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Japan's security environment is encompassed by various issues and destabilizing factors, some of which are becoming increasingly tangible, acute, and serious.

The security environment surrounding Japan is becoming increasingly harsh, due to challenges such as acts of provocation including the launching of the missile, which North Korea called "Satellite" and the nuclear test by North Korea, and the rapid expansion and intensification of activities by China in the waters and airspace around Japan, including intrusion into Japanese territorial waters and airspace.

Amid this situation, in order to determinedly protect the lives and property of our people, and to defend our land, sea, and airspace, the government has decided to increase the defense-related budget practically for the first time in 11 years to strengthen our defense posture. In addition, we have started intensive studies to revise the National Defense Program Guidelines within this year.

In the field, GSDF, MSDF, and ASDF units are conducting round-the-clock early warning and surveillance activities in the waters and airspace around Japan, including those in the southwestern region, as well as dealing with ballistic missiles launched by North Korea and conducting disaster relief operations.

Following the January 2013 terrorist attack in Algeria, in which Japanese nationals were killed, I dispatched a Japanese government aircraft to bring home Japanese nationals living overseas, marking the first time that a Japanese government aircraft had been used for such a purpose.

Moreover, in order to strengthen the Japan-U.S. Alliance, which plays a significant role in ensuring the safety of Japan, as well as the stability of the Asia-Pacific region, I had several meetings with U.S. Defense Secretary Hagel and engaged in efforts to further strengthen Japan-U.S. defense cooperation, including the revision of the Guidelines for Japan-U.S. Defense Cooperation. At the same time, the Ministry is steadily moving forward with the plans for the realignment of the U.S. forces in Japan, including the relocation of MCAS Futenma and the return of land areas south of Kadena, in order to mitigate the impact on local communities, such as those in Okinawa, while maintaining its deterrence.

Furthermore, in order to foster peace and stability in the region, the SDF has been actively promoting defense cooperation and exchanges, not only with the U.S.A., but also with a range of other countries. Also, the SDF has been engaging in anti-piracy operations off the coast of Somalia and in the Gulf of Aden, and has been dispatching troops for United Nations peacekeeping operations in South Sudan.

In addition to these initiatives, it is also important to maintain and strengthen defense production and technological bases. As part of this endeavor, an exemption from the Three Principles of Arms Exports and their related guidelines was put in place in March this year, focused on the participation of Japanese industries in the production of the F-35 next-generation fighter aircraft.

This year's edition of Defense of Japan describes these wide-ranging initiatives taken in order to defend our nation. In addition, the content of the accompanying columns and diagrams has been enhanced.

The defense of Japan cannot be achieved without the understanding and cooperation of its citizens. I sincerely hope that this publication will reach as many people as possible.

Overview

Section 1 Trends in the International Community

Japan's security environment is encompassed by various issues and destabilizing factors, some of which are becoming increasingly tangible, acute, and serious.

Above all, as conflicts between countries etc. remain, major changes in the security environment in the vicinity of Japan have yet to emerge even after the end of the Cold War, unlike Europe. Factors in opacity and uncertainty such as issues of territorial rights and the reunification remain, and neighboring states are continuing to modernize their military capacity. Furthermore, over the past year, North Korea has taken such provocative actions as its launch of the missile, which it called "Satellite" and its nuclear test, China has rapidly expanded and intensified its activities in the waters and airspace surrounding Japan as exemplified by its intrusion into Japan's territorial waters and airspace, and Russia continues to intensify its military activities. Thus, security environment in the vicinity of Japan has increasingly grown severe. In the meantime, in its new defense strategic guidance, the U.S. presented policies emphasizing a rebalance toward the Asia-Pacific region in its security strategy, as well as strengthening its existing alliances in the region and expanding its networks of cooperation with emerging partners, but attention will be paid to the impact of its harsh financial situation on efforts toward shaping these policies.

Moreover, security issues beyond a geographically-limited area continue to be crucial because the risk is growing that a disorder or a security problem in a single country spreads worldwide. With regard to such global security issues, while the international community is undertaking initiatives to deal with cyber attacks, proliferation of weapons of mass destruction and their means of delivery, international terrorism, and the increasing vulnerability of governance systems, some problems are being exacerbated and new problems are also becoming tangible.

Under such a security environment, it has become extremely difficult for one country to deal with issues which the international community is confronting, and ensuring regional and global peace, stability and prosperity through the establishment of a more stable international security environment benefits each country. It is increasingly important for countries with common interests in the resolution of issues to work together.

Even though U.S. influence has been changing relatively, it will remain the most influential country in the international community in the future. On the other hand, as a result of their high economic growth in recent years, the national power of countries such as China, India, and Russia is growing. It is believed that international influence of these countries which are oriented toward multipolarity will relatively increase. The increase in national power of these countries should be perceived as a good opportunity for more international coordination and cooperation, but at the same time, there is a possibility that they will significantly influence the security environment. Accordingly, the increase in their national power

Section 2 Security Environment in the Vicinity of Japan

In the Asia-Pacific region, alongside the various changes that have taken place in tandem with the increase in power of China, India, and Russia, countries in the region have made efforts to enhance and strengthen intra-regional coordination and collaboration with a particular focus on non-traditional security sectors such as humanitarian aid and disaster relief, and counterpiracy measures. On the other hand, this region abounds in political, economic, ethnic, and religious diversity, conflicts between countries/regions remain even after the end of the Cold War, and their views on security and threats are different. Accordingly, major changes in the security environment have yet to emerge even after the end of the Cold War, unlike in Europe, and long-standing issues of territorial rights and reunification continue to plague the region.

On the Korean Peninsula, the Korean people have been divided for more than half a century, and the faceoff continues between the military forces of the Republic of Korea and North Korea. There are issues concerning Taiwan and the South China Sea. Japan also confronts unresolved territorial disputes over the Northern Territories and Takeshima, both of which are inherent part of Japanese territory.

In North Korea, following the death of Chairman of the National Defense Commission Kim Jong-il in December 2011, a regime led by First Chairman of the National Defense Commission Kim Jong-un was put in place. The launch of a missile, which North Korea called "Satellite," in December 2012 showed that North Korea has advanced its ballistic missile technology, and we assess that North Korea's ballistic missile development is considered to have entered a new phase. There is great concern about North Korea's ballistic missiles from the perspective of their development and deployment, as well as their transfer and proliferation. With regard to nuclear development by North Korea, the Six-Party Talks, which aims at the verifiable denuclearization of the Korean Peninsula in a peaceful manner, has been suspended since December 2008, but in light of the series of North Korean announcements and actions to date, including the implementation of a nuclear test in February 2013, as well as the timing of its nuclear tests, the possibility cannot be dismissed that North Korea has already made considerable progress in its nuclear weapons program. Moreover, there is a possibility that the country is developing nuclear weapons using highly-enriched uranium. Considered in conjunction with its efforts to enhance its ballistic missile capability, the nuclear tests by North Korea pose a significant threat to Japan's security, and they are significantly detrimental to peace and stability in Northeast Asia and the international community. Therefore, they are absolutely unacceptable. Future actions by North Korea continue to be unpredictable and Japan needs to pay utmost attention to them. North Korea's abduction of Japanese nationals, which it poses a major threat to the lives and security of the Japanese public, is yet to be resolved. A solution will require concrete actions by North Korea.

Many countries in this region have taken advantage of economic growth to modernize their military forces by increasing their defense budgets and introducing new military equipment.

Section 3 Major Security Issues in the International Community

In recent years, risks relating to stable access to Global Commons¹, such as sea, space and cyberspace, have become a new security challenge.

These issues are attracting much attention from the perspective of security due to the fact that activities in such domains as space and cyberspace, which cannot be fully understood based on a conventional geographical perspective, are becoming a vital foundation for national security and people's livelihood given the further advancement of military science and rapid development of Information and Communications Technology (ICT) in recent years. In addition, securing the safety of maritime traffic, which has been emphasized as a fundamental means for supporting international trading, has attracted more attention since it has been pointed out that stable utilization of the seas may be obstructed due to such events as frequent acts of piracy in recent years as well as through the holding of discussions related to the freedom of navigation. From this perspective, in recent years, various countries have been implementing concrete initiatives, including the reorganization of governments and related institutions, in order to deal with cyber attacks on a range of information and communication networks, which could have a serious impact on the function of a state and people's daily lives. Moreover, with regard to the seas, the international community has also been dispatching naval vessels, etc. to conduct anti-piracy operations off the coast of Somalia and in the Gulf of Aden, as well as affirming the importance of the freedom of navigation at international conferences.

The proliferation of weapons of mass destruction (WMD), such as nuclear, biological and chemical (NBC) weapons, and ballistic missiles that serve as the means of delivery of WMD remains a significant threat to the international community. In particular, there are continuing concerns about the proliferation of nuclear weapons and ballistic missiles by North Korea and the acquisition and use of WMD by non-state actors such as international terrorist organizations. Moreover, with regard to issues over Iran's nuclear program, the U.S. and the European Union (EU) have strengthened sanctions, while also engaging in discussions with Iran: However, no major progress has been made and Iran has moved forward with and even expanded its uranium enrichment. On the other hand, some initiatives which focus on nuclear nonproliferation and disarmament are progressing, such as the new Strategic Arms Reduction Treaty (START) entering into force between the U.S. and Russia in February 2011.

There is an ongoing tendency for the offshoots of international terrorist organizations dispersing across the globe, as well as regional terrorist organizations and individuals sympathetic to their ideologies, to carry out their activities. They remain a security threat to the international community, even after the death of Osama bin Laden. There are also indications that countries in North Africa and the Middle East that are vulnerable in terms of their governance capacity are being used as bases for the activities and training of international terrorist organizations and other groups. They are engaging in cross-border terrorism, as seen in the case of the January 2013 terrorist attack in Algeria, in which Japanese nationals

Part I Security Environment Surrounding Japan

Chapter 1 Defense Policies of Countries

Section 1 The United States

1 Security and Defense Policies

Even as the comparative influence of the United States changes, the country continues to play the greatest role in the peace and stability of the world and the trends of its security and defense policy have a great impact on many states including Japan. In January 2012, the Obama administration released a new defense strategic guidance¹ which clearly articulated that the emphasis of its national security strategy is on the Asia-Pacific region. Reelected in the presidential election in November of the same year, President Obama visited Thailand, Myanmar and Cambodia as his first travel destinations abroad after the reelection, thus shows a stance to continue to emphasize the region in his second term.

Meanwhile, as the deepening budget deficit of the U.S. government in recent years calls for a deep cut in its spending, in January 2012, the Department of Defense announced that the reduction in defense spending will amount to approximately 487 billion dollars in 10 years from FY2012 to FY2021². The need for such reduction in defense spending is one of the factors for the development of the defense strategic guidance. In addition, mandatory reduction in government spending³, including defense spending, was initiated in March 2013. Senior officials of the Department of Defense including U.S. Secretary of Defense Hagel frequently expressed their concerns about the impact of mandatory budget reduction, and the Department of Defense announced in the same month that Secretary of Defense Hagel had ordered to carry out studies within the department regarding the impact of mandatory budget reduction on the defense strategies. How the mandatory reduction of defense spending will impact the options related to the U.S. defense strategies and security policies attracts attention.

1 Defense Strategic Guidance

In January 2012, the Obama administration released a new defense strategic guidance. Based on the understanding that the U.S. is at an inflection point due to factors both inside and outside the country, that is, the U.S. forces' drawing down from Iraq and Afghanistan⁴ after a decade of war and the demand for deep cuts in government spending including defense spending under the serious fiscal circumstances of the government, the guidance was developed to review the defense priorities and present a blueprint for the Joint Force in 2020. In a briefing after the announcement of the guidance, President Obama stated that the future U.S. forces will be smaller and leaner, but at the same time will be agile, flexible, ready, and technologically advanced.

(1) Assessment of the Security Environment

Section 2 Korean Peninsula

On the Korean Peninsula, people of the same ethnicity have been divided into two—north and south—for more than half a century. Even today, the Republic of Korea (ROK) and North Korea pit their ground forces of about 1.6 million against each other across the demilitarized zone (DMZ).

Maintaining peace and stability on the Korean Peninsula is vital for the peace and stability of the entire East Asian region, to say nothing of Japan.

(See Fig. I-1-2-1)

1 North Korea

1 General Situation

North Korea has been advocating the construction of a strong socialist state in all areas—ideology, politics, military affairs, and economy¹—and it adopts “military-first politics” to realize this goal. The “military-first politics” has been defined as a form of leadership that advances the great undertaking of socialism by resolving all problems that arise in the revolution and national construction on the principle of military-first and stressing the importance of the armed forces as the pillar of the revolution². In fact, First Chairman of the National Defense Commission, Kim Jong-un, who is in the position to control the military, mentioned the importance of military power in his New Year Address³ in January 2013: “The military might of a country represents its national strength; only when it builds up its military might in every way can it develop into a thriving country and defend the security and happiness of its people” and regularly visits military organizations. This indicates that he intends to continue attaching importance to, and relying on, the military forces.

Although North Korea has been facing serious economic difficulties and has depended on the international community for food and other resources, it seems to be maintaining and enhancing its military capabilities and combat readiness by preferentially allocating resources to its military forces. North Korea deploys most of its armed forces along the DMZ. According to the official announcement at the Supreme People’s Assembly in April 2013, the proportion of the defense budget in the FY2013 national budget was 16.0%, but it is believed that this represents only a fraction of real defense expenditures.

Furthermore, North Korea seems to maintain and reinforce its so-called asymmetric military capabilities by continuing to develop weapons of mass destruction (WMD) and ballistic missiles and by maintaining large-scale special operation forces⁴. In addition, North Korea has repeatedly made military provocations on the Korean Peninsula.

North Korea’s military behavior has heightened tension over the Korean Peninsula, and constitutes a serious destabilizing factor for the entire East Asian region, including Japan.

Needless to say, North Korea’s possession of nuclear weapons is not accepted, and it is also necessary to pay sufficient attention to the development and deployment of ballistic missiles, the military

Section 3 China

1 General Situation

China has the world's largest population with its vast landmass surrounded by 14 countries. It has long borderlines and a long coastline. China is also a nation with various races, religions, and languages. Most of its ethnic minorities populate the borderlands often with the same ethnic groups living across the borders. China, with a long history, has been shaping and maintaining a distinct culture and civilization. China's pride in its unique history and semi-colonial experience in and after the 19th century is driving its desire for a strong nation and fueling its nationalism. Furthermore, China, a state with a socialist regime, aims at building a modern socialist state under the leadership of the Chinese Communist Party (CCP).

In recent years, China has significantly increased its international trade and attracted considerable foreign investment. The economy has still maintained its high economic growth¹. A great deal of attention has been paid to its movements at various international conferences, which shows China's increased presence in the international community. Moreover, China has been playing a certain role in non-traditional security areas. It actively sends personnel to the U.N. Peacekeeping Operations (PKO) and has been sending its ships to the anti-piracy activities off the coast of Somalia and in the Gulf of Aden, which have been highly appreciated by the international community.

China is strongly expected to recognize its responsibility as a major power, accept and stick to the international norms, and play a more active and cooperative role in regional and global issues. On the other hand, there have been disputes with other countries on issues relating to trade imbalances, currency rates, and human rights. In regard to the issues on conflicting interests with its surrounding countries, including Japan, China has attempted to change the status quo by force based on its own assertion which is incompatible with the existing order of international law². The attempts have been criticized as assertive and include risky behaviors that could cause contingencies. Thus, there is a concern over its future direction.

China has various domestic problems. Corruption within central and local communist party leaderships is becoming a great political problem. As a result of its rapid economic growth, there are emerging problems such as regional disparities between urban-rural and coastal-inland regions, wealth gaps among urban residents, inflation, environmental pollution, and lack of agricultural/industrial water. Moreover, issues associated with the rapid aging of the population are forecasted to arise in the future. Because these factors, that could destabilize the government administration, are growing larger and diversifying, it is expected that China will continue to tighten its control on the society. However, it has been pointed out that there are unstable aspects in controlling public activities, partly due to the spread of the Internet. Moreover, China also has domestic ethnic minority issues, such as protest activities by ethnic minorities in areas such as the Tibet Autonomous Region and the Xinjiang Uyghur Autonomous Region. It has been reported that some ethnic minorities are undertaking campaigns seeking separation and

Section 4 Russia

1 General Situation

While claiming that it has completed the stage of revival and strengthening, and, setting an agenda of constructing a rich Russia, Russia states that it should become an influential state retaining sovereignty against the backdrop of the new posture of economic, cultural and military power¹. Specifically, Russia recognizes that it must undertake a number of sweeping modernizations, including departing from its conventional resource-dependent economy, establishing a democratic political system based on the Russian tradition and eradicating corruption.

Meanwhile, in the lower house election in December 2011, “United Russia” assembled the majority but lost many seats². In addition, civil demonstrations were staged protesting against irregularities during the election and demanding the resignation of then prime minister Putin.

Against this background, then prime minister Putin who had served as president for eight years (two terms) from 2000 to 2008 won the presidential election in March 2012 and took office in May of the same year.

How President Putin will gain broader support in the country and handle the issues concerning the modernization including structural reform of the economy while maintaining his power base will be the focus of attention³.

¹ Annual State of the Nation Address by President Putin (December 2012).

² “United Russia” won only 238 seats that is approximately 53% of the total seats of the Russian lower house (450 seats), falling greatly from 315 seats won in the previous election (2007).

³ In his papers to serve as a campaign platform published after January 2012, then Prime Minister Putin listed as his policy: expanding the participation in politics by the people; prevention of corruption; strengthening of domestic industries by departing from the resource-dependent economy to modernize the economy, and: that the middle class should play a leading role in society.

Section 5 Southeast Asia

1 General Situation

Southeast Asia holds key positions for traffic linking the Pacific and Indian Oceans, such as the Straits of Malacca, the South China Sea, and is an important region for Japan. The countries in Southeast Asia are making efforts to achieve political stability and steady economic growth, and lately have realized overall economic development to varying degrees. Such economic development has deepened the relationships of interdependence within and outside the region. However, this region still has destabilizing factors, including the territorial dispute over the South China Sea, ethnic minority issues, separatist and independence movements, and Islamic extremist groups. Moreover, there are incidents such as piracy by which the safe passage of ships is obstructed. In order to cope with these problems, the countries in Southeast Asia are working to build sufficient military forces not only for traditional national defense but also to address new security issues such as antiterrorism and piracy. In recent years, against the backdrop of economic development, they have been modernizing their military forces, particularly their navy and air forces.

(See Fig. I-1-5-1)

2 Security and Defense Policies of Each Country

1 Indonesia

Indonesia is a country of importance in Southeast Asia with the world's largest Muslim population, and a vast land and territorial waters, serving as a center of maritime traffic. Although Indonesia does not suffer from any immediate external threats, it is faced with internal risks, including activities of Muslim radicals, such as Jemaah Islamiyah (JI), and secession and independence movement in Papua Province.

As a national defence policy, Indonesia is promoting Total Defence through both military defense and non-military defense activities under the idea that all people utilize all resources available in the country, maintaining Indonesia's independence, national sovereignty, territorial integrity, and national unification. Furthermore, as military reform, Indonesia aims to achieve what it is calling a Minimum Essential Force, the requirements for minimum defence capabilities.

Indonesia emphasizes cooperation with other Southeast Asian countries¹, and practices an independent and active foreign policy. The United States temporarily suspended military cooperation with Indonesia in protest over its suppression of East Timor's independence movement, but resumed the cooperation in 2005; the cooperative relationship has been strengthened in recent years in such fields as military education and training, and military equipment procurement². In 2010, President Obama visited Indonesia to conclude a comprehensive partnership of the two countries. Furthermore, in November 2011 Indonesia announced that the country would receive 24 F-16 fighters from the United States. As part of

Section 6 South Asia

1 India

1 General Situation

With a population of more than 1.2 billion on its vast land, India is the world's largest democratic country. It has achieved steady economic growth in recent years, and has significant influence in the South Asian region. Also, it is located in the middle of the Indian Ocean, which is of strategic and geographical importance in terms of maritime traffic, connecting the Asia-Pacific region with the Middle East and Europe.

India shares borders with many countries and has the issue of the unresolved borders with China and Pakistan. India has multiple ethnic groups, religions, cultures and languages¹, and there are concerns about the activities of ultra-leftists, and secession and independence movements, as well as the movements of Muslim radicals stationed across the India-Pakistan border.

2. Military Affairs

India's security environment is directly linked to the neighboring countries, Central Asia, Southeast Asia, Persian Gulf nations, and the Indian Ocean region, and India recognizes that strategic-economic factors impose an increasingly larger responsibility on it. In view of the multifaceted security concerns and the global dimensions of the challenges, India has strengthened cooperative relations with other countries and has long been actively participating in the UN Peace Keeping Operations (PKO). In order to respond rapidly and effectively to the diversified security issues, the government and defense forces remain fully prepared to tackle all challenges².

Based on the nuclear doctrine of 2003, India adheres to the following policies: minimum nuclear deterrence, the non-first-use obligation, no use against non-nuclear weapon states, and maintaining the unilateral moratorium on nuclear tests that it announced immediately after the nuclear test in 1998. India promotes the development and deployment of various ballistic missiles. In recent years, it has successfully launched Prahaar (range of 150km) in July 2011, Agni 4 (range of 3,500km) in November 2011, and Agni 5 (range of 5,000–8,000km) in April 2012, for the first time in all cases. India is reported to have started developing Agni 6 (range of 8,000–10,000km)³, in pursuit of improving the performance by extending the range of ballistic missiles. A ballistic missile defense system is also under development and interception tests were successfully carried out in February and November 2012.

India is expanding procurement of equipment from foreign countries as well as joint development with them, and has emerged as the world's largest arms importer⁴. India currently possesses one aircraft carrier, the British-built Viraat, and plans to introduce another, Vikramaditya, from Russia in 2013, while it is also building one domestic aircraft carrier Vikrant. In 2009, India's first domestic nuclear submarine,

Section 7 Australia

1 General Situation

Australia shares basic values with Japan such as respect for freedom and human rights, and democracy, and is allied with the United States, as are Japan and the Republic of Korea. Based on the awareness that Australia's security environment will be significantly influenced by how the Indo-Pacific, connecting the Indian and Pacific Oceans through Southeast Asia, and its architecture evolves, Australia adjusts its priority strategic focus to the region.

2 Security and Defense Policies

Prime Minister Gillard launched Australia's first National Security Strategy (the Strategy) in January 2013¹. The Strategy provides a blueprint for national security over the next decade, presenting a recognition that responding to the economic and strategic changes in the Asia-Pacific region is vital to the national security of Australia².

The Strategy defines four objectives for Australia's national security: (1) to ensure a safe and resilient population, (2) to protect and strengthen Australia's sovereignty, (3) to secure Australia's assets, infrastructure and institutions, and (4) to promote a favorable international environment. To that end, it is necessary to respond to national security challenges and threats, including instability in the region, conflicts and coercion affecting the national interests, malicious cyber activity, terrorism, espionage, the proliferation of weapons of mass destruction, serious and organized crime³.

The Strategy then analyzes that the most significant trends for the outlook of Australia's national security would be uncertainty in the global economy, a rebalancing of global power, the continuing importance of non-state actors, and low-level conflict in high-risk areas. Then the Strategy identifies three priorities of Australia over the next five years as follows: (1) enhanced regional engagement in the Asia-Pacific region⁴, (2) integrated cyber policy and operations⁵, and (3) effective partnerships⁶.

In May 2013, the Gillard administration published a new Defence White Paper⁷ that addresses significant developments in Australia's international and domestic circumstances, which influence Australia's national security and defense settings, since the previous Defence White Paper was published in May 2009⁸. The white paper states that the relation between the United States and China will more than any other single factor determine Australia's strategic environment over the coming decades, and the evolution of this relationship is being affected by the United States' commitment to the region and by the effects of China's rise. Moreover, it points out the emergence of the Indo-Pacific region, which is set forth as a new concept.

The new Defence White Paper defines Australia's strategic interests as follows: (1) a secure Australia; (2) a secure South Pacific and Timor-Leste; (3) a stable Indo-Pacific; and (4) a stable,

Section 8 Europe

1 General Situation

With the end of the Cold War, while many European countries now recognize that the threat of large-scale invasion by other countries has disappeared, diverse security challenges have emerged, such as an outbreak of regional conflict within and around Europe, the rise of terrorism, the proliferation of weapons of mass destruction (WMD), and increasing threats in cyberspace.

To adapt to such new and emerging threats and situations, Europe has sought to strengthen and expand the frameworks of the North Atlantic Treaty Organization (NATO) and the European Union (EU). Moreover, efforts are made at the country level for reviewing security and defense strategies, and reforming national defense systems.

2 Enhancement of Multinational Security Frameworks

1 Security and Defense Policy of NATO/EU

Founded for the primary purpose of collective defense among member countries, NATO has expanded the scope of its activities to conflict prevention and crisis management since the end of the Cold War.

In the NATO Summit Meeting held in Lisbon in November 2010, NATO adopted a new Strategic Concept¹ for the first time in 11 years to propose a guideline for the next 10 years for the creation of a more effective and flexible alliance. The document created by NATO lists the proliferation of WMD and ballistic missiles, terrorism, instability or conflict beyond NATO borders, and cyber attacks as examples of major threats, defining three items as core tasks of NATO: 1) collective defense in accordance with Article 5 of the North Atlantic Treaty, which forms the basis for NATO, 2) management of developing crises before they escalate into conflicts and to help consolidate stability and reconstruction in post-conflict situations, and 3) cooperative security including active contribution to arms control, non-proliferation, and disarmament.

NATO has been promoting the concept of Smart Defence as the national defense budgets of member states are declining and the gap in military capacity is widening among member states, in particular between European countries and the United States². This is the concept with the objective of building greater security with fewer resources through multinational coordination with the following three pillars: 1) Prioritization: selection of prioritized areas to be invested in³, 2) Specialization: specialization in areas where members have the strength⁴ and 3) Multinational cooperation: promotion of joint procurement and joint operations of equipment. As specific measures for realizing this concept, the Chicago NATO Summit declared that NATO has gained the Interim Capability⁵ for a missile defense system⁶ to protect the people and the territory of NATO from ballistic missile attacks by linking interceptor missiles and radars of the member states under NATO's command and control. At the same time, the 13 member States of NATO signed a procurement contract of five Global Hawk (RQ-4)

Chapter 2 Issues in the International Community

Section 1 Trends Concerning Cyberspace

1 Cyberspace and Security

Owing to the information technology (IT) revolution in recent years, information and communication networks such as the Internet have become essential components across all facets of people's lives. On the other hand, cyber attacks, especially against information and communication networks, which are critical infrastructures, have the potential to seriously impact people's lives. As such, cyber security constitutes one of the important challenges in terms of security for each country.

Types of cyber attacks include the functional obstruction of information and communication networks, data falsification or theft of information via unauthorized access to information and communication networks or through the insertion of viruses via email as well as functional impairment of the networks through simultaneous transmission of large quantities of data, and so on. Internet-related technologies are constantly evolving, with cyber attacks growing more sophisticated and complicated day by day. The characteristics of cyber attacks¹ are listed as follows.

- (1) Diversity: Diversity of attackers, methods, purposes and circumstances of attacks
- (2) Anonymity: Easiness for attackers to hide or disguise their identity.
- (3) Stealth: Difficulty of detecting the presence of attacks or even recognizing the occurrence of damage
- (4) Advantage for attackers: Easiness to obtain means of attack and difficulty of completely eliminating software vulnerabilities
- (5) Difficulty of deterrence: Limited deterrence effects gained through the threat of retaliatory attacks and defense measures

For armed forces, information and communications form the foundation for command and control which extends all the way from central command to ground-level forces, and the IT revolution is further enhancing the dependence of units on information and communication networks. Given this dependence of armed forces on information and communication networks, cyber attacks are being regarded as an asymmetrical strategy capable of mitigating the strengths of enemies by exploiting weak points in enemy armed forces, and it is said that many of foreign militaries are developing offensive capabilities in cyberspace². It has also been pointed out that intrusions into information and communication networks by other countries are carried out for the purpose of gathering intelligence³.

¹ "Toward Stable and Effective Use of Cyberspace," published in September 2012 by the MOD and SDF.

² A paper by then Deputy Secretary of Defense William J. Lynn, "Defending a New Domain: The Pentagon's Cyber Strategy," Foreign Affairs (Sep-Oct 2010).

³ In a February 2011 speech, then Deputy Secretary of Defense William J. Lynn pointed out cases of

Section 2 Transfer and Proliferation of Weapons of Mass Destruction

Transfer and proliferation of weapons of mass destruction, such as nuclear, biological and chemical (NBC) weapons, or of ballistic missiles carrying such weapons, has been recognized as a significant threat since the end of the Cold War. In particular, there still remain strong concerns that non-state actors, including terrorists, against whom traditional deterrence works less effectively, could acquire and use weapons of mass destruction.

1 Nuclear Weapons

During the Cold War, the Cuban Missile Crisis of 1962 demonstrated that a nuclear war between the United States and the Soviet Union could take place. The Treaty on the Non-Proliferation of Nuclear Weapons (NPT) that took effect in 1970 prohibited countries other than those that had conducted nuclear tests in or before 1966¹ from having nuclear weapons, and required nuclear-armed countries to control and reduce nuclear weapons through bilateral negotiations².

The NPT is currently signed by 190 countries³. While some countries that had previously possessed nuclear weapons became signatories of this treaty as non-nuclear weapon states by abandoning these weapons, India, Israel, and Pakistan still refuse to sign this treaty as non-nuclear weapon states⁴. There are other countries that have declared the development and possession of nuclear weapons, such as North Korea, which announced it had conducted nuclear tests in October 2006, May 2009 and February 2013⁵.

U.S. President Obama's speech for a world without nuclear weapons in April 2009 promoted efforts in the international community for nuclear non-proliferation and disarmament, showing the United States' resolution to take concrete steps towards the goal: specifically, the reduction of the role of nuclear weapons in U.S. national security while maintaining nuclear deterrence, the signing of a new treaty to replace the Strategic Arms Treaty I between the United States and Russia, and pursuit of ratification of the Comprehensive Nuclear-Test-Ban Treaty (CTBT)⁶ by the U.S. government.

In April 2010, the presidents of the U.S. and Russia signed a new strategic arms reduction treaty to replace START I, which was put into effect in February 2011⁷. In addition, the Nuclear Security Summit held in Washington, D.C. in April 2010 adopted measures to ensure thorough control of all vulnerable nuclear materials within four years to reduce the threat of nuclear terrorism. Furthermore, the NPT Review Conference held in May 2010 adopted the final document, which includes specific future action plans consisting of three pillars: nuclear disarmament, nuclear nonproliferation, and the peaceful use of nuclear energy. The second Nuclear Security Summit convened in Seoul in March 2012 adopted the Seoul Communique, which incorporates nuclear security issues to be addressed by the international community, such as management, transportation and illicit trade of nuclear materials, as well as nuclear forensics⁸.

The international community has begun to take steady and major steps toward nuclear non-proliferation and nuclear disarmament. This direction is welcome, as it contributes to improving the

Section 3 International Terrorism

1 General Situation

As a result of the ongoing globalization, it has become easier than before for terrorist organizations operating across national borders to share information and cooperate internally and with other organizations, secure geographic access and acquire weapons. In this situation, terrorist organizations, including radical Islamic groups, are conducting acts of terror mainly in countries where the political situation is unstable and governance is weak. However, it is said that the objective of activity and the capabilities differ from organization to organization¹. Some of those organizations are presumed to be securing funds through crimes such as illegal trades and abductions.

Regarding Al-Qaeda, which is believed to have directed the 9/11 attacks in 2001, Osama Bin Laden, the group's leader who was hiding in Pakistan, was killed in an operation conducted by the United States. The killing of Bin Laden, however, has not eradicated the possibility of Al-Qaeda attacks. While the command and control capabilities of the leaders of Al-Qaeda have been declining, it has been pointed out that Al-Qaeda affiliates that include "Al-Qaeda" in their name are increasing their force and perpetrating terrorism mainly in North Africa and the Middle East².

Organizations which are said to be affiliated with Al-Qaeda and other radical Islamic terrorist organizations are conducting acts of terrorism mainly in North Africa and the Middle East but also in various locations in South Asia and Southeast Asia. In Algeria, Libya and Mali in particular, those organizations are said to have the capability to cross national borders which are not sufficiently controlled and to conduct acts of terrorism in countries other than those where they have bases of activity³. Regarding those organizations, it has been pointed out that they have acquired a large amount of weapons which proliferated when the Qadhafi regime of Libya collapsed.

We have also seen in recent years cases where radical individuals and groups who have had no official relations at all with Al-Qaeda or its affiliates have been inspired by Al-Qaeda's ideology and have become terrorists. There are concerns about threats posed by so-called "home-grown terrorists." Although it is difficult to detect common motives to incite such individuals to violence, possible motives could include the attraction of foreign conflict zones from an extremist perspective, disenchantment with living, anger against U.S. and Western foreign policy, and an increase in extremist propaganda in English.

In light of the changing forms of the threat of terrorism in this way, President Obama made a speech on the framework of the counterterrorism strategy in May 2013. In his speech, he pointed out the necessity of bringing an end to the battle between Al-Qaeda and its affiliates, and stressed the defining of the U.S. effort not as a "global war on terror," but rather as targeted efforts to dismantle specific networks of violent extremists that threaten the United States. In addition, he stated that he regards attack operations against terrorists using unmanned aerial vehicles as effective and legal, while he respects

Section 4 Complex and Diverse Regional Conflicts and Approaches of the International Community

1 Efforts to Stabilize the International Community

The characteristics of regional conflicts recently emerging around the world differ from one to another. They may result from various ethnic, religious, territorial, or resource-related issues, and some are entangled at multiple levels in each region. They also range in form from armed conflict to sustained armed confrontation. Furthermore, it has been pointed out that the impact of global-scale problems such as climate change could also constitute a cause of conflict¹. In addition, human rights violations, refugees, famine, poverty and terrorism resulting from the conflicts sometimes evolve into international issues. For that reason, it has become increasingly important that the international community discern the character of such complex and diverse conflicts, consider international frameworks and involvements matched to their particular circumstances, and then seek out appropriate responses.

The end of the Cold War was accompanied by rising expectations for the peacekeeping system by the United Nations, which up to that time had not functioned adequately, and, as a result, many U.N. peacekeeping operations (PKO) were established. In recent years, their roles have come to include civilian activities encompassing disarmament monitoring, security organization reforms, election and administration monitoring, and humanitarian assistance for refugees returning home, as well as their traditional roles of the monitoring of truces and withdrawals of armed forces, and some PKO activities have been vested with strong authority under Article 7 of the Charter of the United Nations² (See Fig. I-2-4-1). In addition to the PKO activities, there are cases in which multinational forces and regional organizations, that have been authorized by the U.N. Security Council, are in charge of conflict prevention, peacekeeping and peace-building operations.

While PKO missions have diversified and expanded, various challenges have arisen. The Departments of Peacekeeping Operations and Field Support of the United Nations compiled “A New Partnership Agenda: Charting a New Horizon for U.N. Peacekeeping” in July 2009 to make an assessment of the major policy and strategy dilemma of U.N. peacekeeping and to discuss passive solutions among stakeholders. This document cited securing equipment and ensuring the safety of personnel and enhancing troops’ capabilities as challenges. The United Nations used this document to work on the so-called “New Horizon Process,” and reports were published in October 2010 and December 2011 to the effect that intensified efforts were being made to develop guidelines for critical areas like protection of civilians³ and peace-building and developing capabilities required to execute missions, all of which are the issues of the reform of the peacekeeping operations.

¹ The Quadrennial Defense Review (QDR) released by the U.S. Department of Defense in February 2010 regards climate change as a key factor that will shape the future security environment. It claims that climate change may accelerate instability and conflict by causing water and food scarcity, the

Part II Japan's Defense Policy and the Japan-U.S. Security Arrangements

Chapter 1 The Basic Concepts of Japan's Security and Defense Policy

In this chapter, Section 1 explains the significance of defense capabilities as the means of ensuring the security of Japan, Section 2 explains the relationship between the Constitution and the right of self-defense, Section 3 explains the basics of Japan's defense policy including the Basic Policy for National Defense, and Section 4 explains the establishment of the National Security Council.

Section 1 Measures to Ensure Japan's Security

The independent state of a nation must be protected in order for it to maintain the determining of its own direction in politics, economy, and society, as well as its culture, tradition, and sense of values. However, peace, safety and independence cannot be secured by simply wishing for them. In addition, the reality of the current international community suggests that it is not necessarily possible to prevent invasions from the outside by only nonmilitary means such as diplomatic efforts, and in the event that the nation were to be invaded it would not be able to remove such a threat. Defense capabilities are the nation's ultimate guarantee of security, expressing Japan's will and capacity to defend against foreign invasions, and they cannot be replaced by any other means.

For this reason, Japan is striving to develop proper defense capabilities to protect the lives and assets of the public and to defend the territorial land, sea and airspace of Japan. At the same time, it is strengthening the Japan-U.S. alliance¹ with the United States, which shares basic common values and interests with Japan. The peace and security of Japan is ensured through developing seamless defense measures by coupling Japan's own defense capabilities with the Japan-U.S. Security Arrangements.

In addition, Japan also works domestically to enrich the backbone of the people, which is characterized by ensuring stable lifestyles for the people and protecting the country, while also working to establish a security foundation by implementing various measures in such sectors as the economy and education so as not to allow the chance of an invasion.

Moreover, from the perspective of improving the security environment surrounding Japan and preventing the emergence of threats to Japan, the importance of the role played by defense capabilities is increasing in the Asia-Pacific region as well as in cooperative efforts as a member of the international community.

Upon recognizing the role of defense capabilities, Japan aims to ensure national security as well as bringing peace and safety to the Asia-Pacific region, and eventually to the entire world through making its utmost efforts in a variety of fields.

Section 2 The Constitution and the Right of Self-Defense

1 The Constitution and the Right of Self-Defense

Since the end of World War II, Japan has worked hard to build a peace-loving nation far from the miseries of war. The Japanese people desire lasting peace, and the principle of pacifism is enshrined in the Constitution, of which Article 9 renounces war, the possession of war potential, and the right of belligerency by the state. Nonetheless, since Japan is an independent nation, these provisions do not deny Japan's inherent right of self-defense as a sovereign state. Since the right of self-defense is not denied, the Government interprets this to mean that the Constitution allows Japan to possess the minimum level of armed force needed to exercise that right. Therefore, the Government, as part of its exclusively national defense-oriented policy under the Constitution, maintains the Self-Defense Forces (SDF) as an armed organization, and continues to keep it equipped and ready for operations.

2 The Government's View on Article 9 of the Constitution

1 The Permitted Self-Defense Capability

Under the Constitution, Japan is permitted to possess the minimum necessary level of self-defense capability. The specific limit may vary with the prevailing international situation, the technologies available, and various other factors, and it is discussed and decided according to annual budgets and other factors by the Diet on behalf of the people. Whether such capability constitutes a "war potential" that is prohibited by Article 9, Paragraph 2 of the Constitution must be considered within the context of Japan's overall military strength. Therefore, whether the SDF should be allowed to possess certain armaments depends on whether such possession would cause its total military strength to exceed the constitutional limit.

The possession of armaments deemed to be offensive weapons designed to be used only for the mass destruction of another country, which would, by definition, exceed the minimum necessary level, is not permissible under any circumstances. For example, the SDF is not allowed to possess intercontinental ballistic missiles (ICBM), long-range strategic bombers, or attack aircraft carriers.

2 Requirements for Exercising the Right of Self-Defense

The Government interprets Article 9 of the Constitution to mean that armed force can be used to exercise the right of self-defense only when the following three conditions are met:

- (1) When there is an imminent and illegitimate act of aggression against Japan;
- (2) When there is no appropriate means to deal with such aggression other than by resorting to the right of self-defense; and
- (3) When the use of armed force is confined to be the minimum necessary level.

3 Geographic Boundaries within which the Right of Self-Defense may be Exercised

Section 3 The Basis of Defense Policy

1 Basic Policy for National Defense

Under the Constitution, Japan has adhered to its Basic Policy for National Defense, which was adopted by the National Defense Council¹ and approved by the Cabinet in 1957. The national defense objectives provided in the Basic Policy for National Defense are to prevent direct and indirect invasions of Japan, eliminate threats for the remote chance that Japan is invaded, and thus protect the independence and peace of Japan as a democratic nation. In addition, the Basic Policy lays down the following four items as a basic policy for achieving these objectives.

- (1) Support the activities of the United Nations, cooperate with other nations, and aim to achieve world peace.
- (2) Establish the foundation necessary to ensure a stable quality of life for the people, boost nationalism, and guarantee the nation's safety.
- (3) Progressively develop efficient national defense capabilities to the necessary limit for self-defense in accordance with national power and circumstances.
- (4) Deal with foreign invasions of Japan based on security arrangements formed with the United States until the United Nations becomes able to effectively prevent the said threats.

See Reference 6

¹ The function of this Council was taken over by the Security Council of Japan in 1986.

Section 4 Establishment of National Security Council

While the security environment surrounding Japan is further increasing in severity, the government is working towards the establishment of a National Security Council which would give fundamental direction for foreign and security policies from a strategic perspective, with a consciousness that it is necessary for the entire Cabinet to work on the strengthening of foreign affairs and the security system of Japan.

The First Abe Cabinet submitted the bill to amend a portion of the Act for Establishment of the Security Council of Japan and other acts to the Diet on April 6, 2007, for the fundamental review of the existing Security Council and the establishment of the National Security Council that would absorb its functions. However, the bill was discarded in January 2008 because of the unfinished deliberation.

With the inauguration of the Second Abe Cabinet in December 2012, Prime Minister Abe expressed his willingness to strengthen the foreign affairs and the security system, such as the establishment of the National Security Council, in the press conference upon his taking office as the Prime Minister. Following this, the first meeting of the Advisory Council on the Establishment of a National Security Council, with the Prime Minister serving as the chair, that is comprised of the Chief Cabinet Secretary (also the Minister in charge of Strengthening National Security), Special Advisor to the Prime Minister (in charge of the National Security Council), and other experts, was held in February 2013. At the beginning of the meeting, Prime Minister Abe stated that it is necessary for the entire Cabinet to work on strengthening foreign affairs and the security system of Japan, and he mentioned his willingness to develop an environment capable of responding swiftly to various issues regarding foreign affairs and the security system under powerful political leadership by establishing a place for discussion regularly and flexibly from a strategic perspective. At the advisory council, consideration was made—six times in total—and discussion was held on how the NSC should be, including its jurisdiction, purpose, use/policy judgment of intelligence, and form of the National Security Council. In light of these discussions, the government drafted a bill in “The Division for Preparing for the Establishment of the NSC” set in the Cabinet Secretariat, and made a cabinet decision on the bill to the Cabinet decided on “the Act of Partial Revision of the Establishment of the Security Council (the NSC Establishment Act)” on June 7, 2013.

The Ministry of Defense, as a government agency having responsibility for defense policy intends to play an active role in the NSC, which gives fundamental direction or foreign and security policies from a strategic perspective.

[Outline of NSC Establishment Act]

(1) Establishment of a National Security Council

Establishing a National Security Council in the Cabinet as an organization to deliberate on important matters regarding the security of Japan

(A partial amendment to the current Act was made to establish the Security Council of Japan and

Chapter 2 The National Defense Program Guidelines and the Build-Up of Defense Capability

For appropriate execution of various SDF missions, it is necessary to acquire equipment such as destroyers and aircraft, and to establish a unit operation posture. However, developing a defense force takes time, therefore it needs to be planned and carried out on the basis of the medium- to long-term outlook.

For this reason, since FY1977, the Government has developed the National Defense Program Guidelines (NDPG), which set forth the basic policies for Japan's security, the security environment surrounding Japan, and basic guidelines for the upgrading of Japan's defense capability development, as well as the significance and role of Japan's defense force, the specific organization of the SDF, and the deployment targets for major equipment.

Also, the government developed the Mid-Term Defense Program (MTDP) since FY1986, to steadily and systematically achieve goals set in the NDPG, such as the SDF operation posture or major equipment deployment, according to the basic security policy and defense force roles stipulated in the NDPG. The MTDP sets the total amount of defense expenditure and quantities of major equipment to be deployed for the next 5 years. Based on the MTDP, each year's defense buildup programs are designed and implemented.

NDPGs have been formulated four times, in 1976, 1995, 2004, and 2010, in light of such factors as the security environment at the time. However, the security environment surrounding Japan has become increasingly severe in recent years, so on January 25 this year, the Cabinet decided that the government would review the 2010 NDPG and reach a conclusion within the year. The Ministry of Defense has established a committee chaired by the Parliamentary Senior Vice-Minister, which is currently studying the concept of a defense force.

(See Fig. II-2-0-1)

In this chapter, the first section explains the features of the past NDPGs, while the second section explains the status of the review of the 2010 NDPG. The third section explains the defense buildup programs in FY2013, the fourth section explains defense-related budget and the fifth section explains approaches to the stable use of global commons such as outer space, cyberspace, and the oceans.

Section 1 The National Defense Program Guidelines and the Mid-Term Defense Program

1 Features of the past NDPGs

1 1976 Guidelines

Formulated against the backdrop of the détente¹ of the 1970s, the 1976 Guidelines were based on an awareness that (1) in general, a full-scale military clash between East and West would be unlikely to occur, and (2) in the vicinity of Japan, the balanced relationship between the U.S., China, and the Soviet Union, and the existence of the Japan-U.S. security alliance would continue to play a substantial role in

Section 2 Status of Deliberations Concerning the Revision of the 2010 Guidelines

1. Background to the Revision

Since the 2010 Guidelines were formulated, the security environment surrounding Japan has deteriorated. For example, in April and December 2012, North Korea launched a missile purported to be a satellite. Moreover, there has been a rapid expansion in China's activities in the waters and airspace surrounding Japan, including incursions into Japanese territorial waters and airspace.

(See Fig. II-2-2-1)

At the same time, based on its new defense strategic guidance, the U.S. is asserting its presence in the Asia-Pacific region and demonstrating its willingness to strengthen partnerships and cooperation with allied nations, including Japan. In addition, SDF activities during the Great East Japan Earthquake, have presented lessons that need to be addressed.

In light of such changes, it is necessary to respond promptly to the current situation and reinforce Japan's defense readiness, as well as further strengthen the Japan-U.S. Alliance. Accordingly, in the document Defense Capability Build-up in FY2013 (approved by the Cabinet on January 25, 2013), the government stated that it would review the 2010 Guidelines and work on the efficient development of effective defense capability that could respond adequately to the roles required of the SDF, with a conclusion to be reached during 2013.

Moreover, with regard to the abolition of the Mid-Term Defense Program (FY2011-FY2015), it was decided to take the requisite measures after considering future mid-term defense planning in conjunction with the revision of the 2010 Guidelines.

See Reference 10

2. Deliberations by the Ministry of Defense

Immediately after the aforementioned Cabinet decision, the Ministry of Defense held a defense meeting and decided to establish the Defense Posture Review Commission, to examine future defense posture.

The instructions given by Defense Minister Onodera at this meeting included the following:

- To engage in a full review of Japan's defense force structure, in light of the increasingly harsh security environment surrounding the nation, and to consider the level of defense readiness required in order to staunchly protect our land, sea, and airspace, as well as the lives and property of our people; and
- In strengthening SDF force structure, to attach particular importance to assessing its defense capabilities in terms of joint operations, with the Internal Bureau and Joint Staff playing a key role in such an assessment.

Subsequently, under the leadership of Parliamentary Senior Vice-Minister of Defense Eto, the Defense Posture Review Commission has been discussing such topics as the international environment,

Section 3 Build-Up of Defense Capability in FY2013

1 FY2013 Defense Budget Formulation Policy

As stated in Section 2 of this chapter, the policy forming the basis for the FY2013 defense budget was approved by the Cabinet in January 2013, in conjunction with the review of the 2010 Guidelines and the abolition of the Mid-Term Defense Program (FY2011-FY2015).

1. Environment to be Considered

This policy states that the environment to be considered in drafting the defense budget for FY2013 included the following aspects:

- The fact that North Korea continues to be a severe destabilizing factor in the region, as it is still promoting the development of nuclear and ballistic missiles, and that surrounding countries are continuing to modernize their military forces and escalating military activities;
- The fact that adequate consideration needs to be given to the recent escalation of activities by China in the waters and airspace around Japan, including incursions into Japanese territorial waters and airspace;
- The fact that the nation has experienced a major disaster without precedent in Japanese history, in the form of the Great East Japan Earthquake, and that there is a renewed awareness of the importance of preparations to deal with major disasters; and
- The fact that the FY2013 Defense Budget Formulation Policy (approved by the Cabinet on January 25, 2013) stipulates that “the FY2013 budget shall be a 15-month budget that is integrated with the large-scale supplementary budget, based on emergency economic measures; moreover, in order to prevent the deterioration of the fiscal situation, efforts shall be made to reduce to the greatest extent possible wasteful expenditure dating from the time of the Democratic Party of Japan administration, while boldly narrowing the focus of the budget.”

2. Basic Approach

This policy endeavors to strengthen Japan’s defense posture in terms of protecting the nation’s land, sea, and airspace, as well as the lives and property of its people, in light of the aforementioned security environment surrounding Japan.

In particular, it emphasizes the following matters.

(1) Improved readiness and effective responses to various contingencies

Priority shall be given to initiatives to achieve improvements in abilities associated with intelligence gathering, warning and surveillance, and ensuring security around Japan, including the southwestern region, as well as initiatives aimed at improving the ability to respond to cyber attacks and ballistic missile attacks, and transport capacity, mobility, and air defense capability in relation to offshore island defense.

Section 4 Defense-Related Expenditures (First Increase in 11 Years)

1 Defense-Related Expenditures and Changes

Defense-related expenditures include spending for maintaining and managing the SDF, improving living conditions in the neighborhoods of defense facilities, and supporting U.S. forces in Japan.

In FY2013, defense-related expenditures, which had been declining continuously since FY2003, were increased in real terms for the first time in 11 years, in order to reinforce preparedness aimed at protecting the lives and property of the populace and the nation's land, sea, and airspace, in light of the increasingly harsh security environment.

In comparison with the expenditures related to SACO (Special Action Committee on Okinawa) and the realignment of the U.S. military including their reduction of burden on local communities, defense-related expenditures increased by 40 billion yen from the previous fiscal year to 4.7358 trillion yen. If the reduction of burden on local communities in the expenditures related to SACO and the realignment of the U.S. military is excluded from the above amount, defense-related expenditures increased by 35.1 billion yen from the previous fiscal year to 4.6804 trillion yen.

The aforementioned policy forming the basis for the drafting of the FY2013 defense budget noted:

- The fact that North Korea continues to be a severe destabilizing factor in the region, as it is still promoting the development of nuclear and ballistic missiles, and that surrounding countries are continuing to modernize their military forces and escalating military activities;
- The fact that adequate consideration needs to be given to the recent escalation of activities by China in the waters and airspace around Japan, including incursions into Japanese territorial waters and airspace; and
- The fact that the nation has had the experience of a major disaster without precedent in Japanese history, in the form of the Great East Japan Earthquake, and that there is a renewed awareness of the importance of preparations to deal with a major disaster.

In light of these observations, the projects necessary for the Ministry of Defense and SDF to fulfill the roles expected of them by the populace have been secured, along with the money required to implement them, including an increase in provision for maintenance and repair costs in order to improve the readiness of equipment to deal with all kinds of situation.

(See Figs. II-2-4-1, II-2-4-2)

In addition, expenditure associated with the repair of damaged SDF facilities and equipment in relation to recovery and reconstruction in the aftermath of the Great East Japan Earthquake and other expenditures have been calculated separately from the General Account for FY2013, with 125.2 billion yen allocated under the Special Account for Reconstruction from the Great East Japan Earthquake.

Moreover, 212.4 billion yen has been allocated in the FY2012 supplementary budget drafted in

Section 5 Stable Use of Global Commons (Outer Space, Cyberspace, and the Oceans)

In recent years, risks to the stable use of global commons, such as outer space, cyberspace, and the oceans, are emerging as a new security issue.

Factors behind this include the fact that activities in realms that cannot be perceived from conventional geographical perspectives, such as outer space and cyberspace, have become an important basis for national security and people's daily lives, due to further advances in military science and technology, and information and communications technology.

Moreover, there is considerable concern about the security of maritime traffic, including discussions about freedom of navigation and the frequent occurrence of piracy in recent years.

1 Development and Utilization of Outer Space

As Japan maintains an exclusively defense-oriented policy, it is extremely important to use outer space, which does not belong to any nation's territories and which is not constrained by conditions such as surface topography, in order to strengthen information gathering to detect any indications of various situations in advance, and enforce warning and surveillance functions in Japan's surrounding sea areas and airspace, as well as ensuring means of communication in activities such as international peace cooperation of the SDF.

Based on the Basic Space Law, the Cabinet's Strategic Headquarters for Space Policy established the Basic Plan on Space Policy in June 2009; in January 2013, the new Basic Plan on Space Policy was established, which emphasized the three issues: "national security and disaster management", "industrial development", and "progress in frontier areas including space science." Moreover, in July 2012, the Strategic Headquarters for Space Policy was established within the Cabinet Office, engaging in the planning, formulation, and coordination of policy on the development and use of outer space.

On the other hand, in January 2009, the Ministry of Defense's Committee on Promotion of Space Development and Use established the "Basic Guidelines for Space Development and Use of Space."

The Ministry of Defense is promoting development and use of outer space for national security in coordination with related ministries. In FY2013, the MOD will address projects such as 1) research on the enhancement of C4ISR functions utilizing space, 2) maintenance, and operation of X-band SATCOM, 3) participation in the USAF Space Fundamentals Course, and 4) initiatives associated with space situational awareness.

2 Stable and Effective Use of Cyberspace

Information and communications technology has developed and been widely adopted at great speed and, as a result, it is now essential as the infrastructure for socioeconomic activities. On the other hand, there is a possibility that people's lives and economic activities will be severely affected if the computer systems or networks fail.

Chapter 3 Strengthening of the Japan–U.S. Security Arrangements

Based on the Japan–U.S. Security Treaty, the Japan-U.S. Security Arrangements constitute one of the pillars of Japan’s national defense. The Japan–U.S. Alliance, having the Japan-U.S. Security Arrangements as its core, is indispensable to maintain not only the peace and security of Japan, but also that of the entire Asia-Pacific region. In addition, the close cooperative relationship between Japan and the United States based on the alliance is proving to be extremely significant for effectively dealing with global security issues. Furthermore, the Japan–U.S. Alliance is playing an increasingly important role in promoting the shared fundamental values in the international community such as democracy, the rule of law, respect for human rights, and a capitalist economy.

The military presence of the U.S. forces in Japan not only contributes to the defense of Japan, but also functions as deterrence against and response to contingencies in the Asia-Pacific region, and serves as a core element of the Japan-U.S. Security Arrangements. On the other hand, since the stationing of U.S. forces in Japan impacts upon the living environment of local residents, efforts that correspond to the actual situation of each region must be made to reduce the burden on regions such as Okinawa.

With regard to the Japan-U.S. Security Arrangements, which holds great significance to the security of Japan, Section 1 of this chapter explains the significance of the Japan-U.S. Security Arrangements and its basic framework and provides an overview of the U.S. forces stationed in Japan. Section 2 focuses on the deepening and expansion of the Japan-U.S. Alliance and explains its historical background and the Japan-U.S. agreement and discussions concerning the coordination of the realignment of U.S. forces in Japan. Section 3 explains the deployment of the MV-22 Osprey in Okinawa. Section 4 describes the efforts aimed at strengthening the Japan–U.S. defense cooperation. Finally, Section 5 describes measures pertaining to the stationing of U.S. forces in Japan, including the realignment of U.S. forces.

Section 1 The Japan–U.S. Security Arrangements

1 The Significance of the Japan–U.S. Security Arrangements

1 Maintenance of Japan’s Peace and Security

In the current international community, a watertight defense system capable of responding to every contingency, ranging from all types of armed attacks including the use of nuclear weapons to coercion or intimidation by the military power, is necessary to secure the peace, security, and sovereignty of the nation. It is impossible even for a superpower like the United States to guarantee its security on its own. Therefore, it would be practically impossible for Japan to ensure its national security solely through its unilateral efforts given its population, land, and economy. Moreover, such a strategy would not be politically appropriate for our country and would not necessarily contribute to regional stability.

Section 2 For the Deeper and Broader Japan-U.S. Alliance

In order to ensure the peace and safety of Japan and the region, it is essential to adequately develop systems and the measures to do so in response to changes in the security environment. Japan and the United States have traditionally developed security cooperation based on factors such as the security environment surrounding Japan.

(See Fig. II-3-2-1)

This section explains the background of the deepening and expansion of the Japan-U.S. Alliance.

1 Historical Background

During the Cold War era, the Japan-U.S. Security Arrangements ensured the safety of Japan as a country with a liberal ideology. It also contributed to peace and stability in the region.

Following the end of the Cold War, the leaders of Japan and the United States announced the Japan-U.S. Joint Declaration on Security (Declaration) in 1996, reaffirming the importance of the Japan-U.S. Alliance in light of the state of affairs in the Asia-Pacific region following the Cold War. At the Japan-U.S. Security Consultative Committee (“2+2”) meeting held the following year (1997), as part of the promotion of cooperative relations presented in the Declaration, new Guidelines for Japan-U.S. Defense Cooperation (Guidelines) were approved, revising the previous Guidelines, which had been formulated in 1978.

Afterwards, in light of further changes to the security environment due to the 9/11 terrorist attacks in 2001 and the proliferation of weapons of mass destruction, Japan and the United States have enhanced consultations related to security. Through these Japan-U.S. consultations, the direction of the Japan-U.S. Alliance was arranged in three stages. These stages are: confirmation of common strategic objectives to both countries, including enhancing peace and stability in the Asia-Pacific region (first stage), the examination of the roles, missions, and capabilities of Japan and the United States for accomplishing the common strategic objectives (second stage), and the examination of a force posture realignment (third stage). Their contents were confirmed at the “2+2” meeting in May 2007, and were supplemented at the “2+2” meeting in May 2010.

(See Fig. II-3-2-2)

Figure II-3-2-3 provides an outline of the realignment of U.S. forces set forth in the United States-Japan Roadmap for Realignment Implementation, which was formulated in May 2006 in the process of these discussions.

In parallel with such bilateral political discussions, the two countries enhanced their cooperative relations in various aspects, including operations, and services in response to specific issues. For instance, as part of the cooperation under peace time stipulated in the aforementioned Guidelines, in addition to joint Japan-U.S. training exercises, Japan also participates in trilateral training exercises with the armed

Section 3 MV-22 Osprey Deployment in Okinawa

1 MV-22 Osprey Deployment in Okinawa

The MV-22 is an aircraft that combines vertical takeoff/landing and hovering functions of rotary-wing aircraft on one hand and the speed and range of fixed-wing aircraft on the other. After overcoming challenges in its development process, Osprey received approval from the U.S. government for mass production as aircraft fulfilling all the reliability and safety standards. MV-22 aircraft have been used globally in a variety of missions including Operation Iraqi Freedom, Operation Enduring Freedom in Afghanistan, and disaster relief activities in Haiti. As the main force of air components of the U.S. Marine Corps, MV-22 aircraft plays an important role in engaging in a broad range of activities, including transportation of personnel and goods.

The U.S. Marine Corps is in the process of replacing rotary-wing airplanes (CH-46) with MV-22s, which have superior basic performance. In June 2011, the Department of Defense announced the replacement of CH-46s deployed at Futenma Air Station with MV-22s. On June 29, 2012, the U.S. Government made a Host Nation Notification that 12 CH-46s of one squadron in Futenma would be replaced by 12 MV-22s and that CH-46s of the second squadrons would be replaced by MV-22s in summer 2013. Then-Minister of Defense Morimoto and other officials explained that measures to ensure safety would be taken in order to gain understanding and cooperation of local residents of Okinawa and Iwakuni. Later, after unloading and conducting functional check flight at the MCAS Iwakuni, one squadron completed transfer to Futenma Air Station in October 2012. On April 30, 2013, U.S. Forces Japan HQ and the U.S. Embassy in Tokyo explained that 12 MV-22 aircraft of the second MV-22 squadron would be unloaded at MCAS Iwakuni.

In the U.S. strategy to place greater emphasis on the Asia-Pacific region, the presence of the USFJ, and that of the Marine Corps in Okinawa in particular have great significance, and the MV-22 plays a central role in the ability of the Marine Corps units. The MV-22 is a highly capable aircraft; compared with the CH-46, it can fly twice as fast, can carry three times the payload, and has four times the radius. Its deployment to Okinawa will strengthen the deterrence of the USFJ as a whole and greatly contribute to the peace and stability of the region.

2 Safety of the MV-22 Osprey

After the crash of the MV-22 in Morocco in April 2012 and the crash of the CV-22¹ in Florida in June 2012, concerns about its safety have grown among Japanese people. In response, the Governments of Japan and the U.S. agreed to refrain from any flight operation in Japan until the results of the accidents' investigation are provided and the safety of flight operation is reconfirmed. Additionally, in order to confirm its safety, a Japanese analysis and assessment team was set up to validate the contents of the accident investigations of the U.S. Government, based on Japan's own viewpoints and knowledge. The

Section 4 Efforts to Strengthen Japan-U.S. Defense Cooperation

Japan and the United States have been developing defense cooperation based on their understanding of the security environment surrounding Japan.

Today, Japan–U.S. defense cooperation has expanded to a wide range of areas. Examples include the expansion of the content and scale of existing joint training and exercises compared to the past, the cooperative development of SM-3 Block IIA, deployment of TPY-2 radars and other U.S. BMD assets in Japan, and bilateral strategic policy dialogue on new fields such as space and cyber. Furthermore, trilateral cooperation has been developed by inviting Australia and South Korea to the Japan-U.S. bilateral cooperation. In addition, activities to improve the global security environment, such as international peace keeping activities and anti-piracy activities, are conducted in close cooperation with the United States.

See Chapter 2 Section 5-1; Chapter 3 Section 5-2; Part III Chapter 1 Section 1-3; Part III Chapter 1 Section 1-4; Part III Chapter 2 Section 2-1; Part III Chapter 2 Section 2-2

Among the wide areas of the Japan-U.S. defense cooperation, this section describes the strengthening of efforts in peacetime before the occurrence of contingencies, which has been carried out intensively by the two countries in light of the current security environment, and the study on “the Guidelines for Japan-U.S. Defense Cooperation,” which is the basic guidelines for Japan-U.S. defense cooperation. This section also provides an outline of the meeting of a Japanese Defense Minister and U.S. Defense Secretary in April 2013.

1 Efforts In Peacetime to Enhance Japan–U.S. Defense Cooperation

In light of trends in the security environment, the 2010 National Defense Program Guidelines (NDPG) stipulated the building of a “Dynamic Defense Force” focusing on the operational use of the defense force unlike the old “Basic Defense Forces Concept” emphasizing the existence of the defense force. Based on this concept of a dynamic defense force, the MOD and the SDF are to put their defense force into operation with an emphasis on conducting regular activities such as intelligence, surveillance, reconnaissance (ISR) activities in peacetime constantly, continuously, and strategically, responding to emergencies promptly and seamlessly, and promoting bilateral and multilateral cooperation in the Asia Pacific and other regions in a multilayered manner.

It is necessary to apply this concept of a dynamic defense force to defense cooperation between Japan and the U.S., which will ensure effective deterrence and response as well as stabilize the security environment in the region. This cooperation includes (1) reacting to various situations not responsively but proactively, and conducting prompt and seamless cooperation from peacetime through to contingencies, (2) strengthening deterrence and the presence of the two countries by raising activities of units of the SDF and U.S. forces in peacetime and demonstrating intentions and capabilities, and (3)

Section 5 Measures Relating to the Stationing of U.S. Forces in Japan, including their Realignment

Measures such as force posture realignment of U.S. forces in Japan are extremely important in reducing the burden on local communities, such as those in Okinawa, while maintaining deterrence. The Ministry of Defense will steadily advance the U.S. forces realignment described in the Roadmap while making continuous efforts to gain the understanding and cooperation of local communities accommodating USFJ facilities and areas.

This chapter describes measures aimed at making the stationing of U.S. forces truly acceptable to the people of Japan.

1 Stationing of U.S. Forces in Okinawa

As of January 2013, approximately 74% of USFJ facilities and areas (for exclusive use) are concentrated in Okinawa Prefecture, occupying approximately 10% of the land area of the prefecture and 18% of the main island of Okinawa. The Government of Japan recognizes that the current situation in which USFJ facilities and areas are concentrated in Okinawa imposes a major burden on the local people. The Government of Japan has been making the maximum efforts to implement a range of measures in light of the security perspective in order to reduce the burden as much as possible.

1 Efforts for Realignment, Consolidation, and Reduction of USFJ Facilities and Areas

When Okinawa was returned to Japan in 1972, the Government of Japan provided 83 facilities and areas covering approximately 278 km² for exclusive use by the U.S. forces under the Japan-U.S. Security Treaty. However, their concentration in Okinawa has led to strong calls for their realignment and reduction on the grounds that they seriously affect the lives of people in Okinawa Prefecture.

Both countries have continued their efforts to realign, consolidate, and reduce USFJ facilities and areas, and, in relation to the so-called 23 issues¹, it was agreed in 1990 that both sides would proceed with the necessary adjustments and procedures for the return of land. Moreover, regarding the so-called Three Okinawa Issues such as the return of Naha Port², it was agreed in 1995 that efforts would be made to resolve these issues.

Subsequently, in response to an unfortunate incident that occurred in 1995, as well as the refusal of the then Governor of Okinawa to sign land lease renewal documents under the Special Measures Law regarding Use and Expropriation of Land, the Government of Japan decided to devote even greater efforts towards realignment, consolidation, and reduction, believing that the burden should be shared by the whole nation. In order to hold consultations on issues related to USFJ facilities and areas in Okinawa, the Government of Japan established the Okinawa Action Council between the central government and Okinawa Prefecture, and the Special Action Committee on Okinawa (SACO) between Japan and the United States, and the so-called SACO Final Report was compiled in 1996.

See Reference 37

Part III Measures for Defense of Japan

Chapter 1 Systems to Protect Citizens' Lives and Property and Defend Japanese Territorial Land, Waters and Airspace

The foundation for achieving Japan's security is its own efforts.

Based on this understanding, Japan has decided that it will constantly utilize all means and, in the event of various contingencies, will seamlessly deal with the situation as it unfolds. For this reason, the nation must carry out unified and strategic efforts, and the Ministry of Defense and SDF are engaged not only in the operation of the SDF during the occurrence of various contingencies, but in various activities, including the improvement of response capability.

The first section of this chapter explains the country's basic framework for armed attack situations including the operation of the SDF. The second section explains the basic framework for response to armed attack situations.

Section 1 Effective Deterrence and Response

This section explains systems to protect citizens' lives and property and defend Japanese territorial land, waters and airspace in reference to examples of responses provided by the SDF in diverse contingencies under a joint operations posture.

1 Ensuring Security of Sea and Airspace Surrounding Japan

In order for the SDF to respond swiftly to various contingencies around Japan, which consists of more than 6,000 islands and is surrounded by a vast body of water, it is extremely important to ensure the safety of the country's territorial waters and airspace through constant, ongoing activities implemented by the SDF, including continuous intelligence-gathering, patrol and surveillance activities in Japan's territorial waters and airspace. Through such activities, Japan also contributes to the stabilization of the security environment in the Asia-Pacific region.

1 Surveillance in Waters Surrounding Japan

(1) Basic Concept

The SDF routinely and continuously engages in surveillance activities in the waters surrounding Japan so that it can respond to various emergencies promptly and seamlessly.

(2) Response by the MOD and SDF

The MSDF routinely patrols the waters surrounding Hokkaido, the Sea of Japan, and the East China Sea,

Section 2 Frameworks for Responses to Armed Attack Situations

It is of utmost importance for the national government to establish a national response framework as a basis for an SDF operational structure¹ to deal with serious situations that threaten the peace and security of the country and its people, such as armed attacks against Japan. This establishment enables an effective response to armed attack situations and anticipated situations (both to armed attack situations² and to situations where armed attacks are anticipated³) and contributes to the deterrence of an armed attack.

This section outlines the key aspects of Japan's response framework in the event of an armed attack situation, and the SDF operational structure that is based on this framework.

(See Fig. III-1-2-1)

1 The Framework for Responses to Armed Attack Situations

1 Responses to Armed Attack Situations

The Armed Attack Situation Response Law specifies basic principles and basic policies (the Basic Response Plan) regarding response to armed attack situations and the responsibilities of national and local governments in the event of an armed attack situation. Moreover, in preparation for the outbreak of armed attacks, a framework is being developed which allows relevant organizations (designated government institutions, local governments and designated public institutions⁴) to implement response measures in a coordinated and cooperative fashion based on individual legislations dealing with military emergencies such as the Civil Protection Law, thereby the whole nation can fully prepare for armed attack situations.

See References 42, 43

(See Fig. III-1-2-2)

(1) Basic Response Plan, etc.

In situations such as armed attack situation, the Cabinet must decide upon the following items for a Basic Response Plan and ask for approval by the Diet. In addition, when the Basic Response Plan has been decided, a temporary Task Force for Armed Attack Situations, etc., (the Task Force) is to be established within the Cabinet, and it will implement these measures:

- 1) Certification of the facts, and the premises to that certification supporting the armed attack situation or the situation where an armed attack situation is anticipated.
- 2) Overall plan to respond to the pertinent armed attack situation.
- 3) Important items related to the response measures.

(2) Response Measures

When responding to armed attack situations, the designated government institutions, local governments and designated public institutions will implement the following measures based on legal provisions between the period of formulation and termination of the Basic Response Plan.

Chapter 2 Initiatives to Further Stabilize the International Security Environment

It is extremely difficult for countries to tackle international security challenges on their own today and it is becoming a matter of great importance for Japan to work together with its ally, friendly nations, and other countries involved to tackle regional or global security issues.

Based on such circumstances, the policy forming the basis of the drafting of the defense budget for FY2013 stipulates that Japan will 1) redouble its efforts to promote various cooperative initiatives and bilateral and multilateral dialogue in fields including humanitarian assistance and disaster relief, in order to further stabilize the international security environment in areas including the Asia-Pacific region; as well as 2) endeavoring to strengthen the base for international activities on the part of the SDF, in order to facilitate an independent, proactive response in the realms of preventing the proliferation of weapons of mass destruction and ballistic missiles, countering terrorism and piracy, and participating in United Nations peacekeeping operations.

This chapter explains 1) measures relating to the promotion of multilateral security cooperation and dialogue in areas including the Asia-Pacific region in Sections 1 and 2, and 2) initiatives focused on various cooperative endeavors by the international community in Sections 3, 4, and 5.

(See Fig. III-2-0-1)

Section 1 Promoting Multilateral Security Cooperation and Dialogue in Areas Including the Asia-Pacific Region

1 Significance and Evolution of Security Cooperation and Dialogue and Defense Cooperation and Exchange

For many years, Japan has been taking proactive steps to improve the security environment, and recent years have seen dialogue and exchange expand in terms of both quality and quantity. Specifically, 1) in addition to efforts to encourage mutual understanding and confidence building, moves toward establishing and strengthening cooperation are accelerating, and 2) our focus in dialogue and exchange has broadened from neighboring countries to encompass partners across the globe. Moreover, 3) with some partners, our exchanges developing and deepening, moving from simple interaction toward the stage of more concrete, practical cooperation. In addition, 4) efforts in the security field in the Asia-Pacific region are also gradually shifting from dialogue focused on confidence building, to practical cooperation including building regional order and common norms and standards.

In light of these developments, the Ministry of Defense is also taking proactive steps to advance multi-layered security cooperation in the international community, while effectively and efficiently making use of limited resources. In doing so, there is a need to pursue security cooperation and dialogues as well as conduct defense cooperation and exchanges in a strategic manner, while considering the

Section 2 Promotion of Defense Cooperation and Exchanges

In order to improve the security environment in the Asia-Pacific region, as well as across the globe, and ensure the safety and prosperity of Japan, it is important to utilize the Japan-U.S. Alliance as an axis, while developing networks that combine bilateral and multilateral dialogue, exchanges and cooperation frameworks in a complementary and multilayered manner. Accordingly, the Ministry of Defense and the Self-Defense Forces are conducting strategic defense cooperation and exchanges based on the characteristics of each country and region in question.

See Reference 58

1 Japan–Australia Defense Cooperation and Exchanges

1 The Significance of Defense Cooperation and Exchange with Australia

Australia is an important partner for Japan in the Asia-Pacific region: Japan and Australia are allies of the United States and share not only fundamental values such as democracy, the rule of law, respect for human rights, and capitalist economies, but also strategic stakes and interests in the security field. In particular, the norm that different countries should work in concert to address global challenges has been becoming widespread in the international community, in recent years. Therefore, as responsible countries in the Asia Pacific region, Japan and Australia are strengthening mutual cooperation focused primarily on non-traditional security areas such as humanitarian assistance and disaster relief activities.

In terms of Japan Australia bilateral defense cooperation and exchanges, the Japan–Australia Joint Declaration on Security Cooperation, the first such joint declaration in the realm of security with a country other than the United States, was announced at the Japan-Australia summit meeting in March 2007. It has been making steady progress since then and has now reached the stage of more concrete and practical cooperation.

In May 2010, the Acquisition and Cross-Servicing Agreement (ACSA)¹ and its Procedural Arrangement were signed at the third Joint Foreign and Defense Ministerial Consultations (“2+2”), and entered into force in January 2013.

The Japan-Australia ACSA enabled the reciprocal provision of supplies and services by the SDF and the Australian Defense Force (ADF) during peacekeeping operations, international disaster relief, and other activities, thereby further facilitating and consolidating the strategic partnership between the two countries. It is anticipated that the cooperation between Japan and Australia facilitated and strengthened in this way will contribute to the peace and prosperity of the Asia-Pacific region, while also being conducive to fostering intraregional order through cooperation and efforts to achieve international peace undertaken by the United Nations in particular, such as conducting peacekeeping operations. Moreover, in March this year, the Japan-Australia Information Security Agreement entered into force. The laying of foundations for sharing information between the two countries is expected to assist in strengthening bilateral

Section 3 Counter-piracy Initiatives

Piracy is a grave threat to public safety and order on the seas. In particular, for Japan, which depends on maritime transportation to import most of its resources and food necessary for its survival and prosperity as a maritime nation, it is an important issue that cannot be ignored. The United Nations Convention on the Law of the Sea states that all nations shall cooperate to the fullest possible extent in the repression of piracy, so it is necessary for Japan to actively fulfill its international responsibilities.

1 Basic Approach

The Japan Coast Guard (JCG), one of the law enforcement agencies in Japan, is primarily responsible for coping with piracy. However, in case that it is deemed extremely difficult or impossible for the JCG to cope with piracy by itself, the Self-Defense Forces is supposed to take actions against it.

2 The Situations of Piracy Incidents and Initiatives by the International Community

Incidents have continued to occur in waters off the coast of Somalia and in the Gulf of Aden, involving pirates armed with machine guns and rocket launchers. Piracy off the coast of Somalia and in the Gulf of Aden is a threat to the international community, including Japan, so it is an issue that should be dealt with via cooperation among the international community.

(See Fig. III-2-3-1)

Successive United Nations Security Council resolutions¹, such as United Nations Security Council Resolution 1816, which was adopted in June 2008, have requested various countries to take actions to deter piracy off the coast of Somalia and in the Gulf of Aden; in particular, to dispatch of their warships and military aircraft.

To date, approximately 30 countries, including the U.S., have dispatched their warships to the waters off the coast of Somalia and the Gulf of Aden. Moreover, in December that year, the European Union (EU) decided to commence an anti-piracy operation (Operation Atlanta), escorting vessels transporting supplies for the United Nations World Food Programme (WFP) and patrolling the waters in the area; in addition, the North Atlantic Treaty Organization (NATO) has been conducting its own antipiracy operation (Operation Ocean Shield) since August 2009.

All countries continue to treat piracy off the coast of Somalia and in the Gulf of Aden as a matter of serious concern, even now, and both the EU and NATO decided to extend the time frame of their activities to the end of 2014.

¹ The other United Nations Security Council resolutions calling for cooperation in deterring piracy are Resolutions 1838, 1846, and 1851 (adopted in 2008), Resolution 1897 (adopted in 2009), Resolutions 1918 and 1950 (adopted in 2010), Resolutions 1976 and 2020 (adopted in 2011), and Resolution 2077 (adopted in 2012).

Section 4 Efforts to Support International Peace Cooperation Activities

Working in tandem with diplomatic efforts, including the use of Official Development Assistance (ODA) for resolving the fundamental causes of problems such as conflict and terrorism, the Ministry of Defense and SDF is proactively undertaking international peace cooperation activities.

In the beginning of 2012, the SDF was dispatched to United Nations peacekeeping operations in the Golan Heights, Haiti, Timor-Leste, and South Sudan, but it progressively ended all of these activities, apart from the one in South Sudan.

As well as providing an overview of the three fields of ended activities, this chapter explains Japan's current initiatives.

1 Frameworks for International Peace Cooperation Activities, etc.

1 Frameworks for International Peace Cooperation Activities

The international peace cooperation activities undertaken by the Ministry of Defense and the SDF to date are as follows: 1) international peace cooperation duties such as cooperation with peacekeeping operations (PKO); 2) international disaster relief operations to respond to large-scale disasters overseas; 3) activities based on the former Law Concerning Special Measures on Humanitarian Reconstruction Assistance in Iraq; and 4) activities based on the former Anti-terrorism Special Measures Law, and following the lapse of that law, the former Replenishment Support Special Measures Law.

(See Fig. III-2-4-1)

See References 42, 43, 70

2 Significance of Stipulating International Peace Cooperation Activities as One of the Primary Missions of the SDF

Amid the current security environment, the peace and security of the international community are considered to be closely linked to the peace and security of Japan. Based on this awareness, international peace cooperation activities, which used to be regarded as supplementary activities¹, were positioned in 2007 as one of the primary missions of the SDF², alongside the defense of Japan and the maintenance of public order.

3 Continuous Efforts to Promptly and Accurately Carry Out International Peace Cooperation Activities

In order to undertake international peace cooperation activities proactively, the SDF must continue peacetime efforts to establish various systems. Since July 2007, the GSDF has designated candidates from regional armies in rotation for possible mission assignments, in order to maintain a posture allowing them to respond promptly and continuously to operational requirements. In March 2008, the GSDF established

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Section 5 Efforts for Arms Control, Disarmament and Non-proliferation

Causing anxiety not only to Japan and other East Asian nations, but also countries across the globe, especially the U.S., North Korea's launch of a missile which it called a satellite in December 2012 and its nuclear test in February 2013 demonstrate that the proliferation of weapons of mass destruction and missiles which serve as their means of delivery still pose a pressing challenge to the peace and stability of the international community.

Moreover, many countries are working on the regulation of certain conventional weapons, while taking into account the need to maintain a balance between the humanitarian perspective and defensive requirements.

One of the initiatives to deal with these issues is the development of an international framework for arms control, disarmament, and nonproliferation, and Japan is playing an active role in this effort.

(See Fig. III-2-5-1)

1. Initiatives Focused on Treaties Relating to Arms Control, Disarmament, and Nonproliferation in Regard to Weapons of Mass Destruction

Japan actively participates in international initiatives including conventions and management systems relating to frameworks for arms control, disarmament, and nonproliferation in regard to weapons of mass destruction, in the form of nuclear, chemical, and biological weapons, as well as their means of delivery and associated technologies and materials.

Japan has contributed personnel in this field, offering its knowledge in the field of chemical protection from the time when negotiations over the Chemical Weapons Convention (CWC) were taking place, as well as dispatching experts on protection against chemical weapons to the Organization for the Prohibition of Chemical Weapons (OPCW), which was established to implement the verification measures stipulated in the convention following its entry into force. Furthermore, small quantities of chemical substances subject to regulation under the convention are synthesized at the GSDF Chemical School (Saitama City), in order to conduct protection research. The school has undergone a total of eight inspections since its establishment, in accordance with the convention regulations.

Moreover, the whole government is working on projects aimed at disposing of abandoned chemical weapons in China, in accordance with the CWC, and the Ministry has seconded eight personnel, including GSDF officials, to the Cabinet Office to work on this project. Since 2000, GSDF officials with expertise in chemicals and ammunitions have been dispatched to conduct excavation and recovery projects on a total of 12 occasions. In 2012, from August to September, seven SDF officers participated in an excavation and recovery project undertaken by the Cabinet Office in Hunchun, in China's Jilin Province, providing the Chinese workers with guidance concerning such matters as the identification of shells, and managing the safety of workers.

Chapter 3 The Maintenance and Strengthening of Defense Production and Technological Bases, and the Effective, Efficient Acquisition of Defense Equipment

While the security environment surrounding Japan is becoming increasingly harsh, the situation concerning our nation's defense-related expenditure continues to be difficult. Amid this situation, it is vital to maintain and strengthen Japan's defense production and technological bases, while striving for the effective, efficient acquisition of defense equipment, in order to ensure the stable roll-out of such equipment, which is becoming increasingly high-performance and complex.

This chapter explains the Ministry's initiatives in this area.

Section 1 Defense Production and Technological Bases, and the Current Status of Defense Equipment Acquisition

1. Japan's Defense Production and Technological Bases

1 The Attributes and Current Status of Japan's Defense Production and Technological Bases

The term "defense production and technological bases" refers to the human, physical and technological bases for development, production, operation, maintenance, remodeling, and refurbishment of defense equipment required for Ministry of Defense and SDF activities. As Japan has no national arsenal (state-owned munitions factory), the whole of the production base and most of the technological base is in the hands of companies that manufacture defense equipment and associated items (the defense industry). Small and medium-sized enterprises (SMEs) are involved in the production of defense equipment; for example, there are said to be approximately 1,200 companies involved with fighter aircraft, approximately 1,300 involved with tanks, and approximately 2,500 involved with destroyers. Moreover, the market for defense equipment is limited to the small amount of demand from the Ministry of Defense, so manufacturing economies of scale cannot be expected. Furthermore, specialized, advanced technologies and skills are required in the development and manufacture of defense equipment, and it takes a great deal of effort to cultivate and maintain those technologies and skills.

Thus, the scale of Japan's defense industry is not large, and the value of production destined for the Ministry of Defense accounts for less than 1% of the overall value of production in Japan. Moreover, the degree of reliance on defense sector demand (sales related to defense as a proportion of total sales by the company) among companies involved in the production of defense equipment and related items is around 4% on average, so for many companies, the defense business is not their main field of business. On the other hand, among the comparatively small-scale companies are some with a degree of reliance on defense sector demand in excess of 50%, so fluctuations in procurement by the Ministry of Defense have a major impact on such companies.

Section 2 Initiatives for Increasing the Efficiency of Procurement and Improving its Fairness and Transparency

In light of this situation, the Ministry is striving to ensure the effective, efficient acquisition of defense equipment, as well as the maintenance and strengthening of defense production and technological bases through initiatives aimed at increasing the efficiency of procurement and improving its fairness and transparency.

1. Basic Initiatives by the Ministry of Defense

1. Initiatives Aimed at Increasing the Efficiency of Procurement

The Ministry of Defense has been endeavoring to increase the efficiency and rationalization of equipment procurement through the Comprehensive Acquisition Reform Committee, which was held in September 2003, as well as the Comprehensive Acquisition Reform Project Team, which was established under the Committee's auspices in October 2007 to speed up various deliberations concerning comprehensive acquisition reform. Although these existing initiatives focused on greater efficiency in procurement have achieved cost reductions to some extent, further efforts to increase the efficiency of procurement will be essential to the upgrading of defense capability, in light of the harsh situation surrounding the defense budget and equipment procurement at present.

Based on this awareness, in March 2013, the Ministry of Defense convened another meeting of the Comprehensive Acquisition Reform Project Team, which is working in partnership with relevant departments within the Ministry, while undertaking the requisite deliberations concerning effective ways of promoting procurement reforms, with the aim of reflecting the fruits of its efforts to increase the efficiency of procurement in budgetary requests for FY2014¹.

(See Fig. III-3-2-1)

2 Efforts to Increase Fairness and Transparency

The Ministry of Defense aims to increase fairness and transparency in relation to the acquisition of equipment and materials, and has thus far implemented a variety of measures from the perspective of making contracts more appropriate, and strengthening checking functions.

Recently, as a part of the effort to make public procurement more appropriate across the whole of government, the Ministry of Defense has been working on a number of measures, including the introduction and expansion of a comprehensive evaluation bidding system², the increase of multiple-year contracts, making bidding procedures more efficient, and reviews of single-tendering contracts. Alongside these measures, in July 2006, a deputy chief in charge of auditing was established at the Equipment Procurement Office³ (as it was then named), as was an auditing division in the Internal Bureau, working toward strengthening checking functions.

However, despite such initiatives, there was a case in December 2012, in which a summary order

Section 2 Initiatives for Increasing the Efficiency of Procurement and Improving its Fairness and Transparency

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Section 3 Research and Development

1 The Current Status of Research and Development of Equipment and Materials

As described above, there is a growing tendency for defense equipment to be increasingly high-performance and complex, which in turn is causing development and production costs to rise. Accordingly, from the perspective of optimizing cost, schedule, and performance through the entire life cycle of equipment and materials, including research and development, the Technical Research & Development Institute (TRDI) thoroughly analyzes and compares multiple proposals concerning such aspects as performance and cost, during the conceptual study, research, and development stages.

Moreover, as a tool for this, it conducts studies of modeling and simulation, such as initial review and assessment technologies for ships, and integrated air defense system simulations. Furthermore, in order to prevent surge in the unit price of mass produced equipment and materials, TRDI and the Equipment Procurement and Construction Office (EPCO) have been implementing a cooperative mechanism for conducting cost estimates as part of life cycle management that starts in the development phase of defense systems.

In addition, it has become common for developed countries to deal with the increasingly high-performance and expensive nature of equipment and materials by participating in international joint research and development.

2. TRDI Initiatives

In order to conduct research and development that incorporates the latest science and technology, while anticipating the operational requirements of military units, in FY2009, TRDI began an “operational verification study” in the form of research prototype manufacture of an advanced personal equipment system for troops, which would permit the sharing of information between units and individual troops, and conducted field tests based on operational conditions.

Moreover, it is developing an advanced digital data link system to be mounted on fighter aircraft, in order to achieve organized combat through the networking of forces, from the perspective of joint operations.

In addition, as well as working on the development of new decontamination sets and research into defense robots, based on the lessons learned from the Great East Japan Earthquake, TRDI is promoting research and development of equipment that takes into account progress in science and technology in the civilian sector, such as information and communications technology, and technology to counter cyber attacks, including research into technology for building a cyber-training environment. This research into technology for building a cyber-training environment has been positioned as an operational verification study.

Section 4 Initiatives Aimed at Maintaining, and Strengthening Defense Production and Technological Bases

1. Strategy for Defense Production and Technological Bases

In light of deliberations concerning the production and technological bases for fighter aircraft, in November 2010, the Ministry of Defense convened the Study Group on Defense Production and Technological Bases, the members of which included academics; the group commenced deliberations concerning approaches to the strategy for Japan's defense production and technological bases, and compiled the Final Report of the Study Group on Defense Production and Technological Bases in June 2012.

This report sets forth the following points.

- It is difficult, in terms of both finance and technical strength, for Japan to maintain all of its defense production and technology infrastructure alone, in light of the current harsh fiscal situation, the increasingly high-performance and complex nature of defense equipment, and the globalization of the economy.

- Consequently, while taking international joint development and production into consideration, the formulation of a strategy that takes into account the issues detailed below is required, based on an awareness of the necessity of ① ascertaining which areas of the defense production and technological bases must be retained within Japan; and ② taking measures to maintain, cultivate, and upgrade them, in order to maintain, cultivate, and upgrade the defense production and technological bases with a view to achieving the stable maintenance and upgrading of Japan's defense capability in the medium- to long-term.

- Defense production and technological bases to be kept in Japan

In order to achieve the stable maintenance and upgrading of Japan's defense capability in the medium- to long-term, it is necessary to select key fields that should be retained within Japan, based on the approach called "selection and concentration."

- Organization of the defense industry

Industrial restructuring and alliances, such as business collaboration and the integration of sectors, are effective means of overcoming the current situation and issues associated with defense production and technological bases, as well as maintaining, cultivating, and upgrading them.

- Defense technology

When focusing on elemental technologies relating to defense equipment, it is necessary to take into consideration how dual-use and general-purpose technologies are positioned in the maintenance, cultivation, and upgrading of defense production and technological bases, as technology is becoming increasingly borderless and oriented towards dual use in civilian goods as well. Moreover, there is also a need to conduct technological research from a medium- to long-term perspective, and to take steps to

Chapter 4 The Relationship between the Japanese People and the Ministry of Defense and the SDF

“Defense capability” is the last bastion in defending the safety of the country, and no realistic alternative exists to replace it. The Ministry of Defense and the SDF, which bear the responsibility for Japan’s defense capability, are made up of many different organizations, but in order for those organizations to fully exercise their functions, not only must they possess personnel with excellent capabilities and cutting-edge equipment and systems, but also the basic foundations for these, in the form of the technological capability to create such equipment and systems. Moreover, securing the understanding and cooperation of the populace and the local community regarding the efforts of the Ministry of Defense and the SDF is absolutely essential.

