ADMM-Plus)

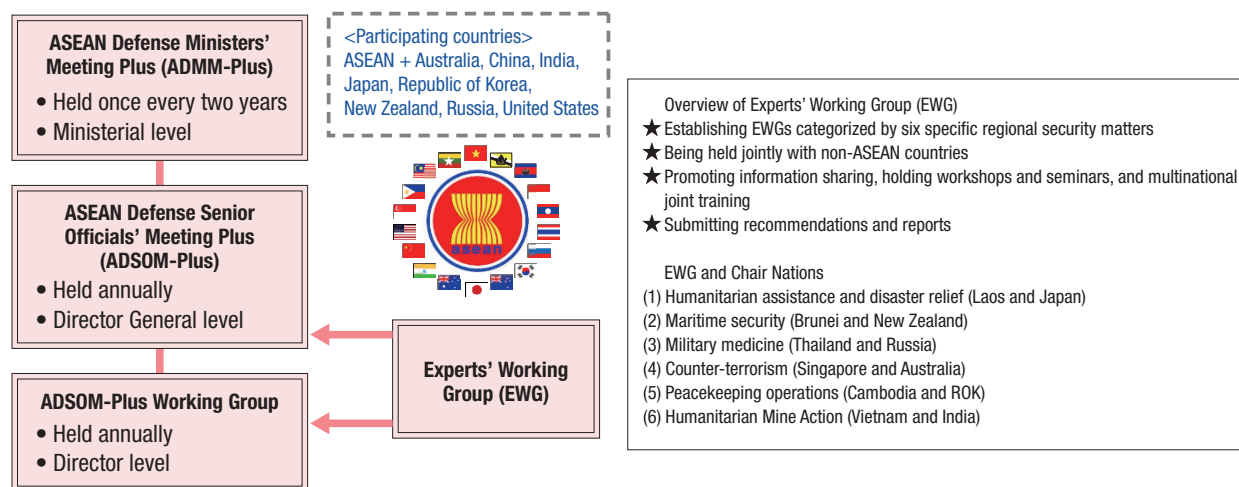
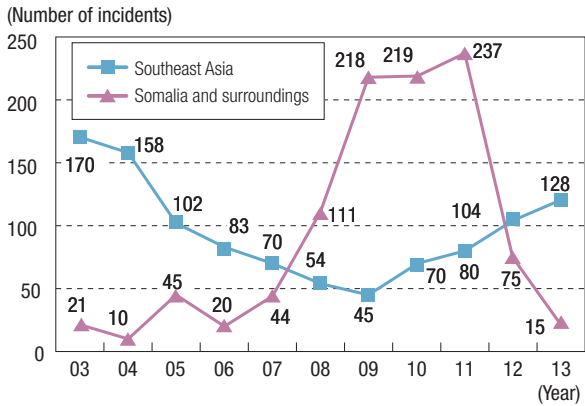


Fig. III-3-1-6 Status of Activities of Short-Term Dispatch Program

Country	Period	Content	Supporting target	Dispatched personnel
Mongolia	October 17, 2012	Conducting a seminar on the efforts by GSDF Medical corps officials as support in the area of hygiene	Medical officers at Central Hospital of Mongolian military, etc.	Two GSDF personnel One Internal Bureau Administrative official
	June 11–13, 2013	Human Resources Development in the engineering field to contribute to the field of U.N. PKO (Field survey)	Mongolian Military Engineer Unit	Five GSDF personnel Three Internal Bureau Administrative Officials
	July 31–August 6, 2013			Six GSDF personnel One Internal Bureau Administrative Official
Vietnam	October 22–23, 2012	Conducting a seminar on overview of underwater medicine	Medical officers in the Vietnamese navy	Three MSDF personnel One Internal Bureau Administrative Official
	May 22–24, 2013			Two MSDF personnel Two Internal Bureau Administrative Officials
	March 17–21, 2014			Three MSDF personnel Two Internal Bureau Administrative Officials
	September 24–27, 2013	Seminar on aviation safety	Vietnam Air Defence and Air Force	Five ASDF personnel Two Internal Bureau Administrative Officials
Indonesia	February 4–6, 2013	Conducting a seminar on oceanography as support in the area of maritime security	Indonesian Navy Hydro-Oceanographic office	Three MSDF personnel One Internal Bureau Administrative Official
	July 3–5, 2013			One MSDF personnel Two Internal Bureau administrative officials (One Maritime Safety Official)

Fig. III-3-3-1 Piracy Incidents Off the Coast of Somalia and in the Gulf of Aden (Comparison with the number of incidents in Southeast Asia)



- Notes: 1. The data is based on a report by the International Maritime Bureau (IMB) of the International Chamber of Commerce (ICC).
 2. Regarding piracy cases that have occurred off the coast of Somalia and in the Gulf of Aden in 2014, approximately cases of piracy have been reported as of late April.

