

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

Japan and the United States of America,

Confirming that the United States armed forces maintained in Japan under the Treaty of Mutual Cooperation and Security between Japan and the United States of America (hereinafter referred to as "the Treaty") and 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 (hereinafter referred to as "the Status of Forces Agreement"), both signed at Washington on January 19, 1960 (hereinafter referred to as "the United States armed forces"), contribute to the security of Japan and the maintenance of international peace and security in the Far East,

Recalling that, for the purposes of maintaining stable employment of the workers who are employed by Japan and render labor services to the United States armed forces or to the organizations provided for in paragraph 1(a) of Article XV of the Status of Forces Agreement (hereinafter referred to as "the workers") and ensuring the effective operations of the United States armed forces, various measures were provided for, inter alia, special measures relating to Article XXIV of the Status of Forces Agreement which sets forth the principles on the sharing of expenditures incident to the maintenance of the United States armed forces in 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 23, 2006,

Noting situations involving both countries,

Recognizing that, for the purpose of ensuring the effective operations of the United States armed forces, it is necessary to take new special measures relating to Article XXIV of the Status of Forces Agreement,

Have agreed as follows:

Article I

Japan will bear, during the Japanese fiscal years 2008, 2009 and 2010, all or a part of the expenditures in paying the following wages to the workers:

(a) base pay, daily wage of daily employees, special term employees salary, hourly pay temporary employees hourly pay and theater personnel wage;

(b) regional allowance, discharge allowance, family allowance, remote area allowance, special work allowance, summer allowance, year end allowance, cold area allowance, retirement allowance including retirement allowances for workers separated by the United States armed forces or by the organizations provided for in paragraph 1(a) of Article XV of the Status of Forces Agreement through reduction in force and for workers whose employment is terminated for duty-connected disability or death due to duty-connected injury or illness, involuntary severance bonus for employees affected by reduction in force, pro rata bonus for employees affected by reduction in force, commutation allowance, conversion allowance, position conversion allowance, night duty allowance, housing allowance, unaccompanied duty allowance, wide-area transfer allowance, overtime pay, hourly pay temporary employees premium pay, holiday pay, night differential, non-work allowance and daily pay authorized for duty-connected illness or injury for hourly pay temporary employees; and

(c) allowance for lump sum payment to mariners for unexecuted annual leave, dangerous cargo allowance, engagement allowance, engine room allowance, engine work allowance, fire-fighting allowance, foreign ship bonus, foreign voyage allowance, labor allowance, reporting allowance, small vessel allowance, tanker allowance, towage allowance and master and chief engineer allowance.

Article II

Japan will bear, during the Japanese fiscal years 2008, 2009 and 2010, all or a part of the expenditures in paying costs of the following procured for official purposes in Japan by the United States armed forces, or by authorized procurement agencies of the United States armed forces upon appropriate certification:

- (a) electricity, gas, water supply and sewerage from public utilities; and
- (b) fuels for heating, cooking and hot water supply not included in (a) above.

Article III

With regard to training that the United States armed forces conduct using any specific facilities and areas among those facilities and areas the use of which is granted to the United States of America under Article VI of the Treaty (hereinafter referred to as "facilities and areas"), in cases where the United States of America, upon a request of the Government of Japan made at the Joint Committee provided for in paragraph 1 of Article XXV of the Status of Forces Agreement (hereinafter referred to as "the Joint Committee"), changes to the use of other facilities and areas instead of using the said specific facilities and areas all or a part of the said training, Japan will bear all or a part of the additional expenditures incident to such changes, provided that the Government of Japan, on making the above mentioned request, notifies the Government of the United States of America that Japan will bear expenditures in accordance with the provisions of this Article.

Article IV

The United States of America will make further efforts to economize the expenditures referred to in Article I, Article II and Article III.

Article V

Japan will determine, for each Japanese fiscal year, the actual amount of the expenditures that Japan will bear under Article I, Article II and Article III respectively and will promptly notify the United States of America of such determination.

Article VI

Japan and the United States of America may consult on all matters regarding the operation of this Agreement through the Joint Committee.

Article VII

This Agreement shall be approved by Japan and the United States of America in accordance with their respective internal legal procedures. This Agreement shall enter into force on the date when diplomatic notes indicating such approval are exchanged, and shall remain in force until March 31, 2011.

IN WITNESS WHEREOF the undersigned, duly authorized for the purpose, have signed the present Agreement.

DONE in duplicate at Tokyo in the Japanese and English languages, both equally authentic, this twenty-fifth day of January, 2008.

FOR JAPAN:

高村正彦

FOR THE UNITED STATES OF
AMERICA:

J. Thomas Schieffer

AGREED MINUTES 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 25, 2008

In connection with the discussions on Article I of 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 25, 2008 (hereinafter referred to as "the Agreement"), the representatives of Japan and the United States of America have agreed to record the following:

It is confirmed that the wages mentioned in Article I of the Agreement do not include those portions which had been already included in the part borne by Japan before the entry into force of the Agreement between Japan and the United States of America concerning 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 30, 1987.