From this standpoint, Section 1 of this chapter explains the organizational structure of the Ministry of Defense and the SDF and “the human foundation” such as hiring of personnel, training and exercises, and human resources policy. Section 2 explains the reforms at the Ministry of Defense. Section 3 explains the various activities of the Ministry of Defense and the SDF that are being carried out with local communities and the country to obtain the understanding and cooperation of the populace.

Section 1 The Human Foundation and Organization That Supports the Defense Force

For the Ministry of Defense and SDF, which play the most fundamental role in Japan’s existence, namely its defense, it is absolutely vital to enhance the organization and “human foundation” that support its ability to demonstrate its defense capability to the fullest extent possible.

After describing the organization of the MOD/SDF, this section explains the efforts being made to enhance the “human foundation,” such as the recruiting and hiring of SDF personnel, as well as day-to-day education and training.

1 The Organizational Structure Supporting Defense Capability

1 The Organization of the Ministry of Defense and the Self-Defense Forces

To fulfill their mission of defending Japan, the MOD/SDF¹ consist of various organizations, including not only the Ground, Maritime and Air Self-Defense Forces, but also a number of other organizations including the National Defense Academy, National Defense Medical College, National Institute for Defense Studies, Defense Intelligence Headquarters (DIH), Technical Research and Development Institute (TRDI), Equipment Procurement and Construction Office, and the Inspector General’s Office of Legal Compliance.

(See Fig. III-4-1-1, III-4-1-2)

2 Systems to Support the Minister of Defense

Section 2 Reform of the Ministry of Defense

1 Background of the Reform

The purpose of the reform of the Ministry of Defense (MOD reform) is to secure the public trust and shape the MOD as an organization that is capable of adequately performing the missions assigned to it. The MOD has made every effort to implement the MOD reform including the reorganization of the central organization, from the standpoints of preventing scandals, and ensuring that the SDF operates more actively and efficiently through the effective use of human resources.

As a reaction to the numerous scandals which damaged public trust in the MOD/SDF in recent years, the Council for MOD Reform took place in the Prime Minister's Office several times in 2007, and a report was submitted in 2008. The report offered the opinion concerning measures to prevent scandals, and suggested that an organization reform is necessary to make MOD/SDF operate as an effective organization in the current security environment.

In accordance with the basic directions stipulated in this report, the MOD made various efforts aimed at MOD reform, including thorough adherence to rules and regulations, and the establishment of operational management that prioritizes the execution of duties, with the aim of total optimization, as well as the establishment in law of the Defense Council, the Special Advisor to the Minister of Defense and the abolition of the post of the Director of Defense, in order to strengthen civilian control. The DPJ (the Democratic Party of Japan) administration established in September 2009 examined the MOD reform under the LDP (Liberal Democratic Party) and New Komeito administration, referring to the dialogues with experts, and promulgated the "Direction by the Minister of Defense on MOD Reform (Pillars of Deliberation)," which presented the new direction of the MOD reform under the DPJ administration.

In the "Pillars of Deliberation" the DPJ administration decided to reconsider the MOD reform from its own perspective, while the MOD reform had achieved success to some extent so far, and should be made continuously after this. In the reform of the central organization, in particular, it was considered adequate to employ a structure in which internal bureaus collect opinions of the Ministry, while the Minister listens to the opinions from the civilian and SDF personnel which reflect their expertise. From this perspective, it was decided to conduct new deliberations concerning the unification of the internal bureaus and the staff offices, as well as the integration of civilian and SDF personnel, in the areas of operational and defense planning divisions. At the same time, as for both the operational division and the defense planning division, it was decided to conduct deliberations at rectifying defects stemming from the two-dimensional organizational structure, in the form of the internal bureaus and staff offices.

In August 2010, the "Council for the Promotion of the MOD Reform" was established, and it organized the specific measures based on the "Pillars of Deliberation." These measures were implemented in close coordination with the "Committee for Promotion of Structural Reform of Defense Capability" to reflect 2010 NDPGs and 2011 MTDP.

Section 3 Interaction between the Ministry of Defense and the SDF, and the Local Community and Japanese Citizens

The various activities of the MOD and the SDF cannot be carried out by the MOD and the SDF alone. They are only possible with the understanding and cooperation of each and every citizen, local governments, and other organizations. Moreover, the MOD and the SDF have been conducting various cooperation activities to support the lives of the populace, as well as striving to minimize the impact of the establishment and operation of defense facilities¹ on the lives of surrounding citizens. Such activities are further deepening the mutual trust between the local community and the people, and the SDF, and contributing to the enhancement and strengthening of social infrastructure.

From this perspective, this section explains the daily interaction between the Defense Ministry and the SDF, and the local communities and the people of Japan, and activities undertaken to gain public understanding and cooperation.

1 Activities in Civic Life and Contributions to Society

The SDF is carrying out welfare support activities for local residents in a number of fields linked with the Japanese people's livelihood, based on requests from local governments and relevant organizations. These activities further deepen mutual trust between the populace and the SDF, while giving the troops a sense of pride and confidence in the fact that they are playing a useful role in the daily lives of the Japanese people.

See References 92 and 93

Even today, the GSDF still handles the disposal of unexploded ordnance found throughout Japan. In FY2012, there were 1,430 such cases, weighing about 46.1 tons in total. In particular, cases handled in Okinawa Prefecture accounted for 60% of the total. Furthermore, the MSDF continues to clear and dispose of underwater mines and other dangerous explosives. In FY2012, there were approximately 1,523 explosives, totaling about 14.5 tons. In addition, most of the SDF camps and bases in Japan open their facilities to local authorities and neighboring residents upon request, unless the requests interfere with unit activities. They, as a result, also contribute to the vitalization of local activities. Furthermore, SDF musical bands visit brass bands of local schools to give them instruction, thus striving to foster friendly interaction with local residents.

¹ The generic term for facilities used by the Self-Defense Force and the facilities and areas used by the U.S. forces in Japan based on the Japan-U.S. Security Treaty. It refers to training areas, airfields, ports, communication stations, barracks, warehouses, ammunition depots, oil bunkers, and so on.

2 Cooperation from Local Public Organizations and Other Related Organizations for the SDF

1 Cooperation in Recruitment of Uniformed SDF Personnel and Support for Outplacement

Amid the recent harsh recruitment environment and employment situation, the cooperation of local public organizations and relevant organizations is vital to secure highly qualified personnel and to assist the outplacement of uniformed SDF personnel who retire at relatively younger ages.

2 Support and Cooperation for SDF Activities

SDF camps and bases are located in all prefectures, and maintain close relations with the local communities. Various forms of cooperation and support from the local communities are indispensable for the SDF to conduct diverse activities. The SDF has also received words of encouragement from the people including local residents and relevant organizations. Moreover, some of the local authorities hosting camps and bases have commented that the presence of the SDF in their communities helps to support the local economy and employment in the region.

In addition to this kind of support and cooperation from the local communities, many letters of encouragement are sent by the people to SDF personnel engaging in international peace cooperation activities, which raise the morale of SDF personnel and reinforce their awareness of serving the people of Japan.

3 Activities for Securing Understanding and Cooperation of Local Public Entities and Local Residents

In order to implement various defense measures in Japan, it is absolutely necessary to secure the understanding and cooperation of local public entities and local residents. With this in mind, Regional Defense Bureaus make efforts to build cooperative relationships with local communities through various activities in collaboration with SDF units and Provincial Cooperation Offices.

For example, Regional Defense Bureaus hold seminars on defense issues for local residents and give briefings on the defense white papers to local public entities, with an aim of gaining the understanding of defense policies from the general public. They also hold Japan–U.S. friendship programs, which have promoted exchanges between Japanese citizens living near the U.S. facilities and areas in Japan and U.S. military personnel and their families through sports and culture.

On the occasion of the reorganization of US military forces and of SDF units, deployment of equipment, and implementation of military training, Regional Defense Bureaus provide necessary explanation and coordination for the related local public entities, so as to gain their understanding of these measures.

Furthermore, in the event of a large-scale disaster, accident or any other emergency situation, Regional Defense Bureaus conduct liaison and coordination with the related local public entities as necessary. When North Korea launched missiles that they called “artificial satellites” in April and

December 2012, the bureaus conducted liaison and coordination with the related local public entities for the deployment of the PAC-3 units in Okinawa Prefecture and the Metropolitan area, through collaboration with the MOD and other SDF units.

4 Measures for Harmony between Defense Facilities and Surrounding Areas

1 Scale and Features of Defense Facilities

The uses of defense facilities can be extended in various ways such as maneuver areas, airfields, ports, and barracks. The land area of defense facilities, as of January 1, 2012 is approximately 1,400 km² (the sum of the land area of SDF facilities, the land area of the facilities and areas (for exclusive use) of the U.S. forces in Japan, and the land area of facilities other than SDF facilities which the U.S. forces in Japan are jointly using under the Japan-U.S. Status of Forces Agreement), which accounts for approximately 0.37% of the country's land. Of which, approximately 42% of the land area of SDF facilities is situated in Hokkaido. Divided by use, approximately 75% of which is maneuver areas. Meanwhile, 76 km² of the land area of the facilities and areas (for exclusive use) of the U.S. forces in Japan is jointly used by the SDF under the Japan-U.S. Status of Forces Agreement. Due to Japan's geographical characteristics, there are some cities and industrial facilities that must coexist with defense facilities on narrow plains. In particular, problems related to restricted presence and operations of defense facilities have emerged due to the urbanization of areas around many defense facilities as a result of economic development. Also, noise related to frequent takeoffs and landings by aircraft, firing, bombing, gunshots from artillery, tank operations, and so on, raise concern in the affected residential communities. (See Figs. III-4-3-1, III-4-3-2)

2 Measures to Promote Harmony between Defense Facilities and Surrounding Areas

Defense facilities, as bases which support the defense capabilities of Japan and the Japan-U.S. Security Arrangements, are indispensable to the country's security. The MOD has been securing harmony between the defense facilities and surrounding areas in order to fully maintain those capabilities, and working to obtain the understanding and cooperation of the local residents, as it is necessary to constantly maintain conditions for stable utilization. For that purpose, the MOD has taken the measures shown in Fig. III-4-3-3, Measures to Promote Harmony between Defense Facilities and Surrounding Areas since 1974 based on the Law Concerning Adjustment, etc. of the Living Environment in the Environs of Defense Facilities (Living Environment Improvement Law).

See Reference 94

(1) Review of the Measures of the Law Concerning Adjustment, etc. of the Living Environment in the Environs of Defense Facilities (Living Environment Improvement Law)

The Law Concerning Adjustment, etc. of the Living Environment in the Environs of Defense Facilities (Living Environment Improvement Law) was enacted in 1974 from the viewpoint that it is unfair for only

the local citizens living near defense facilities to bear the burden of the impacts of aircraft noise and other problems resulting from operations of defense facilities which include the activities of SDF and U.S. military forces or operations of airfields, as well as the strong requests from related local public entities to take adequate measures for such negative impacts. The MOD, based on the above law, has developed measures to prevent, reduce, and mitigate those impacts.

However, as social conditions have changed and the lifestyles and values of Japanese nationals have diversified, there have been requests by related local public entities to review the system for wider and more flexible application of such measures as provided for by said law, including specified defense facilities environs improvement adjustment grants and aid to public facilities for the stabilization of people's lives, as well as expanding the areas eligible for residential sound insulation work. Moreover, in November 2009 the Government Revitalization Unit directed that "grants be reviewed to enhance their effectiveness by improving flexibility in the use of grants and making the grants more convenient for local communities," and also that residential sound insulation work be prioritized, as much as possible.

Accordingly, in April 2011, the MOD partially revised the Living Environment Improvement Act and made it possible for the specified defense facilities environs improvement adjustment grants to be applied to so-called soft projects, such as aid for medical expenses, as well as their conventional purpose focused on the improvement of public facilities, in order to make the measures more effective and more convenient for the related local public entities.

In addition, considering effects of establishment and operation of defense facilities on living environment of neighboring areas, measures were taken in which the calculation method of the specified defense facilities environs improvement adjustment grants was reviewed and more defense facilities were designated to be specified defense facilities.

Among various measures, residential sound insulation work is given priority and implemented in a manner to make further progress.

(See Fig. III-4-3-4)

(2) Considerations for Future Harmonization of Defense Facilities and Surrounding Areas

The MOD is fully considering ways to more effectively and efficiently develop measures to harmonize defense facilities and surrounding areas, in light of the severe fiscal situation, based on requests by related local public entities.

(See Fig. III-4-3-5)

5 Public Relations Activities, Information Disclosure, and Related Activities

1 Various Public Relations Activities

The activities of the Ministry of Defense and the SDF to protect the peace and security of Japan cannot be carried out without the understanding and support from the people of Japan. For this reason, it is important to be proactive in undertaking easily comprehensible public relations activities and to secure

the trust and cooperation of the public.

Moreover, the public expectations and evaluation have been increasing as the scope of SDF activities has expanded both domestically and internationally, including international peace cooperation activities in the Republic of South Sudan, antipiracy operations off the coast of Somalia and in the Gulf of Aden, and domestic disaster relief activities in relation to the Great East Japan Earthquake.

With regard to this point, in a Public Opinion Survey conducted by the Cabinet Office (survey conducted in January 2012), in relation to a question about their impression of the SDF, 91.7% of respondents – the highest rate since the survey began - replied that they “Have a positive impression of them¹.” In addition, 97.7% responded that they “Appreciate²” the SDF in relation to their disaster relief activities associated with the Great East Japan Earthquake, while 87.4% responded that they “Appreciate³” the SDF’s activities overseas. Thus, the public expectations and support to the MOD and SDF are at their highest level to date.

In light of this vitalization of the Ministry of Defense and SDF activities and the high level of expectation and support to the SDF among the public, the Ministry and SDF will continue to conduct a variety of PR activities, thereby striving to ensure better understanding of the current status of the SDF.

See Reference 95

(1) Website, Pamphlets, and Others

The Ministry of Defense and the SDF conduct PR activities using a wide variety of media, including providing information, gathering public opinions, distributing PR videos via the Internet, and broadcasting commercial films for each SDF service. As for their recent activities, the Ministry of Defense opened a Facebook page in July 2012 to enhance its function to diffuse information via social media, and beginning in April 2013, it has been providing part of its website in an optimized form for smartphones.

The Ministry of Defense has been making great efforts to provide accurate information on the SDF and national defense to all levels of people more extensively and in a more timely fashion, in the form of the creation and distribution of pamphlets and PR videos which explain the policies of the Ministry of Defense and the activities of the SDF as well as the manga edition of the defense white paper, which targets juvenile readers, cooperation with media coverage, and assistance in editing the PR magazine MAMOR. Furthermore, as SDF activities outside Japan have increased, the international community is increasingly interested in the Ministry of Defense and the SDF. In order to address such a situation, the Ministry of Defense has been making efforts to get across information to the international community through such activities as publishing the English monthly bulletin, “JAPAN DEFENSE FOCUS,” and distributing it to overseas embassies and establishments in Japan, as well as providing foreign media with the opportunity to gather news such as by participating in regular press conferences, expanding the English section of the Ministry of Defense website, and publishing English version of the defense white papers, various policy pamphlets, and PR videos in English.

Among these efforts, the Ministry of Defense has been intensively undertaking PR activities in regard to activities which have attracted considerable public attention, such as the international peacekeeping cooperation activities in the Republic of South Sudan. By posting videos and facts and figures concerning the SDF's performance on special pages on the Ministry of Defense and Joint Staff Office websites, as well as by publishing special issues of PR magazines, creating and distributing pamphlets, videos of Ministry of Defense activities, and the manga edition of the defense white paper, the Ministry of Defense is implementing publicity packages by combining these multiple PR measures.

(2) Events, PR Facilities, etc.

The Ministry of Defense and the SDF conduct activities to extensively inform the people of the current situation of the SDF.⁵ These activities include the annual GSDF Fire Power Exercise conducted at the foot of Mt. Fuji; cruises to experience being aboard MSDF vessels in each region; and demonstration flights and boarding experience on aircraft at open base festivals held at ASDF bases. In addition, at camps and bases throughout the country, events including equipment exhibitions, unit tours, and SDF musical band concerts are held on the anniversary of a unit's foundation. In some instances, they also hold parades through cities both in vehicles and on foot, with cooperation from the local communities concerned. Furthermore, in commemoration of the anniversary of the foundation of the SDF, the SDF Marching Festival was held in 2012 at the Nippon Budokan arena, and the event attracted a total of 36,000 visitors.

Concerning annual reviews by the SDF, a troop review, a fleet review, and an air review are hosted in rotation by the GSDF, MSDF, and ASDF, respectively, at which SDF equipment and achievements of daily training are exhibited to the public. In 2012, a fleet review was hosted by the MSDF at Sagami Bay. Around 41,000 people on board observed the review and the rehearsal. In 2013, a troop review is scheduled to be held by the GSDF.

The Ministry of Defense and the SDF also actively promote tours at PR facilities. For example, beginning in June 2000, the PR facilities in the Ministry of Defense at Ichigaya, including the Ichigaya Memorial Hall, have been open to visitors on two guided tours each weekday: one each in the morning and afternoon. In August 2012, the number of visitors reached 300,000 persons (and 310,000 persons as of the end of May 2013).

In addition, the Ministry of Defense and the SDF provide cooperation for shooting films ("Detective Conan: Private Eye in the Distant Sea", "Library Wars" and "Eien-no-Zero") and TV drama ("Public Affairs Office in the Sky").

Furthermore, each SDF has its large-scale PR facility, and SDF camps and bases throughout Japan also made PR centers and archives open to the public.

(3) Trial Enlistment Programs

The Ministry of Defense and the SDF offer SDF Life Experience Tours⁴ and Enlistment Experience

Programs⁵ at the request of private companies, etc. These programs are intended to deepen public understanding of the SDF by offering them the opportunity to experience firsthand the daily life and training of the SDF as well as to have direct contact with SDF members, while staying at an SDF camp or base for two to three days. In FY2012, about 180 persons participated in SDF Life Experience Tours. From private sectors, the SDF received about 1,300 requests for Enlistment Experience Programs and about 22,000 employees experienced SDF life.

2 Initiatives for Information Disclosure

(1) Appropriate Operation of the Information Disclosure System and Personal Data Protection System

In accordance with the Act on Access to Information Held by Administrative Organs in 2001, the MOD discloses its administrative documents properly.

In the light of respecting individual rights in line with the Act on the Protection of Personal Information Held by Administrative Organs, the MOD takes measures to ensure the security of the personal information under its jurisdiction and discloses such information upon due request.

See Reference 96

(2) Appropriate Operation of the Whistleblower Protection System

In order to develop a safeguard system to protect workers who disclose information in order to serve the public interest, the Whistleblower Protection Act entered into effect in April 2006. In accordance with this act, the MOD set up a system to handle public interest-related information disclosures by its employees and outside workers on issues where the MOD has the legal authority to punish or issue recommendations. Moreover, the MOD and the SDF have established an internal contact desk for information disclosure in the public interest by its employees, and an external contact desk for related disclosure by outside workers. Through the contact desks, the MOD deals with information disclosure that is in the public interest and whistleblower protection.

(3) Engagement in Policy Evaluation

In 2001, the policy evaluation system was introduced with the aim of improving the efficiency and quality of administration for the benefit of the people. Following that, the Government Policy Evaluations Act (GPEA) came into effect in 2002.

Based on this law, the MOD has been conducting the evaluation of various policies of the Ministry. In FY2012, the MOD conducted 43 policy evaluations, including the evaluation of the “Strengthening of the Capability to respond to Cyber Attacks.”

¹ The figure for “Have a positive impression of them” is the total for the responses “Have a positive impression of them” and “Tend to have a positive impression of them.”

^{2,3} The figure for “Appreciate” is the total for the responses “Highly appreciate” and “Appreciate to a certain degree”.

⁴ Information on the Summer Tour/Spring Tour for College Students, etc.; Ms. Parsley Tour (trial tour

for women in their 20s); and One-Day Visit to SDF for Women is available on the MOD website.

⁵ Tours to experience the daily life of the Ground, Maritime, or Air Self-Defense Force. To participate in an Enlistment Experience Program, please contact local Provincial Cooperation Offices.

See Reference 90

2 Acceleration of the MOD Reform by the New Administration

To accelerate the deliberations on MOD reform based on past outcomes, the new LDP and New Komeito administration changed in December 2012 promulgated the “Direction by the Minister of Defense on the MOD Reform” and set up the “Committee for the Deliberations on the MOD Reform,” whose chairperson was the Senior Vice-Minister of Defense in February 2013. The Committee is examining the measures in cooperation with the review of approaches to the defense capability, from the perspectives not only of preventing scandals but of making SDF operate more actively and efficiently through the use of human resources, and accomplishing the civilian control over the SDF under the severe security environment. With regard to the business operation and structure of the central organization, the Committee is giving necessary consideration, taking into account the lessons learned from handling recent incidents such as the Great East Japan Earthquake and the launch of missiles by North Korea, and in tandem with the discussion to strengthen the commanding function of the Prime Minister’s Office concerning national security such as the establishment of Japanese National Security Council.

See Reference 91

The Minister of Defense is responsible for issues related to the defense of Japan as the head of the Ministry of Defense and is in overall charge of the SDF in accordance with the provisions of the Self-Defense Forces Act. The Minister is supported by the Parliamentary Senior Vice-Minister of Defense and two Parliamentary Vice-Ministers of Defense. There are also Special Advisors to the Minister of Defense who advise the Minister of Defense and the Defense Council in deliberations concerning general policies related to the MOD. Furthermore, there is an Administrative Vice-Minister of Defense who organizes and supervises administrative affairs to support the Minister of Defense.

Moreover, the Internal Bureau, Joint Staff, the Ground Staff Office, Maritime Staff Office and Air Staff Office have been established as organizations to support the Minister of Defense. The Internal Bureau is responsible for basic policies relating to the work of the SDF. The Directors-General of the Bureaus, as part of their own responsibilities, support the Minister of Defense when the Minister of Defense gives instructions and authorization to the Chief of Joint Staff and the Chiefs of Ground Staff, Maritime Staff, and Air Staff. The Joint Staff is a staff organization for the Minister of Defense concerning SDF operations. The Chief of Joint Staff supports the Minister of Defense by providing unified military expert advice on SDF operations. The Ground Staff, Maritime Staff, and Air Staff are the staff organizations for the Minister of Defense concerning their respective services except operations of the SDF, with the Chiefs of Staff for the GSDF, MSDF, and ASDF acting as the top-ranking expert advisors to the Minister of Defense regarding these services.

See Part II, Chapter 1, Section 3

3 Base of Defense Administration in Regional Areas

The Ministry of Defense has Regional Defense Bureaus in eight locations across the country (Sapporo City, Sendai City, Saitama City, Osaka City, Hiroshima City, Fukuoka City, and Kadena Town) as its local branch offices in charge of comprehensive defense administration.

In addition to implementing measures to alleviate the burden on local communities hosting U.S. bases in Japan and inspecting equipment, Regional Defense Bureaus carry out various activities to obtain the understanding and cooperation of both local public entities and local residents in relation to the MOD's and SDF's activities.

See Section 3

¹ The Ministry of Defense and the SDF form a single organization for national defense. Whereas the term "Ministry of Defense" refers to the administrative aspects of the organization which manages the GSDF, MSDF and ASDF, the term "SDF" refers to the operational aspects of the organizations whose mission is the defense of Japan.

2 Recruitment and Employment of Personnel in the Ministry of Defense and the SDF

The Ministry of Defense and the SDF need highly qualified personnel in order to fulfill their missions. Uniformed SDF personnel and other personnel of the Ministry of Defense and the SDF are recruited and employed under various systems.

See Reference 81

1 Recruitment

Due to the nature of the SDF's mission of defending Japan, it is necessary to widely recruit personnel with superior abilities and a strong desire to join from around Japan from among those with an interest in the SDF or who wish to become SDF personnel, while explaining to them the role of defending the country, the duty and training, the particular life environment (life on base, etc.), and personnel management systems (early retirement, fixed-term service, rank systems) in detail.

In recent years, the number of people who are eligible to join the SDF has been decreasing along with the progress in the declining birthrate and the tendency to aspire for higher education, making it more and more difficult to recruit SDF personnel. (See Fig. III-4-1-3)

For this reason, the MOD and the SDF have enhanced their recruitment activities by holding recruiting meetings at schools and placing advertisements in job information magazines. Specifically, they maintain Provincial Cooperation Offices in 50 locations throughout Japan (four in Hokkaido, and one in each prefecture) to which SDF personnel with unit assignment experience in the GSDF, ASDF, and MSDF are deployed as PR Officers to respond in detail to the individual needs of applicants, while receiving the understanding of educators and the support of recruitment counselors.

Moreover, local public organizations are also required to carry out the part of administrative recruitment activities, such as announcing the recruitment period and promoting the SDF as a workplace, and the MOD allocates local public organizations the budget necessary for this purpose. Recruitment of the SDF personnel is likely to become more difficult with the declining birth rate in Japan. In order to secure high-quality personnel in such a severe environment, it is essential to further enhance recruitment activities with cooperation of local public organizations through their community-based recruitment activities.

Vigorous efforts to secure high-quality human resources have also been made on a ministerial level. For example, in March 2013, the MOD held the first meeting of the committee for the deliberation on securing high-quality human resources in charge of national defense, chaired by Parliamentary Secretary of Defense Masahisa Sato.

2 Employment

(1) Uniformed SDF personnel

Uniformed SDF personnel are recruited under various categories based on the voluntary system (individuals join of their own free will). General Officer Candidates and General Enlisted Candidates

(Upper) are assigned the status of SDF personnel after employment¹, whereas Candidates for Enlisted (Lower)², students of the National Defense Academy, and Technical High School students³ are trained and educated without such status and are assigned the status of SDF personnel after training and education are completed. It should be noted that there is a program to employ Technical High School students from among those scheduled to graduate from junior high schools in order to train them to control and operate advanced computerized equipment at the GSDF and cultivate them as SDF personnel who can act with confidence in the international community.

Due to the nature of the job, personnel management of uniformed SDF personnel differs from that of other civilian government employees⁴. In order to keep the SDF forces strong, two points that are significantly specific to SDF forces are the introduction of the “Early Retirement System”, and the “Fixed–Term System.” Upon employment, the uniformed SDF personnel who enlist in each SDF service complete their basic education and training in a training unit or at a school that belongs to each SDF service. Each personnel are assigned to their jobs based on each individual’s choice or aptitude during their education and training, and after they have completed their course, they get appointed to units and positions all around the country.

See References 82-85

(2) SDF Ready Reserve Personnel, SDF Reserve Personnel, and Candidates for SDF Reserve Personnel

The number of SDF uniformed personnel should be expanded promptly in the event of a crisis, to meet the needs of each contingency. To fulfill such needs promptly and systematically, the Ministry of Defense maintains three systems: the SDF Ready Reserve Personnel system, the SDF Reserve Personnel system, and the system for Candidates for SDF Reserve Personnel⁵.

See Reference 86

a. SDF Ready Reserve Personnel System

The SDF Ready Reserve Personnel introduced into the GSDF become SDF personnel as part of the basic defense force framework in the event of muster orders for defense, civil protection, security, and disasters, and carry out their mission together with active-duty SDF personnel as part of predesignated frontline units.

SDF Ready Reserve Personnel are selected from retired SDF personnel based on their application. They muster for a total of 30 days of training per year at the designated unit to maintain the necessary preparedness while working in their own jobs as civilians under normal conditions.

b. SDF Reserve Personnel System

SDF Reserve Personnel become SDF personnel in the event of muster orders for defense, civil protection, and disasters, and serve as personnel for logistical support and base guard duties.

SDF Reserve Personnel can be employed from retired SDF personnel based on their application, or can be employed after completion of all of the SDF Reserve Personnel Candidates’ training. They are

engaged in their own jobs and maintain preparedness by mustering for five days of training per year.

c. SDF Reserve Personnel Candidate System

The SDF Reserve Personnel Candidate system was established to strengthen and expand the foundation of defense for those with no experience as SDF personnel to secure a stable source of SDF reserve personnel, and to make good use of exceptional technical specialists from the civilian sectors, with expertise in areas such as medicine and foreign languages. There are two employment categories in this system; general and technical. In the latter category, medical professionals and qualified personnel in such fields as foreign languages and information processing are recruited. Beginning in FY2013, based on the lessons learned from the Great East Japan Earthquake, the SDF has increased the types of foreign languages and introduced legal professionals and radiation management specialists as additional technical categories, thereby improving its ability to take effective response in various circumstances.

SDF Reserve Personnel candidates are assigned as SDF Reserve Personnel after completing the necessary education and training to work as SDF personnel. In recent years, they are being utilized in various fields. For instance, SDF Reserve Personnel candidates hired for their qualifications as medical workers have participated in joint disaster prevention exercises after assignment as SDF Reserve Personnel, and SDF Reserve Personnel candidates hired for their language qualifications have served as interpreters and supported the SDF in coordinating with the U.S. Forces in the situation after the Great East Japan Earthquake.

d. Cooperation with Companies Employing Reserve Personnel

As SDF Reserve Personnel are involved in their own jobs, they must participate in muster for exercises to maintain the level of skills required, by either adjusting their work schedule or using days off from work. In the event of a crisis, the SDF may have to engage in the necessary activities for a long time, and accordingly, SDF Reserve Personnel are likely to be mustered for a long time or several times. Therefore, the understanding and cooperation of the companies that employ these SDF Reserve Personnel are essential for the smooth operation of the program. In particular, SDF Ready Reserve Personnel are supposed to attend training for 30 days per year, so the necessary cooperation in regard to their employees is sought, such as allowing Ready Reserve Personnel to take a leave of absence.

To enable reserves to participate in training sessions with peace of mind, the Ministry of Defense has taken into consideration the burden on companies employing Ready Reserve Personnel and provides a special subsidy to companies which allow such personnel to attend training sessions.

(3) Administrative Officials, Technical and Engineering Officials, Instructors, and Other Civilian Personnel

There are approximately 22,000 civilian personnel — administrative officials, technical and engineering officials, instructors, and others — in addition to uniformed SDF personnel, in the Ministry of Defense and the SDF. Until FY2011, the MOD conducted the Class I, II and III Examinations for Defense Ministry Civilian Personnel separately from the Level 1 Examination for National Public Officials run by

the National Personnel Authority (NPA). However, due to the introduction of a new examination system in FY2012 by the NPA, the MOD abolished the Class I, II and III Examinations for Defense Ministry Civilian Personnel and began employing personnel from among those who have passed the Examination for National Public Officials for either career track or general staff run by the NPA. In addition, positions in the examination categories of “foreign languages” and “international relations”, which were previously filled by those who passed the Class II Examination for Defense Ministry Civilian Personnel, are now filled by those who pass the Examination for Defense Ministry Professional Civilian Officials. After participating in the common training course, civilian personnel recruited in this process undertake a wide range of work.

Administrative officials are engaged in policy planning in the Internal Bureau, and analysis and research at the Defense Intelligence Headquarters as well as a variety of administrative work (general affairs, personnel affairs, budget, public relations, military facilities-related activities, etc.) at the SDF bases, the Regional Defense Bureaus and other locations throughout the country.

Technical and engineering officials play a key role in constructing various defense facilities (headquarters, runways, magazines, etc.), carrying out R&D and effective procurement, maintenance and improvement of equipment, and providing mental health care for SDF personnel.

Instructors conduct advanced research on defense-related issues and provide high-quality education to SDF personnel at the National Institute for Defense Studies, the National Defense Academy, the National Defense Medical College, and other organizations.

As of the end of March 2013, there were 674 Technical and Engineering Officials and Instructors with PhDs.

In addition, in various organizations where these civilian personnel are the main workforce, uniformed SDF personnel of the GSDF, MSDF, and ASDF work together with such civilian personnel in fields where the specialized knowledge of uniformed SDF personnel is required.

¹ Until FY2006, the SDF had two “enlisted (upper)” recruitment systems for candidates between the ages of 18 and 27: the “Student Candidate for Enlisted (Upper) System and the “Enlisted (Upper) Candidate System.” In FY2007, the two recruitment systems were reorganized and unified into a new appointment system, the “General Enlisted Candidate (Upper) System.” This new system adopts the beneficial features of both the “Student Candidate for Enlisted (Upper) System” and the “Enlisted (Upper) Candidate System”, which raises the awareness of being an “ Enlisted (Upper) Candidate” and place importance on each personnel’s competence in personnel management.

² Fixed-term SDF personnel, prior to their formal employment as a private (GSDF), seaman apprentice (MSDF), or airman third class (ASDF), will be employed as candidates for uniformed SDF personnel and receive education and training to foster their sense of mission, responsibility, unity, discipline, and compliance. This system was adopted from July 2010.

³ Starting with those employed for FY2011, a recommendation test system was adopted in which, in addition to the general test, appropriate applicants would be chosen to be technical high school students from among those who had received a recommendation from the principal of the lower secondary school.

⁴ SDF personnel must perform duties such as defense operations as specified in the Self-Defense Forces Law. They are, therefore, designated as special national government employees under Article 2 of the National Civil Service Law, and personnel management of SDF personnel is conducted independently

- from that of general civilian government employees.
- ⁵ Many countries other than Japan also have reserve personnel systems.

3 Daily Education and Training

In order to accomplish its missions, at the heart of which is the defense of Japan, the SDF needs to ensure that its commanding officers and other members are highly knowledgeable and skilled, as well as being in a high state of readiness and having high morale. This enables the SDF to deal with various situations immediately and appropriately, and serves as a deterrent to any country with the intention to invade Japan.

Education and training are crucial for the SDF to strengthen its capabilities to accomplish its missions by developing its human resources. For this purpose, the SDF is making efforts amid various constraints to educate/train its personnel and its units to ensure that they are a powerful force, while paying careful attention to safety.

1 Education of Uniformed SDF Personnel

(1) Present Status of Education

Enhancing the ability of each of the SDF uniformed personnel who comprise SDF units is essential for the latter to perform their duties. At its schools and training units, therefore, the SDF provides opportunities for systematic phased education according to rank and duties in order to nurture the necessary qualities and cultivate the knowledge and skills of personnel.

For instance, a long period of education is needed in order to cultivate pilots and air traffic controllers, and this also requires the provision of trainers with special skills/equipment/educational facilities. Thus, considerable investment in terms of personnel, time, and funding on the part of the Ministry of Defense/the SDF is necessary in order to provide this education. In the event that personnel need to further improve their professional knowledge and skills, or it is difficult for them to acquire them within the SDF, they may study at external educational institutions¹, including those abroad, as well as domestic companies or research institutes.

See Reference 87

(2) Joint Educational Programs

In order to further improve the joint operational framework, knowledge and skills regarding joint operations are essential, and providing the requisite education is vital for this. Therefore, the SDF has set up a joint educational program system, mainly at the Joint Staff College², where SDF officers who will become senior unit commanders and senior staff can receive joint education, thereby enriching education on joint operations at the respective educational facilities for the GSDF, MSDF and ASDF³, including the Staff Colleges.

2 SDF Training

(1) Training by Each Self-Defense Force

There are two main types of training within units in the GSDF, MSDF, and ASDF: training for individual SDF personnel to improve their proficiency in their respective fields, and training for units to conduct

systematic operations. Training for individuals is conducted one-on-one in stages based on occupational classification and individual ability. Training for units is conducted by size of unit, from small to large, and large-scale comprehensive training is also carried out to ensure that overall abilities can be exercised. See Reference 88

In addition to such training for national defense, training is given on the diverse roles required of the SDF in recent years, such as peacekeeping operations and large-scale disaster relief operations.

(2) Joint Exercises

In order to ensure that each of the SDF branches work together organically as a unified force, responding to developing situations, various joint exercises are conducted, in order to further strengthen joint operations capabilities. Moreover, as well as maintaining and improving the capabilities of each branch of the SDF, in order to strengthen joint operations capabilities and thus better respond to various situations, efforts are being made to expand the scope of bilateral and multilateral exercises involving individual branches of the SDF, as well as those based on joint operations among all branches⁴.

(3) Restrictions on Training and Responses to These

SDF training has been planned and conducted under conditions that are as close as possible to actual combat situations, yet there are many restrictions. To deal with these restrictions, each SDF branch makes maximum use of its limited domestic training areas. They also strive to carry out more practical training by conducting live-firing training and Japan–U.S. bilateral exercises in the United States and surrounding sea and airspace where they can secure training conditions not available in Japan.

See Reference 89

3 Safety Management Initiatives and Issues

Because the primary mission of the SDF is to defend Japan, SDF training and activities are inevitably accompanied by risk. However, accidents that cause injury or loss of property to the public or the loss of life of SDF personnel must be avoided at all costs.

Continuous safety reviews and improvements are vital, and must be jointly handled by the Ministry of Defense and the SDF. The Ministry of Defense and the SDF take great care to ensure safety under normal conditions such as military vessel and aircraft traffic and daily training that includes live-firing, and prepare aeronautical safety radio facilities and equipment for prevention and rescue in the event of marine accidents.

¹ Such external educational institutions in FY2013 include the Tokyo Institute of Technology and Waseda University in Japan, and the National Defense University (United States) and Harvard University (United States) overseas.

² The Joint Staff College is part of the Joint Staff Office and educates SDF officers on joint operations.

³ Institutes of each SDF service where SDF officers of each service and others receive training on security, defense strategy, and other subjects.

⁴ Training includes SDF Joint Exercises, Japan–U.S. Bilateral Joint Exercises, and Ballistic Missile Response training which are to prevent and repel direct threats to Japan. Other training is such as

International Peace Cooperation Exercises that assumes SDF's international peace cooperation activities and Joint International Humanitarian Operation Training, in which the handling of prisoners is practiced.

4 Measures Aimed at Ensuring Effective Use of Human Resources

In order to provide an appropriate response to such recent challenges as the declining birth rate, the growing tendency for young people to enter higher education, and the diversification of the duties of the Self-Defense Forces, it is necessary to make effective use of the human resources which form the foundations that enable Japan to demonstrate its defense capability.

Accordingly, the Ministry of Defense and Self-Defense Forces are undertaking various initiatives to secure and develop high-quality personnel.

1 Deliberation on Personnel Measures

The Ministry of Defense acknowledges the significance of maintaining high-quality human resources, and has implemented various measures.

With regard to the personnel structure of Self-Defense Forces, while the total number of personnel has been decreasing since the enactment of the 1995 National Defense Program Guidelines (NDPG), SDF units and other offices have been facing the need for further skilled and professional personnel in order to respond to the sophistication of equipment as well as the diversification and internationalization of SDF activities. Meanwhile, along with the progress in the declining birthrate and the tendency to aspire for higher education, young people have become increasingly inclined to find stable employment.

In such a situation, the MOD has secured a sufficient number of privates employed without a fixed term who are supposed to be employed until the mandatory retirement age, while those who join the SDF tend to have higher academic qualifications.

In the review of the 2010 NDPG, from the perspective of making the SDF stronger, the MOD will deliberate on various personnel measures that will benefit the characteristics of the respective SDF services, taking into account the discussion on how to organize the SDF and improve the fill rate, including the effective use of human resources such as the adjustment of the rank and age structure of SDF personnel.

2 Enhancement of Pay and Conditions

The duties of the SDF make no distinction between night and day. The work assigned to uniformed SDF personnel can be extremely demanding, involving various operations onboard aircraft, long-term service on ships or submarines, or parachuting. To instill SDF personnel with pride and allow them to concentrate on their duties without anxiety, the Ministry of Defense and the SDF strive to provide salaries and allowances, medical care, welfare, and other benefits that reflect the special nature of their duties.

3 Efforts for Further Utilization of Female SDF Personnel

The Ministry of Defense and the SDF open their doors wide not only to men but to women as well to fulfill their duties. At the end of March 2013, the number of female personnel is about 12,000 (about 5.5% of the total SDF personnel). While there are still limitations to certain assignments due to the requirement for protecting motherhood and securing privacy (excluded from assignment to tanks,

submarines, fighting aircraft, etc.), female SDF personnel engage in boarding escort vessels and piloting antisubmarine patrol aircraft and transport aircraft, and their roles are expanding even at the nucleus of the SDF such as the staff offices and headquarters.

In order to continue to expand recruitment and promotion of female SDF personnel, the Ministry of Defense and SDF drew up the “Basic Plan for Gender Equality in the Ministry of Defense (FY2011-FY2015)”¹ in March 2011. The plan calls for the consideration and implementation of numerous measures to allow female SDF personnel to lead a balanced life between work and family without having to quit their job, and to further expand their opportunities for involvement. For example, initiatives include the active participation of female SDF personnel in planning and proposals when they have the desire and capability, further use of female SDF personnel in international peace cooperation activities, establishment of workplace nurseries so as to allow female personnel to engage in SDF’s particular service, and the proactive operation of a program for replacement personnel for child care leave. Measures have also been taken continuously in relation to the temporary care for children upon attendance at work in an emergency (e.g. dispatch to a disaster area), such as by providing safety mats and other necessary supplies.

In the future, the Ministry will make steady efforts to work on various measures with persistence to further utilize female SDF personnel.

4 The Promotion of Measures to Support Child-Raising

In consideration of the continuing decline in the birth rate of Japan, the Act on Advancement of Measures to Support Raising Next-Generation Children was enacted in 2003 to contribute to the development of a society where the children, upon whom the next generation of Japanese society will rest, can be born healthy and be educated decently.

Based on the “Action Plan to support a good work-family balance of the personnel of the Ministry of Defense” (FY2010–FY2014) formulated in March 2010, the Ministry of Defense presently implements measures aimed at actively encouraging male personnel to take child care leave and other special leave relating to child-raising, such as compiling a handbook for personnel in senior position and male personnel, and holding lectures to educate them about these leave systems.

5 Discipline-related initiatives

The Ministry of Defense and the SDF make efforts on a daily basis to increase compliance with laws and other regulations, as well as raising awareness of these. Also, in March 2012, the Ministry and SDF distributed the “discipline reference material,” which explains the gist of instructing subordinates, in order to develop well-disciplined personnel.

Moreover, campaigns such as the “Anti-Drug Abuse Month” and the “Self-Defense Forces Personnel Ethics Week” have been established, with the objective of instilling in personnel an awareness

of compliance with the law.

(1) Measures to Prevent Drug Abuse

In 2005, there was a series of illegal drug-related offenses in the SDF. The Ministry of Defense taking those incidents very seriously held a meeting of the “Committee to Consider Measures for the Drug Problem,” chaired by the then Vice Minister of State for Defense to put the point at issue and preventive measures² together and decide to steadily implement those measures.

However, incidents that violated the drug-related laws have continued to occur, and three SDF members were arrested in 2012. Since FY2010, the Ministry of Defense and the SDF are carrying out such initiatives as 1) thorough education, 2) strengthened inspections of personnel quarters, and 3) the development of a system for effective drug inspection, focusing on younger personnel, to prevent the recurrence of and eliminate drug crimes, in addition to the aforementioned preventive measures.

(2) Prevention of violation of the Self-Defense Forces Personnel Ethics Act

Against a background of repeated misconduct by officials and incurred severe social disapproval, aiming to secure the trust of the citizens for official duty, the Self-Defense Forces Personnel Ethics Act and Ethics Code that took effect in April 2000 stipulate the prohibition of acts that may bring about suspicion or distrust from the citizens, such as receiving of any gifts or entertainment from interested party by SDF personnel, by clearly defining the scope of interested party.

Specific initiatives include designating an annual Ethics Week, during which, in addition to carrying out education for all personnel, efforts are made to spread and instill an awareness of ethics through public relations and awareness activities.

6 Efforts to Prevent Suicide among SDF personnel

In 1998, the annual number of suicides in Japan exceeded 30,000 people and has since maintained a high level. This is a serious social problem in Japan. The same is true for the SDF, and while a record was set in FY2004, with 94 SDF Regular Personnel suicides, subsequent figures have shown a decline, with 77 suicides in 2010, 78 suicides in 2011, and 79 suicides in 2012.

The suicide of a member of the SDF is truly a great tragedy for both the persons committed suicide and their bereaved families, and it represents a great loss to the Ministry of Defense and SDF in terms of the loss of capable personnel. The Ministry of Defense and SDF are taking ongoing measures to prevent suicide, including the following initiatives

- Expansion of the counseling system (internal/external counselors, a 24-hour telephone counseling hotline, assignment of clinical psychotherapists at camps and bases, etc.)
- Promoting education among commanders and education aimed at raising enlightenment, such as mental-health education for enlisted personnel
- Establishing a campaign period for enhancing mental health measures, ensuring thorough efforts by commanders to closely monitor the mental condition of subordinates whose environment has been

changed due to personnel transfers, etc., and providing various reference materials

7 Commemorating Personnel Killed in the Line of Duty

Since the establishment of the National Police Reserve in 1950 and through its evolution via the National Safety Force and the Coastal Safety Force into the SDF today, SDF personnel have been striving to accomplish the noble mission of protecting the peace and independence of Japan. They have accomplished this by devoting themselves unstintingly to training, day and night, to live up to the expectations and trust of the Japanese citizens, regardless of danger, and with a strong sense of responsibility. During this time, however, more than 1,800 personnel have lost their lives in the line of duty.

In the Ministry of Defense and the SDF, funeral ceremonies are carried out by each SDF unit to which the personnel killed in the line of duty belonged in order to express condolences. Moreover, in order to eternally recognize the achievements of the SDF personnel killed in the line of duty, and to express deep honor and condolences, memorial ceremonies are carried out in various forms, and support is provided to the families of the deceased³.

¹ The plan calls for expanded recruitment and promotion of female administrative officials in addition to female SDF personnel, as well as the consideration of measures for the involvement of male staff in child-raising and nursing.

² It was decided to quickly and steadily implement as preventative measures ① the enforcement of leading service discipline and education, ② the adoption of post recruitment drug testing (urine testing), and ③ the coordination of various counseling and reporting hotlines. Note that inspection regarding the use of drugs has been carried out at the time of recruitment since 2002

³ The Monument for SDF Members Killed in the Line of Duty was constructed in 1962 in Ichigaya. In 1998, the Memorial Zone in its current form was completed by combining this monument with other monuments located in the same area. A memorial ceremony for SDF members killed in the line of duty is held annually at the Memorial Zone. This ceremony is attended by surviving family members of the honored dead, and also attended by the Prime Minister and high-ranking officials of the Ministry of Defense and SDF including the Minister of Defense, former Directors-General of the Defense Agency, and others. At the Monument for SDF Members Killed in the Line of Duty in the Memorial Zone, there is an iron plate containing the names and other information of personnel killed in the line of duty. When foreign dignitaries such as Defense Ministers visit the Ministry of Defense, they make offerings of flowers, expressing their respect and condolences to personnel killed in the line of duty. Memorial ceremonies are also held at individual SDF posts and bases.

8 Dealing with Retirement and Outplacement of SDF Personnel

There is an early retirement system and a fixed-term service system for SDF uniformed personnel to keep the forces strong. Unlike private-sector and civilian government employees, many SDF uniformed personnel retire by their mid-50s (personnel serving under the early retirement system) or their 20s (most uniformed personnel serving under the fixed-term service system), and many must become re-employed after retirement in order to secure their livelihoods.

It is the responsibility of the nation (the Ministry of Defense) as the employer to support this re-employment. In addition to resolving concerns that SDF uniformed personnel may have about their future so they can work diligently without any worries while in service, ensuring that they can lead stable lives after retirement is also understood to be essential for boosting morale and securing high-quality human resources, and support measures such as training helpful to re-employment is being carried out for this reason. Measures to ensure the re-employment of retired SDF personnel is also important from the perspective of enabling them to serve for society with their various skills, thereby reinforcing human resources infrastructure in society.

As the Ministry of Defense is not authorized to work on its own as an intermediary between job seeker and prospective employer, the SDF Personnel Support Association provides free job consultation to retired SDF personnel with permission from the Minister of Health, Labour and Welfare and the Minister of Land, Infrastructure, Transport and Tourism.

Each retired uniformed SDF personnel possesses abilities for planning, leadership, faculty, cooperativeness, responsibility gained by work performance and education and training through wide-ranging types of job/occupational fields. Furthermore, they have various qualifications and licenses acquired through their work or occupational training. For these reasons, they are active in a broad range of sectors, including the manufacturing and service industries, in addition to finance, insurance, real estate, and construction industries, where they are highly evaluated by their employers regardless of occupational type or field. These personnel are also employed by local governments as staff charged with risk management and disaster prevention. Nevertheless, the employment environment is expected to remain harsh. Therefore, in order to ensure re-employment of retired SDF personnel, the Ministry of Defense will consider and take the necessary measures to strengthen re-employment support, such as helping personnel to obtain national occupational qualifications and finding new companies that will hire them after retirement.

Furthermore, with a view to creating an environment where SDF personnel can devote themselves to their duties with peace of mind, the Ministry of Defense operates the reappointment system in a manner enabling SDF personnel to be appointed for fixed terms of up to three years before the age of 60. (See Figs. III-4-1-4, III-4-1-5)

9 Regulations on Reemployment of Retired SDF Personnel

Reemployment of SDF personnel is regulated¹ in order to ensure public service impartiality. When SDF personnel get jobs at private companies within 2 years of retirement, and if that company had a contract with the Ministry of Defense within five years before that SDF member's retirement, the approval of the Minister of Defense or other delegated authority must be sought in accordance with the regulation. In 2012, the Minister of Defense approved 89 cases (89 individuals) of reemployment of SDF personnel by private companies.

¹ "Seclusion from private companies" is stipulated in Article 62 of the Self-Defense Forces Act.

5 Enhancement of Medical Functions

1 Introduction of a Four-year Nursing Training Program at the National Defense Medical College

The Ministry of Defense and the SDF have been facing an increasing need to train high-quality nurses equipped with the expertise and skills required to fully respond to the diversification and internationalization of duties, and the sophistication and complication of medical technology, and also equipped with rich humanity and ability to make accurate judgments. Against this background, for the purpose of securing and training such high-quality nurses capable of performing the duties of the MOD and the SDF properly, a decision was made to introduce a four-year program at the National Defense Medical College, Faculty of Nursing, in April 2014. Accordingly, the Self-Defense Force Central Hospital Nursing Institute (three-year program) and the National Medical Defense College Nursing Institute (three-year program) will be abolished at the end of March 2016. The new nursing program will consist of two courses, one for education and training of public health/registered nurses who will be SDF officers, and the other for education and training of public health/registered nurses who will be technical and engineering officials. The admission quota will be 75 people for the SDF officers' course and 45 for the technical and engineering officials' course. Both courses will provide the necessary education and training for acquiring public health/registered nurse licenses. The SDF officers' course will also provide education and training as required for becoming senior SDF officers. Among graduates of the nurse training program¹, those who have completed the SDF officers' course will be assigned to work at SDF medical units and SDF hospitals after finishing the necessary training, while those who have completed the technical and engineering officials' course will be assigned to work at the National Defense Medical College Hospital, which deals with cases that require advanced medical technology.

2 Enhancement of Education of Medical Officers

The SDF medical services need a sufficient amount of well-trained personnel who are capable of performing various duties in a timely and appropriate manner. To ensure this, SDF medical officers are required to have the discernment and quality befitting SDF officers according to the respective ranks and positions, and display leadership in the medical field, and what is more, they are also required to have the ability as a clinician in comprehensive medicine to provide initial-phase treatment, as well as the ability to serve as a specialist and instructor in their own specialized faculty so that their medical unit can fulfill its ability as a team. Efforts are being made to maintain and improve such required quality and expertise of SDF medical officers.

However, the fill rate of SDF medical officers is currently at a low level, and in particular, it is considerably low for the middle-level officers who are supposed to play a central role in international peace cooperation activities. Such low sufficiency is caused by medical officers leaving the SDF, one of the major reasons of which is lack of opportunity to engage in training and medical practice.

The Ministry of Defense and the SDF will make efforts to prevent medical officers from leaving the

SDF, by providing them with more opportunities to engage in training and medical practice so that they can acquire, maintain and improve specialist skills, while increasing motivation for their work and royalty to their organization. At the same time, the MOD and SDF will take various measures as soon as possible to train medical officers who are capable of performing diverse duties properly.

3 SDF Hospitals as Hub Hospitals with Enhanced Functions

SDF hospitals are required to play the role of hospitals that are to admit SDF members injured while in service in response to various emergency events, and in normal circumstances, these hospitals are also required to play a role in providing medical treatment for SDF members and their families, etc. and educating medical staff to maintain and improve their skills.

From this viewpoint, in August 2009, the committee for the deliberation on the SDF hospitals, etc. compiled a report of the deliberation results (e.g. integrating 16 hospitals into 10 hospitals to improve the quality of medical services). Based on this report, the SDF carries out the integration and improvement of SDF hospitals in a planned manner and continues deliberation on upgrading SDF hospitals into hub hospitals with enhanced functions.

¹ Public health/registered nurse licenses are as valuable in society as physician licenses. In consideration of this, and in light of the necessity to secure a sufficient number of nurses to ensure that SDF hospitals will function properly, as well as the duration of education and training (four years), graduates of the program are obliged to serve for the SDF for about six years after graduation, and those who leave the SDF during this period are required to repay money.

prevent technology outflow.

○ Approaches to international joint development and production

As a result of selecting key fields, those that have the potential to become the focus of international joint development and production should be indicated, along with the approach to be taken when considering participation in international joint development and production, after taking into account the advantages and points to bear in mind in relation to this.

○ Measures that the government should take

- ① Building a competitive environment and improving procurement techniques
- ② Further encouraging the industry to demonstrate its ingenuity and achieve greater efficiency in regard to constraints and restrictions relating to the manufacture of defense equipment, and demonstrating the government's active commitment to international joint development and production.
- ③ Promoting partnerships with other ministries and agencies, and collaboration between industry, academia and government

In the future, the Ministry of Defense intends to consider its strategy for the maintenance and strengthening of defense production and technological bases, in conjunction with the revision of the National Defense Program Guidelines.

2 Fighter Aircraft Production and Technological Bases

With regard to fighter aircraft, one of the major equipment of the SDF, the last F-2 fighter was delivered to the Ministry of Defense on September 27, 2011; this marked the end of the production of fighter aircraft in Japan for the foreseeable future.

Hitherto, Japan's production and technological bases have been maintained and improved because (1) there has been continuous production of fighter aircraft in Japan, as well as related research and development; and (2) the upgrades and repairs necessary from an operational perspective have been carried out here. Accordingly, Japan has ensured the existence of the three elements that are absolutely vital to the operation of fighter aircraft: "maintaining high availability," "improving in their capabilities appropriate to operation by Japan," and "maintaining safety."

However, the recent cessation of domestic fighter production could well have an impact in terms of (1) making it difficult to maintain and improve the level of technology required for research and development for future fighters; and (2) reducing operational support capabilities in areas such as the upgrading and repair of fighter aircraft. An interim report concerning the impact of this blank period was compiled in December 2009, during the Meeting on the Nature of Production and Technological Bases for Fighter Aircraft, which consisted of experts from both the public and private sectors.

At the meeting, the following three points were raised as challenges that should be addressed in regard to the future of the production and technological bases for fighter aircraft.

- Close examination of the bases which must be maintained domestically in the future for the use of

fighter aircraft, from the perspective of maintaining domestically the vital bases behind the three elements, “maintaining a high availability,” “improving their capabilities appropriate to operation by Japan,” and “maintaining safety.”

- Formulation of a vision for fighter aircraft-related R&D in the future, from a medium- to long-term viewpoint.
- Consideration and promotion of measures including the conversion for civil use of technology cultivated during the development of SDF aircraft, given that some of the production and technological bases for fighter aircraft are maintained by the development and production of other aircraft.

In response, in August 2010, the Ministry of Defense published the R&D Vision concerning Future Fighter Aircraft, which dealt with the concept of future fighter aircraft and matters requiring consideration, in order to take development into account as an option when reviewing the acquisition of the successor to the F-2 fighter at the requisite juncture. Moreover, because it is important to share with the defense aircraft industry an awareness of the appropriate direction, the Joint Public-Private Sector Research Group on Future Fighter Aircraft was established. This leads to regular exchanges of opinion with Japan’s defense aircraft industry.

3 Adapting Defense Equipment for Civilian Use

The Ministry of Defense is working in partnership with other concerned ministries in considering not only maintaining and strengthening defense production and technological bases, but also civilian use of aircraft developed by the Ministry of Defense, which is expected to bring about a reduction in the procurement prices of SDF aircraft and other equipment.

In August 2010, a policy was compiled regarding such issues as how corporations pay usage fees for aircraft to the national government, and the disclosure and use of technology-related materials possessed by the Ministry of Defense, with the aim of establishing a concrete system design for converting aircraft to civilian use in August 2010.

The Ministry of Defense has since taken steps toward encouraging civilian use, such as the establishment of a system for accepting applications from private enterprises interested in civilian use within the Ministry in 2011. At present, disclosure of technical materials aimed at civilian use of US-2 amphibious search and rescue aircraft and C-2 transport aircraft has been granted, in response to requests from the implementing companies.

Moreover, given that India had been considering the acquisition of amphibious search and rescue aircraft, during the Japan-India Summit Conference held in May 2013, it was stipulated that a working group shall be established to facilitate bilateral cooperation related to the US-2 aircraft.

The Ministry intends to consider the potential for civilian use of equipment and materials other than aircraft, taking into account the needs of other countries and the wishes of those in the defense industry.

4. Industrial participation of Japan in the production of the F-35A

1. Acquisition of the F-35A Next-Generation Fighter

Joint development of the F-35 state-of-the-art fighter aircraft got underway in earnest in the autumn of 2001, with the participation of nine countries: the UK, Italy, the Netherlands, Turkey, Canada, Australia, Denmark, and Norway, as well as the U.S.A., which provided the bulk of funding for the project. Its key features are its superb stealth capacity and situational awareness, and it has been classified as what is termed a fifth-generation fighter. Although the F-35 is under development at present, non-partner countries are also planning to procure it in the future or are considering such a move. It is then anticipated that more than 3,000 F-35 aircraft will ultimately be acquired by a range of countries across the globe.

On December 20, 2011, Japan selected the F-35A as the next-generation fighter, succeeding the F-4; in addition, the government decided to acquire 42 F-35A aircraft starting in FY2012 and to have industries of Japan participate in its production, apart from the import of some finished aircraft (decision by the Security Council of Japan, approved by the Cabinet).

With the security environment surrounding Japan becoming increasingly harsh, the steady acquisition of the F-35A with excellent capabilities, is a pressing issue for the defense of Japan.

At the same time, it will be important to maintain, cultivate, and upgrade defense production and technological bases, in order to maintain high availability of ASDF fighter aircraft, including the F-35A, and improve their capabilities appropriate to use by Japan, while ensuring their safety into the future. This is the reason why the decision that Japanese companies would participate in manufacturing the F-35 was made for the aircraft selection.

2. Participation in International Logistical Support Systems and the Establishment of Exceptions to the Three Principles of Arms Exports

In regard to the maintenance and management of the F-35, one of the factors behind the adoption of ALGS (Autonomic Logistics Global Sustainment), an international logistical support system that envisages the participation of all user countries, was the fact that the F-35 is an aircraft resulting from an internationally oriented program based on the premise of numerous user countries.

(See Fig. III-3-4-1)

The main characteristic of ALGS is that all user countries pass on components to each other on a global scale. Conventionally, each country would independently acquire and manage the inventory of the components that it required for the maintenance and sustainment of its own fighter aircraft. However, under this system, all user countries pass on components to each other from a common inventory pool. This leads each country to obtain components swiftly in need, while curbing inventories at the minimum level necessary and facilitating rapid maintenance. Through participation in this system, each country can maintain and improve the availability of its F-35s and reduce the related costs. Moreover, given its nature as a system based on the interchange of components on a global scale, ALGS involves the flexible and efficient distribution of components among user countries, with no distinction being made as to where a

component was manufactured. On the other hand, under ALGS, the transfer of F-35 components is stringently managed by the U.S. government in an integrated manner. More specifically, there are tight restrictions on the transfer of F-35 components to non-user countries, and transfers are limited to those user countries that comply with the objectives and principles of the Charter of the United Nations.

In order to ensure the smooth operation of the F-35, it is necessary for Japan to participate in this system. At the same time, if Japanese companies were to participate in the manufacture of the F-35 under ALGS, it is envisaged that some components manufactured by Japanese companies would be transferred to other user countries. Accordingly, in order to achieve compatibility between participation in ALGS and the participation of Japanese companies in manufacturing, it was necessary to ensure that all was in order in terms of the relationship between the participation of Japanese companies in manufacturing and the Three Principles of Arms Exports.

In light of this situation, on March 1, 2013, the government issued a Statement by the Chief Cabinet Secretary, on the participation of industries of Japan in the production etc. of the F-35. The Statement announced that, in light of the fact that the participation of Japanese companies in manufacturing would greatly contribute to the security of Japan, their participation would not be bound by the Three Principles of Arms Exports, based on the assumption that, under ALGS, the F-35 components manufactured or stored by Japanese companies or services relating to the F-35 offered by such companies would be subject to stringent integrated management by the U.S. government. Therefore, their transfer to non-user countries would be tightly restricted, with transfer being limited to F-35 user countries that complied with the objectives and principles of the Charter of the United Nations.

The participation of Japanese companies in manufacturing under ALGS has become possible as a result of the issue of this statement. This is consequently making a substantial contribution to the security of Japan, from the perspective of maintaining the base for the operation and sustainment of ASDF fighter aircraft, maintaining, cultivating, and upgrading the defense industry and its technological base through contact with the techniques and know-how involved in a state-of-the-art fighter aircraft. It results in the effective operation of the Japan-U.S. security alliance through the stabilization of component supply and the provision of support for the U.S. military.

Although, the recent statement stipulated that participation in the manufacture of the F-35 would not be bound by the Three Principles of Arms Exports, it should be noted that the government still intends to maintain the basic philosophy as a peace-loving nation that conforms to the Charter of the United Nations. At the same time, systems such as ALGS, which involve user countries passing on components to each other on a global scale, have the potential to become mainstream around the world in the future in the environment in which most countries face the challenge of soaring defense equipment prices and maintenance costs amid harsh fiscal circumstances. It will be necessary to give further consideration in future to Japan's approaches to participation in such systems and their relationship to the Three Principles of Arms Exports, taking into account international developments and their significance in terms of

security.

See Reference 80

3. Industrial Participation of Japan in Manufacturing in FY2013

Japan will seek the participation of Japanese companies in manufacturing from FY2013, when it begins to acquire F-35As. In FY2013, in light of efforts to coordinate with the U.S. government and others, it intends that domestic companies will participate in airframe Final Assembly and Check Out (FACO), and the manufacture of some engine components and radar components.

In terms of the skills and facilities required for FACO, it will be important for Japanese companies to have the following abilities, in order to provide effective operational support for the F-35A:

- The ability to offer a swift response within Japan in the event that an airframe suffers damage and requires work that cannot be carried out by the SDF unit itself, including the repair or replacement of major structural components, such as main wings and fuselage, without transporting the airframe overseas; and
- The ability to carry out refurbishment work domestically, in the event that performance improvements to the F-35A are sought within Japan in future.

Moreover, the engines, which are a part directly linked to the flight safety of aircraft, and the mission avionics, which have a direct impact on the fighting capacity of fighter aircraft, are important elements in the operation of the F-35A. Thus, it is vital for Japanese companies to participate in the manufacture of these components and become proficient in related technology and know-how, in order to ensure the safe and efficient operation of the ASDF F-35A in terms of maintaining a high-level availability and ensuring safety.

The Ministry of Defense intends to coordinate with the U.S. government and related companies before selecting which components should be manufactured within Japan from FY2014 onwards, taking into account their importance in terms of operational support and feasibility in terms of cost.

(See Fig. III-3-4-2)

In addition, for some years, it has been conducting research into airborne infrared sensors, to detect ballistic missiles during the boost phase, and it has conducted trial evaluations of a system called AIRBOSS (Advanced Infrared Ballistic-missile Observation Sensor System) mounted on the equipment test aircraft (UP-3C). At present, it is conducting research into system integration technology, focused on integration between aircraft and ground-based systems in light of the miniaturization of infrared sensors, as well as researching systems that can detect targets effectively, based on a combination of radars and infrared sensors.

3. Technological Cooperation with Institutions Overseas and Within Japan

1. Basic Approach

As described above, it has become common for developed countries to deal with the increasingly high-performance and expensive nature of equipment and materials by participating in international joint research and development. As well as conducting joint research and development with the U.S. Department of Defense, the Ministry of Defense is engaging in cooperation with the UK and other countries, in fields relating to equipment and technology. In addition, TRDI is actively engaging in research cooperation and the exchange of technical information with research institutes within Japan, such as those affiliated to incorporated administrative agencies and those belonging to universities.

2. Cooperation with the U.S.A.

With the U.S.A., the Ministry has conducted 18 joint research projects and one joint development project since 1992, and is engaged in the following at present¹: (1) joint research on human effects of exposure to JP-4 and JP-8 and their engine exhaust; (2) joint research into image gyro for airborne application; (3) joint research into hybrid electric propulsion; and (4) joint development of Standard Missile-3 Block II A

¹ These joint research and development projects are being carried out within the Japan-U.S. Systems and Technology Forum (S&TF) framework.

3. Cooperation with Research Institutes Within Japan

Since 2004, TRDI has concluded 11 agreements with bodies including incorporated administrative agencies (National Institute of Information and Communications Technology, Japan Aerospace Exploration Agency, etc.) and universities (Keio University, Yokohama National University, etc.), through which it engages in research cooperation and the exchange of technological information in a variety of fields.

was requested at the Tokyo Summary Court against an SDF officer for a violation of the Act on Elimination and Prevention of Involvement in Bid Rigging, etc. and Punishments for Acts by Employees that Harm Fairness of Bidding, etc. (commonly referred to as the “Bid Rigging Prevention Act”), in relation to a project to develop a new multi-purpose helicopter for the GSDF that had been contracted out to Kawasaki Heavy Industries. The Ministry of Defense immediately set up a framework with the involvement of external experts and is conducting deliberations aimed at checking the facts and taking measures to prevent recurrence.

Moreover, in January 2012, it emerged that Mitsubishi Electric and four of its subsidiaries and affiliates, and Sumitomo Heavy Industries and a subsidiary thereof⁴ had engaged in overcharging. In December that year, following investigation and analysis of these cases, the Ministry of Defense announced measures to prevent recurrence, centering on the strengthening of system audits, the revision of penalties, and the establishment of guidelines concerning bidding suspensions.

¹ However, it is also necessary to consider coordination with the local community, in order for the SDF to carry out their duties smoothly.

² Unlike the automatic bid system, which focuses only on price, this is a system in which the successful bidder is determined on the basis of a comprehensive evaluation that includes both the price and other elements, which is used in cases in which it is appropriate to carry out such procedures as evaluating the technological elements.

³ Reorganized in September 2007 to create the Equipment Procurement and Construction Office.

⁴ Mitsubishi Electric, Mitsubishi Space Software, Mitsubishi Precision, Mitsubishi Electric TOKKI Systems, Taiyo Musen, Sumitomo Heavy Industries, and Sumiju Tokki Service.

2 Achieving Further Efficiency in the Acquisition of Equipment

1. Equipment acquisition through the IPT (Integrated Project Team) framework

In order to review equipment acquisition, taking full account of maintenance, education and training, and skill improvement from the equipment concept stage, the Ministry of Defense has promoted acquisition methods using the Integrated Project Team (IPT) framework, which brings together various relevant departments. One example was seen in the selection of the next-generation fighter aircraft for the ASDF, with the establishment of an IPT consisting of relevant staff from multiple related departments within the Ministry of Defense. The IPT conducted all of the work associated with the source selection including the evaluation process.

2. The standardization of equipment and the development of product families

The Ministry of Defense and SDF are endeavoring to promote the standardization of equipment and the development of product families, in order to achieve efficient procurement. As well as having endeavored to procure equipment and materials common to the GSDF, MSDF, and ASDF, with a primary focus on small arms, vehicles, and chemical supplies (e.g. 5.56mm machine guns, trucks, and protective masks), the Ministry is striving to achieve reductions in the unit price of acquisition through curbing development expenses and achieving economies of scale, by such means as standardizing some components of short-range surface-to-air missiles used by the GSDF and ASDF, and the development of product families for anti-ship missiles used by all three branches of the SDF.

3. Intensive procurement and integrated procurement

The Ministry of Defense has endeavored to implement intensive procurement, which seeks greater efficiency by budgeting and entering into contracts for equipment, materials, and components based on the approach of consolidating the quantities required for several years into a single specific fiscal year; in addition, it has pursued integrated procurement, which involves the consolidated implementation of budgets for multiple bodies in relation to the procurement of common components for different types of equipment, or the procurement of common equipment and materials for different organizations. For example, in FY2012, intensive procurement was applied in the case of 50 radar components (transmitters) required for the upgrade of the F-15 fighter aircraft that were supposed to be procured in FY2012 and FY2013 in order to provide them with enhanced capabilities. This achieved a cost reduction in the vicinity of 6.4 billion yen. Moreover, during the same fiscal year, the use of integrated procurement for components common to the Type 11 Short-Range Surface-to-Air Missiles used by the GSDF and the Base Air Defense Surface-to-Air Missiles used by the ASDF reduced costs by approximately 900 million yen.

3 Effective and Efficient Maintenance and Replenishment

In order to deal with the increase in expenditure on the maintenance of defense equipment, initiatives

focused on effective, efficient maintenance and replenishment are required. To date, the Ministry of Defense has been endeavoring to achieve greater efficiency by extending the interval between periodic maintenance checks, and to implement and expand the use of Performance Based Logistics (PBL), which is a new form of contract.

1. Greater efficiency by extending the interval between periodic maintenance checks

Having made adequate efforts to ensure that safety is not compromised, greater efficiency is being sought by extending the interval between periodic maintenance checks of defense equipment such as fixed-wing aircraft, helicopters, and Patriot missiles. For example, cost reductions have been achieved by extending the interval between overhauls for ten types of gas turbine engine on naval vessels from 8,000 hours, as it was hitherto, to 10,000 hours, and increasing the interval between progressive aircraft reworks (PAR) of P-3C maritime patrol aircraft from 40 to 48 months.

2. The introduction of PBL (Performance Based Logistics)

PBL, which involves paying a certain amount in exchange for achieving equipment performance in terms of availability and safety, is a contract method that has achieved positive outcomes when applied to the maintenance and sustainment of equipment and materials in Western countries. It is thus necessary for the Ministry of Defense to consider the possibility of its introduction from the perspective of maintaining and improving equipment availability and safety, while seeking long-term cost reductions. Accordingly, as a pilot model from FY2012, the Ministry concluded a comprehensive contract concerning the acquisition and repair of airframe components for the GSDF's special transport helicopters (EC-225LP).

The Ministry also plans to implement PBL in FY2013, in relation to components for the ASDF's T-7 primary trainer aircraft and some components for F-15 fighter engines.

3. International joint development and production

Japan has dealt with arms exports in a careful manner, in accordance with the Three Principles of Arms Exports and their related policy guidelines. On the other hand, in individual cases, such as the joint development of BMD by Japan and the U.S.A., it has taken separate measures by issuing Chief Cabinet Secretary's statements, where arms exports are dealt with outside the Three Principles.

See Chapter 1, Section 1-4

See References 20, 45, 47

Advanced equipment is becoming increasingly high-performance and complex, which is making it more expensive. In its development and production phases, one can now find many countries which participate in international joint development and production. Such participation curbs development and production costs, while utilizing the advanced technology of allies and friends.

In light of this fact, the Statement by the Chief Cabinet Secretary On Guidelines for Overseas Transfer of Defense Equipment etc. was published in December 2011. These Guidelines put in place exemptions from the Three Principles of Arms Exports, based on the premise of strict control, in relation to the overseas transfer of defense equipment associated with ① cases related to peace contribution and

international cooperation, ②cases regarding international joint development and production of defense equipment, etc. that contributes to Japan's security.

In doing so, the basic premise is that strict control should take place within frameworks determined by the Government of Japan and the governments of counterpart countries, such as guaranteeing that the equipment will not be used for other purposes or transferred to a third-party country without the prior consent of Japan. In December 2012, during the withdrawal from peacekeeping operations in Haiti (United Nations Stabilization Mission in Haiti (MINUSTAH)), Japan made use of these standards in giving equipment such as hydraulic excavators (which are classed as weapons under the Three Principles of Arms Exports, etc.) to the Haitian government in order to contribute to the development of the economy and society of Haiti.

Moreover, on March 1, 2013, the government issued a statement by the Chief Cabinet secretary on the Chief Cabinet Secretary issued a statement concerning the participation of industries of Japan to the production etc. of F-35, which establishes an exemption from the Three Principles of Arms Exports in relation to participation in international logistical support systems.

See Chapter 2, Section 4-2; Chapter 3, Section 4-4

4. Improving the Contract System

1 Background to the review

In order to cope with the increasingly harsh environment surrounding the procurement of equipment and materials, the Ministry of Defense is faced with the growing necessity to accept new ideas and promote the reform of acquisition in a more forceful way.

Against this background, the Ministry of Defense has been holding meetings of the Contractual Systems Study Group since 2010, to consider new measures.

In its deliberations concerning such matters as contracts relating to equipment procurement, the Contractual Systems Study Group has not stopped at simply curtailing procurement costs from the government's point of view, but has taken a medium- to long-term perspective, keeping in mind efforts to improve the advantages of companies' participation in the defense business and build "Win-Win" relationships to reward those who have made efforts to improve efficiency. After considering various issues, the Contractual Systems Study Group published its first report in August 2010, its second report in April 2011, and its third report in September 2012.

2 Measures to improve systems relating to contracts for defense equipment

(1) Improvement of the provision requiring the return of excessive profit

The provision requiring the return of excessive profit is a contract provision which stipulates that, in the event of any excessive profit remaining after the execution of a contract, companies must return this to the government. This provision is applied in the event that a large portion of the cost of the equipment is difficult to forecast, including in general competitive contracts, and it is a characteristic contract provision

in the procurement of defense equipment with low marketability.

For the government, this provision is not only aimed at preventing the counterparty of the contract from generating excessive profits; it also has the advantage of enabling the collection of cost information through an audit after performance of the contract, as well as the advantage for the company that, because cost is allowed by the government, it forms the basis for the prices of similar contracts concluded in the future.

On the other hand, with contracts that include this provision, cost reductions due to the companies' efforts and other excessive profits generated are subject to return, diminishing the effectiveness of cost reduction incentives for the company. Furthermore, careful evaluation is required concerning the appropriateness of imposing the excessive profit return provision in regard to projects with multiple bidders, where substantial competitiveness is acknowledged to exist.

Accordingly, in March 2012, the Ministry of Defense improved the regulations, as a result of which, this provision is not applied in the case of competitive contracts in which real competitiveness is ensured. At present, efforts are continuing to accelerate the pace of deliberations by the Equipment Procurement and Construction Office, which deals with central procurement, concerning calculations of estimated price for equipment and materials procured by the Ministry of Defense, focusing on such areas as approaches to cost-checking techniques, creating information databases, and improving cost control capabilities. The objective of this is to achieve a transition from cost audit contracts incorporating a provision requiring the return of excessive profit (contracts with a special provision stipulating that an audit of the actual costs incurred will be conducted and that the final amount paid will be established based on this) to an ordinary final and binding contract that establishes the contract sum from the time of concluding the contract, without any special provision concerning the amount to be paid and irrespective of any increase or decrease in the actual cost of manufacture.

(2) Improvement of the contract system to generate cost reduction incentives

The Ministry of Defense has undertaken a variety of initiatives in order to produce cost reduction incentives for companies to date, including the operation of an Incentive Contracts System¹. Since being introduced in 1999, however, these incentive contracts have only been used for four projects. Furthermore, the rationalization of public procurement now requires that competitive procedures, such as an open tender, be conducted for each contract, even for equipment and materials where in effect only a single supplier is likely to bid. However, it has transpired that, in most cases, only a single supplier responds to a tender, which indicates that these procedures have effectively become devoid of all meaning.

Accordingly, the Ministry of Defense made improvements to the System to Promote the Streamlining of Work Processes² in April 2012, creating a system that, under certain conditions, accepts as an incentive fee an amount equivalent to 50% of the man-hours reduced, in the event that a company makes a commitment to reduce costs by achieving greater efficiency in its work by eliminating losses such as those arising from tasks in the manufacturing process. Furthermore, in April 2013, with the

objective of promoting further efforts by companies to achieve greater efficiency in their work, by enabling them to receive ongoing orders based on the same type of contract, a system entered into force whereby contracts covered by this system (contracts concluded within a maximum of five fiscal years of the decision to apply the system) became single-tendering contracts, in the event that a company made a commitment to use the system and achieve substantial cost reductions. At present, deliberations regarding the existing Incentive Contracts System are underway, with a view to turning them into single-tendering contracts like those under the System to Promote the Streamlining of Work Processes, in the event that the cost reductions to which the company commits are substantial; in addition, revisions of the system are being considered, including diversifying the focus and amount of the incentive fee³. In terms of medium- to long-term challenges, deliberations are underway, with a view to granting single-tendering contracts under certain conditions, and establishing a system to encourage further cost reduction endeavors by making a commitment to the placing of ongoing orders with companies that have themselves committed to substantial cost reductions, through the use of the System to Promote the Streamlining of Work Processes and the Incentive Contracts System.

(3) Reducing procurement costs further through multiple-year contracts that actively utilize the PFI (Private Finance Initiative) Promotion Act⁴

In order to reduce costs, long-term contracts that are consolidated to a certain degree are essential. However, the upper limit for acts resulting in Treasury liability is five years and it does not make business sense for companies to invest in such short-term contracts, so it seems that they refrain from investment that could lead to cost reductions and, furthermore, do not accept orders, in order to avoid risk.

Accordingly, as well as realizing the planned acquisition and execution of budgets using standardized investment amounts, it is anticipated that implementing long-term multiple-year contracts through the active utilization of the PFI Promotion Act and the Public Service Reform Act⁵ will give rise to such benefits as cutting equipment procurement costs by reducing risks for those accepting orders, and promoting the entrance of new suppliers. From this perspective, in regard to the project focused on the enhancement of the X-band communications satellite, which makes use of the PFI Promotion Act, the Ministry of Defense concluded the contract for the project in January 2013, and will continue to actively utilize PFI in cases where its use is expected to reduce procurement costs.

As for PBL contracts, deliberations on utilization of the Public Service Reform Act are underway, with a view to enabling long-term contracts for a maximum of 10 years in cases where contracts are required to exceed the 5-year upper limit for acts resulting in Treasury liability.

3. Matters Relating to Measures to Prevent Recurrence of Overcharging

In order to unravel the motivation behind the series of cases of overcharging involving Mitsubishi Electric and other companies involved with defense, the Ministry of Defense progressively began to conduct investigations of the companies in question in January 2012, and compiled and published measures to

prevent recurrence in December that year.

Against the background of overcharging through the inflation of the number of man-hours involved in projects, the results of the investigation exposed the closed nature of defense-related divisions, which arises from the specific nature of the products (equipment and materials) that they handle. On the other hand, it emerged that the terms of trade unique to the procurement of equipment and materials – in terms of the fact that it is difficult to manage profit and loss, and achieve sales in the same way that private sector companies usually expect to do – significantly influence their motivation.

Such background factors are not peculiar to Mitsubishi Electric and the other companies involved in these recent cases, but appear to be a common challenge faced by the majority of companies involved in defense production. As shown below, the measures to prevent recurrence seek to enhance and strengthen measures to alleviate the closed nature of those involved in defense production and increase transparency, as well as pursuing moves toward the impartial evaluation of the costs and risks borne by companies; in March 2013, the Investigative Committee on Cases of Overcharging, chaired by Parliamentary Vice-Minister of Defense Sato, began deliberations concerning the specific implementation of these measures, with some of these measures entering into force the following month.

(1) Strengthening investigations and audits of contract partners

(i) Strengthening system investigations and cost audits

- Mandatory contract provisions concerning the acceptance of impromptu system investigations without advance notice (surprise investigations)
- Making use of companies' compliance functions to conduct document checks each fiscal year, focused on the implementation status of the compliance tasks stipulated as requirements by the Ministry of Defense when concluding the initial contract
- Participation of Cost Audit Officers from Regional Defense Bureaus in system investigations, as well as officers in charge of system investigations and inspection at the Equipment Procurement and Construction Office

(ii) Gathering and building information about costs

- Actively incorporating the acceptance of cost investigations into contract conditions, in order to gather information about costs
- Accelerating deliberations by the Equipment Procurement and Construction Office concerning efforts to strengthen the construction and management of cost databases, in order to verify the appropriateness of contract prices

(2) Measures to deal with companies that overcharge

(i) Increasing and relaxing penalties

As outlined below, increasing or relaxing the fine from the existing rate of double the overcharged amount, in order to improve the deterrent effect of the penalty system, while at the same time encouraging companies to cease and/or report such cases voluntarily

- Imposing a fine of four times the overcharged amount in the event that malpractice has been concealed, etc.
- Imposing a fine equivalent to the overcharged amount in the event that a company reports overcharging voluntarily, before any questions are raised
- (ii) Putting in place guidelines concerning bidding suspensions
- Clearly disclosing the criteria for each major category of case

(3) Systems relating to the procurement of equipment and materials, etc.

- (i) Reflecting the costs and expenditure actually required in the contract price

Clarifying the rules for appraisals of costs and expenditure when calculating contract prices, in a form appropriate to the actual situation at the company

- (ii) Appropriate appraisals of the risks and costs borne by companies
 - Properly appraising the upside risks⁶ relating to cost that tend to occur during the research and development phase and the initial stages of mass production, and adding an “additional risk fee” to the contract price of the contract in question, based on past performance
 - Revising the Incentive Contracts System (increasing the fee rate and diversifying the areas targeted by such contracts)

¹ A system aimed at motivating companies to reduce costs, whereby a certain proportion (rate) of the cost reduction effect is added as an incentive fee to the price calculated on the basis of the estimated price, in the event that the company proposes and employs cost reduction measures, such as technologies not envisaged at the time the contract was concluded.

² A system jointly involving the public and private sectors to investigate whether there is room for streamlining work processes in which a fact-finding survey and analysis of work processes is performed by the Ministry of Defense utilizing consulting companies, in order to raise the efficiency in the execution of contract counterparty duties.

³ The rate applied to the cost reduction effect as an incentive fee added to the calculated price is currently 50%.

⁴ Act on Promotion of Private Finance Initiative.

⁵ Act on Reform of Public Services by Introduction of Competitive Bidding.

⁶ The contracts concluded by the Ministry of Defense at the research and development stage or initial stages of mass production are often cost audit contracts, but these contracts contain the condition that, in the event that auditing of the costs reveals the actual amount that should form the contract price after an appropriate profit has been added to the costs actually incurred in the performance of the contract to be lower than the initial contract sum, the amount paid shall be reduced by the difference between the two amounts, or the difference shall be returned to the government; in other words, the sum by which the actual amount exceeds the initial contract sum shall not be paid to the company in question. This exempts the Ministry of Defense from having to pay more than the reasonable price, without bearing any risk in individual contracts, but for companies, it is a mechanism that imposes risk on them, in terms of cost increases eating into their reasonable profit or causing them to bear losses.

was requested at the Tokyo Summary Court against an SDF officer for a violation of the Act on Elimination and Prevention of Involvement in Bid Rigging, etc. and Punishments for Acts by Employees that Harm Fairness of Bidding, etc. (commonly referred to as the “Bid Rigging Prevention Act”), in relation to a project to develop a new multi-purpose helicopter for the GSDF that had been contracted out to Kawasaki Heavy Industries. The Ministry of Defense immediately set up a framework with the involvement of external experts and is conducting deliberations aimed at checking the facts and taking measures to prevent recurrence.

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In order to review equipment acquisition, taking full account of maintenance, education and training, and skill improvement from the equipment concept stage, the Ministry of Defense has promoted acquisition methods using the Integrated Project Team (IPT) framework, which brings together various relevant departments. One example was seen in the selection of the next-generation fighter aircraft for the ASDF, with the establishment of an IPT consisting of relevant staff from multiple related departments within the Ministry of Defense. The IPT conducted all of the work associated with the source selection including the evaluation process.

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In order to deal with the increase in expenditure on the maintenance of defense equipment, initiatives

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In order to cope with the increasingly harsh environment surrounding the procurement of equipment and materials, the Ministry of Defense is faced with the growing necessity to accept new ideas and promote the reform of acquisition in a more forceful way.

Against this background, the Ministry of Defense has been holding meetings of the Contractual Systems Study Group since 2010, to consider new measures.

In its deliberations concerning such matters as contracts relating to equipment procurement, the Contractual Systems Study Group has not stopped at simply curtailing procurement costs from the government's point of view, but has taken a medium- to long-term perspective, keeping in mind efforts to improve the advantages of companies' participation in the defense business and build "Win-Win" relationships to reward those who have made efforts to improve efficiency. After considering various issues, the Contractual Systems Study Group published its first report in August 2010, its second report in April 2011, and its third report in September 2012.

2 Measures to improve systems relating to contracts for defense equipment

(1) Improvement of the provision requiring the return of excessive profit

The provision requiring the return of excessive profit is a contract provision which stipulates that, in the event of any excessive profit remaining after the execution of a contract, companies must return this to the government. This provision is applied in the event that a large portion of the cost of the equipment is difficult to forecast, including in general competitive contracts, and it is a characteristic contract provision

in the procurement of defense equipment with low marketability.

For the government, this provision is not only aimed at preventing the counterparty of the contract from generating excessive profits; it also has the advantage of enabling the collection of cost information through an audit after performance of the contract, as well as the advantage for the company that, because cost is allowed by the government, it forms the basis for the prices of similar contracts concluded in the future.

On the other hand, with contracts that include this provision, cost reductions due to the companies' efforts and other excessive profits generated are subject to return, diminishing the effectiveness of cost reduction incentives for the company. Furthermore, careful evaluation is required concerning the appropriateness of imposing the excessive profit return provision in regard to projects with multiple bidders, where substantial competitiveness is acknowledged to exist.

Accordingly, in March 2012, the Ministry of Defense improved the regulations, as a result of which, this provision is not applied in the case of competitive contracts in which real competitiveness is ensured. At present, efforts are continuing to accelerate the pace of deliberations by the Equipment Procurement and Construction Office, which deals with central procurement, concerning calculations of estimated price for equipment and materials procured by the Ministry of Defense, focusing on such areas as approaches to cost-checking techniques, creating information databases, and improving cost control capabilities. The objective of this is to achieve a transition from cost audit contracts incorporating a provision requiring the return of excessive profit (contracts with a special provision stipulating that an audit of the actual costs incurred will be conducted and that the final amount paid will be established based on this) to an ordinary final and binding contract that establishes the contract sum from the time of concluding the contract, without any special provision concerning the amount to be paid and irrespective of any increase or decrease in the actual cost of manufacture.

(2) Improvement of the contract system to generate cost reduction incentives

The Ministry of Defense has undertaken a variety of initiatives in order to produce cost reduction incentives for companies to date, including the operation of an Incentive Contracts System¹. Since being introduced in 1999, however, these incentive contracts have only been used for four projects. Furthermore, the rationalization of public procurement now requires that competitive procedures, such as an open tender, be conducted for each contract, even for equipment and materials where in effect only a single supplier is likely to bid. However, it has transpired that, in most cases, only a single supplier responds to a tender, which indicates that these procedures have effectively become devoid of all meaning.

Accordingly, the Ministry of Defense made improvements to the System to Promote the Streamlining of Work Processes² in April 2012, creating a system that, under certain conditions, accepts as an incentive fee an amount equivalent to 50% of the man-hours reduced, in the event that a company makes a commitment to reduce costs by achieving greater efficiency in its work by eliminating losses such as those arising from tasks in the manufacturing process. Furthermore, in April 2013, with the

objective of promoting further efforts by companies to achieve greater efficiency in their work, by enabling them to receive ongoing orders based on the same type of contract, a system entered into force whereby contracts covered by this system (contracts concluded within a maximum of five fiscal years of the decision to apply the system) became single-tendering contracts, in the event that a company made a commitment to use the system and achieve substantial cost reductions. At present, deliberations regarding the existing Incentive Contracts System are underway, with a view to turning them into single-tendering contracts like those under the System to Promote the Streamlining of Work Processes, in the event that the cost reductions to which the company commits are substantial; in addition, revisions of the system are being considered, including diversifying the focus and amount of the incentive fee³. In terms of medium- to long-term challenges, deliberations are underway, with a view to granting single-tendering contracts under certain conditions, and establishing a system to encourage further cost reduction endeavors by making a commitment to the placing of ongoing orders with companies that have themselves committed to substantial cost reductions, through the use of the System to Promote the Streamlining of Work Processes and the Incentive Contracts System.

(3) Reducing procurement costs further through multiple-year contracts that actively utilize the PFI (Private Finance Initiative) Promotion Act⁴

In order to reduce costs, long-term contracts that are consolidated to a certain degree are essential. However, the upper limit for acts resulting in Treasury liability is five years and it does not make business sense for companies to invest in such short-term contracts, so it seems that they refrain from investment that could lead to cost reductions and, furthermore, do not accept orders, in order to avoid risk.

Accordingly, as well as realizing the planned acquisition and execution of budgets using standardized investment amounts, it is anticipated that implementing long-term multiple-year contracts through the active utilization of the PFI Promotion Act and the Public Service Reform Act⁵ will give rise to such benefits as cutting equipment procurement costs by reducing risks for those accepting orders, and promoting the entrance of new suppliers. From this perspective, in regard to the project focused on the enhancement of the X-band communications satellite, which makes use of the PFI Promotion Act, the Ministry of Defense concluded the contract for the project in January 2013, and will continue to actively utilize PFI in cases where its use is expected to reduce procurement costs.