Fig. III-3-3-2 SDF's Counter-Piracy Operations

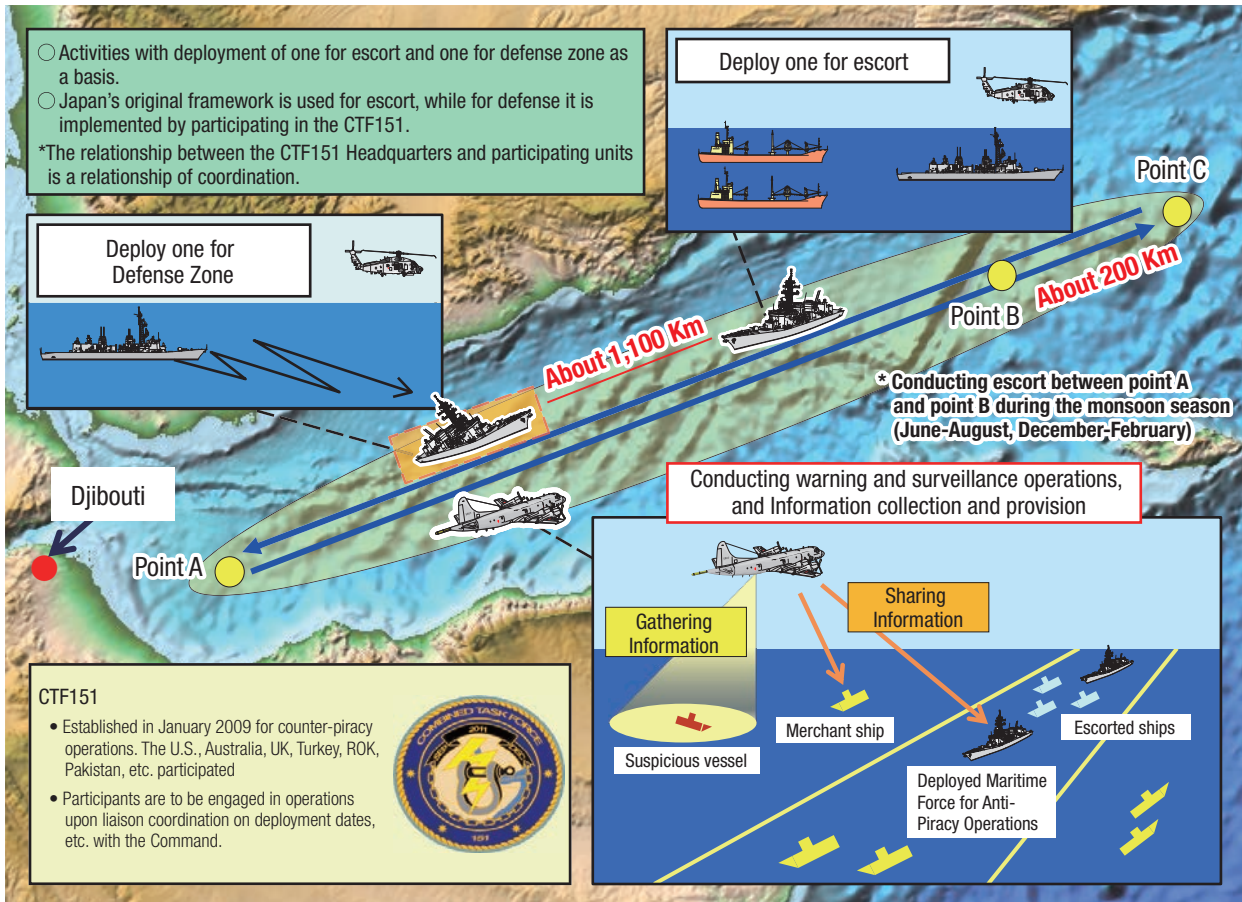
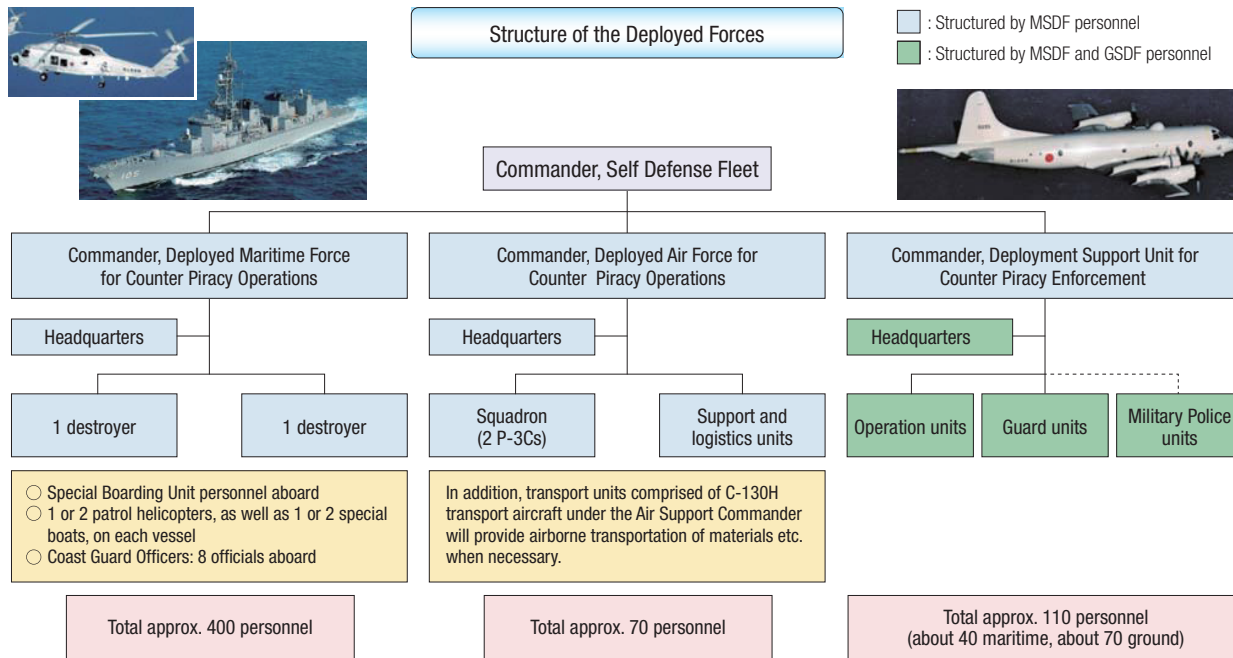


Fig. III-3-3-3 Structure of the Deployed Forces

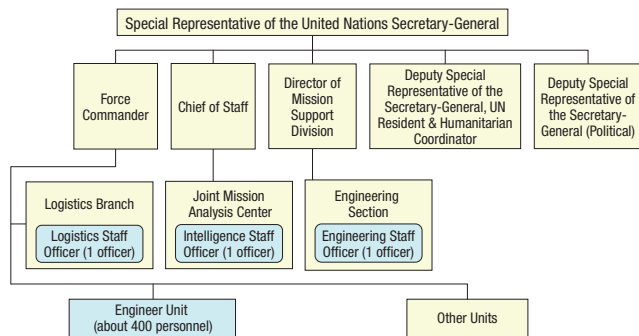


* Other than the units above, an unit comprising of SDF personnel (within 20 personnel) serving CTF151 Commander and Commander center staff will be structured.

Fig. III-3-4-4 South Sudan and Its Surrounding Area



Fig. III-3-4-5 Organization of UNMISS



Notes: Blue boxes show the number of Japanese personnel dispatched on UNMISS.

Fig. III-3-4-6 Overview of the Coordination Center and the Engineer Unit Deployed in South Sudan

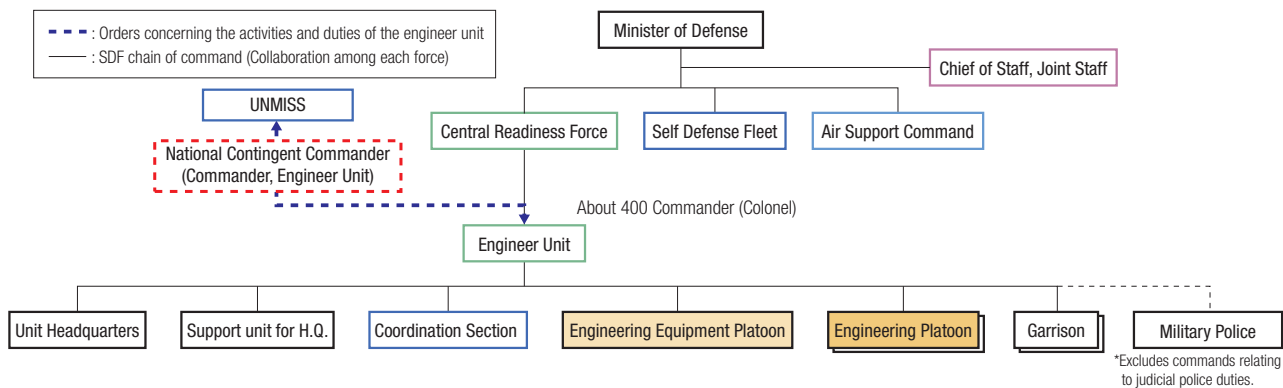


Fig. III-3-4-7 PKO Centers in Africa



Fig. III-3-4-8 The Philippines and the Surrounding Area

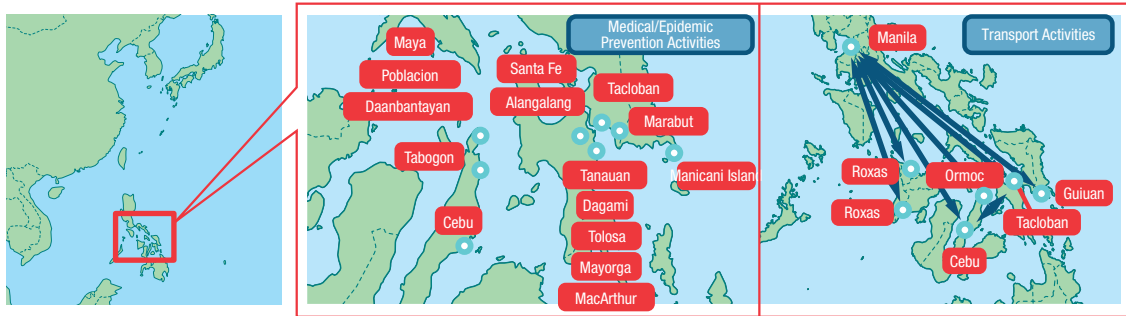


Fig. III-3-4-9 Overview of the Coordination Center and the Engineer Unit Deployed in South Sudan

