AGREEMENT BETWEEN THE GOVERNMENT OF JAPAN AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA CONCERNING THE IMPLEMENTATION OF THE RELOCATION OF III MARINE EXPEDITIONARY FORCE PERSONNEL AND THEIR DEPENDENTS FROM OKINAWA TO GUAM

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The Government of Japan and the Government of the United States of America,

Affirming that Japan-the United States security arrangements, based on the Treaty of Mutual Cooperation and Security between Japan and the United States of America signed at Washington on January 19, 1960, are the cornerstone for achieving common security objectives,

Recalling that, at the meeting of Japan-the United States Security Consultative Committee on May 1, 2006, the Ministers recognized that the implementation of the realignment initiatives described in the Security Consultative Committee Document, "United States-Japan Roadmap for Realignment Implementation" (hereinafter referred to as "the Roadmap") will lead to a new phase in alliance cooperation, and reduce the burden on local communities, including those on Okinawa, thereby providing the basis for enhanced public support for the security alliance,

Emphasizing their recognition of the importance of Guam for forward presence of United States Marine Corps forces, which provides assurance of the United States' commitment to security and strengthens deterrent capabilities in the Asia-Pacific region,

Reaffirming that the Roadmap emphasizes the importance of force reductions and relocation to Guam in relation to the realignment on Okinawa and stipulates that approximately 8,000 III Marine Expeditionary Force (hereinafter referred to as "III MEF") personnel and their approximately 9,000 dependents will relocate from Okinawa to Guam by 2014, in a manner that maintains unit integrity, and recognizing that such relocation will realize consolidation and land returns south of Kadena,

Recalling that the Roadmap stipulates that United States Marine Corps CH-53D helicopters will be relocated from Marine Corps Air Station Iwakuni to Guam when the III MEF personnel relocate from Okinawa to Guam, the KC-130 squadron will be based at Marine Corps Air Station Iwakuni with its headquarters, maintenance support facilities, and family support facilities, and the aircraft will regularly deploy on a rotational basis for training and operations to Maritime Self-Defense Forces Kanoya Base and Guam,

Reaffirming that the Roadmap stipulates that, of the estimated ten billion, two hundred seventy million United States dollar (\$10,270,000,000) cost of the facilities and infrastructure development costs for the III MEF relocation to Guam, Japan will provide six billion, ninety million United States dollars (\$6,090,000,000) (in U.S. Fiscal Year 2008 dollars), including two billion, eight hundred million United States dollars (\$2,800,000,000) in direct cash contributions, to develop facilities and infrastructure on Guam to enable the III MEF relocation, recognizing the strong desire of Okinawa residents that such force relocation be realized rapidly,

Reaffirming further that the Roadmap stipulates that the United States will fund the remainder of the facilities and infrastructure development costs for the relocation to Guam-estimated in U.S. Fiscal Year 2008 dollars at three billion, one hundred eighty million United States dollars (\$3,180,000,000) in fiscal spending plus approximately one billion United States dollars (\$1,000,000,000) for a road,

Recalling that the Roadmap stipulates that, within the overall package, the Okinawa-related realignment initiatives are interconnected, specifically, consolidation and land returns south of Kadena depend on completing the relocation of III MEF personnel and dependents from Okinawa to Guam, and the III MEF relocation from Okinawa to Guam is dependent on: (1) tangible progress toward completion of the Futenma Replacement Facility, and (2) Japan's financial contributions to fund development of required facilities and infrastructure on Guam,

Have agreed as follows:

- 1. The Government of Japan shall make cash contributions up to the amount of two billion, eight hundred million United States dollars (\$2,800,000,000) (in U.S. Fiscal Year 2008 dollars) to the Government of the United States of America as a part of expenditures for the relocation of approximately 8,000 III MEF personnel and their approximately 9,000 dependents from Okinawa to Guam (hereinafter referred to as "the Relocation") subject to paragraph 1. of Article 9 of this Agreement.
- 2. The amount of Japanese cash contributions to be budgeted in each Japanese fiscal year shall be determined by the Government of Japan through consultation between the two Governments and reflected in further arrangements that the two Governments shall conclude in each Japanese fiscal year (hereinafter referred to as "the further arrangements").