As for PBL contracts, deliberations on utilization of the Public Service Reform Act are underway, with a view to enabling long-term contracts for a maximum of 10 years in cases where contracts are required to exceed the 5-year upper limit for acts resulting in Treasury liability.

3. Matters Relating to Measures to Prevent Recurrence of Overcharging

In order to unravel the motivation behind the series of cases of overcharging involving Mitsubishi Electric and other companies involved with defense, the Ministry of Defense progressively began to conduct investigations of the companies in question in January 2012, and compiled and published measures to

prevent recurrence in December that year.

Against the background of overcharging through the inflation of the number of man-hours involved in projects, the results of the investigation exposed the closed nature of defense-related divisions, which arises from the specific nature of the products (equipment and materials) that they handle. On the other hand, it emerged that the terms of trade unique to the procurement of equipment and materials – in terms of the fact that it is difficult to manage profit and loss, and achieve sales in the same way that private sector companies usually expect to do – significantly influence their motivation.

Such background factors are not peculiar to Mitsubishi Electric and the other companies involved in these recent cases, but appear to be a common challenge faced by the majority of companies involved in defense production. As shown below, the measures to prevent recurrence seek to enhance and strengthen measures to alleviate the closed nature of those involved in defense production and increase transparency, as well as pursuing moves toward the impartial evaluation of the costs and risks borne by companies; in March 2013, the Investigative Committee on Cases of Overcharging, chaired by Parliamentary Vice-Minister of Defense Sato, began deliberations concerning the specific implementation of these measures, with some of these measures entering into force the following month.

(1) Strengthening investigations and audits of contract partners

(i) Strengthening system investigations and cost audits

- Mandatory contract provisions concerning the acceptance of impromptu system investigations without advance notice (surprise investigations)
- Making use of companies' compliance functions to conduct document checks each fiscal year, focused on the implementation status of the compliance tasks stipulated as requirements by the Ministry of Defense when concluding the initial contract
- Participation of Cost Audit Officers from Regional Defense Bureaus in system investigations, as well as officers in charge of system investigations and inspection at the Equipment Procurement and Construction Office

(ii) Gathering and building information about costs

- Actively incorporating the acceptance of cost investigations into contract conditions, in order to gather information about costs
- Accelerating deliberations by the Equipment Procurement and Construction Office concerning efforts to strengthen the construction and management of cost databases, in order to verify the appropriateness of contract prices

(2) Measures to deal with companies that overcharge

(i) Increasing and relaxing penalties

As outlined below, increasing or relaxing the fine from the existing rate of double the overcharged amount, in order to improve the deterrent effect of the penalty system, while at the same time encouraging companies to cease and/or report such cases voluntarily

- Imposing a fine of four times the overcharged amount in the event that malpractice has been concealed, etc.
- Imposing a fine equivalent to the overcharged amount in the event that a company reports overcharging voluntarily, before any questions are raised
- (ii) Putting in place guidelines concerning bidding suspensions
- Clearly disclosing the criteria for each major category of case

(3) Systems relating to the procurement of equipment and materials, etc.

- (i) Reflecting the costs and expenditure actually required in the contract price

Clarifying the rules for appraisals of costs and expenditure when calculating contract prices, in a form appropriate to the actual situation at the company

- (ii) Appropriate appraisals of the risks and costs borne by companies
 - Properly appraising the upside risks⁶ relating to cost that tend to occur during the research and development phase and the initial stages of mass production, and adding an “additional risk fee” to the contract price of the contract in question, based on past performance
 - Revising the Incentive Contracts System (increasing the fee rate and diversifying the areas targeted by such contracts)

¹ A system aimed at motivating companies to reduce costs, whereby a certain proportion (rate) of the cost reduction effect is added as an incentive fee to the price calculated on the basis of the estimated price, in the event that the company proposes and employs cost reduction measures, such as technologies not envisaged at the time the contract was concluded.

² A system jointly involving the public and private sectors to investigate whether there is room for streamlining work processes in which a fact-finding survey and analysis of work processes is performed by the Ministry of Defense utilizing consulting companies, in order to raise the efficiency in the execution of contract counterparty duties.

³ The rate applied to the cost reduction effect as an incentive fee added to the calculated price is currently 50%.

⁴ Act on Promotion of Private Finance Initiative.

⁵ Act on Reform of Public Services by Introduction of Competitive Bidding.

⁶ The contracts concluded by the Ministry of Defense at the research and development stage or initial stages of mass production are often cost audit contracts, but these contracts contain the condition that, in the event that auditing of the costs reveals the actual amount that should form the contract price after an appropriate profit has been added to the costs actually incurred in the performance of the contract to be lower than the initial contract sum, the amount paid shall be reduced by the difference between the two amounts, or the difference shall be returned to the government; in other words, the sum by which the actual amount exceeds the initial contract sum shall not be paid to the company in question. This exempts the Ministry of Defense from having to pay more than the reasonable price, without bearing any risk in individual contracts, but for companies, it is a mechanism that imposes risk on them, in terms of cost increases eating into their reasonable profit or causing them to bear losses.

(See Fig. III-3-1-1)

2. The Significance of Retaining Defense Production and Technological Bases Within Japan

Retaining such bases within Japan is significant because it ensures that the requisite number of items can be mobilized from among the items held, by making it easier to develop and produce equipment and materials adapted to the particular attributes of Japan's terrain, and facilitating the effective, efficient equipment maintenance and upkeep, including responses in the event of an emergency. The maintenance of such bases is also significant in that it ensures bargaining power with other countries when procuring equipment and materials from abroad and when participating in international joint development and production. Furthermore, a ripple effect, which means domestic companies can apply new technologies acquired through the development of equipment and materials to civilian goods, can also be expected.

2. The Current Status of the Acquisition of Defense Equipment

The current status of the acquisition of defense equipment is described below.

1. Unit Prices and Quantities in Procurement

The situation surrounding defense-related expenditure in Japan continues to be difficult. At the same time, as a result of the increasingly high-performance and complex nature of equipment in recent years, the cost of maintenance and upkeep is also growing. Since FY2005, the cost of maintenance and upkeep has overtaken the costs associated with the purchase of major items of equipment and materials, creating an additional strain on the procurement of new major items of equipment and materials. Moreover, the increasingly high-performance and complex nature of equipment and materials has brought about a rise in development and manufacturing costs, inflating the unit price of equipment and materials. These circumstances have brought about a decline in the quantity procured, leading to such problems as difficulties in maintaining and cultivating highly-skilled factory workers, as well as the emergence of companies withdrawing from the defense business altogether, due to the opaque outlook for the future.

See Reference 76

2. The Current Status of Research and Development

The situation in regard to research and development expenditure within defense-related expenditure is also harsh, with a reduction of around 20% from the level 20 years ago being seen in FY2012. In terms of the technical strength of the defense industry, trends in the research and development budget have a considerable influence over the maintenance and improvement of skills among engineers in companies, because such skills are maintained and cultivated by working on research and development projects.

(See Fig. III-3-1-2)

3. The Situation Overseas

Western countries are promoting joint development and production of defense equipment with allies and

friends, in order to cope with soaring development and production costs. By doing so, one can expect demand for the item of equipment in question to increase compared to the situation when a single country develops and produces an item, spreading among all of the countries participating in the joint development and production initiative, and each country's technical strength improves as its defense industry comes into contact with excellent technologies from other countries.

Moreover, in Western countries, there has been a tendency to strengthen competitiveness through the restructuring of the defense industry. Whereas the repeated rounds of mergers and integration in the U.S.A. have primarily involved only U.S. companies, in Europe there have been mergers and integration in the defense industry involving multiple companies, mainly centering on Germany, France, the UK, and Italy.

4. The Current Status of the Contract System

In the field of public procurement, it goes without saying that concluding contracts based on the price determined by the market (market price) is the most rational and efficient option. Defense equipment is no exception to this, the fundamental principle in determining the appropriate price for defense equipment – that is to say, in calculating the estimated price – is the use of the market price method, which involves calculations based on the market price. However, due to the specific nature of defense equipment, there are many items that do not have a market price, so in such cases, the cost accounting method is used, which involves adding together the costs and expenditures actually required in the manufacture of the item in question, and then adding an appropriate amount of profit to that basic cost.

If one actually looks at central procurement in FY2011 in terms of the method used to calculate the estimated price, one can see that use of the market price method by far exceeds the use of the cost accounting method, with the former being used in about 5,800 cases and the latter in around 2,900 cases. However, a great deal of the defense equipment and materials supplied on the basis of contracts in which the estimated price has been calculated according to the cost accounting method involves large sums of money, so when compared in terms of the contract sum, items calculated on the basis of the market price method totaled approximately 380 billion yen, while those calculated on the basis of the cost accounting method totaled approximately 1.09 trillion yen; thus, one can see that the latter is far higher.

Under the cost accounting method, each and every cost required is accounted for in calculating the price, so this has the advantage for the Ministry of Defense of making it easy to explain the appropriateness of the cost of defense equipment. On the other hand, a set proportion of the cost is allocated in the price as appropriate profit under this calculation method, so from the company's perspective, they will earn more profit from a higher cost, which eliminates their incentive to reduce costs.

Furthermore, in relation to defense equipment for which the estimated price has been calculated according to the cost accounting method, it is particularly difficult to establish the cost of equipment that

is still at the research and development stage or in the initial stages of mass production, when first concluding a contract, so the form of contract employed in this situation is called a cost audit contract. This involves an audit being carried out around the time the performance of the contract is completed, to ascertain the actual costs incurred (actual cost); if the profit to be received by the company has increased compared with the initially estimated actual cost because its costs have decreased, the relevant profit is classed as excess profit and deducted from the contract sum or reimbursed to the contracting body. In such cost audit contracts, profits earned by a company as a result of achieving cost reductions are also classed as excess profit subject to deduction or reimbursement, so this motivates companies to perform the contract as close to the originally estimated cost as possible, thereby making it increasingly difficult to achieve cost reductions.

In addition, from the succession of cases of overcharging by defense-related companies that have been revealed since January 2012, it has emerged that this contract method is a factor contributing to overcharging, with companies inflating the actual cost by adding man-hours (the amount of work expressed as the number of factory workers directly involved multiplied by the number of hours worked) arising from one contract to a different contract, with the objective of maximizing the profits that they can obtain, as there is no system for compensating companies in the event that the actual cost exceeds the originally estimated cost.

In addition, the Ministry of Defense has been cooperating in endeavors aimed at increasing the effectiveness of regulations and decisions, by dispatching staff to major meetings such as those of the Biological Weapons Convention (BWC), as well as international export control regimes in the form of the Australia Group (AG) and the Missile Technology Control Regime (MTCR).

See References 74, 75, 76, 77

2 Initiatives Focused on Treaties Relating to Arms Control of Conventional Weapons

Taking into account both the humanitarian perspective and security needs, Japan has joined various conventions on the regulation of conventional weapons, including the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects (CCW).

In particular, with regard to the issue of the regulation of cluster munitions, it is important to formulate an effective protocol within the CCW framework, in which major producers and owners of such weapons participate, including the U.S., China, and Russia. Discussions within this framework have ended, for the time being, but in the event that a renegotiation is agreed in the future, Japan will continue to make an active contribution to the negotiations.

Furthermore, Japan has also acceded to the Convention on Cluster Munitions (Oslo Convention)¹, which was negotiated and adopted outside the framework of the CCW; with the entry of this Convention into force in August 2010, the use of all cluster munitions in the possession of the SDF immediately became prohibited.

Moreover, the Convention stipulates that all cluster munitions held by signatories be destroyed within eight years of its entry into force, in principle, so such munitions will be safely and steadily disposed of. At the same time, as a matter of urgency, the Ministry of Defense and SDF are currently introducing precision-guided equipment to supplement some of the functions of cluster munitions.

Moreover, with regard to anti-personnel mines, based on the Convention on the Prohibition of Anti-Personnel Mines (Ottawa Treaty), which entered into force in 1999, the Ministry of Defense and SDF had disposed of all anti-personnel mines by February 2003, apart from the minimum-necessary exceptional stocks permitted under the treaty. At the same time, in order to ensure the security of Japan, the Ministry is developing an anti-personnel obstacle system that includes directional fragmentation charges² as an alternative that does not constitute anti-personnel mines banned under the treaty and which does not pose any risk of harming civilians.

Furthermore, the Ministry of Defense has actively cooperated in efforts of the international community, focused on the problem of anti-personnel mines, such as submitting annual reports including the data on Japan's exceptional stocks to the United Nations³.

In addition, the Ministry of Defense and SDF participate in various systems introduced by the United Nations with the goal of increasing the transparency of military preparedness and military expenditure (the United Nations Register of Conventional Arms and the United Nations Report on

Military Expenditures), and as well as providing the requisite reports, they dispatch personnel as needed to governmental expert meetings held in order to improve and strengthen these systems.

See Reference 78

¹ Countries such as the U.S., China and Russia, which are major producers and owners of cluster munitions, have not yet signed the Oslo Convention.

² Explosives used in anti-infantry combat to obstruct the approach of enemy infantry. In order to ensure that civilians are not harmed indiscriminately, soldiers activate these visually recognizing a target, and they are not designed to explode due to the presence of, approach by or contact with a person.

³ Between 1999 and December 2006, the Ministry of Defense nominated retired Self-Defense Officials to the Japan International Cooperation Agency (JICA), to support antipersonnel mine removal activities in Cambodia; these retired Self-Defense Force members were dispatched to the Cambodian Mine Action Center (CMAC) as maintenance and transport advisors within JICA's long-term expert dispatch framework.

3 International Initiatives Aimed at Nonproliferation of Weapons of Mass Destruction

(1) Proliferation Security Initiative

Harboring grave concerns about the development of weapons of mass destruction and missiles by countries of particular concern in regard to proliferation, such as North Korea and Iran, the U.S. announced its Proliferation Security Initiative (PSI)¹ in May 2003, and sought the participation of other countries therein. Various initiatives are being undertaken based on the PSI, such as holding meetings to consider issues related to policy and legislation; in addition, 40 PSI interdiction exercises have been held as of the end of March 2013, in order to improve the ability of participating countries to thwart the proliferation of weapons of mass destruction and related items.

Since the 3rd PSI Meeting in Paris (September 2003), the Ministry of Defense and SDF have collaborated with relevant organizations and countries, dispatching Ministry of Defense officials and SDF staff to the various meetings, as well as engaging in ongoing participation in these exercises since 2004.

To date, Japan has twice hosted PSI maritime interdiction exercises, working in partnership with relevant organizations, including the Ministry of Foreign Affairs, the National Police Agency, the Ministry of Finance and the Japan Coast Guard, and the country hosted for its first time the PSI air interdiction exercise in July 2012. In addition, in September that year, the ROK held the PSI maritime interdiction exercise. Japanese participants in this exercise included Ministry of Defense and SDF personnel, and MSDF naval vessels and aircraft, as well as personnel from the Ministry of Foreign Affairs and the Japan Coast Guard. In light of the cases of proliferation in the areas surrounding Japan, the Ministry of Defense will continue to devote its energies to activities aimed at strengthening nonproliferation frameworks, including PSI, as well as participating in and holding various meetings and exercises with the objectives of striving constantly to prevent the proliferation of weapons of mass destruction, and improving the ability of the SDF to deal with such matters.

(See Fig. III-2-5-2)

(2) United Nations Security Council Resolution 1540 Regarding the Nonproliferation of Weapons of Mass Destruction

In April 2004, the United Nations Security Council unanimously adopted the United Nations Security Council Resolution 1540 regarding the nonproliferation of weapons of mass destruction, which lays the foundations for the international community to deal with the acquisition, development, use, and proliferation of weapons of mass destruction by non-state actors.

Japan supports the adoption of this resolution and hopes that all United Nations member countries will comply with it.

¹ The Proliferation Security Initiative is an initiative that seeks the strengthening of relevant domestic laws of respective countries to the possible extent, as well as considering the measures that participating countries can take jointly while complying with existing domestic and international laws, in order to prevent the proliferation of weapons of mass destruction and related materials

the Central Readiness Regiment under the Central Readiness Force, so that the advance unit can quickly head to the deployment area to carry out preparations once the decision for deployment has been made.

Since 2008, the SDF has implemented, once every year, drills to ensure preparedness for deployment of personnel to international cooperation missions, with the objective of maintaining and improving the capacity to implement swift overseas operations and the ability to precisely execute duties abroad.

In 2009, in order to participate more actively in U.N. peacekeeping operations, Japan registered for the United Nations Stand-by Arrangement System (UNSAS)³. The objective of this system is to make the process faster and smoother for the United Nations to sound out countries for personnel development when implementing peacekeeping operations. As of the end of March 2013, Japan has registered its preparedness to provide SDF personnel capable of providing logistic support for the following activities and operations: 1) medical care (including epidemic prevention measures); 2) transportation; 3) storage (including stockpiling); 4) communications; 5) construction; 6) SDF units capable of logistic support for installation, inspection, and repair of equipment and devices; 7) military observers; and 8) HQ officers.

The SDF also promotes the improvement and enhancement of equipment for international peace cooperation activities. The GSDF has improved a range of vehicles fitted with bulletproof glass and run-flat tires⁴ as well as high capacity generators to enable troops to carry out operations in areas with underdeveloped infrastructure. Moreover, in order to ensure that activities can be carried out under diversified environments, the engines of transport helicopters (CH-47JA) are being upgraded. In addition, in FY2013, efforts are being made to acquire sniper locator devices, which detect the firing position of sniper rifles and other firearms. The MSDF has improved transport ships and helicopter-carrying destroyers that could serve as the bases for helicopter operations overseas. The MSDF is also promoting the portability and deployability of the Marine Air Command and Control System (MACCS) to facilitate the effective operation of fixed-wing patrol aircraft overseas. The ASDF is upgrading its equipment through the acquisition of devices including aviation satellite phones, in order to maintain command communication between aircraft and ground controllers in a range of environments, as well as countermeasure dispensers for transport aircraft, and airborne collision avoidance systems. These items of equipment are also useful for responding to domestic contingencies.

The International Peace Cooperation Activities Training Unit at Camp Komakado (Shizuoka Prefecture) conducts education to GSDF personnel to be deployed to international peace cooperation activities, and also supports training related to international peace cooperation activities. In addition, the International Peace Assistance Center (IPAC) established by the Ministry of Defense as a new educational institution for peacekeeping under the Joint Staff College in March 2010 will launch a basic training course on international peace cooperation activities (the Basic Course on International Peace Cooperation) from October 2011. Furthermore, since FY2012, it has been providing education on international peace cooperation activities tailored to a variety of levels. For example, it provides

specialized education (the Intermediate Course on International Peace Cooperation and the Advanced Course on International Peace Cooperation) to cultivate officers in charge of planning and policymaking associated with the management and implementation of international peace cooperation activities, and staff officers to be deployed at the headquarters of U.N. missions. Including the potential for further expanding the range of people to whom this education is made available. Including the potential for further expanding the range of people to whom this education is made available, the SDF is exploring the possibility of further enhancing the Center as a hub for education focused on international peace cooperation activities.

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- ¹ Activities prescribed in title 8 of the Self-Defense Forces Law (a miscellaneous provision) or supplementary provisions
 - ² Missions defined in Article 3 of the Self-Defense Forces Law. The primary mission is to defend Japan. The secondary missions are the preservation of public order, activities in response to situations in areas surrounding Japan and international peace cooperation activities.
 - ³ This is a system adopted by the United Nations in 1994 in order to facilitate agile deployment for U.N. peacekeeping operations. The system involves member nations registering beforehand the scope of the contribution that they can make, the number of personnel available for dispatch, and the time required for dispatch. However, even when the United Nations approaches member nations with a request for dispatch based on the registered information, it is up to each country to decide whether to actually dispatch personnel or not.
 - ⁴ Tires that allow vehicles to maintain mobility, even when punctured and deflated

4 Welfare and Mental Health Care of Dispatched SDF Units

The SDF personnel are expected to fulfill their assigned duty under severe working conditions while being far away from their home country and their families. Therefore, it is extremely important to make necessary arrangements so that dispatched SDF personnel can effectively carry out the assigned duty while maintaining both their physical and mental health.

The Ministry of Defense and the SDF have taken a series of measures to ease the anxiety of SDF members dispatched overseas for participation in international peace cooperation activities and the anxieties of their families in Japan so that the members can devote themselves to their assigned duties with peace of mind.

Specific welfare services for deployed SDF members include facilitating direct communication between SDF members on deployment and their families in Japan by such means as e-mail and video conference systems, in order to enable them to maintain close bonds with their families in Japan. In addition, troops and their families exchange recorded video correspondence. Moreover, briefing sessions for families of the dispatched members are held to provide them with a variety of information, and family support centers and family counseling rooms have been established to respond to various questions raised by the families.

The SDF also offers mental health care services, such as a course on stress reduction methods for SDF members with scheduled dispatch when engaging in overseas missions, and dispatched SDF members can consult with designated counselors who have completed specialized training. Such counselors provide dispatched members with sufficient mental care. As well as assigning medical officers to SDF units engaged in overseas missions, the Ministry of Defense regularly sends mental healthcare support teams led by qualified psychiatrists from Japan and provides education on methods of dealing with stress on the spot, as well as important points to consider in communication with families or fellow SDF members after returning to Japan. Upon completion of the mission or return of mission personnel, ad-hoc special health examinations and mental health checks will be conducted.

5. Discussions on Approaches to International Peace Cooperation

The peace and stability of the international community serves as the foundation of Japan's peace and prosperity. Therefore, it is necessary for Japan to flexibly respond to various efforts for international peace cooperation and promote appropriate cooperation. From the perspective of further contributing to the peace and stability of the international community, the Ministry of Defense believes that the government as a whole should consider so-called a "general law" for international peace cooperation activities, taking into account such discussions that have taken place as in the Diet sessions.

2 Efforts to Support U.N. Peacekeeping Operations, etc.

As a means to promote peace and stability in the regions of conflict around the world, the United Nations

Peacekeeping Operations (PKO) has expanded its missions in recent years to include such duties as providing assistance in disarmament, demobilization and reintegration (DDR) into society of former soldiers, security sector reform (SSR), elections, human rights, the rule of law, the promotion of political processes, the protection of civilians (POC), and other fields, in addition to such traditional missions as ceasefire monitoring. Today, 14 PKO and 13 political and peace building missions are being implemented (as of the end of May 2013).

International organizations, such as the Office of the United Nations High Commissioner for Refugees (UNHCR), governments and non-governmental organizations (NGO) conduct relief and reconstruction activities for the victims of conflicts and large-scale disasters from a humanitarian perspective and from the viewpoint of stabilizing affected countries.

Japan, in a bid to fulfill a role commensurate with its international status and responsibilities, has been cooperating both in terms of funding and personnel, with global efforts being led mainly by the United Nations to build a peaceful and stable international community.

As part of their cooperation in the realm of human resources, the Ministry of Defense and SDF are actively engaging in international peace cooperation activities, based on the International Peace Cooperation Act.

1 Outline of the International Peace Cooperation Act

The International Peace Cooperation Act, enacted in 1992, is designed to allow Japan to actively contribute to global efforts led mainly by the United Nations to achieve peace and stability in the international community by establishing a structure for Japan to appropriately and swiftly cooperate in 1) U.N. peacekeeping operations¹, 2) humanitarian international relief operations², and 3) international election monitoring activities. The law also enables Japan to implement measures for providing assistance in the form of supplies in response to each of the three activities listed above.

The law stipulates a set of basic guidelines (so-called five principles for participation) for Japan's participation in a U.N. peacekeeping force.

(See Fig. III-2-4-2)

See References 42, 43

2 United Nations Disengagement Observer Force (UNDOF)

(1) Background of Dispatch to UNDOF

UNDOF is a U.N. peacekeeping force that carries out such missions as monitoring the ceasefire between Syria and Israel in the Golan Heights and monitoring the status of implementing the agreement on disengagement.

In December 1995, the Government of Japan decided to dispatch an SDF unit, etc. to UNDOF, and the first transport unit composed of 43 members was dispatched to the Golan Heights in February 1996 to

replace the transport unit of Canada. Since then, replacement unit have been dispatched every six months until February 2008, when the SDF changed the dispatch format to replacing only the team members while maintaining the unit, and reorganized the transport unit dispatched to the Golan Heights.

However, since the spring of 2011, the ongoing deterioration of the situation in Syria has also had a serious impact on the Golan Heights, to the extent that it has hindered the activities of UNDOF. As the government came to recognize that it was difficult to conduct meaningful activities while ensuring the safety of Japanese personnel, it decided to withdraw the transport unit and staff officers assigned to headquarters. In response, on December 21, 2012, then-Minister of Defense Morimoto issued the order to cease operations and the SDF's activities with UNDOF came to an end with the return home of personnel in January 2013. When withdrawing from UNDOF, Japan granted the SDF equipment including trucks and bulldozers to the United Nations based on its request.

(See Fig. III-2-4-3)

(2) SDF Activities

Between February 1996 and January 2013, Japan dispatched a total of about 1,500 SDF personnel to UNDOF; this period of almost 17 years marked the longest-ever participation by Japan in a single peacekeeping operation. The SDF transport units transported daily commodities for UNDOF activities, as well as providing logistical support for the repair of roads and snow clearing in mountainous areas with an altitude of over 2,800m during the 34 times of deployment. Over the course of their deployments, the units transported 35,200 tons of supplies and 79,500 people required for UNDOF activities, covering a distance in excess of 3.4 million km, which is the equivalent of circumnavigating the globe 85 times.

Moreover, the three staff officers at UNDOF headquarters (two staff officers until the 13th deployment) carried out planning and coordination related to logistical support fields, such as transport, as well as duties relating to PR and budgeting for UNDOF activities. The staff officers were replaced almost annually until 17th deployed officers terminate their activities in January 2013.

SDF's participation in UNDOF was of great significance in terms of Japan's personnel-based assistance for the Peace in Middle East, and the experience in UNDOF was steadily passed on and reflected in its humanitarian and reconstruction support activities in Iraq, and its international peace cooperation activities in Haiti and South Sudan.

3 United Nations Stabilization Mission in Haiti (MINUSTAH)

(1) Background of Dispatch to MINUSTAH

A major earthquake struck Haiti in January 2010, causing the deaths of over 310,000 people. In response, Japan dispatched a Japan Disaster Relief Medical Team the day after the disaster, consisting primarily of civilian doctors, as well as the SDF international disaster relief medical unit.

The same month, the U.N. Security Council adopted Resolution 1908 to increase the strength of the United Nations Stabilization Mission in Haiti (MINUSTAH) to support efforts for immediate recovery,

reconstruction, and stability following the earthquake, and requested member states to dispatch troops. In response, the Japanese Cabinet granted approval in February that year for the dispatch of a GSDF unit (approximately 350 personnel) to MINUSTAH, as well as two staff officers to serve at the MINUSTAH headquarters (logistics³ staff and engineering staff). Since then, units have been dispatched in 6-months-rotations to provide support to the disaster-afflicted area through the clearance of rubble and leveling of the ground.

In July 2012, Japan decided to start preparations to withdraw the unit, as the government of Japan has reached the conclusion that the SDF had made sufficient contributions to the recovery of Haiti in the aftermath of the earthquake, given that two and a half years had passed since the earthquake. In October that year, then-Minister of Defense Satoshi Morimoto issued the order to cease operations. Based on this order, the SDF personnel progressively withdrew after completing their withdrawal tasks, over the period to February 2013, when the SDF's activities in MINUSTAH came to an end.

Moreover, Japan has granted the equipment and materials of the SDF to the Haitian government and prefabricated housings held within the encampment to the United Nations at the request of both parties, with the aim of contributing to economic and social development of Haiti and the activities of MINUSTAH even after the withdrawal and repatriation of Japanese personnel.

(See Fig. III-2-4-4)

(2) SDF Activities

Whereas it conventionally took several months to prepare for a deployment, in this case, the first unit of personnel, composed primarily of troops from the GSDF Central Readiness Force, completed their preparations about two weeks after receiving the preparation order from the Minister of Defense. It was on February 6, 2012, a day after the deployment order was issued, that the unit began its deployment to the disaster site from Japan. While developing land for an encampment in the capital city, Port-au-Prince, the first unit of personnel began its relief operation as one of the U.N. PKO units on February 16. Such a speedy dispatch was made possible due to 1) the fact that an SDF international emergency medical aid unit was conducting activities in Haiti, making it easier to gain a clear picture of the situation on the ground; 2) the experience accumulated through numerous overseas missions; and 3) the fact that the unit consisted primarily of units from the GSDF Central Readiness Force, which conducts advance preparation activities on a daily basis.

The deployment of the units in Haiti was carried out smoothly through private transportation means, as well as ASDF C-130H military transport aircraft, among others.

To date, the SDF has dispatched a total of approximately 2,200 personnel over the course of about three years, marking the longest-ever participation by an SDF engineer unit in a single peacekeeping operation. The unit deployed swiftly at the request of the United Nations, with deployment commencing about two weeks after receiving the order to prepare. Once on the ground, the deployed unit conducted activities aimed at the recovery and reconstruction of Haiti, using heavy machinery such as bulldozers to

remove the massive amounts of rubble generated by the earthquake, building and repairing camps for evacuees, repairing roads along the border with the Dominican Republic, and constructing facilities for orphaned children.

Moreover, the SDF made effective use of Japan's technical knowledge and experience for the activities besides conducting reconstruction work itself; dispatching experts in earthquake-resistance assessment, at the request of the United Nations, to assess the earthquake-resistance of buildings, and providing training in the operation and maintenance of engineer equipment at the request of the government of Haiti, as a project called the "Kizuna (Bond) Project." In addition, wide-ranging support activities have been carried out, such as effective collaboration with ODA support provided by Japan, NGOs, international organizations, and various countries' troops.

Regarding the relationship with U.S. forces, the SDF has participated and cooperated in the humanitarian assistance initiatives of the U.S. forces, as a member of MINUSTAH, as well as collaboration in various operational fields, such as in the use of U.S. bases in California as relay bases between Haiti and Japan for the dispatch and replacement of personnel.

These activities have been highly praised by the United Nations and international community for improving Haitian people's skills in handling and maintaining engineer equipment, as well as contributing to the reconstruction and rehabilitation of Haiti.

4 United Nations Integrated Mission in Timor-Leste (UNMIT)

(1) Background of Dispatch to UNMIT

After a peace agreement was reached in April 1999, Timor-Leste became independent in May 2002, receiving support from successive U.N. missions. In 2006, however, the security situation deteriorated again, so the United Nations Integrated Mission in Timor-Leste (UNMIT) was established in August 2006 with the objective of restoring and maintaining stability.

Following a request from the U.N. for the dispatch of military liaison officers to UNMIT in May 2010, Cabinet approval for the dispatch was granted in September. Since then, Japan had been dispatching two GSDF officials to Timor-Leste as military liaison officers, but concluded its UNMIT activities when the fourth team of personnel reached the end of their term of duty and returned home in coordination with the United Nations, since the activities of UNMIT would come to an end within 2012.

(See Fig. III-2-4-5)

(2) Activities Implemented by Dispatched Personnel

Between September 2010 and September 2012, Japan dispatched a total of eight military liaison officers. UNMIT was established to restore and maintain public order. Under this mission, civilian police officers provided local police with assistance through training and other activities while military liaison officers monitored the security situation until a national police service was rebuilt. As part of this mission, the two unarmed Japanese military liaison officers dispatched by Japan participate in unarmed operations were

deployed in various zones across Timor-Leste. They visited leaders of local administrative bodies, the international security forces deployed by Australia and New Zealand, the national forces of Timor-Leste, the national police, and the national armed forces of Indonesia in order to collect intelligence on issues such as the security situation in Timor-Leste, and the state of the economy, education, medical care, and social infrastructure. Moreover, the military liaison officers actively engaged in interaction with local citizens through volunteer activities, such as visiting local schools and orphanages to provide an introduction to Japanese culture.

5 United Nations Mission in the Republic of South Sudan (UNMISS)

(1) Background to the decision to dispatch personnel to UNMISS

In Sudan, the United Nations Mission in Sudan (UNMIS) was established following the signing of the Comprehensive Peace Agreement (CPA) between the Government of Sudan and the Sudan People's Liberation Movement/Army in January 2005.

From October 2008, Japan dispatched 2 GSDF officials to UNMIS headquarters as staff officers (logistics staff and intelligence staff), but UNMIS ended its mission in July 2011, when South Sudan became independent.

Meanwhile, in response to the independence of South Sudan, the United Nations Security Council adopted United Nations Security Council Resolution 1996, with the objective of consolidating peace and security and helping to establish conditions for development of South Sudan, from the perspective of strengthening the capacity of the Government of South Sudan to govern effectively and democratically and to establish good relationships with neighboring countries; as a result, the United Nations Mission in the Republic of South Sudan (UNMISS) was established in July 2011.

In August that year, during his visit to Japan, United Nations Secretary-General Ban Ki-moon asked then Prime Minister Kan to cooperate with UNMISS, particularly in the dispatch of GSDF engineer units. The Government conducted a number of field surveys, from late September to late October that year. In November, the Cabinet approved the dispatch of two staff officers (logistics staff and intelligence staff) to UNMISS, and in December, it decided to dispatch SDF engineer unit, a Coordination Center, and an additional staff officer (engineering staff).

The peace and stability of South Sudan is essential for the stability of Africa as a whole; moreover, it is a crucial issue that should be dealt with by the international community. Therefore, it is necessary for Japan to assist South Sudan in building up the nation. The Ministry of Defense and SDF have accumulated experience through the peacekeeping operations carried out to date, and we believe that it is possible for Japan to contribute to the nation building of South Sudan, by providing personnel-based cooperation in infrastructure development which the United Nations places great expectations on.

(See Fig. III-2-4-6)

(2) Activities by the Self-Defense Forces

The dispatched units consist of Coordination Center and engineer unit. Since January 2012, the Coordination Center has been in Uganda and the South Sudanese capital city Juba, conducting coordination regarding the activities by engineer unit. This Coordination Center, which is the first initiative in the history of the SDF's peacekeeping operations, is expected to make it possible for Japan to provide more effective cooperation in supporting nation building in South Sudan. As of May 2013, the third unit, consisting of about 20 people, is conducting activities on the ground.

With regard to the dispatched engineer unit, the first unit (approximately 210 members), consisting mainly of personnel from the Central Readiness Regiment, began to be deployed in January 2012; the deployment of units and transport of equipment and materials were carried out smoothly, through a combination of civilian sector transport capacity and ASDF transport aircraft, and the deployment of the first unit was completed by the end of March that year. During this period, while constructing an encampment within the United Nations facility, the engineer unit made preparations for conducting activities. In March that year, the engineer unit began to carry out engineering activities within the United Nations facility. Activities outside the United Nations facility began in April 2012. On May 11 that year, the Minister of Defense issued the order for the dispatch of the second unit. Starting with the second unit, the size of the engineer unit increased to around 330 personnel. Moreover, the engineer unit began collaborative work with international organizations in June that year, and began to assist with ODA projects that October. From June 2013, the fourth unit is planned to conduct activities on the ground.

On May 28, the Chief Cabinet Secretary announced to expand the areas where operations would be carried out by the SDF, and on the same day, the Minister of Defense issued an order for expanding the areas in which the dispatched engineer unit can carry out its operations. Through this announcement and order, the action areas of the dispatched engineer unit widened from the areas in and around Juba to areas that also encompass Eastern and Western Equatoria. This expansion was coordinated in response to a request from the U.N., and it will enable Japan to further contribute to South Sudan in nation-building. In view of the requirements of the United Nations, the dispatched engineer unit will start making necessary preparations from June onward. After that, the unit is scheduled to engage in full-scale activities in the expanded areas.

This deployment involves activities in inland areas of Africa. As well as overcoming the environment in Africa, which differs from that in Japan, it is necessary to maintain long-distance transport activities using the various means of transport offered by the GSDF, MSDF and ASDF, in order to deploy the units and provide them with logistical support. Executing these duties will help the SDF to further improve their capabilities.

(See Fig. III-2-4-7, III-2-4-8)

(3) Cooperation Between Japan and Australia in UNMISS

To date, the Ministry of Defense and SDF have engaged in a variety of cooperation with the Australian military in the field, such as in activities to provide humanitarian and reconstruction assistance in Iraq and

United Nations peacekeeping operations. Both Japan and Australia are involved with UNMISS as well; on August 31, 2012, two Australian military personnel were dispatched to assist with liaison at Japan's Coordination Center, where they are engaged in the coordination of UNMISS duties.

6 Dispatch of SDF Personnel to the U.N. Department of Peacekeeping Operations

The Ministry of Defense and SDF dispatch one personnel member to the Military Planning Service, Office of Military Affairs of the U.N. Department of Peacekeeping Operations⁴ to proactively contribute to the U.N. efforts for international peace, and the experience gained by the dispatched personnel is leveraged for Japan's peacekeeping operations and others. The dispatched personnel member is involved in U.N. peacekeeping policy decision making, developing standards, and creating plans for a three-year period starting in January 2011.

See Reference 76

¹ Conflict-related activities carried out under the jurisdiction of the United Nations based on a U.N. Resolution to maintain international peace and stability including ensuring the observance of agreements between combatants regarding the prevention of the recurrence of armed conflict, support for the establishment of governing bodies through democratic means carried out following the end of conflict, and others

² Activities being conducted by the United Nations, other international organizations, or countries based on a humanitarian spirit for the relief of victims of military conflicts, and reconstruction activities in connection with war-related damage. Such activities are initiated in accordance with a U.N. Security Council Resolution or requests from international organizations

³ A general term that refers to functions that support combat, and that maintain and enhance the fighting capabilities of units, such as supply, equipment, retrieval, transport, hygiene, construction, real estate, labor, and staff work

⁴ Since the legal framework for the dispatch of (then) Defense Agency personnel to the U.N. Department of Peacekeeping with the revision of the (then) "Act on Treatment of Personnel of the Defense Agency Dispatched to International Organizations, etc." (Law Number 122 of 1995) in November 2001, an individual from the GSDF was dispatched from December 2002 to June 2005, and from November 2005 to November 2008.

7 Dispatch of Instructors to the PKO Center in Africa

In order to assist in self-supporting endeavors by African countries to undertake peacekeeping operations, the Ministry of Defense and SDF dispatch lecturers to African peacekeeping training centers, in order to educate and train peacekeeping personnel; by strengthening the functions of these peacekeeping training centers, Japan is contributing to peace and stability in Africa. Starting with the deployment to the Cairo Regional Center for Training on Conflict Resolution and Peacekeeping in Africa (CCCPA) in November 2008, a total of eleven SDF personnel (nine deployments and five countries in total), including one female SDF officer, were dispatched over the period to March 2013. The SDF personnel provided education about the experiences and lessons gained by the SDF through their activities overseas, such as lectures concerning the importance of building relationships with local residents in international peace cooperation activities, and the international disaster relief activities that the SDF have experienced. They also participated as instructors in table-top exercises related to peacekeeping operations; as a result, they were highly commended by local staff as well as the audience.

(See Fig. III-2-4-9)

3 International Disaster Relief Operations

In recent years, the role of military capacity has become more diverse and opportunities for its use in disaster relief and humanitarian assistance are growing. For the purpose of contributing to the advancement of international cooperation, the SDF have also engaged in global disaster relief operations proactively from the viewpoint of humanitarian contributions and improvement of the international security environment.

To this end, the SDF maintain their readiness to take any necessary action based on prepared disaster relief operation plans. The SDF has been proactively conducting international disaster relief operations which fully utilize the capabilities of the SDF, while taking into consideration specific relief requests by the governments of affected countries and disaster situations in these countries.

See Reference 70

1 Outline of the Act on Dispatchment of the Japan Disaster Relief Team

Since the enactment of the Japan Disaster Relief Team Dispatch Act in 1987, Japan has engaged in international disaster relief activities in response to requests from the governments of affected countries and international organizations.

In 1992, the Disaster Relief Team Dispatch was partially amended, enabling the SDF to participate in international disaster relief operations and to transport its personnel and equipment for this purpose. Since then, the SDF has maintained its readiness for international disaster relief operations in an independent manner with the use of its own equipment, organizations, and the benefits of regular training.

See Reference 42

2 International Disaster Relief Operations by the SDF and the SDF's Posture

The SDF's capabilities in international disaster relief operations encompass 1) medical services, such as first-aid medical treatment and epidemic prevention, 2) transport of goods, patients, and disaster relief personnel by helicopter and other means, and 3) ensuring water supplies using water-purifying devices. Also, the SDF uses transport planes and ships to carry disaster relief personnel and equipment to the affected area. International disaster relief operations conducted by the SDF may take different forms according to factors such as the scale of the disaster, the degree of damage, and the requests of the governments of affected countries or international organizations. For example, it provided air transport and medical support after the major earthquake in Haiti in January 2010, after receiving a request from the Government of Haiti and consultations with the Foreign Minister.

The Central Readiness Force and regional units of the GSDF maintain their readiness to ensure that they can carry out international disaster relief operations in an independent manner anytime the need arises. The Self Defense Fleet of the MSDF and Air support command of the ASDF maintain their readiness to transport units participating in international disaster relief operations and supplies to the units.

the Central Readiness Regiment under the Central Readiness Force, so that the advance unit can quickly head to the deployment area to carry out preparations once the decision for deployment has been made.

Since 2008, the SDF has implemented, once every year, drills to ensure preparedness for deployment of personnel to international cooperation missions, with the objective of maintaining and improving the capacity to implement swift overseas operations and the ability to precisely execute duties abroad.

In 2009, in order to participate more actively in U.N. peacekeeping operations, Japan registered for the United Nations Stand-by Arrangement System (UNSAS)³. The objective of this system is to make the process faster and smoother for the United Nations to sound out countries for personnel development when implementing peacekeeping operations. As of the end of March 2013, Japan has registered its preparedness to provide SDF personnel capable of providing logistic support for the following activities and operations: 1) medical care (including epidemic prevention measures); 2) transportation; 3) storage (including stockpiling); 4) communications; 5) construction; 6) SDF units capable of logistic support for installation, inspection, and repair of equipment and devices; 7) military observers; and 8) HQ officers.

The SDF also promotes the improvement and enhancement of equipment for international peace cooperation activities. The GSDF has improved a range of vehicles fitted with bulletproof glass and run-flat tires⁴ as well as high capacity generators to enable troops to carry out operations in areas with underdeveloped infrastructure. Moreover, in order to ensure that activities can be carried out under diversified environments, the engines of transport helicopters (CH-47JA) are being upgraded. In addition, in FY2013, efforts are being made to acquire sniper locator devices, which detect the firing position of sniper rifles and other firearms. The MSDF has improved transport ships and helicopter-carrying destroyers that could serve as the bases for helicopter operations overseas. The MSDF is also promoting the portability and deployability of the Marine Air Command and Control System (MACCS) to facilitate the effective operation of fixed-wing patrol aircraft overseas. The ASDF is upgrading its equipment through the acquisition of devices including aviation satellite phones, in order to maintain command communication between aircraft and ground controllers in a range of environments, as well as countermeasure dispensers for transport aircraft, and airborne collision avoidance systems. These items of equipment are also useful for responding to domestic contingencies.

The International Peace Cooperation Activities Training Unit at Camp Komakado (Shizuoka Prefecture) conducts education to GSDF personnel to be deployed to international peace cooperation activities, and also supports training related to international peace cooperation activities. In addition, the International Peace Assistance Center (IPAC) established by the Ministry of Defense as a new educational institution for peacekeeping under the Joint Staff College in March 2010 will launch a basic training course on international peace cooperation activities (the Basic Course on International Peace Cooperation) from October 2011. Furthermore, since FY2012, it has been providing education on international peace cooperation activities tailored to a variety of levels. For example, it provides

specialized education (the Intermediate Course on International Peace Cooperation and the Advanced Course on International Peace Cooperation) to cultivate officers in charge of planning and policymaking associated with the management and implementation of international peace cooperation activities, and staff officers to be deployed at the headquarters of U.N. missions. Including the potential for further expanding the range of people to whom this education is made available. Including the potential for further expanding the range of people to whom this education is made available, the SDF is exploring the possibility of further enhancing the Center as a hub for education focused on international peace cooperation activities.

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- ¹ Activities prescribed in title 8 of the Self-Defense Forces Law (a miscellaneous provision) or supplementary provisions
 - ² Missions defined in Article 3 of the Self-Defense Forces Law. The primary mission is to defend Japan. The secondary missions are the preservation of public order, activities in response to situations in areas surrounding Japan and international peace cooperation activities.
 - ³ This is a system adopted by the United Nations in 1994 in order to facilitate agile deployment for U.N. peacekeeping operations. The system involves member nations registering beforehand the scope of the contribution that they can make, the number of personnel available for dispatch, and the time required for dispatch. However, even when the United Nations approaches member nations with a request for dispatch based on the registered information, it is up to each country to decide whether to actually dispatch personnel or not.
 - ⁴ Tires that allow vehicles to maintain mobility, even when punctured and deflated

4 Welfare and Mental Health Care of Dispatched SDF Units

The SDF personnel are expected to fulfill their assigned duty under severe working conditions while being far away from their home country and their families. Therefore, it is extremely important to make necessary arrangements so that dispatched SDF personnel can effectively carry out the assigned duty while maintaining both their physical and mental health.

The Ministry of Defense and the SDF have taken a series of measures to ease the anxiety of SDF members dispatched overseas for participation in international peace cooperation activities and the anxieties of their families in Japan so that the members can devote themselves to their assigned duties with peace of mind.

Specific welfare services for deployed SDF members include facilitating direct communication between SDF members on deployment and their families in Japan by such means as e-mail and video conference systems, in order to enable them to maintain close bonds with their families in Japan. In addition, troops and their families exchange recorded video correspondence. Moreover, briefing sessions for families of the dispatched members are held to provide them with a variety of information, and family support centers and family counseling rooms have been established to respond to various questions raised by the families.

The SDF also offers mental health care services, such as a course on stress reduction methods for SDF members with scheduled dispatch when engaging in overseas missions, and dispatched SDF members can consult with designated counselors who have completed specialized training. Such counselors provide dispatched members with sufficient mental care. As well as assigning medical officers to SDF units engaged in overseas missions, the Ministry of Defense regularly sends mental healthcare support teams led by qualified psychiatrists from Japan and provides education on methods of dealing with stress on the spot, as well as important points to consider in communication with families or fellow SDF members after returning to Japan. Upon completion of the mission or return of mission personnel, ad-hoc special health examinations and mental health checks will be conducted.

5. Discussions on Approaches to International Peace Cooperation

The peace and stability of the international community serves as the foundation of Japan's peace and prosperity. Therefore, it is necessary for Japan to flexibly respond to various efforts for international peace cooperation and promote appropriate cooperation. From the perspective of further contributing to the peace and stability of the international community, the Ministry of Defense believes that the government as a whole should consider so-called a "general law" for international peace cooperation activities, taking into account such discussions that have taken place as in the Diet sessions.

2 Efforts to Support U.N. Peacekeeping Operations, etc.

As a means to promote peace and stability in the regions of conflict around the world, the United Nations

Peacekeeping Operations (PKO) has expanded its missions in recent years to include such duties as providing assistance in disarmament, demobilization and reintegration (DDR) into society of former soldiers, security sector reform (SSR), elections, human rights, the rule of law, the promotion of political processes, the protection of civilians (POC), and other fields, in addition to such traditional missions as ceasefire monitoring. Today, 14 PKO and 13 political and peace building missions are being implemented (as of the end of May 2013).

International organizations, such as the Office of the United Nations High Commissioner for Refugees (UNHCR), governments and non-governmental organizations (NGO) conduct relief and reconstruction activities for the victims of conflicts and large-scale disasters from a humanitarian perspective and from the viewpoint of stabilizing affected countries.

Japan, in a bid to fulfill a role commensurate with its international status and responsibilities, has been cooperating both in terms of funding and personnel, with global efforts being led mainly by the United Nations to build a peaceful and stable international community.

As part of their cooperation in the realm of human resources, the Ministry of Defense and SDF are actively engaging in international peace cooperation activities, based on the International Peace Cooperation Act.

1 Outline of the International Peace Cooperation Act

The International Peace Cooperation Act, enacted in 1992, is designed to allow Japan to actively contribute to global efforts led mainly by the United Nations to achieve peace and stability in the international community by establishing a structure for Japan to appropriately and swiftly cooperate in 1) U.N. peacekeeping operations¹, 2) humanitarian international relief operations², and 3) international election monitoring activities. The law also enables Japan to implement measures for providing assistance in the form of supplies in response to each of the three activities listed above.

The law stipulates a set of basic guidelines (so-called five principles for participation) for Japan's participation in a U.N. peacekeeping force.

(See Fig. III-2-4-2)

See References 42, 43

2 United Nations Disengagement Observer Force (UNDOF)

(1) Background of Dispatch to UNDOF

UNDOF is a U.N. peacekeeping force that carries out such missions as monitoring the ceasefire between Syria and Israel in the Golan Heights and monitoring the status of implementing the agreement on disengagement.

In December 1995, the Government of Japan decided to dispatch an SDF unit, etc. to UNDOF, and the first transport unit composed of 43 members was dispatched to the Golan Heights in February 1996 to

replace the transport unit of Canada. Since then, replacement unit have been dispatched every six months until February 2008, when the SDF changed the dispatch format to replacing only the team members while maintaining the unit, and reorganized the transport unit dispatched to the Golan Heights.

However, since the spring of 2011, the ongoing deterioration of the situation in Syria has also had a serious impact on the Golan Heights, to the extent that it has hindered the activities of UNDOF. As the government came to recognize that it was difficult to conduct meaningful activities while ensuring the safety of Japanese personnel, it decided to withdraw the transport unit and staff officers assigned to headquarters. In response, on December 21, 2012, then-Minister of Defense Morimoto issued the order to cease operations and the SDF's activities with UNDOF came to an end with the return home of personnel in January 2013. When withdrawing from UNDOF, Japan granted the SDF equipment including trucks and bulldozers to the United Nations based on its request.

(See Fig. III-2-4-3)

(2) SDF Activities

Between February 1996 and January 2013, Japan dispatched a total of about 1,500 SDF personnel to UNDOF; this period of almost 17 years marked the longest-ever participation by Japan in a single peacekeeping operation. The SDF transport units transported daily commodities for UNDOF activities, as well as providing logistical support for the repair of roads and snow clearing in mountainous areas with an altitude of over 2,800m during the 34 times of deployment. Over the course of their deployments, the units transported 35,200 tons of supplies and 79,500 people required for UNDOF activities, covering a distance in excess of 3.4 million km, which is the equivalent of circumnavigating the globe 85 times.

Moreover, the three staff officers at UNDOF headquarters (two staff officers until the 13th deployment) carried out planning and coordination related to logistical support fields, such as transport, as well as duties relating to PR and budgeting for UNDOF activities. The staff officers were replaced almost annually until 17th deployed officers terminate their activities in January 2013.

SDF's participation in UNDOF was of great significance in terms of Japan's personnel-based assistance for the Peace in Middle East, and the experience in UNDOF was steadily passed on and reflected in its humanitarian and reconstruction support activities in Iraq, and its international peace cooperation activities in Haiti and South Sudan.

3 United Nations Stabilization Mission in Haiti (MINUSTAH)

(1) Background of Dispatch to MINUSTAH

A major earthquake struck Haiti in January 2010, causing the deaths of over 310,000 people. In response, Japan dispatched a Japan Disaster Relief Medical Team the day after the disaster, consisting primarily of civilian doctors, as well as the SDF international disaster relief medical unit.

The same month, the U.N. Security Council adopted Resolution 1908 to increase the strength of the United Nations Stabilization Mission in Haiti (MINUSTAH) to support efforts for immediate recovery,

reconstruction, and stability following the earthquake, and requested member states to dispatch troops. In response, the Japanese Cabinet granted approval in February that year for the dispatch of a GSDF unit (approximately 350 personnel) to MINUSTAH, as well as two staff officers to serve at the MINUSTAH headquarters (logistics³ staff and engineering staff). Since then, units have been dispatched in 6-months-rotations to provide support to the disaster-afflicted area through the clearance of rubble and leveling of the ground.

In July 2012, Japan decided to start preparations to withdraw the unit, as the government of Japan has reached the conclusion that the SDF had made sufficient contributions to the recovery of Haiti in the aftermath of the earthquake, given that two and a half years had passed since the earthquake. In October that year, then-Minister of Defense Satoshi Morimoto issued the order to cease operations. Based on this order, the SDF personnel progressively withdrew after completing their withdrawal tasks, over the period to February 2013, when the SDF's activities in MINUSTAH came to an end.

Moreover, Japan has granted the equipment and materials of the SDF to the Haitian government and prefabricated housings held within the encampment to the United Nations at the request of both parties, with the aim of contributing to economic and social development of Haiti and the activities of MINUSTAH even after the withdrawal and repatriation of Japanese personnel.

(See Fig. III-2-4-4)

(2) SDF Activities

Whereas it conventionally took several months to prepare for a deployment, in this case, the first unit of personnel, composed primarily of troops from the GSDF Central Readiness Force, completed their preparations about two weeks after receiving the preparation order from the Minister of Defense. It was on February 6, 2012, a day after the deployment order was issued, that the unit began its deployment to the disaster site from Japan. While developing land for an encampment in the capital city, Port-au-Prince, the first unit of personnel began its relief operation as one of the U.N. PKO units on February 16. Such a speedy dispatch was made possible due to 1) the fact that an SDF international emergency medical aid unit was conducting activities in Haiti, making it easier to gain a clear picture of the situation on the ground; 2) the experience accumulated through numerous overseas missions; and 3) the fact that the unit consisted primarily of units from the GSDF Central Readiness Force, which conducts advance preparation activities on a daily basis.

The deployment of the units in Haiti was carried out smoothly through private transportation means, as well as ASDF C-130H military transport aircraft, among others.

To date, the SDF has dispatched a total of approximately 2,200 personnel over the course of about three years, marking the longest-ever participation by an SDF engineer unit in a single peacekeeping operation. The unit deployed swiftly at the request of the United Nations, with deployment commencing about two weeks after receiving the order to prepare. Once on the ground, the deployed unit conducted activities aimed at the recovery and reconstruction of Haiti, using heavy machinery such as bulldozers to

remove the massive amounts of rubble generated by the earthquake, building and repairing camps for evacuees, repairing roads along the border with the Dominican Republic, and constructing facilities for orphaned children.

Moreover, the SDF made effective use of Japan's technical knowledge and experience for the activities besides conducting reconstruction work itself; dispatching experts in earthquake-resistance assessment, at the request of the United Nations, to assess the earthquake-resistance of buildings, and providing training in the operation and maintenance of engineer equipment at the request of the government of Haiti, as a project called the "Kizuna (Bond) Project." In addition, wide-ranging support activities have been carried out, such as effective collaboration with ODA support provided by Japan, NGOs, international organizations, and various countries' troops.

Regarding the relationship with U.S. forces, the SDF has participated and cooperated in the humanitarian assistance initiatives of the U.S. forces, as a member of MINUSTAH, as well as collaboration in various operational fields, such as in the use of U.S. bases in California as relay bases between Haiti and Japan for the dispatch and replacement of personnel.

These activities have been highly praised by the United Nations and international community for improving Haitian people's skills in handling and maintaining engineer equipment, as well as contributing to the reconstruction and rehabilitation of Haiti.

4 United Nations Integrated Mission in Timor-Leste (UNMIT)

(1) Background of Dispatch to UNMIT

After a peace agreement was reached in April 1999, Timor-Leste became independent in May 2002, receiving support from successive U.N. missions. In 2006, however, the security situation deteriorated again, so the United Nations Integrated Mission in Timor-Leste (UNMIT) was established in August 2006 with the objective of restoring and maintaining stability.

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(See Fig. III-2-4-5)

(2) Activities Implemented by Dispatched Personnel

Between September 2010 and September 2012, Japan dispatched a total of eight military liaison officers. UNMIT was established to restore and maintain public order. Under this mission, civilian police officers provided local police with assistance through training and other activities while military liaison officers monitored the security situation until a national police service was rebuilt. As part of this mission, the two unarmed Japanese military liaison officers dispatched by Japan participate in unarmed operations were

deployed in various zones across Timor-Leste. They visited leaders of local administrative bodies, the international security forces deployed by Australia and New Zealand, the national forces of Timor-Leste, the national police, and the national armed forces of Indonesia in order to collect intelligence on issues such as the security situation in Timor-Leste, and the state of the economy, education, medical care, and social infrastructure. Moreover, the military liaison officers actively engaged in interaction with local citizens through volunteer activities, such as visiting local schools and orphanages to provide an introduction to Japanese culture.

5 United Nations Mission in the Republic of South Sudan (UNMISS)

(1) Background to the decision to dispatch personnel to UNMISS

In Sudan, the United Nations Mission in Sudan (UNMIS) was established following the signing of the Comprehensive Peace Agreement (CPA) between the Government of Sudan and the Sudan People's Liberation Movement/Army in January 2005.

From October 2008, Japan dispatched 2 GSDF officials to UNMIS headquarters as staff officers (logistics staff and intelligence staff), but UNMIS ended its mission in July 2011, when South Sudan became independent.

Meanwhile, in response to the independence of South Sudan, the United Nations Security Council adopted United Nations Security Council Resolution 1996, with the objective of consolidating peace and security and helping to establish conditions for development of South Sudan, from the perspective of strengthening the capacity of the Government of South Sudan to govern effectively and democratically and to establish good relationships with neighboring countries; as a result, the United Nations Mission in the Republic of South Sudan (UNMISS) was established in July 2011.

In August that year, during his visit to Japan, United Nations Secretary-General Ban Ki-moon asked then Prime Minister Kan to cooperate with UNMISS, particularly in the dispatch of GSDF engineer units. The Government conducted a number of field surveys, from late September to late October that year. In November, the Cabinet approved the dispatch of two staff officers (logistics staff and intelligence staff) to UNMISS, and in December, it decided to dispatch SDF engineer unit, a Coordination Center, and an additional staff officer (engineering staff).

The peace and stability of South Sudan is essential for the stability of Africa as a whole; moreover, it is a crucial issue that should be dealt with by the international community. Therefore, it is necessary for Japan to assist South Sudan in building up the nation. The Ministry of Defense and SDF have accumulated experience through the peacekeeping operations carried out to date, and we believe that it is possible for Japan to contribute to the nation building of South Sudan, by providing personnel-based cooperation in infrastructure development which the United Nations places great expectations on.

(See Fig. III-2-4-6)

(2) Activities by the Self-Defense Forces

The dispatched units consist of Coordination Center and engineer unit. Since January 2012, the Coordination Center has been in Uganda and the South Sudanese capital city Juba, conducting coordination regarding the activities by engineer unit. This Coordination Center, which is the first initiative in the history of the SDF's peacekeeping operations, is expected to make it possible for Japan to provide more effective cooperation in supporting nation building in South Sudan. As of May 2013, the third unit, consisting of about 20 people, is conducting activities on the ground.

With regard to the dispatched engineer unit, the first unit (approximately 210 members), consisting mainly of personnel from the Central Readiness Regiment, began to be deployed in January 2012; the deployment of units and transport of equipment and materials were carried out smoothly, through a combination of civilian sector transport capacity and ASDF transport aircraft, and the deployment of the first unit was completed by the end of March that year. During this period, while constructing an encampment within the United Nations facility, the engineer unit made preparations for conducting activities. In March that year, the engineer unit began to carry out engineering activities within the United Nations facility. Activities outside the United Nations facility began in April 2012. On May 11 that year, the Minister of Defense issued the order for the dispatch of the second unit. Starting with the second unit, the size of the engineer unit increased to around 330 personnel. Moreover, the engineer unit began collaborative work with international organizations in June that year, and began to assist with ODA projects that October. From June 2013, the fourth unit is planned to conduct activities on the ground.

On May 28, the Chief Cabinet Secretary announced to expand the areas where operations would be carried out by the SDF, and on the same day, the Minister of Defense issued an order for expanding the areas in which the dispatched engineer unit can carry out its operations. Through this announcement and order, the action areas of the dispatched engineer unit widened from the areas in and around Juba to areas that also encompass Eastern and Western Equatoria. This expansion was coordinated in response to a request from the U.N., and it will enable Japan to further contribute to South Sudan in nation-building. In view of the requirements of the United Nations, the dispatched engineer unit will start making necessary preparations from June onward. After that, the unit is scheduled to engage in full-scale activities in the expanded areas.

This deployment involves activities in inland areas of Africa. As well as overcoming the environment in Africa, which differs from that in Japan, it is necessary to maintain long-distance transport activities using the various means of transport offered by the GSDF, MSDF and ASDF, in order to deploy the units and provide them with logistical support. Executing these duties will help the SDF to further improve their capabilities.

(See Fig. III-2-4-7, III-2-4-8)

(3) Cooperation Between Japan and Australia in UNMISS

To date, the Ministry of Defense and SDF have engaged in a variety of cooperation with the Australian military in the field, such as in activities to provide humanitarian and reconstruction assistance in Iraq and

United Nations peacekeeping operations. Both Japan and Australia are involved with UNMISS as well; on August 31, 2012, two Australian military personnel were dispatched to assist with liaison at Japan's Coordination Center, where they are engaged in the coordination of UNMISS duties.

6 Dispatch of SDF Personnel to the U.N. Department of Peacekeeping Operations

The Ministry of Defense and SDF dispatch one personnel member to the Military Planning Service, Office of Military Affairs of the U.N. Department of Peacekeeping Operations⁴ to proactively contribute to the U.N. efforts for international peace, and the experience gained by the dispatched personnel is leveraged for Japan's peacekeeping operations and others. The dispatched personnel member is involved in U.N. peacekeeping policy decision making, developing standards, and creating plans for a three-year period starting in January 2011.

See Reference 76

¹ Conflict-related activities carried out under the jurisdiction of the United Nations based on a U.N. Resolution to maintain international peace and stability including ensuring the observance of agreements between combatants regarding the prevention of the recurrence of armed conflict, support for the establishment of governing bodies through democratic means carried out following the end of conflict, and others

² Activities being conducted by the United Nations, other international organizations, or countries based on a humanitarian spirit for the relief of victims of military conflicts, and reconstruction activities in connection with war-related damage. Such activities are initiated in accordance with a U.N. Security Council Resolution or requests from international organizations

³ A general term that refers to functions that support combat, and that maintain and enhance the fighting capabilities of units, such as supply, equipment, retrieval, transport, hygiene, construction, real estate, labor, and staff work

⁴ Since the legal framework for the dispatch of (then) Defense Agency personnel to the U.N. Department of Peacekeeping with the revision of the (then) "Act on Treatment of Personnel of the Defense Agency Dispatched to International Organizations, etc." (Law Number 122 of 1995) in November 2001, an individual from the GSDF was dispatched from December 2002 to June 2005, and from November 2005 to November 2008.

7 Dispatch of Instructors to the PKO Center in Africa

In order to assist in self-supporting endeavors by African countries to undertake peacekeeping operations, the Ministry of Defense and SDF dispatch lecturers to African peacekeeping training centers, in order to educate and train peacekeeping personnel; by strengthening the functions of these peacekeeping training centers, Japan is contributing to peace and stability in Africa. Starting with the deployment to the Cairo Regional Center for Training on Conflict Resolution and Peacekeeping in Africa (CCCPA) in November 2008, a total of eleven SDF personnel (nine deployments and five countries in total), including one female SDF officer, were dispatched over the period to March 2013. The SDF personnel provided education about the experiences and lessons gained by the SDF through their activities overseas, such as lectures concerning the importance of building relationships with local residents in international peace cooperation activities, and the international disaster relief activities that the SDF have experienced. They also participated as instructors in table-top exercises related to peacekeeping operations; as a result, they were highly commended by local staff as well as the audience.

(See Fig. III-2-4-9)

3 International Disaster Relief Operations

In recent years, the role of military capacity has become more diverse and opportunities for its use in disaster relief and humanitarian assistance are growing. For the purpose of contributing to the advancement of international cooperation, the SDF have also engaged in global disaster relief operations proactively from the viewpoint of humanitarian contributions and improvement of the international security environment.

To this end, the SDF maintain their readiness to take any necessary action based on prepared disaster relief operation plans. The SDF has been proactively conducting international disaster relief operations which fully utilize the capabilities of the SDF, while taking into consideration specific relief requests by the governments of affected countries and disaster situations in these countries.

See Reference 70

1 Outline of the Act on Dispatchment of the Japan Disaster Relief Team

Since the enactment of the Japan Disaster Relief Team Dispatch Act in 1987, Japan has engaged in international disaster relief activities in response to requests from the governments of affected countries and international organizations.

In 1992, the Disaster Relief Team Dispatch was partially amended, enabling the SDF to participate in international disaster relief operations and to transport its personnel and equipment for this purpose. Since then, the SDF has maintained its readiness for international disaster relief operations in an independent manner with the use of its own equipment, organizations, and the benefits of regular training.

See Reference 42

2 International Disaster Relief Operations by the SDF and the SDF's Posture

The SDF's capabilities in international disaster relief operations encompass 1) medical services, such as first-aid medical treatment and epidemic prevention, 2) transport of goods, patients, and disaster relief personnel by helicopter and other means, and 3) ensuring water supplies using water-purifying devices. Also, the SDF uses transport planes and ships to carry disaster relief personnel and equipment to the affected area. International disaster relief operations conducted by the SDF may take different forms according to factors such as the scale of the disaster, the degree of damage, and the requests of the governments of affected countries or international organizations. For example, it provided air transport and medical support after the major earthquake in Haiti in January 2010, after receiving a request from the Government of Haiti and consultations with the Foreign Minister.

The Central Readiness Force and regional units of the GSDF maintain their readiness to ensure that they can carry out international disaster relief operations in an independent manner anytime the need arises. The Self Defense Fleet of the MSDF and Air support command of the ASDF maintain their readiness to transport units participating in international disaster relief operations and supplies to the units.

3 Japanese Initiatives

1 Legislation Concerning Anti-piracy Activities

In March 2009, after receiving the approval of the Prime Minister based on a Cabinet decision under the provisions of Article 82 of the Self-Defense Forces Act, the Minister of Defense gave the order for Maritime Security Operations in order to protect Japan-affiliated vessels from acts of piracy.

Following this order, two Japanese destroyers (Sazanami and Samidare) departed from Japan and began escorting Japan-affiliated vessels in the same month. Moreover, to conduct more effective anti-piracy operations over an extensive marine area, an order was given in May to dispatch P-3C patrol aircraft, and these aircraft commenced warning and surveillance operations in the Gulf of Aden in June the same year.

In order to deal appropriately and effectively with acts of piracy by punishing, deterring and cracking down on such acts, regardless of the nationalities of those involved or the flag states of the vessels concerned in view of the United Nations Convention on the Law of the Sea, Japan subsequently enacted the Act concerning the Punishment of Acts of Piracy and Measures to Deal with Acts of Piracy (the Anti-Piracy Measures Act) in July the same year.

This law made it possible to protect the vessels of all nations from acts of piracy, regardless of their flag states; moreover, it became possible to use weapons to a reasonable extent, if no other means were available, in order to halt vessels engaging in acts of piracy, such as approaching civilian vessels.

See References 42, 43, 67, 68

2 Activities by the Self-Defense Forces

(1) Achievements

The two destroyers are currently escorting civilian vessels back and forth across the Gulf of Aden. The escort method firstly involves forming the convoy at the assembly point (there are two assembly points for escorting designated at the eastern and western ends of the Gulf). When the convoy sails across the Gulf of Aden, the destroyers guard the front and rear of the convoy; and helicopters carried on the destroyers also watch the surrounding area from the sky. In this way, the ships take around two days to sail the 900km or so distance across the Gulf of Aden, all the while making absolutely certain that the convoy is safe and secure, day and night. Moreover, there are eight JCG officers aboard the destroyers¹ and the Self-Defense Forces cooperate with the JCG to enable them to conduct judicial law enforcement activities, as required. As of April 30, 2013, not a single vessel has come to any harm from pirates under the protection of the destroyers that had escorted 3,068 vessels, and they have passed safely across the Gulf of Aden. In this body of water, which is a major artery for the economy not only of Japan, but also of the whole world, the escort activities undertaken by the Self-Defense Forces provide a tremendous sense of security.

During the non-monsoon season (March - May, September - November), when the area within

which acts of piracy become active because of the calmer seas, the escort route is extended by approximately 200km to the east.

(See Fig. III-2-3-2)

In addition, the maritime patrol aircraft (P-3C) based in the Republic of Djibouti makes use of their excellent cruising capability in conducting surveillance operations in the Gulf of Aden, which covers an area as large as the territory of Japan. The P-3Cs taking off from Djibouti watch whether there are suspicious boats among numerous ships navigating in the Gulf. At the same time, they provide information to the destroyers engaging in escort activities, the naval vessels of other countries and civilian vessels sailing through the area, responding by such means as confirming the safety of the surrounding area immediately, if requested. The Self-Defense Forces which is dispatching two P-3Cs conduct warning and surveillance activities almost every day, while cooperating with other countries which are also dispatching maritime patrol aircraft to the area.

The information gathered by the Self-Defense Forces P-3Cs is shared with the units dispatched to the area by countries such as the U.S. and other related organizations engaging in anti-piracy activities, and is making a significant contribution to deterring acts of piracy and disarming vessels suspected of being pirate ships.

Since commencing duties in June 2009, the aircraft had flown 887 missions as of April 30, 2013, and their flying hours totaled 6,880 hours. Approximately 68,500 ships have been identified and information has been provided to vessels navigating the area and other countries engaging in anti-piracy operations on around 7,700 occasions.

Moreover, in conducting these anti-piracy operations, as well as guarding the P-3Cs and other equipment at the operational facility, Ground Self-Defense Force personnel also serve at the headquarters of the air units, forming the first joint force in the history of the Self-Defense Forces. In addition, the Air Self-Defense Force has formed an airlift squadron to support these activities, consisting of transport aircraft (C-130H) and multipurpose support aircraft (U-4).

(See Fig. III-2-3-3)

(2) The Necessity of Continuing Anti-piracy Operations

Although the number of acts of piracy occurring in the waters off the coast of Somalia and in the Gulf of Aden declined substantially in 2012, compared with 2011, the situation still remains unpredictable, in light of the previous high level of pirate activity. Moreover, the Japanese Shipowners' Association and other entities are still requesting the Self-Defense Forces to continue their anti-piracy operations; in addition, international organizations such as NATO and the EU have decided to continue their operations. Therefore, there is no great change in the situation in which Japan must carry out its anti-piracy operations.

(3) Running the Self-Defense Forces Operational Facility in Djibouti Running

In order to operate the Deployed Air Units for Anti-Piracy Operations in an efficient and effective manner,

the Ministry of Defense and Self-Defense Forces established an operational facility in the northwestern zone of Djibouti-Ambouli International Airport, and the facility commenced operations in June 2011.

Moreover, as anti-piracy operations have gained momentum, the new Djibouti Local Coordination Center was opened in July 2012, in order to deal with the increase in local liaison and coordination duties with the government of Djibouti and the various foreign military units and organizations.

¹ If required, they conduct judicial police activities, such as arresting and questioning pirates.

4 Praise for Japan's Endeavors

The anti-piracy operations by the Japan Self-Defense Forces have been highly praised by the international community, with national leaders and others expressing their gratitude. Moreover, the MSDF, which is engaging in anti-piracy operations off the coast of Somalia and in the Gulf of Aden, has received many messages from the captains and shipowners of the vessels that its units have escorted, expressing their gratitude that the ships were able to cross the Gulf of Aden with peace of mind and asking them to continue escorting ships there. From the first to the 13th unit, a total of 2,370 messages have been received.

Thus, the SDF have contributed to the safe passage of vessels, with no acts of piracy whatsoever taking place to date during their escort activities.

<Message from a Ship's Captain to the 13th Dispatched Unit >

“On behalf of my crew, I would like to express my gratitude for your escort. Thanks to your professional escort, we were able to cross the most dangerous waters safely, without any worries at all. Furthermore, I am proud of the duties that you are fulfilling, cooperating with the navies of other countries to escort defenseless merchant ships. I am confident that your activities will assist in stabilizing this lawless area, ensuring safe navigation. Please accept my best wishes for you and your crew.”

cooperation.

Furthermore, at the fourth Japan-Australia “2+2” meeting in September 2012, which was the first of these meetings to be held in Australia, both countries affirmed the importance of sharing a common vision and goals, and issued a joint statement entitled Common Vision and Objectives agreeing to further expand defense cooperation between Japan and Australia.

¹ Official title: The Agreement between the Government of Japan and the Government of Australia concerning reciprocal provision of supplies and services between the Self- Defense Forces of Japan and the Australian Defense Force

2 Recent Major Achievements in Defense Cooperation and Exchange

In terms of policy, at the September 2012 talks between the defense ministers of Japan and Australia, the two countries decided to coordinate arrangements with a view to hosting officials from the Australian Government Department of Defence at the Japanese Ministry of Defense, as a form of personnel exchange in the field of support for capacity building. They also agreed to establish architecture at the vice-ministerial level and working level as a framework for discussions on cooperation in the field of equipment technology.

Minister of Defense Onodera and Minister for Defense Smith exchanged views on bilateral defense cooperation during the talks in June 2013 on the margins of the 12th Shangri-La Dialogue. In this talks, they welcomed the progress of a wide range of practical cooperation including the United Nations Mission in the Republic of South Sudan (UNMISS) in addition to high-level and administrative level consultations, and agreed on advancing defense cooperation and exchanges at various levels in the future.

In addition, the ASDF Chief of Staff visited Australia in February 2013, holding informal discussions with the Australia Chief of Air Force, at which they exchanged opinions concerning such matters as the deepening of defense cooperation and exchange between the ASDF and the Royal Australian Air Force.

In terms of operational aspects, two personnel from the Australian Defence Force have been providing support for liaison and coordination with relevant organizations, including the United Nations, at UNMISS since August 2012. Furthermore, in the field of training and exercises, as well as the bilateral training exercise between Japan and Australia in June last year, in which Australian naval vessels and aircraft participated, MSDF naval vessels and aircraft participated in the Kakadu 12 multinational joint naval exercise organized by the Royal Australian Navy two months later. Moreover, at Cope North Guam, the trilateral training exercise involving Japan, the U.S., and Australia held in February 2013, the ASDF conducted humanitarian assistance and disaster relief (HA/DR) training with the U.S. Air Force and the Royal Australian Air Force for the first time. In May this year, following on from last year, the GSDF participated in a shooting competition organized by the Australian Army.

(See Reference 59)

3. The Cooperative Relationship Between Japan, the U.S., and Australia

Japan and Australia are both allied with the United States, and share fundamental values. They cooperate closely in order to resolve the various challenges the Asia-Pacific region and the international community are facing. In order to ensure the effectiveness and efficiency of such cooperation, it is important that trilateral cooperation be promoted among Japan, the United States, and Australia, whose presence is indispensable for regional peace and stability.

The Japan-U.S.-Australia Defense Ministers Meeting was held at the 12th Shangri-La Dialogue in June 2013 and the Joint Statement was issued. In the Meeting, the three nations exchanged views on the

regional security situation, and shore the recognition that that North Korea constitutes a serious destabilizing factor for to the entire East Asia region. In addition, they discussed opportunities for strengthening trilateral cooperative efforts, through information sharing, joint training and exercise coordination, and agreed to conduct a joint study on defense capability building efforts in Southeast Asia and Oceania. Moreover, they set strategic goals resolution for trilateral cooperation such as peaceful settlement of disputes in accordance with international laws and the freedom of navigation and maritime security in the regions sea lanes, Building on strategic goals, they agreed to promote a dynamic and flexible trilateral defense relationship in order to enhance the security and prosperity of the region. The regional security and prosperity as well as promoting dynamic and flexible trilateral cooperation.

At the working level too, the Security and Defense Cooperation Forum (SDCF), which is a Director General-level meeting among the three countries, has been held five times since April 2007, with discussions taking place on such issues as coordinated promotion of trilateral defense cooperation.

It is important for the three countries to develop a shared understanding of the situation and coordinate policies through such discussions and cooperation as well as making effective use of ACSA to further develop and deepen the collaborative relationship among them, three counties, via more proactive promotion of trilateral cooperation in such operational areas such as disaster relief and joint exercises.

In terms of training and exercises, the MSDF, the U.S. Navy, and the Royal Australian Navy held the sixth trilateral exercise in September 2012. Moreover, following on from the previous year, the ASDF, the U.S. Air Force, and the Royal Australian Air Force held the Japan-U.S.-Australia exercise “Cope North Guam” in Guam in February 2013. Furthermore, in May this year, the GSDF, the U.S. Army, and the Australian Army held the first trilateral training in Australia.

2 Japan–Republic of Korea Defense Cooperation and Exchanges

1 The Significance of Defense Cooperation and Exchange with Republic of Korea

The Republic of Korea (ROK) has historically maintained close relations with Japan in economic, cultural, and other areas, and is extremely vital to Japan in geopolitical terms. In addition, as well as sharing fundamental values, the two countries share many strategic interests as allies of the United States. Therefore, even if difficult issues occasionally arise, close collaboration between the two countries on the security front has enormous significance for the peace and stability of the Asia-Pacific region.

Both Japan and the ROK are confronted with wide-ranging and complex security challenges including not only the North Korean nuclear and missile issues, but also counter-terrorism, peacekeeping operations, large-scale natural disasters, anti-piracy measures, and maritime security. In order for the two countries to deal effectively with such challenges, it is important to carry out more broad-ranging and concrete defense cooperation and exchanges.

With this in mind, at talks between the defense ministers of the two countries held in January 2011, it was agreed to further exchange views concerning an ACSA to enable reciprocal provision of water,

food, fuel, and so on in PKO activities, humanitarian support, disaster relief, etc. Furthermore, also it was agreed to proceed with negotiations concerning the content of an agreement on the protection of military information between the defense authorities of the two countries.

2 Recent Major Achievements in Defense Cooperation and Exchange

After the defense ministers' talks in January 2011, working-level discussions have been held concerning an ACSA and the information security agreement between the foreign affairs and defense authorities of the two countries. Although signing of the information security agreement was due to take place in June 2012, it was postponed just before the signing ceremony at the request of the ROK side, due to the domestic situation.

With regard to the Japan-ROK defense exchange in 2012, there has been no progress at high level and exchanges have been achieved mainly in the field of education and research. At the working level, for example, Japan-ROK Working-level Defense Dialogue was carried out in March 2013, which shows our continuous efforts at policy discussions and intelligence sharing.

(See Reference 60)

3. The Cooperative Relationship Between Japan, the U.S., and the ROK

As both Japan and the ROK are allied with the United States, which plays an indispensable role for the peace and stability of the Asia-Pacific region, trilateral cooperation among Japan, the United States, and the ROK has been developing.

In January 2013, Defense Trilateral Talks were held among Japan, the U.S. and the ROK, at which opinions were exchanged concerning various security issues surrounding the three countries, such as the regional situation including the North Korean situation, humanitarian assistance and disaster relief, and the nonproliferation of weapons of mass destruction, and all participants affirmed that their countries would cooperate closely.

At the 12th Shangri-La Dialogue in June 2013, the Japan-U.S.-ROK Defense Ministers Conference was held and a trilateral joint statement was issued. In the conference, the three ministers shared recognition of the regional security situations, including North Korea and agreed to firmly request North Korea to abandon all nuclear development programs and continue close coordination against any further provocations by North Korea along with reaffirming the significance of trilateral cooperation. In addition, they agreed to expand trilateral efforts in anti-piracy activities off the coast of Somalia and in the Gulf of Aden, humanitarian assistance and disaster relief, search and rescue training, and counter-proliferation.

Japan-U.S.-ROK naval exercises took place, in the waters south of the Korean Peninsula in June 2012, in the waters around Hawaii in August of the same year, and in waters west of Kyushu in May 2013, to strengthen the coordination and cooperation among the three countries. It is important to further develop cooperative relations among Japan, the U.S., and the ROK in this way, in order to contribute to

the peace and stability of the region.

3 Japan–India Defense Cooperation and Exchanges

1 The Significance of Defense Cooperation and Exchange with India

India is located in the center of sea lanes which connect Japan with the Middle East and Africa, making it an extremely important country in a geopolitical sense for Japan, which relies on maritime transportation for most of its trade. Furthermore, Japan and India share fundamental values, as well as having a common interest in the peace, stability, and prosperity of Asia and the world, and have constructed a strategic global partnership. Therefore, in recent years both Japan and India have been strengthening relations in security areas.

In October 2008, the Prime Ministers of Japan and India signed the Joint Declaration on Security Cooperation between Japan and India (Joint Declaration). This is the third country with which a joint declaration has been signed in the area of security, following similar declarations with the United States and Australia. The declaration serves as a guideline for future cooperation in the field of security between Japan and India, covering such areas as meetings and discussions between defense officials at the ministerial, vice-ministerial, and director general level, as well as inter-military exchange including bilateral and multinational exercises.

Moreover, in December 2009, the Prime Ministers of Japan and India formulated the Action Plan to promote security cooperation between their two countries. The Action Plan includes items for the actual promotion of cooperation in maritime security such as cooperation in anti-piracy activities and the holding of joint exercises at sea.

Furthermore, in December 2011, when the then Prime Minister Noda visited India, he agreed to further efforts to reinforce the Strategic Global Partnership between Japan and India, as well as strengthening cooperation in the field of maritime security, in regard to the political and security-related aspects. These outcomes were issued as the Japan-India Joint Statement.

Upon Prime Minister of India Singh's visit to Japan in May 2013, the prime ministers of Japan and India welcomed the expanding defense relations between the two countries based on the Joint Declaration on Security Cooperation between Japan and India. Also they signed the joint statement in which they decided to conduct on a regular basis and with increased frequency bilateral exercises between the Japan Maritime Self-Defense Force and the Indian Navy and to establish a joint Working Group regarding the US-2 amphibian aircraft.

2 Recent Major Achievements in Defense Cooperation and Exchange

In November 2011, Indian Defense Minister visited Japan and held talks with the Japanese Minister of Defense. At these talks, as well as exchanging opinions concerning the regional security situation, the two ministers concurred regarding the importance of the cooperative relationship between Japan and India in

the field of maritime security.

Moreover, Indian Defence Secretary Shashikant Sharma and Indian Foreign Secretary Ranjan Mathai visited Japan in October 2012 for the second Japan-India vice-ministerial level “2+2” dialogue, at which the participants agreed to further strengthen partnership and cooperation between the two countries, with a particular focus on the field of security, such as anti-piracy initiatives. In addition, the participants affirmed that the two countries would continue to exchange opinions regularly regarding the new field of cyberspace. At the third defense policy dialogue between the defense vice-ministers of the two countries that followed on from this, the participants agreed to endeavor to further strengthen the relationship between the defense authorities of the two countries, including matters concerning the stable continuation of high-level exchanges. Furthermore, the MSDF Chief of Staff visited India in February 2013 and, as well as paying a courtesy visit to the Indian Minister of Defence, he held informal discussions with the Chief of the Naval Staff, engaging in an exchange of opinions concerning such matters as cooperation in the field of maritime security.

In June 2012, the first bilateral exercise was carried out by the MSDF and Indian Navy in Sagami Bay, based on the agreement reached at the talks between the defense ministers of Japan and India in November 2011.

(See Reference 61)

4 Japan–China Defense Exchanges and Cooperation

1 The Significance of Defense Exchange and Cooperation with China

China’s economic development and the modernization of its military capabilities in recent years have raised its presence within the international community. Although there are pending issues with China, such as slow progress of Japan-China bilateral cooperation resource development in the East China Sea and the question of transparency in regard to military capabilities, comprehensive promotion by Japan and China of the “Mutually Beneficial Relationship Based on Common Strategic Interests,” and further deepening of friendly and cooperative relations are the common interests of both countries. In regard to this point, as well as improving the transparency of China’s defense policy and bolstering mutual understanding and trust between Japan and China, promoting and maintaining defense exchange is important from the perspective of avoiding and preventing unforeseen consequences, so Japan is cooperating with allied nations and becoming actively involved in ensuring that China acts responsibly in the international community. Such initiatives are essential to the stabilization of the bilateral relationship in general and, consequently, to the peace and stability the Asia-Pacific region.

2 Recent Major Achievements in Defense Exchange

Japan and China have been striving to promote defense exchange at various levels, as well as seeking to increase mutual understanding and relationships of trust, based on the approach of comprehensively

promoting a “Mutually Beneficial Relationship Based on Common Strategic Interests.” At the Japan-China Defense Ministerial Conference in November 2009, a joint press statement was issued, which contained details of an agreement concerning such matters as continuing to steadily implement and promote exchanges based on a common recognition between the two countries; in addition, after the talks, the ministers held their first-ever joint press conference.

Furthermore, at the Japan-China Defense Ministerial Conference held in June, 2011, both the Ministers agreed that promoting defense exchange between Japan and China in a stable manner through calm dialogues between the defense authorities of the two countries would develop the basis for the “Mutually Beneficial Relationship Based on Common Strategic Interests,” as well as lead to the strengthening of a friendly and cooperative relationship between the two nations, and the improvement of transparency in defense policies.

Japan and China are undertaking initiatives to avoid and prevent unforeseen consequences, perceiving this to be an important aspect of defense exchange. In particular, the construction of a maritime communication mechanism between the defense authorities of the two countries has become an urgent matter. Accordingly, at the third Joint Working Group meeting held in Beijing in June 2012, it was agreed that the maritime communication mechanism would be constructed, consisting of (1) annual meetings and experts meetings; (2) high-level hotlines between the defense authorities of Japan and China; and (3) communications between naval vessels and aircraft. The objective of this was to avoid unexpected collisions and prevent unforeseen consequences in waters and airspace from escalating into military clashes or political problems, as well as increasing mutual understanding and relationships of trust, and enhancing defense cooperation. However, defense exchanges - including this process - stalled in September last year and remain stagnant. In relation to this, Japan has continued to make approaches aimed at continuing defense exchanges, but has had no success to date in achieving the active promotion of any of the proposed exchanges, such as bringing the maritime communication mechanism to fruition.

At present, due in part to the incident in January this year, when a Chinese naval vessel locked its fire-control radar onto an MSDF destroyer, Japan is making approaches to China with the aim of commencing operation of this mechanism as soon as possible, in light of the increased necessity of such a maritime communication mechanism to avoid and prevent unforeseen consequences.

In regard to exchanges between troops, since 2007, the Chinese Navy destroyer Shenzhen and training vessel Zhenghe have visited Japan, while the MSDF destroyers Sazanami and, most recently (in December 2011), Kirisame have visited China. Moreover, in June 2010, the Commanding General of the Jinan Military Region of the Chinese People’s Liberation Army visited the GSDF Middle Army, while in March 2012, the Commanding General of the GSDF Middle Army visited the Jinan Military Region.

Hereafter, as part of efforts to construct a “Mutually Beneficial Relationship Based on Common Strategic Interests”, it will be essential to strive to promote mutual trust and understanding between Japan and China through dialogue at various levels and in a range of areas, while also actively promoting

concrete cooperation in non-traditional security areas, such as anti-piracy measures.

(See Reference 62)

5 Japan–Russia Defense Exchanges and Cooperation

1 The Significance of Defense Exchange and Cooperation with Russia

Russia has great influence on the security of Europe, Central Asia, and the Asia-Pacific region, and is a neighboring country of Japan. It is therefore very important for Japan to deepen defense exchanges and promote mutual trust and cooperation with Russia. As Japan–Russia relations have continuously been developing in a wide range of areas, the Ministry of Defense and SDF have been steadily promoting exchanges with Russia at various levels in accordance with the Memorandum on Japan–Russia Defense Exchanges drawn up in 1999 (revised in 2006). Security consultations between foreign and defense authorities, and Military-Military Talks at the Director General-level and Councilor level, as well as annual meetings based on the Japan–Russia Agreement on Prevention of Incidents On and Over the High Seas and joint search and rescue exercises are all held continuously.

Moreover, at the Japan-Russia summit meeting in April 2013, the two leaders affirmed the importance of expanding cooperation between Japan and Russia in the field of security and defense, amid the growing role of the Asia-Pacific region and major changes in the international security environment, and agreed to set up talks at the Cabinet minister level, covering the fields of foreign affairs and defense (“2+2”). Furthermore, as well as praising the fact that various forms of defense exchange were advancing in accordance with the aforementioned memorandum, the two leaders agreed to expand exchanges between defense authorities and units, and to explore new fields of cooperation, including measures to counter terrorism and piracy.

2 Recent Major Achievements in Defense Exchange

In August 2012, two Russian naval vessels that had participated in RIMPAC visited Japan. In September that year, an MSDF naval vessel visited Russia to participate in the 13th Japan-Russia Joint Search and Rescue Exercise, along with the Russian Navy.

(See Reference 63)

6 Defense Cooperation and Exchanges with Southeast Asian Countries

Southeast Asian countries are located in an area strategically important for maritime traffic that connects Japan with the Middle East and Europe, and have long been traditional partners, having close economic relations with Japan. Promoting trust and cooperative relations for issues in various security challenges with these countries is meaningful for both Japan and Southeast Asian countries. Moreover, the countries of Southeast Asia are members of ADMM-Plus and ARF, so from the perspective of stabilizing the security environment in the Asia-Pacific region, it is imperative to build relationships of trust and

cooperation with each country, with a view to cooperation in multilateral frameworks.

In particular, as well as the interaction with Indonesia, Vietnam, Singapore and the Philippines, Japan is engaged in active exchanges of opinions with Cambodia, Malaysia and Thailand at various levels, concerning approaches to defense cooperation and exchange, and frameworks for regional security cooperation. In addition, Japan is proactively engaged in discussions with defense officials, unit exchanges, and the dispatch and hosting of international students. Furthermore, we are also striving to strengthen relationships with Myanmar, Brunei Darussalam, and Laos.