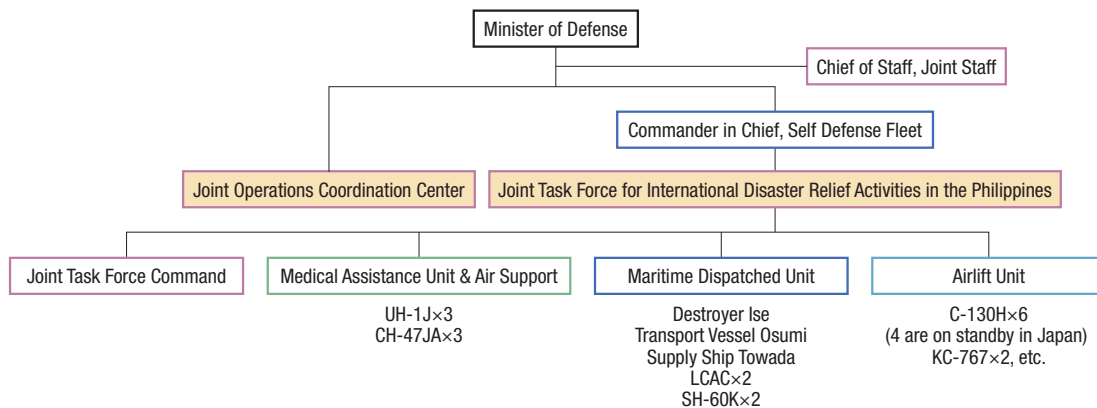


Fig. III-3-4-10 Malaysia and the Surrounding Area

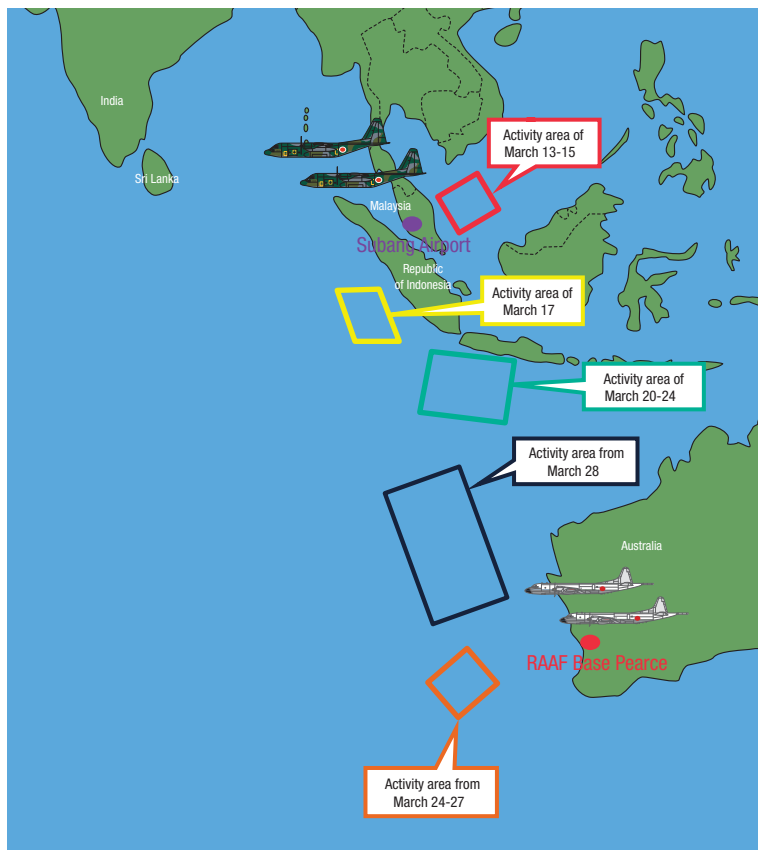


Fig. III-3-4-11 International Disaster Relief Teams for a Missing Malaysian Airplane

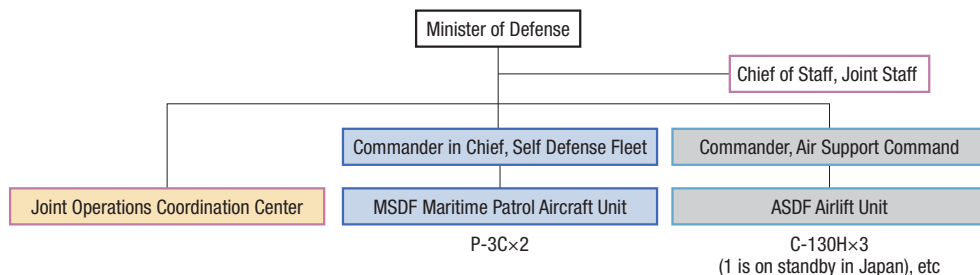


Fig. III-3-5-1 Framework for Arms Control, Disarmament and Nonproliferation Relating to Conventional Weapons, Weapons of Mass Destruction, Missiles and Related Materials, etc.

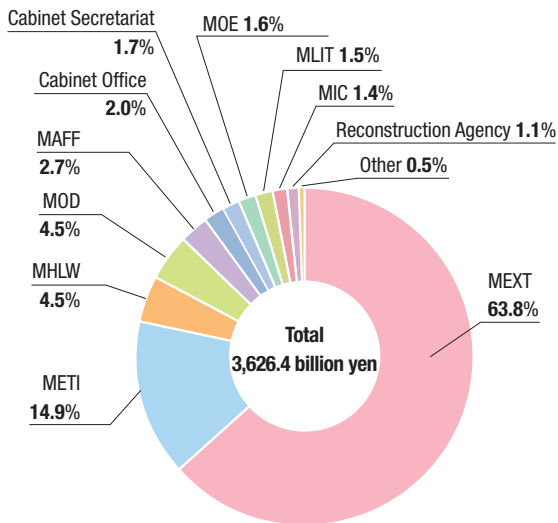
Category	Weapons of Mass Destruction, etc.				Conventional Weapons
	Nuclear Weapons	Chemical Weapons	Biological Weapons	Delivery Systems (Missiles)	
Conventions on Arms control, Disarmament and Nonproliferation, etc.	Treaty on the Non-Proliferation of Nuclear Weapons (NPT) Comprehensive Nuclear-Test-Ban Treaty (CTBT)	Chemical Weapons Convention (CWC)	Biological Weapons Convention (BWC)	The Hague Code of Conduct Against Ballistic Missile Proliferation (HCOC)	Convention on Certain Conventional Weapons (CCW), Convention on Cluster Munitions (Oslo Treaty), Convention on the Prohibition of Anti-Personnel Mines (Ottawa Treaty), United Nations Register of Conventional Arms, United Nations Report on Military Expenditures
Export Control Frameworks Aimed at Nonproliferation	Nuclear Suppliers Group (NSG)	Australia Group (AG)		Missile Technology Control Regime (MTCR)	Wassenaar Arrangement (WA)
New International Initiatives Aimed at Nonproliferation of Weapons of Mass Destruction	Proliferation Security Initiative (PSI) United Nations Security Council Resolution 1540				

Fig. III-3-5-2 Participation of MOD/SDF in PSI Interdiction Exercise (Since 2010)

Date	Exercise	Location	Participation of MOD/SDF
Sep 2010	PSI air interdiction exercise hosted by Australia	Australia	Dispatch of observers
Oct 2010	PSI maritime interdiction exercise hosted by the ROK	Republic of Korea	2 destroyers
July 2012	PSI air interdiction exercise hosted by Japan	Japan	Joint Staff, Air Defense Command, Air Support Command, Northern Army, Central Readiness Force, Internal Bureau
Sep 2012	PSI maritime interdiction exercise hosted by the ROK	Republic of Korea	1 destroyer, 1 patrol aircraft (P-3C)
Feb 2013	PSI exercise co-hosted by the U.S. and UAE	UAE	Dispatch of observers

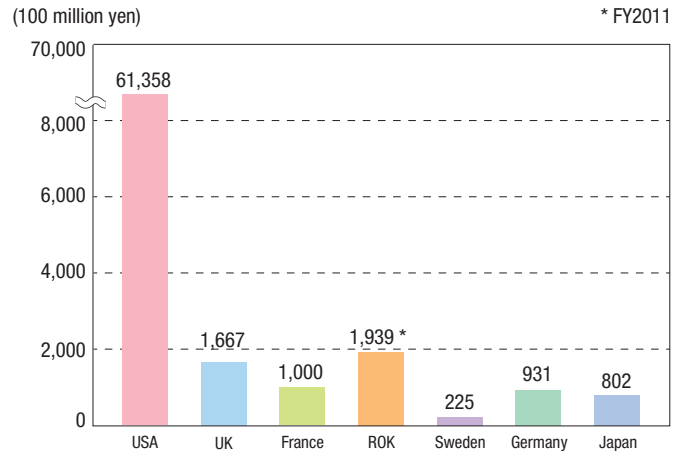
Fig. IV-1-1-2 Current Status of Research & Development Expenditure