Article 2

The Government of the United States of America shall take necessary measures for the Relocation, including funding for projects of the Government of the United States of America to develop facilities and infrastructure on Guam subject to paragraph 2. of Article 9 of this Agreement.

Article 3

The Relocation shall be dependent on tangible progress made by the Government of Japan toward the completion of the Futenma Replacement Facility as stipulated in the Roadmap. The Government of Japan intends to complete the Futenma Replacement Facility as stipulated in the Roadmap in close cooperation with the Government of the United States of America.

Article 4

The Government of the United States of America shall use Japanese cash contributions and their accrued interest only for projects to develop facilities and infrastructure on Guam for the Relocation.

The Government of the United States of America shall ensure that all participants in the process of acquisition for projects to be funded by Japanese cash contributions for the Relocation shall be treated fairly, impartially and equitably.

Article 6

The Government of Japan shall designate the Ministry of Defense of Japan as its implementing authority, and the Government of the United States of America shall designate the Department of Defense of the United States of America as its implementing authority. The two Governments shall hold consultations at the technical level on implementation guidance to be followed by the implementing authorities, and on the specific projects referred to in paragraph 1.(a) of Article 7 of this Agreement. Through such consultations, the Government of the United States of America shall ensure that the Government of Japan shall be involved, in an appropriate manner, in the implementation of the said specific projects.

Article 7

- (a) Specific projects to be funded in each Japanese fiscal year shall be agreed upon between the two Governments and reflected in the further arrangements.
 - (b) The Government of the United States of America shall maintain a United States Treasury account to which the Government of Japan shall provide cash contributions. The Government of the United States of America shall open and maintain, under the said account, a sub-account for Japanese cash contributions in each Japanese fiscal year.
- 2. Japanese cash contributions and their accrued interest that is contractually committed to pay for specific projects shall be credited, based on the method of calculation using an index to be agreed upon between the implementing authorities referred to in Article 6 of this Agreement, to the total amount of Japanese cash contributions, which is up to the amount of two billion, eight hundred million United States dollars (\$2,800,000,000) (in U.S. Fiscal Year 2008 dollars).

- 3. (a) In case there remains an unused balance of Japanese cash contributions after the completion of all contracts, as evidenced by receipt of documents releasing the Government of the United States of America from any further financial and contractual liability, for all specific projects funded in the same Japanese fiscal year, the Government of the United States of America shall return the said unused balance to the Government of Japan, except as provided in paragraph 3.(b) of this Article.
 - (b) The Government of the United States of America may use, with the consent of the implementing authority of the Government of Japan, the unused balance for other specific projects funded in the same Japanese fiscal year.
- 4. (a) The Government of the United States of America shall return interest accrued from Japanese cash contributions to the Government of Japan, except as provided in paragraph 4.(b) of this Article, after the completion of all contracts, as evidenced by receipt of documents releasing the Government of the United States of America from any further financial and contractual liability, for the last specific projects funded by Japanese cash contributions.
 - (b) The Government of the United States of America may use, with the consent of the implementing authority of the Government of Japan, interest accrued from Japanese cash contributions for projects funded by Japanese cash contributions.
- 5. The Government of the United States of America shall provide the Government of Japan with a report, every month, on transactions in the United States Treasury account, including all the sub-accounts related to Japanese cash contributions.

The Government of the United States of America shall consult with the Government of Japan in the event that the Government of the United States of America considers changes that may significantly affect facilities and infrastructure funded by Japanese cash contributions, and shall take appropriate actions, taking Japanese concerns into full consideration.

- 1. Japanese cash contributions referred to in paragraph 1. of Article 1 of this Agreement shall be subject to funding by the Government of the United States of America of measures referred to in Article 2 of this Agreement.
- 2. United States' measures referred to in Article 2 of this Agreement shall be subject to: (1) the availability of funds for the Relocation, (2) tangible progress made by the Government of Japan toward the completion of the Futenma Replacement Facility as stipulated in the Roadmap, and (3) Japan's financial contributions as stipulated in the Roadmap.

Article 10

The two Governments shall consult with each other regarding the implementation of this Agreement.

Article 11

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.

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 seventeenth day of February, 2009.

FOR THE GOVERNMENT OF JAPAN:

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

中曽根弘文

Hillary Rodham Clinton