1 Indonesia

Indonesia accounts for about 40% of the land and population of Southeast Asia and is a major power in the region, as well as being the largest island country in the world. Japan engages in close defense cooperation and exchange with Indonesia, which is a strategic partner of our nation. Moreover, great progress has been made in defense cooperation and exchange through the visit to Indonesia by the Administrative Vice-Minister of Defense in February 2012, as well as talks at the army, navy and air force chief of staff level. In particular, the GSDF Chief of Staff visited Indonesia in January 2013 and, as well as paying a courtesy visit to President Susilo Bambang Yudhoyono, and held discussions with the Indonesian Army Chief of Staff, engaging in an exchange of opinions concerning such matters as cooperation in non-traditional security fields. In June the same year, Japan-Indonesia Defense Ministers Conference was held during the 12th Shangri-La Dialogue, and the two nations agreed to continue the cooperation in the area of defense based on the concept of the strategic partnership. There have also been numerous developments at the working level, including the discussions involving the diplomatic and defense authorities that began in November 2011, discussions between the defense authorities alone, and the sharing of knowledge and experience through various education and research exchange initiatives.

Furthermore, Japan is working with Indonesia in an endeavor to strengthening cooperation through capacity building, and in February 2013, the MSDF officials and other personnel were dispatched to the Indonesian Navy Hydrographic Office, to conduct a short-term seminar on marine meteorology.

2 Vietnam

With a population of about 90 million people, Vietnam is a major power in Southeast Asia, and is a strategic partner for peace and prosperity in Asia. In recent years, Japan has been deepening cooperation with Vietnam, not only in economic fields, but also in the fields of security and defense. A Japan-Vietnam Joint Statement was published when Vietnamese Prime Minister Nguyen Tam Dung visited Japan in October 2011. In addition, the same month, Defense Minister Phung Quang Thanh became the first Vietnamese Defense Minister to visit Japan in 13 years, holding talks with Japan's Minister of Defense, after which the two ministers signed a memorandum concerning Japan-Vietnam defense cooperation and exchange, and agreed to promote high-level exchanges, regular dialogue at the vice-ministerial level, and

cooperation in such fields as humanitarian assistance and disaster relief. Moreover, in November 2012, the Parliamentary Vice-Minister of Defense visited Vietnam, where he held the first vice-ministerial level talks with Vietnamese Deputy Minister of National Defense Nguyen chi Vinh. At these talks, the two vice-ministers exchanged opinions regarding regional situations, as well as discussing cooperation in the field of support for capacity building.

With regard to capacity building, MSDF officials and other personnel had been dispatched to Vietnam in October that year, where they gave a short-term seminar to medical officers in the Vietnamese navy concerning diving medicine. Furthermore, in March 2013, practitioners from the Vietnam People's Army were invited to Japan for a short training course on peacekeeping operations.

The 3rd Japan-Vietnam Strategic Partnership Dialogue took place in December 2012, and it will be vital to strengthen relationships in order to achieve more concrete, practical cooperation, with the memorandum on defense cooperation and exchange as the cornerstone of this.

3 Singapore

In December 2009, Singapore became the first country in Southeast Asia with which Japan signed a memorandum on defense cooperation and exchange, and a cooperative relationship is progressing steadily based on this memorandum. In particular, discussions between the defense authorities of Japan and Singapore have the longest history of any of Japan's defense discussions with the countries of Southeast Asia, with the 12th round of talks being held in Singapore in November 2011. In terms of high-level exchange, Permanent Secretary of Singapore's Ministry of Defence Chiang Chie Foo visited Japan in July 2012 and held discussions with the Administrative Vice-Minister of Defense. Moreover, in October that year, Minister for Defence Dr. Ng Eng Hen visited Japan and held talks with the Japanese Minister of Defense. During these talks, as well as deciding to promote further defense cooperation and exchange between the SDF and Singaporean military in both bilateral and multinational training exercises, the two ministers announced their support for co-hosting the field training exercise for the EWG on Humanitarian Assistance and Disaster Relief, as co-chair nations of the EWG on Military Medicine within the ADMM-Plus framework. Moreover, they agreed to increase cooperation on logistical support, which will strengthen defense cooperation.

At the 12th Shangri-La Dialogue held in 2013, Minister of Defense Onodera held talks with Singaporean Defense Minister Dr. Ng. Minister Onodera expressed his gratitude to the Singaporean Defense Ministry for its effort to host the Dialogue, and in response, Minister Ng expressed his appreciation to the speech made by Minister Onodera.

Furthermore, in August 2012, vessels from the MSDF and the Republic of Singapore Navy conducted a goodwill exercise in the waters off Hawaii, thereby improving friendship and goodwill.

4 The Philippines

To date, as well as high-level exchanges with the Philippines, involving visits by heads of defense from both countries, there have been frequent exchanges at the working level, including visits by naval vessels and discussions between the defense authorities of the two countries. In July 2012, at the ministerial talks held when Philippines Secretary of National Defense Voltaire Gazmin visited Japan, the two defense ministers signed a statement of intent to promote defense cooperation and exchanges between Japan and the Philippines, as well as exchanging opinions concerning the regional situation and defense cooperation and exchange between the two nations.

The statement of intent to promote defense cooperation and exchanges between Japan and the Philippines included provisions concerning high-level interaction in the form of meetings between the defense ministers and vice-ministers, and reciprocal visits by chiefs of staff and commanding officers from each service of the military. In addition, in terms of working-level exchange, it included provisions regarding discussions and dialogue between defense authorities at the director general level, as well as staff talks between the MSDF and the Philippine Navy, and exchanges between units, students, and research institutes.

(See Reference 64)

7 Japan–U.K. Defense Cooperation and Exchanges

1 The Significance of Defense Cooperation and Exchange with the U.K.

The United Kingdom, being a major power that has influence not only on Europe but also the rest of the world, has historically maintained close relations with Japan. On the security front, Japan shares the same strategic interests with the United Kingdom, as both countries are important allies of the United States. Given this relationship, it is extremely important for Japan to promote cooperation through such global issues as international peace cooperation activities and anti-terrorism and piracy, and through information exchange relating to the regional situation.

In April 2012, when British Prime Minister David Cameron visited Japan, a joint statement was issued by the prime ministers of both countries, entitled “A Leading Strategic Partnership for Global Prosperity and Security”, which stated that the two nations would begin negotiations concerning a government-to-government information security agreement, endorse the signing of the Defense Cooperation Memorandum, and promote the identification of appropriate defense equipment for joint development and production.

In June 2013, Defense Minister Onodera held talks with U.K. Secretary of State for Defence Hammond at the Shangri-La Dialogue in which the two leaders exchanged their views concerning the progress of defense cooperation and exchange between Japan and the U.K. as well as regional situation. Both parties agreed upon close cooperation in various fields between the two nations.

2 Recent Major Achievements in Defense Cooperation and Exchange

In terms of interaction between the defense authorities of the two countries, in addition to the exchange of the memorandum on defense cooperation in June last year, the Administrative Vice-Minister of Defense visited the UK in January 2013, paying a courtesy visit to Minister of State for the Armed Forces Andrew Robathan and Parliamentary Under Secretary of State for International Security Strategy Andrew Murrison, as well as holding talks with Permanent Under Secretary Jon Thompson. During these talks, the two vice-ministers agreed to continue to share intelligence, and to deepen defense cooperation between Japan and the UK at various levels.

(See Reference 65)

8 Defense Cooperation and Exchanges with European and Other Countries

1. The Significance of Defense Cooperation and Exchange with European Countries

Europe shares fundamental values with Japan and serves as the central core in working to address shared challenges to global security, focusing primarily on non-traditional security areas such as counter-terrorism and combating piracy, as well as international peace cooperation activities. Therefore, developing defense cooperation and exchange with the countries of Europe lays the foundations for Japan to become actively involved in dealing with challenges, and is important for both Japan and Europe.

Based on this awareness, as well as the discussions with France involving the foreign affairs and defense authorities of both nations that were conducted in February 2013, discussions have been held with the defense authorities of France, Germany, Italy, Sweden, and Norway between September 2012 and May 2013, with lively exchanges of opinions taking place regarding the regional situation and global security issues.

Regarding Japan's relations with Spain, in January this year, the Administrative Vice-Minister of Defense visited Spain, where he exchanged opinions with Secretary General for Defence Policy Alvargonzález, as well as paying a courtesy visit to Minister of Defence Morenés.

Japan has laid the foundations for sharing information, concluding the Agreement between the Government of Japan and NATO on the Security of Information and Material in June 2010, and the Agreement between Japan and France on the Security of Information in October 2011, as well as commencing negotiations with Italy in February 2013, concerning the conclusion of an information security agreement.

With regard to Japan's relations with France, Minister of Defense Onodera held talks with French Defense Minister Le Drian during the Shangri-La Dialogue in June 2013, at which the two ministers exchanged their views on the situation of defense cooperation and exchange between Japan and France as well as regional situation. Both parties agreed that they would engage in further discussion in various aspects of defense exchange between the two countries.

2. The Significance of Defense Cooperation and Exchange with Other Countries

With regard to exchanges with other countries, in October 2012, then Minister of Defense Morimoto visited Mongolia and held talks with Mongolian Minister for Foreign Affairs Bold. Moreover, in November the same year, the Administrative Vice-Minister of Defense visited Mongolia for the first time, holding the first Defense Vice-ministerial Level Meeting with State Secretary of the Ministry of Defense Chojjamts, at which they exchanged opinions regarding support for capacity building and the regional situation. In terms of support for capacity building, GSDF officials and other personnel were dispatched in October the same year to give a short seminar about hygiene among GSDF officials.

The Administrative Vice-Minister of Defense visited Turkey in July 2012, where he conducted talks with Undersecretary of the Ministry of National Defence Ümit Dündar, as well as paying a courtesy visit to Minister of National Defense Ismet Yilmaz. During this visit, Statement of Intent was signed between the Ministry of Defense of Japan and the Ministry of National Defense of the Republic of Turkey while Japan and Turkey agreed to promote defense cooperation between two countries. In March 2013, Minister of National Defense Yilmaz visited Japan and held a defense ministerial meeting with Minister of Defense Onodera. At this meeting, as well as exchanging opinions concerning the regional situation, the two ministers agreed to hold discussions between the defense authorities of the two countries (at the director general level) at the earliest possible date, and to push forward with various forms of defense exchange.

Kazakhstan was the destination for a visit by the Administrative Vice-Minister of Defense in July 2012, and as well as paying a courtesy visit to Minister of Defence Dzhaksybekov, he held talks with First Deputy Minister of Defence Zhasuzakov. They concurred regarding the necessity of developing exchange between the two countries in the field of defense, and agreed to commence high-level exchanges, starting at the vice-ministerial level, as well as working-level discussions, starting with consultations between the defense authorities of the two nations. They also agreed to promote cooperation in the areas of peacekeeping operations and humanitarian assistance, as well as promoting cooperation through exchanges between educational and research institutes.

During his April 2013 visit to Saudi Arabia, Prime Minister Abe held a summit meeting with Crown Prince Salman bin Abdulaziz, at which they agreed to promote security dialogue between the foreign affairs and defense authorities of the two countries in such fields as maritime security and the security of marine transport routes, anti-piracy measures, nonproliferation, anti-terrorism measures, and activities in the field of HA/DR.

In May this year, while visiting the United Arab Emirates, Prime Minister Abe held talks with Prime Minister and Vice President Sheikh Mohammed bin Rashid al-Maktoum and the Crown Prince of Abu Dhabi, at which they agreed to hold security dialogue to discuss maritime security, counter-piracy, non-proliferation, anti-terrorism, and HA/DR, among others.

(See Reference 66)

characteristics of each country or region.

In particular, in non-traditional security areas such as disaster relief and counter-terrorism, it is necessary to nurture an overall sense of cooperation and coordination; promote practical and concrete cooperation for building regional order and establishing common norms and standards; and, in our neighboring countries and region, eliminate the sense of confrontation and sense of caution, in order to foster a cooperative atmosphere with a future-oriented perspective, and promote cooperation in bilateral and multilateral arenas. To that end, the Ministry of Defense and the SDF are promoting multi-layered security cooperation and dialogue, defense cooperation and exchange, and joint training and exercises.

(See Fig. III-2-1-1, III-2-1-2, III-2-1-3)

See References 53, 54, 58

2 Efforts under the Multilateral Security Framework and through Dialogue

1 Efforts under the ASEAN Defence Ministers' Meeting-Plus (ADMM-Plus) Framework

The countries of ASEAN hold meetings such as ASEAN Regional Forum (ARF), which serves as a security framework for the region, and the ASEAN Defence Ministers' Meeting (ADMM), which is a ministerial level meeting between defense authorities in the ASEAN countries. In addition, at the 4th ADMM in May 2010, a decision was taken to establish the ASEAN Defence Ministers' Meeting-Plus (ADMM-Plus), which added eight new non-ASEAN countries¹, including Japan to the members (those countries are called the "Plus"); the 1st ADMM-Plus was held in October that year, in Hanoi, Vietnam.

Until the establishment of the ADMM-Plus, there had been no official meeting for the region's defense ministers. The establishment of the ADMM-Plus is highly significant from the perspective of encouraging the development and deepening of security and defense cooperation in the region. Furthermore, the ADMM-Plus is a framework that tackles a broad and diverse range of security issues in the region; the Ministry of Defense and the SDF are also of the view that the ADMM-Plus should be developed as a major pillar of security cooperation in the region, and are providing active support for its efforts.

At the 1st ADMM-Plus, discussions were held on mutually beneficial and practical areas of cooperation including the following: 1) humanitarian assistance and disaster relief, 2) maritime security, 3) counter-terrorism, 4) military medicine, and 5) peacekeeping operations. The participants also discussed issues regarding the South China Sea, which affects the stability of the region, stressing the complete implementation of the Declaration on the Conduct of Parties in the South China Sea (DOC)² as well as peaceful resolution of conflicts through international law, such as the United Nations Convention on the Law of the Sea.

At this meeting, it was decided to create the following bodies to implement the decisions made at the ADMM-Plus: 1) ADSOM-Plus (ASEAN Defence Senior Officials' Meeting-Plus), 2) ADSOM-Plus

Working Groups (ADSOM-Plus WG), and 3) Experts' Working Groups (EWG).

The objective of the EWGs is to address the aforementioned five common regional security matters, with Japan and Singapore serving as co-chairs of the EWG on Military Medicine. The second meeting of this EWG was held in July 2012 in Tokyo, with participants engaging in a tabletop exercise (TTX) and exchanging practical opinions. The aim of the TTX was to examine approaches to cooperation in each country and issues faced in this regard, in the field of military medicine at times of a major disaster, as well as exchanging practical opinions. Moreover, other EWGs have all successively held meetings and Japan is endeavoring to further strengthen security cooperation in the region through the active exchange of opinions with the other participants by submitting proposals. In particular, at meetings of the EWG on Maritime Security, Japan is advocating the importance of establishing shared customary "manners" by which all countries abide, in order to avoid unintended collisions and the escalation of situations when government vessels, including warships, approach and encounter each other on the sea, with a view to proactive confidence building in the field of maritime security.

In June 2013, the first ADMM-Plus field exercise took place in Brunei Darussalam, organized jointly by the EWG on Humanitarian Assistance and Disaster Relief and the EWG on Military Medicine.

Furthermore, in August 2013, the 2nd ADMM-Plus meeting is due to be held. Japan believes that it is necessary to continue its endeavors aimed at substantial strengthening of cooperation and partnership between defense authorities within the region by playing an active role in the ADMM-Plus framework, thereby contributing to the stability of the region.

(See Fig. III-2-1-4)

2 ASEAN Regional Forum

The ARF, a forum aimed to improve the security environment in the Asia-Pacific region through dialogue and cooperation on the political and security sectors, has been held since 1994. The ARF currently comprises 26 countries and one organization as member states³, and holds various inter-governmental meetings on security that are attended by both foreign affairs officials and defense officials to exchange opinions on regional situations and security areas which should especially be focused on.

In addition to opinion exchanges at various meetings, in recent years, specific efforts⁴ in non-traditional security areas such as disaster relief, maritime security, and peacekeeping and peace building have been actively taken in coordination with various countries.

For example, in the maritime security field, an Inter-Sessional Meeting on Maritime Security (ISM-MS) has been held since March 2009⁵. At the ISM-MS, an anthology of best practices concerning support for capacity building in the field of maritime security was formulated on the basis of a summary compiled by Japan. In addition, it is planned to hold a workshop in the future on trust-building through international and regional frameworks, arrangements, and cooperation as an ARF official event, which is one of the priority fields of the ISM-MS led by Japan and Malaysia.

Moreover, since that year, in the field of disaster relief, the Ministry of Defense and SDF has dispatched troops and aircraft to participate in ARF disaster relief field exercises. In May 2013, the third ARF disaster relief field exercise, jointly hosted by Thailand and Republic of Korea (ARF-DiREx2013) was held in Thailand with Japan sending around 50 personnel and one aircraft to participate.

3 Multilateral Security Dialogue Hosted by the Ministry of Defense and the SDF

(1) Tokyo Defense Forum

As Japan's own initiative regarding security in the Asia-Pacific region, the Ministry of Defense has held since 1996 the Asia-Pacific Defense Forum (Tokyo Defense Forum) with the participation of officers in charge of defense policy (Directors General of defense ministries and General-class officers) from the countries of the region. At the forum, discussions are being held on defense policy issues and confidence-building measures in the region.

Twenty-one countries from the Asia-Pacific region, as well as the European Union (EU), and the International Committee of the Red Cross (ICRC) took part in the 17th forum in October 2012. At this forum, discussions took place on the topics of 1) Security in the Asia-Pacific Region: The Deepening Importance of the Region and Evolving Security Frameworks; and 2) Peacekeeping Operations: Future Issues and Approaches to Cooperation.

(2) Japan–ASEAN Defense Vice-Ministers' Meeting

Every year since 2009, the Ministry of Defense has held the Japan–ASEAN Defense Vice-Minister-level meeting, with the purpose of creating a foundation for strengthening multilateral and bilateral relationships through establishing human networks between Japanese and ASEAN vice-ministerial-level officials. In conjunction with this, the Ministry holds bilateral talks at the vice-ministerial level. The 4th meeting was held in March 2013, attended by officials at the vice-ministerial level from the countries of ASEAN and the ASEAN Secretariat, who exchanged opinions concerning the topics of 1) security challenges in the Asia-Pacific region and future Japan-ASEAN cooperation; and 2) ADMM-Plus and the ARF in 2013. Moreover, the Administrative Vice-Minister of Defense conducted bilateral talks at the vice-ministerial level with participants from Brunei Darussalam, Indonesia, Laos, and Malaysia.

In addition, as 2013 marks the 40th anniversary of the beginning of exchange between Japan and ASEAN, the Ministry of Defense and SDF is organizing various cooperation and exchange initiatives with the countries of ASEAN at a range of levels and in a variety of fields within the realm of defense, with a view to further strengthening relationships with them.

Furthermore, around the time of this meeting, the Ministry holds the annual "Tokyo Seminar on Common Security Challenges," a public seminar to which security experts, including both academics and government officials, from Japan and other countries are invited, in order to discuss security challenges in the region and the roles of defense authorities in tackling them. This year, the seminar took place the day

after the meeting, with discussions focusing on the theme Security in the Asia-Pacific Region: The Future Role of Japan and ASEAN.

See Reference 55

4 Other

a. International conferences held by private organizations

In the field of security, besides official intergovernmental conferences, various international conferences are also held by private organizations, attended by government officials, academics, and journalists, such conferences provide a forum for sharing and exchanging opinions on medium- to long-term security issues.

The leading international conferences are the IISS Asia Security Summit (Shangri-La Dialogue)⁶ and the IISS Regional Security Conference (Manama Dialogue), both hosted by the International Institute for Strategic Studies (IISS).

Set up for the purpose of establishing a regional security framework, the IISS Asia Security Summit is an international conference held each year in Singapore, which is attended by many participants, including defense ministers from throughout the Asia-Pacific region, with discussions focusing on regional issues and defense cooperation. Minister of Defense Onodera attended the 12th conference held from May 31 to June 2, 2013, and made a speech on the theme of “Defending National Interests; Preventing Conflict” as well as participated in opinion exchanges on regional situations and defense cooperation at bilateral and trilateral defense ministerial meetings of participating countries.

The IISS Regional Security Conference is an international conference at which exchanges of opinions on security are carried out primarily among parties concerned such as foreign and defense ministers from countries in the Middle East. The conference is convened in Manama, Bahrain. The stability of the Middle East is extremely important to Japan, from the perspective of energy security, as well as the safety and security of sea lanes, so the Ministry of Defense has participated in this conference every time it has been held, since the 2nd conference in 2005.

¹ Japan, the United States, Australia, Republic of Korea, India, New Zealand, China, and Russia.

² Declaration that lays out the fundamental principles for the peaceful resolution of conflicts in the South China Sea, signed between ASEAN and China in 2002.

³ 26 countries, consisting of 10 ASEAN countries (Brunei Darussalam, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand, Vietnam, Cambodia (from 1995) and Myanmar (from 1996)), Japan, Australia, Canada, China, India (from 1996), New Zealand, Papua New Guinea, Republic of Korea, Russia, the U.S., Mongolia (from 1998), North Korea (from 2000), Pakistan (from 2004), East Timor (from 2005), Bangladesh (from 2006), and Sri Lanka (2007), plus the European Union (EU).

⁴ In addition to Cabinet meetings at the Foreign Minister level, the Senior Officials Meeting (SOM) is held each year, as well as meetings of the Inter-Sessional Support Group on Confidence Building Measures and Preventive Diplomacy (ISG on CBM/PD) and the ARF Security Policy Conference (ASPC). Moreover, since the Cabinet-level meeting in 2002, ARF Defense Officials’ Dialogue (DOD) meetings and Inter-Sessional Meetings (ISM) are held ahead of the main meeting.

⁵ In 2011, Japan co-hosted the 3rd Inter-Sessional Meeting in Tokyo, with Indonesia and New Zealand.

⁶ This is a multilateral conference instituted at the initiative of the International Institute for Strategic Studies, a private British think tank, in which defense ministers from across the Asia-Pacific region

participate with the objective of discussing defense-related issues and regional defense cooperation. Since the first conference in 2002, it has been held in Singapore each year and is known as the Shangri-La Dialogue, from the name of the hotel at which it takes place.

(2) Asia-Pacific Chiefs of Defense Conference (CHOD)

The CHOD is a meeting of the chiefs of defense, mostly from the Asia-Pacific region, aimed at nurturing trust among countries in the region and enhancing security relations through free exchanges of opinions on regional security and bilateral dialogues, among other activities. Japan has participated in each conference since the first one was held in 1998. In 2004, Japan hosted the 7th conference together with the United States Pacific Command. Moreover, in November 2012, the 15th Conference, jointly hosted by the Australian Defence Force and the United States Pacific Command, convened in Sydney, Australia, and was attended by the Joint Chief of Staff.

See Reference 56

(3) Invitations to opinion leaders

Since 2001, the Ministry has invited to Japan key figures—primarily those involved in security policy—from countries in the Asia-Pacific region with which deepening relationships of trust is thought to be particularly beneficial, with the objective of promoting an understanding of our security and defense policy, and the current status of the SDF. In FY2012, defense ministry officials from Papua New Guinea were invited to Japan for the first time as part of this initiative.

3 Promoting Support for Capacity Building and Other Practical Multilateral Security Cooperation

1 Proactive and Strategic Initiatives to Support Capacity Building

(1) Background to the implementation of support for capacity building

In recent years, the role of and cooperation between defense authorities have been deepening and widening in non-traditional security fields, such as humanitarian assistance and disaster relief, disposal of land mines and unexploded ordnance, and military medicine; in particular, there is an awareness of the importance of cooperation by the international community in providing support for capacity building aimed at improving the capabilities of stakeholder countries in such fields.

As part of the country's endeavors in international cooperation, the Ministry of Defense and SDF have hitherto carried out such activities as 1) United Nations peacekeeping operations; 2) international disaster relief activities; and 3) anti-piracy activities off the coast of Somalia and in the Gulf of Aden; these activities can be regarded as reactive or "ex post facto" responses to security problems that have actually occurred, such as disputes and large-scale disasters. Support for capacity building is an initiative based on a new concept, which seeks to improve the ability of developing countries to deal with such situations themselves, through human resource development and technical support in non-traditional security fields in peacetime, thereby actively creating stability within the region and improving the international security environment.

(See Fig. III-2-1-5)

Moreover, providing support for capacity building has the following advantages: 1) strengthening bilateral relationships by providing support in capacity building in a form that satisfies each country's

requests for support; 2) improving developing countries' capacity in the security field will lead to the improvement in international security situation; 3) promoting an accurate awareness among the Japanese people and the countries receiving such support of Japan's stance of working proactively and independently to promote regional peace and stability, thereby increasing trust in the Ministry of Defense and SDF, as well as Japan as a whole, leading, by extension, to an increase in Japan's influence in the international community; and 4) increasing the possibility that, compared with an ex post facto response, it will be possible to prevent situations occurring, or reduce the damage in the event that a situation does actually arise, thereby considerably reducing the costs involved in dealing with that situation.

In particular, requests have been received from Southeast Asian countries for support in improving their abilities to handle non-traditional security fields, and the Ministry of Defense and SDF consider that they need to take initiatives to improve the capabilities of the militaries and military-related authorities of countries concerned and to work on human resource development in an active and strategic manner through using their knowledge and experience. These initiatives also facilitate improving the capabilities of the SDF itself.

In FY2011, before commencing support for capacity building, the Ministry carried out field surveys and initiatives to grasp and analyze specific needs, focusing mainly on Southeast Asian countries, and conducted research concerning the fields in which support for capacity building should be provided in the future, as well as the forms that this support should take. In FY2012, based on the results of these studies, the Ministry decided to conduct three types of project: (1) projects focused on dispatching SDF officials or personnel from private sector bodies to the country receiving support for a specific period (full-scale project); (2) projects focused on dispatching SDF and other personnel to the country receiving support for a short period (seminar-style project); and (3) projects focused on inviting trainees from the country receiving support, with training provided in Japan (invitation program).

(2) Specific activities

A. Full-scale project

(a) Program overview

The full-scale project involves dispatching a team composed of Ministry officials, SDF personnel, and personnel from knowledgeable private sector groups such as NGOs (non-governmental organizations) for a comparatively long period, in order to conduct large-scale, systematic human resource development, such as lectures and exercises. This program began in FY2012 and has so far been conducted in Timor-Leste and Cambodia, based on the results of studies conducted in FY2011.

(b) Activities in Timor-Leste

From December 2012 to March 2013, two GSDF officers, one defense official, and four members of a private sector body were dispatched to Camp Metinaro of the Timor-Leste Defence Force, where they carried out a program of human resource development relating to techniques for the maintenance and upkeep of equipment, to contribute to improving the army's abilities in the field of humanitarian

assistance and disaster relief¹. More specifically, as well as sharing their experiences and the lessons that they have learned to date from disaster relief activities, the SDF members provided maintenance personnel from the Timor-Leste Defence Force with an overview of vehicle maintenance and trained them in specific maintenance techniques.

¹ The GSDF officials were dispatched for only part of the duration of the program.

(c) Activities in Cambodia

From January to March 2013, four GSDF officials, one defense official, and six members of a private sector body were dispatched to the training institution of the Cambodian National Centre for Peacekeeping Forces, Mines and ERW Clearance (NPMEC), where they carried out a program of human resource development in engineering area to contribute to improving the army's abilities in the field of UN PKO. More specifically, as well as giving lectures about the SDF's experiences of UN PKO, the dispatched personnel trained about the Cambodian army personnel in engineering branch the basic knowledge required for their duties, such as road building.

B. Seminar-style project

(a) Program overview

The seminar-style project involves dispatching knowledgeable SDF officials for short periods of time, to give lectures at seminars. To date, the dispatch of such lecturers has included the dispatch of GSDF officials to peacekeeping training centers in Africa, and the Ministry believes that such personnel can provide lectures tailored to the needs of the counterpart country, as well as engaging in exchanges of opinions. (See Section 4)

(b) Status of activities

To date, the Ministry of Defense and SDF has dispatched GSDF officials to Mongolia and MSDF officials to Vietnam and Indonesia, to conduct short-term seminars.

(See Fig. III-2-1-6)

C. Invitation program, etc.

The invitation program involves inviting practitioners from the counterpart country to Japan, in order to view facilities and undergo training. In March 2013, practitioners including generals involved in preparing to dispatch troops for peacekeeping operations were invited from the Ministry of Defence of Vietnam; as well as receiving an introduction to initiatives and know-how concerning peacekeeping operations built up by the SDF over the last 20 years, they observed the training provided to GSDF units involved in international activities.

2 The Pacific Partnership

The Pacific Partnership (PP), which started in 2007, is an initiative in which naval vessels, primarily those from the U.S. Navy, visit countries in the region to provide medical care and engage in cultural exchange and seek to strengthen collaboration with the participating countries and facilitate international disaster relief activities, through cooperation with the government, military, international organizations, and NGOs in each of those countries. Since 2007, Japan has dispatched MSDF medical officers, amongst others, to conduct research as part of this initiative.

Participation in PP contributes to improving the international security environment, and strengthens the Japan-U.S. security alliance, among other benefits, so it is important from the perspective of ensuring the peace and safety of our country. Moreover, it is a valuable opportunity to gain know-how in coordinating and collaborating with private sector groups, as well as improving the proficiency and skills of the SDF in relation to medical care and transport in international peace cooperation activities.

In 2013, SDF medical officers were dispatched to Tonga, and SDF medical officers, an MSDF vessel and an ASDF transport aircraft were dispatched to Papua New Guinea where they worked in partnership with NGOs to provide medical care and engage in cultural exchange.

3 Multilateral Training

(1) The Significance of Multilateral Joint Training in the Asia-Pacific Region

Since 2000, in the Asia-Pacific region, in addition to conventional training conducted in preparation for combat situations, steps have also been taken to undertake multilateral training in non-traditional security fields, such as humanitarian assistance and disaster relief, as well as non-combatant evacuation operation.

It is important to participate in and host such multilateral training exercises so as not only to raise the skill level of the SDF, to create a cooperative platform through various coordination and exchanges of opinions the countries involved. The Ministry of Defense and the SDF continue to actively engage in such training.

(See Reference 57)

(2) Efforts toward Multilateral Training

a. Participation in, and hosting of, multilateral training events

In April 2002, the MSDF hosted Pacific Reach 2002, the second Western Pacific submarine rescue exercise, for its first time. In October the same year, the MSDF also hosted multilateral search and rescue exercises. In March 2011, Japan and Indonesia co-hosted the second ASEAN Regional Forum Disaster Relief Exercise 2011 (ARF-DiREx2011) within the framework of the ARF. Personnel from the Ministry of Defense and SDF participated in the ARF-DiREx2011.

Since 2005, Japan's SDF have also been involved in the annual "Cobra Gold," a multinational training co-hosted by the United States and Thailand. In Cobra Gold 13 held in February 2013, the SDF participated in the command post exercises, the medical section of humanitarian and civic assistance activities, and conducted training in transporting Japanese nationals overseas.

Furthermore, since 2010, the SDF has participated in the Global Peace Operations Initiative (GPOI) Capstone Exercise, a multinational exercise for United Nations peacekeeping operations launched by the U.S. In March 2013, the SDF participated in staff exercises and field training as part of the Shanti Prayas-II exercise held in Nepal.

Moreover, following on from the previous year, the GSDF participated in the multilateral exercise, "KHAAN QUEST 12," co-hosted by the U.S. and Mongolia in August 2012. In September the same year

and May 2013, the MSDF took part in the International Mine Countermeasures Exercise (IMCMEX) hosted by the U.S. that took place in waters surrounding the Arabian Peninsula. In addition, in March this year, the MSDF participated in Aman-13, a multinational naval training hosted by the Pakistan Navy. In February this year, following on from the previous year, the ASDF conducted a Japan-U.S.-Australia Trilateral Exercise (“Cope North Guam”).

b. Invitation of observers to multilateral training

Efforts have also been made to invite observers from other foreign countries since September 2001, when observers from eight Asia-Pacific countries participated in the fourth Japan–Russia Search and Rescue training hosted by Japan.

In addition, the GSDF has hosted the Multinational Cooperation Program in the Asia Pacific (MCAP) every year since 2002 as part of its multilateral cooperative efforts. For the MCAP, it invites officers from the respective countries involved. In September 2012, 22 countries and organizations including administrative agencies participated in the event and conducted a tabletop exercise based on a scenario relating to “Peacetime–efforts by military land components to prepare for large scale disaster.”

a. Measures to Bring Armed Attack Situations to an End Depending on the Progress of the Situation

- 1) The use of military force, unit deployment and other activities conducted by the SDF
- 2) Provision of materials, facilities and services, and other measures to facilitate the smooth and efficient implementation of the SDF and U.S. Forces' operations
- 3) Diplomatic measures other than those described in items 1) and 2) above

b. Measures to Protect Lives, Bodies and Properties of the People, and to Minimize the Effects on People's Lives and Economy

- 1) Warnings, evacuation instructions, rescue of disaster victims, emergency restoration of facilities and installations, and other measures.
- 2) Price stabilization, distribution of necessities of daily life, and other necessary measures.

(3) Responsibilities of the National and Local Governments

The responsibilities of the national and local governments as defined in the Armed Attack Situation Response Law are outlined in Fig. III-1-2-3.

(4) Authority of the Prime Minister for Response Measures

Following the stipulation of the Basic Response Plan, for overall promotion of response measures, the Task Force for Armed Attack Situations, etc., (the Task Force) will be established within the Cabinet, with the Prime Minister appointed as leader of the Task Force and appropriate Ministers of State as Deputy Chief and other members of the Task Force.

If the Prime Minister recognizes that there are obstacles to protecting the lives, bodies, and properties of the people, and to eliminating an armed attack, when necessary response measures under comprehensive coordination are not implemented, he may instruct the head of the local government concerned and other relevant persons to implement the necessary measures. In circumstances where necessary response measures are not implemented or if there is an obstacle to protecting the lives, bodies, and properties of the people, in emergency response situations, the Prime Minister or the Minister of State responsible for operations relating to the relevant countermeasure may take responsibility for and implement the response measures that the local governments or designated public institutions have failed to implement, after notifying the relevant heads of local government or other relevant individuals.

(5) Report to the United Nations Security Council

In accordance with Article 51 of the U.N. Charter, the government will immediately report measures it has implemented to terminate armed attacks on Japan to the U.N. Security Council.

2 Responses to Emergency Situations other than Armed Attack Situations

The Armed Attack Situation Response Law provides for appropriate and rapid response measures to be implemented in emergency situations⁵ other than armed attacks, in order for the government to ensure the peace and independence of the country, and to maintain the security of the country and its people.

In addition, based on changes in various situations surrounding Japan, such as the appearance of unidentified vessels or mass terrorism incidents, measures shall be taken including the following: 1) Development of the systems for assembling information, analysis and situational evaluations; 2) Preparation for formulating response measures in accordance with various situations; 3) Rapid implementation of measures to strengthen levels of coordination between the SDF, the police, the Japan Coast Guard and other relevant organizations.

3 Measures Based on the Armed Attack Situation Response Law

There were seven pieces of emergency legislation, and three treaties enacted and signed in June 2004 as a result of the Armed Attack Situation Response Law that was enacted in June 2003. Based on that, the framework to enable necessary measures for responding to armed attack situations, etc. to be taken was prepared.

See References 42, 43

¹ Three pieces of legislation for responses to situations were enacted in 2003. Furthermore, seven pieces of legislation for responses to situations were enacted in 2004 and three related treaties were ratified in the same year. With this, a basis for emergency legislation was established. The development of these legal systems reflects many results of the “emergency legislation study,” which had been conducted by the former Defense Agency since 1977. Notes: a fixed concept has not necessarily been designated for the term “emergency legislation.” When used in this white paper, it refers to legislation for responses to situations that has been developed since 2003.

² Situation in which an external armed attack on Japan emerges, or an imminent danger is clearly acknowledged

³ A situation where an armed attack has yet to emerge, but circumstances are growing increasingly strained and an armed attack is expected

⁴ Independent administrative agencies, the Bank of Japan, the Japanese Red Cross Society, the Japan Broadcasting Corporation (NHK), other public institutions, and corporations engaged in public service operations, including the provision of electricity, gas, transportation, communications, and other services

⁵ An emergency response situation. (A situation arising due to actions that may kill or injure many people which uses methods equivalent to those used in an armed attack situation, or a situation where it is recognized that the relevant actions represent a clear and present threat that necessitate an emergency response by the state). Alternatively, a contingency situation other than an armed attack situation that may have a significant impact on the security of the nation and its people

2 Efforts for Civil Protection

1 The Basic Guidelines for Civil Protection and the Roles of the MOD and SDF

In March 2005, the government established the Basic Guidelines for Civil Protection (hereinafter the “Basic Guidelines”), based on Article 32 of the Civil Protection Law. The Basic Guidelines presumes four types of armed attack situations, including amphibious landing invasion, guerilla or special forces unit attacks, ballistic missile attacks, and air attacks, and prescribes matters requiring attention to implement civil protection measures in response to each of them. In addition, it prescribes the content and distribution of roles to implement the measures for the national, prefectural and municipal governments and designated public institutions for civil protection measures in response to evacuation, relief and disasters.

The MOD and SDF established the Civil Protection Plan based on the Civil Protection Law and the Basic Policy.

The Plan included measures to be implemented in full force by the SDF to terminate armed attacks, which is a primary mission of the SDF. In addition, the Plan described civil protection measures to be implemented within a feasible range, relating to support for evacuation and rescue, and responses to armed attack disasters.

In the event of an armed attack situation and an emergency situation, the SDF has the authority to conduct such activities as protection of residents, including evacuees, and emergency recovery as a civil protection measure and emergency response measure based on the provision for civil protection.

(See Fig. III-1-2-4)

See Reference 51

2 Activities by the Ministry of Defense and the SDF to Facilitate the Civil Protection Measures

(1) Implementation of Training for Civil Protection Organized by the SDF

In FY2012, the MOD and SDF organized training for civil protection in cooperation with the Cabinet Secretariat (security and crisis management) and the Fire and Disaster Management Agency with the participation of local governments and other relevant organizations from the viewpoint of promoting understanding of the operation of SDF units concerning civil protection and sharing recognition of armed attack situations with relevant organizations.

In a comprehensive combat capability exercise conducted by the GSDF Northern Army in FY2012, the SDF implemented training for civil protection with the participation of external relevant organizations, including local governments and the Disaster Medical Assistant Team (DMAT) in order to enhance the SDF’s capability to respond to various situations and strengthen cooperation with such organizations.

Moreover, in the Japan–U.S. Bilateral Joint Training Exercise in FY2012, the SDF implemented training for civil protection in order to strengthen cooperation with local governments (Aomori, Akita,

Iwate, Miyagi, Yamagata and Fukushima Prefectures) and local administrative agencies in cooperation with relevant ministries and agencies, including the Cabinet Secretariat (security and crisis management) and the Fire and Disaster Management Agency, with regard to civil protection measures to be taken in situations such as an emergency response situation and an armed attack situation, in addition to maintaining and strengthening the capability to jointly execute operations with the U.S. military.

(2) Participation in Training for Civil Protection

In order to appropriately and promptly implement civil protection measures in armed attack situations, etc., it is essential to jointly coordinate matters related to the implementation of civil protection measures with other ministries and agencies, local governments, and other relevant organizations.

From this perspective, the Ministry of Defense and the SDF actively participate and cooperate in civil protection training implemented by the Cabinet Secretariat, prefectural government organizations, or local governments. The Ministry of Defense and the SDF continue such efforts to strengthen coordination and response capabilities.

Joint exercises between the national and local governments regarding civil protection were started in FY2005 and field exercises were conducted in five prefectures including Fukui that year, and exercises were conducted in Yamagata, Toyama, Mie, Shiga, Miyazaki and Kagoshima in FY2012, with command post exercises in Fukui, Okayama, Tokushima, Ehime and Okinawa.

In addition, the joint exercises regarding civil protection that were carried out in the city of Yasu, Shiga Prefecture, in October 2012, were the first such exercises which envisioned a terrorist attack on a passenger train in operation. The SDF, with the participation of the Cabinet Secretariat, Shiga Prefecture, relevant ministries and agencies and West Japan Railway Company, conducted training on initial response measures and air medical transport, in coordination with the central and local crisis management headquarters.

See Section 1-5; Reference 52

(3) Coordination with Local Governments in Peacetime

During peacetime, the Ministry of Defense and the SDF closely coordinate with local governments, etc. The Provincial Liaison & Coordination Division was established within the GSDF Army Headquarters to achieve effective implementation for civil protection measures through close coordination. To strengthen functions relating to coordination and cooperation with local governments, etc., a Civil Protection and Disaster Countermeasures Liaison Coordination Officer post was established in each SDF Provincial Cooperation Office.

Civil protection councils were established in prefectures and municipalities as institutions to gather opinions from a wide range of citizens, and members of the Ground, Maritime or Air Self-Defense Force were assigned to be council members. Furthermore, related staff of the Regional Defense Bureaus, which are designated regional government institutions, are assigned to be members. In addition, in some cases, retired SDF personnel are employed by local governments as crisis management supervisors to facilitate

cooperation with the MOD and SDF and help to conceive and implement disaster response plans and training programs as experts on civil protection.

3 The Joint Operations System of the Self-Defense Forces

In 2006, the Defence Agency (then) and the SDF shifted to a joint operations structure. This established the basis for unified SDF operations among the GSDF, MSDF and ASDF from peacetime, and is enabling the SDF to fulfill its expanding range of already diversified duties in an effective and prompt manner.

Thereafter, as the need for efficient operation of defense capabilities and the need for the GSDF, MSDF and ASDF to work as one are growing, the joint operations structure should continue to be strengthened in light of the current security environment. Therefore, the MOD and SDF are making efforts to strengthen the foundation of the joint operations, including the functions of the Joint Staff.

1 Outline of Joint Operations Structure

(1) Role of the Chief of Staff

- a. The Chief of Staff, Joint Staff develops a joint operations concept for SDF operations, and solely supports the Minister of Defense on SDF operations from a military expert's perspective.
- b. The Minister's commands concerning the operations of the SDF shall be delivered through the Chief of Staff, Joint Staff and orders concerning operations of the SDF shall be executed by the Chief of Joint Staff. In doing this, the Minister's commands and orders shall be delivered through the Chief of Joint Staff not only in cases where a joint task force¹ is organized, but also in cases where a single SDF unit is employed to respond.

(2) Relationship between Chief of Staff, Joint Staff and Other Chiefs of Staff

The Joint Staff undertakes the functions relating to SDF operations that were transferred and consolidated from the Grand, Maritime and Air Staff Offices. The Grand, Maritime and Air Staff Offices continue to undertake functions for unit maintenance, such as personnel, building-up defense capability, and education and training.

In addition, from the perspective of facilitating smooth SDF joint operations, the Chief of Staff, Joint Staff creates medium-to long-term defense concepts, and annual operational policies to clarify of its required functions for the GSDF, MSDF and ASDF. Each of the Chiefs of Staff of the GSDF, MSDF and ASDF will implement measures in reference to these plans.

The information necessary for the SDF to carry out its operations is provided by the Defense Intelligence Headquarters, which is the "central intelligence organization of the Ministry of Defense," to the Joint Staff and relevant units.

(See Fig. III-1-2-5)

2 Establishment of Foundation to Enhance the Joint Operations Structure

Within the joint operations structure, it is essential that the Joint Staff and SDF units maintain systems to communicate commands accurately and to share information promptly. Therefore, the Defense Information Infrastructure (DII), the common network of the Ministry of Defense and SDF, and the Central Command System (CCS) that supports command and supervision for the Minister of Defense by connecting with the primary command systems of each SDF to collect intelligence, were developed as part of the foundation to support that essential requirement². The MOD and SDF are required to possess a command and control function utilizing an advanced communications network that includes satellites and a system for sharing intelligence³ to strengthen the joint operational foundation, so they are developing a flexible and wide-ranging communications system using advanced communications technology acquired from within and without.

Furthermore, as it is necessary for information systems and communications networks to be protected from threats such as cyber attacks, efforts are being made to strengthen the combined cyber attack response capability.

See Section 1-3

At the unit level, commanders⁴ of major units who may be required to take command of a joint task force will create plans for such forces' operations during peacetime. Also, they need to maintain a posture capable of executing duties through joint training and other methods. For this purpose, personnel from other SDF branches are to be stationed at major command headquarters during peacetime, and if necessary, the number of staff personnel will be increased. In addition, through exercises such as the U.S.-Japan joint exercise (field exercise) that took place in FY2012, efforts are being made to maintain and improve integrated operational capability and to verify the effectiveness of the various plans that have been formulated.

Deliberation for a more effective joint operations system continues and necessary measures will be taken, while bearing in mind past accomplishments. This deliberation includes topics such as the improvement of education and training, the SDF headquarter structure, and the development of human resources and common equipment suited for joint operations.

¹ Based on Article 22, paragraphs 1 and 2 of the SDF Law, a special unit shall be organized to carry out a specific duty, or the required troops will be placed under the authority of a commander outside of their usual command structure. This unit shall be made up of units of the GSDF, the MSDF and the ASDF, or a combination of two or more of the branches of the SDF.

² Refer to "Defense Agency/SDF Outline for Comprehensive Measures Related to Handling the Information and Communications Technology Revolution" for details on each system.

³ Satellites are used for communication with destroyers and aircraft engaged in warning and surveillance operations in nearby seas by utilizing the advantages of wide range and immediacy, and for communications between Japan and units deployed in disaster areas and overseas.

⁴ GSDF Commanding General of Army and Central Response Readiness Force Headquarters; MSDF Commander of the Self-Defense Fleet and Commandant Regional District; ASDF Commander of Air Defense Command, Commander of Air Support Command and Commander of Air Defense Force, ASDF and so on

using P-3C fixed-wing patrol aircraft to monitor the numerous vessels that sail through those waters. Furthermore, surveillance activities are conducted with the flexible use of destroyers and aircraft as required. Thus, a state of readiness is maintained for responding quickly to situations in areas surrounding Japan. In addition, GSDF coastal surveillance units and MSDF security posts conduct 24-hour surveillance activities in the major sea straits. The conceptual image of surveillance activities conducted by the MOD and SDF is as shown in Fig. III-1-1-1.

In recent years, activities by the Chinese Navy and government ships in waters near Japan, including the East China Sea, have been increasing and expanding rapidly. In 2012, for example, there were six incidents of activity by Chinese Navy vessels involving the passage through the southwestern region and one incident of such activity was also confirmed in waters south of Okinawa. Moreover, since the Japanese government's acquisition of the ownership of the Senkaku Islands in September 2012, Chinese governmental ships have intermittently intruded into Japanese territorial waters. Therefore, the MOD and SDF are strengthening cooperation with relevant ministries and agencies, including routine information sharing with the Japan Coast Guard, so as to ensure that there is no gap in Japan's defense and security systems.

(See Fig. III-1-1-2)

2 Warnings and Emergency Takeoffs (Scrambles) in Preparation against Intrusion of Territorial Airspace

(1)Basic Concept

Under international law, nations have complete and exclusive sovereignty over their airspace. Scrambling against intruding aircraft is conducted as an act to exercise the right of policing intended to maintain public order. Unlike measures taken on land or in the seas, this measure can be taken only by the SDF. Therefore, the ASDF is primarily responsible for conducting actions against intruding aircraft based on Article 84 of the SDF Act.

See References 42, 43

(2)Response by the MOD and SDF

The ASDF conducts daily 24-hour surveillance of Japan's territorial and adjacent airspace using 28 radar sites nationwide, E-2C early warning aircraft and E-767 early warning and control aircraft. Through this, it is possible to detect and identify aircraft flying close to Japan and, if any aircraft suspected of violating Japan's territorial airspace is detected, fighters will be scrambled to approach them to confirm the

situation and monitor the aircraft as necessary based on Article 84 of the SDF Act. In the event that a territorial airspace violation does occur, SDF conducts such as warning to withdraw.

On December 13, 2012, fixed-wing aircraft belonging to the State Oceanic Administration (SOA) of China intruded into Japanese territorial airspace near Uotsuri Island, which is part of the Senkaku Islands. On February 7, 2013, Russian fighter (Su-27) intruded into Japanese territorial airspace near Rishiri Island in Hokkaido. On both occasions, ASDF fighter and other aircraft scrambled against intruding aircraft.

In FY2012, the ASDF scrambled 567 times¹, a breakdown of which is as shown in Fig. III-1-1-3, 4 and 5. In FY2012, the number of scrambles against Chinese aircraft exceeded the number of those against Russian aircraft for the first time. The MOD and SDF are strengthening surveillance in the southwestern region, for example by operating E-2C and E-767 efficiently.

3 Response to Submarines Submerged in Japan's Territorial Waters

(1) Basic Concept

With respect to foreign national submarines navigating underwater in Japan's territorial waters², an order for maritime security operations³ will be issued promptly. The submarine will be requested to navigate on the surface of the water and show its flag, in accordance with international law, and in the event that the submarine does not comply with the request, it will be requested by the SDF to leave Japanese territorial waters.

See References 42, 43

(2) Ministry of Defense and SDF Efforts

The MSDF is enhancing capabilities for detecting, identifying, and tracking foreign submarines navigating underwater in the territorial waters of Japan, as well as making the Japanese government's intentions clear, and improving capabilities for responding to them in shallow water areas. In November 2004, the MSDF P-3C observed a submerged Chinese nuclear-powered submarine navigating underwater in Japanese territorial waters around Sakishima Islands. In response to this, an order for maritime security operations was issued, while MSDF vessels and aircraft continued to track the submarine until it entered the high seas.

In May 2013, although there was no intrusion into the territorial waters of Japan, the MSDF P-3C observed submarines navigating underwater in the contiguous zone in succession (in the waters west of Amami Oshima (Kagoshima Prefecture) on the night of May 2, in the waters south of Kumejima (Okinawa Prefecture) at midnight of May 12, and in the waters south of Minami Daitojima (Okinawa

Prefecture) in the early morning of May 19). Although international law does not forbid foreign submarines navigating underwater in the contiguous zone of coastal nations, these navigations were announced under the recognition of situations requiring close attention, in light of ongoing emerging issues of observation of submarines navigating underwater in the contiguous zone of the Japanese territorial waters.

4 Response to Armed Special Operations Vessels

(1) Basic Concept

The Japan Coast Guard, as a police organization, is primarily responsible for responding to suspicious armed special operations vessels (unidentified vessels). However, in the event that it is deemed extremely difficult or impossible for the Japan Coast Guard to respond to a situation, an order for maritime security operations will be issued in a timely manner and the SDF will respond to the situation in cooperation with the Japan Coast Guard.

See References 42, 43

In light of the lessons learned from the incident involving an unidentified vessel off Noto Peninsula in 1999 and the incident involving an unidentified vessel in the sea southwest of Kyushu in 2001, the Japanese Government has been taking all necessary precautionary measures while the Ministry of Defense and the SDF have strengthened cooperation with other relevant ministries and agencies.

(2) Ministry of Defense and SDF Efforts

The MSDF is taking the following steps: 1) deployment of missile boats; 2) establishment of the MSDF Special Boarding Unit⁴; 3) equipment of destroyers with machine guns; 4) furnishing forcible maritime interdiction equipment (flat-nose shells)⁵; and 5) improving the sufficiency ratio of essential military vessel personnel.

In addition, the Ministry of Defense and the Japan Coast Guard carry out regular mutual training, information exchange, joint exercises, etc. Based on the “Manual on Joint Strategies concerning Unidentified Vessels,” which was prepared jointly by the Defense Agency and the Japan Coast Guard in 1999, the MSDF and the Japan Coast Guard carry out joint exercises involving pursuit and capture guidelines for unidentified vessels and communications, etc., strengthening cooperation between the two organizations.

¹ Share by country of aircraft subject to scrambles: China, approximately 54%; Russia, approximately 44%; and others, approximately 2%.

² Including territorial waters and inland waters.

- ³ Maritime security operations (Article 82 of the SDF Law) refer to actions taken at sea by the SDF with the particular need to protect lives or property, or maintain peace and order. Approval by the Prime Minister is required.
- ⁴ A special unit of the MSDF was newly established in March 2001 to deter expected resistance, and disarm suspicious vessels in the event of onboard inspections under maritime security operations.
- ⁵ The flat front edge of the destroyer prevents a non-bursting shell from scattering when launched from the 76-mm gun equipped on the ship.

2 Defense of Japan's Offshore Islands

Given Japan's geographical characteristics — that the country is surrounded by seas and has numerous islands —, invasion of offshore islands can be anticipated as one form of armed attack against Japan.

1 Basic Concept

In order to respond to attacks on islands, it is important to detect signs at an early stage through activities routinely conducted by the SDF including continuous intelligence patrols and surveillance activities. Response to such attacks has many points in common with ground defense strategy (see Section 1-9). If signs of attack are detected in advance, SDF troops will be concentrated in an area expected to be attacked ahead of the deployment of enemy units and try to deter enemy attacks. If the enemy shows no sign of refraining from launching an attack, operations will be conducted to prevent it. If no signs of aggression are detected in advance and islands are occupied, operations will be conducted to regain the islands by defeating the enemy with air-to-ground and ship-to-ground firing and by landing GSDF units.

See References 42, 43

Joint operations of integrated Ground, Maritime, and Air SDF are particularly important in the implementation of such strategies. Such joint operations will enable the SDF to swiftly deploy and concentrate troops, and to prevent and destroy enemy forces through cooperation with routinely deployed troops. When implementing such operations, it is important to establish air-defense preparedness in the airspace of islands, including cruise missile response, and to secure air superiority¹, command of the sea, and safety of marine transportation routes in the sea and airspace surrounding Japan.

(See Fig. III-1-1-6)

2 Initiatives of the Ministry of Defense and the SDF

The Ministry of Defense and the SDF are establishing a routine posture for intelligence gathering and patrol and a system necessary for swift response to various contingencies. These efforts should include deployment of coastal surveillance units to islands in the southwestern region of Japan, where no SDF units are deployed, and reorganization of units in charge of initial response operations.

In order to ensure the capability to swiftly deploy units to offshore islands and respond to attacks there, the Ministry of Defense and the SDF procure equipment such as transportation aircraft and surface-to-ship missiles, and carry out training for deterrence of and response to attacks on islands. Also, in the southwestern and other regions, various exercises are conducted with the objective of improving the joint operation capabilities of the GSDF, MSDF, and ASDF. The SDF is also actively involved in field training with U.S. forces aimed at developing the capability to effectively execute operations and establishing mutual coordination procedures. The GSDF conducted field exercises with the U.S. Marines in the Guam-Tinian region in August 2012 and in California in January 2013. In June 2013, the GSDF,

MSDF and ASDF will participate in a joint exercise (field exercise) in the United States (Dawn Blitz 13). Dawn Blitz has until now been conducted as an exercise by the U.S. military alone, so this will be the first participation by the SDF.

Initiatives for improvement of air defense capacities through equipment with fighters and surface-to-air missiles, and initiatives for ensuring the safety of marine transportation through improvement of antisubmarine warfare capacities of submarines and maritime patrol aircraft and initiatives for improvement of the transport capability and mobility based on amphibious vehicles, various armored vehicles and helicopters are extremely important from the perspective of securing response to attacks on islands.

See Section 1-9

¹ The degree of dominance in the air battle of one force over another that permits the conduct of operations by the former without prohibitive inference by opposing air forces.

3 Response to Cyber Attacks

In recent years, cyber attacks on information and communications systems have become more sophisticated and complicated, and the risks threatening the stable utilization of cyberspace have been recognized as a new challenge in national security. In light of this situation, in September 2012, the MOD adopted “Toward Stable and Effective Use of Cyberspace by MOD and SDF” as a guideline for implementing necessary measures in an integrated and consistent manner and has been conducting necessary initiatives.

1 Basic Concept

For the MOD and SDF to execute missions, it is necessary to maximize its opportunities for the use of cyberspace while limiting any risks. For that purpose, the MOD and SDF must secure the stable use of cyberspace as their “infrastructure” and strengthen the capabilities to better operate in cyberspace as a new “domain” that is equivalent to land, seas, airspace and space. In such efforts, the MOD and SDF will accomplish necessary programs based on the following policy directions:

- (1) Enhancement of capabilities and systems of the MOD and SDF.
- (2) Contribution to nationwide initiatives including the private sector.
- (3) Cooperation with the international community, including allied nations.

2 Initiatives of the Ministry of Defense and the SDF

The SDF responds to cyber attacks by jointly operating functions necessary for defending its own information systems, and also contributes to the government-wide response to cyber attacks by accumulating advanced expertise and skills needed to deal with cyber attacks.

As for response to cyber attacks, the SDF C4 (Command, Control, Communication & Computers) Systems Command is continuously monitoring SDF communications networks of the Defense Information Infrastructure (DII) and Central Command System¹. It is necessary not only to introduce intrusion prevention systems in order to increase the safety of information and communications systems, and develop defense systems such as the security and analysis device for cyber defense, but also to formulate comprehensive measures, including those focused on developing the human resources and technological infrastructure. Therefore, the MOD and SDF are engaged in such initiatives as enacting regulations² stipulating postures and procedures for responding to cyber attacks, as well as conducting research on cutting-edge technology.

In FY2013, in order to appropriately deal with the threat posed by cyber attacks which are growing increasingly sophisticated and complicated, the MOD and SDF are developing their structure, for

example by creating a “cyber defense group” (tentative name). The MOD and SDF will also make efforts to improve the operational infrastructure, such as by starting a project to enhance network monitoring and research on technologies to develop the cyber exercise environment. The MOD and SDF also continue to implement initiatives for the development of human resources with sophisticated knowledge, including establishing education and research in the field of network security at the National Defense Academy, and dispatching officials to study at graduate schools in Japan and abroad.

(See Fig. III-1-1-7)

At the same time, it is difficult for the MOD and SDF alone to achieve the stable use of cyberspace. Thus, in addition to collaborating with relevant ministries and agencies, such as the National Information Security Center (NISC), through participation in such initiatives as the Japan-U.S. IT Forum and the Japan-U.S. Cyber Dialogue which was formed based on the agreement reached between the leaders of Japan and the U.S., information on issues concerning cyberspace and information security will be exchanged. Furthermore, the MOD and SDF are also promoting collaboration and cooperation with the international community, including the U.S., by such means as conducting joint exercises assuming the occurrence of cyber attacks.

In order to further strengthen the MOD’s systems for considering and implementing cyber-related policies in light of the threat posed by increasingly sophisticated and complicated cyber attacks, the Cyber Policy Committee, chaired by the Parliamentary Vice-Minister of Defense, was established in February 2013. The committee is conducting deliberations regarding cooperation with other countries and relevant organizations, the programs to train and acquire personnel capable of responding to cyber attacks, cooperation with the defense industry and response to supply chain risks³.

¹ Refer to Note 2 in Section 2-3.

² There are directives relating to information assurance of the Ministry of Defense (Ministry of Defense Directive No. 160, 2007).

³ Supply chain risks refers to the risks that malicious software, including computer viruses, may be inserted in the components of equipment during the design, manufacturing, procuring or installation of equipment.

4 Response to Ballistic Missile Attacks

While various efforts have been made by the international community for the prevention of the proliferation of ballistic missiles and weapons of mass destruction, the proliferation of these weapons still continues.

Among the countries surrounding Japan, China and Russia have deployed a considerable number of ballistic missiles which can mount nuclear weapons. In 2006, North Korea launched seven ballistic missiles, and in April 2009, it launched a missile while describing it as a satellite. In July the same year, North Korea again launched seven ballistic missiles and in April and December 2012, North Korea launched a missile which it called a “satellite.” These events have reconfirmed that the threat from ballistic missiles is a reality.

See Part I, Chapter 1, Section 2; References 1, 2

Japan began establishing the Ballistic Missile Defense (BMD) system in FY2004 to effectively respond to ballistic missile attacks. Necessary amendments were subsequently made to the SDF Law in 2005, and in the same year, the Security Council and Cabinet decided to begin Japan-U.S. cooperative development of an advanced ballistic missile interceptor.

Japan is steadily building up its own multi-tiered defense system against ballistic missile attacks, by such means as installing ballistic missile defense capability to the Aegis destroyers¹ and deploying the Patriot Advanced Capability-3 (PAC-3)².

(See Fig. III-1-1-8)

1 Japan’s Ballistic Missile Defense

(1) The Outline of BMD System Equipment

a. Basic Concept

Japan’s BMD is an effective multi-tier defense system with the upper tier interception by Aegis destroyers and the lower tier by Patriot PAC-3, both interconnected and coordinated by the Japan Aerospace Defense Ground Environment (JADGE), an indigenous command, control battle management, and communication system. To establish this multi-tier defense structure, the MOD and SDF have upgraded the capability of existing Aegis destroyers and Patriot systems and further promoting BMD system development.

(See Fig. III-1-1-9)

See References 44, 45

b. Development Status of the BMD System

By the end of FY2011, the MSDF deployed four Aegis destroyers³ equipped with Standard Missile-3 (SM-3) missiles, and the ASDF deployed a total of 16⁴ FUs⁵ of Patriot PAC-3, 4 FPS-5⁶ radars and 7 FPS-3 (modified) fixed warning and control radars, thereby achieving the deployment targets set in the annex table of the 2004 NDPG. The MOD and SDF continue with the development of the BMD system;

two Aegis destroyers will be upgraded with BMD capabilities, one existing Patriot FU will be upgraded to PAC-3, and other Patriot PAC-3 FUs throughout Japan. In April 2013, 2 FUs of Patriot PAC-3 of the Air Missile Training Group (Hamamatsu) were re-assigned to the 17th Fire Unit (Naha) and 18th Fire Unit (Chinen).

(2) Future Capability Improvement

The proliferation of ballistic missile technology continues and the possibility remains that ballistic missiles will be furnished with countermeasures to avoid interception in the future. Furthermore, expansion of the defense coverage and improvement of interception probability are also required in response to conventional ballistic missiles. Thus, it is essential to improve the kinetic performance of interceptor missiles and take initiatives to advance the efficiency and reliability of the BMD system.

From this perspective, Japan–U.S. cooperative development project of an advanced interceptor commenced in 2006 based on results obtained from Japan–U.S. cooperative research, which started in 1999. Thus, efforts to improve future capabilities are under way.

2 Improvement in Legislation and Operations

(1) Legal Measures regarding Response to Ballistic Missiles

In case ballistic missiles or other objects⁷ are launched toward Japan and if the situation is recognized as an armed attack, a defense operation order for armed attack situations will be issued to respond.

On the other hand, if ballistic missiles are launched towards Japan and if the situation is not acknowledged as an armed attack, the following measures will be taken with sufficient consideration to 1) carrying out prompt and appropriate response and 2) ensuring civilian control:

- a. When the Minister of Defense determines that there is a possibility that ballistic missiles or other objects will fly toward Japan, the Minister of Defense orders SDF units to take measures to destroy the ballistic missiles upon approval of the Prime Minister⁸.
- b. In addition to the case above, there may be cases where almost no information is available concerning missile launch, or that suddenly the situation changes due to accidents or failure in launch, allowing no time for the Minister of Defense to obtain the approval of the Prime Minister. In case of such contingencies, the Minister of Defense may prepare emergency response procedures in advance that are to be preapproved by the Prime Minister. Subsequently, in accordance with these emergency response procedures, the Minister of Defense may issue an order in advance to SDF units with a specified period of validity to take the necessary measures to destroy ballistic missiles and other objects when they actually fly toward Japan.

(See Fig. III-1-1-10)

See References 42, 43, 46

(2) Concept of Ensuring Civilian Control of the Military

Response against ballistic missiles requires the government to assess the possibility of missiles flying toward Japan by comprehensively analyzing and evaluating the specific situation and international circumstances. In addition to the SDF destroying the missile, interagency actions are required, for example, measures for civil protection such as alert and evacuation, diplomatic activities, information gathering by related agencies, and enhancement of readiness for emergencies.

In view of the importance of the matter and the necessity of action by the Japanese government as a whole, the Cabinet and Minister of Defense can sufficiently fulfill their responsibilities upon the Prime Minister's approval (Cabinet decision) and orders by the Minister of Defense. Furthermore, the supervision of the Diet is also defined with a provision in the law on reporting to the Diet.

(3) Operational Efforts

a. Responses to Ballistic Missiles through Joint Operations

Responding to ballistic missiles flying toward Japan, when the Joint Task Force-BMD is formed, the Commander of the Air Defense Command is to serve as the Commander of the task force, and various postures for effective defense are to be taken under a unified command through JADGE.

Furthermore, the GSDF will play a leading role in dealing with damage caused by the impact of ballistic missiles.

b. Japan-U.S. Cooperation in Response to Ballistic Missile Attacks

Further cooperation with U.S. forces in Japan as well as with the U.S. government is required for efficient and effective operation of the BMD system. Thus, related measures, such as constant real-time sharing of information on BMD operation and relevant information, were agreed upon at the Japan-U.S. Security Consultative Committee (2+2) meetings in 2005, 2006, and 2007.

Also, at the Japan-U.S. defense ministers meeting in November 2007, with progress in the development of the BMD system, both Japan and the United States agreed to advance cooperation with a focus on operational aspects.

In addition, maintenance, development and validation of Japan-U.S. bilateral response capability have been conducted actively through training and other activities. In February 2013, following the previous year, a special BMD exercise was held between the MSDF and the U.S. Navy, connecting their ships via a network and conducting a simulation of response to ballistic missiles, to improve tactical capabilities and strengthen bilateral coordination.

See Part II, Chapter 3, Section 2

3 Missile Defense of the United States and Japan-U.S. BMD Technical Cooperation

(1) Missile Defense of the United States

The United States is developing a multi-tier missile defense system consisting of mutually complementary defense systems suited for each of 1) the boost phase, 2) the mid-course phase, and 3) the terminal phase of the ballistic missile flight path.

Japan and the United States have developed close coordination concerning ballistic missile defense, and a part of the missile defense system of the United States has been deployed in our country in a step-by-step manner.

Specifically, in June 2006, a TPY-2 radar (so-called “X-band radar”) for BMD was deployed at the ASDF Shariki sub-base, Aomori Prefecture⁹. Also, BMD-capable Aegis ships have been forward deployed in Japan and surrounding areas since December 2006. Furthermore, in October 2006, Patriot PAC-3 units were deployed at Kadena Air Base in Okinawa Prefecture, and in October 2007, a Joint Tactical Ground Station (JTAGS)¹⁰ was deployed at Misawa Air Base in Aomori Prefecture.

Currently, an additional deployment of a TPY-2 radar at ASDF Kyogamisaki sub-base, Kyoto prefecture, is under consideration.

See Part II, Chapter 3, Section 5-2

(2) Japan–U.S. Cooperative Development of Advanced Ballistic Missile Interceptor and Other Initiatives

In 1998, the government decided to commence Japan–U.S. cooperative research project on a sea-based upper-tier system in FY1999.

The purpose of the Japan-U.S. cooperative research project was to improve future interceptor missile capability, and conducted design, prototype production and necessary testing for four main components¹¹.

In December 2005, the Security Council and the Cabinet decided to start Japan-U.S. cooperative development of an advanced BMD interceptor by using the results of the project as a technical basis, because the results showed good prospects for resolving initial technical challenges. The joint development started in June 2006 with a view to expanding the coverage of protection and dealing with future threats posed by increasingly advanced and diverse ballistic missiles and is planned to be completed by around 2017.

(See Fig. III-1-1-11)

See Reference 47

(3) Relationship to the Three Principles on Arms Exports

With regard to the Japan-U.S. cooperative development, which is aimed for improved future BMD capability, it is necessary to export BMD related arms from Japan to the United States as part of development. In accordance with the Chief Cabinet Secretary’s statement issued in December 2004, it was determined that the Three Principles on Arms Exports would not apply to the BMD system and related matters under the condition that strict controls are maintained.

Based on these circumstances, third party transfer was discussed, and it was decided that transfer of the SM-3 Block IIA could be approved in advance in accordance with the Exchange of Notes concerning transfer of arms and military technologies to the U.S., in the case where the transfer supports the national security of Japan and/or contributes to international peace and stability, and when the third party has sufficient policies to prevent the future transfer of the SM-3 Block IIA. This decision was formally announced in the Joint Statement of the U.S.-Japan Security Consultative Committee (2+2) on June 21, 2011.

See References 20, 47

4 Response to North Korea's Missile Launch

(1) Missile Launch in 2009

On March 12, 2009, the International Maritime Organization (IMO) informed member countries that it had received warning in advance from North Korea of an intended test launch of an “experimental communication satellite.”

As the launch would violate U.N. Security Council Resolutions 1695 and 1718, the government requested that North Korea stop it, and confirmed the response policy toward North Korean missile launches at the Security Council on March 27. Further, based on Article 82 Section 2 of the Self-Defense Forces Law (currently Article 82 Section 3), the Minister of Defense issued the “Order for destruction measures against ballistic missiles.” The SDF formed the Joint Task Force BMD and deployed two Aegis Destroyers equipped with SM-3 to the central of Sea of Japan as well as Patriot PAC-3 units to SDF bases in the Tohoku region and the Tokyo metropolitan area to protect Japanese territory from falling missiles.

At 11:30 AM on April 5, one missile was launched from North Korea toward the east and was calculated to have passed over the Tohoku region to the Pacific Ocean at approximately 11:37.

The MOD and the SDF swiftly transmitted information to the Prime Minister's Office and other agencies, collected from Shared Early Warning¹² (SEW) and the various SDF radar units¹³. Further, aerial reconnaissance was carried out to confirm whether any harm was caused in the Tohoku region.

On April 6, the Minister of Defense issued an order to terminate the destruction measures against ballistic missiles and recalled the units. On May 15, a comprehensive and expert analysis of the missile launched by North Korea was made public.

(2) Launch in 2012

On March 19, 2012, a notification was sent from the IMO that it had received warning in advance from North Korea concerning a launch of an “earth observation satellite.”

On March 27, in accordance with an order for preparations for destruction measures against ballistic missiles (preparation order), the MOD and SDF started preparations. Moreover, on March 30, the Minister of Defense issued an order for the implementation of destruction measures against ballistic missiles (implementation order) based on Article 82-3, Paragraph 3 of the Self-Defense Forces Law, and

the SDF deployed Aegis destroyers equipped with SM-3 missiles in the Sea of Japan and the East China Sea, and Patriot PAC-3 units on the islands of Okinawa Prefecture and within the Tokyo metropolitan area. Also, the MOD and SDF responded by dispatching the requisite units to the Southwestern Islands.

Around 07:40 on April 13, the MOD (the SDF) confirmed receiving information from SEW concerning a launch of a flying object from the west coast of North Korea. Subsequently, it was determined that this launch was of the missile which North Korea called a "satellite." The missile flew for over a minute and then broke up into several pieces which fell into the Yellow Sea, so it is believed that the launch failed.

The same evening, the Minister of Defense issued an order to terminate the destruction measures against ballistic missiles (termination order) and the units were quickly recalled.

Furthermore, on December 1, 2012, North Korea announced it would launch a "satellite" during the period between December 10 and 22 (later extended to December 29), and on December 3, Japan was notified by IMO of the designation of danger areas by North Korea. In light of these circumstances, the Minister of Defense issued a preparation order on December 1 and, as was the case in April, the MOD (the SDF) deployed Aegis destroyers and PAC-3 units and in case of missile falling in Japan's territory, GSDF units were dispatched to the Southwestern Islands. On December 7, the Minister of Defense issued an implementation order based on Article 82-3, Paragraph 3 of the SDF Law.

On December 12, the MOD (the SDF) judged that a missile, which North Korea called a "satellite," was launched southward from the western coast of North Korea around 9:49 a.m. and estimated that the missile passed through airspace above Okinawa Prefecture around 10:01 a.m. toward the Pacific Ocean. In the evening of the day, the Minister of Defense issued a termination order, and the deployed units were recalled. On January 25, 2013, the MOD and SDF announced the results of analysis in "Report on North Korea's Missile Launch on December 12."

(3)Response in 2013

Since the beginning of 2013, North Korea has repeatedly conducted various provocative activities, including suggesting the possibility of missile launch. In light of this situation, the Prime Minister instructed the MOD (the SDF) to make every possible effort to collect and analyze the intelligence, provide information for the public and safety and security of people. Based on this order, the MOD (the SDF) have adopted a posture to take every possible measure, including surveillance and reconnaissance, in order to protect people's lives and property while cooperating with relevant ministries and agencies and the United States.

¹ Vessels equipped with Aegis air defense systems, which automatically process a series of activities including target search, detection, identification/classification, and attack using high performance computers.

² The Patriot PAC-3 system is one of the air defense systems for countering airborne threats. Unlike the conventional type of anti-aircraft PAC-2 missiles, which mainly target the interception of aircraft, the PAC-3 missiles are designed primarily to intercept ballistic missiles.

³ Kongo, Chokai, Myoko and Kirishima

- ⁴ 4 FUs of the 1st Air Defense Missile Group (Narashino, Takeyama, Kasumigaura, and Iruma), 4 FUs of the 2nd Air Defense Missile Group (Ashiya (2), Tsuiki, and Kouradai), 4 FUs of the 4th Air Defense Missile Group (Aibano, Gifu (2), and Hakusan), and 4 FUs of the Air Defense Training Group and 2nd Technical School (Hamamatsu)
- ⁵ Fire Unit (the minimum unit of a surface-to-air missile unit).
- ⁶ An indigenous radar system that enables detection and tracking of ballistic missiles whose development started in FY1999 (former name: FPS-XX). The radar can respond to conventional threats such as aircraft as well as ballistic missiles.
- ⁷ Objects other than aircraft such as ballistic missiles which could cause grave damage to human life and property when they fall to the ground.
- ⁸ A specific example of SDF activity is deploying PAC-3 units by the ASDF and Aegis destroyers by the MSDF, upon receipt of an appropriate order from the Minister of Defense in preparation for incoming ballistic missiles and other objects. In the case where missiles actually fly toward Japan, based on the aforementioned order, SDF units will destroy them.
- ⁹ Later on, the radar moved to the neighboring U.S. Forces Shariki Communication Site.
- ¹⁰ A ballistic missile information processing system.
- ¹¹ The four components are the nose cone, second-stage rocket motor, kinetic warhead, and infrared seeker.
- ¹² This is information conveyed by the U.S. to the SDF after the U.S. Forces analyze data relating to ballistic missiles launched in the direction of Japan; the analysis takes place within a short period immediately after the launch and the information provided to the SDF includes the area where the launch took place, the time of the launch, the area where debris is expected to fall and the anticipated time when it is likely to fall. Under the security arrangements between Japan and the U.S., the SDF has exchanged various kind of information with the U.S. Forces, and the SEW is one example of such information (since in April 1996). It cannot be denied that there are limits to the accuracy of this kind of information due to its nature, but it is valuable enough as an “initial report” of any ballistic missile launches in the direction of Japan.
- ¹³ On the day before the actual launch, false information related to the launch was distributed due to mishandling of information by the Ministry of Defense and the SDF. At the time of the actual launch, information was properly collected and transmitted checking information with SEW by several staff including the Chief of Joint Staff.

5 Response to Attacks by Guerillas and Special Operations Forces

Since Japan is urbanized, small-scale infiltrations and attacks can pose a serious threat to peace and security. Such cases may take various forms including illegal actions by armed agents¹, and destructive actions by guerillas and special operations forces.

See References 42, 43

1 Responses to Attacks by Guerillas and Special Operations Forces

(1) Basic Concept

Possible forms of armed attack on Japan by irregular forces such as guerillas can include 1) destruction of critical private infrastructure facilities and attacks on people and 2) assassination of important figures.

In the event of an armed attack on Japan by guerilla or special forces, Japan will respond with defensive operations.

(2) Operations to Respond to Attacks by Guerillas and Special Operations Forces

In operations to respond to attacks by guerillas or special operations forces, an intelligence gathering posture is established to detect the attacks at the earliest possible time and to respond in a swift and flexible manner. Particular importance is given to patrol and surveillance to prevent invasion in coastal areas, safeguarding of key facilities, and search and defeat of invading units. It is important at this time to quickly gain control of the situation to minimize damage.

a. Search and Detection of Guerillas and Special Operations Forces

Efforts toward early detection will be made through patrols² in surrounding waters by escort ships or aircraft and warning and surveillance by GSDF reconnaissance units in coastal areas. When the possibility of infiltration into Japanese territory by guerillas and special operations forces is suspected, GSDF patrol units will engage in warning and surveillance activities in coastal areas.

In the event of an infiltration, patrol and air units will search and detect the guerillas or special operations forces.

Furthermore, as required, a guarding posture will be established for the prompt deployment of guarding units to secure key facilities.

b. Capture and Defeat of Guerillas and Special Operations Forces

In the event that guerillas or special operations forces are detected, combat forces will be promptly deployed in the area to besiege them, upon which they will be captured or destroyed.

(See Fig. III-1-1-12)

2 Response to Armed Agents

(1) Basic Concept

While the police assume primary responsibility for responding to illegal activities of armed agents, the SDF will respond in accordance with situational developments.

(2) Measures for Strengthening Cooperation with the Police Organizations, etc.

For the SDF to deal with armed agents it is important to cooperate with the police agency. Accordingly, in 2000, the Basic Agreement concluded in 1954 between the JDA and the National Public Safety Commission with regard to cooperation procedures in the case of public security operations was revised to enable its application to illegal activities by armed agents³. In addition, local agreements were concluded in 2002 regarding public security operations between GSDF divisions/brigades and prefectural police forces.

Furthermore, guidelines were jointly formulated with the National Police Agency in 2004 for dealing jointly with public security dispatches in the event of armed agent concerns.

By July 2005, the GSDF divisions, etc. and each prefectural police force had conducted joint simulation exercises to strengthen mutual cooperation at the local level in preparation for dealing with armed agents. Based on the results of these joint simulation exercises, joint field exercises were continuously conducted in various locations across Japan between GSDF units and prefectural police. In June 2012, a joint field exercise was conducted at Shikoku Electric Power Company's Ikata Nuclear Power Station as the first such joint exercise to be carried out at an actual nuclear power station. In addition, the MSDF and the Japan Coast Guard have already been conducting joint exercises related to suspicious ships. In October 2012, they conducted a joint field exercise related to an act of terrorism against a nuclear power station in the Bay of Wakasa, which was the first such joint drill.

3 Response to Nuclear, Biological, and Chemical Weapons

In recent years, there has been strong recognition of the danger of nuclear, biological, and chemical (NBC) weapons proliferation and the means for transporting such weapons, as well as related equipment and materials, to terrorists and rogue states. In the event that such weapons of mass destruction are used, it is likely there will be indiscriminate mass casualties and contamination of an extensive area. The sarin gas attack⁴ on the Tokyo subway in 1995 and the incidents of mail in the United States containing anthrax⁵ in 2001 are evidence of the fact that these weapons have already been used.

(1) Basic Concept

In the event of the use of NBC weapons in Japan in a way that corresponds to an armed attack, the SDF will conduct defense operations to abate the armed attack and rescue victims. Furthermore, in the event of the use of NBC weapons in a way that does not correspond to an armed attack but against which the general police alone cannot maintain public security, the SDF will conduct public security operations to suppress the armed attack and assist victims in cooperation with related agencies. Furthermore, when the incident does not fall under the category of defense operations or public security operations, the chemical protection units of the GSDF and medical units of the ASDF, GSDF and MSDF will cooperate with relative organizations in intelligence gathering concerning the extent of the damage, decontamination

activities, transport of the sick and injured and medical activities through disaster relief dispatches and civilian protection dispatches.

(2) Initiatives of the Ministry of Defense and the SDF in Response to NBC Weapons

The Ministry of Defense and the SDF have improved the capability for responding to NBC weapon attacks. Specifically, the Central NBC Weapon Defense Unit was formed under the Central Readiness Force, and each division and brigade has an NBC weapon defense unit. In addition, there has been an increase of chemical protection unit personnel, improvement of NBC reconnaissance vehicles, chemical surveillance devices, decontamination vehicles, personnel protection equipment, portable automatic biological sensors, chemical protection clothing, and research and development for decontamination kits is ongoing. Also, the GSDF has designated personnel to take initial action in the event of special-type disasters in order to allow operations to begin within approximately one hour. The MSDF and ASDF have also acquired protective equipment and materials to be used on vessels and at bases. The SDF is engaged in efforts to improve the capability for responding to NBC weapon attacks, including through establishing partnerships with relevant external institutions, such as local authorities, the police, and fire departments. Such efforts include the first ever joint training exercise for civil protection that envisioned a terrorist bombing involving radioactive materials. The exercise was carried out in January 2011.

See Section 2-3

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- ¹ Refers to persons engaging in illegal acts such as subversive activities in Japan while possessing weapons with significant killing power, those cooperating with such persons, etc.
 - ² To systematically patrol a specific area for purposes such as prevention of surprise attack and information collection.
 - ³ The Agreement on the Maintenance of Public Order in the Event of Public Security Operations which was concluded between the former Defense Agency and the National Public Safety Commission.
 - ⁴ An incident in which members of Aum Shinrikyo spread extremely poisonous sarin gas in subway trains crowded with commuters, claiming the lives of 12 people (the number refers to the number of deaths indicated in the judgment rendered to Chizuo Matsumoto (commonly known as Shoko Asahara, a guru of Aum Shinrikyo). The SDF conducted decontamination operations on the trains and stations as well as supported police forensics.
 - ⁵ Since September 2001, postal mail containing anthrax was delivered to individuals including members of the U.S. Senate and those related to the mass media.

6 Responses to Complex Situations

There is a possibility that the various situations detailed above might occur consecutively or simultaneously, in which case a more complex response would be required. In order to implement an effective response to such complex situations, deliberations are being conducted regarding the relevant matters, such as strengthening the functions of the Joint Staff, in light of the lessons from the Great East Japan Earthquake, etc.

The MOD and SDF have already been steadily responding to various incidents. However, the need to respond to two or more incidents at the same time has grown in recent years given the expansion of and increase in Chinese activities in the waters and airspace around the Senkaku Islands and repeated provocative activities by North Korea, including missile launches and nuclear tests. In response to such incidents, the MOD and SDF are making continuous efforts to firmly defend Japan's territorial land, waters and airspace.

7 Transport of Japanese Nationals Overseas, etc.

In the event of disasters, insurgency, and other emergencies overseas, the Minister of Defense is authorized to transport Japanese nationals and other persons overseas upon request from the Minister for Foreign Affairs and subsequent consultations with the Foreign Minister. In such cases, the SDF receives them from diplomatic establishments abroad at an airport or a sea port in the country of deployment, and safely guide them to transport aircraft and ships. All service branches of the SDF maintain operational readiness, with the GSDF designating helicopter unit and leading unit¹ personnel, the MSDF designating transport ships and air units, and the ASDF designating airlift units and personnel.

Since the transport of Japanese nationals overseas requires close coordination among the Ground, Maritime, and Air Self-Defense Forces, combined exercises are carried out by transport aircraft and vessels. The Ministry of Defense participates in the exercise for the transport of Japanese nationals overseas in the annual multinational joint exercise "Cobra Gold" in Thailand in cooperation with the Japanese Embassy in Thailand, with local Japanese Embassy staff, their family members, and the staff of diplomatic establishments located outside of Thailand. Such exercises improve our coordination procedures with the Ministry of Foreign Affairs and skills in SDF's operations overseas. Thus, the Ministry of Defense is making efforts to enhance capabilities to carry out its mission. Transport of Japanese nationals overseas has been assigned as an SDF primary mission since January 2007.

In a terrorist incident in Algeria in January 2013 in which Japanese nationals were taken hostage, Japan dispatched the government aircraft of the JASDF Special Airlift Group (belonging to Chitose Air Base) to Algeria for transport of them based on Article 84-3 of the SDF Law (transport of Japanese nationals overseas, etc.) and transported seven Japanese nationals confirmed safe and nine bodies back to Japan. This was the second time for ASDF aircraft to be used for the transport of Japanese nationals

overseas, following the use of C-130H transport aircraft for transport from Iraq to Kuwait in 2004, as well as the first case for the government aircraft to be used for such purpose.

On February 28, 2013, the Government published the “Report on Examination by the Examination Committee Concerning the Terrorist Incident Involving Japanese Nationals in Algeria.” The report proposed a review of the current legislation to enable operations such as land transport. Moreover, in March of the same year, the ruling parties presented a proposal concerning the revision of the SDF Law to enable land transport of Japanese nationals overseas abroad by the SDF among other measures. Based on these proposals, a bill to revise the SDF law was approved in a cabinet meeting on April 19, 2013, and submitted to the Diet. It includes provisions for the addition of vehicles to the range of means of transport available, the expansion of the scope of persons eligible for transport and the expansion of the range of locations where weapons may be used and the coverage of protected person by weapons. The bill was submitted to the Diet.

(See Fig. III-1-1-13)

See References 42, 43.

¹ Units temporarily organized and dispatched together with transport units (SDF aircraft or ships) in order to guide and protect Japanese nationals and other persons onsite.

8 Response to Various Disasters

When disasters such as natural disasters occur in any part of the country, the SDF works in collaboration with municipal governments, engaging in the search for and rescue of disaster victims or missing ships or aircraft, controlling floods, offering medical treatment, preventing epidemics, supplying water, and transporting personnel and goods. In particular, over 100,000 SDF personnel were dispatched at a peak time for relief operations for the large-scale earthquake and nuclear disaster based on the Great East Japan Earthquake in March 2011.

1 Outline of Disaster Relief Dispatches

(1) Types and Frameworks of Disaster Relief Dispatches

a. Dispatches upon Request

In principle, disaster dispatch is carried out at the request of prefectural governors and other officials¹. This is because prefectural governors and other officials assume primary responsibility for disaster control measures and are in a position to grasp the overall conditions of the disaster, and it is considered most appropriate for dispatches to be made upon their request in consideration of disaster relief capabilities within the prefecture or municipality including police and firefighting.

Municipal mayors can ask prefectural governors to request a disaster relief dispatch by the SDF. In the event that mayors have made such a request to the prefectural governor or are unable to do so, they can inform the Minister of Defense, or those designated by the Minister of the disaster conditions.

After receiving such requests from governors, the Minister of Defense or other personnel designated by the Minister can immediately dispatch units as necessary according to the disaster situation.

Under circumstances of particular urgency when there is no time to wait for a request, the Minister of Defense or those designated by the Minister may authorize an exceptional dispatch (discretionary dispatch). In order to render discretionary dispatches even more effective, the Disaster Prevention Plan was amended in 1995 to establish the basis² for SDF unit commanders and other officials to order discretionary dispatches.

(See Fig III-1-1-14)

b. Earthquake Disaster Relief Dispatch

When an alert is issued based on the Law Concerning Special Measures for Large-Scale Earthquakes Countermeasures³, the Minister of Defense is authorized to order an earthquake disaster relief dispatch based on the request of the Director of the Earthquake Disaster Warning Headquarters (the Prime Minister).

c. Nuclear Disaster Dispatch

When a nuclear emergency alert is issued based on the Special Law on Nuclear Disaster Countermeasures, the Minister of Defense is authorized to order a nuclear disaster dispatch upon request of the Director of the Nuclear Disaster Countermeasures Headquarters (the Prime Minister).

(2) Initial Response to Disasters

The SDF has put in place arrangements for an initial response, as shown in Fig. III-1-1-15, to ensure that disaster relief operations are conducted promptly.

See References 42, 43

2 Response to Disasters

(1) Transportation of Emergency Patients

The SDF uses its aircraft to transport emergency patients from isolated islands and remote areas with insufficient medical facilities (transportation of emergency patients). In FY2012, out of a total of 520 cases of disaster relief operations, 410 cases involved the transportation of emergency patients, with dispatches to the Southwestern Islands (Okinawa and Kagoshima Prefectures), the Goto Islands (Nagasaki Prefecture), the Izu Islands, and the Ogasawara Islands representing the majority of such cases.

Furthermore, in the event that aircraft of other organizations are unable to respond, due to reasons including a short flight range, SDF aircraft will handle transportation of emergency patients from vessels navigating areas of ocean far from the mainland and transport patients in critical condition with C-130H transport aircraft operated by the Mobile Medical Unit as a part of wide-area medical transportation operations.

(2) Firefighting Support

In FY2012, there were 62 dispatches of firefighting support, the second largest number of dispatches after transportation of emergency patients. Within this category, responses to fires in areas near SDF facilities were the largest in number, with 57 cases in FY2012. Furthermore, upon the request of prefectural governors for disaster relief dispatches, the SDF also conducts aerial firefighting activities in locations where firefighting conditions are difficult, such as mountain and forest areas.

See Reference 48

(See Fig. III-1-1-16)

(3) Response to Natural Disasters

A storm that occurred on May 6, 2012, caused damage, including human casualties and complete or partial destruction of many houses, in an area extending from Joso City to Tsukuba City. Upon the request of the Ibaraki prefectural governor for a disaster relief dispatch, the SDF conducted a search activity led by the 1st Engineer Brigade in the disaster area in Tsukuba City. On May 8, the prefectural governor requested the withdrawal of the rescue units. In this disaster relief dispatch, a total of 160 personnel and 53 vehicles were deployed.