Japan's Science & Technology Budget (FY2014 Budget)



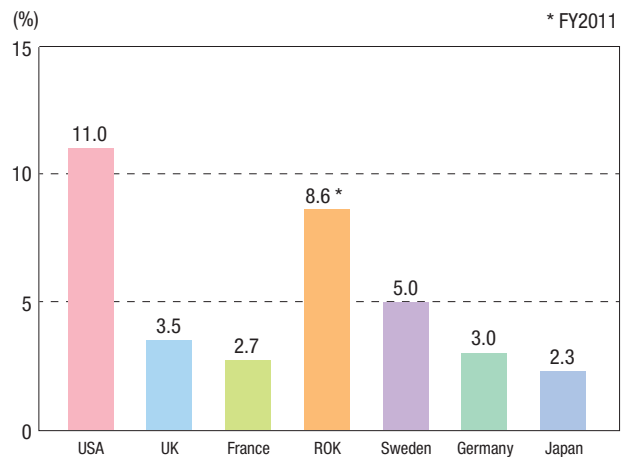
Source: Cabinet Office Website on Science & Technology Policy

Defense R&D Expenditure of Major Countries (FY2012)



* FY2011

Percentage of R&D Expenditure out of Defense Expenditure of Major Countries (FY2012)



* FY2011

<Reference>

Percentage of Defense R&D out of Government-funded Research Expenditure in Major Countries

(2012)

Japan	4.6%	USA	53.1%	France	6.3%
UK	14.6%*	Germany	3.8%	ROK	16.3%*
Sweden	8.05%				

* 2011

Source: "OECD: Main Science and Technology Indicators"

Source: OECD Main Science and Technology Indicators; THE MILITARY BALANCE 2013

Fig. IV-1-3-1 Concrete examples of the First Principle “the cases where transfers are prohibited”

Situation	Specific examples
(1) Violation of obligations under treaties ratified by Japan and other international arrangements	Stipulated in the Chemical Weapons Convention (CWC), Biological Weapons Convention (BWC), Anti-Personnel Mine Ban Convention, Convention on Cluster Munitions, Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons (CCW) Amended Protocol II and Protocol IV are prohibitions on the “transfer” of the weapons targeted by each respective convention according with the provisions of each; violation of these responsibilities.
(2) Violation of obligations under United Nations Security Council Resolutions	<p>At present, the countries where the transfer of weapons, etc., is prohibited based on a U.N. Security Council resolution include North Korea, Iran, Iraq, Somalia, Republic of the Congo, Sudan, Côte d’Ivoire, Lebanon, Eritrea, Libya, and the Central African Republic.</p> <ul style="list-style-type: none"> • In the case of North Korea, Security Council Resolution 1718 (2006) established an embargo on tanks, armored combat vehicles, large-diameter artillery systems, combat aircraft, attack helicopters, military warships, missiles or missile systems, and related supplies such as spare parts for the above. Later, in Security Council Resolution 1874 (2009), the subjects of embargo were expanded to include all weapons, excluding small arms and related supplies. • In the case of Iran, Security Council Resolution 1929 (2010) established an embargo on tanks, armored combat vehicles, large-diameter artillery systems, combat aircraft, attack helicopters, military warships, missiles or missile systems, and related supplies such as spare parts for the above.
(3) Transfer to a nation which is party to a conflict (countries which are the target of measures taken by the United Nations Security Council to maintain or recover international peace and safety after an armed attack occurs)	<ul style="list-style-type: none"> ○ At the present time, there are basically no “countries which are the target of measures taken by the United Nations Security Council to maintain or recover international peace and safety after an armed attack occurs.” (the so-called “U.N. Forces in Korea,” formed based on U.N. Security Council Resolutions 82, 83 and 84, which pertain to the Korean War, are stationed in South Korea, but they exist under the Korean Armistice Agreement.) ○ Examples to date include North Korea in the Korean War (Security Council Resolutions 82 (June 25, 1950), 83 (June 27, 1950), 84 (July 7, 1950) and Iraq in the Gulf War (Security Council Resolutions 660 (August 6, 1990), 661 (August 6, 1990), and 678 (November 29, 1990).

Fig. IV-1-3-2 Concrete examples of the Second Principle “Limitation to cases where transfers may be permitted”

Situation	Specific examples
(1) Contribution to the proactive advancement of peace contribution and international cooperation	<p>The following are examples of overseas transfer that contributes to the proactive advancement of peace contribution and international cooperation (limited to cases where there is proactive significance from the perspective of peace contribution and international cooperation.)</p> <ul style="list-style-type: none"> ○ The transfer destination is the government of another country ○ The transfer destination is the United Nations, a related organization or an organization acting based on a U.N. resolution
(2) Contribution to the security of Japan	<p>The following are examples of overseas transfer that contributes to the security of Japan (limited to cases where there is proactive significance from the perspective the security of Japan.)</p> <ul style="list-style-type: none"> ○ Overseas transfer relating to international joint development and production with countries involved in a cooperative relationship with Japan in terms of security, exemplified by the United States ○ The following are examples of overseas transfer that contributes to the strengthening of security and defense cooperation with countries involved in a cooperative relationship with Japan in terms of security, exemplified by the United States <ul style="list-style-type: none"> • Overseas transfer of defense equipment, including the provision of articles and services based on the Acquisition and Cross-Servicing Agreement (ACSA) • Provision of weapons technology as a part of mutual technology exchange with the United States • Provision of parts and services associated with licensed products from the United States, and the provision of services such as repairs to U.S. Forces • Overseas transfer of defense equipment relating to cooperation in evacuation, transport, warnings, surveillance and minesweeping for countries in a cooperative relationship with Japan in terms of security ○ Overseas transfer required for the activities of Government organizations, including the Self-Defense Forces (hereinafter “SDF, etc.”) (including the activities of the governments of other countries or private-sector organizations associated with the activities of the SDF, etc. The same below.) or the security of Japanese people. Examples include the following. <ul style="list-style-type: none"> • Temporary export of equipment, return of purchased equipment and provision of technological information, associated with the activities of the SDF, etc. (including the exchange of parts requiring repair for better parts.) • Export of equipment for the purpose of escorting or the self-protection of public officials • Export of equipment for the purpose of the self-protection of Japanese people engaged in activities in dangerous regions

Fig. IV-1-4-1 Cooperation with the U.S., other countries and domestic research institutions

Countries and Institutions	Details of cooperation
U.S.	Since 1992, there have been 19 joint research projects and 1 joint development project. At present, following joint research and development projects are underway: (1) research on human effects of human exposure to aircraft fuels and their engine exhaust, (2) research on image gyro for airborne applications, (3) research on hybrid electric propulsion, (4) research on high-speed multi-hull vessel optimization, (5) development of Advanced Ballistic Missile Interceptor.
U.K.	At the Japan-U.K. Summit Meeting held in April 2012, it was agreed that a range of appropriate defense for joint development and production is to be identified. In July 2013, the governments concluded an agreement concerning the joint development of defence equipment and began a cooperative research project concerning chemical and biological protection technology.
Australia	At the September 2013 Japan-Australia 2+2 Meeting, Ministers expressed their commitment to “deepening Australia-Japan science and technology cooperation in the field of defence and “initiating information exchanges in defence science and technology fields of mutual.” At the Japan-Australia Defense Ministers’ Meeting held that same month, Ministers confirmed the establishment of a framework for discussion regarding equipment and technology cooperation, and the plan to continue the exchange of views and opinions between specialists. At the Japan-Australia Summit Meeting held in April 2014, the both leaders instructed 2+2 Ministers to oversee joint research on marine hydrodynamics as an initial area of science and technology cooperation.
France	At the Japan-France Foreign and Defense Ministers Meeting held in January 2014, a framework for dialogues on cooperation in the field of defence equipment and control of exports was established. At the May 2014 Summit Meeting, both leaders identified common interests in several areas, including unmanned systems with regard to defense equipment cooperation.
Domestic research institutions	Since 2004, the Technical Research and Development Institute has concluded agreements with independent administrative agencies (the National Institute of Information and Communications Technology, the Japan Aerospace Exploration Agency, and others.), universities (Teikyo Heisei University, Kyushu University, and others.) and so forth, and is currently engaged in efforts including research cooperation and exchange of technical data in a variety of fields.