Tokyo, January 25, 2008

FOR JAPAN:

高村正彦

FOR THE UNITED STATES OF
AMERICA:

J. Thomas Schieffer

(Japanese Note)

(Translation)

Tokyo, January 25, 2008

Excellency,

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 Your Excellency of the following:

1. 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 will 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 three consecutive fiscal years preceding the fiscal year prior to the relevant fiscal year (not exceeding 23,055 workers (hereinafter referred to as "the Upper Limit of the Number of Workers")). In case substantial change is predicted in the annual average number of workers in a certain fiscal year as compared to the average of the annual average number of workers during the three consecutive fiscal years preceding the fiscal year prior to the said certain fiscal year, the possibility of modifying the annual average number of workers in the calculation of the amount of the initial draft budget request for the said certain fiscal year, so far as the annual average number of workers in the said certain fiscal year does not exceed the Upper Limit of the Number of Workers, will not be excluded.

His Excellency
Mr. John Thomas Schieffer
Ambassador Extraordinary
and Plenipotentiary
of the United States of America

2.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 will bear in accordance with the provisions of Article II of the Agreement, on the basis of the quantity expected to be procured in the relevant fiscal year provided for in subparagraphs i. to vii., respectively, for electricity, gas, water supply and sewerage, and fuels stipulated in Article II. As a result, the amount of the initial draft budget request for each Japanese fiscal year will be ¥25,281,124,000 for JFY 2008; ¥24,901,908,000 for JFY 2009; and ¥24,901,908,000 for JFY 2010. In case long-term substantial change is predicted in the annual quantity expected to be procured from a certain fiscal year as compared to the quantity expected to be procured in the said certain fiscal year provided for in subparagraphs i. to vii., the possibility of modifying the amount of the initial draft budget request for the said certain fiscal year budget will not be excluded, subject to consultation between the two Governments under the provisions of Article VI of the Agreement.

i. electricity

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| JFY 2008 | The quantity equivalent to ¥14,256,699,000 (reference: approximately 1.1 billion KWH, if calculated based on the unit price used for the initial draft budget request for JFY 2008) |
| JFY 2009 | The quantity equivalent to ¥14,042,849,000 |
| JFY 2010 | The quantity equivalent to ¥14,042,849,000 |

ii. gas

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|----------|---|
| JFY 2008 | The quantity equivalent to ¥20,932,000 (reference: approximately 320,000 m ³ , if calculated based on the unit price used for the initial draft budget request for JFY 2008) |
| JFY 2009 | The quantity equivalent to ¥20,618,000 |
| JFY 2010 | The quantity equivalent to ¥20,618,000 |

- iii. water
 - JFY 2008 The quantity equivalent to ¥4,781,333,000
(reference: approximately 17 million m³, if calculated based on the unit price used for the initial draft budget request for JFY 2008)
 - JFY 2009 The quantity equivalent to ¥4,709,613,000
 - JFY 2010 The quantity equivalent to ¥4,709,613,000

- iv. sewerage
 - JFY 2008 The quantity equivalent to ¥1,579,695,000
(reference: approximately 11 million m³, if calculated based on the unit price used for the initial draft budget request for JFY 2008)
 - JFY 2009 The quantity equivalent to ¥1,556,000,000
 - JFY 2010 The quantity equivalent to ¥1,556,000,000

- v. FJ-1
 - JFY 2008 The quantity equivalent to ¥4,560,635,000
(reference: approximately 110,000 KL, if calculated based on the unit price used for the initial draft budget request for JFY 2008)
 - JFY 2009 The quantity equivalent to ¥4,492,225,000
 - JFY 2010 The quantity equivalent to ¥4,492,225,000

- vi. kerosene
 - JFY 2008 The quantity equivalent to ¥44,803,000
(reference: approximately 900KL, if calculated based on the unit price used for the initial draft budget request for JFY 2008)
 - JFY 2009 The quantity equivalent to ¥44,131,000
 - JFY 2010 The quantity equivalent to ¥44,131,000

- vii. propane gas
 - JFY 2008 The quantity equivalent to ¥37,027,000
(reference: approximately 220,000 m³, if calculated based on the unit price used for the initial draft budget request for JFY 2008)
 - JFY 2009 The quantity equivalent to ¥36,472,000
 - JFY 2010 The quantity equivalent to ¥36,472,000

- b. With regard to the amount of the initial draft budget request for each Japanese fiscal year mentioned in paragraph a. above, the Government of Japan takes the policy not to include in the said amount of the initial draft budget request, the costs of the quantity expected to be procured 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, as necessary, consultations from time to time.
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 will 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 extend to Your Excellency the assurances of my highest consideration.

Masahiko Koumura
Minister for Foreign Affairs
of Japan

(U.S. Note)

Tokyo, January 25, 2008

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 the policies of the Government of Japan expressed in 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. Masahiko Koumura
Minister for Foreign Affairs
of Japan

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

J. Thomas Schieffer
Ambassador Extraordinary
and Plenipotentiary
of the United States of America