On July 11-14, 2012, torrential rain hit mainly the northern part of Kyushu. The torrential rain caused floods and mudslides, causing human casualties, including deaths, injuries and missing persons, completely or partially destroying houses and inundating houses. Starting on July 12, the SDF conducted such activities as flood prevention and rescue of isolated persons in Kumamoto City and search of

mission persons and water supply support in Aso City at the request of the Kumamoto prefectural governor for a disaster relief dispatch. In addition, the SDF conducted such activities as the search of missing persons and water supply support in Hita City and Takeda City on July 12 at the request of the Oita prefectural governor for a disaster relief dispatch. Moreover, on May 14 and later, the SDF conducted such activities as water supply support and transport of goods to isolated areas in Yame City. It also rescued isolated people in Asakura City and Yanagawa City and engaged in flood prevention along Takara River in Kurume City. In the disaster relief dispatch to these three prefectures, a total of 5,262 personnel, 1,279 vehicles and 35 aircraft were deployed over a 10-day period.

In August 2012, an unprecedented torrential rain hit mainly the southern part of Kyoto Prefecture, inundating and damaging houses. On August 14, one house was swept away due to a flood in Shizu River and two persons were left missing. At the request of the Kyoto prefectural governor, the SDF started a search of the missing persons and found one of them on August 16. On August 14, the SDF transported personnel and goods to help a welfare facility for the elderly in an isolated area. In this disaster relief dispatch, a total of 419 personnel, 86 vehicles and two aircraft were deployed.

(4)Response to Large-Scale Disasters

The Great East Japan Earthquake, which occurred on March 11, 2011, caused destructive damage, mainly in coastal areas in the Tohoku region. Since immediately after the earthquake, the MOD and SDF have done their utmost to rescue disaster victims. The SDF's disaster relief activity ended on December 26, 2011, when the dispatch for nuclear disaster relief expired. During the period, a total of around 1,066 SDF personnel engaged in such activities as supporting disaster victims' everyday life, searching for missing people and dealing with the accident at the Fukushima Daiichi Nuclear Power Plant. The MOD and SDF worked together in responding to this unprecedented emergency.

Regarding the lessons of the response to the Great East Japan Earthquake, an interim report was submitted on August 31, when the SDF's disaster relief activities were still ongoing. In response to the report, each agency and division conducted further deliberation on matters under their jurisdiction and took necessary measures, including reflecting the results in various policy measures and budget requests. Moreover, the MOD and SDF conducted vigorous deliberation on future cooperation with the United States, relevant domestic ministries and agencies and local governments.

After the interim report, the MOD and SDF fleshed out measures based on the lessons of the response to the Great East Japan Earthquake following the end of the disaster relief dispatch. Moreover, as the Council on Disaster Countermeasures Promotion, a panel of experts under the Central Disaster Management Council, and the parliamentary and governmental committees on investigation and examination of the accident adopted final reports, the MOD and SDF considered the direction of future improvements based on the past record of activities and adopted a final report on the lessons of the response to the Great East Japan Earthquake in November 2012. The contents of the final report are as shown in Fig. III-1-1-17.

(5)Response to Special Disasters (Nuclear Disasters)

Countermeasures were enacted based on lessons learned from the critical accident that occurred at the uranium processing plant in Tokaimura, Ibaraki Prefecture in 1999. In accordance with this, the SDF Law was partially revised⁴.

Moreover, based on the lessons of the response to the accident at the Fukushima Daiichi Nuclear Power Plant, which occurred on March 11, 2011, the Act for Establishment of the Nuclear Regulation Authority was enacted and the Nuclear Regulation Authority was established. In addition, the Act on Special Measures Concerning Nuclear Emergency Preparedness was revised, and the government reformed the system for responding to nuclear disasters. The MOD and SDF have assigned two GSDF personnel to the Nuclear Regulation Authority to work there on loan since September 2012. The MOD and SDF are also reviewing relevant plans and trying to improve cooperation with other ministries and agencies by participating in nuclear disaster management exercises conducted under the leadership of local governments, including drills for transport support, evacuation of residents and support for the monitoring of airborne and seaborne radiation levels by the GSDF, MSDF and ASDF and by examining guidelines for such cooperation in the event of a nuclear disaster.

Furthermore, efforts are being made to improve capabilities for responding to NBC weapons in order to deal not only with nuclear disasters, but also with other special disasters⁵.

3 Efforts for Preparation for Disaster Relief

(1) Exercises Involving SDF

In order to respond to various disasters – including large-scale earthquakes – with speed and accuracy, the SDF carries out various disaster prevention drills including joint exercises for rescue, in addition to formulating disaster relief plans. The SDF also actively participates in local government disaster prevention drills and is seeking to ensure cooperation with various ministries and agencies.

In FY2011 and 2012, the SDF organized and participated in various emergency drills with the objective of maintaining and improving the ability to carry out disaster relief missions swiftly and accurately in times of disaster, such as major earthquakes, and many of the issues relating to the response in the event of a disaster that arose due to the Great East Japan Earthquake were actively incorporated into disaster prevention exercises.

Specifically, this included:

- 1) participation in the “Disaster Prevention Day” government headquarters management exercise (exercise for responding to an earthquake directly hitting the Tokyo metropolitan area) and an exercise for the dispatch of a government investigation team
- 2) implementation of joint exercise for rescue (exercise for responding to an earthquake directly hitting the Tokyo Metropolitan area)
- 3) implementation of a Ministry of Defense disaster operations headquarters management exercise (exercise for responding to an earthquake directly hitting the Tokyo metropolitan area)

- 4) participation in a comprehensive training exercise in conjunction with a joint disaster prevention exercise involving nine cities and prefectures
- 5) participation in an exercise in conjunction with Shizuoka Prefecture's comprehensive disaster prevention exercise, and
- 6) participation in comprehensive disaster prevention exercises carried out by related local governments.

(2) SDF Plans for Responding to Various Disasters and Operational Plans

The SDF has formulated various contingency plans for responses to large-scale earthquakes, which are under consideration at the Central Disaster Management Council. For instance, because of concern about massive humanitarian and material damage in addition to damage to the central political, government, and financial functions of the capital, the Contingency Plan for Tokyo inland earthquakes, which was revised in response to the Great East Japan Earthquake, stipulates that a joint task force should be organized to respond to them. Regarding a Nankai Trough Megaquake⁶, governmental deliberations for the biggest class earthquake scenario based on the latest scientific knowledge are under way at various study groups, including the Working Group on Examination of Countermeasures against a Nankai Trough Megaquake under the Committee for Policy Planning on Disaster Management, Central Disaster Management Council. On March 31, 2012, the first report concerning the distribution of seismic intensity and tsunami height was submitted, on August 29 of the same year, the second report concerning the distribution of seismic intensity and tsunami height, and estimated damage including human and building damage was published, and on March 18, 2013, estimated damage including lifeline and traffic facility damage was published. The MOD and SDF are also conducting necessary deliberation based on discussions at the Central Disaster Management Council.

As well, based on the revision of the Basic Disaster Management Plan on September 6, 2012, and the revision of the manual for nuclear disaster management on October 19 of the same year, which were made as a result of the review of disaster management after the Great East Japan Earthquake, the MOD revised the Ministry of Defense Disaster Prevention Plan on December 21 of the same year.

(3) Coordination with Local Governments

It is also important for the SDF to strengthen coordination with local governments in peacetime in order to conduct disaster relief operations smoothly.

For this reason, the SDF participates in a number of disaster prevention drills and is proceeding with the strengthening of cooperation with local governments including enhancing information liaison systems and consistency with disaster control plans.

Specifically, 1) the post of Liaison and Coordination Officer for Citizen Protection and Disaster Relief Operation Countermeasures was created at the SDF Regional Cooperation Headquarters to work at ensuring coordination with local governments in peacetime.

Also, 2) in addition to assigning an SDF officer to the department in charge of disaster prevention for Tokyo, mutual exchange is being carried out between administrative officials of both the GSDF

Middle Army Headquarters and Hyogo Prefecture. Furthermore, 3) in response to requests from local governments, retired SDF officers with knowledge in disaster prevention are being endorsed. As of the end of April 2013, the total number of retired SDF officers working in disaster prevention in local governments was 285 individuals in 46 prefectures and 176 municipalities throughout the country. Personnel-related cooperation with local governments using the knowledge of SDF personnel is a very effective method of improving cooperation with those governments, and its efficacy was confirmed during the Great East Japan Earthquake.

See Reference 49

At the same time, the Ministry of Defense and the SDF believe that carrying out efforts such as the following are important in order to carry out operations more effectively during disaster dispatch in local governments as well.

- Securing Staging Areas and Heliports
- Marking Building Numbers
- Securing Facilities for Liaison and Coordination
- Arrangements for Materials and Equipment

¹ The Director General of the Japan Coast Guard, the Director General of the Regional Maritime Safety Headquarters, and the Director of Airport Administrative Office may request disaster dispatch.

² Unit commanders may make a dispatch in the event that 1) intelligence gathering is necessary in order to provide information to relevant organizations and bodies, 2) it is deemed impossible for the prefectural governor to make a dispatch request and immediate rescue measures are required, or 3) life-saving rescue operations occur or a fire or disaster occurs in the vicinity of Ministry of Defense facilities.

³ The Prime Minister issues an earthquake alert with the endorsement of the Cabinet in the event that an earthquake has been predicted and when it is deemed necessary to urgently implement emergency earthquake disaster prevention measures.

⁴ 1) SDF units can be dispatched to provide assistance upon a request of the Director of the Nuclear Disaster Countermeasures Headquarters, 2) SDF personnel dispatched for nuclear disaster relief may exercise necessary authority, 3) special units may be temporarily formed when necessary for nuclear disaster relief dispatches, and 4) SDF Ready Reserve Personnel may be called up for service in the event of nuclear disaster relief dispatches.

⁵ Special-type disasters may be caused by terrorist or armed attacks using weapons of mass destruction.

⁶ This is an ocean-trench megaquake expected to occur in the Nankai Trough formed at the border between the Philippine Sea Plate in a Pacific Ocean area off a region extending from the Bay of Suruga to Kyushu and the Eurasia Plate on the Japanese Archipelago side. Once the plates are strained to the breaking point due to the Philippine Sea Plate sliding under the Eurasia Plate and causing the edge of the continental plate to be dragged, they will return to their original positions. Such movement will cause an ocean-trench megaquake.

9 Readiness against Full-Scale Invasions

It is extremely important for Japan to ensure superiority in obtaining information through continual information collection, monitoring and surveillance, and reconnaissance operations within and around Japan as well as to immediately and seamlessly respond to various changing situations. The 2010 NDPG states that it is highly unlikely that large-scale invasions against Japan will take place through massive landing of enemy aircraft or troops, but that Japan needs to make necessary preparations to address unpredictable changes in situations since the country should not deny the possibility of such events ever taking place in the future.

In case Japan faces a large-scale invasion, the SDF will respond to the situation in an aligned and systemic manner based on their integrated operations. Their operations are categorized into 1) operations for aerial defense, 2) defense operations protecting waters around Japan, 3) operations protecting the land, and 4) operations ensuring security in maritime transportation, based on the characteristic of their purposes. In executing these operations, the U.S. forces will assist the operations implemented by the SDF and deploy operations to complement the capabilities of the SDF, including the use of striking power, in line with the Guideline for the U.S.-Japan Defense Cooperation.

The following explains how the SDF will typically implement operations.

See Part II, Chapter 3, Section 1; References 42, 43, 50

1 Operations for Aerial Defense

Based on the physical condition of Japan surrounded by the sea and the features of modern wars¹, it is expected that Japan will be hit by repeated rapid aerial attacks by aircraft and missiles in the case where a full-scale invasion against Japan occurs.

Operations for aerial defense are characterized by the importance of initial response influencing the whole operations. Thus, Japan needs to maintain its readiness for quick initial response on an ongoing basis, regularly collect information, and rapidly and comprehensively exert combat capabilities from the onset of operations.

Operations for aerial defense can be categorized into comprehensive aerial defense mainly conducted by the ASDF and individual aerial defense conducted by the GSDF, MSDF or ASDF for their bases or troops. Comprehensive aerial defense aims to deal with enemy aerial attacks at the farthest point from our territory, prohibit enemies from gaining air superiority², and prevent damage to our citizens and territory as well as to inflict great damage on enemies and curb their capability to continue aerial attacks.

(See Fig. III-1-1-18)

(1) Detecting Invading Aircraft

We need to leverage the radars of the Aerial Defense Alert Unit and early alert aircraft to virtually monitor all the airspace around our territory and detect invading aircraft and other object at the earliest timing.

(2) Recognizing the Types of Detected Aircraft

We need to leverage JADGE³ or other systems to recognize whether detected aircraft are for or against us.

(3) Intercepting or attacking enemy aircraft

As we detect enemy aircraft, the Aerial Defense Alert Unit defines targets for fighter jets or surface-to-air missile units on the ground to attack and destroys enemy aircraft with controlled or guided fighter jets and surface-to-air missiles.

2 Defense Operations Protecting Waters around Japan

As the islands of Japan are attacked with arms, aerial attacks are expected to be combined with attacks against our ships and territory by enemy destroyers. In addition, transport vessels could be deployed to enable massive enemy ground forces to invade our territory.

Our defense operations protecting the waters around Japan are composed of measures at sea, measures in waters around our coasts, measures in major straits, and aerial defense above waters around Japan. We need to protect the waters around our country by combining the results of these multiple operations, blocking the invasion of our enemies, and attacking and depleting their capabilities.

(See Fig. III-1-1-19)

(1) Measures At Sea

We patrol a vast area of water with our patrol aircraft and monitor sea areas used for ship navigation by our escort vessels. Should enemy ships or submarines trying to attack our ships be detected, we need to use our escort vessels, submarines and patrol aircraft to destroy them by leveraging the support of our fighter jets as required (anti-surface or anti-submarine warfare).

(2) Measures in Waters around Our Coasts

Our escort vessels, mine sweepers, patrol aircraft, and reconnaissance aircraft patrol our major ports to detect enemy attacks at an early stage. In particular, we need to leverage our escort vessels, submarines, fighter jets and surface-to-air missiles to attack them (anti-surface or anti-submarine warfare) and ensure the safety of our ships and waters around our coasts.

If enemies deploy mines at sea, we will remove them by our mine sweepers and other vessels (anti-mine warfare).

(3) Measures in Major Straits

We patrol our major straits with our escort vessels, patrol aircraft and reconnaissance aircraft to detect enemy ships and submarines trying to pass through them at an early stage. In particular, we need to leverage our escort vessels, patrol aircraft, submarines, fighter jets and land-to-sea missiles to attack them (antisurface or anti-submarine warfare). We also deploy mines in major waters with our minesweeper tenders, submarines and aircraft (mine deployment warfare).

(4) Aerial Defense above Waters around Japan

We engage in the aerial defense above waters around Japan by our escort ships (anti-air warfare) with the support of our fighter jets as required.

3 Operations Protecting the Land

As enemies try to invade the islands of Japan, they are expected to obtain sea and air superiority by attacking our country head-on, following the move by landing ground troops from the sea and airlift troops from the air.

Invading ground and airborne troops find it difficult to exert systemic capabilities while they are moving on their vessels or aircraft or right before or after they land in our territory. As we protect our land, we need to take note of this weakness to deal with our enemies between coastal and sea areas or at landing points as much as possible and attack them at an early stage.

(See Fig. III-1-1-20)

(1) Measures in Waters around Our Coasts

We need to leverage our escort vessels, submarines, patrol aircraft, fighter aircraft and land-to-sea missiles to attack at sea enemy vessels transporting ground troops to the maximum extent, destroying their capabilities and annihilating their intention to invade our country.

We also leverage our fighter aircraft and surface-to-air missiles to destroy enemy aircraft in the air transporting ground troops as much as possible.

(2) Measures in Coastal Areas

We need to deploy mines with our minesweeper tenders and coastal mines with our coastal mine deployment equipment, blocking and preventing the actions of our enemies.

We deal with enemy troops trying to land in our territory by blocking their actions with our tanks, anti-tank weapons and battlefield firearms⁴ deployed in coastal areas at the initial stage. In case they land in our territory, we block and defeat their invasion with our firepower such as antitank and battlefield firearms and mobile attack⁵ based mainly on tanks. Fighter jets assist the battles being conducted in affected areas.

As we deal with airborne attacks⁶ and heliborne attacks⁷ conducted in conjunction with the landing of enemy ground troops, we will destroy them at an early stage by leveraging our battlefield firearms and the mobile attack.

We also use anti-air firearms including surface-to-air missiles to wage in anti-air warfare (individual aerial defense operations).

(3) Measures in the Inner Territory

In case we cannot destroy enemy ground troops as or before they land in our territory, we leverage our deployed troops to block their invasion with the support of fighter jets (endurance operations). In the meantime, we accumulate as many troops as possible to attack our enemies and destroy invading enemy ground troops.

(4) Measures Taken in Each Phase

In each of these phases, we use our escort vessels, submarines, fighter jets and patrol aircraft to block enemy vessel transportation assisting enemy ground troops and disrupt logistical routes at sea as well as to protect our airspace, collect information, and transport troops and supplies as required by our operations.

In addition, measures based on the Civil Protection Law will also be taken.

4 Operations Ensuring Security in Maritime Transportation

Japan depends upon other countries for the supply of much of its resources and food, making maritime transportation routes vital assets of our country. Furthermore, in case our country comes under armed attack, they ensure the survival and prosperity of our country as well as set the foundation to maintain our warfare capabilities and enable the U.S. forces to come and assist in the defense of Japan. Therefore, we need to enhance our operations to ensure the safety of our maritime transportation.

Our operations ensuring security in maritime transportation can be done in waters several hundred nautical miles around Japan or in sea lanes⁸.

In the case where we implement operations in several hundred nautical mile waters around our country, we combine anti-sea, antisubmarine, anti-air and anti-mine operations to patrol and defend our ships and protect our straits and ports for the security of our maritime transportation.

In the case where we implement our operations based on sea lanes, we define them in waters covering around 1,000 nautical miles, periodically patrol the defined areas, detect and address attacks by enemy vessels or submarines at an early stage, and directly defend Japanese ships as required.

Escort vessels engage in aerial defense for Japanese ships on maritime transportation routes (anti-air warfare), with support provided by fighter jets and other aircraft as required.

¹ Aerial attacks are important elements influencing the results of modern wars. It is vital to obtain air superiority before or at the same time as implementing ground or maritime operations.

² The degree of dominance in the air battle of one force over another that permits the conduct of operations by the former without prohibitive interference by opposing air forces

³ A nationwide air defense system that automates the process of conveying and dealing with commands and tracking information

⁴ Equipped with long-haul and large-diameter howitzers and rockets and used to attack and block infantry troops, light armored vehicles, and facilities.

⁵ The action based on the attacks by tanks and armored vehicles to destroy enemy attacks

⁶ The operation based on invading troops on board transport aircraft, landing near important locations and engaging in attacks on the ground. Conducted by specially created, equipped and trained troops that can quickly move for a long distance through the air

⁷ The operation implemented on the ground after attacking troops are transported near important locations by helicopter and other aircraft, enabling simpler preparation and easier operations in comparison with airlift attacks

⁸ Relatively safe marine areas defined to enable the transportation of ships. The locations and width of sea lanes change depending on the situation of a specific threat.

10 Response to Other Events

1 Improvement in Guard Postures for SDF Facilities

(1) Operations for Guarding SDF Facilities

When there is a danger of a terrorist attack on facilities and areas of the SDF and USFJ within Japan and in the event that it is deemed particularly necessary to prevent damage, the Prime Minister may order SDF units to conduct operations to guard facilities and areas (guarding operations).

Part of the authority given to police officials under the Law Concerning the Execution of Duties of Police Officials is applied correspondingly to SDF personnel dispatched for guarding operations¹. Further, the amended Self-Defense Forces Law provides that SDF personnel have authority to use weapons beyond the limitations of Article 7 of this law.

See References 42, 43

The Ministry of Defense and the SDF exchange opinions concerning guarding operations with the police and Japan Coast Guard in order to ensure the effectiveness of such operations. In addition, exercises for guarding operations have been conducted at USFJ facilities and areas throughout Japan since 2003.

(2) Use of Arms to Regularly Protect SDF Facilities

Rules have been defined² for SDF officers to use arms for the protection of domestic SDF facilities³ based on their specified purposes.

2 Response to Situations in Areas Surrounding Japan

In the event of situations in areas surrounding Japan, the Ministry of Defense and the SDF will provide materials and services as rear area support and conduct rear area search and rescue activities or ship inspection activities as stipulated in the Law to Ensure Security for Situations in Areas Surrounding Japan and the Ship Inspections Operations Law.

Furthermore, these activities were designated a primary mission of the SDF in January 2007.

See Part II, Chapter 3, Section1; References 42, 43

3 Military Intelligence Collection

In order for the effective operation of defense capabilities to deal with diverse situations, it is ever more necessary to acquire signs of various situations in advance and collect, analyze and share information promptly and appropriately. In this context, broader and more comprehensive intelligence capabilities are essential for Japanese national security.

In consideration of this, the Ministry of Defense and the SDF comprehensively analyze and assess a variety of information, and have diversified the means of collecting intelligence. Some examples of intelligence collection activities include 1) collecting, processing and analyzing radio waves on military

communications and radio waves emitted from electronic weapons, which are transmitted from overseas; 2) collecting and analyzing high resolution commercial satellite imagery data⁴ 3) ISR activities by ships and aircraft and so on; 4) collecting and organizing a variety of open source information; 5) information exchanges with defense authorities of other nations; and 6) intelligence activities conducted by Defense Attaches and other officials.

Moreover, in order to enhance the capability of collecting a variety of intelligence, and comprehensively analyzing and assessing information by responding to the security environment and technical trends, the Ministry of Defense and the SDF develop capable personnel, improve equipment and devices for intelligence collection and strengthen the capability of intelligence organizations such as the Defense Intelligence Headquarters, which supports the abovementioned intelligence capabilities.

Moreover, on February 28, 2013, the government published the “Report on Examination by the Examination Committee concerning the Terrorist Incident involving Japanese Nationals in Algeria.” The report pointed out the need to increase defense attaches, develop a military geospatial information database and strengthen the analysis capability regarding military intelligence. Based on this suggestion, the MOD and SDF are conducting deliberation on ways to strengthen their intelligence-gathering capability and system for comprehensive analysis and evaluation.

¹ Limited to cases where there are no police officers at the scene, SDF personnel on duty are authorized to make enquiries, undertake evacuation measures and enter property in addition to their authorized duties of preventing and controlling crimes and usage of weapons.

² SDF personnel may use weapons to the extent deemed to be reasonably necessary in situations within applicable facilities in the event that it is considered that the use of such weapons is required to execute duties or to protect themselves or others. Weapons must not be used to cause harm to other people except in cases of self-defense or acts of emergency evacuation.

³ Facilities and equipment for the storage, accommodation or maintenance of SDF weapons, ammunition, explosives, ships, aircraft, vehicles, wired telecommunications equipment, wireless telecommunications equipment or liquid fuels, barracks, harbors, and airports

⁴ In order to enhance Japan’s capability for gathering image intelligence, five intelligence-gathering satellites are currently operated at the Cabinet Satellite Intelligence Center. The Ministry of Defense has properly utilized the information provided by these satellites.

2 SACO Final Report and Progress

The SACO Final Report stipulates the return of land, the adjustment of training and operational procedures, the implementation of noise-reduction initiatives, and the improvement of operational procedures regarding the Status of Forces Agreement; the facilities and areas concerned are shown in Figure II-3-5-1. The land to be returned based on the SACO Final Report represents approximately 21% (about 50 km²) of USFJ facilities and areas in Okinawa at that time, exceeding the amount of land returned during the period between the reversion of Okinawa and the implementation of the SACO Final Report, which is roughly 43 km².

Moreover, as a result of such efforts, the number of USFJ facilities and areas (for exclusive use) in Okinawa, as well as the land area, has changed, as shown in Figure II-3-5-2.

See References 37, 38

3 History and Progress of U.S. Forces Realignment in Okinawa

As well as efforts relating to realignment of the U.S. forces based on the Roadmap, measures have been taken to reduce the burden on the local communities in Okinawa Prefecture.

(1) Marine Corps Air Station (MCAS) Futenma Replacement Facility, etc.

MCAS Futenma fulfills the following functions relating to the aerial capabilities of the U.S. Marine Corps stationed in Okinawa (USMC in Okinawa):

- Transport of Marine ground forces by helicopter, etc.
- Operation of air refueling aircraft
- A base for accepting aircraft in emergency

However, since the MCAS Futenma is located in an urban area, its prompt return has been strongly desired by the local residents due to problems such as the safety of the community, noise, and traffic. Therefore, coordination has been made toward the goal of returning the air station by implementing the following steps:

a. Transport of Marine Ground Forces by Helicopter, etc.

(a) The Necessity of Locating the Futenma Replacement Facility (FRF) within Okinawa Prefecture

The U.S. Marine Corps in Okinawa consist of air, ground, logistics, and command elements. The interaction of those elements in operations is necessary, so it has been determined that the FRF needs to be located within Okinawa Prefecture so that rotary-wing aircraft stationed at MCAS Futenma will be located near the elements with which they train or operate on a regular basis.

(b) Background Concerning the Futenma Replacement Facility

Considering the occurrence of a U.S. forces helicopter crash in Ginowan City in August 2004, bilateral discussions on realignment have been made toward realizing the relocation and return of MCAS Futenma at the earliest possible date in order to resolve the unease of the residents living in the vicinity.

In the SCC document compiled in October 2005, the initiative to “locate the FRF in an ‘L’-shaped configuration that combines the shoreline areas of Camp Schwab and adjacent water areas of Oura Bay” was approved. Then, based on negotiation and agreement with the local municipalities including Nago City, it was decided to stipulate in the Roadmap that the FRF be located in a configuration that “combines Henoko-saki and adjacent water areas of Oura and Henoko Bays.” In regard to construction of this replacement facility, “a Memorandum of Basic Understanding” was exchanged between the Governor of Okinawa Prefecture and then Minister of State for Defense in May 2006.

After the transfer of power in December 2009, the Exploratory Committee for Okinawa Base Issues was established. After reviews conducted by the Committee, both Governments, at the “2+2” meeting held in May 2010, confirmed the intention to locate the FRF in the Camp Schwab Henoko-saki area and the adjacent waters, and also agreed to take concrete measures to reduce the burden on Okinawa.

Subsequently, at the “2+2” meeting held in June 2011, it was decided that the runway would take a “V” shape, and the Ministers confirmed their commitment to complete the relocation project at the earliest possible date after 2014 in order to avoid the indefinite use of MCAS Futenma and to remove the risks as early as possible.

During the deliberation process which led to these conclusions, first of all, it was determined that, from a security perspective, the deterrence of the U.S. forces including that of the Marine Corps cannot be lessened while there remains instability and uncertainty in the East Asian security environment. Furthermore, there was concern that the functions of the Marine Corps would be weakened if the helicopter units stationed at MCAS Futenma were to be detached from the other Marine units stationed in Okinawa and moved abroad or out of the prefecture. Therefore, it was concluded that the FRF had to be within Okinawa Prefecture.

Moreover, at the SCC Joint Statement in April 2012, the Governments of Japan and the U.S. reconfirmed their view that the FRF, planned for construction at the Camp Schwab Henoko-saki area and adjacent waters, which remains the only viable solution that has been identified to date. The governments agreed to promptly advance the solution again at the Japan-U.S. summit in February 2013.

(See Fig. II-3-5-3)

See References 33, 35, 26, 39

(c) Implementation Status of Environmental Impact Assessment

Procedures for the environmental impact assessment have been underway in accordance with applicable laws and regulations, since the scoping document was submitted to the Governor of Okinawa and other related local governments in August 2007.

In response to the opinions expressed by the Governor of Okinawa on the environmental impact statement in February and March 2012, the MOD organized an expert working group and amended the statement based on the scientific and specialist advice provided by the external experts. Later, in December 18, the MOD sent the amended statement to the Governor of Okinawa and other related local

governments and completed the procedure of environmental impact assessment by making the statement open for public inspection for the period from December 27, 2012, to January 29, 2013.

(d) Submitting an Application for Approval under the Public Water Body Reclamation

With the completion of the preparation to submit an application for approval of the reclamation of a public water body, including gaining the consent of the Nago Fisheries Cooperative which has fishing rights in the planned relocation water body, the application was submitted to the Governor of Okinawa for approval of the reclamation of the public water body related to the Futenma Replacement Facility construction project on March 22, 2013.

As MCAS Futenma is located in the Center of Ginowan City, Okinawa, surrounded by people's homes and schools, it is imperative to avoid a permanent fixation of the air station in this location. The government is making good-faith efforts to gain the understanding of people in Okinawa by carefully explaining the government policy to achieve the early relocation and return of the facilities.

b. Operation of Air Refueling Aircraft

Air refueling aircraft KC-130 (12 in total) are to be relocated from MCAS Futenma to MCAS Iwakuni (in Yamaguchi Prefecture).

They will be regularly deployed on a rotational basis to the MSDF Kanoya Base (in Kagoshima Prefecture) and Guam for training and operations. Consultations are being held between Japan and the United States pertaining to training and operations at Kanoya Base.

c. Accepting U.S. Aircraft in an Emergency

U.S. forces will be encouraged to utilize the JASDF Nyutabaru Air Base (in Miyazaki Prefecture) and Tsuiki Air Base (in Fukuoka Prefecture) in case of emergency. To support the utilization, some facilities on those bases will be improved when required, but the improvement work needs to follow an on-site survey, and will be conducted before Futenma Air Station is returned. After the facilities are improved, they are also expected to support Japan-U.S. joint exercises, which are to be expanded according to the study on roles, missions, and capabilities.

Furthermore, consideration will be given to improving the use of civilian facilities by U.S. forces in case of emergency at the bilateral planning work, and appropriate measures will be taken in order to realize the return of MCAS Futenma.

d. Efforts to Eliminate Risks at MCAS Futenma

In August 2007, the Ministry of Defense announced various measures as efforts to remove risks at MCAS Futenma, including the improvement in approach and takeoff routes that avoid flying over high-density residential areas as much as possible. The Ministry of Defense has steadily implemented these measures, and in May 2009, they were all completed.

Responding to complaints made by the residents around MCAS Futenma that the traffic patterns, etc. prescribed in the aforementioned measures are not properly observed, the Ministry of Defense has been continuously conducting rotary-wing aircraft flight situation survey since January 2010 in order to

obtain objective data of flight situation. In November 2012, the survey result from April 2011 through March 2012 was made public.

(2) Force Reductions and Relocation to Guam

In conjunction with the realignment of U.S. Marine Corps in the Asia-Pacific region, the "2+2" meeting in June 2011 and other agreements prescribe that approximately 8,000 personnel of the III Marine Expeditionary Force (III MEF), and their approximately 9,000 dependents, will be relocated from Okinawa to Guam at the earliest possible date after 2014.

Regarding the costs of the relocation, the Government of Japan held consultations with the United States with a view that each side should share an appropriate portion of the costs, and reached an agreement that, of the estimated \$10.27 billion (in U.S. fiscal year 2008 dollars) cost of the facilities and infrastructure development costs, Japan would provide \$6.09 billion, including \$2.8 billion in direct cash contribution, while the U.S. would fund the remainder, estimated \$3.18 billion in fiscal spending plus approximately \$1 billion for a road. Of the costs to be borne by Japan, with regard to projects for which Japan takes measures in the form of direct cash contributions (so-called Mamizu projects)³, in order to legally guarantee that actions taken by Japan and the United States such as funding over multiple years by Japan are on a more solid footing, the Japanese government signed the 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 (the Guam International Agreement) in February 2009 (entered into force in May of the same year). As part of the measures based on this Agreement, the transfer of funds to the U.S. Government in relation to the Mamizu projects has been taking place since FY2009⁴.

Subsequently, in the "2+2" Joint Statement in April 2012, the unit composition and the number of personnel to be relocated to Guam were revised. More specifically, in the Roadmap, it was stated that, of the III Marine Expeditionary Force (III MEF) located in Okinawa, the main focus of the relocation to Guam would be the command elements such as headquarters, but as a result of the adjustment, it is planned that Marine Air-Ground Task Forces (MAGTF), consisting of command, ground, aviation and logistic support elements, will be positioned and deployed in Guam. While approximately 9,000 U.S. Marine Corps personnel along with their associated dependents will be relocated from Okinawa to locations outside of Japan and the authorized strength of U.S. Marine Corps forces in Guam is to be around 5,000 personnel, the end-state for the presence of Marines in Okinawa will be consistent with the levels envisioned in the Roadmap.

In this Joint Statement, the preliminary cost estimate by the U.S. Government for the relocation is \$8.6 billion (in 2012 U.S. fiscal year dollars). With regard to Japan's financial commitment, it was reaffirmed that it was to be the direct cash contribution up to the amount of \$2.8 billion (in U.S. fiscal year 2008 dollars) as stipulated in Article 1 of the Guam International Agreement. It was also confirmed

that Japan's equity investment and loans for family housing projects and infrastructure projects would not be utilized. Moreover, it was stipulated that any funds that had already been transferred to the U.S. Government under the Guam International Agreement would be counted as part of the Japanese contribution. Furthermore, as a new initiative, a part of the direct cash contribution of \$ 2.8 billion mentioned above would be used to develop training areas in Guam and the Commonwealth of the Northern Mariana Islands as joint/shared use facilities for Japan and the U.S. In addition, it was agreed that the remaining costs and any additional costs would be borne by the U.S., and that the two governments were to complete a bilateral cost breakdown.

See Section 2-3; References 36, 40

(3) Return of Land Areas South of Kadena Air Base

The Roadmap stipulated that, following the relocation and return of MCAS Futenma, and the transfer of III MEF personnel to Guam, the remaining facilities and areas on Okinawa will be consolidated, thereby enabling the return of significant land areas south of Kadena, and total or partial return of land of the six candidate facilities will be examined (Camp Kuwae, Camp Zukeran, Futenma Air Station, Makiminato Service Area, Naha Port, and Army POL Depot Kuwae Tank Farm No.1). However, at the SCC Joint Statement in April 2012, it was decided to delink the progress on the Futenma Replacement Facility from both the relocation of the III Marine Expeditionary Force (III MEF) personnel from Okinawa to Guam, and resulting land returns south of Kadena.

In addition, with regard to the land to be returned, it was agreed to conduct consultations focusing on three stages, namely 1) land eligible for immediate return; 2) land eligible for return once the relocation of functions is completed; and 3) land eligible for return after the relocation abroad.

Since the change of administration at the end of 2012, Japan and the U.S. have continued consultation under the basic policy of the Abe administration to dedicate all its strength to mitigate the impact of U.S. forces on Okinawa communities. At the Japan-U.S. Summit meeting in February 2013, Prime Minister Abe demanded U.S. President Obama to proceed with an early return of lands south of Kadena, including Makiminato Service Area (Camp Kinser). Both leaders agreed to promptly proceed with the consolidation plan. In addition, in March this year, Minister of Defense Onodera again requested U.S. Secretary of Defense Hagel to develop the consolidation plan at an early date. These high-level approaches accelerated Japan-U.S. consultation toward completion of the consolidation plan.

In the Japan-U.S. consultations there have been various discussions on whether or not to stipulate specific dates for return in the consolidation plan. However, with a strong instruction by Prime Minister Abe that it is essential to stipulate a return schedule in order to facilitate effective use of the sites and to clearly show the mitigation of impact on Okinawa, Japan worked in coordination with the U.S.. As a result, both sides agreed to stipulate the return schedule including the specific years, and announced the consolidation plan on April 5, 2013.

In the consolidation plan, both sides confirmed that they will implement the plan as early as possible. The Government of Japan needs to continue to work with all its strength so that lands south of Kadena would be returned at an earliest date. Furthermore, following the announcement of the consolidation plan, the first consultation was held on April 26, 2013, involving five parties: Ginowan City, Ginowan City Military Land Owners Association, Okinawa Prefecture, Okinawa Defense Bureau, and Okinawa General Bureau, in order to promote effective and adequate use of West Futenma Housing Area within Camp Foster. Ministry of Defense also provided necessary cooperation.

(See Fig. II-3-5-4)

See Section 2-3; Reference 39

(4) Joint/Shared Use of USFJ Facilities and Areas

The SDF has only a limited number of facilities in Okinawa, including Naha Air Base, and most of them are located in urban areas, which put some operational restriction. The joint/shared use of USFJ facilities and areas in Okinawa will greatly improve the SDF's training environment in Okinawa, and facilitate bilateral training and interoperability between the SDF and U.S. forces. It will become possible to improve readiness and contribute to maintaining the safety of local people at a time of disaster.

Based on such concepts, it was decided that Camp Hansen would be used for GSDF training, and the training has been conducted since March 2008. The ASDF will use Kadena Air Base for bilateral training with U.S. forces while taking into account noise impacts on local communities.

Furthermore, a working group has been established and is making intensive consultation. The "2+2" joint statement on April 27, 2012, announced the future expansion of joint/shared use of the facilities and areas of the USFJ through joint training and surveillance activities. As confirmed in the consolidation plan, the two countries intend to continue a broad study on joint/shared use of facilities in Okinawa while at the same time considering the defense of the Southwestern Islands, mitigation of impacts on local communities and other issues.

4 Measures for Reducing the Burden of U.S. Bases on Okinawa

Today, a number of USFJ facilities and areas still remain on Okinawa because of the United States' occupation of Okinawa and the slower progress of bases return compared to other areas of Japan even after the occupation ended. In order to reduce the burden of the concentrated bases in Okinawa, the Government of Japan is making efforts toward the realization of the SACO Final Report and the Roadmap.

The Ministry of Defense is committed to the further reduction of the burden on Okinawa through the Okinawa Policy Council⁵, its subcommittee and other means, listening to the opinions of the local residents.

5 Efforts for the Use of Lands Previously Provided for Use by the Stationed Forces

For the return of lands in Okinawa provided for use by the USFJ (hereinafter, “USFJ Land”), the “Act on Special Measures Concerning Promotion of Effective and Appropriate Use of the Lands in Okinawa Prefecture Previously Provided for Use by the Stationed Forces” stipulates various measures concerning the USFJ Land agreed to be returned. Mainly the MOD: (1) conducts mediation in relation to access for surveys etc., to be implemented by prefectural governments and local municipalities on the USFJ Land which are agreed to be returned; (2) conducts measures applying to all the returned lands to remove impediments for use such as soil contamination and unexploded ordnance, not only those caused by the activities of the stationed forces, before handing over the land to the owners of former USFJ Land, and; (3) provides benefit to alleviate the burden on the owners of the returned lands and to promote use of the land.

The MOD will continue its efforts to promote the effective and appropriate use of returned lands by coordinating and cooperating with related ministries, prefectural government and local municipalities.

¹ See Reference 41

² The return of Naha Port, the return of Yomitan Auxiliary Airfield, and the relocation of artillery live fire training over Highway 104

³ With regard to Japanese Mamizu projects, as expenses relating to construction projects and design projects, approximately 34.6 billion yen, 46.8 billion yen and 14.9 billion yen in FY2009, FY2010, and FY2011 respectively, were budgeted. As design projects expenses, approximately 700 million yen and 200 million yen in FY2012 and FY2013 respectively, were budgeted.

⁴ Funds of approximately 34.6 billion yen in FY2009, approximately 46.8 billion yen in FY2010, and approximately 9.3 billion yen in FY2011 were provided to the United States.

⁵ On March 19, 2013 a subcommittee was established under the Okinawa Policy Council in order to address issues concerning reduction of the burden relating to U.S. bases and Okinawa development measures.

2 Stationing of the U.S. Forces in Regions Other than Okinawa

In regions other than Okinawa, the Ministry of Defense is implementing measures to secure the stable presence of the U.S. forces by maintaining its deterrence and trying to reduce the burden on local communities. This section will explain the current situation regarding measures of this kind, such as the realignment of U.S. forces, including the question of how they are being executed in each of the regions other than Okinawa.

1 Realignment of USFJ Facilities and Areas in Kanagawa Prefecture

The ideal state of USFJ facilities and areas in Kanagawa Prefecture has been discussed between Japan and the United States due to the strong desire from local public bodies and other organizations for their return. As a result, the basic concept pertaining to the return of six facilities and areas (including Naval Communication Facility Kamiseya in Yokohama), as well as the construction of approximately 700 housing units for U.S. forces families in the Yokohama area of the “Ikego Housing Area and Navy Annex” were agreed in October 2004, by the Japan–U.S. Joint Committee.

Thereafter, two facilities and areas (Koshiba oil storage facility and Tomioka warehouse district) were returned; with regard to the construction of housing units for U.S. forces families the Japan–U.S. Joint Committee¹ stipulated in September 2010 that the number of housing units would be around 400, as an interim measure to facilitate the relocation of the Negishi Housing Area, and although deliberations are continuing regarding the partial return of land in the Zushi area for the Ikego Housing Area, which was requested by Japan to the U.S., it has been agreed that joint/shared use will take place once the requirements have been fulfilled, as a stopgap measure until the land is returned.

Furthermore, in November 2011, the Japan–U.S. Joint Committee agreed on the basic matters relating to the construction of housing units for U.S. forces families and the basic requirements for their joint/shared use. The construction of these U.S. forces family housing units (1) paves the way to the return of four USFJ facilities and areas remaining in Yokohama and (2) solves the current housings shortage faced by the U.S. Navy in Japan, and is thus vital to attaining the objectives of the Japan–U.S. Security Treaty. Therefore, the Ministry of Defense is continuing to coordinate with the United States and local public entities and others, and striving toward the realization of this goal.

(See Fig. II-3-5-5)

2 Current Situation Regarding the Realignment of the U.S. Forces in Japan as Laid Out in the Roadmap

(1) Improvement of U.S. Army Japan Command and Control Capability

To have enhanced mobility and readiness as well as to enable joint missions, the headquarters of U.S. Army Japan (USARJ) at Camp Zama (in Kanagawa Prefecture) was reorganized into the headquarters of the USARJ I Corps (Forward) in December 2007 and the reorganization¹ took place at the end of

September 2008.

This reorganization is based on the global realignment of the U.S. Army as part of the overall transformation of U.S. forces. The reorganized USARJ headquarters in Japan will continue to hold the same core mission of “defending Japan and maintaining the peace and security of the Far East.”

With the aim of strengthening coordination with the reorganized USARJ headquarters so as to enable rapid responses to various contingencies, the JGSDF Central Readiness Force Headquarters, which unitarily controls mobile operation units and specialized units, was relocated to Camp Zama at the end of FY2012.

In accordance with the transformation of USARJ headquarters, a mission command training center and other support facilities were constructed within U.S. Forces Sagami General Depot (SGD, in Kanagawa Prefecture) using U.S. funding. In addition, measures will be implemented for more effective and efficient use of Camp Zama and the SGD, including partial release of facilities and areas. The partial release of land (approx. 17 ha) at SGD was approved by the Japan–U.S. Joint Committee in June 2008, while the partial release of land (approx. 5.4ha) at Camp Zama, and the joint/shared use of a portion of land at SGD (approx. 35ha) were approved in October 2011 and June 2012, respectively, by the Japan–U.S. Joint Committee.

(2) Yokota Air Base and Airspace

a. Establishment of the Bilateral Joint Operations Coordination Center (BJOCC)

Enhancement of coordination between headquarters, combined with the transition to joint operational posture, is quite important from the perspective of ensuring flexible and rapid responses of the SDF and U.S. forces. The headquarters of the USFJ located at Yokota Air Base (in Tokyo) plays an important role in the various mechanisms² under the Guidelines. Therefore, along with the relocation of ASDF Air Defense Command HQ as mentioned below, the Bilateral Joint Operations Coordination Center (BJOCC)³ was established and commenced operations at the end of FY2011.

b. Relocation of ASDF Air Defense Command HQ

The ASDF Air Defense Command HQ not only defends the airspace, but also functions as a headquarters for ballistic missile defense (BMD) operations. In the case of air defense and BMD, response time is very short. Therefore, it is quite important for the SDF and U.S. forces to immediately share necessary information. Thus, at the end of FY2011, approximately 800 personnel from the ASDF Air Defense Command HQ, which used to be located in Fuchu(Tokyo), and its relevant units were relocated to Yokota Air Field where the U.S.5th Air Force is located. This arrangement and the establishment of the above-mentioned BJOCC have made it possible to enhance coordination between the headquarters of the SDF and the U.S. forces, including the sharing of information concerning air defense and BMD.

c. Yokota Airspace

At Yokota Air Base, U.S. forces conduct radar approach control for the Yokota airspace spreading from the western part of the Tokyo Metropolitan area to Niigata Prefecture. Measures have been taken to

facilitate the operation of civilian airplanes that enter the airspace.

Since September 2006, the temporary transfer of responsibility for air traffic control of portions of Yokota airspace to Japanese authorities, when not required by military purposes, has been started. Moreover, the collocation of U.S. forces and ASDF air traffic controllers at the Yokota Radar Approach Control (Yokota RAPCON) facility started in May 2007. The area adjacent to the west side of Haneda Airport was reduced by about 40% in September 2008 and the control operation was returned to Japan. In addition, the review of the conditions required for the possible return of the entire Yokota airspace⁴ was completed in May 2010.

(See Fig. II-3-5-6)

d. Civilian-Military Dual Use of Yokota Air Base

At the Japan–U.S. Summit Meeting held in May 2003, it was agreed that the joint civilian-military use of Yokota Air Base would be studied, and a Liaison Conference was then established as a working panel attended by relevant government ministries and agencies⁵ and the Tokyo Metropolitan Government, with discussions ongoing since then.

The Governments of Japan and the United States have conducted a study, starting in October 2006, on the specific conditions and modalities, with the understanding that joint use will not compromise the military operations and safety of Yokota Air Base. Based on further coordination and the outcome of the study, both governments will consult and then make appropriate decisions.

(3) Measures relating to U.S. Fleet Activities Yokosuka, Atsugi Air Base and Iwakuni Air Base

a. Deployment of U.S. Aircraft Carriers

The presence of the U.S. Pacific Fleet plays an important role in maintaining the regional peace and stability, including the safety of maritime traffic, in the Asia-Pacific region. U.S. aircraft carriers are the core capability of the Fleet. In order to ensure the long-term forward deployment capabilities of aircraft carriers and carrier-based aircraft, it is necessary to secure an operational base in Japan. The nuclear aircraft carrier⁶ USS George Washington is currently forward deployed to Yokosuka (Kanagawa Prefecture). Having a strong U.S. Navy presence continuously maintained in areas surrounding Japan, as a result of this forward deployment, contributes to the security of Japan and to the maintenance of peace and security in the region. Furthermore, it symbolizes the deep commitment of the United States to the Japan–U.S. Alliance.

The U.S. Navy vows that it will continue to ensure that all of its nuclear-powered warships (including the nuclear carrier USS George Washington) adhere to the relevant safety policies. For example, the nuclear reactor will normally be shut down while the aircraft carrier is anchored, and repair work and fuel changes will not be carried out in Japan. The Government of Japan intends to continue taking all possible measures to ensure safety.

b. Relocation of Carrier Air Wing

Atsugi Air Facility (in Kanagawa Prefecture) is currently used as a base for carrier-based aircraft. Since

Atsugi Air Facility is located in the center of an urban district, noise of carrier jets taking off and landing particularly has been a problem for a long time. It is necessary to resolve such problems as soon as possible in order to stably maintain the operations of carriers.

On the other hand, after the completion of the runway relocation project⁷ at MCAS Iwakuni (the relocation of the runway approximately 1,000 meters offshore), safe aircraft operations would be realized with less impact on the living environment of the surrounding communities.

In consideration of these, Carrier Air Wing Five (CVW-5) squadrons will be relocated from Atsugi Air Facility to MCAS Iwakuni. According to the Roadmap in May 2006, this relocation was to be completed by 2014 subsequent to the following: (1) completion of necessary facilities, and (2) adjustment of training airspace and the Iwakuni RAPCON airspace. However, after the bilateral review of the entire process of the facility development, the relocation is now expected to be completed around 2017.

In order to mitigate impacts of the increased operations at MCAS Iwakuni due to the projected relocation, related measures will be taken to include: (1) conducting the relocation after the runway is moved offshore, (2) relocation of MSDF EP-3 and other aircraft from MCAS Iwakuni to Atsugi Air Facility, (3) regular rotational deployment of KC-130 aircraft (which are to be relocated from MCAS Futenma to MCAS Iwakuni) to MSDF Kanoya Base and Guam, and (4) relocation of U.S. Marine Corps CH-53D helicopters from MCAS Iwakuni to Guam.

As a result of these measures, it is expected that the noise around MCAS Iwakuni will be alleviated. For instance, the area requiring residential noise-abatement work (so-called first category area) will decrease from approximately 1,600 ha to 500 ha.

With regard to the site (Atagoyama) for constructing family housing required for the relocation of carrier-based aircraft to MCAS Iwakuni, the sales contract of the site was concluded in March 2012, and now family housing and sports facilities are being designed.

c. Field-Carrier Landing Practice (FCLP)

A bilateral framework to conduct a study on a permanent FCLP facility is to be established with the goal of selecting a permanent site at the earliest possible date in the Roadmap. In the “2+2” document of June 2011, it was stated that the government of Japan will explain to local authorities that Mageshima is considered to be the candidate for the new SDF facility. This SDF facility would be used to support operations in response to a variety of situations including large-scale disasters as well as regular exercises and other activities, including use by U.S. forces as a permanent field carrier landing practice site. In addition, the 2005 SCC document confirmed that U.S. forces will continue to conduct FCLPs at Iwo Jima in accordance with existing temporary arrangements until a permanent FCLP training facility is identified. See Reference 35

d. Resumption of Commercial Aviation at MCAS Iwakuni

Considering that the local public entities, including Yamaguchi Prefecture and Iwakuni City, had been working together to request the resumption of commercial aviation operations, in October 2005, it was

agreed that commercial aviation operations of four round trips per day would be allowed as long as such operations do not compromise U.S. military operational requirements.

It was then agreed in the Roadmap that portions of the future civilian air facility would be accommodated at MCAS Iwakuni. Based on this agreement, Iwakuni Kintaikyo Airport was opened on December 13, 2012, resuming regular flights of commercial aviation after 48 years.

(4) Ballistic Missile Defense

Japan and the United States will continue close coordination on ballistic missile defense (BMD) as the two countries improve their respective BMD capabilities.

In June 2006, an AN/TPY-2 radar (so-called “X-Band Radar”) system was deployed to ASDF Shariki Sub Base (in Aomori Prefecture) and started operation⁸. Also in October 2006, U.S. Army Patriot PAC-3 units (Patriot Advanced Capability) were deployed to Kadena Air Base and Kadena Ammunition Storage Area.

At the Japan-U.S. summit meeting in February 2013, both sides agreed on the necessity of the additional deployment of TPY-2 radar in Japan, to further enhance BMD capabilities. Japan and the United States studied on the best deployment candidate site with respect to the effectiveness of defense of Japan and strengthening of Japan-U.S. cooperation, and concluded that the ASDF Kyogamisaki Sub Base in Kyotango City, Kyoto Prefecture, is the most suitable candidate.

See Part III, Chapter 1, Section 1-4

(5) Training Relocation⁹

The aircraft of three U.S. military facilities — Kadena Air Base, Misawa Air Base (in Aomori Prefecture), and Iwakuni Air Station — are supposed to be relocated for the time being to the following JASDF facilities: Chitose (in Hokkaido), Misawa, Hyakuri (in Ibaraki Prefecture), Komatsu (in Ishikawa Prefecture), Tsuiki, and Nyutabaru in order to conduct joint exercises with JASDF. Based on this, since March 2007, U.S. forces in Japan have conducted training relocation from their Air Bases to those JASDF Air Bases. Meanwhile, to host training relocation at the JASDF bases, the Ministry of Defense, is now improving their infrastructure when needed after a required on-site survey.

MOD’s local Defense Bureaus have been making every effort to ensure that training relocation goes smoothly by collaborating with the JASDF to support U.S. forces and that local people feel safe during training periods by setting up an on-site local headquarters as liaison between government agencies and local residents.

Furthermore, based on the “2+2” joint statement in May 2010, at the Japan-U.S. Joint Committee held in January 2011, both governments agreed to include Guam as a training relocation site and expand the scale of training. They continued to have discussions and agreed on details like sites where training is conducted, at the JC in October that year. According to the agreement, relocation training was conducted in areas including Guam for the first time and since then, U.S. aircraft have been conducting training there. Take an example of training relocation to Guam. Twenty FA-18 fighters of the U.S. Marine Corps,

three aerial tankers, and three MV-22s conducted training with about 880 personnel at Andersen Air Force Base in Guam and the Farallon de Medinilla Target Range in the Commonwealth of the Northern Mariana Islands from November to December 2012.

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- ¹ According to the United States there are approximately 70 personnel as of the end of September 2008.
 - ² See Section 1-2.
 - ³ The Bilateral Joint Operations Coordination Center (BJOCC) functions to contribute to providing a joint response for Japan's defense. To that end, it works to enhance information sharing between the Japanese and U.S. headquarters, close coordination, and interoperability.
 - ⁴ This study was conducted as part of a comprehensive study of options for related airspace reconfigurations and changes in air traffic control procedures that would satisfy future patterns of civilian and military demand for use of Japanese airspace.
 - ⁵ Cabinet Secretariat, Ministry of Foreign Affairs, Ministry of Land, Infrastructure, Transport and Tourism, Japan Defense Agency (then), Defense Facilities Administration Agency (then)
 - ⁶ Nuclear-powered aircraft carriers are driven by energy generated in a nuclear reactor, so there is no need to replenish their fuel and they are able to maintain the high speeds necessary for the operation of aircraft, giving them excellent combat and operational capabilities.
 - ⁷ A project involving the relocation of the runway at MCAS Iwakuni by approx. 1,000m to the east (offshore), in response to requests from Iwakuni City and other local authorities. The new runway began operations in May 2010. The project was completed at the end of FY2010.
 - ⁸ The radar was thereafter transferred to the neighboring U.S. Shariki Communication Site.
 - ⁹ USFJ aircraft conduct bilateral exercises at JASDF facilities in order to improve interoperability and reduce the impact of training activities on the areas surrounding USFJ air bases.

3 Initiatives for Smooth Implementation of the Realignment of the U.S. Forces in Japan

In order to smoothly implement the realignment of the U.S. forces in Japan based on the Roadmap, the “Law concerning Special Measures on Smooth Implementation of the Realignment of U.S. Forces in Japan and Related SDF Forces (“USFJ Realignment Special Measures Law”) was enacted in August 2007. Realignment grants, Special Subsidy Rates for Public Projects, etc. and other systems were established based on the law.

During a period of time before and after the implementation of realignment (10 years in principle), realignment grants¹ will be awarded to help cover the expenses of projects² which contribute to increasing the convenience of the lives of residents of local municipalities affected by the realignment³, and to stimulate local industries. To this end, they will be awarded in accordance with progress made in steps of the U.S. forces realignment, after the Defense Minister designates the specified defense facilities and neighboring municipalities affected by realignment. As of April 2012, 14 defense facilities in 39 municipalities are eligible to receive the grant.

In addition, under the U.S. forces realignment, some USFJ facilities and areas will be returned, and U.S. Marine Corps in Okinawa will be relocated to Guam. Since this may affect the employment of USFJ local employees, the Government of Japan will take measures to maintain their employment, including education and skills training.

¹ Approximately 8.7 billion yen in the FY2013 budget

² Under the Realignment Special Measures Law, changes in the composition of units of those naval vessels that conduct operations integrally with US air wings subject to realignment (replacement of the aircraft carrier at Yokosuka Naval Base with a nuclear aircraft carrier) will be treated in the same way as the realignment of the U.S. forces in Japan.

³ The scope of specific projects includes 14 projects identified by Article 2 of the enforcement ordinance of the Realignment Special Measures Law, including education, sports, and cultural projects.

4 Measures to Mitigate the Impacts of USFJ Facilities and Areas

1 Efforts to Conserve the Environments Around USFJ Facilities and Areas

At the “2+2” meeting in September 2000, based on the recognition that environmental conservation is important, the governments of both nations agreed to make it a common objective to ensure the health and safety of residents in the vicinity of USFJ facilities and areas, U.S. forces personnel, their families and other such parties, and made the “Joint Statement of Environmental Principles¹.” In order to follow up on this statement, discussions between Japan and the United States were intensified. Specifically, the concerned ministries and agencies have been working together to address the issue of discussions relating to the strengthening of collaboration in periodical reviews of the Japan Environmental Governing Standards (JEGS)², information exchange pertaining to the environment, and dealing with environmental pollution.

Additionally, at the “2+2” meeting in May 2010, from the perspective of shared responsibility for environmental conservation, Japan and the United States instructed their staffs to discuss the possibility of taking a “Green Alliance” approach for the U.S. forces facilities and areas in Japan, and the adoption of renewable energy for U.S. bases under development in Japan as one of the elements of the Host Nation Support (HNS) was reviewed along with other issues. The result was reflected in the comprehensive review of HNS.

Furthermore, it was stipulated that a prompt and serious review of environmental-related agreements was to be conducted, including the reasonable access to U.S. forces facilities and areas in the event of an environmental accident and for environmental survey prior to the return of such U.S. facilities and areas. In response to this, a working group was established and the action officers of both the Japanese and U.S. sides have conducted many discussion sessions toward the realization of these objectives.

2 Other Measures

Japan is engaged in steps³ for the improvement of the living environment in regions surrounding USFJ facilities and areas. It also provides municipalities with base grants⁴ which have alternate features in terms of municipal tax on real estate.

Moreover, in the vicinities of USFJ facilities and areas, incidents and accidents caused by U.S. military personnel and others have affected local areas and their residents, so the Government of Japan has requested USFJ to take effective measures for the prevention of recurrence, such as educating military personnel and others, and enforcing strict discipline among them. The Government of Japan is cooperating with USFJ in these preventive measures; at the same time it has taken measures for prompt and appropriate compensation for the damage caused by the incidents and accidents.

Responding to the arrest of two U.S. Navy members on the alleged sexual assault entailing bodily injury in Okinawa on October 16, 2012, the United States reviewed its guidelines for off duty action

(liberty policy) and introduced a new liberty policy in February 2013. Because a ceaseless approach by the people involved is important for the prevention of incidents and accidents involving U.S. military personnel, the MOD will continue efforts to prevent incidents and accidents involving U.S. military personnel based on feedback from the communities and institutions involved.

¹ Consisting of four items; 1) environmental governing standards, 2) information sharing and access, 3) response to environmental contamination, and 4) environmental consultation.

² The Japan Environmental Governing Standards were drawn up by the USFJ with an objective of guaranteeing that the units and facilities of the USFJ can protect the health of citizens and the natural environment. It establishes handling and storage methods for environment polluting materials.

³ See Part III, Chapter 4, Section 3

⁴ Furnished by the Ministry of Internal Affairs and Communications

advancing Japan-U.S. defense cooperation in a multilayered manner through trilateral defense cooperation with such countries as South Korea and Australia and Japan-U.S. cooperation within multilateral frameworks.

Based on this approach, Japan and the U.S. are considering, as concrete measures for cooperation in peacetime, the expansion of bilateral training and surveillance activities as well as the joint/shared use of the facilities of the two countries that will serve as the base of the activities. The two countries have confirmed the expansions at such opportunities as the “2+2” meeting held in June 2011 and meeting of Defense Ministers and the Secretaries of Defense held in August and September 2012 and in April 2013.

Expanding joint training increases cooperative activities in peacetime, thereby improving the readiness and operational capability of units as well as interoperability between the SDF and U.S. forces. Moreover, conducting joint training at an effective time, venue, and scale demonstrates common intentions and unified capabilities between Japan and the U.S., and thereby serves as a deterrent. Similarly, expanding joint ISR activities not only ensures that the two countries gain information superiority over other countries but also functions as a deterrent. Expanding joint/shared use of facilities increases bases for the SDF’s activities such as maneuver areas, harbors, and airfields, which in turn enhances the diversity and efficiency of Japan-U.S. bilateral training and expands the scope and raises the frequency of such activities as surveillance. Furthermore, it is also expected that advancing joint/shared use of USFJ facilities and areas by the SDF will lead to a reduced burden on local communities.

In this way, the synergy effect created by joint use of facilities, joint training, and joint ISR activities can further strengthen and improve the operational capabilities of the SDF and U.S. forces, including efficiency, interoperability, readiness, mobility, and sustainability. (See Fig. II-3-4-1)

The modalities and contents of Japan–U.S. defense cooperation described above have been intensively discussed, and substantial cooperation is advancing. As to the expansion of the Japan–U.S. joint training, the GSDF, which has been conducting field training with U.S. Marine Corps with an aim of enhancing its response capabilities in island areas, conducted its first field training with the U.S. Marine Corps III MEF in Guam and Tinian Islands, etc. from August to September this year as a concrete measure of the Japan-U.S. “dynamic defense cooperation” announced in the “2+2” Joint Statement in April 2012. Furthermore, from May to June 2013, the SDF for the first time participated in the joint exercise “Dawn Blitz” of the U.S. forces, which has been held on the West Coast of the U.S. This was the first Japan-U.S. bilateral joint exercise held abroad, in which training is carried out for a series of operations relating to coordination with the U.S. forces and response to attacks to offshore islands area.

With regard to joint surveillance activities, recognizing that it is important to bilaterally cooperate and implement intelligence, surveillance, and other activities in the Asia-Pacific Region in order to enhance the efficiency and effectiveness of their activities, the two countries set up the ISR (intelligence, surveillance, and reconnaissance) Working Group in February 2013 consisting of director-level defense officials from Japan and the U.S., which is further deepening the cooperation between the two countries.

Japan-U.S. joint/shared use of facilities, areas, etc. is steadily progressing, as exemplified by the relocation of the ASDF Air Defense Command to Yokota in April 2012 and the relocation of the GSDF Central Readiness Force Headquarters to Zama in March 2013 as part of the realignment of the USFJ. In addition, the development of training ranges as facilities for joint/shared use by the SDF and the U.S. forces in Guam and the Northern Mariana Islands (Tinian Island, Pagan Island, etc.) is under consideration.

2 Efforts toward Review of the “Guidelines for Japan-U.S. Defense Cooperation”

The current Guidelines mentioned in Section 1 were developed in 1997 in light of changes in the security environment, including the end of the cold war, the North Korea crisis, and the China-Taiwan crisis, by reviewing the old guidelines formulated in 1978. The current guidelines define the roles of Japan and the United States, and the cooperation of the two countries under three categories: (1) under normal circumstances, (2) in response to an armed attack against Japan, and (3) in situations in areas surrounding Japan. They also stipulate that they will review the Guidelines in a timely and appropriate manner.

More than 15 years have passed since the establishment of the current Guidelines. During these years various issues and destabilizing factors have emerged, become more visible and aggravated in the security environment surrounding Japan; such as more active military activities of neighboring countries, new threats including international terrorist organizations and risks against stable use of global commons such as oceans, space and cyber space. In addition, the activities of the SDF have expanded to a global scale, as exemplified by anti-piracy activities, PKO, and international disaster relief activities. As a result, it is now necessary for the Japan-U.S. Defense Cooperation to adapt to these changes in the security environment and the expansion of the SDF’s activities and missions.

Against the backdrop of the changes in the security environment, at the Japan-U.S. defense leaders’ meeting held in August 2012, they concurred in the importance of studying and discussing the Guidelines for the Japan-U.S. Defense Cooperation established in 1997, in light of the changes over the 10 years since its formulation and ways of Japan-U.S. defense cooperation in the future. At the Japan-U.S. defense ministerial meeting in September 2012, both sides reconfirmed the recognition and agreed to work on the necessary study and discussions. In the same month, “Project Team concerning the Study of the Guidelines for Japan-U.S. Defense Cooperation” was set up in the MOD and is now studying the matter. Furthermore, at the end of 2012, Prime Minister Abe ordered Defense Minister Onodera to study the review of the Guidelines for the Japan-U.S. defense cooperation and others in order to expand the role of the SDF and enhance the deterrent capabilities. In addition, at the Japan-U.S. Summit held in February 2013, as Prime Minister Abe and U.S. President Obama exchanged views on security and the situations in the Asia-Pacific region, the Prime Minister stated to the President that, “in response to the evolving security environment, Japan would like to start reviewing the Guidelines for Japan-U.S. Defense

Cooperation through discussions on the two countries' ideas of the roles, missions and capabilities (RMC).”

Currently, discussions on the ideas of bilateral RMC and perceptions of strategic environment, which are presupposed for concrete defense cooperation, are advancing at various levels including the Councilor level of the two defense authorities. Because discussions on the review of the National Defense Program Guidelines and the QDR of the United States, to be established next year, will be closely interlinked with this, Japan and the United States will consider these matters while continuing intensive discussions.

3 Meeting of Defense Minister and U.S. Secretary of Defense

On April 29, 2013, Minister of Defense Onodera visited the United States and had a meeting with Secretary of Defense Hagel at the United States Department of Defense, exchanging view on a broad range of topics, including Japan-U.S. defense cooperation and the realignment of the USFJ.

In this meeting, Minister of Defense Onodera and U.S. Secretary of Defense Hagel confirmed the continued significance of the Japan-U.S. Alliance in ensuring the safety of Japan and stability of the region, and agreed on the significance of stepping up the bilateral cooperative relationship to a new stage based on the outcome of the Japan-U.S. Summit meeting held in February. They also exchanged views on the security environment in the Asia-Pacific region and confirmed close bilateral coordination between Japan and the U.S., as well as close trilateral coordination among Japan, the U.S., and South Korea in dealing with North Korea. On the Senkaku Islands, Minister of Defense Onodera explained Japan's basic position that the islands were clearly an inherent part of the territory of Japan, in light of historical facts and based upon international law, and that Japan was determined to protect its land, waters, and airspace. U.S. Secretary of Defense Hagel stated that Article 5 of the Japan-U.S. Security Treaty applied to the Senkaku Islands and that he was opposed to any unilateral action that aimed to change the status quo by force.

Regarding bilateral defense cooperation, Minister of Defense Onodera and U.S. Secretary of Defense Hagel welcomed the progress of bilateral discussions to share views on the strategic environment, which serve as a basis for the reviewing process of the Guidelines, and agreed to continue intensive discussions. They also confirmed the establishment of the Defense ISR (Intelligence, Surveillance and Reconnaissance) Working Group and the progress of a study on cooperation in peacetime operations such as bilateral patrol and surveillance activities. In addition, they exchanged views on the additional deployment of a mobile radar for BMD in Japan.

On the realignment of the USFJ, they confirmed that landfill permit request for the relocation of MCAS Futenma and the development of the Consolidation Plan for Facilities and Areas in Okinawa were important steps for significantly mitigating the impact on Okinawa. They agreed to steadily make progress on the realignment of US forces in Japan, including relocation of USMC from Okinawa to

Guam.

Minister of Defense Onodera and U.S. Secretary of Defense Hagel also agreed to hold a “2+2” Meeting at an appropriate timing this year to discuss the efforts for forging the bilateral Alliance.

team examined the investigation results and confirmed that the accident in which the MV-22 crashed in Morocco and the CV-22 crashed in Florida were caused largely by human factors and that there were no safety problem with the aircraft itself.

Furthermore, to maximize the safety of MV-22 flight operations, the two Governments discussed matters concerning operations and measures to prevent accident recurrence at the Japan–U.S. Joint Committee and other occasions. At the Japan–U.S. Joint Committee, both sides confirmed that measures have been taken to address these human factors in light of the lessons learned from the accidents and agreed to implement specific measures to ensure the safety of MV-22 operations in Japan.

Based on the above, considering that the safety of MV-22 operations in Japan is fully confirmed, the Government of Japan released “On MV-22 Osprey Deployment to Okinawa” on September 19, 2012, and then flight operation of the MV-22 Osprey was started in Japan. Since then, the Government of Japan recognizes that the U.S. has been in full compliance with the Joint Committee agreement concerning the MV-22 and is operating the MV22s with maximum consideration to the safety. Furthermore, in order to ensure that full consideration is given to local residents and the Joint Committee agreement is properly implemented, the Government of Japan has been continuously engaging with the U.S. side through various opportunities, including the Japan-U.S. Defense Ministerial Meetings.

(See Fig. II-3-3-1)

¹ The MV-22 is designed for the U.S. Marine Corps for assault landing transportation missions, while the CV-22 is designed for the U.S. Air Force aimed at special operations, etc.

forces of the U.S. and Australia, and in multilateral exercises such as Cobra Gold. As a result, the cooperative arrangements between Japan and the U.S. have made significant progress in a variety of fields. In recent years U.S. forces stationed in Japan have also participated in emergency drills organized by local governments, thereby deepening cooperation with relevant institutions and local governments. Especially, in the aftermath of the Great East Japan Earthquake in 2011, the U.S. forces carried out relief activities as part of “Operation Tomodachi” in cooperation with the SDF, putting into practice the capacities acquired through joint Japan-U.S. training.

Regarding the response to ballistic missiles, bilateral response capabilities have improved, such as operational information sharing and establishing the guidelines for responding to an attack. Accordingly, Japan and the U.S. closely cooperated and coordinated in responding to the missile launch carried out by North Korea in April 2009, and April and December 2012, which was purported to be a “satellite.” Also, in the systems and technology field, the cooperative development of a new ballistic missile defense (BMD) interceptor with enhanced capabilities (SM-3 Block IIA) is steadily in progress.

Concerning efforts to improve the international security environment, through activities pursuant to the former Anti-Terrorism Special Measures Law, international disaster relief activities and international peace-keeping operations in Haiti, and anti-piracy operations in the Gulf of Aden, Japan is conducting activities in close cooperation with the U.S. Moreover, Japan-U.S. cooperation is also being steadily promoted through logistical support based on the Acquisition and Cross-Servicing Agreement (ACSA) signed in 1996, as a result of increased opportunities for cooperation between the two countries.

The importance of such cooperative relations between Japan and the U.S. is increasing in the context of Japan’s efforts for achieving stabilization in the Asia-Pacific region and for improving the global security environment.

2 Bilateral Agreement for a Deeper and Broader Japan-U.S. Alliance

The cooperative relationship between Japan and the United States, which has borne numerous results thus far, as noted above, marked the 50th anniversary of the conclusion of the Japan-U.S. Security Treaty in 2010. At the Japan-U.S. Summit Meeting held on November 13, 2009¹, as part of efforts to deepen the Japan-U.S. Alliance, then Prime Minister Hatoyama agreed to start dialogue processes to deepen the Japan-U.S. Alliance (processes for deepening the alliance) as the countries welcomed the 50th anniversary of the conclusion of the Japan-U.S. Security Treaty.

Thus, Japan and the United States have sought to enhance dialogue in order to further promote and deepen Japan–U.S. security cooperation over a broad range of areas in the future, so as to make the Japan–U.S. Alliance even more unshakable at the Japan-U.S. Summit Meeting held on November 13, 2010, the two countries expressed their desire to deepen and develop the Japan-U.S. Alliance with three pillars at its center: security, economy and cultural and people-to-people exchanges; at the Cabinet level as well, repeated commitments have been made to the deepening of the Japan-U.S. Alliance, such as in

the “2+2” joint statement on May 28, 2010 and at the talks between the Defense Ministers of the two countries held on January 13, 2011, and concrete bilateral discussions have taken place at the working level, based on ministerial instructions.

See References 28-34

As a result of bilateral discussions on the strengthening of the Japan-U.S. Alliance carried out on various levels under the aforementioned political leadership, on June 21, 2011, in Washington D.C., the “2+2” meeting was held and the two sides confirmed the achievements of the process of deliberations in terms of security and defense cooperation.

The “2+2” Joint Statement revised and reaffirmed the common strategic objectives stipulated in the previous “2+2” Joint Statements, based on an assessment of the changing security environment, including: deterring provocation by North Korea; encouraging China to play a responsible and constructive role, and improve openness and transparency with respect to its military modernization and activities; strengthening trilateral security and defense cooperation with both Australia and South Korea; discouraging the pursuit and acquisition of military capabilities that could destabilize the regional security environment; maintaining maritime security including ensuring the Freedom of Navigation; and maintaining Japan-U.S. cooperation with respect to the protection of and access to space and cyberspace.

As to a deeper and broader Japan-U.S. security and defense cooperation, the Joint Statement refers to a wide range of matters including the expansion of joint intelligence, surveillance, and reconnaissance (ISR) activities.

See Reference 35

3 Discussions Concerning the Coordination of USFJ Realignment

1 Background of Bilateral Discussions

As to the USFJ realignment, while carrying out tasks such as sending the environmental impact assessment statement concerning the FRF to the Okinawa Prefectural Government from the end of 2011 to the beginning of 2012, Japan continued to hold discussions with the U.S. at various levels. Following these discussions, the Governments of Japan and the U.S. decided to conduct full-scale bilateral discussions concerning the plan for USFJ realignment, in light of factors including the following:

- 1) The necessity of implementing measures promptly and steadily alleviating the visible burden on Okinawa;
- 2) The necessity of coordinating the realignment package, placing a greater emphasis on the Asia-Pacific region, which was set out in the U.S. defense strategic guidance released in January 2012; and
- 3) The fact that a reduction in the cost associated with the relocation of U.S. Marine Corps to Guam has been demanded by the U.S. Congress.

The discussions led to the release of the "2+2" Joint Statement on April 27, 2012.

2 The "2+2" Joint Statement

This "2+2" Joint Statement on April 27, 2012, stated that, in light of important progress made in regard to the plan for USFJ realignment since the "2+2" Joint Statement in June 2011 and the increasingly uncertain security environment in the Asia-Pacific region, it had been decided to adjust the plans outlined in the 2006 Roadmap.

Factors behind the adjustment of the USFJ realignment plan include, first, the fact that the U.S. is undertaking a review of the composition of the Marine Corps in order to achieve a more geographically distributed, operationally resilient and politically sustainable posture, in light of the recent changes in the security environment in the Asia-Pacific region. This is so that the U.S., which emphasizes the Asia-Pacific region, can adopt a posture that enables it to deal with large-scale situations in Northeast Asia, in order to secure a stable presence in the region, as well as seeking to make efficient preparations that will enable the U.S. to deal effectively with a diverse range of situations across the region. The 2006 Roadmap stated that, among the III Marine Expeditionary Force (III MEF) stationed in Okinawa, the main focus of the relocation to Guam would be the command elements, such as headquarters, but the U.S. decided to alter the composition of the units in line with the basic approach detailed above. As a result, the U.S. Government decided to continue to retain the U.S. Forces in Okinawa, and deploy Marine Air-Ground Task Forces (MAGTF)—consisting of headquarters, ground, aviation and logistic support elements—in Japan, Guam, and Hawaii, as well as in Australia as a rotational force, in order to continue to ensure the presence of the U.S. forces in Okinawa, while securing a geographically distributed unit posture. Through this, preparations will be made that enable the U.S. military to respond more flexibly and promptly to a diverse range of situations in the Asia-Pacific region, by creating an agile posture in which each MAGTF unit has a high level of readiness and collaborates with each other, while increasing the vertical depth of unit deployment. The Governments of Japan and the U.S. made specific adjustments to the realignment plan based on this new unit composition, balancing the maintenance of the deterrent effect of the Japan-U.S. Alliance with a reduction of the burden on Okinawa; an outline of the statement is provided below.

(1) Preamble

- 1) The Ministers decided to adjust the plan set forth in the May 2006 Roadmap for Realignment.
- 2) The Ministers decided to delink the progress in regard to the Futenma Replacement Facility from both the relocation of Marine Corps personnel from Okinawa to Guam, and the return of land south of Kadena that would arise as a result.
- 3) The Ministers confirmed that the overall deterrence of the Japan-U.S. Alliance would be reinforced by strengthening Japan's defense posture and promoting dynamic defense cooperation between Japan and the U.S., as well as through the new posture of the U.S. Marine Corps.

(2) The unit composition in Guam and Okinawa (at capacity)

- 1) As well as stationing Marine Air-Ground Task Forces (MAGTF) in Okinawa, Guam and Hawaii, a

rotational presence will be established in Australia.

2) Approximately 9,000 U.S. Marines, along with their associated dependents, are to be relocated from Okinawa to locations outside of Japan.

3) The final Marine Corps presence in Okinawa will be consistent with the levels envisioned in the Realignment Roadmap.

4) The number of Marine Corps personnel in Guam will be approximately 5,000.

5) The preliminary cost estimate by the U.S. Government for the relocation of the Marine Corps to Guam is \$8.6 billion (in U.S. Fiscal Year 2012 dollars). Japan's financial commitment will consist of direct cash contribution up to the amount of \$2.8 billion (in U.S. FY2008 dollars), as stipulated in Article 1 of the 2009 Guam International Agreement. Other forms of financial support such as loans or equity investment will not be utilized. Even if Japan makes a contribution through cooperation with Item (3) 2) below, it shall be included in this commitment.

(3) New initiatives aimed at promoting regional peace, stability and prosperity

1) The Ministers confirmed the importance of promoting peace, stability and prosperity in the Asia-Pacific region. The Japanese Government will take various measures, including the strategic use of ODA (e.g. provision of patrol boats to coastal states).

2) The Governments of Japan and the U.S. will consider cooperation aimed at developing training grounds in Guam and the Commonwealth of the Northern Mariana Islands for joint/shared use by Japanese and U.S. forces, and will identify fields for cooperation by the end of 2012.

(4) The land returns in Okinawa

1) 1. Areas eligible for immediate return upon completion of procedures: Part of Camp Zukeran (Camp Foster) (West Futenma Housing area and part of the warehouse area of the Facilities and Engineering Compound), part of Makiminato Service Area (Camp Kinser) (the north access road, area near Gate 5)

2. Areas eligible for return after relocation within the prefecture: Part of the Makiminato Service Area (the majority of the storage area), part of Camp Zukeran (the Industrial Corridor, etc.), Camp Kuwae (Camp Lester), Naha Port, Army Petroleum, Oil, and Lubricant Depot Kuwae Tank Farm No.1

3. Areas eligible for return after relocation of the Marine Corps overseas: Additional elements of Camp Zukeran, the remainder of Makiminato Service Area

2) A consolidation plan for facilities and areas remaining in Okinawa will be jointly developed by Japan and the U.S. by the end of 2012.

(5) Futenma Replacement Facility (FRF) and MCAS Futenma

1) The Ministers reaffirmed that the existing relocation proposal is the only viable solution.

2) Japan and the U.S. will both contribute to any refurbishment projects required at MCAS Futenma in order to protect the environment and ensure that the air station can be run safely until the FRF is fully operational.

See Reference 36

Consequently, Japan has maintained its peace and security, centered on the Security Arrangements with the world's dominant military superpower, the United States, with which it shares basic values such as democracy, the rule of law, respect for human rights, and a capitalist economy as well as an interest in maintaining the peace and security of the world, and has strong economic ties.

(See Fig. II-3-1-1)

Specifically, as well as providing facilities and areas for the U.S. military, based on Article 6 of the Japan-U.S. Security Treaty, Article 5 of that treaty stipulates that Japan and the United States will take bilateral action in the event of an armed attack against Japan. The U.S. obligation to defend Japan in the event of an armed attack means that, if a country plans to attack Japan, the attacker must be prepared to confront not only the defense capability of the SDF, but also the overwhelming military strength of the United States when planning such an act. As a result, the opposing nation is aware that they will suffer grievously if they carry out an invasion and such desires are stopped at the planning stage. In other words, this serves to deter attacks.

Japan intends to continue to effectively utilize the deterrence power of the U.S. military in addition to maintaining adequate Japanese defense forces in order to create a seamless posture and secure Japan's peace and safety.

2 Maintenance of Peace and Stability in the Region Surrounding Japan

Article 6 of the Japan-U.S. Security Treaty states contributing to the security of Japan, and the maintenance of international peace and security in the Far East as the purpose of the use of facilities and areas by the U.S. forces within Japan. This provision is based on the recognition that the security of Japan is closely tied to the peace and security of the Far East region to which Japan belongs.

Large-scale military forces, including nuclear forces, still exist in the areas surrounding Japan, and many countries are modernizing their military forces and increasing their military activities, etc. In addition, there remain unclear and uncertain elements in the region, including disputes over territories and the maritime domain, and issues over the Korean Peninsula and the Taiwan Strait. In such a security environment, the military presence of the U.S. armed forces in Japan provides deterrence against unexpected contingencies caused by unclear and indeterminate regional factors, providing a great sense of security to the nations of the region and thus fulfilling a role as public goods. Also, the close bonds of cooperation based on the Japan-U.S. Security Arrangements constitute the foundation of the United States commitment to the peace and security of the region surrounding Japan. These arrangements, complemented by the alliances established between the U.S. and other countries in the region such as Australia, South Korea and the Philippines and also by the friendly relations developed with other countries, play an essential role in maintaining the peace and security of the region.

3 Further Stabilization of the International Security Environment

The Japan–U.S. Security Arrangements are the foundation for a comprehensive and friendly cooperative relationship between Japan and the United States, not only in the defense but also in a wide range of areas, including political, economic, and social aspects. The cooperative relationship between Japan and the United States, founded on their security arrangements, also forms the basis for Japan’s foreign policy. It contributes to Japan’s ability to implement positive measures to maintain the peace and security of the international community, including promoting multinational security dialogue and cooperation and cooperation in various activities of the United Nations.

Current security issues in the international community include responses to proliferation of weapons of mass destruction and ballistic missiles, international terrorism, and acts of piracy, as well as new risks concerning stable access to the seas, space, and cyberspace. It is extremely difficult for any single country to tackle such global security challenges alone, and it is important for countries involved to work together regularly. In this international environment, the strong bonds forged between Japan and the United States are also playing an important role in the efforts implemented by Japan to effectively respond to such issues.

In particular, under the Japan–U.S. Security Arrangements, the SDF and U.S. forces are working together in peacetime in a variety of areas to improve the levels of coordination. This kind of close coordination forms the foundation for various international collaboration, such as antipiracy, undertaken by the SDF and U.S. forces, and is resulting in the heightened operational effectiveness of the Japan–U.S. Security Arrangements.

The peace and prosperity of the international community are closely linked to that of Japan. Accordingly, by cooperating with the United States, which possesses preeminent international operational capabilities, Japan is able to advance its measures to further stabilize the international security environment. This in turn is enhancing the security and prosperity of Japan.

2 Basic Framework Supporting the Japan–U.S. Security Arrangements

1 Policy Consultations between Japan and the United States

Close policy consultations on security are conducted through diplomatic channels as well as between officials in charge of defense and foreign affairs at multiple levels in the Governments of Japan and the United States through meetings such as the Japan-United States Security Consultative Committee (“2+2” meeting), the Security Subcommittee (SSC) and the Subcommittee for Defense Cooperation (SDC).

(See Fig. II-3-1-2)

In addition, the Ministry of Defense organizes Japan–U.S. defense ministerial meetings between the Japanese Minister of Defense and the U.S. Secretary of Defense as necessary where discussions are made with a focus on the defense policies of the respective governments and defense cooperation.

Furthermore, Parliamentary Senior Vice-Minister of Defense and Deputy Secretary of Defense, the

Administrative Vice-Minister of Defense, Chiefs of Staff of SDFs, and other MOD officials have working level meetings when necessary and exchange information with the U.S. Department of Defense and others under the Japan–U.S. Security Arrangements. The importance of these opportunities has further increased as Japan–U.S. defense cooperation has been enhanced in recent years.

The sharing of information and views at every opportunity and level between Japan and the United States is undoubtedly conducive to increased credibility of the Japan–U.S. Security Arrangements, and results in further enhancement of close collaboration between the two countries. Therefore, the Ministry of Defense is proactively engaging in these efforts.

See Reference 22

2 Guidelines for Japan–U.S. Defense Cooperation and Policies to Ensure Their Effectiveness

It is necessary for both Japan and the United States to discuss and decide the roles each will fulfill in case of an armed attack on Japan or other situation in advance in order to respond rapidly in that event. There is a framework pertaining to those roles between Japan and the United States, the Guidelines for Japan–U.S. Defense Cooperation (Guidelines) and the various policies for ensuring its effectiveness. Based on that framework and the changing security environment surrounding Japan, both Japan and the United States continuously study bilateral cooperation plans for the two countries, and hold consultations on them. In addition, they have been making a study on future review of the Guidelines to adapt to the current situation. The following is an overview of the framework.

(1) The Guidelines for Japan–U.S. Defense Cooperation

The outline of the Guidelines acknowledged at the Security Consultative Committee (SCC) (“2+2” meeting) in 1997 is as follows.

See Reference 23

a. Objectives of the Guidelines

The Guidelines aim to create a solid basis for more effective and more credible Japan–U.S. cooperation under normal circumstances, as well as in the event of an armed attack against Japan and in situations in areas surrounding Japan¹.

b. Cooperation Items Prescribed in the Guidelines

(a) Cooperation under Normal Circumstances

Both governments will maintain close cooperation for the defense of Japan and for the creation of a more stable international security environment, and will promote cooperation in various fields under normal circumstances. Such cooperation includes information sharing and policy consultations; security dialogues and defense exchanges; U.N. peacekeeping operations (PKO) and international humanitarian operations; bilateral defense planning, and mutual cooperation planning; enhancing bilateral exercises and

training; and establishing a bilateral coordination mechanism.

(b) Actions in Response to Armed Attack against Japan

Bilateral actions in response to an armed attack against Japan remain a core aspect of Japan–U.S. defense cooperation. The SDF will primarily conduct defensive operations² while U.S. forces conduct operations to supplement and support the SDF’s operations. Both parties will respond based on respective concepts of operations in a coordinated manner.

(c) Cooperation in Situations in Areas Surrounding Japan

The Governments of both Japan and the United States will make every effort, including diplomatic means, to prevent situations in areas surrounding Japan from occurring.

See Reference 24

c. Bilateral Programs under the Guidelines

In order to promote Japan–U.S. cooperation under the Guidelines in an effective manner and to ensure successful bilateral defense cooperation, the two countries need to conduct consultative dialogue under normal circumstances throughout the spectrum of security conditions, including the event of an armed attack against Japan and situations in areas surrounding Japan. In addition, both sides must share information adequately at multiple levels to accomplish such objectives.

To that end, the two governments will strengthen their information and intelligence-sharing and policy consultations by taking advantage of all available opportunities, and will establish the following two mechanisms to facilitate consultations, coordinate policies, and operational functions.

(a) Comprehensive Mechanism

The Comprehensive Mechanism has been created so that not only the SDF and U.S. forces but also the relevant agencies of the respective governments conduct bilateral works based on the Guidelines under normal circumstances. In the comprehensive mechanism, bilateral work such as bilateral defense planning and mutual cooperation planning will be conducted so as to be able to respond smoothly and effectively to armed attacks against Japan and to situations in areas surrounding Japan.

(See Fig. II-3-1-3)

(b) Coordination Mechanism

The coordination mechanism is being set up in peacetime so that the two countries may coordinate their respective activities in the event of an armed attack against Japan and in situations in areas surrounding Japan.

(See Fig. II-3-1-4)

(2) Policies for Ensuring the Effectiveness of the Guidelines

a. Measures for Ensuring the Effectiveness of the Guidelines

In order to ensure the effectiveness of the Guidelines, it is important to properly take necessary measures, including legal ones, regarding Japan–U.S. cooperation in case of armed attack situations and situations in

areas surrounding Japan. From this perspective, it is necessary for the Government of Japan as a whole to collaborate in advancing bilateral work between Japan and the United States, including examination of bilateral defense planning and mutual cooperation planning of the Guidelines in peacetime.

Based on this, laws such as the Law concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan (1999) and the Ship Inspection Operations Law (2000) were established in light of Japan–U.S. cooperation in areas surrounding Japan.

Also, measures are being taken to facilitate U.S. force operations as a part of strengthening of security cooperation legislation for situations such as armed attacks.

See Part III, Chapter 1, Section 2

b. Outline of the Law concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan and the Ship Inspection Operations Law

The Law concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan establishes the measures (response measures)³ that Japan will implement in response to situations in areas surrounding Japan and the actual implementation procedures. The Ship Inspection Operations Law provides for the types, measures, and other matters of ship inspection operations implemented by Japan in response to situations in areas surrounding Japan.

○ The Prime Minister, facing a situation in areas surrounding Japan and deeming it necessary to adopt measures including such SDF activities as rear area support⁴, rear area search and rescue operations, and ship inspection operations, must request a Cabinet decision on such measures and on a draft basic plan of response measures. The Prime Minister must obtain prior approval, or ex post facto approval in case of emergency, from the Diet in order for the SDF to conduct response measures. Furthermore, the Prime Minister reports to the Diet without delay when the Cabinet has made a decision or approved a revision, or when the response measures have been completed.

○ In accordance with the basic plan, the Minister of Defense will draw up an implementation guideline (including designation of implementation areas), obtain approval for the guideline from the Prime Minister, and give the SDF orders to conduct rear area support, rear area search and rescue activities, and ship inspection operations.

○ Heads of relevant administrative organizations will implement response measures and may request the heads of local governments to provide the necessary cooperation for the organizations to exercise their authorities in accordance with relevant laws and regulations and the basic plan. In addition, the heads of relevant administrative organizations may ask persons other than those from the national government to cooperate as necessary in accordance with relevant laws and regulations and the basic plan⁵.

c. Rear Area Support

Rear area support means support measures, including the provision of goods, services, and conveniences, given by Japan in rear areas to U.S. forces conducting activities that contribute to the achievement of the objectives of the Japan–U.S. Security Treaty in situations in areas surrounding Japan. As rear area support,

the SDF provides goods and services, including supplies, transportation, repair, maintenance, medical services, communications, airport and seaport activities, and base activities.

d. Rear Area Search and Rescue Operations

Rear area search and rescue operations mean operations conducted by the SDF in situations in areas surrounding Japan to search and rescue those who were engaged in combat and were stranded in rear areas (including transporting those rescued)⁶. If there are non-combatants who face a mishap, he/she will be also rescued. In addition, if there is anyone in the territorial waters of a foreign country adjacent to the implementation area in which the SDF is conducting activities, the SDF will also rescue that person, after having obtained approval from that foreign country. However, this is limited to cases in which no combat operations are conducted at that time and are expected to be conducted in those waters throughout the period during which the SDF conducts rescue activities.

e. Ship Inspection Operations

Ship inspection operations mean operations conducted by Japan in situations in areas surrounding Japan to inspect and confirm the cargo and destination of ships (excluding warships and others⁷) and to request, if necessary, a change of sea route, or destination port or place, for the purpose of strictly enforcing the regulatory measures concerning trade or other economic activities to which Japan is a party. These activities are conducted based on the U.N. Security Council Resolution or the consent of the flag state⁸ in the territorial waters of Japan or in the surrounding high seas⁹ (including the EEZ¹⁰).