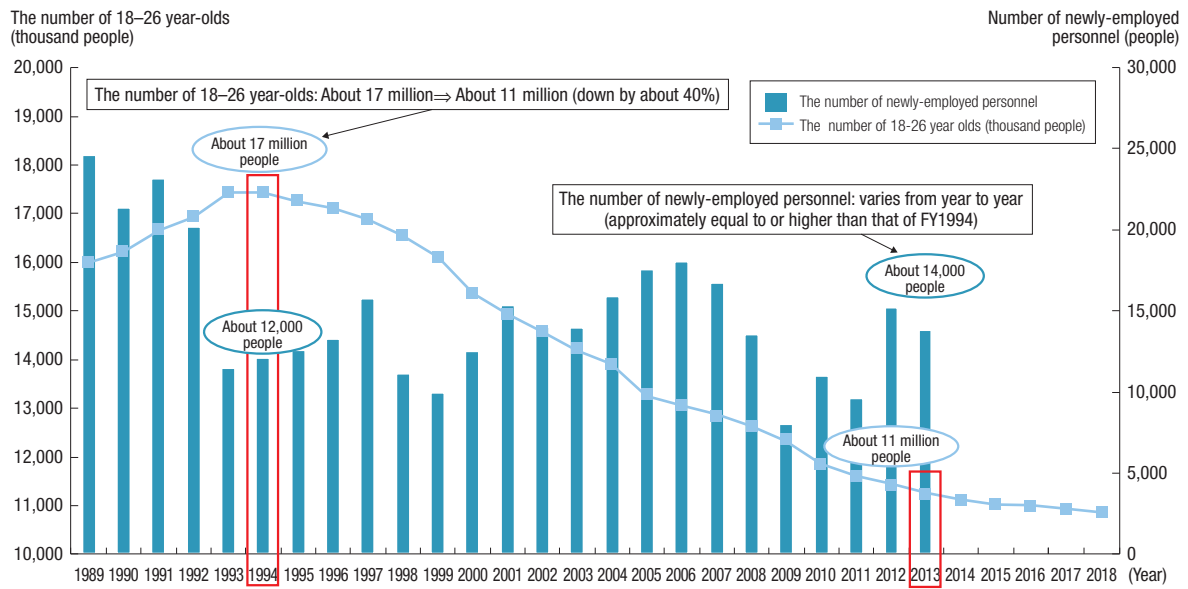
Fig. IV-1-5-1 Policies for the Maintaining and Strengthening of Defense Production and Technological Bases

Policies for the Maintaining and Strengthening of Defense Production and Technological Bases	
Improvement of contract systems, etc.	<ul style="list-style-type: none"> ○ Use of single-tending contracts ○ Even longer-term contracts (integrated procurement for multiple fiscal years) ○ Construction of a flexible system for receiving orders, in joint venture (JV) and other formats ○ Increasing desire to lower purchasing prices and reduce business costs ○ Strengthening of project management throughout its life cycle
Policies relating to research and development	<ul style="list-style-type: none"> ○ Establishment of a vision for research and development ○ Increasing the ability to examine technology, including cutting-edge technology relating to people's livelihoods ○ Strengthening collaboration with universities and research institutions ○ Using and collaboration with research and development programs, including dual-use technology ○ Funding for promising cutting-edge research for use in defense ○ Strengthening of collaboration with foreign parties
Defense equipment and technological cooperation, etc.	<ul style="list-style-type: none"> ○ Deepening relationships with the United States regarding defense coordination and technological cooperation ○ Building new relationships in defense coordination and technological cooperation ○ Contribution to international logistics support ○ Improve the foundations for defense coordination and technological cooperation ○ Promotion of adapting equipment for civilian use ○ Technology management and security
Efforts relating to defense industry organizations	<ul style="list-style-type: none"> ○ Promoting understanding of the necessity for defense operations and the defense industry ○ Maintaining a robust supply chain ○ Use of industrial organizations and contract systems
Strengthening of systems in the Ministry of Defense	<ul style="list-style-type: none"> ○ Consideration of efforts such as unification of departments associated with equipment acquisition, as a part of the MOD reform ○ Consideration of the strengthening of inspection functions and the training of human resources in project management and procurement
Promotion of policies in collaboration with other relevant ministries	<ul style="list-style-type: none"> ○ Consideration of support measures through the use of policies of other ministries

