(Japanese Note)

(Translation)

Tokyo, February 24, 2021

Sir,

I have the honor to refer to the Agreement between Japan and the United States of America concerning New Special Measures relating to Article XXIV of the Agreement under Article VI of the Treaty of Mutual Cooperation and Security between Japan and the United States of America, Regarding Facilities and Areas and the Status of United States Armed Forces in Japan, signed at Tokyo on January 22, 2016, as amended by the Protocol Amending the Agreement between Japan and the United States of America concerning New Special Measures relating to Article XXIV of the Agreement under Article VI of the Treaty of Mutual Cooperation and Security between Japan and the United States of America, Regarding Facilities and Areas and the Status of United States Armed Forces in Japan, signed today (hereinafter referred to as "the Agreement"). I have further the honor to inform you of the following:

In implementing the provisions of Article V of the 1. Agreement, the Government of Japan calculated the amount of the initial draft budget request for the Japanese fiscal year 2021 for those expenditures which Japan is to bear in accordance with the provisions of Article I of the Agreement, on the basis of the average of the annual average number of workers during the Japanese fiscal years 2017 through 2019, not to exceed 23,178 people. 23,178 people is the same number of workers used for the Japanese fiscal year 2020. The number of workers used for the Japanese fiscal years 2016 through 2019 were 22,735, 22,845, 22,956, and 23,067, respectively. Japan acknowledges that, while continuing this pattern would result in a figure of 23,289 for the Japanese fiscal year 2021, the United States has the intention to accept Japan's proposal of 23,178 as a one-time extraordinary measure in light of budget necessity.

Mr. Joseph M. Young Chargé d'Affaires ad interim of the United States of America

- 2.a. In implementing the provisions of Article V of the Agreement, the Government of Japan calculated the amount of the initial draft budget request for the Japanese fiscal year 2021 for those expenditures which Japan is to bear in accordance with the provisions of Article II of the Agreement, by multiplying the average of all of the expenditures during the Japanese fiscal years 2017 through 2019 in paying costs stipulated in Article II of the Agreement, by 0.61. The Government of Japan made such calculation under the policy that the amount of those expenditures which Japan is to bear in accordance with the provisions of Article II of the Agreement is not to exceed twenty-four billion, nine hundred and one million, nine hundred and eight thousand yen (¥24,901,908,000).
 - b. With regard to the amount of the initial draft budget request for the Japanese fiscal year 2021, the Government of Japan did not include in the said amount of the initial draft budget request the costs for the residential housing of the members of the United States armed forces, civilian component, and their dependents outside facilities and areas.
 - c. In order to be always informed of the contracts to procure electricity, gas, water supply and sewerage, and fuels stipulated in Article II of the Agreement, the Government of Japan wishes that the Government of the United States of America inform the former of the contents of the existing contracts and notify the former in advance of the contents of the revision or rescission of such contracts or the conclusion of new contracts, and intends to request consultations as necessary.

3. In implementing the provisions of Article V of the Agreement, the Government of Japan calculated the amount of the initial draft budget request for the Japanese fiscal year 2021 for those expenditures which Japan is to bear in accordance with the provisions of Article III of the Agreement taking into account the estimate of the relevant costs submitted by the Government of the United States of America.

4. It is confirmed that, in order to ensure the proper execution of this bearing of expenditures, the two Governments may consult under the provisions of Article VI of the Agreement. I avail myself of this opportunity to renew to you the assurances of my high consideration.

MOTEGI Toshimitsu Minister for Foreign Affairs of Japan

(U.S. Note)

Tokyo, February 24, 2021

Excellency,

I have the honor to acknowledge the receipt of Your Excellency's Note of today's date concerning the Agreement between the United States of America and Japan concerning New Special Measures relating to Article XXIV of the Agreement under Article VI of the Treaty of Mutual Cooperation and Security between the United States of America and Japan, Regarding Facilities and Areas and the Status of United States Armed Forces in Japan, signed at Tokyo on January 22, 2016, as amended by the Protocol Amending the Agreement between the United States of America and Japan concerning New Special Measures relating to Article XXIV of the Agreement under Article VI of the Treaty of Mutual Cooperation and Security between the United States of America and Japan, Regarding Facilities and Areas and the Status of United States Armed Forces in Japan, signed today (hereinafter referred to as "the Agreement"). I have further the honor to inform Your Excellency of the following:

1. The Government of the United States of America has no objection to paragraphs 1., 2.a.and b., and 3. of Your Excellency's Note.

2. In order for the Government of Japan to be always informed of the contracts to procure electricity, gas, water supply and sewerage, and fuels stipulated in Article II of the Agreement, the Government of the United States of America intends to inform the former of the contents of the existing contracts and to notify the former in advance of the contents of the revision or rescission of such contracts or the conclusion of new contracts, as well as to hold consultations upon request from the Government of Japan.

3. It is confirmed that, in order to ensure the proper execution of this bearing of expenditures, the two Governments may consult under Article VI of the Agreement.

His Excellency Mr. MOTEGI Toshimitsu Minister for Foreign Affairs of Japan Accept, Excellency, the renewed assurances of my highest consideration.

Joseph M. Young Chargé d'Affaires ad interim of the United States of America