¹ Situations that will have an important influence on Japan's peace and security, including situations that could develop into a direct armed attack against Japan if left unaddressed. (Article 1 of the Law concerning the Measures for Peace and Security of Japan in Situations in Areas Surrounding Japan)

² Operations conducted to interdict an enemy's offensive and to prevent their purpose from being achieved. Offensive operations mean aggressive forms of operations to search for and defeat enemies.

³ Law stipulating ship inspection operations and other necessary measures to respond to situations in areas surrounding Japan to implement rear area support, rear area search and rescue operations, and ship inspection operations conducted in relation to situations in surrounding areas (Article 2 of the Law concerning Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan)

⁴ The term "rear area" refers to Japan's territorial waters and international waters surrounding Japan (including the exclusive economic zone up to 200 nautical miles, or approximately 370 km, from the baseline of the territorial waters) in which no combat operations are conducted at that time and no combat operations are expected to be conducted throughout the period when the rear activities are carried out, and the space over these international waters.

⁵ If any person other than the central government who had been requested to cooperate suffers a loss as a result of such cooperation, the Government shall take necessary fiscal measures for the loss.

⁶ Article 3, Paragraph 1, Item 2 of the Law concerning the Measures to Ensure the Peace and Security of Japan in Situations in Areas Surrounding Japan

⁷ Warships and such vessels that are possessed or operated by foreign governments that are exclusively used for non-commercial purposes

⁸ The state that has the right to fly its flag as prescribed in Article 91 of the United Nations Convention on the Law of the Sea

⁹ Article 1 of the Law on the Exclusive Economic Zone and the Continental Shelf.

¹⁰ Article 2 of the Ship Inspection Operations Law

3 Stationing of U.S. Forces in Japan

1 Significance of the Presence of U.S. Forces in Japan

In order for the Japan-U.S. Alliance, which is based on the Japan-U.S. Security Arrangements, to adequately function as a deterrent that contributes to Japan's defense as well as peace and security in the Asia-Pacific region, it is necessary to secure the presence of the U.S. military in Japan, and to maintain a posture in Japan and the surrounding areas that enables the U.S. forces in Japan to respond swiftly and expeditiously to emergencies.

For this purpose, based on the Japan-U.S. Security Treaty, Japan allows the stationing of the U.S. military in Japan. (See Fig. II-3-1-5) This results in the necessity for opposing countries to be prepared to find themselves in direct confrontation with the U.S. forces in addition to the SDF when attacking Japan as mentioned previously. Thus the U.S. forces in Japan serve as deterrence against aggression towards Japan. Further, the realization of a stable U.S. military presence is necessary for a swift Japan-U.S. joint response based on Article 5 of the Japan-U.S. Security Treaty in the event of an armed attack on Japan. Additionally, the actions of the U.S. forces in Japan in the defense of Japan will be assisted by the timely reinforcement of other U.S. forces, and the U.S. forces in Japan will serve as the basis of such support.

In order for the U.S. forces in Japan to carry out the abovementioned role, it is necessary that all the services of the U.S. forces, including those in Japan, are functionally integrated. For instance, the U.S. forces hold a primarily offensive role as a "spear" when responding to armed aggression to Japan in cooperation with the SDF. When the U.S. forces function in this way, it can be expected that the U.S. Navy, Air Force, and Marines stationed in Japan work as one to fully exert their functions.

In addition, while Article 5 of the Japan-U.S. Security Treaty stipulates the obligation of the United States to defend Japan, Article 6 allows for the use by the United States of facilities and areas in Japan for maintaining the security of Japan and international peace and security in the Far East, and overall Japan-U.S. obligations are kept in balance. This point is different in contrast to the North Atlantic Treaty which stipulates only joint defense of member countries.

(See Fig. II-3-1-6)

2 USFJ Facilities and Areas and the Local Communities

In order for USFJ facilities and areas to fully exert their capabilities, it is vital to gain the cooperation and understanding of the local communities. Meanwhile, the social conditions in the surrounding areas have changed a lot through, for example, their urbanization over the past several decades since the conclusion of the Japan-U.S. Security Treaty. In light of such changes, it is necessary to reduce the impact of the facilities and areas as much as possible in order to gain the acceptance and support of the public in the true sense as well as to allow them to perform to the best of their capabilities.

Our national land is narrow with limited plains and there are many cases where USFJ facilities and

areas are located close to urban and business areas. In such areas, factors including the existence of those facilities and areas and the takeoff and landing of U.S. forces' aircraft have considerable impact on the residents' living environment and local development. It is therefore necessary to make efforts to reduce the burden with the realities of each area in mind.

3 U.S. Forces in Okinawa

In comparison to areas such as the U.S. mainland, Hawaii, and Guam, Okinawa is located closer to East Asia. It is situated in an extremely important location with regard to security—it is located roughly in the center of the Southwestern Islands and is close to Japan's sea lanes. Thus, the stationing of U.S. forces in Okinawa — including the U.S. Marine Corps, which has high mobility and readiness and is in charge of various contingencies — with the abovementioned geographical characteristics, enhances the effectiveness of the Japan-U.S. Alliance and strengthens the deterrent effect, contributing greatly not only to the security of Japan but also to the peace and stability of the Asia-Pacific region.

(See Fig. II-3-1-7)

Meanwhile, many USFJ facilities and areas are located in Okinawa Prefecture, including airfields, maneuver areas, and logistics support facilities. As of January 2013, approximately 74% of the land area of the USFJ facilities and areas nationwide (for their exclusive use) was concentrated in Okinawa. Utmost efforts must therefore be given to reduce the burden on Okinawa while keeping in mind the aforementioned security perspective.

4 Measures to Ensure the Smooth Stationing of the USFJ

The stationing of the U.S. forces in Japan forms the core of the Japan–U.S. Security Arrangements and also demonstrates the deep commitment of the United States to Japan and the Asia-Pacific region. Thus, the Government of Japan tries to enhance the credibility of the Japan–U.S. Security Arrangements by actively taking various measures to ensure the smooth stationing of the U.S. forces in Japan.

1 Japan's Measures, etc., Based on the Status of Forces Agreement

Matters pertaining to USFJ facilities and areas and the status of the U.S. forces in Japan are stipulated in the Status of Forces Agreement¹ (SOFA), which has provisions regarding facilities and areas for the use by the U.S. forces (USFJ facilities and areas), satisfying labor requirements of the USFJ, etc.

(1) Provision of USFJ Facilities and Areas

Japan provides USFJ facilities and areas for the U.S. forces under the provisions of the SOFA, in accordance with agreements reached through the Joint Committee between the governments of Japan and the United States.

The Government of Japan has entered into agreements and concluded lease contracts with owners of private and public land on which these facilities and areas exist in order to ensure the stable use of

necessary USFJ facilities and areas. However, should the Government be unable to obtain the approval of landowners, it will acquire title under the Special Measures Law Regarding Use and Expropriation of Land, etc.², after compensating the landowners for any loss they may have suffered in the process³.

(2) Satisfying Labor requirements of the USFJ

The USFJ requires manpower (labor) to maintain its forces, and SOFA stipulates that the requirements of the USFJ shall be satisfied with the assistance of the Government of Japan.

As of the end of FY2012, approximately 26,000 USFJ local employees (hereinafter referred to as the “employees”) work at USFJ facilities and areas throughout Japan, working as office workers at headquarters, engineers at maintenance/supply facilities, members of security units and fire departments on base, and sales staff at welfare/recreational facilities. They perform functions essential for the smooth operations of the USFJ, and support its activities.

The Government of Japan hires these employees in accordance with the provisions of SOFA. The Ministry of Defense supports the stationing of the U.S. forces in Japan by performing administrative work for personnel management, payment of wages, health care, and welfare, etc.

2 Burden of Host Nation Support (HNS)

HNS plays an important role to ensure the smooth and effective implementation of the Japan–U.S. Security Arrangements.

Due to soaring prices and wages in Japan since the mid-1970s, and changes in the international economy, the United States has felt considerable pressure in bearing the costs for the stationing of the U.S. forces in Japan. In consideration of such circumstances, and with a view to making efforts to the greatest extent possible within the framework of SOFA, the Government of Japan began to bear labor costs such as welfare costs in FY1978. Then in FY1979, due to the suddenly stronger yen against the dollar, Japan began to bear the burden of the Facilities Improvement Program (FIP).

Furthermore, as the labor costs soared due to changes in economic conditions that affected both countries, employment stability of the employees was adversely impacted, and there was even concern that it would affect the activities of the USFJ. Therefore in 1987 the governments of Japan and the United States agreed on a special measure in Article 24 of SOFA (the Special Measures Agreement)⁴ as a provisional measure for an exception to the cost principle in SOFA.

Based on this agreement, the Government of Japan would bear labor costs of eight categories such as the adjustment allowance (currently replaced by the regional allowance), and as the Special Measures Agreement (SMA) was revised later on, the costs borne by the Government of Japan expanded to cover labor costs for base pay, etc., and utility costs from FY1991, and its financial responsibility further expanded to cover training relocation costs from FY1996.

Still, Japan carefully considered its own difficult financial situation when reviewing HNS, and it peaked in the FY1999 budget (annual expenditure base) and has since been declining.

According to the comprehensive review conducted in 2010, the Japanese and the U.S. Governments agreed that the overall expense borne by Japan to station the U.S. Forces in Japan during the period in which the SMA is in effect (for five years from FY2011 to FY2015), was determined to be at the same level of FY 2010 (approximately 188.1 billion yen).

3 The Special Measures Agreement (SMA)

The key points of the SMA that took effect in April 2011 are as follows:

- (1) Effective period: Five years
- (2) Cost sharing: Japan shall bear labor costs, utilities costs, and all or part of the costs incurred in training relocation. With regard to training relocation costs, on top of the additional costs incurred on domestic relocations, costs incurred on training relocation to areas under the control of the U.S. Government, such as Guam, have also been added.

<Operational Guidelines (Exchange of Notes)>

Labor costs: The upper limit of the number of workers to be funded by Japan will be reduced in stages from 23,055 to 22,625⁵. The adjustment will be phased in over the new SMA period.

Utilities costs: The upper limit for utilities costs is set at 24.9 billion yen for each fiscal year. At the same time, the share of costs to be borne by Japan is reduced in stages from the current 76% (approximate) to 72% (approximate). The adjustment will be phased in over the new SMA period.

- (3) Cost-saving efforts⁶: It is clearly stipulated that the United States shall make further efforts to reduce these expenditures.

See Reference 25

4 Costs Associated with the U.S. Forces Stationed in Japan

In addition to costs of stationing U.S. forces in Japan the various costs associated with the U.S. forces in Japan include costs for implementing the stipulations of the Special Action Committee on Okinawa (SACO) Final Report (see Section 5-1) for alleviating the burden on the people of Okinawa, as well as costs for implementing measures that will contribute to reducing the burden on local communities associated with the initiatives for the realignment of the U.S. armed forces.

(See Fig. II-3-1-8)

¹ The official title is 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

² The official title is the Law for Special Measures Regarding the Use and Expropriation of Land, etc., Incidental to 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

³ The term “title” means a legal cause that justifies a certain act.

- ⁴ The official title is 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
- ⁵ The Security Consultative Committee Document issued on June 21, 2011: “The Ministers shared the view to continue to exert maximum effort to maintain stable employment of the employees of the U.S. Armed Forces in Japan while reducing labor costs.”
- ⁶ Any amount of reduction in the labor costs and the utilities costs resulting from the measures described above will be added to the current level of FIP funding.

5 Japan–U.S. Bilateral Training and Exercises

The SDF and the U.S. forces have been conducting various bilateral training and exercises in peacetime to strengthen Japan-U.S. joint response capabilities while improving interoperability and facilitating mutual understanding in regard to tactical aspects, etc. and closer communication. Since FY1985, mostly on an annual basis, alternative command post exercise and field training exercise have been conducted as the Japan–U.S. Bilateral Joint Training Exercise; the field training exercise held in November 2012 was the 11th of its kind. In addition, the GSDF, MSDF and ASDF are expanding the scope of joint exercises, by such means as dispatching units not only to areas within Japan, but also to the U.S., such as participation in exercises including the Japan–U.S. Bilateral Regional Army command post exercises, special anti-submarine exercises, and Japan–U.S. Bilateral Fighter combat training. Thus, continuous efforts are being made to improve interoperability and bilateral response capabilities at the military service and unit levels. As part of the efforts, Stryker Battalion, with its high maneuvering and deployment capabilities and equipped with wheeled armored personnel carrier Stryker, participated for the first time in field training jointly held with the U.S. army and GSDF in Japan from October to November 2012. GSDF troops participating in the exercise trained in coordination procedures with the battalion.

Such joint training and exercises in peacetime not only greatly contribute to maintaining and enhancing the Japan-U.S. joint response capabilities by deepening mutual understanding of capabilities and tactics, but also are effective for improving tactical skills on each side. In particular, the knowledge and techniques that the Japanese side can learn from U.S. forces, which have vast experience in actual fighting, are invaluable and greatly contribute to improving the JSDF's capabilities. In addition, holding bilateral exercises at effective times, places, and scales demonstrates the unified commitment and capabilities of Japan and the United States, which has a deterrent effect. In light of these perspectives, the MOD and the SDF are continuing their efforts to enrich the contents of bilateral training and exercises.

See Reference 26

6 The Acquisition and Cross-Servicing Agreement between Japan and the United States

The basic principle of the Acquisition and Cross-Servicing Agreement (ACSA)¹ between Japan and the United States is that if either of the SDF and the U.S. forces requests the provision of goods or services, the other side can provide them².

The Agreement is designed to positively contribute to the smooth and effective operation under the Japan–U.S. Security Treaty and to efforts for international peace made under the leadership of the United Nations. Its scope of application includes various occasions such as bilateral training and exercises in peacetime, disaster relief activities, U.N. peacekeeping operations, situations in areas surrounding Japan, and armed attack situations.

The amendment of the Self-Defense Forces Act on November 26, 2012, enabled the provision of

goods and services to the U.S. forces by the SDF units engaging in international disaster relief activities.

(See Fig. II-3-1-9)

¹ The official title is the Agreement between the Government of Japan and the Government of the United States of America Concerning Reciprocal Provision of Logistic Support, Supplies and Services between the Self-Defense Forces of Japan and the Armed Forces of the United States of America."

² The categories of supplies and services as provided under the Agreement include: food; water; billeting; transportation (including airlift); petroleum; oils; and lubricants; clothing; communications; medical services; base support; storage; use of facilities; training services; spare parts and components; repair and maintenance; airport and seaport services; and ammunition (only in armed attack situations and anticipated situations). (Provision of weapons is not included.)

7 Mutual Exchanges in the Areas of Defense Equipment and Technology

Japan proactively promotes cooperation in areas of defense equipment and technology while bearing in mind the maintenance of Japan's technology and production base and the mutual cooperation principle based on the Japan-U.S. Security Treaty and the Mutual Defense Assistance Agreement between Japan and the United States of America.

In view of the progress in technological cooperation between Japan and the United States, the improvement of technological level, and other factors, Japan decided to transfer its military technology to the United States regardless of the provisions of the Three Principles on Armed Exports and related regulations. In 1983, Japan concluded the Exchange of Notes concerning the Transfer of Military Technologies to the United States of America¹. In June 2006, the Exchange of Notes concerning the Transfer of Arms and Military Technologies to the United States of America² was concluded to replace the foregoing Exchange of Notes.

Under these frameworks, the Government of Japan decided to provide the United States with 20 items of arms and military technology, including military technologies related to joint technological research on BMD.

Japan and the United States consult with each other at forums such as the Systems and Technology Forum (S&TF), which provides opportunities for exchanging opinions about military equipment and technology, and conduct cooperative research and development regarding the specific projects agreed upon at the forums.

See Reference 27

¹ The official title is the Exchange of Notes concerning the Transfer of Military Technologies to the United States of America under the Mutual Defense Assistance Agreement between Japan and the United States of America

² The official title is the Exchange of Notes concerning the Transfer of Arms and Military Technologies to the United States of America under the Mutual Defense Assistance Agreement between Japan and the United States of America

8 Cooperation in Response to Large-Scale Disasters

In the aftermath of the Great East Japan Earthquake that occurred on March 11, 2011, the SDF and the U.S. military demonstrated their high joint response capabilities based on the strong ties they had developed.

The success of the joint response in which the U.S. military provided large-scale support in disaster-afflicted areas in partnership with the SDF in “Operation Tomodachi” was the result of joint exercises involving Japanese and U.S. troops over many years, and will lead to the Alliance being deepened further in the future.

“Operation Tomodachi,” as the U.S. military named its humanitarian assistance and disaster relief rescue operation following the Great East Japan Earthquake, involved the deployment of a large-scale force, including up to approximately 16,000 troops, around 15 ships, and around 140 aircraft; in this operation, the U.S. military carried out extensive support activities in disaster afflicted areas, including search and rescue, transporting supplies, restoring Sendai Airport, cleaning schools ahead of the new semester, removing rubble on Oshima Island, Kesenuma, and participating in an intensive search for the missing, which was a joint Japan-U.S. endeavor.

The support activities of the U.S. military took place on an unprecedented scale; as well as contributing greatly to the recovery and reconstruction of Japan, the activities led to many people of Japan, including disaster victims, deepening their trust and gratitude to U.S. forces in Japan.

The main factors behind the success of the joint Japan-U.S. response to the Great East Japan Earthquake were the cooperation between the two countries that takes place even under normal circumstances, the swift, thorough implementation of coordination between them, and the presence of the U.S. military in Japan. In addition, the success of these endeavors was also due not only to the ongoing policy discussions and joint exercises carried out between the two countries, but also to the fact that the stationing of the U.S. military in Japan means that their troops here are well-acquainted with the geography and culture of the country.

At the same time, some issues have emerged; such as clarifying the roles, missions and capabilities of Japan and the U.S. in the event of a disaster within Japan, as well as stipulating more concrete joint guidelines to facilitate greater participation by the U.S. military in disaster prevention drills, and examining mechanisms for the sharing of information and more effective coordination.

In light of these facts, in order to enable the SDF and the U.S. military to support each other so that they can respond to a diverse range of situations in the future more effectively, the MOD and the SDF are at present conducting concrete deliberations based on the lessons learned.

(See Fig. II-3-1-10)

Based on this awareness, the Information Security Policy Council, which decides the basic strategy for Japan's information security measures, and its implementing agency, the National Information Security Center (NISC), were established in 2005; since then, a variety of initiatives related to information security policy issues in Japan have been undertaken by public and private sector entities, with the NISC playing the leading role. In May 2010, the Information Security Policy Council formulated the Information Security Strategy for Protecting the Nation, as a comprehensive strategy for the period from FY2010 to FY2013. This strategy incorporated extremely important policies with respect to the national security, including preparation of the government's initial response to a large-scale cyber attack, reinforcement of protection against cyber attacks in the defense field, and reinforcement of international cooperation against cyber attacks, etc. In consideration of the situation in which the risk surrounding cyberspace is becoming more severe as illustrated by more complex and sophisticated cyber attacks, this council is currently planning to formulate a new strategy by the summer of 2013.

Along with the National Police Agency, the Ministry of Internal Affairs and Communications, and the Ministry of Economy, Trade and Industry, the Ministry of Defense is designated one of the government agencies which must cooperate particularly closely with the NISC. Therefore, the Ministry contributes to the cross-sector initiatives led by the NISC by providing it with the knowledge and skills of the Ministry of Defense/the SDF. For example, the Ministry participates in cyber attack response training and personnel exchanges, and provides information about cyber attacks, etc. In light of such incidents as the cyber attacks on defense industry companies reported in 2011, the NISC established the Cyber Incident Mobile Assistant Team (CYMAT) to provide agile support, forming cross-cutting partnerships among ministries and agencies. The Ministry of Defense sends personnel to CYMAT, thereby actively contributing to improving the security of the government as a whole.

The document entitled "Toward Stable and Effective Use of Cyberspace" adopted by the Ministry of Defense in September 2012 sets the context for and identifies features of cyber-related policy to enable a more secure and effective use of cyberspace by the Ministry of Defense and SDF; in addition to strengthening the capabilities of the Ministry of Defense and SDF, it stipulates that they will also contribute to nationwide initiatives involving the private sector, as well as promote cooperation with the international community including allied nations.

See Part III, Chapter 1, Section 3-3

(See Fig. II-2-5-1)

3 Security of the Oceans

Consisting of a multitude of islands, numbering more than 6,000, Japan is a maritime nation whose territorial waters and exclusive economic zone covers approximately 4.47 million km², about 12 times its 380,000 km² land area, which places it sixth in the world in terms of the oceanic area that it controls. Consequently, it is critical for Japan to establish itself anew as a maritime nation that achieves a balance

between peaceful and proactive development and use of the ocean, and the preservation of the marine environment. Accordingly, based on the Basic Act on Ocean Policy, the Government established the Headquarters for Ocean Policy in the Cabinet to promote policies concerning the oceans intensively and comprehensively, and Cabinet approval was granted in March 2008 for the Basic Plan on Ocean Policy, which stipulates the basic policy concerning various measures relating to the oceans, with the objective of comprehensively and systematically promoting such measures.

To fulfill the stipulations of the Basic Act on Ocean Policy—the implementation of 1) a comprehensive deliberation regarding the Headquarters for Ocean policy and 2) the 5-year review of the Basic Plan on Ocean Policy—the Basic Plan on Ocean Policy was reviewed in 2012 in coordination with relevant ministries and agencies, with the Cabinet Office's Secretariat of the Headquarters for Ocean Policy taking the lead, and the newly formulated Basic Plan on Ocean Policy was approved by the Cabinet on April 26, 2013.

In recent years, concerning changes in social situations with respect to the ocean, the new Basic Plan on Ocean Policy specified the following slogans, which give directions to Japan as an Oceanic State: 1) international cooperation and contribution to the international community, 2) wealth and prosperity through ocean development and exploitation, 3) shift from a country protected by the ocean to a country that protects the ocean, and 4) challenge unexplored frontiers. The new plan stipulates measures to be implemented intensively in the next 5 years or so as well as measures related to the ocean that need to be promoted in a comprehensive and systematic manner.

In addition, the new plan provides important measures in terms of Japan's security. Specifically, from the perspectives of security in the waters surrounding Japan and of securing peace and order, the new plan stipulates the systematic provision of SDF's vessels and aircraft, strengthening coordination between the SDF and Japan Coast Guard, and taking initiatives to secure maritime safety by continuing antipiracy operations off the coast of Somalia and in the Gulf of Aden.

Furthermore, from the perspective of Japan's security and maintaining maritime order, the new plan also stipulates proper surveillance and guarding of major remote islands and surrounding seas, promoting projects related to the strengthening of the defense posture for the protection of offshore islands, including the Southwestern Islands, and preparing well for various contingencies.

Accordingly, the Ministry of Defense is engaging in a number of efforts in FY2013, including 1) build-up of equipment for ensuring maritime safety, such as the construction of fixed-wing patrol aircraft, a destroyer, and a submarine, acquisition of minesweeping and transporting aircrafts, and extension of the operating life of destroyers and rotary-wing patrol aircrafts; 2) research and development focused on areas including sonar and other technologies that can detect noise-reduced submarines and other objects; 3) dealing with pirates off the Coast of Somalia and in the Gulf of Aden; 4) strengthening cooperation with the Japan Coast Guard through joint training to deal with unidentified ships; and 5) participating in multilateral maritime security conferences and training exercises.

See Part III, Chapter 2, Section 3

The international community faces a variety of security challenges that encompass conflict around territorial rights and differences in interpretations of maritime rules, not to mention the problems of piracy, illegal dumping, smuggling and illegal immigration, and disaster relief.

In the Asia-Pacific region as well, initiatives aimed at building cooperation and confidence for the purpose of maritime security are being undertaken within regional security dialogue frameworks, in the form of the ASEAN Regional Forum (ARF) and the ASEAN Defence Ministers' Meeting (ADMM-Plus). The Ministry of Defense also participates actively in such discussions, including the Inter-Sessional Meeting on Maritime Security (ISM-MS). The Ministry of Defense also participates actively in such frameworks, including the Inter-Sessional Meeting on Maritime Security (ISM-MS).

See Part III, Chapter 2, Section 1

4 Environmental Initiatives

1 Effects Exerted by Climate Change on the Security Environment

With the mounting concern for climate change caused by global warming, there has been a growing tendency in recent years to give thought to the effects exerted by climate change on security. For example, in the Quadrennial Defense Review (QDR) published by the U.S. Department of Defense in February 2010, climate change is positioned as one of the factors which exert an important effect on the shape of the security environment in the future. Thus, there is a growing, shared understanding that climate change could have effects on the security environment.

2 Environmental Conservation Initiatives

As part of the government, the Ministry of Defense is developing action plans based on various government programs, and actively promoting a variety of initiatives aimed at raising awareness of environmental conservation among the troops and other personnel, as well as ensuring thorough environmental conservation and the reduction of the burden on the environment in the maintenance and management of SDF facilities, among other areas.

combination with the FY2013 budget, including 180.5 billion yen furnished in relation to emergency economic measures, such as strengthening the communication functions of units, upgrading military camps and bases that would serve as hubs for dealing with various contingencies, updating and modernizing equipment that supports transport and reconnaissance functions and the activities of troops, and adapting to the changing security environment.

2 Breakdown of Defense-Related Expenditures

Defense-related expenditures are broadly classified into “personnel and food provisions expenses,” which cover such items as pay and meals for SDF personnel, and “material expenses,” which finance the repair and maintenance of equipment, purchase of fuel, education and training of SDF personnel, procurement of equipment, and others. Material expenses are further classified into “obligatory outlay expenses¹,” which are paid under contracts concluded in previous fiscal years, and “general material expenses,” which are paid under current-year contracts. Material expenses are also referred to as “operating expenses,” and since general material expenses include repair costs for equipment, education and training expenses for personnel, and the purchase of oil, they are referred to also as “activity expenses.” The Ministry of Defense terms this classification method as “classification by expenses.”

(See Figs. II-2-4-3, II-2-4-4)

Personnel and food provisions expenses and obligatory outlay expenses, both of which are mandatory expenses, account for 80% of the total defense-related budget. A breakdown of general material expenses shows that mandatory costs account for a significant portion of the total, including cost-sharing for the stationing of U.S. forces in Japan, and expenses related to measures to alleviate the burden on local communities hosting U.S. bases in Japan².

Personnel and food provisions expenses decreased by 80.6 billion yen (3.9%) from the previous fiscal year. Obligatory outlay expenses for the year increased by 29.8 billion yen (1.8%) from the previous year, while general material expenses increased by 85.9 billion yen or (9.1%) from the previous year³.

The breakdown of FY2013 defense-related expenditures classified by organization, such as the GSDF, MSDF, and ASDF, and also by use, such as maintenance costs and equipment and material purchase expenses, is shown in Fig. II-2-4-5.

In addition to the budget expenditure, the amount of new future obligation also indicates payments for the following year and beyond. In the improvement of defense capabilities, it is common for multiple years to be required from contract to delivery or completion, in areas such as the procurement of vessels, aircraft, and other primary equipment, as well as the construction of buildings such as aircraft hangars and barracks. However, the budget of Japan must gain Diet approval each fiscal year, and therefore, as a general rule, the spending of national expenditures prescribed in the budget is limited to the applicable year. Consequently, for the things which require multiple years between contract and delivery or

completion, a procedure is undertaken whereby a contract that extends for multiple years is arranged, and it is promised in advance at the time of the agreement that payment will be made at a fixed time in the future (within five years, in principle). The sum of money to be paid in the following year and beyond, based on contracts that extend for multiple years, is called the “future obligation.” The amount of new future obligation arising in FY2013 (future obligation concerning new contracts) decreased from the previous fiscal year by 15.5 billion yen or (0.9%). Furthermore, if looked at on a contract basis⁴, which shows the scale of operations, then there is an increase from the previous fiscal year of 70.4 billion yen (2.7%).

In addition, in the FY2012 supplementary budget for emergency economic measures, 112.6 billion yen has been allocated as future obligation.

¹ In the improvement of defense capabilities, some things span multiple years. In these cases, the fiscal year in which the contract is concluded is different from the fiscal year in which the payment to the contractor is made. Therefore, first of all, the maximum future payment amount is appropriated in the budget as an act of bearing liabilities with national treasury funds (budget authority only to incur obligations is granted, i.e., the Ministry of Defense is able to conclude a contract but not to make payment). Then, based on such budgeting, in principle, in the fiscal year that construction is completed or that equipment is procured, expenses necessary for payment are allocated as budget expenditure (budget authority to incur obligations and make payment is granted, i.e., the Ministry of Defense is able to conclude contracts and allocate budget expenditure). Budget expenditure for payments incurred under contracts concluded in previous fiscal years is called “obligatory outlay expenses,” while expenditure for which the payment period has yet to come is termed “future obligation.”

² A typical cost under this category is expenses for installation of soundproofing in residences.

³ The comparison with the previous year does not account for SACO-related expenses and that portion of the expenses related to the realignment of the U.S. military that is intended to be used to reduce the burden on the local community. The same applies hereinafter in regard to this item. Moreover, in FY2012, the comparison excludes the 122.4 billion yen cost of the X-band SATCOM development and operation project. The same applies hereinafter in regard to this item.

⁴ The sum total of general material expenses and future obligation concerning new contracts. The contract is concluded in the applicable year. It is the scale of the material expenses (operating expenses) that are to be contracted in particular fiscal year and, to be paid in the same fiscal year and the following year. The amount is 2.6813 trillion yen in FY2013.

3 Comparison with Other Countries

Understanding the defense expenditures of each country using a single standard is not possible in view of differences in the socioeconomic and budgetary systems. There is not an internationally unified definition of defense expenditures, and breakdowns of defense expenditures are often unclear even in many countries where such data is publicly disclosed.

See Reference 19

Furthermore, though there exists the method of converting defense expenditures into a dollar-termed value for comparison, defense spending based on this method does not necessarily reflect the precise value resulted from counting each country's price levels. Consequently, there are limits to the comparisons that can be made simply by comparing Japan's defense-related expenditures with those of other countries in dollar terms. Nevertheless, for reference, the defense expenditures disclosed by each country in dollar terms, using the purchasing power parity¹ of each country as published by the Organization for Economic Co-operation and Development (OECD), are shown in Figure II-2-4-6².

(See Fig. III-2-4-7)

¹ A gauge that measures each country's ability to purchase assets or services by taking into account their respective price levels.

² For changes in defense expenditures of each country in its local currency, see Part I, Chapter 1; Fig. II-3-4-7; and Reference 19.

Moreover, intelligence functions and command communications functions essential to the execution of such duties shall be reinforced, in addition to promoting measures to strengthen readiness, such as improving the operational availability of equipment.

Furthermore, the ability of the SDF to respond to disasters shall be strengthened, in light of the lessons of the Great East Japan Earthquake, in order to protect the lives and property of the people in the event of large-scale natural disasters or other unconventional disasters.

The number of SDF personnel will not be changed until a conclusion has been reached regarding such matters as the review of the 2010 Guidelines.

(2) Strengthening of the Japan-U.S. Alliance

As the security environment surrounding Japan is increasingly severe, efforts shall be made to promote measures to further strengthen the effectiveness of Japan-U.S. defense cooperation, including deliberations concerning the revision of the Guidelines for Japan-U.S. Defense Cooperation.

Moreover, while maintaining the deterrent effect of the U.S. forces, steady progress shall be made with concrete measures relating to such matters as the realignment of U.S. forces in Japan, including the relocation of Futenma Air Station, in order to reduce the burden on local communities in Okinawa Prefecture and other areas.

(3) Initiatives to further stabilize the international security environment

In order to further stabilize the international security environment in areas such as the Asia-Pacific region, further efforts shall be made to promote various forms of cooperation in fields including humanitarian aid and disaster relief, as well as bilateral and multilateral dialogues.

Moreover, efforts shall be made to strengthen the basis for international activities by the SDF, in order to ensure that they can independently and proactively handle such activities as initiatives to prevent the proliferation of weapons of mass destruction and ballistic missiles, initiatives to counter terrorism and piracy, and United Nations peacekeeping operations.

(4) Effective and efficient upgrading of defense capability

In light of the severe fiscal situation, build-up responses to pressing issues in the current security environment shall be focused upon, along with initiatives aimed at the efficient acquisition of equipment, as well as seeking the effective use of human resources through such endeavors as building a proper rank/age composition of SDF personnel, from the perspective of improving their strength and effectiveness.

In particular, cost effectiveness shall be improved through a thorough reduction of life-cycle cost, while the transparency of the procurement process and improvement of contract systems in light of improper cases of procurement from last year shall be promoted.

See Reference 10

2. Major Issues in Build-Up of Defense Capability in FY2013

In light of the aforementioned policy, the FY2013 budget prescribes an increase in SDF personnel by a total of 287 in order to ensure an effective response to various contingencies and improve readiness; it stipulates that efforts shall be made to ensure improved readiness of relevant units regarding information gathering, warning and surveillance, and ensuring security in the southwestern region. Moreover, it stipulates that efforts shall be made to improve the operational availability of equipment by securing adequate funds to cover maintenance and repair costs.

Furthermore, it prescribes that the following equipment shall be procured, in order to strengthen the posture for protecting the lives and property of the people, as well as the nation's land, sea, and airspace. In order to strengthen the posture for engaging in intelligence gathering, warning and surveillance, and ensuring security in surrounding Japanese waters, two P-1, which have been domestically developed as the successor to the existing P-3C fixed-wing patrol aircraft, shall be acquired, along with one new class of destroyer, which has better fuel efficiency and ability to detect targets in the water, one Soryu-class submarine (SS), which excels in evading detection, and one new class of minesweeper ocean (MSO), which represents an evolution in hull material, with the conventional wooden structure being replaced with a more durable fiber-reinforced plastic version.

Moreover, efforts to improve warning and surveillance, and air defense capability in the airspace that encompasses the Southwestern Islands shall not be confined to the strengthening of equipment-related aspects, in the form of the acquisition of two next-generation fighter aircraft (F-35A), which have superior stealth capacity, the modernization and refurbishment of six F-15 fighter aircraft, and the improvement of the radar processing capability of airborne warning and control aircraft (E-767). These endeavors shall also include efforts to reinforce operational aspects, such as securing additional funding of approximately 13.5 billion yen to cover the running costs of the airborne warning and control aircraft (E-767) and the airborne early warning aircraft (E-2C).

In addition, the budget stipulates that, as well as converting two fixed radar installations at once in the southwestern region (at Miyako-jima and Takahatayama), representing a change from the usual practice of only converting one installation per year nationwide, research shall be conducted with a view to further strengthening the air defense posture in the southwestern region in the future.

Furthermore, as well as acquiring 11 armored personnel carrier, 44 light armored vehicles, and one multi-purpose helicopter, in order to enhance defense readiness on land, including on islands such as the Southwestern Islands, amphibious vehicles shall be purchased as a sample and deliberations shall commence aimed at strengthening operational capabilities in relation to landings from the sea; in addition, efforts are underway to improve the ability to deal with various contingencies, by such means as the acquisition of four sets of Type 12 Surface-to-Ship Missile and 11 middle-range multi-purpose missile sets, and the development of a wheeled 155mm howitzer.

(See Fig. II-2-3-1)

the role of defense capability and its assessment, the Japan-U.S. Alliance, and the current situation and issues associated with SDF operations. The Ministry of Defense has been vigorously considering functions required for responding to various contingencies, including effective deterrence and response capabilities against the threat of ballistic missiles and effective off-shore island defense including transport capabilities and mobility while considering discussions conducted by the Diet and others.

(See Fig. II-2-2-2)

preventing a serious invasion of Japan.

In addition, with regard to Japan's defense capability, the Guidelines stipulated that it should (1) be furnished with the various functions required for defense and (2) be in a balanced posture in organization and deployment, including logistic support, (3) take adequate surveillance posture in peacetime, (4) effectively cope with limited and small-scale aggression, and (5) be capable of shifting smoothly to a new setup when an important change occurs in the situation. The concept of Basic Defense Capability introduced by the 1976 Guidelines attached importance to deterrence, emphasizing measures to prevent an invasion of Japan.

¹ This refers to the process of the easing of tensions between East and West during the Cold War, through such developments as the Helsinki Accords, which advocated peaceful coexistence between the U.S. and the Soviet Union.

2 1995 Guidelines

The 1995 Guidelines were formulated with consideration to the change of the international security environment such as the end of the Cold War, and increasing public expectations for the SDF in the wake of Peace Keep Operations activities and response to the Great Hanshin Awaji Earthquake.

The 1995 Guidelines pointed out that previous defense buildup policies were based on the concept of Basic Defense Force, that aimed to maintain a minimum-necessary defense force as an independent nation preventing a power vacuum that destabilizes the region, rather than coping with a direct military threat to Japan, and basically followed the same approach.

At the same time, in terms of the content of Japan's defense capability, the Guidelines were characterized by their emphasis on the further utilization of SDF capabilities not only in the defense of Japan but also in response to large-scale disasters and various other situations, and in contributions to a more stable security environment, as well as reviewing the scale and function of the defense force.

3 2004 Guidelines

Amid the emergence of new threats and the challenges of diverse situations such as the proliferation of weapons of mass destruction and ballistic missiles, and the activities of international terrorist organizations, the 2004 Guidelines were formulated on the decision that new guidelines for the approach to the national security and defense capability were necessary.

The 2004 Guidelines established two security goals: (1) preventing direct threats from reaching Japan and, in the event that one does, repel it and minimize any damage, and (2) improving the international security environment, so as to reduce the chances that any threat will reach Japan in the first place. To this end, the Guidelines set an integrated combination of three approaches, (1) Japan's own effort, (2) Japan-U.S. Arrangements, and (3) Cooperation with the international community.

Accordingly, in terms of the concept of defense capability, the Guidelines stipulated that a "multifunctional, flexible, effective defense force" was necessary to address new threats and diverse situations, with emphasis on response capabilities, while maintaining effective aspects of the concept of Basic Defense Capability, which emphasized deterrence by the existence of a defense force.

4 2010 Guidelines

The 2010 Guidelines were formulated in light of the recognition that (1) large-scale military capacity, including nuclear capability, still exists in the surrounding region, with many countries modernizing their military forces and intensifying various activities; (2) dramatic progress in such fields as military science and technology has shortened the time between the first signs of a contingency and its development making a seamless response necessary; and (3) many security issues extend across national borders, making partnership and cooperation between countries important from times of peace, so the role of military forces is diversifying and it is becoming common to continuously military forces operate, in

peacetime.

Accordingly, the 2010 Guidelines focus on SDF operations, rather than the Basic Defense Force Concept, which emphasized the existence of the defense force; as such, the Guidelines stipulate that it is necessary to ensure that future defense capability be dynamic and can proactively conduct the various activities required to fulfill. Therefore, the 2010 Guidelines prescribe the development of a Dynamic Defense Force that demonstrates readiness, mobility, flexibility, sustainability, and versatility, underpinned by advanced technical capabilities and intelligence skills, in light of trends in the level of military technology.

One key characteristic of the concept of a dynamic defense force is its focus on fulfilling the given roles through SDF activities.

See Reference 7, 8, & 9

(See Figs. II-2-1-1, II-2-1-2)

2. Mid-Term Defense Program (FY2011–FY2015)

The Mid-Term Defense Program (FY2011–FY2015) for the period from FY2011 to FY2015 set forth the policies and major projects for the build-up of defense capabilities over the five years from FY2011, based on the 2010 Guidelines, but it was abolished in January this year as the revision of the 2010 Guidelines was initiated. In conjunction with this move, the FY2013 defense budget formulation policy was approved by Cabinet.

In addition, along with the start of the revision of the 2010 Guidelines, necessary measures will be taken after due consideration of future mid-term defense planning.

See Reference 10

reorganizing the Security Council of Japan)

(2) Constitution of the Council/Agenda

1) Four Ministers' Meeting: Giving fundamental direction for foreign and defense policies concerning national security. [newly established]

[Members] Prime Minister (Chair), Minister for Foreign Affairs, Minister of Defense, Chief Cabinet Secretary¹

[Agenda] Basic principle of foreign and security policies regarding the security of Japan, etc.

2) Nine Ministers' Meeting: Maintenance of the civilian control function of the current Security Council of Japan, etc.

[Members] Prime Minister (Chair), Minister for Internal Affairs and Communications, Minister for Foreign Affairs, Minister of Finance, Minister of Economy, Trade and Industry, Minister of Land, Infrastructure, Transport and Tourism, Minister of Defense, Chief Cabinet Secretary, Chairman of the National Public Safety Commission^{1,2}

[Agenda] Important matters regarding national defense³

3) Emergency situation Ministers' Meeting: Strengthen the response to emergencies [newly established]

[Members] Prime Minister (Chair), Chief Cabinet Secretary, Minister of State designated by the Prime Minister in advance corresponding to the type of matters¹

[Agenda] Important matters regarding the response to serious emergency situations. (As for an operation itself responding to matters, utilize the existing task force and the crisis-management system centering on the Deputy Chief Cabinet Secretary for Crisis Management)³

(3) Provision of Materials

The head of each relevant administrative organ shall, pursuant to a decision by the NSC, provide materials and information regarding national security for the NSC.

The NSC shall be able to request the heads of related administrative organs to submit materials and information regarding national security.

(4) Service Discipline

In addition to the chair and members of the Council (including former members), Deputy Ministers acting on behalf of the members, other relevant persons who attended the NSC, and chairpersons of the Special Advisory Committee for Contingency Planning (including former chairpersons) have the obligation to protect confidentiality.

(5) Attendance of the Relevant Parties

Deputy Chief Cabinet Secretary and Special Advisor to the Prime Minister for National Security (described later) may attend the NSC and state their opinions with the permission of the Chair.

The Chair may have the Chief of Staff, Joint Staff, and other relevant parties attend the Council and state their opinions.

(6) Coordinators

The Council shall include the Coordinators appointed by the Prime Minister from officials of each relevant administrative organ. The Coordinators shall assist the Chair and members in the affairs of NSC.

(7) Special Advisor to the Prime Minister for National Security

The Special Advisor to the Prime Minister who is in charge of important policies regarding national security (Special Advisor to the Prime Minister for National Security) shall be established permanently.

(8) National Security Headquarters

The National Security Headquarters shall be established in the Cabinet Secretariat to take charge of the planning, drafting and coordinating of fundamental principles and significant matters of foreign and defense policies concerning national security, administrative work, and integrating and compiling materials and information provided for the NSC under (3).

The Secretary General of National Security Headquarters shall perform the special service of a national public officer ranked with the Deputy Chief Cabinet Secretary for Crisis Management. Two Deputy Secretaries General of National Security Headquarters shall be appointed from Assistant Chief Cabinet Secretaries appointed by the Prime Minister.

¹ The Council may have the necessary Minister of State attend any meeting temporarily as a member of the Council.

² If the Minister of State (including the Deputy Prime Minister) designated by the Prime Minister in advance to perform duties on behalf of the Prime Minister temporarily in the case of an accident involving the Prime Minister is not a member of the Council, such Minister of State shall also attend the meeting as a member.

³ In the cases where a particularly urgent response is needed regarding various matters, the Council may make proposals to the Prime Minister on measures found to be necessary for prompt and adequate responses.

2 Other Basic Policies

Under the Basic Policy for National Defense, Japan has been building a modest defense capability under the Constitution for exclusively defense-oriented purposes without becoming a military power that could threaten other countries, while adhering to the principle of civilian control of the military, observing the Three Non-Nuclear Principles, and firmly maintaining the Japan–U.S. Security Arrangements.

1 Exclusively Defense-Oriented Policy

The exclusively defense-oriented policy means that Japan will not employ defensive force unless and until an armed attack is mounted on Japan by another country, and even in such a case, only the minimum force necessary to defend itself may be used. Furthermore, only the minimum defense forces necessary for self-defense should be retained and used. This exclusively defense-oriented policy is a passive defense strategy that is consistent with the spirit of the Constitution.

2 Not Becoming a Military Power

There is no established definition for the term “military power.” For Japan, however, not becoming a military power that could threaten the security of other countries means that Japan will not possess more military force than is necessary for self-defense and that could pose a threat to other countries.

3 The Three Non-Nuclear Principles

The Three Non-Nuclear Principles are that Japan: will not possess nuclear weapons, will not produce nuclear weapons, and will not allow nuclear weapons into Japan. Japan adheres to the Three Non-Nuclear Principles as a fixed national policy.

Japan is prohibited from manufacturing or possessing nuclear weapons also under the Atomic Energy Basic Law¹. In addition, Japan ratified the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), and as a non-nuclear weapons state, is not permitted to produce or acquire nuclear weapons².

4 Securing Civilian Control

Civilian control of the military means the subordination of the military to the political control in a democratic state, or in other words, control over the military by democratic political authority.

Learning lessons from World War II, Japan has adopted the following strict civilian control system that is entirely different from the one under the former Constitution³. Civilian control ensures that the SDF is maintained and operated in accordance with the will of the people.

The Diet, representing Japanese people, decides laws and budget including the allotted number of uniformed SDF personnel and principal institutions of the MOD/SDF. It also approves issuance of Defense Operation Orders. The function of national defense entirely falls under the executive power of the Cabinet as a part of general administrative functions. The Constitution requires the Prime Minister

and other Ministers of State in the Cabinet to be civilians. Under the Constitution, the Prime Minister, on behalf of the whole Cabinet, is the commander-in-chief of the SDF. The Minister of Defense, who is exclusively in charge of national defense, exercises general control over SDF activities. In addition, the Security Council of Japan⁴ under the Cabinet deliberates important matters on national defense.

As for the Ministry of Defense, the Minister of Defense is in charge of administrative affairs concerning national defense, and controls and manages the SDF. The Minister of Defense is assisted in planning policies by the Senior Vice-Minister and two Parliamentary Secretaries⁵.

In addition, special advisors to the Minister of Defense counsel the Minister of Defense on important issues under the jurisdiction of the Ministry of Defense based on their expertise and experience. The Defense Council consisting of political appointees, civil servants and uniformed SDF personnel of the Ministry of Defense deliberates on basic principles under the Ministry's jurisdiction. Through these ways, the Ministry of Defense aims to further enhance the civilian control system.

As mentioned above, the civilian control system is well established. It is necessary that Japanese people have deep interests on national defense and we need both political and administrative efforts to ensure the civilian control function effectively.

¹ Article 2 of the Atomic Energy Basic Law states that "The research, development and utilization of atomic energy shall be limited to peaceful purposes, aimed at ensuring safety and performed independently under democratic management."

² Article 2 of the NPT states that "Each non-nuclear weapon State Party to the Treaty undertakes....not to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices..."

³ The Cabinet's control over military matters was limited

⁴ Members of the Security Council are the Prime Minister (chairman); Minister designated pursuant to Article 9 of the Cabinet Law (Minister of State pre-designated to perform duties of the Prime Minister temporarily when the Prime Minister is absent, involved in an accident, or in a similar situation); Minister of Internal Affairs and Communications; Minister for Foreign Affairs; Minister of Finance; Minister of Economy, Trade and Industry; Minister of Land, Infrastructure, Transport and Tourism; Minister of Defense; the Chief Cabinet Secretary; and Chairperson of the National Public Safety Commission.

⁵ In addition, to help the Minister of Defense effectively handle administrative work related to national defense and to reliably manage the SDF, other systems to assist the Minister have been established. See Part III, Chapter 4, Section 1 for the organization of the SDF, including such advisory systems to the Minister.

The use of the minimum necessary force to defend Japan under the right of self-defense is not necessarily confined to the geographic boundaries of Japanese territory, territorial waters and airspace. However, it is difficult to give a general definition of the actual extent to which it may be used, as this would vary with the situation.

Nevertheless, the Government interprets that the Constitution does not permit armed troops to be dispatched to the land, sea, or airspace of other countries with the aim of using force; such overseas deployment of troops would exceed the definition of the minimum necessary level of self-defense.

4 The Right of Collective Self-Defense

International law permits a state to have the right of collective self-defense, which is the right to use force to stop an armed attack on a foreign country with which the state has close relations, even if the state itself is not under direct attack. Since Japan is a sovereign state, it naturally has the right of collective self-defense under international law. Nevertheless, the Japanese Government believes that the exercise of the right of collective self-defense exceeds the minimum necessary level of self-defense authorized under Article 9 of the Constitution and is not permissible.

5 The Right of Belligerency

Article 9, Paragraph 2 of the Constitution prescribes that “the right of belligerency of the state will not be recognized.” However, the “right of belligerency” does not mean the right to engage in battle; rather, it is a general term for various rights that a belligerent nation has under international law, including the authority to inflict casualties and damage upon the enemy’s military force and to occupy enemy territory. On the other hand, Japan may of course use the minimum level of force necessary to defend itself. For example, if Japan inflicts casualties and damage upon the enemy’s military force in exercising its right of self-defense, this is conceptually distinguished from the exercise of the right of belligerency, even though those actions do not appear to be different. Occupation of enemy territory, however, would exceed the minimum necessary level of self-defense and is not permissible.

¹ In general, this refers to the relationship, based on the Japan-U.S. Security System, whereby both nations, as countries sharing fundamental values and interests, coordinate and cooperate closely in a range of areas in security, politics and economics.

spread of disease, and so on.

² As of the end of April 2013, 15 peacekeeping operations are conducted. (As of the end of March, approximately 92,000 people from 116 countries are participating in PKOs.) Of the 15 PKOs, nine have been vested with strong authority under Article 7 of the Charter of the United Nations.

³ The protection of civilians has recently been becoming more important in peacekeeping operations (PKO). Currently, eight PKO missions have the protection of civilians as their mandates. However, host countries are mainly responsible for the protection of civilians. PKOs which have the protection of civilians as their mandate are allowed to use force only in self-defense and defense of the mandates under the principles of PKO: 1) consent of the parties, 2) impartiality, and 3) non-use of force except in self-defense and defense of the mandate.

2 Present Situation of Regional Conflicts

1 Situation in Afghanistan

The ongoing efforts in Afghanistan include the operation to mop up the Taliban conducted as part of Operation Enduring Freedom (OEF) and activities to maintain security conducted by the International Security Assistance Forces¹ and the Afghan National Security Forces. The security situation in many parts of Afghanistan continues to remain unpredictable, and security in the eastern part, which borders with Pakistan, as well as in the south and southwestern parts, is still a matter of concern.

Although the Taliban's attack capability is diminishing because of the activities of the ISAF and ANSF, the group is presumed to have secured safe havens in Pakistan and to be crossing the border into Afghanistan to conduct terrorist activities there².

At the NATO Summit Meeting in Lisbon in 2010, it was agreed that the responsibility for security should be transitioned from the ISAF to the ANSF by the end of 2014. The transition of the security authority has been implemented in five phases by region. The first phase commenced in July 2011. President Hamid Karzai specified the areas for the second, third and fourth phases of the transition in November 2011, in May 2012 and in December 2012, respectively. After the fifth phase of the transition, ANSF is scheduled to take the lead for the activity to maintain security across the entire country.

ISAF will shift from a combat mission to a new training, advising and assistance mission for ANSF after the fifth phase of the transition of the responsibility for security starts, and it is scheduled to complete the missions by the end of 2014. Currently, it is scaling back its size gradually. In July 2011, the U.S. forces started withdrawing from Afghanistan, and by September 2012, 33,000 troops withdrew³. Moreover, while Canada and France have already completed the withdrawal of their combat units, other major NATO countries also announced their policies for withdrawal of their combat units.

After the transition of the responsibility for security, ANSF will have full security responsibility in Afghanistan. ANSF is approaching its target size, and its capabilities are continuing to improve. However, there are many problems, including the illiteracy, the limited logistics capabilities and attacks on coalition personnel by ANSF soldiers and police officers on international troops. Moreover, while the cost of maintaining ANSF is funded almost entirely through international donations, ANSF is scheduled to reduce its size beyond the end of 2014⁴.

An agreement has been reached to continue the international community's support for Afghanistan beyond the end of 2014. At the NATO Chicago Summit held in May 2012, commitment to Afghan security beyond 2014 was reaffirmed. In addition, at the Tokyo Conference on Afghanistan in July 2012, the international community, including Japan, announced the provision of over 16 billion dollars in financial aid. Moreover, countries such as the United States, the United Kingdom and France concluded a Strategic Partnership Agreement with Afghanistan⁵, which called for continued support beyond 2014.

Afghanistan faces not only security problems but also a pile of challenges related to reconstruction,

including preventing corruption, enhancing the rule of law, strengthening the crackdown on narcotics trafficking and promoting regional development. Ensuring peace and stability in Afghanistan is a common challenge of the international community, which needs to continue engagement with the country.

2 Situation over the Middle East peace effort

Between Israel and Palestine, the Oslo Agreement concluded in 1993 marked the beginning of a peace process through comprehensive negotiations. In 2003, the Israelis and the Palestinians agreed on a “Roadmap” that laid out a course leading to the establishment of a Middle East peace initiative based on the principle of the peaceful coexistence between the two nations. However, the Roadmap has yet to be implemented. Negotiations between Israel and Palestine were then halted as the result of large-scale Israeli military operations, such as air raids and deployment of ground forces to the Gaza Strip from the end of 2008 through early 2009 in response to rocket attacks from the area against Israel. In November 2012, in response to rocket attacks launched from the Gaza Strip against Israel, the Israeli military conducted air raids on the region. However, the fighting ended due to mediation by Egypt, among other countries. At the U.N. General Assembly meeting in November 2012, a resolution to grant Palestine Non-Member Observer State Status⁶ was adopted, and the following day, Israeli announced a plan to expand settlements in the West Bank of the Jordan River⁷.

Israel has yet to sign peace treaties with Syria and Lebanon. Israel and Syria disagree on the return of the Golan Heights which Israel has occupied since the 1967 Arab-Israel War. The United Nations Disengagement Observer Force (UNDOF) has been deployed in the Golan Heights region to observe the implementation of the ceasefire and military disengagement between the two parties⁸. Concerning Israel and Lebanon, the United Nations Interim Force in Lebanon (UNIFIL) increased its presence following the 2006 clash between Israel and Hezbollah, a Shiite Muslim organization. Although there have not been any prominent conflicts since, there are reports that Hezbollah is enhancing its military strength again⁹.

3 Situation in Syria

Since March 2011, anti-government demonstrations calling for democracy and the resignation of President Bashar al-Assad have taken place all over the country, leading to large casualties through clashes with security forces. The Syrian Government, in response to this situation, deployed military and security forces in a number of cities, and conflicts between military forces and opposition forces continued¹⁰.

The opposition forces initially did not have a unified organization, so it was pointed out that defectors from the Syrian military and armed Islamic forces were individually clashing with the government forces. In November 2012, various anti-government forces held a meeting in Doha, Qatar through the mediation of the United States and the Arab League and established a unified organization called the National Coalition for Syrian Revolutionary and Opposition Forces. Later, in December 2012, the National Coalition was approved as the legitimate representative of Syrian people in the 4th

Ministerial Meeting of the Group of Friends of the Syrian People held in Morocco. Meanwhile, in a speech in January 2013, President Assad dismissed the anti-government forces clashing with the government forces as terrorist organizations and maintained a confrontational stance.

The United States and the European Union (EU) have called on President Assad to step down and imposed sanctions such as banning oil imports from Syria. Meanwhile, some of the anti-establishment forces clashing with the Syrian military have refused to join the National Coalition for Syrian Revolutionary and Opposition Forces. Among such forces is the Nusra Front¹¹, which has been designated by the United States as a terrorist organization due to its alleged affiliation with Al-Qaeda. As there are concerns that weapons may pass into the hands of terrorist organizations, the United States and European countries do not provide weapons to the anti-establishment forces.

Amid the intensifying clash between the Syrian military and the opposition forces in an area of Syria close to the border with Turkey, shells launched from the Syrian territory landed in Turkey in October 2012, killing some people. At the request of Turkey, NATO approved the deployment of the Patriot PAC-3 in the country in December 2012, and the deployment in the area close to the border with Syria was completed in February 2013.

Regarding the alleged possession of chemical weapons by Syria, the international community has repeatedly requested it to not use biological or chemical weapons¹². In March of the same year, the United Nations investigation team was formed at the request of the Syrian government in response to the claim that chemical weapons had been used in Syria. However, due to a disagreement regarding the target area to be investigated, negotiations are still underway between the Syrian government and the United Nations, and on-site investigations have not yet been initiated.

The United Nations Supervision Mission in Syria, which was established in April 2012 by the U.N. Security Council, ended its activity in August of the same year, because it became difficult to continue executing its mission¹³ due to a lack of improvement in the security situation in the country. The effort by U.N.-Arab League envoy Lakhdar Brahimi, who took office in August 2012, to promote dialogue toward the resolution of the situation did not make major progress, so the future outlook of the Syrian situation remains unclear.

4 Situation in Sudan and South Sudan

In Sudan, a 20-year north-south civil war broke out in 1983 between the Sudanese Government, which is predominantly composed of Muslim Arabs from northern Sudan, and antigovernment forces comprising African Christians from southern Sudan. In accordance with the Comprehensive Peace Agreement (CPA) that was concluded between the north and the south in 2005, a referendum was held in January 2011 to determine the validity of the separation and the independence of Southern Sudan, and the independence of the south was supported by an overwhelming majority. Accordingly, the Republic of South Sudan became an independent state in July. The United Nations Mission in the Republic of South Sudan

(UNMISS) was established in accordance with the U.N. Security Council Resolution 1996¹⁴. After the independence, negotiations have continued with regard to pending issues such as the north-south border disputes, including the attribution of the Abyei area¹⁵ and revenue sharing of South Sudan oil, through mediation by the international community, including the African Union (AU)¹⁶. Tensions between the two states have escalated since late March 2012; while the incident in which the Sudan military allegedly launched air raids on South Sudan's territory in a north-south border area broke out, the South Sudan military occupied an oil field area in the Sudanese territory. In response to these situations, in May 2012, the United Nations Security Council adopted Resolution 2046 calling on both countries to cease all hostilities immediately and resume negotiations. By August 2012, both countries withdrew troops from the Abyei area. In September, they signed agreements concerning security measures in the border area and oil. In March 2013, they signed a document that specified the schedule for implementing those agreements, so there are hopes that the agreements, including one concerning the resumption of oil exports, will be steadily implemented.

In the Darfur region of western Sudan, conflict intensified between the Arab government and several African antigovernment forces in around 2003. The conflict in Darfur has produced a large number of internally displaced persons, which the international community, including the United Nations, regards as a serious humanitarian crisis. After the government and a fraction of the major anti-government forces concluded the Darfur Peace Agreement (DPA) in May 2006, the U.N. Security Council adopted Resolution 1769 in July 2007, which stipulated the creation of the African Union/United Nations Hybrid Operation in Darfur (UNAMID). The Sudanese Government and anti-government groups based in Darfur, including the Justice and Equality Movement (JEM), have engaged in peace negotiations intermittently since February 2010 in Doha, the capital of Qatar, through arbitration by the United Nations, the AU and Qatar. In July 2011, the government of Sudan and the "Liberation and Justice Movement" (LIM) signed the Doha Document for Peace in Darfur (DDPD). However, battles between the government and anti-government forces have continually occurred. In addition, anti-government forces refuse to participate in negotiations and the Sudanese government lacks funds. These factors cause delay in implementation of the peacekeeping process.

5 Situation in Somalia

Somalia had been in a state of anarchy since 1991, but in 2005, the Transitional Federal Government (TFG) was inaugurated. However, battle raged between the TFG and the Union of Islamic Courts (UIC), an Islamic fundamentalist organization, and other groups opposed to the TFG. Ethiopian forces intervened in response to the request from the TFG and eliminated the UIC in December 2006. In January 2007, the African Union Mission in Somalia (AMISOM) was established, and in August 2008 in Djibouti a peace agreement was concluded between the TFG and Alliance for the Re-liberation of Somalia (ARS), which was formed by the UIC and other groups. However, fierce resistance¹⁷ by Islamist armed groups

such as Al-Shabaab has continued, and neighboring countries such as Kenya and Ethiopia deployed troops to defeat Al-Shabaab, forcing it to withdraw from the capital city of Mogadishu and Kismayo, where it had a major base. Although progress can be seen to a certain extent, battles continued, mainly in the central southern part of Somalia. Under these circumstances, in August 2012, the period of transitional government by the TFG expired and a new federal parliament was convened. In September, a new president was elected, and in November of the same year, a new cabinet was inaugurated. Somalia's first unified government in 21 years aims to stabilize the situation.

6 Situation in Mali

In Mali, the National Movement for the Liberation of the Azawad (MNLA), an armed group from the Tuareg Tribe¹⁸ situated in the north, incited a rebellion in January 2012, and Ansar al-Dine¹⁹, an Islamist armed group said to be affiliated with Al-Qaeda, joined the rebellion. In March 2012, some soldiers caused a riot in the capital city of Bamako. Taking advantage of the riot, the MNLA took over several cities in the northern part of Mali, and in April 2012, they declared independence of the northern region.

Later, as a result of conflicts over the enforcement of Islamic law (Sharia), Islamic fundamentalist terrorist groups, such as Ansar al-Dine, the Movement for Unity and Jihad in West Africa (MUJAO), and Al-Qaeda in the Islamic Maghreb (AQIM), governed the country based on Sharia, thereby worsening humanitarian and security situations. In response to this situation, the U.N. Security Council adopted Resolution 2085, approving the deployment of the African-led International Support Mission in Mali (AFISMA)²⁰, whose mandates included supporting the Mali authorities to rebuild the capacities of the Malian Defense and Security forces, recover the northern part of Mali and reduce the threat posed by terrorist organizations. In January 2013, in response to the advance of Ansar al-Dine and other forces into the southern central part of Mali, France dispatched troops to the country at the request of the transitional Mali government. Other western countries such as the United States and the United Kingdom also provided support in terms of transport, supplies and information. These supports helped the Mali military recover many major cities in the north central region of the country. While the outbreak of suicide bombings was reported in some of the cities, France has begun withdrawing its troops since April 2013 based on the decision that a large part of the mission had been completed. France also revealed its plan to reduce the troop strength which was approximately 4,000 troops at maximum to around 1,000 troops by the end of 2013. Under such circumstances, the U.N. Security Council unanimously adopted Resolution 2100 to establish the United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) in April 2013, whose missions include the stabilization of key population centers and support for the reestablishment of state authority throughout the country, and to transfer the authority from AFISMA to MINUSMA on July 1²¹.

The EU decided to establish a training mission of 500 people and is supporting the training and realignment of the Mali military.

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- ¹ As of February 2013, around 100,000 personnel from 50 countries, mainly NATO members, were being deployed.
- ² As for the relationship between Pakistan and the United States with regard to the situation in Afghanistan as described by the “Report on Progress Towards Security and Stability in Afghanistan” (April 2012) by the U.S. Department of Defense, etc., see Chapter 1, Section 6.
- ³ As of February 2013, the number of U.S. troops dispatched to ISAF was 68,000
- ⁴ The current target size of ANSF is 352,000 personnel, with the cost of maintaining them estimated at approximately \$6 billion. At the NATO Summit Meeting in Chicago in May 2012, it was decided to reduce the size to 228,500 personnel by 2017 in order to continue fiscal support in the long term.
- ⁵ The Afghan-U.S. Enduring Strategic Partnership Agreement mentions the possibility that U.S. troops may stay in Afghanistan beyond 2014.
- ⁶ Non-member states and organizations that do not have voting rights, in addition to member states, may participate in the United Nations as observers. Observers are broadly categorized into states and non-states (international organizations, regional organizations, and entity, etc.). Until this U.N. Resolution was adopted, Palestine had been given observer status not as a state but as an entity.
- ⁷ In December 2012, the Israeli government approved a plan to construct 3,000 new houses in East Jerusalem and the West Bank.
- ⁸ Military observers of the United Nations Truce Supervision Organization (UNTSO) are also active within this region.
- ⁹ Report of the Secretary-General to the Security Council on the implementation of resolution 1559 (April 2010), etc.
- ¹⁰ As reported by the Office of the United Nations High Commissioner for Refugees in December 2012, the death toll from the conflicts as of November 2012 was about 60,000.
- ¹¹ In December 2012, the United States designated the Nusra Front as an Al-Qaeda-affiliated organization.
- ¹² In December of the same year, the chairman’s conclusions issued at the Fourth Ministerial Meeting of the Group of Friends of the Syrian People stated that any use of chemical or biological weapons by the Syrian regime would draw a serious response from the international community.
- ¹³ UNSMIS was established based on U.N. Security Council Resolution 2043 (April 21, 2012). The six-point proposal, the implementation of which is monitored by UNSMIS, asks the Syrian authorities to: (1) commit to work with the Special Envoy in a Syrian-led political process; (2) commit to stop fighting and achieve an effective United Nations supervised cessation of armed violence in all its forms by all parties; (3) accept and implement a daily two-hour humanitarian truce to ensure provision of humanitarian assistance; (4) intensify the pace and scale of release of arbitrarily detained persons; (5) ensure freedom of movement for journalists; and (6) respect freedom of association and the right to demonstrate peacefully as legally guaranteed.
- ¹⁴ The initial mandate period was one year with up to 7,000 military personnel and up to 900 police personnel. UNMISS is on the ground to consolidate peace and security and to help establish conditions for development in the Republic of South Sudan. Specifically, the mandate of UNMISS is as follows: (1) support for peace consolidation and thereby fostering long-term state building and economic development, (2) support the Government of the Republic of South Sudan in exercising its responsibilities for conflict prevention, mitigation and resolution and protect civilians, and (3) support the Government of the Republic of South Sudan in developing its capacity to provide security, to establish rule of law, and to strengthen the security and justice sectors.
- ¹⁵ The Abyei area was one of the bloodiest battlefields during the North-South civil war. Both the North and the South claim sovereignty over the area due to its abundant oil resources. Whether the area belongs to the North or the South remains uncertain, as a referendum that will settle the territorial issue has not yet been held. In May 2011, immediately before the independence of South Sudan, a battle began between the Sudan Armed Forces (SAF) and Sudan People’s Liberation Army (SPLA), which was a major military organization in Southern Sudan. In June 2011, the Security Council established under its Resolution 1990 the United Nations Interim Security Force for Abyei (UNISFA) in the region.
- ¹⁶ The African Union is the world’s largest regional organization, comprised of 54 member countries and areas. It was created in July 2002 as a result of the reorganization of the Organization of African Union (established in May 1963). The objectives of the African Union’s activities include achieving

greater unity and solidarity of African countries and peoples, accelerating the political, economic and social integration of Africa and promoting peace, security and stability in Africa.

¹⁷ In 2008, the United States designated the Al-Shabaab as an international terrorist organization, and it officially joined Al-Qaeda in 2012.

¹⁸ The Tuareg Tribe is a nomadic ethnic minority in the Sahara Desert. It is pointed out that the tribe has been in conflict with the government of Mali seeking for autonomy in the Northern Mali.

¹⁹ See Section 3-2

²⁰ The AFISMA personnel have been deployed from Mali and neighboring countries: Burkina Faso, Cote d'Ivoire, Ghana, Niger, and Nigeria.

²¹ The initial mandate period of MINUSMA is one year from July 2013. The mission is implemented by a maximum of 11,200 military personnel and a maximum of 1,440 policing personnel. In case the MINUSMA is exposed to imminent danger, based on a request from the Secretary-General of the United Nations, French forces are given authorization to intervene for the purpose of assisting the mission.

consultations with partners and state sovereignty under the strict standard due to securing definite guidance on the use of force and requests of accountability in implementing such operations⁴. Furthermore, he stated that it is difficult to quickly resolve deep-rooted problems such as poverty and sectarian hatred, and, therefore, that it is important to make diplomatic efforts, including supporting democratic transitions and financial assistance, as well as military efforts. He also regarded to work with the American Muslim community, which has denounced terrorism, as the best way to prevent violent extremism.

¹ “Worldwide Threat Assessment” (March 2013). By U.S. Director of National Intelligence (DNI)

² United States Department of State “Country Reports on Terrorism 2011” (April 2012).

³ Ibid.

⁴ In the policy guidance on the counterterrorism strategy published along with the President’s speech in May 2013, with a preference for capturing terrorist suspects, the following standards for killing suspects are provided: there is a legal basis, the target poses a continuing, imminent threat to U.S. persons, it is almost certain that non-combatants will not be injured, and capture is not feasible at the time of the operation.

2 Trends Concerning Terrorism Around the World

In Libya, a radical Islamic group carried out an attack on the U.S. consulate general in Benghazi in September 2012, killing four Americans, including the ambassador.

In Mali, Ansar al-Dine, which is said to have effective control over the northern part of the country and to be affiliated with Al-Qaeda, declared its intention to carry out retaliatory terrorist attacks in response to an attack by a French force deployed at the request of the transitional Mali government. Thus, the threat of terrorism is persisting.

In Algeria, a radical Islamic group reportedly broke away from Al-Qaeda in the Islamic Maghreb, which has engaged in abductions targeting mainly Algerians and Westerners, and carried out an attack on a natural gas plant in January 2013, resulting in the deaths of many people, including 10 Japanese nationals. As a reason for the terrorist act, this group cited the permission given by Algeria for the passage of a French force through its airspace on the occasion of the military intervention in Mali¹. Moreover, the group's members who actually carried out the attack are presumed to have acquired weapons in neighboring countries and crossed national borders into Algeria.

In Iraq, even after the withdrawal of the U.S. forces in December 2011, though the state of public order remained relatively undisturbed, acts of terrorism targeting high-level government officials, foreigners, security authorities, and others have sporadically occurred, and groups such as Al-Qaeda in Iraq claimed responsibility. Thus, Iraq continues to face the threat of terrorism.

Terrorist attacks have recently been on the rise targeted at diplomatic delegates and other groups in Yemen. In October 2010, some explosive materials were discovered in multiple air cargoes bound for the U.S., which were revealed to have originated in Yemen. It is thought that these attacks were conducted by groups affiliated with Al-Qaeda. In addition, it has been pointed out that activities by Al-Qaeda in the Arabian Peninsula (AQAP) are continuing².

In Somalia, the presidential election was held in September 2012. Although a new cabinet was inaugurated in November of the same year, battles still continued between Al-Shabaab, which is said to be affiliated with Al-Qaeda and which has effective control over some parts of the country, and the government forces and the African Union Mission in Somalia (AMISOM). Al-Shabaab withdrew from many of its positions due to attacks by the government forces, but it continued abductions of foreigners and acts of terrorism against the government and AMISOM³.

In Nigeria, Boko Haram, which aims to build an Islamic nation, has stepped up its activities since 2010, carrying out acts of terrorism repeatedly in retaliation against a crackdown by police and other authorities. In addition, in August 2011, Boko Haram claimed responsibility for a suicide bombing targeting a United Nations building in the Nigerian capital of Abuja.

South Asia has long been suffering frequent terrorist attacks. In particular, Pakistan has experienced a number of terrorist attacks targeting religious facilities and government organizations masterminded by Tahrir-e Taliban Pakistan (TTP) or Al-Qaeda.

In Southeast Asia, some progress has been made in countering terrorist organizations. In the Philippines, it is pointed out that terrorist organizations such as the Islamic extremist Abu Sayyaf Group (ASG), which have been the source of the biggest domestic public security concern, have now significantly weakened.

(See Fig. 1-2-3-1)

¹ See Section 4

² “Worldwide Threat Assessment” by DNI (January 2013) reports bombing attempts in February 2012 believed to be the work of AQAP and combat between Al-Qaeda-affiliated militants and government troops in March 2012.

³ Leaders of Al-Shabaab and Al-Qaeda have been reported to be united in February 2012.

international security environment.

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- ¹ The United States, the former Soviet Union, the United Kingdom, France, and China. France and China signed the NPT in 1992.
 - ² Article 6 of the NPT sets out the obligation of signatory countries to negotiate nuclear disarmament in good faith.
 - ³ As of April 2012.
 - ⁴ South Africa, Ukraine, Kazakhstan, and Belarus.
 - ⁵ After North Korea announced to withdraw from the NPT in 1993, it promised to remain as a contracting state, but it again declared to withdraw from the NPT in January 2003. In the Joint Statement adopted after the six-party talks in September 2005, North Korea promised to return to the NPT soon, but after that it announced three nuclear tests. North Korea's nuclear tests constitute a major challenge to the NPT.
 - ⁶ Adopted in 1996, this treaty bans nuclear test explosions in all places. Of the 44 nations that are required to ratify it for the treaty to enter into force, 8 nations have not done so yet (United States, China, India, Pakistan, Iran, Israel, Egypt, and North Korea). Indonesia ratified the CTBT in February 2012. The United States participated in the Conference on Facilitating the Entry into Force of the CTBT in September 2011, following 2009 which marked the first time in 10 years that the United States participated in the Conference.
 - ⁷ The treaty stipulates that both countries are to reduce the number of deployed strategic warheads to 1,550 and the number of deployed delivery vehicles to 700 by seven years following the treaty's enactment. The United States released the latest data in April 2013. As of March 1, the U.S. has 1,654 deployed strategic warheads and 792 deployed strategic delivery vehicles. Russia's numbers show that it has 1,480 strategic warheads and 492 delivery vehicles.
 - ⁸ Nuclear forensics aims to provide evidence for prosecution of perpetrators of illicit trade or malicious use through identification of the source of detected nuclear materials and other radioactive substances.

2 Biological and Chemical Weapons

Biological and chemical weapons are easy to manufacture at a relatively low cost and easy to disguise because most materials, equipment and technology needed to manufacture these weapons can be used for both military and civilian purposes. Accordingly, biological and chemical weapons are attractive to states or non-state actors, such as terrorists, who seek asymmetric means of attack¹.

Biological weapons have the following characteristics: 1) manufacturing is easy and inexpensive, 2) there is usually an incubation period of a few days between exposure and onset, 3) their use is hard to detect, 4) even the threat of use can create great psychological effects, and 5) they can cause heavy casualties depending on the circumstances and the type of weapons².

Concerning the response to biological weapons, it has also been pointed out that there is a possibility that advancements in life sciences will be misused or abused. With these concerns, in November 2009, the United States decided on a policy³ to respond to the proliferation of biological weapons and the use of these weapons by terrorists, and took measures to thoroughly manage pathogens and toxins as well⁴.

As for chemical weapons, Iraq repeatedly used mustard gas, tabun, and sarin⁵ in the Iran-Iraq War. In the late 1980s, Iraq used chemical weapons to suppress Iraqi Kurds⁶. It is believed that other chemical weapons⁷ that were used included VX, a highly toxic nerve agent, and easy-to-manage binary rounds⁸. Moreover, regarding chemical weapons, which are seen to be possessed by Syria, the international community has expressed concerns about their use and proliferation⁹.

North Korea is also one of the countries seeking such weapons. The Tokyo subway sarin attack in 1995, as well as incidents of bacillus anthracis being contained in mail items in the United States in 2001 and that of ricin being contained in a mail item in February 2004, have shown that the threat of the use of weapons of mass destruction by terrorists is real and that these weapons could cause serious damage if used in cities.

¹ A means of attacking the counterpart's most vulnerable points other than by conventional weapons of war (e.g., weapons of mass destruction, ballistic missiles, terrorist attacks, and cyber attacks)

² Japan Defense Agency, "Basic Concept for Dealing with Biological Weapons" (January 2002)

³ In November 2009, the National Strategy for Countering Biological Threats was released in order to dictate a response to the proliferation of biological weapons and their use by terrorists. At the State of the Union Address in January 2010, President Obama said that the United States was launching a new initiative to promptly and effectively respond to bioterrorism and infectious diseases.

⁴ U.S. Presidential order (July 2, 2010)

⁵ Mustard gas is a slow-acting erosion agent. Tabun and sarin are fast-acting nerve agents.

⁶ It was reported that a Kurdish village was attacked with chemical weapons in 1988, killing several thousand people.

⁷ It is a weapon whose two types of relatively harmless chemical materials, materials for a chemical agent, are separately filled in it. It is devised so that these materials are mixed by the impact of firing in the warhead, causing a chemical reaction and synthesizing the chemical agent. The handling and storage of this weapon is easier compared to one that is filled with a chemical agent beforehand.

⁸ Iraq joined the Chemical Weapons Convention (CWC) in February 2009.

⁹ As for the situation in Syria, see Section 4.

3 Ballistic Missiles

Ballistic missiles enable the projection of heavy payloads over long distances and can be used as a means of delivering weapons of mass destruction, such as nuclear, biological, and chemical weapons. Once launched, a ballistic missile makes a trajectory flight and falls at a steep angle at high speed, which makes it generally difficult to effectively defend against the missile.

If ballistic missiles are deployed in a region where military confrontation is underway, the conflict could intensify or expand, and tension in a region where armed antagonism exists could be further exacerbated, leading to the destabilization of that region. Furthermore, a country may use ballistic missiles as a means of attacking or threatening another country that is superior in terms of conventional forces.

In recent years, in addition to the threat of ballistic missiles, attention has been increasingly paid to the threat of cruise missiles as a weapon with a potential for proliferation because they are comparatively easy for terrorists and other non-state actors to acquire¹. Because cruise missiles are cheaper to produce compared to ballistic missiles and easy to maintain and train with, many countries either produce or modify cruise missiles. At the same time, it is said that cruise missiles have a higher degree of target accuracy and that they are difficult to detect while in flight². Moreover, because they are smaller than ballistic missiles, cruise missiles can be concealed on a ship to secretly approach a target, and if they carry weapons of mass destruction on their warheads, they present an enormous threat³.

¹ In the July 2006 conflict between Israel and Lebanon, it is believed that Hezbollah used a cruise missile to attack an Israeli naval vessel. Israel announced in March 2011 that it had uncovered six anti-ship cruise missiles among other things on cargo ships subject to inspection.

² United States Congressional Research Service, "Cruise Missile Proliferation" (July 28, 2005)

³ The United States is concerned about the possibility of a threat to its forward-deployed forces from the development and deployment of ballistic and cruise missiles by countries including China and Iran.

4 Growing Concerns about Transfer and Proliferation of WMDs

Even weapons that were purchased or developed for self-defense purposes could easily be exported or transferred once domestic manufacturing becomes successful. For example, certain states that do not heed political risks have transferred weapons of mass destruction and related technologies to other states that cannot afford to invest resources in conventional forces and instead intend to compensate for this with weapons of mass destruction. Some of these states seeking weapons of mass destruction do not hesitate to put their land and people at risk, and allow terrorist organizations to be active due to their poor governance. Therefore, the possibility of actual use of weapons of mass destruction may generally be high in these cases.

In addition, since there is a concern that such states may not be able to effectively manage the related technology and materials, the high possibility that chemical or nuclear substances will be transferred or smuggled out from these states has become a cause for concern. For example, because there is a danger that even terrorists who do not possess related technologies can use a dirty bomb¹ as a means of attack once they acquire a radioactive substance, nations across the world share the concern regarding the acquisition and use of weapons of mass destruction by terrorists and other non-state entities².

Pakistan is suspected to have started its nuclear program in the 1970s. In February 2004, it became clear that nuclear-related technologies, including uranium enrichment technology, had been transferred to North Korea, Iran, and Libya by Dr. A.Q. Khan and other scientists.

When then U.S. Assistant Secretary of State James Kerry visited North Korea in October 2002, the United States announced that North Korea had admitted the existence of a project to enrich uranium for use in nuclear weapons, which indicated the possibility that North Korea had pursued development not only of plutonium-based weapons but also of uranium-based nuclear weapons. In November 2010, North Korea revealed a uranium enrichment facility to U.S. experts visiting the country³. North Korea also announced that a uranium enrichment plant equipped with several thousand centrifuges for fueling light-water reactors was in operation. In addition, it was also pointed out that North Korea had given support to secret Syrian nuclear activities⁴.

See Chapter 1, Section 2

The international community's uncompromising and decisive stance against the transfer and proliferation of weapons of mass destruction has put enormous pressure on countries engaged in related activities, leading to some of them accepting inspections by international institutions or abandoning their WMD programs altogether⁵.

Ballistic missiles have been significantly proliferated or transferred as well. The former Soviet Union exported Scud-Bs to many countries and regions, including Iraq, North Korea, and Afghanistan. China and North Korea also exported DF-3 (CSS-2) and Scud missiles, respectively. As a result, a considerable number of countries now possess ballistic missiles. In particular, Pakistan's Ghauri and Iran's Shahab-3 missiles are believed to be based on North Korea's Nodong missiles.

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- ¹ Dirty bombs are intended to cause radioactive contamination by spreading radioactive substances.
- ² With these concerns, the U.N. Security Council adopted Resolution 1540 in April 2004, which provided to make decisions regarding adoption and enforcement of laws that are adequate and effective in making all states refrain from providing any form of support to non-state entities that attempt to develop, acquire, manufacture, possess, transport, transfer or use weapons of mass destruction and their means of delivery. The International Convention for the Suppression of Acts of Nuclear Terrorism also entered into force in July 2007.
- ³ In January 2012, the “Worldwide Threat Assessment” by the U.S. Director of National Intelligence (DNI) pointed out that the North’s disclosure (of uranium enrichment facilities) supports the United States’ longstanding assessment that North Korea has pursued uranium enrichment capability. North Korea also mentioned its implementation of uranium enrichment in a June 2009 Ministry of Foreign Affairs statement, a September 2009 letter sent from the Permanent Representative of the Democratic People’s Republic of Korea to the United Nations to the President of the United Nations Security Council, news reports made November 2010, and in other ways.
- ⁴ DNI “Worldwide Threat Assessment” by the DNI March 2013 states “North Korea’s assistance to Syria in the construction of a nuclear reactor (destroyed in 2007) illustrates the reach of the North’s proliferation activities.” The International Atomic Energy Agency (IAEA) report of May 2011 states that the destroyed reactor was very likely a nuclear reactor that Syria should have declared.
- ⁵ Extensive behind-the-scenes negotiations began in March 2003 between Libya and the United States and the United Kingdom, and in December 2003, Libya agreed to dismantle all of its weapons of mass destruction and to allow an international organization to carry out inspections. Later, in August 2006, Libya ratified the IAEA Additional Protocol. However, after the military activity against Libya by multilateral force, in March 2011, North Korea denounced the military attacks against Libya saying that attacking after disarmament was an “armed invasion.”

5 Iran's Nuclear Issues

Since the 1970s, Iran has been pursuing a nuclear power plant construction project with cooperation from abroad, claiming that its nuclear-related activities are for peaceful purposes in accordance with the NPT. In 2002, however, Iran's covert construction of facilities including a large-scale uranium enrichment plant was exposed by a group of dissidents. Subsequent IAEA inspection revealed that Iran, without notifying the IAEA, had been engaged for a long time in uranium enrichment and other activities potentially leading to the development of nuclear weapons. In September 2005, the IAEA Board of Governors recognized Iran's breach of compliance with the NPT Safeguards Agreement.

The international community expressed strong concerns about the lack of concrete proof regarding Iran's claim that it had no intent to develop nuclear weapons and that all of its nuclear activities were for peaceful purposes, and has demanded that Iran suspend all of its enrichment-related and reprocessing activities through a series of Security Council Resolutions¹ and IAEA Board of Governors Resolutions.

In September 2009, it became clear that Iran had failed to abide by reporting duties based on the Safeguards Agreement with the IAEA and was constructing a new uranium enrichment plant near Qom in central Iran. Moreover, in February 2010, Iran began enriching uranium to increase the enrichment level from below 5% to up to 20%, saying that it is to supply fuel to a research reactor for medical isotope production. And in December 2011, Iran started the enrichment process at the above-mentioned new enrichment plant². The IAEA has expressed concerns that these Iranian nuclear activities may have military dimensions including those related to the development of a nuclear payload for a missile³, and they point out that they have been unable to obtain confirmation that the objectives are peaceful since Iran has not permitted the IAEA personnel to access military sites, which could be relevant to experiments using high explosives, and other necessary cooperation to clear up the concerns above.

To deal with this issue, the United States and the European Union (EU) have taken individual measures to tighten sanctions against Iran. The United States enacted a bill that would prohibit foreign financial institutions, which conduct significant transactions with the Central Bank of Iran or other Iranian financial institutions, from opening or maintaining bank accounts in the U.S., and the provision became applicable in June 2012⁴. The EU started to ban imports of Iranian crude oil and petroleum products in January 2012. Iran, meanwhile, started negotiations with the IAEA inspection team toward resolving pending problems. In April 2012, Iran resumed talks with EU3+3 (U.K. France, Germany, U.S. China, and Russia) on its nuclear program, but no major progress has been made⁵. The international community, including the U.N. Security Council, continues to pursue a peaceful and diplomatic solution to this issue through negotiation⁶.

Meanwhile, Israeli Prime Minister Benjamin Netanyahu argued in a speech at the U.N. General Assembly meeting in September 2012 that the only means to peacefully prevent Iran from possessing nuclear weapons was setting a red line that must not be crossed with regard to the country's nuclear fuel enrichment plan. In a meeting with U.S. President Barack Obama in March 2013, Prime Minister

Netanyahu indicated that Israel would not rule out the possibility of taking military sanctions if such a red line was crossed.

Although there is no significant sign of military escalation in Iran and the surrounding region, the Iranian Navy conducted military training in the surrounding waters, including the Strait of Hormuz from December 2011 to January 2012 and from December 2012 to January 2013.

Peace and stability in the Middle East is critical for Japan because, for example, around 80% of its crude oil import is from the region. Thus, it is necessary to continue paying close attention to this issue.

¹ U.N. Security Council Resolution (UNSCR) 1696 adopted in July 2006, UNSCR 1737 in December 2006, UNSCR 1747 in March 2007, UNSCR 1803 in March 2008, and UNSCR 1929 in June 2010.

² The February 2013 IAEA report by the Director General estimated that Iran had produced a total of 280 kg of uranium enriched to approximately 20%, 167 kg of which had been stored in the form of uranium hexafluoride. U-235 enriched to 20% or higher is considered highly enriched uranium, and is usually used for research purposes. For use in weapons, the same material is enriched to 90% or higher.

³ In November 2011, the IAEA released a report listing the details of the possibility of military dimensions of Iran's nuclear program, such as the presence of information on detonation of high explosives. The U.S. published its assessment as follows: "Iranian military entities were working under government direction to develop nuclear weapons. In fall 2003, Tehran halted its nuclear weapons program. Tehran at a minimum is keeping open the option to develop nuclear weapons." (National Intelligence Estimates, National Intelligence Conference, December 2007; Worldwide Threat Assessment, Director of National Intelligence, January 2012).

⁴ It is applied to any financial transactions related to crude oil deal on or after the date that is 180 days after the date of the enactment of the Act (December 31, 2011). It includes a clause providing an exception from sanctions in the case where a foreign country has significantly reduced its volume of crude oil purchases from Iran.

⁵ The talks between Iran and EU3+3 were suspended after the talk held in Turkey in January 2011. However, they resumed for the first time in 15 months when a talk was held in Turkey in April 2012. Subsequent meetings were held in Iraq in May 2012 and in Russia in June 2012, but Catherine Ashton, High Representative of the EU for Foreign Affairs and Security Policy, said in statements that there were significant gaps between both parties' positions. Successive talks are to be held.

⁶ In his State of the Union Address in January 2013, President Obama called for Iranian leaders to make efforts toward a diplomatic solution while stating that the United States would take necessary measures to prevent Iran from acquiring a nuclear weapon.

intrusion by foreign intelligence agencies, including the extraction of military plans and weapons systems designs from governmental networks.

2 Threats in Cyberspace

Under such circumstances, cyber attacks have frequently been carried out against the information and communication networks of the governmental organizations and armed forces of various countries¹.

With regard to some of those attacks, it has been pointed out that Chinese organizations including the People's Liberation Army (PLA), intelligence and security agencies and private hackers' groups have been involved². China is presumed to be strongly interested in cyberspace³, and it has been pointed out that the PLA has organized a cyber unit and is conducting training and that the PLA and the security agency are hiring employees of IT companies and hackers⁴. For example, a report published in February 2013 by a U.S. information security company concluded that a unit belonging to the PLA had been carrying out cyber attacks on companies in the United States and other countries since 2006⁵.

In 2008, removable memory devices were used to insert a computer virus into networks that handled classified and other information for the U.S. Central Command. This spawned a grave situation where there was a possibility that information could be transferred externally. Regarding this incident, there have been allegations of Russian involvement⁶. It has been pointed out that the Russian military, intelligence and security agencies and other organizations are involved in cyber attacks⁷, and the Russian military is presumed to be considering creation of cyber command and job offers to hackers⁸.

Cyber attacks also occurred in July 2009 against the websites of governmental agencies in the United States and the ROK including the U.S. Department of Defense and the ROK's Ministry of National Defense, and in March 2011 against the websites of the ROK's governmental agencies. Regarding these incidents, the Korean National Police Agency concluded that the attack originated at an IP address located in China that was owned by the North Korean Ministry of Post and Telecommunications⁹. It has been pointed out that North Korean government organizations are involved in cyber attacks and that North Korea is training personnel on a national scale¹⁰.