Fig. IV-1-5-2 Direction in the Various Defense Equipment Sectors

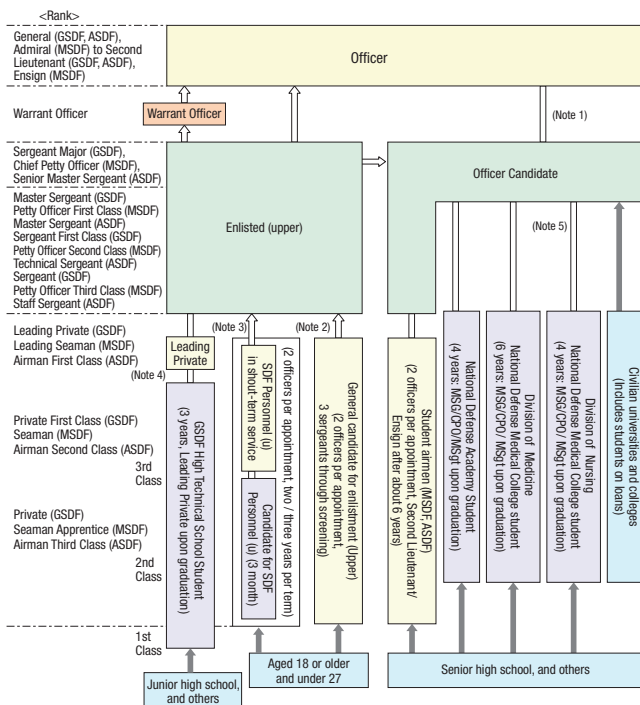
Ground equipment	<ul style="list-style-type: none"> ○ Regarding tanks and artillery, we will use our world-class level of strength in this area and strive to maintain our production and technological bases to the appropriate level. We aim to build production and technological bases for ground equipment in response to the changes in the security environment enveloping Japan, in terms of armored vehicles, etc. ○ Through efforts such as further standardizing the specifications of wheeled vehicles (family of vehicles), defense equipment will be acquired more efficiently and effectively, and the production and technological bases will be maintained and strengthened ○ Functions such as joint water and land use will be used to reinforce as necessary, Japan's technological weaknesses, and cooperation in defense equipment and technology, that makes use of our strengths, will be promoted. Furthermore, efforts to increase the predictability of enterprises will help to maintain the foundations, in areas like maintaining and inheriting technology and skills
Supplies, etc.	<ul style="list-style-type: none"> ○ Based on factors such as compatibility with the physical characteristics of the Japanese people, policies will be advanced to increase the predictability of enterprises, so that the relevant foundations can be maintained, thereby making it possible to continue the procurement of supplies from domestic companies ○ Consideration of adapting equipment for civilian use and cooperation in defense equipment and technology, in fields where Japan excels, such as chemical protection equipment
Ships	<ul style="list-style-type: none"> ○ Although certain countries export ships and transfer technology, it can be difficult to acquire state-of-the-art ships; hence, in order to enable us to respond to the latest technology such as stealth capabilities, the production and technological bases will be maintained and strengthened in such a manner that multiple prime enterprises become involved ○ Consideration will be given to the bulk order of multiple escort ships having a common design, while taking into account the maintenance and strengthening of construction technology bases and ship repair bases. At that time, a review will be considered of the best format for contracts that take into account the effects of lowering prices. ○ The new National Defense Program Guidelines state that the number of submarines will be increased to 22, in order to ensure safety in the waters surrounding Japan. Going forward, efforts will continue to be made to conduct research and development aimed at improving their capabilities, as well as to maintain and strengthen the existing bases
Aircraft	<ul style="list-style-type: none"> ○ For the acquisition of F-35A aircraft, the participation of Japanese companies in construction will be strategically promoted, from the perspective of maintaining and optimizing the production and technological bases. In the future, efforts will be made to coordinate with other relevant countries, with a view to the establishment of regional maintenance and upgrading facilities in the Asia Pacific region. In order to accumulate and improve the technology relating to fighters in Japan, so that development of future aircraft can be considered as an option prior to the retirement of the F-2 (including the possibility of international joint development), strategic considerations will be pursued, including verification research, and the necessary measures taken accordingly. ○ Multifaceted use of the results of development (such as the possibility of adaptation for civilian use, and cooperation in defense equipment and technology) will be promoted. Keeping both the civilian and defense demand for rotary wing aircraft in mind, international joint development and production will be considered as an option, based on the technology cultivated through domestic research and the introduction of technology from abroad via licensed domestic production
Explosives	<ul style="list-style-type: none"> ○ Balanced with efficient acquisition, the continuation of a certain scale of procurement from domestic companies will be made possible. When various contingencies arise, multiple procurement methods will be combined with this, and the bases maintained to ensure the necessary scale of explosives. Measures will also be considered to raise future predictability for both the Government and the public.
Guided weapons	<ul style="list-style-type: none"> ○ In order to increase air defense performance, the replacement of the GSDF's SAM and ASDF's Patriot capabilities will be kept in mind, and technological considerations regarding future SAMs will be pursued to further strengthen the relevant technological foundations. A vision for research and development will be established, so that technological considerations regarding future guided weapons can be implemented, including steps to promote the fixed rocket motors and other technologies required to improve performance, such as increasing the launch range, thereby ensuring that they can be used effectively in response to new threats ○ Increasingly, there are examples in this field of international joint development and production on a global scale. Depending on the circumstances, one of the options for participation in international joint development is to select an efficient acquisition method based on the view of increasing interoperability with allies and friendly nations. Joint development between Japan and the United States into the SM-3 Block IIA will be continued, and considering the maintenance and strengthening of the production and technological bases, consideration will be given to moving the project onto the production and deployment stages, after which the necessary steps will be taken.
Communications electronics and command control systems	<ul style="list-style-type: none"> ○ Research and development into cutting-edge technology for the bases required for defense will be implemented with priority, involving the improvement of detection capacity by increasing the detection performance of fixed warning and control radar systems and the simultaneous, parallel use of multiple sonar systems, while at the same time, the technological foundations will be maintained and strengthened by pursuing the applicability of cutting-edge livelihood technology. ○ Because the integration of systems to ensure smooth unified operation, strengthening of functions to support decision-making by commanders, and systems capable of responding to battles based around network data are necessary for future command control systems, livelihood technology foundations will be adopted which have shown remarkable expansion, such as data processing technology and integrated system construction technology, which will make it possible to exchange systems as and when required to reflect the latest technological level. ○ The technology involved in bases required for defense, such as radar technology that uses high-output semiconductors and software wireless technology, comprises a field where Japan is particularly strong, and it is here that cooperation in defense production and technology will be advanced along with adaptation to civilian use, with the goal of strengthening the defense production and technological bases.
Unmanned equipment	<ul style="list-style-type: none"> ○ At the present time, the Self-Defense Forces have few pieces of equipment in this area, but it is a field undergoing much research worldwide. Hence, due to the trend toward defense technology based around future battle conditions, smart technology and networking, the perspective of integrated operation will be taken into account. Then, in order to present a direction aimed at unmanned equipment like next-generation unmanned aircraft, a vision for research and development will be established, proactive research will be implemented and the technological foundations ○ There are also a large number of research organizations in the private sector with advanced technology. Cooperation with research institutions will be encouraged with respect to robots that can be used for defense purposes and elemental technology associated with unmanned systems, and the standard of unmanned equipment raised ○ Advanced research and technology and defense equipment are already being used in this sector, in other countries, so Japan will pursue defense equipment and technological cooperation in the form of joint research and development with these countries, and work to raise the level of its own technological foundations
Cyber and space systems	<ul style="list-style-type: none"> ○ We aim to Together with policies relating to the use of space development and efforts to increase the capability of the Ministry of Defense to respond to cyber attacks. Meanwhile, from the perspective of the defense of Japan, the future outlook of our defense and technological bases, as they pertain to future necessity, will be considered

Fig. IV-2-1-1 Changes in the Number of People Eligible to Join the SDF



Material sources: Data before FY2013 (excluding data for FY2005 and FY2010) are based on "Population Estimates of Japan 1920-2000" and "Annual Report on Population Estimates," Statistics Bureau, Ministry of Internal Affairs and Communications.
 Data for FY2005 and FY2010 are the proportionally adjusted populations of unknown age ascertained by National Institute of Population and Social Security Research based on "Population Census," Statistics Bureau, Ministry of Internal Affairs and Communications.
 Data from FY2014 onward are based on "Population Projection for Japan" (medium estimates in January 2012), National Institute of Population and Social Security Research.

Fig. IV-2-1-2 Overview of Appointment System for SDF Regular Personnel



- Notes:
- Staff candidates for the medicine, dentistry, and pharmacy faculties will be promoted to the position of First Lieutenant if they pass the national examinations in medicine, dentistry, or pharmaceutical studies and complete the required education and training.
 - Corresponds to Student candidate for enlistment (upper) and Enlisted (upper) candidate before 2008 recruitment.
 - In order to enhance initial education for SDF Personnel in short-term service, starting in July 2010 they will be non-SDF Personnel for the first three months of their enlistment, and will be engaged exclusively in fundamental education and practice as non-regular Ministry of Defense personnel.
 - For SDF students, starting from the FY2010 appointments they will be changed to students with a new non-regular status, rather than SDF Personnel status. The new students will also receive a high school diploma at the conclusion of a student course (three years) through distance learning.
 - A three-year program is to be closed at the end of FY2015. A four-year program at the National Defense Medical College, Faculty of Nursing is started at FY2014.
 - : Enrollment examination : : Examination or non-examination screening.

Fig. IV-2-1-3 Rank and Retirement Age of SDF Regular Personnel

Rank	Designation	Mandatory Retirement Age
General (GSDf, ASDF), Admiral (MSDF) to Second Lieutenant (GSDf, ASDF), Ensign (MSDF)	Sho	60
Major General (GSDf), Rear Admiral (MSDF), Major General (ASDF)	Shoho	
Colonel (GSDf), Captain (MSDF), Colonel (ASDF)	Issa	
Lieutenant Colonel (GSDf), Commander (MSDF), Lieutenant Colonel (ASDF)	Nisa	55
Major (GSDf), Lieutenant Commander (MSDF), Major (ASDF)	Sansa	
Captain (GSDf), Lieutenant (MSDF), Captain (ASDF)	Ichii	54
First Lieutenant (GSDf), Lieutenant Junior Grade (MSDF), First Lieutenant (ASDF)	Nii	
Second Lieutenant (GSDf), Ensign (MSDF), Second Lieutenant (ASDF)	Sani	
Warrant Officer (GSDf), Warrant Officer (MSDF), Warrant Officer (ASDF)	Juni	53
Sergeant Major (GSDf), Chief Petty Officer (MSDF), Senior Master Sergeant (ASDF)	Socho	
Master Sergeant (GSDf), Petty Officer First Class (MSDF), Master Sergeant (ASDF)	Isso	54
Sergeant First Class (GSDf), Petty Officer Second Class (MSDF), Technical Sergeant (ASDF)	Niso	
Sergeant First Class (GSDf), Petty Officer Second Class (MSDF), Technical Sergeant (ASDF)	Sanso	53
Leading Private (GSDf), Leading Seaman (MSDF), Airman First Class (ASDF)	Shicho	
Private First Class (GSDf), Seaman (MSDF), Airman Second Class (ASDF)	Isshii	—
Private (GSDf), Seaman Apprentice (MSDF), Airman Third Class (ASDF)	Nishi	

- Notes:
- The mandatory age of retirement for SDF Regular Personnel who hold the rank of General (GSDf and ASDF) or Admiral (MSDF), and serve as Chief of Staff of Joint Staff Office, GSDf Chief of Staff, MSDF Chief of Staff, or ADSF Chief of Staff, is 62.
 - The mandatory age of retirement for SDF Regular Personnel who hold positions such as physician, dentist, pharmacist, or musician, military police officer, or the information analyst, is 60. The New MTDP states that it will review this system of retirement at the age of 60.

