(Notes between the Minister for Foreign Affairs of Japan and the Chargé d'Affaires ad interim of the United States of America concerning the Agreement) (Japanese Note)

(Translation)

Tokyo, January 7, 2022

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 today (hereinafter referred to as "the Agreement"). I have further the honor to inform you of the following:

- 1. a. In implementing the provisions of Article V of the Agreement, the Government of Japan takes the policy to calculate the amount of the initial draft budget request for each Japanese fiscal year for those expenditures which Japan is to bear in accordance with the provisions of Article I of the Agreement for 23,178 workers out of all of the workers referred to in Article I.
 - b. In case the number of all of the workers in a certain fiscal year should fall below 23,178, the Government of Japan takes the policy to calculate the amount of the initial draft budget request for those expenditures which Japan is to bear in accordance with the provisions of Article I of the Agreement based on the amount of the wages and allowances for the said all workers.

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- 2. In implementing the provisions of Article V of a. the Agreement, the Government of Japan takes the policy to calculate the amount of the initial draft budget request for each Japanese fiscal year 2022 through 2026 for those expenditures which Japan is to bear in accordance with the provisions of Article II of the Agreement will be twenty-three billion, four hundred million yen (¥23,400,000,000) in Japanese fiscal year 2022, twenty-three billion, four hundred million yen (¥23,400,000,000) in Japanese fiscal year 2023, fifteen billion, one hundred million yen (¥15,100,000,000) in Japanese fiscal year 2024, thirteen billion, three hundred million yen (¥13,300,000,000) in Japanese fiscal year 2025, and thirteen billion, three hundred million yen (¥13,300,000,000) in Japanese fiscal year 2026.
 - b. In case the total expenditure in a certain fiscal year in paying the costs, as defined under (a) and (b) of Article II of the Agreement, should fall below the amount of the initial draft budget request in accordance with 2.a., the Government of Japan intends to bear the said total expenditures for paying the costs.
 - c. With regard to the amount of the initial draft budget request for each Japanese fiscal year, the Government of Japan takes the policy not to 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.
 - d. 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 takes the policy to calculate the amount of the initial draft budget request for each Japanese fiscal year for those expenditures which Japan is to bear in accordance with the provisions of Article III 1. (a) of the Agreement taking into account the estimate of the relevant costs submitted by the Government of the United States of America. The total amount of the initial draft budget requests for the Japanese fiscal years 2022 through 2026 which Japan intends to make in accordance with the provisions of Article III 1. (a) of the Agreement, subject to the completion of all necessary procedures for such budget request, will be twenty billion yen ($\pm 20,000,000,000$).

4. In implementing the provisions of Article V of the Agreement, the Government of Japan takes the policy to calculate the amount of the initial draft budget request for each Japanese fiscal year for those expenditures which Japan is to bear in accordance with the provisions of Article III 1. (b) of the Agreement taking into account the estimate of the relevant costs submitted by the Government of the United States of America. The amount of the initial draft budget request which Japan intends to make in accordance with the provisions of Article III 1. (b) of the Agreement for each Japanese fiscal year will be approximately equal to the budget amount of the Japanese fiscal year 2021, which is eleven billion, four hundred and twenty-two million, five hundred and sixty-five thousand yen (¥11,422,565,000).

5. 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.

HAYASHI Yoshimasa Minister for Foreign Affairs of Japan (U.S. Note)

Tokyo, January 7, 2022

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 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.a., 1.b., 2.a., 2.b., 2.c., 3., and 4. 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. The Government of the United States of America is of the understanding that, with respect to Article III 1.(b) of the Agreement, Alaska is considered a "territory under the administration of or in the United States of America" and that training conducted by support aircraft is considered "training of the United States armed forces."

His Excellency Mr. HAYASHI Yoshimasa Minister for Foreign Affairs of Japan 4. 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.

Accept, Excellency, the renewed assurances of my highest consideration.

Raymond F. Greene Chargé d'Affaires ad interim of the United States of America