Stuxnet, an advanced computer virus with a complex structure was discovered in June 2010¹¹. In October 2011, another new virus was discovered, which appeared to be very similar to Stuxnet in terms of its structure, and also in May, June and August 2012, advanced viruses were discovered¹².

Moreover, supply chain risks, such as the risk that products in which deliberately and illegally altered programs are embedded may be supplied by companies¹³, have been pointed out.

Cyber attacks on the information and communications networks of governments and militaries as well as on critical infrastructure significantly affect national security. As there have been allegations of involvement of government organizations, Japan must continue to pay close attention to developments in threats in cyberspace.

In September 2011, computers of Japanese private companies producing defense equipment were found to be infected with malware. According to the National Police Agency, after the Japanese government made a cabinet decision concerning the acquisition of ownership of the three Senkaku islands in September 2012, cyber attacks took place and caused damage to at least 19 websites of Japanese courts,

administrative organizations and university hospitals for several days.

¹ In its Annual Report of November 2012, the U.S.-China Economic and Security Review Commission (a bi-partisan advisory body created by the Congress with the aim of monitoring, investigating and submitting reports on the national security implications of the bilateral trade and economic relationship with China) indicated that during 2011, there was a total of 50,097 counts of malicious cyber activities carried out on the United States Department of Defense.

² An annual report released in November 2012 by the U.S.-China Economic and Security Review Commission stated that the PLA and the Chinese intelligence and security agencies were involved in cyber attacks originating in China.

³ In a report at the 18th National Congress of the Chinese Communist Party, then President Hu Jintao remarked that China would pay serious consideration to maritime, outer space and cyber space security.

⁴ An annual report released in November 2011 by the U.S.-China Economic and Security Review Commission stated that the Chinese government or military appeared to be supporting activities to intrude into computer networks and that the military itself was presumably involved in computer network attacks. An annual report released in 2009 by the same commission stated that the PLA was hiring personnel with expert skills concerning computers from among private companies and the academic circle and established an information warfare militia and was conducting exercises using cyberspace. The report also pointed out the possibility that the PLA was hiring personnel from the hacker community.

⁵ "APT 1: Exposing One of China's Cyber Espionage Units," released in February 2013 by Mandiant, a U.S. information security company, concluded that the most active cyber attack group targeting the United States and other countries is Unit 61398 under the PLA General Staff Department Third Department. Moreover, in a speech at the Asia Society in February 2013, Thomas Donilon, National Security Advisor to the U.S. President, remarked that the United States was urging China to (1) share the recognition of the risk of cyber problems, (2) put a stop to illegal cyber activities and (3) establish common norms of behavior.

⁶ An article carried by the Los Angeles Times (online version) in November 2008 reported that a senior military U.S. official said an extraordinary report had been submitted to the President regarding cyber attacks on the Department of Defense that appeared to be originating in Russia. News agency Reuters reported in June 2011 that although the Department of Defense refused to make any comment concerning the origin of those attacks, experts inside and outside the U.S. government were suspecting involvement by the Russian intelligence agency.

⁷ "Cyberwarfare: An Analysis Of the Means and Motivations of Selected Nation States," released in November 2004 by Dartmouth College's Institute for Security, Technology, and Society, pointed out possible involvement of the Russian military and intelligence and security agencies in cyber attacks.

⁸ "Foreign Spies Stealing U.S. Economic Secrets in Cyberspace," a report released in November 2011 by the Office of the National Counterintelligence Executive, included a paragraph to the effect that the Russian intelligence agency was using cyber operations to gather economic and technology information to support economic development and national security. In 2013, the online version of the Russian newspaper Izvestia quoted a senior Russian military official as saying that the Minister of Defense had issued an order for preparation to establish a cyber command. In October 2012, the Voice of Russia reported that the Russian Ministry of Defense had started offering jobs to hackers.

⁹ The ROK government announced a result of investigation that North Korea had also been involved in the breakdown of the computer network of South Korean agricultural cooperatives in April 2011 and cyber attacks on South Korean news organizations in June 2012.

¹⁰ For example, a release titled "North Korea's Cyber Terrorism Capability" and issued at an emergency seminar related to North Korea's cyber terrorism held in June 2011 by the NK Intellectuals Solidarity, a group of defectors from that country, pointed out the involvement of government agencies in North Korean cyber-related organizations and stated that the country was looking for superior talents nationwide and providing expert training to develop a cyber force.

¹¹ Stuxnet was the first recognized virus program to target the control system incorporated in specific software and hardware. It has been pointed out that Stuxnet has the ability to access targeted systems without being detected steal information and alter the system.

¹² ICS-CERT (a U.S. government organization in charge of cybersecurity of industrial control systems)

released an alert on a computer virus called Duqu (W32.DUQU) in October 2011. According to analysis by a private research organization, the program of the virus has many similar characteristics to Stuxnet. Kaspersky Lab, a major information security company, announced that it had discovered a high-capacity, complex computer virus called Flame in May 2012, and a computer virus called Gauss in June 2012. In August in the same year, it was reported that the computer system of Saudi Aramco, Saudi Arabia's state-run oil refining company, was attacked with a computer virus called Shamoon and received massive damage.

¹³ "Cyber Supply Chain Risk Management," released in July 2011 by Microsoft

3 Efforts against Cyber Attacks

Given these growing threats in cyberspace, various efforts are under way on the overall government level and the ministry level, including defense ministries¹.

Attention has been drawn to issues that must be debated in order to allow for an effective response to cyber attacks, which have become a new security challenge in recent years. For instance, there is still no wide consensus on the norms covering conduct of states and international cooperation in cyberspace. In consideration of these problems, debate has been taking place with the aim of promoting new efforts, such as formulating certain norms of conduct within cyberspace based on international consensus².

An international conference on cyberspace was held in London in November 2011 and in Budapest in November 2012. Issues discussed at the conferences included economic growth and development in cyberspace, social benefits, safe and reliable access, international security, and cybercrimes. Discussions will be further explored at the follow-up meetings to be held in the future³.

1 The United States

The International Strategy for Cyberspace released in May 2011 outlines the U.S. vision for the future of cyberspace, and sets an agenda for partnering with other nations and peoples to realize this vision. The Strategy also points out seven policy priorities. These priorities are economy, protection of national networks, law enforcement, military, internet governance, international development, and internet freedom.

In the United States, the Department of Homeland Security is in charge of protecting networks of the Federal government and critical infrastructure, and the National Cyber Security Division (NCSA) of the Department is in charge of overall coordination.

As measures of the Department of Defense, the Quadrennial Defense Review (QDR) released in February 2010 lists cyberspace as one of the global commons along with sea, air, and space, stating the necessity to assure access to the global commons. Moreover, the QDR lists cyberspace as one of the six key mission areas for which the U.S. military is to enhance its capability.

The Department of Defense Strategy for Operating in Cyberspace released in July 2011 indicates that cybersecurity threats include internal threats imposed by insiders, in addition to external threats such as cyber attacks from foreign countries, and that potential U.S. adversaries may seek to disrupt the networks and systems that the Department of Defense depends on. Then, the report advocates the following five strategic initiatives to respond to cyber threats: (1) taking full advantage of cyberspace's potential by treating cyberspace as one of the operational domains as well as domains of land, sea, air and space; (2) employing new defense operating concepts to protect the Department's networks and systems; (3) partnering with other U.S. government departments and agencies and the private sector to enable a whole-of-government cybersecurity strategy; (4) building robust relationships with U.S. allies and international partners to strengthen cybersecurity; and (5) leveraging the nation's ingenuity through an

exceptional cyber workforce and rapid technological innovation.

In terms of organization, the Department of Defense decided to establish a new Cyber Command in June 2009, which supervises operations in cyberspace. The Cyber Command became fully operational in November 2010.

2 NATO

The new NATO (North Atlantic Treaty Organization) Policy on Cyber Defence, and its action plan, which were adopted in June 2011, clarifies the political and operational mechanism of NATO's response to cyber attacks, and the framework for NATO assistance to member states in their own cyber defense efforts and provision of assistance in the event of a cyber attack against one of its member states, as well as sets out principles on cooperation with partners.

As for organization, the North Atlantic Council (NAC) provides political oversight on policies and operations concerned with NATO's cyber defense. In addition, the Emerging Security Challenges Division of the International Staff, which formulates policy and action plans concerning cyber defence, and the NATO Cooperative Cyber Defence Centre of Excellence (CCD COE), which aims to become NATO's cyber defence-related research institution, were established.

Since 2008, NATO has been conducting cyber defense exercises on an annual basis with the aim of boosting cyber defense capabilities.

3 The United Kingdom

In November 2011, the United Kingdom announced a new Cyber Security Strategy⁴, which set goals for the period until 2015 and specified actions plans for capability enhancement, establishment of norms, cooperation with other countries and personnel training.

In terms of organization, the Office of Cyber Security and Information Assurance (OCSIA) was established within the Cabinet Office to form and coordinate cyber security strategy for the overall government, as well as the Cyber Security Operations Centre (CSOC) under the Government Communications Headquarters (GCHQ) to monitor cyberspace.

The Defense Cyber Operations Group (DCOG), unifying cyber activities within the Ministry of Defense, was established by April 2012 as a provisional measure, and it is scheduled to acquire full operational capability by April 2014.

4 Australia

In January 2013, Australia published its first National Security Strategy, which positions the integrated cyber policy and operations as one of the top priority matters concerning national security⁵.

In terms of organization, the Cyber Policy Group (CPG), which coordinates and supervises cyber security policy for the overall government, was established under the Cyber Policy Coordinator (CPC).

The Cyber Security Operations Centre (CSOC) of the Australian Signals Directorate (ASD) provides the government with analyses on advanced threats in cyberspace, and coordinates and supports response to major cybersecurity issues on governmental agencies and critical infrastructures⁶.

5 Republic of Korea

The Republic of Korea (ROK) formulated the National Cyber Security Master Plan in August 2011, which clarifies the supervisory functions of the National Intelligence Service⁷ in responsive actions against cyber attacks and places particular emphasis on strengthening the following five areas: prevention, detection, response, systems, and security base. In the national defense sector, the Cyberspace Command was established in January 2010 to carry out planning, implementation, training, and research and development for its cyberspace operations and it currently serves as the division under the direct control of the Ministry of National Defense⁸. In addition, at the meeting of the U.S. and ROK foreign and defense ministers (2+2) in June 2012, a plan to establish a consultative body concerning cyber security was adopted for the purpose of coordination between the two countries in the cyber field. Based on the plan, the first U.S.-ROK Cyber Policy Consultations meeting was held in September 2012 with the participation of foreign and defense authorities and other relevant organizations. In the meeting, they discussed cooperation in cyberspace among relevant organizations of both countries and cyber crime countermeasures.

See Part II, Chapter 2, Section 5; Part III, Chapter 1, Section 1-3

¹ Generally speaking, at the governmental level, there seem to be some trends, including: (1) organizations related to cyber security that are spread over multiple departments and agencies are being integrated, and their operational units are centralized; (2) policy and research units are being enhanced by establishing specialized posts, and creating new research divisions and enhancing such functions; (3) the roles of intelligence agencies in responding to cyber attacks are being expanded; and (4) more emphasis is being allotted to international cooperation. At the level of defence department, various measures have been taken, such as establishing a new agency to supervise cyberspace military operations and positioning the effort to deal with cyber attacks as an important strategic objective.

² It is difficult to identify the attacker in the case of a cyber attack, and, as in many instances the attacker has nothing to protect, deterrence of attack is considered to be difficult. In addition, the international community has yet to form a consensus on the definition and status of cyber attacks under international law including the recognition of cyber attacks as armed attacks, making it difficult to apply the existing rules of engagement (ROE) of armed forces in response to cyber attacks.

³ A follow-up conference is scheduled to be held in the Republic of Korea in 2013.

⁴ In the Cyber Security Strategy, which was published in June 2009, the United Kingdom indicated the policy of ensuring its interests by reducing cyberspace risks, taking advantage of cyber opportunities and improving knowledge, capabilities and decision-making. In the National Security Strategy (NSS) and the Strategic Defense and Security Review, the United Kingdom specified cyber attacks as one of the top priority risks.

⁵ In the Defence White Paper, published in May 2009, Australia proposed cyber warfare capability as one of the capabilities that should be strengthened by the Australian military as a priority matter while pointing out the possibility that the threat from cyber attacks could grow more than expected. In November in the same year, Australia adopted the Cyber Security Strategy, the objective of which was to maintain a secure, resilient and trusted electronic operating environment that supports Australia's national security and maximizes the benefits of the digital economy.

- ⁶ In January 2013, Australia announced the establishment of the Australian Cyber Security Center (ACSC), in which cyber security officers from various government agencies are concentrated in order to strengthen the national capability to deal with cyber attacks.
- ⁷ Under the Director of the National Intelligence Service, the National Cybersecurity Strategy Council has been established to deliberate on important issues, including: (1) establishing and improving a national cybersecurity structure; (2) coordinating related policies and roles among institutions; and (3) deliberating measures and policies related to presidential orders.
- ⁸ The basic plan for national defense reform (2012-2030) that was submitted to the president in August 2012 by the Ministry of National Defense proposed significant enhancement of cyber warfare capability as a future military reform.

unmanned aircraft which serves as a core of the Alliance Ground Surveillance (AGS) system. In addition, the Summit approved a package of 22 multinational projects, including joint procurement of remotely controlled robots which can clear roadside bombs and joint pooling of maritime patrol aircraft.

The EU tries to enhance its initiatives in security under the strategy of the Common Foreign and Security Policy (CFSP)⁷. The first security document adopted in 2003, “A Secure Europe in a Better World,” says that the EU will enhance its capabilities to deal with new threats, will make a contribution to stability and good governance in its immediate neighborhood, and will play a leading role in building an international order based on effective multilateralism by working with the United States, other partner countries, and international organizations including the United Nations.

Triggered by the reduction of defense budgets in EU countries and the capacity gap among members⁸, the concept of pooling and sharing has been promoted, in which member states jointly manage and use more military capacities. In specific terms, cooperation has been promoted in the areas of air-to-air refueling, helicopter training, and field hospitals. EU intends to make all the efforts so that this concept would complement, rather than interfere with, the activities covered by the NATO framework, such as the Smart Defense initiative.

2 NATO/EU’s Activities Outside the Region⁹

At the Chicago NATO Summit held in May 2012, leaders agreed to complete transition of security responsibilities at the end of 2014, shifting International Security Assistance Force (ISAF)’s main role from combat to training, advice, and support for the Afghanistan National Security Force (ANSF), while the ANSF takes the lead for combat operations across the country after mid-2013. It was also affirmed that NATO will continue to provide support for Afghanistan after the end of 2014. The Kosovo Force (KFOR) has been implementing its missions of maintaining security since June 1999 in Kosovo, which declared independence in February 2008.

EU led the peace keeping operations in Macedonia by using NATO’s equipment and capabilities for the first time in 2003. Since then, it has been actively committed to the operations in crisis management and maintenance of peace and order by¹⁰, for example, sending troops to Bosnia-Herzegovina, the Democratic Republic of the Congo, Chad, and Central Africa. In February 2013, EU launched a mission for the training and reformation of the military forces of Mali, where armed Muslim forces were imposing serious threats.

In addition, NATO and the EU have actively been engaged in anti-piracy operations off the coast of Somalia and in the Gulf of Aden. Since October 2008, NATO has deployed Standing NATO Maritime Group (SNMG) ships in these waters for anti-piracy operations. It has also shouldered the responsibility to assist in the development of capacity to combat piracy activities for requesting countries since August 2009, based on Operation Ocean Shield. The EU has been engaged in Operation Atalanta against piracy in these waters, its first maritime mission, since December 2008, deploying vessels and aircraft. The

vessels and aircraft dispatched from Allied countries are engaged in escorting ships and surveillance activities in the waters¹¹.

¹ The Strategic Concept is an official document defining the objectives, characteristics, and basic security-related responsibilities of NATO. The document has so far been published seven times (1949, 1952, 1957, 1968, 1991, 1999, and 2010).

² At present, the contribution of the United States accounts for 70% of the total defense budget of all NATO member states. In the deployment of military forces in Libya led by the EU in 2011, it became clear that EU countries lack operation execution capabilities, in particular, intelligence, surveillance and reconnaissance capabilities, for which they had to depend on the United States.

³ At the NATO summit meeting held in Lisbon in November 2010, the allies committed to focus their investment on 11 prioritized areas, including missile defence, cyber defense, medical assistance, and intelligence activities.

⁴ It indicates that every Allied country does not necessarily need to possess all the defense capabilities, but each nation specializes in areas where it has the strength. As an example already in place, Baltic states depends its air policing operations on NATO allies while making a certain contribution to ISAF mission in Afghanistan and abandoning the investment in procurement and maintenance of expensive aircraft.

⁵ Although details are not fully known, it seems to indicate that NATO acquired limited capability against missiles by installing command and control functions that link interceptors and radars.

⁶ NATO has been developing its unique Theater Missile Defense system, called Active Layered Theater Ballistic Missile Defence (ALTBMD) since 2005 to protect deployed NATO forces from short- and medium-range ballistic missiles with a range of up to 3,000 kilometers. The Lisbon Declaration of 2010 has expanded the area protected by this system to all the NATO populations and territories.

⁷ The EU, although it was non-binding multilateral cooperation in its characteristics, introduced the Common Foreign and Security Policy (CFSP) which covers all areas of foreign and security policy, based on the Treaty of Maastricht, which took effect in 1993. In June 1999, the European Council decided to implement the European Security and Defence Policy (ESDP) to offer peacekeeping and humanitarian assistance activities in conflict areas, as a part of the CFSP framework. The Treaty of Lisbon, made effective in 2009, renamed the ESDP the Common Security and Defence Policy (CSDP) and clearly positioned it as an integral part of the CFSP.

⁸ The European Defence Agency, an organization established to improve EU's defense capabilities, reports that the development of military forces revealed the lack of EU's air-to-air refueling capability and precision-guided weapons, and its dependency on the United States.

⁹ While NATO has mainly focused on leading the military operations, the EU has undertaken a number of civilian missions. Meanwhile, NATO asserts that a comprehensive approach, including police, civilian and military personnel, is effective for crisis management. Thus, the EU keeps the EU Battle Groups on standby in order to take initiatives in peace keeping missions when NATO is not involved. The division of roles between NATO and the EU is to be defined on a case-by-case basis. The EU-NATO Framework for Permanent Relation allowing the EU to have an access to NATO assets and capabilities was established in December 2002.

¹⁰ They are called Petersberg tasks. They consist of combat missions in crisis management, including 1) humanitarian assistance and rescue operations, 2) peacekeeping, and 3) contingency management, including peace making.

¹¹ The EU has adopted a comprehensive approach to piracy countermeasures, and has undertaken European Union Training Mission to Somalia and Regional Maritime Capacity Building for the Horn of Africa and the Western Indian Ocean in addition to Operation Atalanta.

3 Security / Defense Policies of European Countries

1 The United Kingdom

The United Kingdom has maintained the perception that it is not subject to any direct military threats after the end of the Cold War. In particular, the country regards international terrorism and the proliferation of WMD as major threats and has reformed its national defense to improve its overseas deployment capability and readiness.

As it has been faced with the fatigue of its military organizations due to prolonged operations in Afghanistan and an increasing demand for reducing its defense budget¹ due to the deteriorating financial situation, the Cameron administration, formed in May 2010, released the National Security Strategy (NSS) and Strategic Defence and Security Review (SDSR)² in October 2010 under the newly-established National Security Council (NSC)³.

The NSS identified the full range of potential risks which might materialize over a 5- and 20-year horizon, from the perspective of their likelihood and impact, and defined four items, including international terrorism, attacks upon UK cyberspace, major accident or natural hazard, and international crisis as risks to be of highest priority⁴. The SDSR would decrease the number of military personnel and major equipment, and review its procurement plan-due to increasing pressure to reduce the defense budget, and at the same time, aims to convert the forces into a specialized, flexible, and modernized military through preferential allocation of resources to new threats, such as attacks in cyberspace and terrorism⁵.

Army 2020 was released in July 2012. In this document, the United Kingdom seeks to promote the integration of active and reserve forces in view of the completion of combat missions in Afghanistan, assigning the reserve forces a wide range of tasks, such as overseas engagement and United Nations commitments, in addition to providing troops for enduring stabilization operations. While the number of active personnel is to be reduced in this plan, the number and the role of reserves are to be expanded, and much attention should be paid to future development.

2 Germany

While Germany has been implementing a large-scale reduction in its military personnel since the end of the Cold War, it has been gradually expanding the dispatch of its federal forces overseas, through the reform of its defense forces to enable them to execute multiple responsibilities encompassing conflict prevention and risk management in the context of multilateral organizations including NATO, the EU, and the United Nations⁶.

The Verteidigungspolitischen Richtlinien (VPR) (Defense Policy Guidelines), formulated in 2011 for the first time in eight years, states that the possibility of attacks on Germany by conventional forces remains low but the risks and threats come from failed states, international terrorism, natural disaster,

cyber-attack and proliferation of WMD. Then, it declares Germany's active participation in the prevention and containment of crisis and conflict. It also states that promotion of military collaboration, standardization and mutual operability within the NATO and EU framework is necessary in addition to taking cross-government measures.

The amended Military Law entered into force in April 2011 and it stipulates the suspension of conscription for basic military service and the reduction of total personnel from the current 250,000 to 185,000. It also aims at the sustainable deployment of military personnel by increasing the number of deployable personnel up to 10,000.

3 France

Since the end of the Cold War, France has focused on maintaining independence in its defense policies, while having led efforts to enhance the defense structure and capability in Europe. It has worked on the development of its military power by reducing military personnel and integrating military bases, dealing with operational requirements to strengthen its defense capability, and also enhancing its intelligence capabilities⁷, and modernizing equipment required in the future.

Following on from the previous White Paper, published five years earlier, the White Paper on Defence and National Security published in April 2013 positions (1) intelligence, (2) nuclear deterrence, (3) protection, (4) prevention, and (5) deployment⁸ as the five key mechanisms in the national security strategy, and states that France will use a combination of these mechanisms to deal with changes in the strategic environment over the coming 15 years. Regarding France's foreign relations, the White Paper positioned NATO as a common framework for collective defense, collaboration between North America and Europe, and military action; on the other hand, with regard to the EU, the White Paper clearly described that France is playing the leading role in building up defense capability. Moreover, against the background of financial constraints, the White Paper stipulated that, in addition to the cuts announced previously, the government would cut a further 24,000 jobs by 2019, and achieve cost reductions via multilateral cooperation.

¹ "Spending Review 2010," published by the Treasury Department in October 2010 following the NSS and SDSR, plans to reduce the defense budget by 8% in real terms by 2014-2015, by saving at least 4.3 billion pounds for the country's non-frontline activities costs except for what is required for operations in Afghanistan.

² The Cameron administration leveraged the new NSS to analyze the strategic background surrounding the United Kingdom and to define the strategic objectives of the country. In the SDSR, it defined policies and measures required to achieve the goals specified by the NSS so that the comprehensive national strategy related to defense and security could be formed. It also stipulates that new NSS and SDSR are to be produced every five years based on periodical readjustments to be done by the NSC.

³ The Council is chaired by the Prime Minister and attended by major ministers related to national security and, if required, by the Chief of the Defense Staff, heads of intelligence agencies, and other senior officials. The newly-created National Security Adviser (NSA) coordinates the whole proceedings. The Council will coordinate responses to dangers the United Kingdom faces by integrating at the highest level the work of the foreign, defense, energy, and international development

departments, and all other arms of government contributing to national security and proposing high-level strategic guidelines to the departments involved.

- ⁴ Analyzing the strategic background this way, the new NSS defined two strategic objectives comprising 1) ensuring a secure and resilient United Kingdom, and 2) shaping a stable world, and specified eight crosscutting National Security Tasks, including tackling at root the causes of instability and working in alliances and partnerships wherever possible to generate stronger responses.
- ⁵ The SDSR has decided to reduce the Royal Navy, the Army, and the Royal Air Force personnel by 5,000, 7,000, and 5,000, respectively by 2015. It also plans to reduce the Ministry of Defense Civil Service by more than 25,000; decommission the aircraft carrier, Ark Royal immediately; reduce the holdings of main tanks by 40%; and reduce the planned number of F-35 Joint Strike Fighter aircraft. In addition, the United Kingdom plans to withdraw half of the British forces stationed in Germany, currently estimated to number 20,000, by 2015 before they are completely withdrawn by 2020.
- ⁶ Germany decreased its military personnel, from more than 500,000 at the time of its reunification, to 250,000 by 2010. In July 1994, the Federal Constitutional Court judged that dispatching the federal forces to international missions implemented under the multilateral framework of the United Nations or NATO is constitutional, which has further prompted it to gradually expand the dispatch of its federal forces to participate in various international operations, including security maintenance and reconstruction activities in the Balkan Peninsula and Afghanistan, and anti-piracy operations off the coast of Somalia and in the Gulf of Aden.
- ⁷ Based on the 2009-2014 Military Program Law, France plans to increase intelligence personnel dealing with terrorism, organized crimes, and the non-proliferation of WMD and other weapons and to focus its investments in space-related projects, intending to double the budget for space initiatives and launch new optical satellites by 2020. In February 2009, it succeeded in launching “Spirale,” the first satellite in Europe verifying the technology for the early warning system. In July 2010, the country established the Integrated Space Command directly reporting to the Combined Chiefs of Staff.
- ⁸ France has defined the whole region including the Atlantic, the Mediterranean, the Persian Gulf, and the Indian Ocean as its priority area based on the White Paper on Defense and National Security published in June 2008, and plans to intensively deploy its conflict prevention and intervention capabilities in the region. The 2009-2014 Military Program Law states that the country sets its military development goal of enabling to deploy 30,000 ground forces, 70 fighter jets, and one aircraft carrier unit within 8,000 kilometers from the country. In May 2009, the country established an overseas military base for the first time in almost 50 years in the UAE. Furthermore, the White Paper on Defence and National Security published in April 2013 states that France will maintain independent or multinational operational capabilities within 3,000km of its domestic territory or overseas bases.

rules-based global order. The white paper also sets out the principal tasks for the Australian Defence Force (ADF) in priority orders as follows: (1) deter and defeat attacks on Australia; (2) contribute to stability and security in the South Pacific and Timor-Leste; (3) contribute to military contingencies in the Indo-Pacific region; and (4) contribute to military contingencies in support of global security.

Moreover, with regard to delivering defense capability of the ADF, the white paper states that maintaining an appropriate mix of high-end ADF capabilities is essential, in order to defend Australia and its strategic interests. Moreover, maintaining credible high-end capabilities enables Australia to act decisively when required, deter would-be adversaries, and strengthen its regional influence, so while choices must be made to guide the allocation of finite resources, Australia remains committed to delivering core ADF capabilities, including future submarines, Air Warfare Destroyers, Landing Helicopter Dock amphibious ships, and the F-35 Joint Strike Fighter (JSF)⁹. Furthermore, the Australian Defence Force Posture Review concluded that although Australia's strategic environment does not necessitate widespread changes in the location of ADF bases, some ADF bases, facilities and training areas need to be upgraded to meet current and future needs; nevertheless, these upgrades are largely long-term in nature¹⁰.

¹ This strategy is based on the National Security Statement, announced in December 2008, which articulated Australia's national security agenda and set in motion reforms to strengthen the National Security Community. A national security strategy is scheduled to be delivered every five years.

² The Australia in the Asian Century White Paper, which was published in October 2012, sets out targets for the country over the years to 2025 to ensure Australia can fulfill its ambitions and compete effectively within Asia.

³ The Strategy describes the pillars of Australia's national security as follows: (1) countering terrorism and espionage activities, etc., (2) deterring and defeating attacks on Australia and Australia's interests, (3) preserving Australia's border integrity, (4) preventing, detecting and disrupting serious and organized crime, (5) promoting a secure international environment conducive to advancing Australia's interests, (6) strengthening the resilience of Australia's people, assets, infrastructure and institutions, (7) the Australia-United States Alliance, and (8) understanding and being influential in the world, particularly the Asia-Pacific.

⁴ Strengthening the Australia-U.S. alliance, expansion of bilateral cooperation with influential regional powers, such as China, Indonesia, Japan, South Korea, and India, and promoting the primacy and effectiveness of specific multilateral forums, etc.

⁵ Bringing together the capability of cyber sections of the Ministry of Defence, the Attorney-General and the Australian Federal Police and cyber analysts from the Australian Crime Commission into the Australian Cyber Security Center (ACSC) to be established by the end of 2013.

⁶ Secure and quick information sharing with domestic and international partner agencies, and more information sharing between government and business, etc.

⁷ Australia's Defence White Papers set forth the government's future plans for defense, and how it will seek to affect these. The current Defence White Paper was originally due to be published in 2014, but at the time of the publication of the final report on the Australian Defence Force Posture Review in May 2012, it was announced that publication of the white paper would be brought forward to the first half of 2013; the white paper was subsequently published in May 2013. The Defence White Paper complements the National Security Strategy and the Australia in the Asian Century White Paper, and these three documents should be seen together as a statement of the priority the Australian Government places on the nation's security and prosperity, and on maintaining a strong Australian Defence Force to meet Australia's national security challenges.

⁸ (1) The ongoing economic strategic and military shift to the Indo-Pacific; (2) the Australian Defence Force's operational drawdown from Afghanistan, Timor-Leste, and the Solomon Islands; (3) the

United States' rebalance to the Asia-Pacific; (4) Australia's substantially enhanced practical cooperation with the United States pursuant to their Alliance relationship; and (5) the ongoing adverse effects of the global financial crisis, which have continued to have a significant deleterious impact on the global economy, domestic fiscal circumstances, and defense funding.

⁹ The Defence White Paper discloses that the Government has decided to acquire 12 new-build EA-18G Growler electronic attack aircraft instead of converting 12 of Australia's existing F/A-18F aircraft into the Growler configuration to assure Australia's air combat capability during the transition period to the F-35A.

¹⁰ In June 2011, the Australian Department of Defence started to commission the ADF's Force Posture Review to assess whether the ADF is correctly geographically positioned to meet Australia's current and future strategic and security challenges, such as the rise of the Asia-Pacific and the Indian Ocean rim as regions of global strategic significance, the growth of military power projection capabilities of countries in the Asia-Pacific region, and energy security and security issues associated with expanding offshore resource exploitation in the northwest and north. The final report of the expert panel released in May 2012 includes recommendations for improving the capability of base facilities and enhancing the ADF's presence in the north, and strengthening and expansion of naval and air force bases.

3 Relations with Other Countries

The new Defence White Paper states that seizing opportunities to build deeper partnerships of the Indo-Pacific region will be important for Australia, because competition for access and influence will be greater, and consideration of Australia's interests and views less assured. Moreover, it asserts that Australia's defense international engagement must work towards helping to build effective mechanisms to manage regional and transnational security issues, and risks arising from rivalries and the possibilities of miscalculation. Furthermore, it states that Australia's contribution to regional security is not restricted to deploying forces in a conflict or crisis: rather, the nation's efforts are focused on reducing the risk of conflict through building trust and partnerships through regular interaction with other nations.

With regard to Australia's relationships with the United States and China, the white paper emphasizes that the Australian Government does not believe that Australia must choose between its longstanding alliance with the United States and its expanding relationship with China; nor do the United States and China believe that it must make such a choice.

1 Relations with the United States

The alliance between Australia and the United States based on the Security Treaty between Australia, New Zealand and the United States of America (ANZUS)¹ is Australia's most important defense relationship, and Australia attaches great importance to this alliance as a pillar of its national strategy and security arrangements. The new Defence White Paper states that the United States will continue to be the world's strongest military power and the most influential strategic actor in Australia's region for the foreseeable future. Moreover, it asserts that a U.S. presence in the region will continue to be important amid the Indo-Pacific's rapidly changing strategic environment, and that Australia welcomes the shift in U.S. strategic focus towards the region, and the U.S. commitment to maintain its strong diplomatic, economic, and security presence.

Since 1985, the two countries have regularly held Australia-United States Ministerial Consultations² and are making efforts to increase interoperability through joint military exercises, such as Exercise Talisman Saber³. In April 2012, the U.S. marines' rotational deployments into northern Australia was launched⁴ in accordance with the Australia-United States Force Posture Initiatives, released in November 2011.

In addition to participating in the U.S.-led F-35 Joint Strike Fighter Project, Australia intends to cooperate in missile defense. Furthermore, they are promoting cooperation in intelligence, surveillance and reconnaissance (ISR), as well as in areas such as space and cyber⁵.

2 Relations with China

Australia's new Defence White Paper states that China's economic growth is a major contributor to global strategic weight shifting to the Indo-Pacific. In addition, it asserts that Australia welcomes China's rise

and does not approach China as an adversary; rather, its policy is aimed at encouraging China's peaceful rise and ensuring that strategic competition in the region does not lead to conflict. It also states that the growth of China's defense capabilities and the modernization of its military is a natural and legitimate outcome of its economic growth⁶.

Moreover, Australia sees China as an important partner in the region, and is committed to developing strong and positive defense relations with China through dialogue and appropriate practical activities. Under these policies, Australia carries out dialogues with the Chinese defense authority regularly⁷ and conducts exchanges to develop cooperative relations between Australian and Chinese forces, through joint exercises and mutual visits of military ships, etc⁸.

3 Relations with Southeast Asian countries

The new Defence White Paper notes that Australia has an enduring strategic interest in the stability of the Indo-Pacific, particularly Southeast Asia and the maritime environment; given that major sea lanes that are critical to Australian trade pass through Southeast Asia, which sit astride the northern approaches to the country, it would be concerned if potentially hostile powers established a presence in Southeast Asia that could be used to project military power against Australia. From this perspective, Australia perceives the stability and security of Indonesia, its largest near neighbor, to be of singular importance, and believes that it benefits from having a strong and cohesive Indonesia as a partner.

Australia views its partnership with Indonesia as its most important defense relationship in the region, so it is committed to further broadening and deepening defense and security cooperation. Given the terrorist bombings in Bali in 2002 and 2005 and the terrorist bombing in front of the Australian Embassy in Jakarta in September 2004, the relations between the two countries have been strengthened in areas including counterterrorism cooperation, and the two countries concluded an agreement on a security cooperation framework which described cooperation across a wide range of defense relationships in November 2006⁹. Also, the two countries held their inaugural foreign and defense ministerial consultations (2+2) in March 2012 and their inaugural annual defense ministers' meeting in September of the same year in which the two ministers signed the Australia-Indonesia Agreement on Defence¹⁰.

Under the Five Power Defence Arrangements (FPDA) framework¹¹, Australia is carrying out combined and joint exercises with Malaysia and Singapore, such as Exercise Bersama Shield¹².

See Section 5

4 Relationships with South Pacific states and Timor-Leste

The new Defence White Paper positions a secure South Pacific and Timor-Leste as Australia's most important strategic interest after its own security, and notes that the nation is seeking to ensure that its neighborhood does not become a source of threat to Australia, and that no major power with hostile intentions establishes bases in its immediate neighborhood, from which that power could project force

against Australia. From this perspective, Australia will continue to play a leading role in assisting South Pacific states and Timor-Leste to improve governance, security capacities, and responses to natural disasters, providing support for the stabilization of these nations through its Defence Cooperation Programs, among other initiatives. Moreover, Australia shares strategic and humanitarian interests in these regions with New Zealand, and perceives its defense and security relationship with the latter to be important to ensuring a secure immediate neighborhood.

¹ A trilateral security treaty between Australia, New Zealand, and the United States, which went into effect in 1952. The United States has suspended its obligation to defend New Zealand since 1986 because of New Zealand's non-nuclear policy.

² At the AUSMIN, held in November 2012, cooperation in the area of space was strengthened, such as an agreement on the relocation of a C-band ground-based radar system of the U.S. forces to Australia. The two countries also talked about aircraft cooperation in northern Australia and naval cooperation at the Australian naval base.

³ Exercise Talisman Saber, started in 2005, is a biennial combined Australia and the United States training activities, designed to improve the combat readiness and interoperability.

⁴ See Footnote 10, Section 1-1.

⁵ At the AUSMIN in September 2011, the two nations signed a joint statement on cyberspace and confirmed that, mindful of their longstanding defense relationship and the ANZUS Treaty, the two would consult together and determine appropriate options to address the threat in the event of a cyber attack that threatens the territorial integrity, political independence, or security of either Australia or the United States.

⁶ At a press conference on the new Defence White Paper, Prime Minister Gillard stated that China's rise and the subsequent military modernization are changing the strategic order of the region, and the relationship between the United States and China is pivotal to the region of the world, while noting that they do want to see transparency about China's military modernization.

⁷ The Australia-China Defense Strategic Dialogue has been held since 1997. At the inaugural Australia-China Defense Ministers' Meeting held in Beijing in June 2012, the two ministers agreed to look for opportunities to conduct regular Defence Ministers' Dialogue and deepen practical cooperation in different fields between the two forces. Also, during Prime Minister Gillard's visit to China in April 2013, the two countries announced that they have agreed to designate their bilateral relationship as a 'strategic partnership', conduct annual dialogues at leaders-level, and strengthen defense cooperation, etc.

⁸ In 2012, the naval ships of the two countries conducted a passage exercise at the Yangtze River in May and Australia, China and New Zealand held the first trilateral humanitarian assistance and disaster relief exercise in Brisbane in October. Moreover, three Chinese naval ships visited Sydney in December.

⁹ The agreement, which is called the Lombok Agreement, took effect in February 2008.

¹⁰ During Minister of Defence Smith's visit to Indonesia in September 2012, Australia and Indonesia agreed to expand assistance and cooperation for search and rescue operations. In April 2013, the second annual 2+2 dialogue was held and the two countries had a wide-ranging exchange of views regional and global issues of common concern.

¹¹ See Footnote 3, Section 5-2

¹² The Australian Air Force has had a permanent presence at the Malaysian Air Force base Butterworth, and the Malaysian military personnel receives training in Australia based on the Joint Defence Program, which formally commenced in 1992. The Singapore Armed Forces use training areas and pilot training facilities in Australia.

4 Overseas Activities

Australia had deployed approximately 2,500 ADF personnel to operations overseas out of a total of 57,000 personnel on active duty¹ as of May 2013.

Upon the outbreak of the terrorist attacks of September 11, 2001, Australia announced its support for the United States under the Australia-U.S. alliance before any other countries and dispatched its troops to Afghanistan in October of the same year. Approximately 1,550 personnel are engaged in reconstruction assistance activities and training of Afghan National Security Forces under the International Security Assistance Force (ISAF)².

Australia has actively supported the political and social stability of Timor-Leste since 1999, when the independence movement gained momentum there. The ADF has led the International Stabilisation Force (ISF)³ since 2006, which ended its mission since the security situation has been brought under control, and the withdrawal of the ADF troops was completed in March 2013.

Australia has been actively committed to stability and development of the Solomon Islands. The operation has been led by the Regional Assistance Mission to Solomon Islands (RAMSI)⁴, in which 15 countries, including Australia, participated since July 2003. About 80 ADF personnel have deployed to comprise the military component of RAMSI, and they are now scheduled to withdraw in the second half of 2013 as its mission ends.

¹ Based on the Military Balance 2013. The breakdown of the military forces is as follows: Army: approx. 28,850 personnel, Navy: approx. 14,000 personnel, Air Force: approx. 14,200 personnel.

² Around 800 ADF personnel provide support from locations within the broader Middle East area near Afghanistan

³ In April 2006 demonstrations by rebels in Dili, the capital of Timor-Leste, turned into riots, and the International Security Force was established consisting of the armed forces of Australia, Portugal, and New Zealand

⁴ The activities began with participation of South Pacific states, led by Australia, in response to a request for assistance from the Government of the Solomon Islands, where a security situation triggered by tribal conflict was deteriorating. The operation is mainly composed of a police force and a military force, and Australia, New Zealand, Papua New Guinea, and Tonga take part in the military operations.

Arihant, was launched. In April 2012, India also acquired one Russian-built Akula-class nuclear submarine Chakra on a lease. As for its air force, India concluded a contract with Russia to acquire 42 Su-30 fighters in December 2012, and in January 2012 selected French Rafale for the 126 Medium Multirole Combat Aircraft deal; the selection process started in 2007.

(See Fig. I-1-6-1)

3 Relations with Other Countries

(1) Relations with the United States

India is actively striving to strengthen bilateral relations with the United States. The United States is also promoting engagement with India in line with expansion of the relationship derived from the economic growth of India. The two countries conduct joint exercises, such as Malabar⁵, on a regular basis. India is also interested in procuring U.S.-made weapons, and concluded contracts to purchase 15 P-8 patrol aircraft in 2009 and 16 C-17 transport aircraft in 2010 from the United States. The two countries also hold discussions on security issues. Then-U.S. Secretary of Defense Panetta visited India in June 2012 and had talks with Prime Minister Singh and Defense Minister Antony. They discussed the security situation in the Asia-Pacific region. Also in the same month, then-Minister of External Affairs Krishna visited the U.S. and held the third U.S.-India Strategic Dialogue with then-U.S. Secretary of State Clinton. They discussed security affairs and the expansion of trading cooperation.

(2) Relations with China

India remains conscious and watchful of the implications of China's military profile on its neighboring countries, and India and China have unresolved border disputes. At the same time, both India and China are trying to improve their relationship under a framework of "Strategic and Cooperative Partnership for Peace and Prosperity", in various areas of economy and energy. As for military exchange, Indian and Chinese armies had conducted joint counter terrorism exercises, Hand-in-Hand, in which their armies participated from 2003 to 2008. No joint exercise has been conducted since then⁶, but in September 2012, then-Minister of National Defense Liang Guanglie visited India to hold talks with Defense Minister Antony, and both parties agreed to resume the joint exercise at the earliest possible time.

(3) Relations with Russia

India has maintained a close relationship with Russia through mutual visits made under the Declaration of Strategic Partnership. In December 2012, Russian President Putin visited India to talk to Prime Minister Singh. They discussed the promotion of cooperation in the areas of nuclear power, military technology, and space. Russia is the largest supplier of weapons for India, accounting for over 30 percent of Russia's defense exports⁷. India and Russia have strengthened cooperation in military technology by conducting joint development of a fifth generation fighter PAK FA and ultra-sound cruise missile BrahMos, and have conducted joint counter terrorism exercises by their armies and navies, codenamed INDRA, since 2003.

See Section 4

¹ The country has a Muslim population exceeding 100 million, although the majority of the country's population is Hindu.

² The Annual Report 2011–2012 for the Ministry of Defense of India

³ The ranges of each missile are referred from “Jane’s Strategic Weapon Systems (2012).” It is reported that Prahaar is a road mobile ballistic missile propelled by solid-fuel, Agni 4 is a road mobile two-stage ballistic missile propelled by solid fuel, Agni 5 is a road mobile three-stage ballistic missile propelled by solid fuel, and Agni 6 is a three-stage ballistic missile propelled by solid/liquid fuel.

⁴ The total amount from 2008 through 2012 is taken from the database of the Stockholm International Peace Research Institute (SIPRI)

⁵ The “Malabar” was initially a bilateral exercise between the United States and India. Then, Japan, Australia, and Singapore joined “Malabar 07-2”, and Japan participated in “Malabar 09”. “Malabar 10” and exercises afterward were conducted as a bilateral exercise between the United States and India.

⁶ The reason is reported to be China’s refusal to issue a visa to an Indian military officer in 2010.

⁷ Total amount from 2008 through 2012 is taken from the database of the Stockholm International Peace Research Institute (SIPRI)

2 Pakistan

1 General Situation

Wedged between the powerful South Asian nation of India and politically-unstable Afghanistan, and sharing borders with China and Iran, Pakistan lacks strategic depth, which places the country in a geopolitically significant and complex position. In particular, Muslim radicals conduct activities across the Pakistan-Afghanistan border, and Pakistan's attitude towards the war against terrorism draws much attention from the international community.

While supporting the U.S.'s war against terrorism in Afghanistan, the government of Pakistan has been struggling as the domestic security situation has worsened with issues such as growing anti-U.S. sentiment and retaliatory terrorism by Muslim radicals. In May 2013, amid frequent disruptions by terrorists, a general election for the lower house of parliament took place following the end of the parliamentary term. The Pakistan Muslim League (led by Nawaz Sharif), which had been in opposition before the election, became the first party, securing a much larger share of the vote than the Pakistan People's Party, which had been the pre-election ruling party.

2 Military Affairs

Pakistan claims that maintaining nuclear deterrence against the nuclear threat posed by India is essential to ensure national security and self-defense. In the past, the so-called Khan network was involved in the proliferation of nuclear-related materials and technologies¹.

Pakistan has been actively proceeding with development of ballistic missiles capable of carrying nuclear warheads, and cruise missiles, and has conducted a number of test launches in recent years. The successive test launches of the ballistic missiles "Nasr," "Abdali," "Ghaznavi," "Shaheen 1A" and "Ghauri," and the cruise missile "Raad" and "Babur" in 2012 indicate that Pakistan is steadily deploying ballistic and cruise missiles to its forces².

Pakistan is the world's third largest importer of weapons, importing most of its weapons from China and the United States³. Pakistan concluded a contract to purchase four Sword-class frigates from China, which have already been delivered, and is conducting a joint development programme of the JF-17 fighter aircraft. Pakistan has introduced 18 F-16C/D fighter jets by 2011 from the United States.

3 Relations with Other Countries

(1) Relations with India

India and Pakistan have disputes over the sovereignty of Kashmir⁴ and have had three armed conflicts of significant scope. The territorial dispute over Kashmir has long been the bone of contention between India and Pakistan, with dialogues repeatedly resumed and suspended. The dialogue between the two countries had been suspended due to Mumbai terror attack in 2008, but it resumed following the February 2011 talk by the vice-ministers of foreign affairs. Then Minister of Foreign Affairs Khar visited India to

meet India's then-Minister of External Affairs Krishna in July 2011, and affirmed the importance of peaceful resolution to all outstanding issues lying between the two countries through dialogues. In November 2011, Pakistan granted India most favored nation status. This was followed by President Zardari's visit to India for a talk with Prime Minister Singh in April 2012 and then-India's Minister of Foreign Affairs Krishna's visit to Pakistan for a talk with then Minister of Foreign Affairs Khar in September 2012. All of these factors show the move for improving relations between the two countries. However, the Kashmir issue remains a concern for both countries, with the outbreak of an armed conflict in the Kashmir region in January 2013.

(2) Relations with the United States

Besides supporting activities of U.S. forces in Afghanistan, Pakistan cooperates with the war on terror by launching mop-up operations against Muslim radicals in the Pakistan-Afghanistan border area. Recognizing the efforts of Pakistan, the United States designated it as "major non-NATO ally" in 2004.

The two countries had conducted strategic dialogues since 2010; however, after the U.S. forces conducted Osama Bin Laden mop-up operation in the territory of Pakistan in May 2011, the dialogue was suspended. In November 2011, NATO forces conducted air attacks on border posts in Pakistan in November 2011, causing casualties of Pakistani soldiers. Pakistan strongly condemned this action and retaliated by closing the ground supply route for International Security Assistance Force (ISAF) in Afghanistan⁵. Furthermore, Pakistan called for an immediate end to U.S. drone attacks on Muslim radicals in Pakistani territory in new guidelines for its relations with the United States released in April 2012. The United States, on the other hand, blames Pakistan for providing safe zones to Muslim radicals in Afghanistan, which imposes threats to the United States. Thus, the relationship between the two countries, including their stance on the war on terror, continues to draw much attention.

(3) Relations with China

Pakistan maintains close ties particularly with China to counter the influence of India, with active visits of leader-level officials. In June 2012, Prime Minister Zardari met with then Chinese Prime Minister Wen Jiabao in Beijing and said that a strong bond with China is the foundation of Pakistan's foreign policy and that China is a key strategic ally of Pakistan. In September 2011, then Prime Minister Ashraf and then Prime Minister Wen Jiabao had their first talk in Beijing and agreed to strengthen the relationship in a wide range of areas, including commerce and national defense. Besides the fact that Pakistan is a major importer of Chinese weapons, both countries promote technical exchange programs, such as joint development program. Furthermore, the two countries have conducted a joint counter-terrorism exercise codenamed Friendship since 2004, and the first joint exercise of air forces of both countries codenamed "Shaheen-1" was conducted in March 2011.

¹ Pakistan is believed to have started its nuclear program in the 1970's and conducted its first nuclear test near the Changai District of the Balochistan Province in 1998. In 2004, it came to light that nuclear-related technologies, including uranium enrichment technology, had been transferred to North

- Korea, Iran and Libya by Dr. Khan and other scientists, who had led the nuclear program in Pakistan.
- ² Regarding missiles that Pakistan possesses, the following are indicated:
- “Nasr” (Hatf 9): a mobile, solid propellant ballistic missile with a range of approximately 60km
- “Abdali” (Hatf 2): a road-mobile, single-stage solid propellant ballistic missile with a range of approximately 180–200km
- “Ghaznavi” (Hatf 3): an approximately 290km-range, mobile, and single-stage solid propellant ballistic missile
- “Shaheen 1A” (Hatf 4): an improved model of “Shaheen 1”; a mobile, single-stage solid propellant ballistic missile with a range of approximately 750km,
- “Ghauri” (Hatf 5): a mobile, single-stage liquid propellant ballistic missile with a range of approximately 1300–1800km
- “Raad” (Hatf 8): a cruise missile with a range of approximately 350km
- “Babur” (Hatf 7): a cruise missile with a range of approximately 750km
- ³ Total amount from 2008 through 2012 is taken from the database of the Stockholm International Peace Research Institute (SIPRI)
- ⁴ The two countries have adopted greatly different positions in relation to solving the Kashmir territorial issue. India’s territorial claim over Kashmir is based on the Instrument of Accession from the Maharaja of Kashmir to India at the time of Pakistan’s independence, while Pakistan claims that the territorial claim over Kashmir should be decided through referendum in accordance with the 1948 U.N. Resolution.
- ⁵ In response to the apology made by then-U.S. Secretary of State Clinton about air strikes against Pakistani patrol posts, Pakistan decided to reopen the ground supply lines in June 2012.

Indonesia's further developing of relations with Australia, it held the first Foreign and Defence Ministers' (2+2) Meeting in March 2012, and at the Indonesia-Australia Leaders' Meeting in July the same year, it was agreed that Indonesia would receive four C-130 transport aircraft from Australia. Furthermore, in September of the same year, the two countries concluded a defense cooperation agreement that includes the strengthening of cooperation in the areas of counter-terrorism and maritime security.

See Part III, Chapter 2, Section 2

2 Malaysia

Malaysia, which is located at the center of Southeast Asia, considers itself to have common strategic interests with its neighbors. At present, Malaysia does not acknowledge any imminent external threats, but believes that its forces should maintain a level of readiness that enables them to deal with all military threats, so it places importance on "Independence," "Total Defense," "Commitment to the Rule of the Five Power Defence Arrangements (FPDA)³," "Cooperation to the U.N. for World Peace," "Measures against Terrorism," and "Defense Diplomacy" in its defense policy. Moreover, as part of "Defense Diplomacy," Malaysia undertakes bilateral exercises and promotes military cooperation with a range of countries other than those involved in the FPDA, including the U.S. and India.

Despite competing territorial claims over the South China Sea, Malaysia has a strong economic relationship with China and the leaders of both countries often visit each other. In 2012, Malaysian Prime Minister Najib Razak (April) and Deputy Prime Minister Muhyiddin Yassin (September) visited China. From China, then-Foreign Minister Yan Jiechi (August), then-Deputy Chief of General Staff of the People's Liberation Army Ma Xiaotian (September), and then-Chairman of the Standing Committee of the National People's Congress Wu Bangguo (September) visited Malaysia.

3 Myanmar

Following the collapse of its socialist regime in 1988, the armed forces seized power in Myanmar. The military junta suppressed pro-democracy movements. In response, the United States and European countries imposed economic sanctions. Against the backdrop of a slumping economy as a result of economic sanctions and isolation in the international community, Myanmar issued a road map to democracy in 2003⁴. After a general election in 2010, Thein Sein was elected as a new president in February of the following year. And the road map to democracy was completed in March 2011 with the launch of the new administration led by Thein Sein.

Since the launch of the new administration, the Government of Myanmar has been actively making efforts toward democratization, including release of political prisoners and cease-fire agreements with ethnic minorities⁵. The international community cautiously welcomed these efforts. For example, in November 2011, the Association of Southeast Asian Nations (ASEAN) accepted Myanmar as 2014 chair of ASEAN. In the same month, then-Secretary of State Clinton visited Myanmar as the first U.S.

Secretary of State to do so in nearly 57 years, and President Obama visited Myanmar as the first U.S. President to do so in history and had talks with President Thein Sein and Aung San Suu Kyi, chairperson of the National League for Democracy and a symbolic figure for democracy⁶. Furthermore, the United States and other countries successively announced an easing of the sanctions on Myanmar. On the other hand, concerns about nuclear issues and its military ties with North Korea are also being pointed out⁷, and the international community has growing concerns regarding the impact of the eruption of violence between the Islamic inhabitants of Rohingya and Buddhists in June and October 2012 over the democratization of Myanmar.

In foreign policy, Myanmar upholds the principle of independence and non-alignment. However, it is believed that China is an especially important partner for Myanmar and provides key military equipment in addition to economic supports. Myanmar is also strengthening its cooperative relationship with India both in economic and military areas.

4 The Philippines

The Philippines perceives that it is confronted with new security challenges, including non-traditional issues and concerns in the security environment, such as cross-border crime. At the same time, it identifies long-standing security issues, such as the territorial disputes over the South China Sea and terrorism perpetrated by domestic antigovernment armed groups, as the major threats to national security. In particular, the Government of the Philippines had been engaged in armed conflicts with the Moro Islamic Liberation Front (MILF) for over 40 years. With the help of the International Monitoring Team⁸, significant progress was made in the peace process, which resulted in the signing of the Framework Agreement towards a resolution of the Mindanao peace process in October 2012.

Having a history of a close relationship, the Philippines and the United States recognize that the U.S.-Philippines alliance is essential for the peace, stability and prosperity of the Asia-Pacific region. The two countries have maintained the cooperative relationship under the mutual defense treaty and military assistance agreement, even after the withdrawal of the U.S. forces in 1992⁹. The two countries have been conducting the large-scale annual joint military exercise Balikatan since 2000. In addition, the United States dispatched the Joint Special Operations Task Force-Philippines (JISOTF-P) to south Philippines to support the armed forces of the Philippines in their campaign against Muslim extremists, such as the Abu Sayyaf Group (ASG)¹⁰. In November 2011, Secretary of Foreign Affairs Albert del Rosario and then-U.S. Secretary of State Clinton signed the Manila Declaration commemorating the 60th anniversary of the U.S.-Philippines mutual defense treaty. In April 2012, the first United States-Philippines Ministerial Dialogue (2+2) was held. In June 2012, President Aquino visited the United States and, together with U.S. President Obama, reaffirmed importance of the bilateral relationship.

The Philippines has territorial disputes with China over Spratly Islands and Scarborough Shoal in the South China Sea. In recent years, both countries have been exercising greater assertiveness in pressing

territorial claims and have raised objections against each other's actions and assertions.

See Section 5-4

See Part III Chapter 2

5 Singapore

Given the limited national land space, population and resources, Singapore's existence and development depend on the peace and stability of the region, in the globalized economy, and gives high priority to national defense, with defense spending accounting for about one-quarter of its national budget.

Singapore identifies deterrence and diplomacy as the twin pillars of national defense policy. Deterrence is provided by a robust national army and stable national defense spending, and diplomacy is established by strong and friendly relations with the defense institutions of other countries. Singapore is also working on capability improvement and modernization of the national army in order to defend the nation against direct threats and to respond to cross-border security issues, such as terrorism and piracy in peace time. Since the land space is small, Singapore uses the military training facilities of other countries, such as the United States and Australia, and regularly sends its forces there for training.

Singapore emphasizes the importance of the cooperative relations with ASEAN and FPDA¹¹, and has concluded defense cooperation agreements with countries within and outside the region. With the aim of contributing to peace and stability in the region, Singapore supports the United States' presence in the Asia-Pacific and permits it to use military facilities in Singapore. Singapore has agreed with the United States to deploy U.S. littoral combat ships (LCS) to Singapore after 2013, and a ship was accordingly deployed in April 2013.

Singapore and China conducted joint counter terrorism exercises in 2008 and 2010 and have developed active reciprocal leaders' visits. In 2012, then-Chinese Foreign Minister Yan Jiechi (May) and then-Deputy Chief of General Staff of the People's Liberation Army Ma Xiaotian (September) visited China. Singapore's Minister for Defense Ng Eng Hen (June) and Prime Minister Lee Hsien Long (September) visited China

See Part III Chapter 2

6 Thailand

The Yingluck Administration, inaugurated in August 2011, has refined its security policies, aiming to improve army capabilities, enhance the defense industry, promote cooperative relations with neighboring countries, and strengthen capabilities to respond to non-traditional threats. Attacks and bombing incidents by Muslim insurgents seeking secession/independence have become a frequent occurrence in southern Thailand and the new administration has identified the rapid restoration of peace and safety for the life and property of the people in the South as its urgent task.

Thailand has unresolved border issues with neighboring countries, such as Myanmar and Cambodia.

Thailand has a border dispute with Cambodia over the undefined border area¹² surrounding the Preah Vihear Temple and has experienced intermittent armed conflict since 2008. In July 2011, the International Court of Justice defined the area surrounding the Preah Vihear Temple as the Provisional Demilitarized Zone and issued provisional preservation measures ordering both countries to immediately withdraw their military personnel. Following the inauguration of the Yingluck Administration, efforts were made to improve the relationship, including leaders' meetings and the establishment of a border committee, and both sides started withdrawing their forces from the disputed area in July 2012.

In the meantime, under its flexible omnidirectional diplomatic policy, Thailand pursues cooperation with other Southeast Asian countries and coordination with major countries, including Japan, the United States and China.

Since the conclusion of the Military Assistance Agreement in 1950, Thailand and its allied country¹³, the United States, have maintained the cooperative relationship, and they have been conducting the multinational military exercise Cobra Gold since 1982. In November 2012, then-Secretary of Defense Leon Panetta visited Thailand and, together with Minister of Defence Sukampol, signed Joint Vision Statement 2012 for the Thai-U.S. Defense Alliance. In the same month, President Obama visited Thailand as his first stop in Southeast Asia after his reelection and reaffirmed the continuation of multilateral cooperative relations between the two countries.

Thailand promotes military exchanges with China; for example, the marine forces of Thailand and China hold a joint military training program codenamed Blue Assault, and Thailand and China agreed on the joint development of a multi-barreled rocket launching device in April 2012.

7 Vietnam

Vietnam realizes that it is confronted with more diverse and complex security challenges, that the issues in the South China Sea have a serious impact on the maritime activities of Vietnam, and that non-traditional threats, such as piracy and terrorism, are matters of concern.

During the Cold War era, the Soviet Union was the largest donor of assistance for Vietnam, and Russia owned a naval base in Cam Ranh Bay. After the collapse of the Soviet Union, Vietnam rapidly expanded its diplomatic relations, and established diplomatic ties with the United States. At present, Vietnam pursues an omnidirectional diplomatic policy and states that it will actively participate in international and regional cooperation in order to build friendly relations with all countries.

With the United States, Vietnam is strengthening the relationship in the military area through joint exercises with the U.S. Navy and U.S. Navy ships' calling at Vietnam, for example. In September 2011, the two countries signed a memorandum of understanding on promoting cooperation between the two defense ministries. In June 2012, then-U.S. Secretary of Defence Panetta visited Cam Ranh Bay, which was one of the U.S. forces' key strong points during the Vietnam War, as the first U.S. Secretary of Defence to do so after the War.

As for Russia, Vietnam depends almost totally on Russia for its military equipment. In 2001, Vietnam and Russia concluded the Joint Statement for a Strategic Partnership, and agreed to strengthen cooperation in the area of national defense. In recent years, progress has been made in cooperation in the area of energy, including nuclear power generation.

Vietnam and China have contentious issues such as territorial disputes in the South China Sea. In recent years, both countries have been actively involved in asserting their territorial rights and each expressed its objections to the activities and assertions of the other¹⁴. At the same time, the two countries are actively conducting exchanges of high government officials under their comprehensive strategic partnership, as illustrated by the visit of the Vietnamese Party General Secretary Nguyen Phu Trong to China in October 2011 and the visit by then-Chinese Vice President Xi Jinping to Vietnam in December of the same year.

See Section 5-4

Vietnam and India upgraded their relationship to a strategic partnership in 2007 and have been deepening their cooperative relationship in a broad range of areas, including security and economy. In October 2011, the two countries agreed to expand defense cooperation through the provision of Indian support for capacity building to develop the military equipment of Vietnamese military forces. Indian navy vessels made a friendly visit to Vietnam. Cooperation in the area of energy between India and Vietnam is also deepening, with a joint development program for oil and natural gas in the South China Sea.

See Part III Chapter 2

¹ See footnote 6, Section 4

² Concerning the issue of East Timor, the United States suspended International Military Education and Training for Indonesian military personnel in 1992. IMET provides opportunities for studying and training at the U.S. military educational institutions. Though the restriction was partially lifted in 1995, the United States suspended IMET again in 1999. Later in 2005, the United States lifted the restriction and decided to resume arms export to Indonesia.

³ Entered into force in 1971. This agreement states that Australia, New Zealand and the U.K. will discuss what response should be adopted in the event of aggression towards or the threat of an attack on Malaysia or Singapore. The five countries carry out various exercises based on these arrangements.

⁴ Consists of seven steps of: reconvening of the National Assembly, stepwise implementation of processes necessary for democratization, drafting a new constitution, national referendum, convening of Pyithu Hluttaws, holding of election and the establishment of a new government.

⁵ Approximately 30% of Myanmar's population is ethnic minorities, some of which demand secession or greater autonomy for their regions. In 1960s, the government of Myanmar implemented oppressive policies including human rights violations such as forced labor and forced migration, which led to armed conflicts with armed groups of ethnic minorities.

⁶ Myanmar's largest opposition party

⁷ It is reported that at talks with then-ROK President Lee Myung-Bak, President Thein Sein admitted that some weapons trading took place with North Korea in the past 20 years and indicated that the country would not engage in such trade in the future. He denied cooperation with North Korea in nuclear development. Moreover, it has been reported that, at the 11th IISS Asia Security Summit (Shangri-La Dialogue) held in June the same year, then-Defense Minister Hla Min disclosed that academic studies on nuclear technology had begun under the previous government, but that this research had been abandoned when the new government was inaugurated and that Myanmar had also

- suspended its political and military ties with North Korea.
- ⁸ As of January 2013, Malaysia, Brunei, Indonesia, Japan, Norway and EU are the member states of IMT.
- ⁹ In 1947, a military base agreement was concluded that allows the United States to use Clark Air Base and Subic Bay Naval Station for 99 years and a military assistance agreement was also concluded in 1947, followed by the mutual defense treaty in 1951. With the revision of the 1966 military base agreement, the time limit for the presence of U.S. military bases in the Philippines was set for 1991. Then, Clark Air Base and Subic Bay Naval Station were returned in 1991 and 1992, respectively. Subsequently, the two countries concluded the Visiting Forces Agreement in 1998, providing for the legal status of U.S. military personnel visiting for joint military exercises in the Philippines
- ¹⁰ With an aim to build a Muslim nation, ASG conducts activities such as terrorist bombings, assassinations and abductions in the southern Philippines.
- ¹¹ See footnote 3, Section 5-2
- ¹² A Hindu temple located on the border between Cambodia and Thailand. The International Court of Justice ruled in 1962 that the temple was situated in territory under the sovereignty of Cambodia; however, the land around the temple remains undefined.
- ¹³ Thailand is in alliance with the United States based on the Southeast Asia Collective Defense Treaty, or Manila Pact, of 1954 and the Rusk-Thanat communiqué of 1962.
- ¹⁴ See footnote 5, Section 5-4

3 Military Modernization in the Region

In recent years, Southeast Asian countries have been modernizing their militaries against the backdrop of economic development and other factors, focusing on increasing defense budgets and introducing major equipment for their naval and air capabilities.

In December 2011, Indonesia concluded contracts for the purchase of three South-Korean-made Type-209 class submarines and one Dutch-made Sigma-class missile frigate in June 2012. Also, Indonesia introduced a total of 10 Russian-made Su-27 fighters and Su-30 fighters by 2010. In 2011, it agreed to receive 24 F-16 fighters from the United States and started a joint development of the next-generation fighter KF-X with the ROK.

In 2009, Malaysia introduced two Scorpene-class submarines (the submarine jointly developed by France and Spain) as its first submarines. Malaysia introduced 18 Russian-made Su-30 fighters by 2009 and is selecting a successor to its Mig-29 fighters that are scheduled to be decommissioned in 2015.

The Philippines does not have submarines or fighters but is reported to be considering a purchase of the South Korean FA-50 light combat aircraft. As for naval forces, the Philippines received two Hamilton-class frigates from the United States, the first one in May 2011 and the second one in May 2012.

Singapore has the largest defense budget among Southeast Asian countries and is actively striving to modernize its forces. By 2009, Singapore introduced six French-made Formidable-class frigates and by December 2012, two Archer-class submarines from Sweden. Singapore also introduced 24 US-made F-15 fighters and participates in the F-35 Joint Strike Fighter (JSF) Program.

Thailand is the only country which operates aircraft carrier in Southeast Asia but does not possess any submarines. The purchase of two frigates was approved by the Cabinet in September 2012. In 2007, Thailand decided to introduce twelve Swedish-made JAS-39 fighters, of which initial six have been delivered.

In December 2009 Vietnam concluded a contract to purchase six Russian-made Kilo-class submarines and introduced two Russian-made Gepard-class frigates in 2011. Vietnam is reported to have concluded a contract to purchase a total of 20 Russian-made Su-30 fighters from Russia during the years 2009 through 2011.

Aside from the increase in defense budgets, there are views that sensitive relations among Southeast Asian countries to the military buildup, response to the growing influence of China, and the limited effectiveness of the regional security institutions as a confidence-building measure are the contributing factors to the ongoing military modernization in Southeast Asia¹.

¹ Based on the Military Balance (2013), published by the International Institute for Strategic Studies (IISS), etc.

4 Trends concerning the South China Sea

In the South China Sea, there are territorial disputes¹ between ASEAN countries and China over the Spratly Islands² and the Paracel Islands. In addition, there has been growing concern among the international community over issues such as the freedom of navigation in the Sea.

With the desire to promote the peaceful resolution of maritime territorial disputes in the South China Sea, ASEAN and China signed the Declaration on the Conduct of Parties in the South China Sea (DOC)³ in 2002. This declaration is a political statement with a reference to principles of dispute resolution, but with no legally binding obligations. At the ASEAN-China Foreign Ministers' Meeting held in July 2011, the Guidelines for the Implementation of the Declaration on the Conduct of Parties in the South China Sea was adopted to pave the way for effective implementation of the Declaration. Currently the concerned countries have confirmed their commitment to the formulation of the Regional Code of Conduct in the South China Sea, which will provide more specific guidance with legally binding obligations.

In the meantime, activities in the South China Sea by the related countries aimed at territorial claims are increasing. From April to June 2012, Chinese law enforcement vessels and Philippines vessels, including a Philippine Navy vessel faced off against each other in the sea area surrounding the Scarborough Shoal. In June 2012, Vietnam adopted its Maritime Law (effective January 2013), which affirms its sovereignty over the Spratly and the Paracel Islands, while China announced the establishment of the Sansha City to solidify its sovereignty over the Spratly Islands, the Paracel Islands, the Macclesfield Bank, and surrounding waters. The concerned countries have expressed their objections against these actions. In January 2013, the Philippines filed an arbitration procedure based on the United Nations Convention on the Law of the Sea, concerning China's claims and activities in the South China Sea, but China notified the Philippines that it would not accept the Philippines' request for arbitration and proposed bilateral negotiations instead⁴. There have been cases where concerned countries resorted to force, such as the capture of vessels and firing warning shots⁵.

Peaceful solutions to the South China Sea disputes have been discussed at the various ASEAN meetings. However, the ASEAN Foreign Ministers' Meeting held in July 2012 failed to adopt a joint statement because no consensus was forged among the member States on the details of the statement, indicating some conflict of interest among them⁶.

The issue of territorial disputes in the South China Sea is a common matter of concern for the whole international community, and is directly related to the peace and stability of the Asia-Pacific region, and attention will continue to be paid to trends in the countries concerned, as well as the direction of dialogues aimed at resolution of the issue.

¹ Currently, China, Taiwan, Vietnam, the Philippines, Malaysia, and Brunei are claiming territorial rights over the Spratly Islands. With regard to the Paracel Islands, China, Taiwan, and Vietnam are claiming territorial rights.

- ² The areas surrounding the Spratly Islands are promising treasure troves of offshore resources such as oil and natural gas. In addition, the area is a maritime transport hub and is blessed with rich fishing resources.
- ³ It includes the provisions that all concerned parties should resolve the territorial disputes in a peaceful manner in accordance with principles of the international law, that the adoption of the Code of Conduct will further promote peace and stability of the region, and that efforts should be made to achieve the goals.
- ⁴ An arbitral tribunal can make an arbitral process and decision at a request from one party, even if the opponent refuses the request.
- ⁵ It has been reported that a Chinese authority ship and a Chinese fishing boat cut an investigation cable of a Vietnamese resource exploration vessel in May 2011 and November 2012, respectively. It has also been reported that in February 2011, a Chinese naval vessel fired warnings shots at a Philippine fishing boat. Moreover, reports also indicate that a Chinese authority ship in May 2011 and a Chinese naval vessel in February 2012 and March 2013 fired on a Vietnamese fishing boat in separate incidents.
- ⁶ While the Philippines and Vietnam demanded to include the issue of the South China Sea in the joint statement, the then-Chair, Cambodia, stated opposition because the issue is strictly a bilateral one. Following the Foreign Ministers' Meeting, Indonesia's Foreign Minister Marty made efforts to lobby his counterparts and the result was the release of ASEAN's Six-Point Principles on the South China Sea.

5 Regional Cooperation

ASEAN member states, seeking to establish the ASEAN Economic Community (AEC) by 2015, utilize ASEAN as a multilateral security framework for the region. ASEAN holds the ASEAN Regional Forum (ARF), a dialogue forum on security and ASEAN Defense Ministers' Meeting (ADMM). Furthermore, efforts for improving the security environment in the region and promoting mutual trust have been made: for example, the holding of ASEAN Militaries' Humanitarian Assistance and Disaster Relief Table-Top Exercise in July 2011, ASEAN's first military exercise.

ASEAN places importance on developing relations with non-ASEAN member states. The ADMM Plus, an expanded version of the ASEAN Defense Ministers' Meeting, comprising ADMM members and eight non-ASEAN countries, including Japan, was established in 2010. In addition, the United States and Russia became official members of the East Asia Summit (EAS), comprising ASEAN members and six non-ASEAN countries, in November 2011.

In the Southeast Asian region, multilateral cooperation is being promoted in frameworks other than ASEAN as well, in order to deal with a wide variety of security issues such as transnational problems including terrorism and piracy. The counter-piracy measures include the "Malacca Straits Patrols" carried out by Indonesia, Malaysia, Singapore and Thailand. In addition, based on the "Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia" (ReCAAP)¹, advancements are being made toward the sharing of information related to piracy and the establishment of cooperative systems.

¹ As of October 2012, 18 countries are party to the agreement: Bangladesh, Brunei, Cambodia, China, Denmark, India, Japan, the ROK, Laos, Myanmar, the Netherlands, Norway, the Philippines, Singapore, Sri Lanka, Thailand, the U.K. and Vietnam.

2 Security and Defense Policies

1 Basic Posture

Approved in May 2009, the National Security Strategy of the Russian Federation through to 2020 sets out the objectives and strategic priorities, in domestic and foreign policies.

The National Security Strategy views that Russia's influence has been strengthened by a policy of promoting the multipolarization of the world and using the potential of Russia. The unilateral approach to the use of force and confrontation of major countries in international relations is listed as having a negative impact on the interests of Russia, and Russia expresses vigilance over the United States' plan to deploy a missile defense system (MD) in Europe as well as the approach of NATO's military infrastructure to the Russian border. In order to ensure strategic stability, Russia claims it will, under the central role of the United Nations in the international security, enhance cooperation with members of the Commonwealth of Independent States (CIS) and build an equal and full-fledged strategic partnership with the United States. Russia says it will use its political, legal, external economic, military, and other instruments in order to uphold its national sovereignty and interests.

As for national defense, Russia views as a threat the series of policies of some developed nations that pursue superiority in the military field, particularly in the area of strategy by developing high-tech weapons, non-nuclear strategic weapons, and global missile defense systems. Russia exemplifies as its challenges a shift to a new military structure by increasing the number of permanent readiness units¹ and improving organizational and military alignment, while maintaining the capabilities of its strategic nuclear forces.

The Military Doctrine of the Russian Federation, formulated as a document substantiating the principles of the National Security Strategy in the military sphere, in February 2010, demonstrates the recognition that, while the probability of a large-scale war breaking out is on the decline, the military dangers facing Russia are increasing, which is demonstrated by the approach of NATO's military infrastructure to the Russian border, including the expansion of NATO, as well as the construction and deployment of the strategic MD system. Furthermore, it also states that Russia will maintain permanent combat-readiness to deter and prevent conflict.

The doctrine regards nuclear weapons as an essential component for preventing the outbreak of nuclear wars and wars that use conventional weapons and claims that Russia maintains a sufficient level of nuclear deterrent capacity and reserves the right to use nuclear weapons in response to an event where nuclear or other weapons of mass destruction are to be used against it or its allies or under circumstances wherein conventional weapons have been used against it and where the survival of the country itself is imperiled.

Minister of Defense Serdyukov, who had been pushing military reform since taking office in 2007, was removed in November 2012 and then Moscow governor Shoigu was appointed to the post. The high-level personnel of the defense ministry were reshuffled², which includes the removal of then Chief

of the General Staff Makarov. However, because there is not much difference in Russia's recognition of the strategic environment³, it is believed that there is no change in its basic posture regarding security and national defense policies including military reform.

2 Military Reform

Russia began a full-scale process for military reform in 1997 by heeding the three pillars of reform: downsizing, modernization, and professionalization.

Moreover, based on the policy statement "Future Outlook of the Armed Forces of the Russian Federation" that was approved by then President Medvedev in September 2008, Russia is advancing measures to modernize its army, including troop reductions, structural reforms (from the command structure based on divisions to that based on brigades⁴), strengthening of combat-readiness (shift of all combat forces to permanent readiness units), and the development and introduction of new equipment.

Regarding the downsizing of the military forces, the country aims to achieve troop reduction in order to maintain an adequate troop level of one million personnel by 2016⁵. Since December 2010, Russia reorganized its six military districts into four military districts (western, southern, central and eastern districts,) established joint strategic commands (OSK) corresponding to each of these new military districts, and controls all of its services—Ground, Navy, and Air Forces— in an integrated manner under the supervision of a Military District Commander.

Regarding the modernization of the military forces, based on the state policy on military equipment for the period of 2011 to 2020 that appeared to have been approved by President by the end of 2010, Russia intends to further modernize its equipment and invest approximately 20 trillion rubles (about 55 trillion yen) to increase its percentage of new equipment up to 70%⁶ by 2020.

Regarding the professionalization of the military forces, in order to make the combat readiness of the permanent readiness units effective, Russia is promoting the introduction of a contract service system which selects personnel through contracts from among the conscripted military personnel. However, further review has been under way to address difficulties in securing personnel due to such problems as a high turnover rate and financial restraints⁷.

It is thought that Russia will continue these measures to improve the conventional armed forces along with its efforts to maintain its strategic nuclear deterrent capabilities against the backdrop of the national defense budget that has been increasing in recent years.

(See Fig. I-1-4-1)

¹ The permanent readiness units have been created by reorganizing troops in the midst of a military forces reduction after the launch of the Russian Federation's armed forces, to strengthen combat readiness through concentrating personnel. The units are expected to promptly respond during the first phase of a large-scale war or in the event of a minor conflict.

² Then Commander of the Central Military District Gerasimov was appointed to Chief of the General Staff and First Deputy Defense Minister, and then Commander of the Western Military District Bahin was appointed to First Deputy Defense Minister. At the same time, four out of seven Deputy Defense

- Ministers were replaced.
- ³ In his papers on military and security issues published in the Russian Gazette on February 20, 2012, then Prime Minister Putin listed his understanding of the strategic environment that was almost the same as before: 1) the probability of a global war between nuclear powers breaking out is not high; 2) under any conditions Russia will maintain and strengthen its strategic deterrent capabilities; and 3) it is necessary to be ready to promptly and effectively respond to new challenges (regional conflicts, local wars, etc.)
 - ⁴ The command structure is reorganized from the four-tiered structure of military district–army–division–regiment, to a three-tiered structure of military district– operational command–brigade. It claimed to have been completed in December 2009, but there remains the challenge of setting in place a system to operate the structure hereafter.
 - ⁵ It was decided that the total military force would be limited to 1 million people as of 2016 by a presidential order in December 2008 (approximately 1.13 million people as of 2008).
 - ⁶ In his paper on national defense policy published in February 2012 to serve as a campaign platform, then Prime Minister Putin indicated to strengthen military power including nuclear force, aerospace defense and naval power by spending approximately 23 trillion rubles (about 63 trillion yen) in 10 years.
 - ⁷ Reasons behind the promotion of the contract service system may include decrease of the population suitable for military service and the shortening of the conscription period (from January 2008, the conscription period has been shortened to 12 months).

3 Military Posture

Russia's military strength is derived not only from the Russian Federation Armed Forces, but also from forces such as the Border Troops of the Border Service of the Federal Security Service of the Russian Federation (FSB) and the Interior Troops of the Ministry of the Interior of the Russian Federation. The Russian Federation Armed Forces have three services (forces) and three independent corps (units): ground force, naval force, air force and strategic-rocket unit, aerospace defense forces¹, and airborne unit.

(See Fig. I-1-4-2)

1 Nuclear Forces

Russia emphasizes its nuclear forces to secure a global position to strike a balance with the nuclear forces of the United States as well as to supplement its inferiority in conventional forces. It is thus believed that Russia is working to maintain a state of immediate readiness for its nuclear force unit.

Russia still possesses intercontinental ballistic missiles (ICBM), submarine launched ballistic missiles (SLBM) and long range bombers (Tu-95MS Bears and Tu-160 Blackjacks) following the United States in scale.

Russia is obligated to reduce strategic nuclear arms pursuant to the New Strategic Arms Reduction Treaty concluded with the United States². Russia is working to accelerate the development and introduction of new weapons following the policy to prioritize the modernization of nuclear forces based on its state policy on military equipment.

Russia started the deployment of Topol-M ICBM (SS- 27) units in 2005 and the deployment of the RS-24, which is considered as a multi-warhead version of the Topol-M, in March 2011³. In January 2013, "Yuri Dolgoruky," the first of Borey-class nuclear- powered ballistic missile submarines (SSBN), which are believed to mount the new-type SLBM Bulava, was delivered to the Navy⁴.

In October 2012, an exercise of strategic nuclear units was implemented under the control of President Putin, involving one ICBM and one SLBM as well as live firing of four Air-Launched Cruise Missiles (ALCMs) from long-range bombers. The exercise is said to be the largest in recent years⁵.

As for non-strategic nuclear forces, Russia had scrapped ground-launched short- and intermediate-range missiles with a range of between 500 and 5,500 km by 1991 in accordance with the Intermediate-Range Nuclear Forces (INF) Treaty with the United States, and had removed tactical nuclear weapons from naval vessels and stored them in onshore missile silos in the following year. Russia, however, still possesses a broad array of nuclear forces.

2 Conventional Forces and Other Issues

It is assumed that Russia is implementing the development and procurement of conventional forces based on its state policy on military equipment. There is a need to pay close attention to Russia's development, procurement and deployment of new equipment, which includes the so-called fifth generation fighters⁶

and the Mistral-class amphibious assault ships⁷.

Furthermore, the Russian armed forces have been carrying out a range of exercises⁸ and intensifying their military activities, including their continuous participation in the counter-piracy operations off the coast of Somalia and in the Gulf of Aden since 2008.

However, it faces issues such as difficulties in securing personnel due to the decrease in the youth population and lax military discipline. There is a need to keep a close watch on how these factors will affect Russia's ability to manage its military forces.

As for the future Russian armed forces, since there are opaque elements which may be influenced by Russia's future economic and social development, it is necessary to continue to observe their future trends.

¹ The Aerospace Defense Forces was established in December 2011 based on the existing space unit and the units assigned under the air force as one corps with missions including outerspace surveillance, missile attack alarm, defense against ballistic missiles and aerospace attacks and satellite launches.

² In April 2010, Russia and the United States signed the new Strategic Arms Reduction Treaty to replace the Strategic Arms Reduction Treaty I (START I) and the treaty came into force in February 2011. Each side is obligated to reduce deployed strategic warheads to 1,550 and their deployed delivery platforms to 700 within seven years after the entry into force of the treaty. In April 2013, the United States announced that as of March 1, 2013, the number of Russia's deployed strategic warheads was 1,480 and that of its deployed delivery platforms was 492.

³ In March 2011, the first regiment of RS-24 missiles was operationally deployed in the division in Teykovo, in the Ivanovo Oblast northeast of Moscow. In addition, it is believed that Russia is promoting the development of a new heavy ICBM which can smash robust ICBM launch sites and mount a large number of warheads, as well as new warheads of enhanced capability to penetrate missile defense.

⁴ Russia plans to build eight Borey-class SSBNs by 2020. Out of the 18 flight tests of Bulava that had conducted from September 2005 to December 2011, 11 tests succeeded. In addition, Russia is developing improved version of SLBM to be mounted on Delta-IV class SSBNs (the first one was commissioned in 1984) that are believed to have played a central role in the maritime nuclear forces before the commission of Borey-class SSBNs.

⁵ According to the announcement of the Russian President Office, this was an exercise to test the automated command system and new command procedure of strategic nuclear units through unified actions of all components, and was the largest exercise in recent years. However, an exercise involving live-firing of one ICBM, three SLBMs and multiple ALCMs was held in October 2008 and one ICBM and two SLBMs were fired on one day in October 2010.

⁶ According to various news reports, the fourth prototype of Russia's fifth generation fighter PAK FA (Future Air Complex for Tactical Air Forces) has conducted trial flights as of January 2013. In July 2010, then Commander-in-Chief of the Russian Air Force Zeline stated that the initial batch of mass-produced fifth generation fighters would be installed with engines not for the fifth generation fighters, which indicates a possibility that the development of the engine has been delayed.

⁷ In December 2010, Russia decided to purchase two ships from a consortium with France, their construction contract was signed in June 2011, and the first ship's commencement ceremony was held in February 2013 in a French shipyard. Reports have suggested that the ships will be deployed in the Northern Fleet and the Pacific Fleet, but, in June 2010, then Chief of General Staff Makarov stated that the ships were particularly needed in the Far East region and that for the defense of the Kuril Islands Russia needed a means of maneuver to deploy units swiftly when necessary. Russia calls the four islands of the Northern Territories and the Chishima Islands "Kuril" Islands.

⁸ Advancing its military reform, Russia has been conducting large-scale exercises for its verification and other purposes. Exercises involving field training at the level of military district and above include: "Vostok-2010" conducted in the former Far Eastern Military District and the former Siberian

Military District between June and July 2010, and; “Center 2011” in the Central Military District, Kazakhstan, Kyrgyz and Tajikistan in September 2011. “Caucasus-2012” was carried out in the Southern Military District in September 2012.

4 Russian Forces in the Vicinity of Japan

1 General Situation

Russia newly established the Eastern Military District and the Eastern Joint Strategic Command in 2010¹. In addition to ground forces, the Pacific Fleet, air force, and air defense units have also been placed under the control of the Military District Commander, who has unified control over each of these services.

The current presence of the Russian military forces in the Far East region is comparatively much smaller than it was at its peak. However, a considerable scale of military forces, including nuclear forces, still remains in the region. Russian military operations in the vicinity of Japan appear to be increasingly active.

Given that the Russian armed forces set their basis of operation on maintaining the combat readiness of their strategic nuclear units as well as dealing with conflicts with the intertheater mobility of its permanent readiness units, it is necessary to continue paying attention to the positioning and trends of the Russian armed forces in the Far East region with the movement of units in other regions also in mind.

(1) Nuclear Forces

As for strategic nuclear forces in the Far East region, ICBMs, such as SS-25s and approximately 30 Tu-95MS Bear long-range bombers are deployed mainly along the Trans-Siberian Railway. In addition, the Delta III-class SSBNs carrying SLBMs are deployed in and around the Sea of Okhotsk. The readiness of these strategic nuclear forces appears to have been generally maintained. During the exercise of strategic nuclear units conducted in October 2012, the Delta III-class SSBN fired a SLBM in the Sea of Okhotsk with the aim of verifying the reliability of the maritime nuclear forces.

As for non-strategic nuclear capabilities, a variety of weapons are deployed in the Far East region, including Tu-22M Backfire medium-range bombers and (under)sea- and air-launched cruise missiles. A total of approximately 10 Tu-22Ms are deployed in the area across from Sakhalin in the Eastern Military District.

(2) Ground Forces

As part of its military reforms, it is believed that Russia is promoting reorganization from a division-based command structure to a brigade-based one, while also shifting all of its combat forces into permanent readiness units. The Eastern Military District now consists of eleven brigades and one division with about 80,000 personnel in total and has a naval infantry brigade with an amphibious capability.

(3) Naval Forces

The Pacific Fleet is stationed and deployed from its main bases in Vladivostok and Petropavlovsk. The fleet comprises approximately 240 ships with a total displacement in the region of about 550,000 tons, including about 20 major surface ships and about 20 submarines (about 15 of which are nuclear powered submarines) with a total displacement of approximately 280,000 tons.

(4) Air Forces

In the Eastern Military District, Russia deploys approximately 330 combat aircraft from its Air Force and Navy combined. This number continues to shrink, but existing models are being modified and new models (Su-30 fighters) are being introduced to improve their capabilities.

2 Russian Forces in Japan's Northern Territories

Since 1978 under the regime of the former Soviet Union, Russia has been redeploying ground troops on Kunashiri, Etorofu, and Shikotan Islands of Japan's Northern Territories, which are inherent territories of Japan. The numbers of military personnel are considered to be far less than at past peak times, however, one division with mainly defensive duties is stationed in this region and there are deployed tanks, armored vehicles, various types of artillery, and anti-air missiles².

After then President Medvedev visited Kunashiri Island³ for the first time as head of state in November 2010, Russia started replacement of equipments to ensure the security of the "Kuril" Islands. In February 2011, then Minister of Defense Serdyukov indicated his intention to keep the division stationed on Kunashiri Island and Etorofu Island and stated that Russia would strengthen the units there through supplying them with the latest communication systems, electronic warfare systems, and radar, while suggesting a possible reduction of the troops⁴.

The number of Russian military personnel stationed in this region in 1991 was approximately 9,500, and at the Japan-Russia Defense Ministerial Meeting held in 1997, then Russian Defense Minister Rodionov made it clear that the troops stationed in the Northern Territories had been reduced to 3,500 soldiers by 1995. In July 2005, however, when then Russian Defense Minister Ivanov visited the Northern Territories, he declared that Russia would neither increase nor decrease the troops stationed on the four islands, clearly showing an intention to maintain the status quo⁵.

As mentioned above, Russian troops continue to be stationed in the Northern Territories, which are inherent territories of Japan, and it is hoped that the issue will be resolved at an early date.

3 Operations in the Vicinity of Japan

Activities by Russian armed forces in the vicinity of Japan including exercises and drills that are believed to have objectives such as verification of the results of military reform are on the rise against the background of the economic recovery at home.

In the large-scale military exercise "Vostok-2010" that was conducted from June to July 2010, it is thought that Russia could verify its ability to respond to conflicts under its new command structure and also its ability to manage units from different services in an integrated manner. In addition, by mobilizing troops that are not stationed in this region to the Far East exercises, it is considered that Russia verified its ability to deploy forces in regions far from where they are stationed.

In September 2011, a large-scale military exercise was conducted in the eastern part of the Kamchatka Peninsula, including anti-aircraft and anti-ship firing drills and landing drills with the

participation of over 10,000 personnel, more than 50 naval vessels and 50 aircraft. In addition, from June to July 2012, a variety of exercises including landing drills in Sakhalin were conducted with the participation of approximately 7,000 personnel, more than 40 naval vessels and 40 aircraft. It is believed that abilities to deal with various situations were trained through the exercises.

The number of exercises carried out by Russian ground forces in the areas adjacent to Japan has decreased sharply from the peak; however, some activities seem to be on the rise again⁶.

With regard to naval vessels, their activities seem to be on the rise in recent years. For example, joint exercises and counter-piracy operations have been carried out, in long voyages by vessels deployed in the Pacific Fleet, and nuclear submarines are carrying out patrols⁷. In September 2011, 24 naval vessels including a Slava-class guided missile cruiser passed through the Soya Strait one after the other. This was the first time ever identified since the end of the cold war that Russian naval vessels on this scale passed through the strait⁸. In July 2012, 26 naval vessels passed through the Soya Strait and participated in an exercise held mainly in the Sea of Okhotsk.