Fig. IV-2-1-4 Overview of Systems Related to SDF Reserve Personnel

	SDF Reserve Personnel	SDF Ready Reserve Personnel	Candidate for SDF Reserve Personnel
Basic concept	○ When defense call-up or disaster call-up is received, they will serve as SDF Regular Personnel	○ When defense call-up is received, or under similar conditions, they will serve as SDF Regular Personnel in a pre-determined GSDF unit, as part of the basic framework of defense capability	○ Appointed as SDF Reserve Personnel upon completion of education and training
Candidate	○ Former Regular Personnel, former SDF Ready Reserve Personnel, former Reserve Personnel	○ Former Regular Personnel, former Reserve Personnel	(Same for General and Technical) ○ Inexperienced SDF Personnel (includes those with less than a year of SDF experience)
Age	○ Enlisted (Lower): 18–36 years old ○ Officer, Warrant Officer, Enlisted (Upper): Under two years above the retirement age	○ Enlisted (Lower): 18–31 years old ○ Officer, Warrant Officer, Enlisted (Upper): Under three years below the retirement age for each rank	○ General: over 18 and under 34 years old; Technical: over 53 and under 55 years old depending on technical skills possessed after the age of 18
Employment	○ Employment on screening, based on application ○ Candidate for SDF Reserve Personnel is appointed as SDF Reserve Personnel upon completion of education and training	○ Employment on screening, based on application	○ General: Employment on examination, based on application ○ Technical: Employment on screening, based on application
Rank	○ Former Regular Personnel: As a rule, rank at the point of retirement ○ SDF Ready Reserve Personnel: Current specified rank ○ Former Reserve Personnel and Former Ready Reserve Personnel. As a rule, rank at the point of retirement ○ Candidate for Reserve Personnel • General: Private • Technical: Assignment based on skills	○ Former Regular Personnel: As a rule, rank at the point of retirement ○ Former Reserve Personnel: As a rule, designated rank at the point of retirement	○ Not designated
Term of service	○ Three Years/One term	○ Three Years/One term	○ General: Maximum of three years ○ Technical: Maximum of two years
Education/ Training	○ Although the law designates a maximum of 20 days per year, actual implementation is 5 days per year	○ 30 days per year	○ General: 50 days within a maximum of three years (equivalent to SDF personnel cadet course) ○ Technical: 10 days within a maximum of two years (training to serve as an SDF Regular Personnel by utilizing each skill)
Promotion	○ Promotion is determined by screening the service record of personnel who have fulfilled the service term (actual serving days)	○ Promotion is determined by screening the service record of personnel who has fulfilled the service term (actual serving days)	○ Since there is no designated rank, there is no promotion
Benefits, allowances, and other terms	○ Training Call-up Allowance: ¥8,100/day ○ SDF Reserve Allowance: ¥4,000/month	○ Training Call-up Allowance: ¥10,400–14,200/day ○ SDF Ready Reserve Allowance: ¥16,000/month ○ Continuous Service Incentive Allowance: ¥120,000/one term ○ Special subsidy for corporations employing Ready Reserve Personnel: ¥42,500/month	○ Education and Training Call-up Allowance: ¥7,900/day ○ Allowance as Candidate for SDF Reserve Personnel is not paid because defense call-up duty is not imposed on them
Call-up duty and other duties	○ Defense call-up, civil protection call-up, disaster call-up, training call-up	○ Defense call-up, civil protection call-up, security call-up, disaster call-up, training call-up	○ Education and training call-up

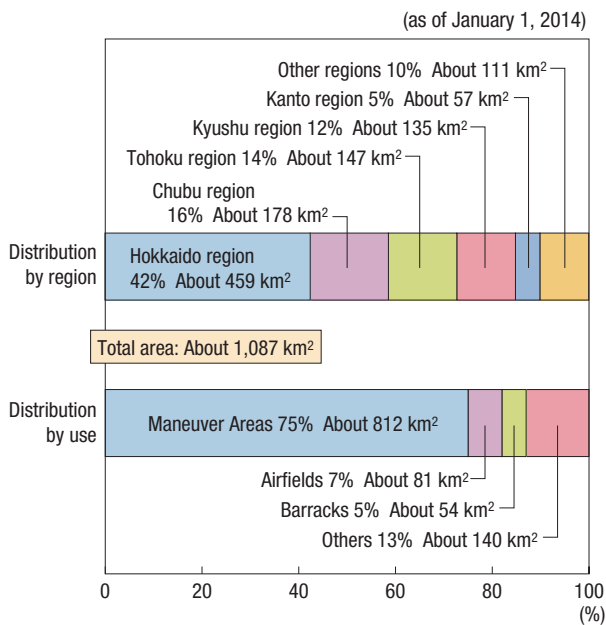
Fig. IV-2-1-5 Main Measures for Reemployment Support

Items	Measures for employment support	Description
Measures for retiring SDF personnel	Occupational aptitude testing	Testing aimed to provide retiring SDF personnel with guidance based individual aptitudes
	Technical training	Provide retiring SDF personnel with skills usable in society after retirement {large sized vehicle operation, large sized special motor vehicle operation, information processing, crane operation, motor vehicle repair, boiler maintenance, nursing care (home helper), etc.}
	Disaster prevention and risk control training	Provide SDF personnel who will take early retirement with technical knowledge on disaster prevention administration and the Civil Protection Plan
	Correspondence courses	Provide retiring SDF personnel with the capability to acquire public certification (certified insurance labor consultant, health supervisor, real- estate transaction specialist, etc.)
	Business management training	Support SDF personnel who will take early retirement to cultivate social adaptability, as well as provide know-how to lead a stable life after retirement or reemployment
	Career guidance	Prepare soon-retiring SDF personnel to find new employment and provide them with know-how to choose new occupation
	Outsourcing career counselling; etc.	Outsource career counseling, etc. to external experts to meet the needs of each SDF personnel who plans to retire
Measures for internal support personnel	Training for support personnel	Training of labor administration, support activities, etc. to improve quality of support personnel
Measures for outside	Support publicizing to business owners	Publicizing to companies, etc. the effectiveness of SDF personnel who plan to retire
	Inviting business owners on unit tours	Invite business owners to units, etc. and provide them with tours, explanations of the employment support situation, etc.

Fig. IV-2-1-6 Overview of Reappointment System

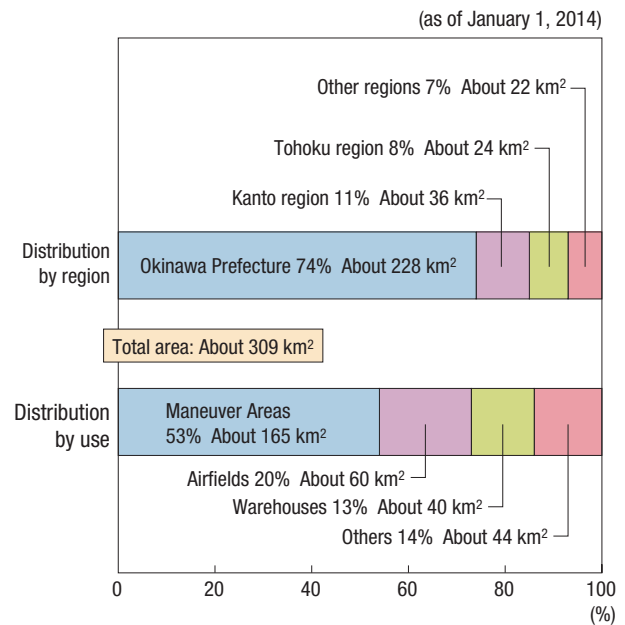
Items	Administrative officials and others	SDF regular personnel
Objectives	<input type="radio"/> Promote active use of elderly, but talented, human resources; and secure employment until pension age through reemploying retirees who are capable and motivated to work as SDF personnel.	
Job conditions	<input type="radio"/> Full-time <input type="radio"/> Shorter-time service	<input type="radio"/> Limited to full-time service
Period of reappointment	<input type="radio"/> One year, with the possibility of renewal	<input type="radio"/> Appointment may be renewable for up to one year (up to three years for those under 60) <input type="radio"/> Appointment may be extended for a certain period of time (six months to a year) in the case of defense operation, etc.
Maximum age for reappointment	<input type="radio"/> 65	
Leave	<input type="radio"/> Annual leave, sick leave, special leave, care leave (same as before retirement) <input type="radio"/> Annual leave for shorter-time service is limited to no more than 20 days in light of working hours	<input type="radio"/> Annual leave, sick leave, special leave, care leave (same as before retirement)
Salary and allowance	<input type="radio"/> Fixed monthly salary is provided based on job level and rank. <input type="radio"/> Allowances, such as a commuting allowance, are provided	

Fig. IV-2-2-1 Status of SDF Facilities (Land Plots)



Notes: Numbers may not add up to 100 due to rounding.

Fig. IV-2-2-2 Status of Facilities and Areas of U.S. Forces in Japan (Exclusively Used Facilities)



Notes: Numbers may not add up to 100 due to rounding.

Fig. IV-2-2-3 Measures for Harmony Between Defense Facilities and Surrounding Areas

Purpose	Measures	Description of Measures
Preventing Noise Problems	Subsidies to finance sound insulation work	○ Educational facilities such as elementary schools, junior high schools, and kindergartens; medical facilities such as hospitals and clinics; and welfare facilities such as nursery centers, day-service centers for the elderly, and special nursing homes for the elderly ○ Housing
	Compensation for relocations	○ Compensation for relocating buildings ○ Land procurement ○ Improvement of public facilities such as roads, water-supply systems, and sewage facilities in the area where housing, etc., is to be relocated
	Improving green belts	○ Planting trees, installing grass fields
Preventing Nuisances Besides Noise	Subsidies to finance trouble prevention work	○ Canals, reservoirs, roads, river improvement, television broadcast community reception facilities
Reducing Troubles Related to Living and Business	Subsidies for building facilities meant to stabilize people's lives	○ Roads, radio broadcast facilities, nursing homes, fire departments, parks, waste disposal facilities, welfare centers for the elderly, public facilities for learning, etc. ○ Agricultural facilities, fishing facilities
Reducing Impact on Surrounding Areas	Provision of specified defense facilities environs improvement adjustment grants	○ Improving public facilities such as traffic facilities, recreation centers, and welfare facilities ○ Medical expenses, operating costs of community buses, assessment fees for earthquake resistance for school buildings, etc.*

* Newly added due to the partial revision of the Act on Improvement of Living Environment of Areas Around Facilities (effective as of April 27, 2011)

Fig. IV-2-2-4 FY2014 Costs for Countermeasures in Areas Near Bases
(Based on Expenditures)

(100 million yen)

Project	Mainland	Okinawa
Projects for preventing disturbances	111	20
Sound insulation projects	442	95
Measures related to relocations	41	2
Subsidies for stabilizing people's livelihoods	192	19
Road improvement projects	59	11
Environs Improvement Adjustment Grants	166	29
Other projects	17	4

Fig. IV-2-3-1 Specific Initiatives in the MOD Reform

Objective	FY2014 (*: FY2014 onward)	Mid-term	Long-term
Mutual assignment of civil and SDF officers	<ul style="list-style-type: none"> The law will be revised, and Lieutenant Colonel (Commander) or Major (Lieutenant Commander) posts for uniformed personnel be established in the Internal Bureau as core appointments, while new posts will be formally established for civil officers in the Joint Staff and the major units of each Self-Defense Force. 	<ul style="list-style-type: none"> Posts will be mutually established for uniformed personnel in the Internal Bureau, for civil officers (to the upper staffing grades) in the Joint Staff, major units in each of the Self-Defense Forces, and so forth. 	
Overall optimization of defense capacity improvement, and strengthening equipment acquisition functions	<ul style="list-style-type: none"> A procedure for new defense capabilities build-up will be established, in order to attain overall optimization. (A procedure for defense capabilities build-up will be established with an emphasis on assessment of defense capabilities based on joint operation (which to date has been regarded as inadequate); The foregoing will facilitate the elimination of defense capabilities build-up based on individual optimization along the vertical administrative structure of the GSDF, MSDF and ASDF, so that instead, defense capabilities improvement that is optimized across the board can be implemented). Cross-functional Integrated Project Teams (IPTs), headed by Project Managers (PMs) will be expanded, and project management throughout the life cycle of equipment, etc., will be strengthened. (*) 	<ul style="list-style-type: none"> In order to implement life-cycle-spanning project management in a manner both methodical and appropriate, and to contribute to the total optimization of defense capabilities build-up, and the maintenance and strengthening of defense production and technological bases, the Internal Bureau, the various Staff Offices, the Technical Research & Development Institute and the departments involved in equipment acquisition in the Equipment Procurement Office will be integrated according to future considerations, and an organization reform implemented with the idea of extra-ministerial establishment kept in mind. In order for procurement to be carried out with even greater fairness ensured, the monitoring function will also be strengthened. 	
Strengthening integrated operational functions	<ul style="list-style-type: none"> From the perspective of strengthening the joint operational functions, SDF personnel and civil officers will be mutually assigned to the Internal Bureau and Joint Staff respectively. 	<ul style="list-style-type: none"> In order to resolve the fact of an overlapping of duties between the Internal Bureau and Joint Staff in work associated with actual operations (which is attributable to external explanations, including dealing with the Diet), and to increase speed and efficiency, the work in question will be integrated into the Joint Staff office. Meanwhile, functions such as the planning and drafting of legislation are administrative and systematic in nature, and will therefore continue to fall under the jurisdiction of the Internal Bureau. A review will be made of the organization of the Bureau of Operational Policy, based on the above and from the perspective of strengthening measures to respond to cyber attacks, and so forth. An efficient coordinating organization will be constructed under the Defense Council to respond to circumstances arising due to the executives involved. 	
Strengthening policymaking and public relations capability	<ul style="list-style-type: none"> In order to strengthen discussion and dialogue with concerned countries, a new vice-Minister of Defense for International Affairs will be established to provide overall management of international relationship-related and other business. In order to achieve a precise connection with the National Security Council, the strategy-planning function of the Bureau of Defense Policy will be strengthened according to the current situation regarding the activity of the council. (*) A mechanism (Report Center (provisional title)) will be established, for the unified coordination of information gathering and public relations when conducting crisis management. 	<ul style="list-style-type: none"> In order that public relations are implemented strategically and effectively, the reporting system will undergo a review, so that the spokespersons of the Minister's Secretariat and Joint Staff can function as central to the public relations process. 	
Additional efforts to the above	<ul style="list-style-type: none"> It will be ensured that the overall management of information that should not be disclosed externally is conducted thoroughly (this will include a review of the essentials of management duties). Methods and systems for investigating leaks will also be established. (*) The adjunct systems for government affairs, as centered on the Minister's Secretariat, will be strengthened so that administration can be reported to quickly and appropriately at all times. 		

Fig. IV-2-3-2 Deliberation Framework on the MOD Reform