Regarding aircraft, since the resumption of patrol activities by its strategic aviation units in 2007, Russia has been increasing flights by long-range bombers and carrying out flights of Tu-95MS long-range bombers and Tu-160 long-range bombers which are refueled in mid-flight. Moreover, due to an upturn in its fuel situation, etc., pilot training time is on an upward trend, and there also seems to be an increase in activities such as flights approaching Japan and exercises and training⁹, as exemplified by the flight of Tu-95MS long-range bombers that took a route that circled the area encompassing Japan in September 2011 and March 2013.

(See Fig. I-1-4-3)

¹ Eastern Military District's headquarters are in Khabarovsk.

² The 18th Machine Gun and Artillery Division which comprises two regiments is Russia's only machine gun and artillery division following the military's progress in reforming divisions into brigades, and is stationed on Etorofu Island and Kunashiri Island. With its objective being to implement defense against landings, the Division conducted off-shore island defense training exercises on the Northern Territories in February 2013.

³ After the visit, Kunashiri Island and Etorofu Island were visited by First Deputy Prime Minister Shuvalov in December 2010, by then Regional Development Minister Basargin in January to February 2011, and by then Deputy Prime Minister Ivanov in May 2011. Furthermore, Security Council Secretary Patrushev visited Kunashiri Island and Suisho Island of the Habomai Islands in September 2011. In addition, in January 2011, Deputy Defense Minister Bulgakov, and, in February 2011, then Minister of Defense Serdyukov visited Kunashiri Island and Etorofu Island and inspected the units stationed there. Furthermore, Prime Minister Medvedev visited Kunashiri Island in July 2012.

⁴ Then President Medvedev stated that "the additional equipment to be deployed there (on Kunashiri Island and Etorofu Island) must be necessary and sufficient and sufficiently modern to ensure the safety of these islands ("Kuril Islands"), which are integral parts of Russia's federal territories." In addition, the maintenance of infrastructure, such as the airports and the ports, is being carried out in accordance with the "Kuril Islands" Social and Economic Development Plan. Moreover, there are reports on plans for updating equipment, including the deployment of the Bastion coast defense missile system and the Tor M2 ground-to-air missile system and updating to T-80 tanks. In addition, it was reported in February 2012 that the development of two garrisons in Kunashiri Island and Etorofu

- Island would be completed within 2013.
- ⁵ During the 1998 visit to Russia by our Administrative Vice-Minister of Defense, then Russian Minister of Defense Sergeev commented that the number of Russian troops stationed in the northern territories was steadily decreased. Also, a senior official of the General Staff stated that troops on the “Kuril Islands” would be maintained at around 3,500, within the process of reorganizing the division into a brigade.
 - ⁶ It is reported that the ground troops of the Eastern Military District also participated in a navy exercise enacted in the eastern part of the Kamchatka Peninsula from June to July.
 - ⁷ The number of cases of the Russian fleet passing through the three international straits (Soya, Tsugaru, and Tsushima) of Japan that have been identified and disclosed in FY2012 is as follows: six cases in the Soya Strait (seven in 2010, eleven in 2011), two cases in the Tsugaru Strait (two in 2010, one in 2010), and five cases in the Tsushima Strait (seven in 2010, seven in 2011).
 - ⁸ A part of 24 naval vessels participated in an exercise conducted in the eastern part of the Kamchatka Peninsula and other places.
 - ⁹ Long-range flights in the vicinity of Japan were carried out in areas surrounding Japan by Tu-95 long-range bombers in July, September and November 2011, February and April 2012 and March 2013; and by Tu-22 middle-range bombers four times in August 2011. When Tu-95 long-range bombers took a route that circled the area encompassing Japan in September 2011, they were refueled in mid-flight by an IL-78 air tanker in the temporary danger zone set by Russia. In addition, when Tu-95 long-range bombers flew in the vicinity of Japan in February 2012, other aircraft such as A-50 early warning aircraft flew with them. In February 2013, two Su-27 fighters invaded Japanese airspace.

5 Relations with Other Countries

1 General Situation

Recognizing that, amid the trend toward multi-polarity, Russia's international position as one of the poles of influence is being strengthened, Russia sets out its basic foreign policy to achieve its national interests¹. Moreover, stating that its diplomacy is to be conducted based on the national security that serves the interests of its people, Russia aims at a practical diplomacy conducive to solving issues toward modernizing the country's economy².

Toward this goal, while strengthening the economic cooperation with Commonwealth of Independent States (CIS) countries, Russia is taking initiatives to strengthen its ties with the United States and European countries to achieve modernization, launching the building of a partnership with the European Union (EU)³. Also from the perspective of its own modernization, Russia considers that it needs to strengthen its relationships with countries in the Asia-Pacific region⁴. Close attention should be paid to how Russia, with its diplomatic stance focused on the benefits of achieving its own modernization, will develop its relations with other countries in the future, including in the area of security.

2. Relations with Asian Countries

Russia recognizes that the significance of the Asia-Pacific region is increasing within its multi-pronged foreign policy, and the region is also important from the viewpoint of economic development in Siberia and the Far East⁵, anti-terrorist measures, and security⁶. In the presidential order concerning foreign policy issued in May 2012, President Putin holds up his policy to participate in the integration process of the Asia-Pacific region in order to accelerate socioeconomic development in the East Siberia and Far East regions, and stated that Russia will work to develop relationships with Japan, South Korea and other countries as well as China, India and Vietnam.

Under this policy, Russia has participated in various frameworks in the Asia-Pacific region⁷. At Russia's proposal, the Asia-Pacific Economic Cooperation (APEC) Summit was held in Vladivostok in September 2012.

In respect to the relationship with China, Russia states that it will strengthen the equal and trustful partnership and strategic ties between the two countries. In April 2012, Russia and China held "Naval Interaction 2012," their first full-scale joint navy exercise, in the Yellow Sea. Regarding the relationship with Japan, Russia states it will develop mutually beneficial cooperation and is intensifying its approach in many fields including politics, economy and security.

3 Relations with the Commonwealth of Independent States

Russia has positioned the development of bilateral and multilateral cooperation with the CIS as the highest priority of its diplomatic policy. Russia has been making efforts to maintain its military influence⁸

among the CIS member states, stating that its vital interests are concentrated in the territories of the CIS⁹; Russia has dispatched its troops to be stationed in Ukraine, Moldova (Transdniester), Armenia, Tajikistan, Kyrgyz and Georgia, which left the CIS in August 2009 (South Ossetia, Abkhazia)¹⁰.

With increasing activities by Islamic armed insurgents in Central Asia and the Caucasus, Russia has been pursuing military cooperation centered on counterterrorism measures in the region, and organized the Collective Rapid Deployment Force in May 2001 within the framework of the CIS Collective Security Treaty Organization (CSTO)¹¹. Furthermore, in June 2009, a permanent joint rapid reaction force was established to strengthen the functions of the CIS Collective Rapid Deployment Force¹².

In addition, out of concern that the worsening security in Afghanistan could lead to the destabilization of Central Asia, Russia and Central Asian countries are supporting Afghanistan while considering measures to strengthen the security of borders with Afghanistan¹³.

4 Relations with the United States

The U.S.-Russia relationship, which had been stalled due to the Russo-Georgian War, turned toward improvement under the Obama administration inaugurated in January 2009.

Russia strongly opposed the deployment plan of the MD system in Europe by the United States, stating that it would have a negative impact on Russia's nuclear deterrent capabilities. But in September 2009, the United States announced that it was reviewing the proposed deployment of the MD system in Europe¹⁴, which was cautiously welcomed by Russia.

However, Russia's understanding is that the new Strategic Arms Reduction Treaty (START) effective from February 2011 would be invalidated if the United States developed, both quantitatively and qualitatively, its MD capabilities and threatened Russia's potential strategic nuclear strength¹⁵. Russia also indicates that it would withdraw from the new START in response to the United States' recent advancement of its MD plan in Europe¹⁶.

It is believed that Russia intends to establish a certain level of cooperative relationship in military exchanges as exemplified by Russian naval vessels' first participation in RIMPAC conducted in the seas around Hawaii in July 2012.

5 Relations with Europe and NATO

While the relationship between Russia and NATO temporarily deteriorated due to factors such as the Russo-Georgia War, through the framework of the NATO-Russia Council (NRC), Russia now participates to a certain extent in NATO decision-making and acts as an equal partner in areas of mutual interest.

At the NRC summit held in Lisbon in November 2010, Russia and NATO stated that both sides would work toward building a true and modernized strategic partnership. They are now searching for possibilities of dialogue and cooperation in fields such as missile defense (MD), Afghanistan, cooperation to fight terrorism, and anti-piracy measures. With regard to MD cooperation, there has been no progress

in the cooperation of NATO and Russia¹⁷. For example, the talks at the meeting of NRC defense ministers held in June 2011 highlighted the difference in position between NATO advocating MD cooperation in which only information and data would be exchanged under the two independent systems of NATO and Russia, and the position of Russia aiming at “sector MD” in which both sides operate integrally by setting zones for each country’s responsibility under a unified MD system of NATO and Russia.

Meanwhile, there remains the unsolved problem between Russia and NATO about the Conventional Armed Forces in Europe (CFE) agreement¹⁷.

6 Exportation of Arms

Russia seems to actively promote the export of arms not only to maintain the infrastructure of its military industry and to make economic profit, but also to help promote better foreign policy. The country’s export value has been increasing in recent years¹⁸. In January 2007, the Russian government granted the exclusive right to export arms to the Rosoboron Export State Corporation as part of its ongoing efforts to improve its export system. In addition, Russia regards its military industry as an integral part of the nation’s military organization and is committed to improving and further developing the military industry by such measures as promoting the integration of aircraft companies such as Sukhoi, MiG, and Tupolev.

Russia has exported its jet fighters and warships to countries including India, ASEAN member countries, China, Algeria, and Venezuela¹⁹.

¹ The Foreign Policy Concept of the Russian Federation (released in July 2008).

² According to the speech by then President Medvedev at the Meeting with Russian Ambassadors and Permanent Representatives to International Organizations (July 2010) and the annual state of the nation address (November 2009, November 2010 and December 2011). In his paper on foreign policy published in February 2012 to serve as a campaign platform, then Prime Minister Putin showed his stance to ensure Russia’s security and interests while developing mutually-beneficial cooperative relationships with other countries.

³ In Izvestia on October 4, 2011, then Prime Minister Putin advocated the foundation of a “Eurasia Union” to strengthen economic partnerships in the region built on the customs union and the unified economic block. In addition, eight CIS countries (Russia, Belarus, Kazakhstan, Kyrgyz, Tajikistan, Ukraine, Moldova and Armenia) signed the CIS Free Trade Zone Agreement in the same month.

⁴ According to the speech by then President Medvedev at the Meeting with Russian Ambassadors and Permanent Representatives to International Organizations (July 2010) and the annual state of the nation address (November 2010).

⁵ Russia is currently implementing a pipeline project to transport Siberian oil to the Far East and developing resources in Sakhalin.

⁶ The Foreign Policy Concept of the Russian Federation (released in July 2008). In his paper on foreign policy to serve as a campaign platform published in February 2012, then Prime Minister Putin expressed his recognition that the importance of the whole Asia-Pacific region was rising.

⁷ Russia has participated in regional frameworks, such as the Asia-Pacific Economic Cooperation (APEC), the ASEAN Regional Forum (ARF), the Shanghai Cooperation Organization (SCO), and the East Asia Summit (EAS since 2011.)

⁸ While some CIS countries continue to prioritize their relations with Russia, such as Belarus and Kazakhstan, others are attempting to maintain a distance from Russia. Georgia, Ukraine, Azerbaijan, and Moldova have been taking mostly pro-Western policies to reduce their security and economic

- dependence on Russia. In September 2012, Kyrgyzstan and Russia agreed on a 15-year extension of the period of use of Russian military bases in Kyrgyzstan, which otherwise would end in 2017. In October 2012, Tajikistan and Russia agreed to extend the lease of the base of Russia's 201st Motor Rifle Division in Tajikistan by 49 years (with subsequent five-year automatic renewals).
- ⁹ After the conflict with Georgia in August 2008, then President Medvedev indicated that Russia recognized as one of its five principles of diplomacy the area of privileged interests for Russia.
- ¹⁰ After the conflict with Russia in August 2008, Georgia withdrew from the CIS in August 2009, but Russia unilaterally recognized the independence of South Ossetia and Abkhazia in the Georgian territory and continues to have troops stationed in the regions. In the parliamentary election in October 2012 "Georgian Dream," an opposition alliance making the improvement of Georgia-Russia relations its campaign promise, defeated the ruling "United National Movement" adopting anti-Russian policy.
- ¹¹ In May 1992, leaders of six countries (Armenia, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan) signed the Collective Security Treaty (CST) in Tashkent, Uzbekistan. In 1993, Azerbaijan, Georgia and Belarus joined the treaty, which came into effect in April 1994. However, Azerbaijan, Georgia and Uzbekistan withdrew from the treaty in 1999 without renewing it. In May 2002, CST was reorganized into the Collective Security Treaty Organization (CSTO). Uzbekistan returned to CST in August 2006 but gave notice of suspension of participation in CSTO in June 2012, effectively withdrawing from the organization.
- ¹² Learning from the fact that CSTO could not sufficiently respond to the request by Kyrgyz for peace keeping at the time of the ethnic conflict in the southern part of Kyrgyz in June 2010, CSTO has been discussing improvement in the efficiency of its crisis response system. The CSTO summit meeting in December 2011 warned against foreign forces' stationing in a member state by requiring the consent of all member states when any member state builds a base of a third country. SCTO joint exercise "Vzaimodeistvie" (cooperative operation) was implemented in Kazakhstan in October 2009 and October 2010 and in Armenia in September 2012.
- ¹³ The influx of narcotics and activities of Islamic extremists from Afghanistan are recognized to be threats for the Central Asia region.
- ¹⁴ See Section 1-2 for the U.S. MD deployment plan in Europe
- ¹⁵ Statement by the Russian Federation concerning missile defense (April 8, 2010)
- ¹⁶ Russia has demanded a legal guarantee that the MD plan of the United States is not targeted at Russia, and claimed that the United States is not considering Russia's concern. Russia issued a Presidential statement in November 2011, mentioning countermeasures such as fielding of early-warning radars and the possibility of its withdrawal from the new START.
- ¹⁷ At the 1999 Istanbul summit of the Organization for Security and Co-operation in Europe (OSCE), an agreement was reached; on changing the troop ceilings set formerly by blocks to those set by country and territory and; on complying with the current CFE Treaty until the adapted CFE Treaty comes into effect. Dissatisfied with NATO members having refused to ratify the adopted CFE Treaty due to Russian forces not withdrawing from Georgia and Moldova, although Russia ratified it, in December 2007, Russia suspended the implementation of the CFE Treaty and halted inspections based on this treaty. At the time of writing, only four countries ratified the adapted CFE Treaty— Russia, Belarus, Kazakhstan, and Ukraine—and it has yet to come into effect. Besides this, Russia has proposed dissolving the existing security framework that has NATO at its center and creating a new European security treaty that would provide new fundamental principles for security in Europe and the Atlantic region.
- ¹⁸ According to the website of the Stockholm International Peace Research Institute (SIPRI), the value of Russia's arms exports in 2012 was approximately 8.003 billion dollars, making it the world's second largest exporter after the United States.
- ¹⁹ Russia concluded sales contract with Indonesia for the Su-27 and Su-30 fighters in 2003 and 2007, and with Malaysia and Vietnam for the Su-30 fighter in 2003, and has delivered the fighters to these countries. There are also reports of a sales contract with Vietnam in 2009 for the Su-30 fighter and a Kilo-class submarine. In March 2010, Russia agreed to deliver an aircraft carrier to India by the end of 2012, and concluded a sales contract for the MiG-29K fighter. In April 2012, an Akula-class nuclear submarine Nerpa was leased to India based on a lease contract that had been concluded with India. Moreover, in 2006, Russia concluded sales contracts with Algeria and Venezuela for arms, including the Su-30 fighter, and has delivered some of these arms. Russia's exports to China have included the Su-27 and Su-30 fighters, Sovremenny-class destroyers, and Kilo-class submarines. However, against the backdrop of the advancement of indigenous weapon production in China, some point out that the

value of its exports to China has been declining.

independence. Against this background, Xi Jinping assumed the post of General Secretary of the CCP and Chairman of the CCP Central Military Commission at the first plenary session of the 18th Central Committee of the CCP in November 2012, and then assumed the post of President at the first session of the 12th National People's Congress in March 2013, thus seizing control of the three powers of party, military and government. At the session, President Xi Jinping called for "arduous efforts for the continued realization of the great renaissance of the Chinese nation and the Chinese dream." However, the environment surrounding the Xi government would not be rosy. How the administration will handle various challenges attracts attention³.

On the diplomatic field, it is believed that, in order to maintain national stability, China is aiming to maintain stability in the strategic international environment by sustaining good relations with major powers such as the United States and Russia, to maintain stable situations in neighboring countries, to promote multipolarization of the world, and to secure interests necessary for economic development such as natural resources and energy supply.

On the military front, China has been modernizing its military forces, backed by the high and constant increase in its defense budget. China appears to give particular priority to the Taiwan issue as a core issue of national sovereignty. For the time being, it will probably aim to improve its military capabilities to prevent Taiwan's independence in its military modernization. In recent years, China has also been actively trying to acquire capabilities for missions other than the Taiwan issue. Because China has been steadily growing as a major political and economic power, its military trends draw attention from other countries.

¹ China exceeded Japan in nominal Gross Domestic Product (GDP) in US dollars in 2010 and became the second largest economy in the world next to the United States. Furthermore, at the 18th National Congress of the CCP in November 2012, then General Secretary Hu Jintao presented a goal to double its GDP by 2020 compared with that of 2010. However, some point out that it is not easy for China to sustain its high economic growth rate given such indices as the GDP growth rate falling to 7.8% (below 8% for the first time in 13 years since 1999.)

² China has made its own assertion about the Senkaku Islands, which are an inherent territory of Japan. In addition, a newspaper of the CCP, carried an article saying "It may be time to revisit the unresolved historical issue of the Ryukyu Islands," that appears to call into question the fact that Okinawa is part of Japan. It should be noted that the Chinese government has stated that the article was written by researchers who were presenting their personal opinion.

³ In his public address on November 15, 2012, General Secretary Xi Jinping stated "Our party is confronted with many severe challenges. There are many pressing problems within the party that need to be resolved urgently, especially the graft and corruption cases that occurred with some of the party members and cadres, being out of touch from the general public, bureaucracy and undue emphasis on formalities -- they must be resolved with great efforts. The whole party must be vigilant against them."

2 Military Affairs

1 Defense Policies

China positions the buildup of strong defense capabilities and powerful military forces that match national security and interests of development as the strategic mission to modernize the state, while it considers the main goal and mission of national defense policies to be to defend the sovereignty, security, and interests of development of the state, to protect the harmony and stability of the society, to promote modernization of national defense and the military forces, and to protect the stability and peace of the world¹.

China has a policy of active promotion of “Revolution in Military Affairs with Chinese Characteristics,” which mainly consists of the mechanization and informatization of its military power, based on its military strategy² to win local wars under informatized conditions, in response to global trends in military developments observed in the Gulf War, the Kosovo War, the Iraq War and others. China appears to emphasize not only physical means but also non-physical means with respect to military affairs and warfare, incorporated the concept of “Three Warfares”—“Psychological Warfare,” “Media Warfare,” and “Legal Warfare”—into the tasks of the political work by military³, and declared a policy of “close coordination between military struggle and political, diplomatic, economic, cultural, and legal endeavors⁴.”

In China’s military modernization, backed by its stable relations with Russia and other neighboring states that share land borders with China, it is believed that China is giving the top priority to handling of the Taiwan issue, more specifically, to improvement of its capabilities to hinder the independence of Taiwan and foreign military support for the independence of Taiwan. Furthermore, in recent years, China is actively trying to acquire capabilities for missions other than the Taiwan issue. It stresses the use of the military in non-traditional security areas. Regarding a long-term plan for China’s military modernization, China proclaims that it will “realize the basic mechanization and achieve major progress in construction of informatization by 2020” and “by focusing on the capability to win local wars under informationized conditions, it will improve the abilities to accomplish diversified military missions and thoroughly complete the historical military missions in a new phase of the new century⁵.” China appears to be aiming to develop its military forces according to the development of its national strength.

China has been increasing its defense spending, broadly and rapidly modernizing its military forces, mainly its nuclear and missile force as well as its Navy and Air Force, and strengthening its capability for extended-range power projection. In addition, China is working to improve joint operational capabilities among services and branches, to conduct practical exercises, to cultivate and acquire highly-capable human resources for administering operations of informatized forces, and to improve the foundation of its domestic defense industry⁶. Furthermore, China has been rapidly expanding and intensifying its activities in its surrounding waters and airspace. These moves, together with the lack of transparency in its military affairs and security issues, are a matter of concern for the region and the international community,

including Japan. It is necessary for Japan to pay utmost attention to them.

2 Military Transparency

China has not disclosed specific information on possession of weapons, procurement goals and past procurements, organization and locations of major units, records of main military operations and exercises, and a detailed breakdown of the national defense budget. Moreover, China does not clarify a specific future vision of its military modernization and the transparency of its decision making process in military and security affairs is not sufficient either.

China has released defense white papers including China's National Defense every two years since 1998, and it also conducts ample dialogue with national defense authorities of other countries. Furthermore, in August 2007, China expressed its will to return to the United Nations Register of Conventional Arms and to participate in the United Nations Instrument for Reporting Military Expenditures, and has submitted annual reports based on each framework. The Chinese Ministry of National Defense has been giving monthly press conference by a spokesperson since April 2011.

In this manner, China has regularly published compiled documents on its national security while reintegrating itself into and commencing participation in U.N. frameworks regarding armaments and military expenditures. These efforts can be appreciated, because they are contributing to improvement of the transparency of its military capabilities.

However, China has not yet achieved the levels of transparency expected of a responsible major power in the international society. For example, as for a detailed breakdown of national defense spending, China basically announced only the total amount and general purposes for the following three categories: personnel, training and maintenance, and equipment. Slight progress was seen in China's National Defense in 2008 in terms of information disclosure⁷, but it does not provide a basic breakdown of procurement costs for major weapons. Moreover, in China's defense white paper titled, "The Diversified Employment of China's Armed Forces," released in April 2013, its contents were limited to selective topics. While it gave a detailed description of a limited number of topics, there was no reference to national defense spending, which had been described in previous defense white papers issued until this one, illustrating decreased transparency in terms of disclosure of information. Thus, China has not made the information available in a transparent fashion, which is a desirable conduct to be practiced by a major country having a sense of responsibility to the international community. The report for the United Nations Instrument for Reporting Military Expenditures submitted by China in 2009 was not filled out in accordance with the standard format used by many other nations, including Japan, which requires a detailed breakdown of military expenditure. The information disclosed in the report submitted by China was almost as simple as that provided in China's defense white papers.

There are incidents that incite concerns over China's military decision-making and actions. For example, details have yet to be disclosed regarding causes of the Chinese nuclear-powered submarine's

submerged navigation in Japan's territorial waters in November 2004, although it constitutes a breach of international law. Furthermore, with respect to the incident of a Chinese naval vessel directing its fire-control radar at a JMSDF destroyer (January 2013), both the Chinese Ministry of National Defense and Ministry of Foreign Affairs gave explanations which were inconsistent with the facts, such as denying the use of the radar itself. In recent years, when the environment surrounding the military has been greatly changing including advancement in military specialization and diversification of missions according to the modernization of the military, some see that relations between the CCP leadership and the People's Liberation Army (PLA) have been getting complex and others see that the degree of military influence on foreign policy decisions has been changing⁸. The situation attracts attention as a risk management issue too.

China is steadily growing as a major political and economic power, and its military power also attracts attention from other countries. In order to allay other countries' concerns over China, it is becoming more and more important for China itself to improve the transparency of its national defense policy and military capabilities. It is hoped that China will increase transparency concerning its military affairs by such efforts as disclosing specific information pertaining to its defense policies and military capabilities.

3 National Defense Budget

China announced⁹ a national defense budget for FY2013 of approximately 720.2 billion yuan¹⁰. The initial budget amount announced represented a growth of approximately 10.7% (approximately 69.8 billion yuan)¹¹ compared to the initial budget amount for the previous fiscal year. This shows that the Chinese national defense budget continues to increase at a rapid pace¹². The nominal size of China's announced national defense budget has approximately quadrupled in size over the past ten years, and has grown more than 33-fold over the past 25 years. As regards the relationship between defense and economy, China positions the buildup of defense capabilities as important a task as economic development, explaining that it "adheres to the principle of coordinated development of national defense and economy" in China's National Defense in 2010. Accordingly, it is believed that China will continue to invest resources in improvement of its defense capabilities to a degree that does not hamper its economic development.

In addition, it must be noted that the amount of the defense budget announced by China is considered to be only a part of its actual military expenditures¹³. For example, it is believed that the announced defense budget does not include all the equipment procurement costs and research and development expenses.

(See Fig. I-1-3-1)

4 Military Posture

China's military forces are composed of the PLA, the People's Armed Police Force (PAP)¹⁴, and the militia¹⁵. It is provided that these bodies be instructed and commanded by the Central Military Commission¹⁶. The PLA is defined as a people's army created and led by the CCP, comprising the Army, the Navy, the Air Force, and the Second Artillery Corps (strategic missile force).

(1) Nuclear and Missile Forces

China has made independent efforts to develop nuclear capabilities and ballistic missile forces since the middle of the 1950s, seemingly with a view to ensuring deterrence, supplementing its conventional forces, and maintaining its voice in the international community¹⁷. With regard to the nuclear strategy, it is recognized that China employs a strategy where it can deter a nuclear attack on its land by maintaining a nuclear force structure able to conduct retaliatory nuclear attacks on a small number of targets such as cities in the enemy country¹⁸.

China possesses various types and ranges of ballistic missiles: intercontinental ballistic missiles (ICBM), submarine-launched ballistic missiles (SLBM), intermediate-range ballistic missiles/medium-range ballistic missiles (IRBM/MRBM), and short-range ballistic missiles (SRBM). Update of China's ballistic missile forces from a liquid propellant system to a solid propellant system is improving their survivability and readiness¹⁹. Moreover, it is also believed that China is working to increase performance by extending ranges, improving accuracy, introducing MIRV, and other means.

China has deployed the DF-31, which is a mobile type ICBM with a solid propellant system mounted onto a Transporter Erector Launcher (TEL), and the DF-31A, a model of the DF-31 with extended range. It is pointed out that China has already deployed the DF-31A and will increase the number²⁰. Regarding SLBM, China currently appears to be developing the JL-2, a new SLBM whose range is believed to be approximately 8,000 km, and constructing Jin-class nuclear-powered ballistic missile submarines (SSBN) to carry the missiles. Once the JL-2 reaches a level of practical use, it is believed that China's strategic nuclear capabilities will improve by a great margin.

As for the IRBM/MRBM covering the Asia-Pacific region including Japan, China has deployed the solid-propellant DF-21, which can be transported and operated on a TEL, in addition to the liquid-propellant DF-3 missiles. These missiles are capable of carrying nuclear warheads. It is believed that China possesses conventional ballistic missiles with high targeting accuracy based on the DF-21, and it has been pointed out that China has deployed conventional anti-ship ballistic missiles (ASBM), which could be used to attack ships at sea including aircraft carriers²¹. In addition to IRBM/MRBM, China also possesses the DH-10 (CJ-10), a cruise missile with a range of 1,500 km or longer, as well as the H-6 (Tu-16), medium-range bombers that are capable of carrying nuclear warheads and cruise missiles. These missiles might complement ballistic missile forces, covering the Asia-Pacific region including Japan²². Concerning SRBM, China possesses a large number of solid-propellant DF-15 and DF-11, and they are believed to be deployed against Taiwan²³, covering also a part of the Southwestern Islands including the Senkaku Islands, which are inherent territories of Japan.

China announced that it had conducted tests on midcourse missile interception technology in January 2010 and 2013. Attention will be paid to China's future trends in ballistic missile defense.

(See Fig. I-1-3-2)

(2) Ground Forces

The size of the Chinese ground forces is the largest in the world with approximately 1.6 million personnel. Since 1985, China has continuously sought to modernize its armed forces by curtailing the number of personnel and streamlining organizations and systems in order to improve efficiency. China aims to develop highly capable military forces, while reducing units inferior in equipment and technologies. Specifically, it is improving mobility by such measures as switching from the past regional-defense model to a nationwide-mobile model, working to motorize and mechanize its infantry. In addition, China is believed to be strengthening its airborne troops (belonging to the Air Force) and special operations forces and helicopter units. It is continuing its efforts to make its military units multi-functional, to build a command system for improvement of its integrated strategic abilities and efficient operations, and also to work on reforms to improve its logistical support capabilities. In 2009, China carried out "Stride 2009" exercises which traversed across military regions and were deemed its largest ever exercises of this type, and it also carried out similar "Mission Action 2010" exercises in 2010. These exercises are believed to have been designed to verify and improve capabilities necessary for deployment of army units to distant areas, such as the army's long-range maneuvering capabilities and logistical support capabilities, including mobilization of militia and public transportation.

(See Fig. I-1-3-3)

(3) Naval Forces

The naval forces consist of three fleets—the North Sea, East Sea, and South Sea Fleets. The Chinese Navy has approximately 970 ships (including approximately 60 submarines), with a total displacement of approximately 1.47 million tons. The Navy is in charge of maritime national defense and protection of the sovereignty of territorial waters and maritime rights and interests. The Chinese Navy introduced Kilo-class submarines from Russia and is actively constructing new types of domestic submarines in order to enhance²⁴ its submarine force. Additionally, the Navy is increasing surface combatant ships with improved air defense and anti-ship attack capabilities, large landing ships²⁵, and supply ships. Also, it commissioned a large hospital ship in October 2008²⁶.

With regard to aircraft carriers, China has renovated the Varyag, an incomplete Kuznetsov-class aircraft carrier purchased from Ukraine. After 10 trial navigations during the period from August 2011 to August 2012, China named the carrier "Liaoning" and put it into commission²⁷. China seems to be continuing training of carrier-based aircraft pilots and research and development of necessary technologies including the development of a domestic carrier based fighter, J-15²⁸. It is also pointed out that China may be constructing its first domestic aircraft carrier²⁹.

In view of these developments in the modernization of the naval forces, it is believed that China is

trying to build capabilities for operations in more distant areas in addition to the near sea defense. It is necessary to continue to monitor the development of the Chinese naval forces.

(4) Air Forces

The Chinese Air Force and Navy have approximately 2,580 combat aircraft in total. The number of fourth generation modern fighters is rising steadily. China imported from Russia and produced under license the Su-27 fighters, and imported from Russia the Su-30 fighters equipped with anti-surface and anti-ship attack capabilities. China is also mass-producing the J-11B which is pointed out to be an imitation of Su-27 fighters as well as domestic J-10 fighters. Some point out that in addition to developing the J-20, which is pointed out to become a next-generation fighter³⁰, China is developing another next-generation fighter³¹. It is also making continuous efforts to improve capabilities which are essential for operations of modern air forces by introducing the H-6 tanker and KJ-2000 Airborne Early Warning and Control system. Furthermore, it is reported that China has a plan to import large cargo aircraft from Russia and is developing a new Y-20 large cargo aircraft³² in order to improve its transportation capability. In addition to domestically developing, producing and deploying a variety of aircraft and introducing them from Russia, China seems to be domestically developing, producing and deploying unmanned aircraft³³.

Judging from the modernization of air forces, it is believed that China is not only improving its air defense capabilities for its national territory, but also aiming to build up capabilities for air superiority and anti-surface and anti-ship attacks in areas which are as distant from China as possible, and improving long-range transportation capabilities³⁴. Further attention needs to be paid to these activities conducted by Chinese air forces.

(5) Military Use of Space and Cyber Warfare Capabilities

China continues to put forth efforts for space developments. It has launched various satellites into space by its indigenously produced rockets, conducted manned space flights, and launched a lunar orbiter³⁵. There is also one view that China's space development programs have been aiming at boosting national prestige and developing space resources. Given that military and non-military sectors in China's space development sectors seem related³⁶, there is the possibility that China utilizes space for such military purposes as information gathering, communications, and navigation. Recently, several high ranking officials in China's Air Force expressed its policy to actively work on the utilization of space³⁷.

China is also developing anti-satellite weapons, and it conducted a test in which it destructed its own satellite by applying ballistic missile technology in January 2007. It is also pointed out that China is developing a system that uses laser beams to hamper satellite functions. China is thought to have a strong interest in cyber space as well³⁸.

China's interest in anti-satellite weapons and cyber space can be attributed to the fact that information gathering and command and communication in the military sector, which are vital for swift and efficient exercise of military strength, are increasing their reliance on satellites and computer networks.

5 Activities concerning the Ocean

(1) Situation of Activities in Waters Near Japan, etc.

In recent years, China is believed to be aiming to build up capabilities to conduct operations in more distant sea areas and airspace. Accordingly, China has been rapidly expanding its maritime activities both qualitatively and quantitatively. With regard to its activity in the sea/air area surrounding Japan, Chinese naval vessels³⁹ and naval/air-force airplanes have been observed conducting what appeared to be training exercises or information gathering activities. A large number of Chinese government ships and aircraft belonging to maritime law-enforcement agencies⁴⁰ have also been observed, which were engaged in monitoring activities for the protection of its maritime rights and interests⁴¹. Some of these activities of China involve its intrusion into Japan's territorial waters, its violation of Japan's airspace and even dangerous actions that could cause a contingency situation, which are extremely regrettable. China should accept and stick to the international norms.

Regarding the move of naval forces, the number of Chinese naval surface vessels advancing to the Pacific Ocean has increased in recent years and such advancements are being routinely conducted today. Their route between the East China Sea and the Pacific Ocean is becoming diverse; in addition to the sea between the main island of Okinawa and Miyako Island, which they have passed every year since 2008, they passed the Osumi Strait eastward in April 2012 for the first time and also navigated the sea area between Yonakuni Island and Nakanokami Island near Iriomote Island northward for the first time in October of the same year. It seems that they are trying to improve their deployment capabilities in the open ocean. In January 2013, a Chinese naval vessel directed fire-control radar at a JMSDF destroyer and is suspected to have directed fire-control radar at a helicopter based on the JMSDF destroyer.

Regarding the move of air forces, in recent years, activities by Chinese naval/air-force planes, which appear to be some form of information gathering against Japan, have been observed frequently. The number of scrambles by the Japan Air Self Defense Force against Chinese aircraft is also rapidly increasing. Furthermore, in September 2007, multiple H-6 medium-range bombers flew into the Japanese air defense identification zone over the East China Sea and advanced near the Japan–China median line. Similarly, in March 2010, a Y-8 early warning aircraft advanced near the Japan–China median line. In March 2011, a Y-8 patrol aircraft and Y-8 intelligence gathering aircraft crossed the Japan-China median line and approached within approximately 50 km of Japan's airspace near the Senkaku Islands. These incidents indicate that Chinese aircraft are diversifying their flight patterns. In 2012, Chinese military aircraft, including its fighters, intensified its activities. In January 2013, the Chinese Ministry of National Defense made public the fact that Chinese military aircraft regularly conducted warning and surveillance activities and that Chinese fighters conducted activities believed to be Combat Air Patrols (CAP) in the East China Sea. “The Diversified Employment of China's Armed Forces” mentioned “air vigilance and patrols at sea” for the first time as a Chinese defense white paper. In 2013, Chinese military aircraft,

including its fighters, has intensified its activities further. In March and April 2011 and in April 2012, there have been instances of Chinese helicopters that appeared to belong to the State Oceanic Administration (SOA) of the Ministry of Land and Resources flying close to Japanese destroyers which were engaged in vigilance monitoring in the East China Sea⁴².

Within Japan's territorial waters near the Senkaku Islands, in December 2008, Haijian ships which belong to the SOA of China conducted navigation operations which foreign ships are not permitted to conduct under international laws such as hovering and cruising. Then, in September 2010, a Chinese fishing trawler collided with patrol vessels of the Japan Coast Guard off the coast of the Senkaku Islands. After the incidence, "Haijian" ships and "Yuzheng" ships belonging to then the Bureau of Fisheries at the Ministry of Agriculture of China entered the same territorial waters in August 2011, March and July 2012⁴³. This way, "Haijian" and "Yuzheng" ships have gradually increased activities in the territorial waters in recent years. Since the Japanese government acquired ownership of the three islands (Uotsuri, Kitakojima and Minamikojima) of the Senkaku islands from a private Japanese citizen in September 2012, they have been frequently intruding into the territorial waters around the Senkaku Islands. On April 23, 2013, eight Haijian ships intruded into the same territorial waters. Meanwhile, in September 2012, upon making China's own assertion about the Senkaku Islands, a spokesman of the Ministry of National Defense of China made a statement that the patrol carried out by a Chinese naval vessel in sea areas under China's jurisdiction was totally just and legal.

Regarding Japan's airspace over and around the Senkaku Islands, in December 2012, a fixed-wing aircraft belonging to the SOA violated the territorial airspace first as a Chinese aircraft. Since then, fixed-wing aircrafts belonging to the SOA have been frequently observed flying near the airspace.

In October 2012, vessels of the East Sea Fleet of the Chinese Navy conducted a joint exercise with "Haijian" and "Yuzheng" ships with focus on preservation/protection of territorial sovereignty and maritime interests. Furthermore, the navy is believed to be handing over retired navy vessels to the SOA and other agencies. It is believed that the Navy is supporting maritime law-enforcement agencies both in operation and equipment.

(See Fig. I-1-3-4)

(2) Situation of Activities in Other Areas Than Waters Near Japan

In other areas than waters near Japan as well, China is intensifying its activities in the South China Sea, including the Spratly Islands and Parcel Islands, over which it is engaged in territorial disputes with neighbors, including some ASEAN (Association of Southeast Asian Nations) countries. In March 2009, Chinese ships, including a naval vessel, a maritime research ship of the SOA, a Bureau of Maritime Fisheries patrol ship, and trawlers, approached a U.S. Navy acoustic research ship operating in the South China Sea to obstruct its operations. It is also reported that Chinese naval vessels fired warning shots at fishing boats of neighboring countries. Furthermore, in recent years, there has been growing friction between China and its neighboring countries over the South China Sea, as illustrated by protests by

Vietnam and the Philippines against China's activities in these waters.

See Section 5

(3) Objectives of Activities in Waters Near Japan

Taking into general consideration such factors as China's geographical location and economic globalization as well as the fact that China explicitly states in its laws and other documents that its Navy assumes the role of safeguarding maritime rights and interests and protecting maritime safety⁴⁴, the Chinese Navy and other organizations are considered to have the following objectives in their maritime activities.

The first one is to intercept naval operations by enemies in waters as far as possible from China in order to defend its territory and territorial waters. Behind this objective is an increase in effectiveness of long-range attacks due to recent progress in science and technology.

The second one is to develop military capabilities to deter and prevent Taiwan's independence. For example, China maintains that it will not allow any foreign intervention in solving the Taiwan issue and realizing the unification of China. In order for China to try to prevent by force foreign intervention into Taiwan, which is surrounded by the sea, it needs to enhance its military operational capabilities at sea⁴⁵.

The third one is to weaken the effective control of other countries over the islands which China claims its territorial rights over, while strengthening the claim of its territorial right to, through various surveillance activities and use of force in the seas surrounding the islands.

The fourth one is to acquire, maintain, and protect its maritime rights and interests. China is engaged in oil and gas drilling as well as building facilities and surveying for the drilling in the East China Sea and South China Sea⁴⁶.

The fifth one is to defend its sea lanes of communications. In this background is the fact that its sea lanes of communications, including its crude oil transportation routes from the Middle East, are extremely important for the globalizing the Chinese economy. What part of its sea lanes of communication the Chinese Navy thinks it should defend depends on such factors as international situations, but given the recent modernization of the Chinese Navy and Air Force, the areas which they can defend is believed to grow larger beyond the waters near China.

Given these objectives and recent trends in China's maritime activities, it is believed that China plans to further expand the sphere of its maritime activities, and expand its operations as an ordinary routine practice in waters surrounding Japan, including the East China Sea and the Pacific Ocean as well as the South China Sea. Therefore, more attention needs to be paid to such activities as operations of naval vessels and various surveillance operations near Japan, developments of facilities that serve as bases for these activities⁴⁷, and developments of its own interpretations regarding the legal status of coastal areas in China's exclusive economic zones⁴⁸.

6 International Military Activities

In recent years, the PLA has begun emphasizing nontraditional security missions such as peacekeeping, humanitarian assistance and disaster relief, and anti-piracy. In order to carry out these missions, it is becoming active in dispatching its units overseas as well. It is believed that in the background of the PLA's stance on international military activities is the fact that China's national interests have expanded beyond its national borders, thereby increasing its need to protect and promote its national interests overseas, and its intent to strengthen its stature by demonstrating its will as a great power to fulfill its responsibilities to the international community.

China states that it consistently supports and actively participates in the U.N. PKO. According to "The Diversified Employment of China's Armed Forces," it has sent a total of 22,000 military personnel to the U.N. PKO. According to the United Nations, as of the end of April 2013, China had deployed a total of 1,872 personnel, police officers, and military observers to 9 U.N. PKO, including the United Nations Mission in the Republic of South Sudan (UNMISS). Thus, China shows a certain presence in the U.N. PKO. In the background of China's aim in its proactive attitude to the U.N. PKO is its intent to strengthen its relations with the regions where the peacekeeping operations are conducted, particularly with African nations.

Furthermore, China has also been taking part in international initiatives to deal with piracy off the coast of Somalia and in the Gulf of Aden. As its first mission in distant waters, the Chinese Navy has dispatched vessels to these waters since December 2008 in order to have them escort Chinese and other ships. This demonstrates that the Chinese Navy is improving its capacity to execute naval operations in more distant waters. This is also thought to be a proof that China is placing a greater emphasis on protecting its sea lanes of transportation.

In view of the deteriorating situation in Libya, China has carried out an evacuation operation of Chinese nationals from the country from February through March 2011. In this operation, China dispatched a naval frigate and transportation aircraft of the Air Force to Libya in addition to private chartered aircraft. This is the first participation of the military in an evacuation operation of Chinese nationals living abroad, and it has been pointed out that through such activities China is trying to build a pacifist and humanitarian image of its military forces and to demonstrate, both domestically and internationally, its intent to place priority on military operations other than war, as well as its desire to prove the ability to project its military power to distant locations.

7 Education and Training

In recent years, the PLA has been conducting practical exercises including such large-scale exercises as cooperative exercises of the Army, Navy, and Air Force and landing exercises in order to modernize its operational capabilities. The goal of "being able to fight and winning battles" was repeatedly mentioned in statements addressed to the military by General Secretary Xi Jinping as well as in the military training instructions given by the general staff. It is believed that this is evidence that the military is promoting

implementation of more practical exercises. The whole PLA military training conference in 2006 emphasized promotion of a shift from military training under the conditions of mechanization to military training under the conditions of informatization. The new Outline of Military Training and Evaluation, in effect since 2009, highlights training for military operations other than war (MOOTW), education in knowledge and expertise required for informatization, simulated training of high-tech weapons and equipment, network training, and training in complex electromagnetic environments where electronic interference occurs, in addition to joint exercises by different services.

In the education spectrum, the PLA aims to develop military personnel versed in science and technology. In 2003, it launched a human resource strategy project to develop human resources capable of directing joint operations/informatized operations and of building informatized armed forces. The project has a goal of achieving a big leap in the development of military personnel to 2020. In recent years, the PLA appears to be increasing its wage standards. It is believed that the objective of this is to secure highly capable human resources. Moreover, in 2000, in order to recruit highly capable and highly educated people, the military started a system where it provides scholarships for civilian college students and then allows them to enter the military as commissioned officers after graduation. On the other hand, in recent years, it is pointed out that there is an issue concerning treatment of veterans.

China has been developing a mobilization system with a view to effective use of civilian resources in the case of war and other emergencies. In February 2010, China enacted the National Defense Mobilization Law, which is the basic law for wartime mobilization, and in July the same year, put the law into effect.

8 National Defense Industry Sector

While China imports highly sophisticated military equipment and parts that it cannot produce domestically from other countries such as Russia, China is believed to place emphasis on indigenous production of them. The country manufactures much of its military equipment domestically and is now actively making research and development efforts on new equipments. China's national defense industry sector appears to be developing due to improvement of private industry infrastructures accompanying economic growth, use of dual technologies, and the absorption of foreign technologies, as well as its own efforts. The sector is working as a basis of the modernization of its military⁴⁹.

Growth in the Chinese defense industry was once hindered by inefficiency caused by excessive secrecy and other factors. However, in recent years, reform of the defense industry has progressed. In particular, emphasis has been placed on two-way technological exchanges where military technologies are utilized for building national economy, and, in turn, civilian technologies are absorbed for a buildup of national defense. Specifically, the technologies of the defense industry have contributed to development of civilian space exploration, the aviation industry, and the shipbuilding industry.

Furthermore, China encourages and supports international cooperation and competition in dual-use

industries, thus appearing to have an interest in absorbing foreign technologies through dual-use industries.

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- ¹ China's National Defense in 2010. In a white paper on China's peaceful development published in September 2011, while China made clear that it pursues "peaceful development" but "never seeks hegemony," it also stated that it is firm in upholding its "core interests" which include the following: "state sovereignty," "national security," "territorial integrity," "national reunification," "China's political system established by the Constitution and overall social stability," and "the basic safeguards for ensuring sustainable economic and social development."
 - ² China traditionally adopted the strategy of a "People's War" based on the recognition that a world-scale war was possible. Under that strategy, the country attributed importance to guerrilla warfare using its vast territory and enormous population. This posture, however, led to harmful effects such as excessively enlarged and inefficient military forces. Under these circumstances, China has come to place importance on local wars such as conflicts that occur over its territorial land and waters since the first half of the 1980s based on a new recognition that a world-scale war will not take place on a long-term basis. After the end of the Gulf War in 1991, the country started implementing measures to improve its military operation abilities in order to win local wars under highly technological conditions. Recently, it has been stated that the core of military modernization is to strengthen capabilities to win local wars under informatized conditions.
 - ³ China amended Regulations on the Political Work of the People's Liberation Army (PLA) in 2003 to add the practices of Media, Psychological, and Legal Warfare to its political work. The Annual Report to Congress: Military and Security Developments Involving the People's Republic of China (August 2011) of the U.S. Department of Defense explains Media, Psychological, and Legal Warfare as follows:- Media Warfare is aimed at influencing domestic and international public opinion to build public and international support for China's military actions and to dissuade an adversary from pursuing policies perceived to be adverse to China's interests.- Psychological Warfare seeks to undermine an enemy's ability to conduct combat operations through psychological operations aimed at deterring, shocking, and demoralizing enemy military personnel and supporting civilian populations. - Legal Warfare uses international and domestic laws to gain international support and manage possible political repercussions of China's military actions.
 - ⁴ Based on China's National Defense in 2008.
 - ⁵ Based on China's National Defense in 2010. China's National Defense in 2008 also mentions a target to "by and large reach the goal of modernization of national defense and armed forces by the mid-21st century."
 - ⁶ It is pointed out that the PLA is advancing reorganization, including establishment of the Strategy Planning Division in the General Staff Department, which is aimed at study and further integration of military strategy in recent years
 - ⁷ China's National Defense in 2008 provides details of personnel expenses, operation maintenance costs, and equipment costs only for the defense budget for FY2007 each by active force, reserve force, and militia.
 - ⁸ For example, some point out that there is an increasing number of cases in which the PLA expresses its position on security issues concerning national sovereignty or maritime interests. On the other hand, others point out that the extent of the military's involvement in the party's decision-making process is limited because the number of PLA representatives to key decision-making bodies of the CCP is fewer than in the past. Meanwhile, the PLA has repeatedly stressed "absolute instruction of the forces by the party."
 - ⁹ Converting national defense budgets of foreign countries into another currency simply by applying currency exchange rates cannot necessarily reflect an accurate value due to difference in price level. But hypothetically speaking, if China's national defense budget for FY2013 was converted at a rate of 13 yen per yuan (FY2013 disbursing official rate), this would result in approximately 9,362.2 billion yen. The 2012 Yearbook of the Stockholm International Peace Research Institute (SIPRI) estimates that China's military expenditures for 2011 were approximately \$142.9 billion, ranking it second place in the world behind the United States.
 - ¹⁰ National defense budget within central fiscal expenditures. The national defense budget amount for FY2013 within nationwide fiscal expenditures is said to be approximately 740.6 billion yuan. This

budget amount represents growth of approximately 10.5% (approximately 70.3 billion yuan) compared to the national defense budget (initial budget) within the nationwide fiscal expenditures for the previous fiscal year.

- ¹¹ China announced that the rate of growth for its FY2013 national defense budget is “an increase of approximately 10.7% (approximately 69.6 billion yuan) compared to the previous year,” but this is the growth rate calculated by comparing the spending of FY2012 with the initial budget of FY2013.
- ¹² China’s announced national defense budget within central fiscal expenditures achieved double-digit-percent growth on the initial-budget basis every year since FY1989 except in FY2010.
- ¹³ U.S. Defense Department’s Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China (May 2013) estimates China’s military-related defense spending as having been between \$135 billion to \$215 billion in FY2012. The same report indicates that China’s official defense budget does not include major categories of expenditure such as foreign procurement.
- ¹⁴ Missions of the PAP include security of party and government, border security, social projects, and firefighting activities. According to China’s National Defense in 2002, it is to maintain state security and social stability, and assist the PLA in wartime in defense operations.
- ¹⁵ The militia engages in economic development in peacetime and other activities and has a duty to provide logistical support for combat operations in wartime. China’s National Defense in 2002 explains, “Under the command of military organs, the militia in wartime helps the standing army in its military operations, conducts independent operations and provides combat support and manpower replenishment for the standing army. In peacetime, it undertakes the tasks of performing combat readiness support, taking part in disaster relief efforts, and maintaining social order.” According to Jiefangjun Bao, which is the official daily publication of the PLA, dated October 9, 2012, “China now has 6 million primary militia members.”
- ¹⁶ Formally, there are two Central Military Commissions—one for the CCP and another for the state. However, both commissions basically consist of the same membership, and both are essentially regarded as institutions for the CCP to command the military forces.
- ¹⁷ In December 2012, General Secretary Xi Jinping stated “the Second Artillery Corps is the core of our strategic deterrent forces, the strategic support of our great-power status, and an important cornerstone for safeguarding national security.”
- ¹⁸ China’s National Defense in 2010 states that “China consistently upholds the policy of no first use of nuclear weapons, adheres to a self-defensive nuclear strategy, and will never enter into a nuclear arms race with any other country.” On the other hand, the “Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China” (May 2012) of the U.S. Department of Defense points out that there is some ambiguity over the conditions under which China’s “no first use” policy would or would not apply.
- ¹⁹ For differences between the liquid-propellant system and solid-propellant system, see footnotes 6 of Section 2-1.
- ²⁰ The Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China (August 2011) of the U.S. Department of Defense indicates that China may also be developing a new road mobile ICBM, possibly capable of carrying a multiple independently targeted re-entry vehicles (MIRV).
- ²¹ In July 2011, it was reported that Chen Bingde, then PLA’s Chief of the General Staff, announced that China was currently conducting research and development of the DF-21D, which was believed to be an anti-ship ballistic missile. On the other hand, in the U.S. Defense Department’s Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China (May 2013), it is pointed out that China continues to field the anti-ship ballistic missile DF-21D, which is based on a variant of the DF-21.
- ²² In its Annual Report of November 2010, the U.S.-China Economic Security Review Commission (a bi-partisan consultative body created by Congress with the aim of monitoring, investigating, and submitting reports on the national security implications of the bilateral trade and economic relationship with China) pointed out that China could attack five out of the six main U.S. Air Force bases in East Asia with its normal missiles (ballistic missiles and ground-launched cruise missiles), and also has the ability to target air bases in Guam by enhancing the capability of its bombers.
- ²³ U.S. Defense Department’s Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China (May 2013) states that by December 2012 China had deployed more than 1,100 SRBM on the shores opposing Taiwan. Besides this, in March 2011,

- Taiwan's National Security Bureau Director Tsai Der-sheng said that China has developed and deployed new "DF-16" missiles and that these are highly destructive long-range missiles, which will mainly be used against Taiwan and in order to prevent U.S. intervention.
- ²⁴ In recent years, in particular, China is believed to be substantially increasing the number of state-of-the-art Yuan class submarines, which are domestically produced. These submarines are believed to be superior in quietness and to be equipped with an air independent propulsion (AIP) system, which allows them to remain submerged longer by loading oxygen beforehand eliminating the need to supply oxygen from the atmosphere by surfacing, etc.
- ²⁵ Recently, China appears to be increasing the number of Yuzhao-class large landing ships, the load displacement of which is said to exceed 20,000 tons.
- ²⁶ This hospital ship, "Daishandao" (commonly known as the "Peace Ark"), is reported to have visited five countries along the coast of the Indian Ocean in medical services duty "Mission Harmony-2010" from August to November in 2010, followed by another medical services duty "Mission Harmony-2011" from September to December in 2011. In this mission, the ship was believed to have visited four countries in Central and South America for providing medical services.
- ²⁷ The Annual Report to Congress: Military and Security Developments Involving the People's Republic of China (May 2013) of the U.S. Department of Defense shows its view that the aircraft carrier "Liaoning" will serve as a training platform for fixed-wing aircraft. It also points out that "it will take three to four years before reaching an operational effectiveness."
- ²⁸ In November 2012, it was reported that the first landing and takeoff test by carrier-based plane J-15 that seems to be under development had been implemented on the aircraft carrier "Liaoning." In May 2013, it was reported that the first carrier air wing was officially established in China.
- ²⁹ The U.S. Defense Department's Annual Report to Congress: Military and Security Developments Involving the People's Republic of China (May 2012) points out that "Some components of China's first indigenously-produced carrier may already be under construction; that the carrier could achieve operational capability after 2015. China likely will build multiple aircraft carriers and associated support ships over the next decade."
- ³⁰ In the U.S. Senate Armed Services Committee in February 2011, then Secretary of Defense Robert Gates stated his view that China had the potential to deploy 50 next generation fighters equipped with stealth capability by 2020 and 200 fighters by 2025. It was reported that China had succeeded in conducting the first flight test of its "J-20" in January 2011 and that the country is continuing the tests.
- ³¹ In October 2012, it was reported that a new fighter that was pointed out to be under development as another next-generation fighter by China had made its first flight.
- ³² In January 26, 2013, the Ministry of National Defense of China announced that it had succeeded in the first trial flight of the Y-20 large cargo aircraft developed by China and that it would continue various tests and trial flights based on its plan.
- ³³ For example, unmanned aerial vehicles were identified in the military parade on the 60th National Day of China in October 2009.
- ³⁴ China's National Defense in 2008 explains that China's Air Force is "working to accelerate its transition from territorial air defense to both offensive and defensive operations, and increase its capabilities for carrying out reconnaissance and early warning, air strikes, air and missile defense, and strategic projection, in an effort to build itself into a modernized strategic Air Force." The Annual Report to Congress: Military and Security Developments Involving the People's Republic of China (August 2010) of the U.S. Department of Defense explains that China's Air Force has continued its conversion from a force for limited territorial defense to a more flexible and agile force able to operate off-shore in both offensive and defensive roles, using the U.S. and Russian Air Forces as models. In the joint military exercise "Peace Mission 2010" (October 2010) that China and Russia participated in, among other countries, it is reported that China's battle group comprising two H-6 bombers and two J-10 fighters, supported by an early warning aircraft and air refueling tankers, made a round-trip flight of a route that spanned 1,000 km each way without landing, and conducted air-to-ground exercises.
- ³⁵ In recent years, China launched the space laboratory "Tiangong 1" in September 2011, and succeeded in its docking with the unmanned spacecraft "Shenzhou-8" in November 2010 and the manned spacecraft "Shenzhou-9" in June 2012. These show that China is promoting its plan with construction of space stations in mind. In December 2012, it was reported that the Beidou Navigation Satellite System officially started service covering the most part of the Asia-Pacific region, and naval vessels, "Haijian" ships, "Yu zheng" ships and Chinese fishing boats already started to be equipped with the Beidou system. It is pointed out that Beidou has not only a positioning function but also a bidirectional

short-messaging function and such functions enable unified real-time grasping and sharing of location data of foreign vessels recognized by a Chinese vessel, thus enhancing Chinese information gathering capability in the ocean. The State Administration for Science, Technology and Industry for National Defense intends to implement a moon landing of the moon exploration satellite “Chang’e-3” during the latter half of 2013.

³⁶ The entire manned space project is said to be commanded by the Director of the PLA’s General Armament Department.

³⁷ For example, then Air Force Commander Xu Qiliang is reported to have said, “China’s Air Force has established a strategy of having both offensive and defensive unified aerospace capabilities.”

³⁸ See Section 1-2 for China’s cyber warfare capability

³⁹ Examples of activities of Chinese naval vessels are: a submerged Chinese nuclear-powered submarine navigated in Japan’s territorial waters, breaching international law in November 2004; it was confirmed that a total of five Chinese naval vessels, including one Sovremenny-class destroyer, were sailing near the Kashi gas field (Tianwaitian in Chinese) in the East China Sea and some of them circled around said gas field in September 2005; a Chinese Song-class submarine surfaced in the vicinity of the U.S. aircraft carrier Kitty Hawk in international waters reportedly near Okinawa in October 2006. The foreign submarine’s approach to a U.S. aircraft carrier is a noteworthy military incident.

⁴⁰ “Haijing” of the Ministry of Public Security, “Haijian” of the State Oceanic Administration of the Ministry of Land and Resources, “Yuzheng” of the Bureau of Fisheries at the Ministry of Agriculture and “Haixun” of the Maritime Safety Administration of the Ministry of Transport and the maritime anti-smuggling force of the General Administration of Customs, all of which were under the State Council, had been conducting surveillance and other activities. In March 2013, China decided that it would reorganize the four agencies, excluding “Haixun,” as the new State Oceanic Administration and that the new organization would carry out surveillance and other activities under the name of “Zhongguo Haijing” under the guidance. It is believed that the State Committee of Border and Coastal Defense, under the guidance of the State Council and the Central Military Commission, is coordinating maritime activities by these maritime law-enforcement agencies and the Navy. In October 2010, it is reported that China has formulated plans to build 30 law enforcement ships within the next five years in order to improve its law enforcement capacity to protect Chinese maritime interests.

⁴¹ Concerning the PLA, there is a view that believes that by turning exception into normality through uniform peacetime and wartime force deployment and exceeding traditional activity spaces, they intend to desensitize the alertness of others and make the international society tolerate and accept changes in the situation. (Taiwan’s 2009 National Defense Report).

⁴² On March 7, 2011, a Chinese Z-9 helicopter believed to belong to the SOA flew as close as approximately 70m and as low as approximately 40m above the water around the Japanese destroyer Samidare, which was patrolling the waters in the central area of the East China Sea. On March 26, a Z-9 helicopter flew again as close as approximately 90m and as low as approximately 60m above the water around the destroyer Isoyuki. Furthermore on April 1, a Y-12 aircraft which was believed to belong to the SOA flew as close as approximately 90m and as low as approximately 60m above the water around Isoyuki. On April 12, 2012, a Y-12 aircraft, which was believed to belong to the SOA, flew as close as approximately 50m and as low as approximately 50m above the water around the destroyer Asayuki.

⁴³ In February 2012, a survey vessel of the Japan Coast Guard conducting a marine survey in Japan’s exclusive economic zone was demanded to stop the activity by two “Haijian” ships that belong to the SOA. Similar incidents occurred in May and September 2010.

⁴⁴ For instance, China’s National Defense in 2010 defines safeguarding of national maritime rights and interests as one of the major goals and tasks of China’s national defense policy, and notes that China practices an administration system of sharing responsibilities between the military and the maritime law-enforcement agencies, including the State Oceanic Administration, in border and coastal defense.

⁴⁵ The “Annual Report to Congress: Military and Security Developments Involving the People’s Republic of China” (May 2013) of the U.S. Department of Defense points out China continues investment in various weapons which appear designed to enable anti-access/area-denial (A2/AD) missions. For definition of A2/AD, see footnote 8 of Section 1, Chapter 1.

⁴⁶ In September 2010, China unilaterally announced postponement of the negotiation to conclude an international agreement with Japan on resource development in the East China Sea. While the

negotiation has not been resumed yet, the possibility is pointed out that China has started developing the Shirakaba oil-gas field (Chunxiao in Chinese), and that it also has started production in the Kashi gas field (Tianwaitian in Chinese). Meanwhile, China's State Oceanic Administration announced that the "Haiyangshiyou 981," an oil-drilling rig, succeeded in its first drilling in the South China Sea in May 2012.

⁴⁷ It is reported that China is constructing a large-scale naval base that has underground tunnels for nuclear-powered submarines in the city of Sanya located in the southern tip of Hainan island. Experts point out that the base is in a strategically important location that secures access to the South China Sea, as well as the western Pacific, and that China is advancing construction work in order for the base to play a role as a major hub of the South Sea Fleet, where aircraft carriers will be deployed.

⁴⁸ It is pointed out that, in recent years, China aims to limit military activities of other countries in coastal areas of China's exclusive economic zones by employing its own interpretations of the United Nations Convention on the Law of the Sea (UNCLOS). For instance, the Chinese Government announced in a statement by the Ministry of Foreign Affairs on November 26, 2010, that it is opposed to unsanctioned military activities by any country in coastal areas of China's exclusive economic zones.

⁴⁹ The U.S. Defense Department's Annual Report to Congress: Military and Security Developments Involving the People's Republic of China released in August 2011 notes about China's defense industry that the shipbuilding and defense electronics sectors have witnessed the greatest progress, coupled with technological development in the sectors of missile and space systems. In contrast, the sectors of guidance and control systems and engines and advanced applications and software have experienced slower progress, and China still heavily depends on foreign enterprises for technologies in these sectors.

3 Relations with Other Countries

1 General Situation

In its relationships with other countries, China proactively develops military exchanges including reciprocal visits by senior military officials and joint military exercises. In recent years, China has been engaged in vigorous military exchanges not only with major powers such as the United States and Russia and with its neighboring countries including Southeast Asian countries, but also with countries in Africa and Latin America. China is believed to regard military exchanges as a strategic means to safeguard its national interests, and as such to position military exchanges as an element in China's overall diplomatic strategy¹. The objectives of China's promotion of military exchanges include alleviating concerns regarding China by strengthening its relations with other countries, creating a favorable security environment, enhancing China's influence in the international community, securing natural resources and energy, and building foreign bases.

2 Relations with Taiwan

China holds the principle that Taiwan is a part of China, and that the Taiwan issue is therefore a domestic issue. The country maintains that the "one-China" principle is the underlying premise and foundation for discussions between China and Taiwan. China also claims that it would never abandon its efforts for peaceful unification, and expresses that it will take up policies and measures to solve issues of Taiwanese people's interest and to protect their due authority, while it has repeatedly stated that it has not renounced the use of force from the standpoint of strong opposition to any intervention in the unification of China by foreign powers as well as any move toward independence of Taiwan. The Anti-Secession Law, enacted in March 2005, clearly lays out the non-renunciation of the use of military force by China².

Ma Ying-jeou, who was re-elected in the presidential election in January 2012, continues to advocate a policy of pursuing Taiwanese economic development through expanding economic exchanges with China and the status quo rather than independence in his second term. As exemplified by the coming into force of the Economic Cooperation Framework Agreement (ECFA), relations between the two sides are moving forward mainly around the realm of economy. On the security front, while China made appeals for China and Taiwan to make contact and hold exchanges over military issues at an appropriate time in order to explore the creation of mechanisms for building mutual trust over military security, Taiwan has shown a cautious stance stating that the conditions are not yet met³. Regarding the Senkaku Islands, China and Taiwan have made their own assertion⁴ but Taiwan has expressed a negative attitude toward cooperation with China. Attention will be paid to trends in the future relations between China and Taiwan including trends of political dialogues including military affairs.

3 Relations with the United States

There are various outstanding issues between the United States and China, such as human rights in China, the Taiwan issue, and trade issues. However, since a stable U.S.–China relationship is essential for China in developing its economy, it is believed that China will continue to desire to maintain its stable relation with the United States.

The United States expresses that it welcomes a China that takes on a responsible leadership role with the international community in such issues as recovery of the world economy, climate change, and proliferation of WMDs. The United States proclaims that it will monitor the Chinese military's modernization, recognizes that the two nations do not agree on every single issue, and makes it clear that the United States will be candid on human rights and other issues. It also states that disagreement between the two should not prevent cooperation on issues of mutual interest⁵.

The Chinese side stated that China and the United States would work together to build a positive, cooperative, and comprehensive relationship in the twenty-first century. Thus, China shows its stance of emphasizing stable development of U.S.–China relations through pragmatic cooperation over an extensive array of fields.

Regarding the Senkaku Islands, the United States reiterated that the Japan-U.S. Security Treaty applies to the islands. China reacted to the U.S. stance by stating that any language or behavior to put the islands in the scope of the treaty was not acceptable (statement of a spokesperson of China's Ministry of Foreign Affairs in 2010).

Military exchanges have also developed between China and the United States. They have been conducting various policy dialogues. China has dispatched observers to U.S. military exercises, and joint drills have been conducted between the Chinese and U.S. navies on mutual port visits. A military hotline between the defense departments of the two countries was set up in April 2008. In September 2012, then Secretary of Defense Panetta announced that the United States would invite China to the 2014 Rim of the Pacific Exercise (RIMPAC.) But while China wants to develop relations between the Chinese and U.S. militaries, it asserts that there are a number of issues that must be resolved in order to realize sound development in the relations. The issues include U.S. arms sales to Taiwan, activities of U.S. military vessels and aircraft within China's exclusive economic zones, legal hurdles in mutual military exchanges, and a lack of strategic trust in China on the part of the United States⁶. Some unstable facets have been observed in military exchanges of the two countries. For example, China notified suspensions of the major military exchanges with the United States when the U.S. Department of Defense notified Congress of possible arms sales to Taiwan in October 2008 and January 2010⁷. On the other hand, the United States maintains that China's military development, lack of transparency, and other issues raise questions about its future conduct and intentions. It asserts that U.S.–China relations must be undergirded by a process of enhancing confidence and reducing mistrust⁸. For this reason, with regard to military exchanges, it is believed that the aim of the United States is to improve the current situation, wherein such exchanges are frequently suspended once problems arise, and to build relations that are capable of maintaining more

stable channels for mutual understanding. In recent years, for instance, Strategic Security Dialogues have been established (May 2011) in U.S.-China Strategic and Economic Dialogues.

4 Relations with Russia

Since the China–Soviet confrontation ended in 1989, both countries have placed importance on their bilateral relationship. The deepening of the “strategic partnership” between China and Russia, which was established in the mid-1990s, has been emphasized. In 2001, the China–Russia Treaty of Good-Neighborliness and Friendly Cooperation⁹ was concluded. Subsequently, in 2004, the long-standing issue of border demarcation between the two countries came to a settlement. The two countries share an idea that they will promote multipolarization of the world and establishment of a new international order. In addition, economic motives including natural resource/energy supply have been driving the good relationship between them in recent years.

On the military front, since the 1990s, China has purchased modern weapons from Russia, including fighter aircraft, destroyers, and submarines. Russia is currently the largest supplier of weapons to China. However, some point out that their trade amounts have been on the decline in recent years due to the advancement of indigenous weapon production in China. It is also pointed out that Russia, which shares a land border with China, has a policy of not supplying sophisticated weapons to China that would cause a threat to Russia and that Russia has a concern about competition with China in arms exports.

China–Russia military exchanges include regular visits by high-ranking army officials and joint military exercises¹⁰. It is believed that through these exchanges the two countries can deepen mutual understanding and build confidence between their military forces and show their presence as a pole in the multipolarizing world, and China can learn operational methods of Russian weapons and military operational doctrines.

5 Relations with North Korea

North Korea and China have a “traditional friendship,” and North Korea seems to rely heavily on China for a great portion of food assistance and energy supply. Accordingly, China is believed to have a stronger influence on North Korea than other countries and the international community expects that China will play an active role in resolving the nuclear issue. On the other hand, China was cautious in adopting a tougher stance against North Korea regarding the sinking of the Cheonan in March 2010 and the artillery firing at Yeonpyeong Island in November 2010. In addition, when the Chairman of the National Defense Commission Kim Jong-Il died in December 2011, China promptly declared its support for the new regime led by Kim Jong-un. Such an attitude of China stems from its increasing concerns for possible destabilization on the Korean Peninsula. Even after Xi Jinping was elected to the post of General Secretary of the Chinese Communist Party in November 2012, North Korea launched a missile which it called a “Satellite” in December of the same year and implemented a nuclear test in February 2013. What

approach the Xi Jinping administration will take to North Korea will be the focus of attention¹¹.

6 Relations with the Other Countries

(1) Relations with Southeast Asian Countries

As for its relations with countries in Southeast Asia, China has been continuously developing bilateral relations with all the countries in the region through active mutual top-level visits and other means. In particular, China has had good relations with Myanmar and has assisted in developing Myanmar's infrastructure such as pipelines for petroleum or natural gas, ports, and railroads. It also has supplied key military equipment. Some pundits point out that this close relationship is associated with Myanmar's location which provides China the shortest access to the Indian Ocean¹².

China is also actively involved in multilateral frameworks such as ASEAN Plus One (China), ASEAN Plus Three, and the ASEAN Regional Forum (ARF). While China has been deepening its economic and cultural cooperation with ASEAN countries through diplomatic forums, more recently, it has been proactively advancing cooperation in the area of national security by enhancing exchanges of military personnel such as mutual visits of their high-ranking military officers and exchanges and cooperation between military departments.

(2) Relations with Central Asian Countries

The Xinjiang Uyghur Autonomous Region, located in the western part of China, is situated next to Central Asia. It shares borders with the three countries of Kazakhstan, Kyrgyzstan, and Tajikistan, and has ethnic minorities settled in the areas straddling borders. Naturally, the region hosts lively exchanges between the people of those countries. Therefore, China is greatly concerned about the political stability and security situations in Central Asian states such as terrorism by Islamic extremists. Chinese engagement in the Shanghai Cooperation Organization (SCO), which was established in June 2001, is viewed as an indication of China's concerns in such areas. Moreover, China is also strongly interested in the energy and natural resources of Central Asia with a view to diversification of its supply source and procurement methods of these resources and is promoting cooperation in the energy field with Central Asian countries, such as the construction of oil and natural gas pipelines between China and Central Asian nations.

(3) Relations with South Asian Countries

While China has been at odds with India due to such issues as border conflicts, it has traditionally maintained an extremely close relationship with Pakistan, which has been at odds with India as well. It is believed that, as illustrated by the joint development of the JF-17 fighter, their cooperation in the military sector including exporting weapons¹³ and military technology transfer is also advancing. As the importance of the sea lanes is increasing for the globalizing Chinese economy, it is believed that the importance of Pakistan that faces the Indian Ocean is increasing for China. On the other hand, in recent years, China has been committed to improving its relationship with India while also paying consideration

to maintaining balance with Pakistan. Actively conducting mutual visits by top leaders with India, China states that its relations with India are strategic and that the issue of border demarcation between the two countries, which once culminated in military clashes, is progressing. It is believed that the development of relations with India can be attributed to their intent to place importance on economic growth as well as their responses to progressing U.S.–India relations. Regarding military exchanges, China has conducted a variety of joint exercises with Pakistan and India since 2003 including joint naval search and rescue exercises.

(4) Relations with EU Countries

For China, the European Union (EU) countries are now as important a partner as Japan and the United States, especially in the economic field. China, through diplomatic opportunities, strongly requests EU countries to lift their arms embargoes against China which have been imposed since the Tiananmen Square incident in 1989¹⁴.

Regarding information technology, avionics, and air-independent propulsion systems for submarines and other areas, EU member countries possess more advanced technologies than those of China or Russia which exports weapons to China. Therefore, if the EU arms embargo on China were lifted, it is possible that the weapons and military technologies of EU countries would transfer to China, and that they would be utilized as a bargaining chip to gain the edge in weapons transactions with Russia. For this reason, Japan has expressed to the EU its objection to lifting the arms embargo on China. However, because the EU is asking China for financial support to handle the European government debt crisis, some see that China may accelerate its move to call for a lift of the arms embargo on this occasion. It is necessary to pay continuous attention to future discussions within the EU.

(5) Relations with Middle East, African Countries, Pacific Islands, and Central and South American Countries

China has been enhancing its relations with Middle-Eastern and African nations with a focus on its economic relations by actively assisting in their infrastructure development and investing in their resource and energy development and has been further expanding its influence in the region. In recent years, not only interactions among top levels of states and high-ranking military officials but also arms exports and exchanges between military forces are actively conducted. Behind these moves, some see China's intention to ensure stable supply of energy and natural resources and also to secure its overseas bases in the future.

China's relations with the Pacific islands are also on the rise. It has been implementing the development of oil, natural gas, and cobalt mines in Papua New Guinea and has signed an agreement on military cooperation with the country. Vigorous and continual economic assistance has also been implemented towards other islands. Furthermore, China tries to engage in military exchanges with Fiji and Tonga.

Chinese military officials visit countries including Argentina and Brazil on a regular basis to

enhance its relations with Central and South American countries. China has reportedly been working on improvement of its relations with these countries through such events as the medical services missions by a hospital ship of the Chinese Navy.

7 International Transfer of Weapons

China is expanding provision of weapons such as small arms, tanks, and aircraft to developing countries in Asia, Africa, and other areas. It is reported that the main recipients are Pakistan, Iran, and Bangladesh, while weapons are also being exported to African countries such as Namibia, Egypt, Algeria, and Sudan as well as Central and South American countries including Venezuela and Peru. Some experts claim that China transfers weapons in order to strengthen its strategic relationships with the allies, enhance its influence in the international community, and secure energy and natural resources. It is pointed out that China is supplying weapons to countries that have problems in terms of democracy and human rights, and attention is paid to whether China will improve the transparency of international weapons transfer in response to the concerns of the international community.

¹ China's National Defense in 2010 states that "China develops its military relations with foreign countries in a comprehensive manner, continues to strengthen its practical exchanges and cooperation with the armed forces of other countries, and strives to foster a military security environment featuring mutual trust and benefit."

² The law stipulates that China will be able to protect its national sovereignty and territories through non-peaceful means and other necessary measures in the event that Taiwanese separatist forces bring about Taiwan's separation from China under any pretext or through any means, resulting in a serious situation which may lead to Taiwan's separation from China, or which may bring about a complete elimination of the possibility of peaceful reunification.

³ Regarding China: Discourse of then Chinese President Hu Jintao at the discussion on December 31, 2008, commemorating the 30th anniversary of the announcement of the Message to Compatriots in Taiwan. Regarding Taiwan: "Quadrennial Defense Review" released by the Ministry of National Defense of Taiwan on March 13, 2013.

⁴ Taiwan authority's vessels intruded into Japan's territorial waters around the Senkaku Islands three times in 2012.

⁵ The U.S. National Security Strategy (May 2010). In addition, the Defense Strategic Guidance of January 2012 states "China's emergence as a regional power will have the potential to affect the U.S. economy and our security in a variety of ways" and "the two countries have a strong stake in peace and stability in East Asia and an interest in building a cooperative bilateral relationship."

⁶ Remarks by then Vice Chairman of the Central Military Commission (CMC) Xu Caihou in a conference with then Secretary of Defense Robert Gates (October 2009). Then Deputy Chief of the PLA General Staff Department Ma Xiaotian stated at the 11th round of the U.S.-China Defense Consultative Talks held in December 2010 that U.S. arms sales to Taiwan, U.S. laws that impose restrictions on contacts between the military forces of the two countries, and the frequent military reconnaissance operations conducted by U.S. naval vessels and aircraft in coastal areas of China's exclusive economic zones constituted key obstacles to developing stable military-to-military ties.

⁷ For example, when U.S. Department of Defense notified Congress of possible arms sales to Taiwan in September 2011, China strongly criticized the stance of the United States and postponed the joint exercise off the coast of Somalia and in the Gulf of Aden and others. However, China has still made efforts to stabilize the China-U.S. relationship. The Importance of the relationship between the two countries including their military exchanges has been confirmed on such occasions as then Chinese Vice President Xi Jinping's visit to the U.S. and his meeting with President Obama in February 2012 and then Chinese Defense Minister General Liang Guanglie's visit to the U.S. and his meeting with

- then Secretary of Defense Panetta in May of the same year.
- ⁸ The U.S. Quadrennial Defense Review (QDR; February 2010). In addition, the Defense Strategic Guidance of January 2012 points out that “the growth of China’s military power must be accompanied by greater clarity of its strategic intentions in order to avoid causing friction in the region.”
- ⁹ Regarding the military field, this treaty mentions military confidence building or strengthening of mutual troop reductions in border areas, military cooperation such as military technical cooperation, and holding discussions in the event that there is awareness of any threat to peace.
- ¹⁰ China and Russia conducted their first large-scale joint exercise in the Shandong Peninsula and other areas in China in August 2005. In August 2007, July 2009, September 2010, and June 2012, member states of the SCO conducted joint anti-terrorism exercises. In addition, Russia and China held “Naval Interaction 2012,” a large-scale joint Navy exercise, in the Yellow Sea in April 2012. The SCO aims at cooperation in such areas where the member states share interests as maintenance of peace and stability in the region, joint actions against terrorism, politics, trade, and economy. In addition to the anti-terrorism exercise “Peace Mission,” the SCO is making efforts for stabilization of Central Asia including Afghanistan through such decisions as approving Afghanistan to be a SCO observer country at the SCO summit meeting held in June 2012.
- ¹¹ In addition to chairing the Six-Party Talks that have been held in Beijing since 2003, China agreed to U.N. Security Council Resolution (UNSCR) 1718, which imposed sanctions on North Korea when North Korea implemented the nuclear tests in 2006, UNSCR 1874, which settled additional measures against North Korea in response to the country’s second nuclear test implementation in May 2009, UNSCR 2094, which decided to further tighten sanctions on North Korea in response to its third nuclear test in February 2013 and other resolutions, while demonstrating its consideration to North Korea. On the other hand, North Korea seems to emphasize negotiations with the United States over the nuclear issue, and it is believed that China, which is apprehensive that destabilization of situations in its surrounding countries would lead to repercussions within China, hesitates to employ firm measures. Therefore, there is a view that China’s influence on North Korea is limited.
- ¹² Some see that Myanmar is attempting to end excessive dependency on China in terms of diplomacy.
- ¹³ “Yearbook 2012” of the Stockholm International Peace Research Institute (SIPRI) points out that Pakistan accounts for about 61% of the total Chinese export value of weapons from 2007 to 2011, becoming the largest importer of Chinese weapons.
- ¹⁴ For example, in November 2010 then Chinese President Hu Jintao visited France, where China and France announced a joint statement including the support for lifting the arms embargoes against China. Several EU countries appear to be positive about it.

4 Military Capabilities of Taiwan

Taiwan, under the guidance of building the “hard rock” defense advocated by President Ma Jeou Ying, identifies prevention of war, homeland defense, response to contingencies, deterrence of conflict, and regional stability as the strategic objectives, and takes the military strategy of “resolute defense and credible deterrence.”

Taiwan, for improved expertise of its military personnel and other purposes, aims to transform its armed forces currently consisting of drafted personnel and volunteers into all-volunteer forces, while reducing the total forces from 275,000 to 215,000 personnel by the end of 2014.

At the same time, the Taiwanese armed forces attribute importance to the introduction of advanced technologies and improvement of joint operational capabilities. Additionally, in light of the serious damage that occurred from the typhoon in August 2009, the Taiwanese armed forces identified disaster prevention and relief as one of their major missions¹.

With regard to Taiwan’s military power at present, ground forces include 39 Army brigades and three Navy Marine Corps brigades with a total of approximately 215,000 personnel. In addition, it is believed that the total of approximately 1.65 million reserve personnel of the air, naval, and ground forces would be available in case of war. Regarding naval capabilities, in addition to Kidd-class destroyers which were imported from the United States, Taiwan possesses relatively modern frigates and other vessels. Regarding air capabilities, Taiwan possesses F-16 A/B fighters, Mirage 2000 fighters, Jing Guo fighters, etc.

In view of the fact that the PLA is enhancing its missile, naval, and air forces, the Taiwanese military believes it still needs to modernize its equipment. The U.S. Department of Defense has notified Congress of possible arms sales to Taiwan based on the Taiwan Relations Act¹, but Taiwan also wishes to purchase the F-16C/D fighter aircraft and other arms from the United States. The issue is to be observed. Taiwan is also promoting the independent development of military equipment. The Tien Kung II surface-to-air missiles and Hsiung Feng II anti-ship missiles are deployed and it is believed that the Hsiung Feng IIE cruise missiles are being developed in order to acquire long-range attack capabilities, while the Tien Kung III surface-to-air missiles are being developed in order to ensure the capabilities to deal with ballistic missiles.

The military capabilities of China and Taiwan are generally characterized as follows:

- 1) Regarding ground forces, China possesses an overwhelming number of troops; however, their capability of landing on and invading the island of Taiwan is limited. Nevertheless, China is making efforts to improve its landing and invasion capabilities in recent years, such as building large landing ships.
- 2) Regarding naval and air forces, China, which overwhelms Taiwan in terms of quantity, has also been steadily modernizing its naval and air forces in recent years in terms of quality, where Taiwan had

superiority over China.

3) Regarding missile attack capabilities, China possesses numerous short-range ballistic missiles with a range that covers Taiwan, and Taiwan seems to have few effective countermeasures.

In addition to the sizes of forces and performance and quantity of military equipment, a comparison of military capabilities should take into account various factors such as the objectives and characteristics of envisioned military operations, the operational posture, proficiency in military personnel, and logistics. Nevertheless, as China is rapidly modernizing its military power, the overall military balance between China and Taiwan is shifting in favor of China. Attention should be paid to the modernization of both the Chinese and Taiwanese military capabilities and U.S. weapon sales to Taiwan.

(See Figs. I-1-3-5, I-1-3-6)

¹ Recently, the Department of Defense notified Congress of possible sales to Taiwan of Patriot PAC-3 surface-to-air missiles and AH-64D attack helicopters in October 2008, possible sales of PAC-3 missiles, UH-60 helicopters, Osprey-class mine hunters, and others in January 2010, and possible arms sales including equipment necessary to upgrade F-16A/B fighter aircraft in September 2011.

confrontation on the Korean Peninsula, and proliferation of WMDs and ballistic missiles by North Korea.

Partly because North Korea maintains its extremely closed regime, it is difficult to accurately capture the details and intentions of its behavior. However, it is necessary for Japan to pay utmost attention to them.

2 WMD and Ballistic Missiles

Concerning WMDs, issues of North Korea's nuclear weapons program have been emphasized, as well as its chemical and biological weapons capabilities.

In particular, North Korea's nuclear issue has serious influence on Japan's national security and it is also a critical problem for the entire international community in terms of non-proliferation of WMDs. North Korea declared to have produced nuclear weapons in 2005, and it has repeatedly claimed to be a nuclear state through such means as explicitly stating that it is a nuclear state in its constitution revised in 2012, but North Korea's possession of nuclear weapons has never been accepted internationally. However, North Korea carried out a nuclear test⁵ in February 2013 without regard to the international community calling for restraint. Nuclear tests by North Korea, when considered in conjunction with North Korea's reinforcement of its ballistic missile capability including range extension, which could serve as the means of delivery of WMDs, simply cannot be tolerated as they constitute a serious threat to the security of Japan and do considerable harm to the peace and stability of Northeast Asia and the international community.

As for ballistic missiles, North Korea seems to be conducting R&D for deploying existing ballistic missiles, extending the range, and converting to solid fuel propulsion⁶. Also, it is pointed out that North Korea's proliferation of ballistic missiles continues⁷. The launch of a missile, which it called "Satellite," in December 2012, showed that North Korea has advanced its technologies to extend the range and improve the accuracy of ballistic missiles. We assess that North Korea's ballistic missile development is considered to have entered a new phase. North Korea's ballistic missile issue, coupled with its nuclear issue, in terms of capability improvement and transfer/proliferation, has developed into a more real and imminent problem not only for Northeast Asia but also for the wider international community and such developments are of great concern.

(1) Nuclear Weapons

a. Major developments regarding the Six-Party Talks, etc.

With regard to the issue of North Korea's development of nuclear weapons, six rounds of the Six-Party Talks have been held since August 2003, aimed to take peaceful measures to achieve the verifiable denuclearization of the Korean Peninsula. At the fourth round of the Six-Party Talks in 2005, the Joint Statement was adopted, which focused on the abandonment of "all nuclear weapons and existing nuclear programs" by North Korea. In 2006, the Talks was suspended as North Korea launched seven ballistic missiles and conducted a nuclear test⁸ and the U.N. Security Council adopted Resolutions 1695 and 1718

in response. Later, North Korea returned to the fifth round of the Six-Party Talks and the agreement of the sixth round of the Talks in October 2007 included completion of the disablement of nuclear facilities in Yongbyon and “a complete and correct declaration of all its (North Korea’s) nuclear programs by the end of the year.” However, the implementation of the agreement has not been completed⁹ and the Six-Party Talks has been suspended since December 2008.

In 2009, North Korea again conducted a missile launch and a nuclear test¹⁰. In response, the U.N. Security Council adopted Resolution 1874 in June 2009, imposing additional sanctions on North Korea. Later, meetings of head negotiators of the Six-Party Talks from North and South and U.S.-North Korea high-level talks have been held¹¹, but the Six-Party Talks has not yet resumed. In response to North Korea’s launch of a missile, which it called “Satellite,” in December 2012, the U.N. Security Council adopted Resolution 2087 in January 2013 to expand and strengthen the sanctions of the past resolutions. Since then, North Korea put out statements to the effect that the Six-Party Talks and the Joint Statement of the Six-Party Talks in 2005 would no longer exist and there will be no talks concerning denuclearization in the future.

In response to a nuclear test conducted by North Korea in February 2013, the U.N. Security Council adopted Resolution 2094 that includes the additional and strengthened sanctions against North Korea. Around the same time, in response to the adoption of the resolution and implementation of the U.S.-South Korea combined exercise, North Korea frequently repeated strong statements to nullify the joint declaration on denuclearization of the Korean Peninsula issued in 1992, and to suggest a pre-emptive nuclear attack on the United States and others, for example. North Korea justifies its possession of nuclear weapons claiming that it is necessary for self-defense. In March 2013, it decided a policy to carry out economic construction and building nuclear armed forces simultaneously because with solid nuclear deterrence they will be able to concentrate on economic construction and improvement of people’s living. In April of the same year, North Korea adopted a law “On Consolidating the Position of Nuclear Weapons State for Self-Defense.” This way, it is showing no sign of changing or softening its stance to advance the development of nuclear weapons.

Especially since the nuclear test in February 2013, North Korea has been repeating its insistence on possessing and strengthening nuclear deterrence. On the other hand, some argue that while North Korea assumes that its position as a nuclear power must be approved internationally, its policy regarding its nuclear development is so-called a brinkmanship policy which intentionally heightens tension in order to have an advantage in negotiations with the United States and others, and to receive some sort of reward. Given that the ultimate goal of North Korea is pointed out to be the maintenance of its existing regime, these two goals are not necessarily incompatible.

While it is crucially important for Japan, the United States and the ROK to closely cooperate to resolve the North Korean nuclear problem, roles played by other countries including China and Russia (the other participants in the Six-Party Talks), as well as such international institutions as the United

Nations and the International Atomic Energy Agency (IAEA) are also important.

b. The Current Status of the Nuclear Weapons Program

Details of North Korea's nuclear weapons program are largely unclear, partly because North Korea remains an extremely closed regime. In light of the unclear status of past nuclear developments and implementation of nuclear tests conducted in October 2006, May 2009, and February 2013, the possibility cannot be dismissed that North Korea has already made considerable progress in its nuclear weapons program¹².

With regard to plutonium, a fissile material that can be used for nuclear weapons¹³, North Korea has suggested its production and extraction several times¹⁴. Moreover, in June 2009, North Korea announced that the whole amount of the newly extracted plutonium would be weaponized¹⁵. In April 2013, North Korea announced its policy to readjust and restart all the nuclear facilities in Yongbyon including the nuclear reactor the disablement of which was agreed upon in the sixth round of the Six-Party Talks in October 2007. Because resumption of the operation of the reactor and others may lead to the production and extraction of plutonium by North Korea, such developments are of great concern.

As for highly enriched uranium that can also be used for nuclear weapons, in 2002 the United States announced that North Korea acknowledged the existence of a uranium enrichment program for nuclear weapons. Later in June 2009, North Korea declared the commencement of uranium enrichment. Furthermore, in November 2010, North Korea disclosed its uranium enrichment facility to American nuclear specialists and later announced that it was operating a uranium enrichment plant equipped with thousands of centrifuges. North Korea insists that the enriched uranium is used as fuel for light water reactors, therefore the uranium enrichment program is a peaceful use of nuclear energy. However, a series of North Korean behaviors concerning uranium enrichment indicate that there is the possibility that it is developing nuclear weapons using highly enriched uranium in addition to plutonium¹⁶.

After the adoption of Resolution 2087 by the U.N. Security Council in January 2013, North Korea announced statements suggesting implementation of a nuclear test¹⁷. In response, the international community including Japan urged North Korea not to conduct a nuclear test, but North Korea carried out a test in February 2013¹⁸. It is likely that North Korea has further developed its nuclear weapons program by gathering necessary data through the test.

It is believed that North Korea is making efforts to load a nuclear weapon onto a ballistic missile as part of its nuclear weapons program. In general, miniaturizing a nuclear weapon enough to be loaded on a ballistic missile requires a considerably high degree of technological capacity. However, considering the fact that the United States, the Soviet Union, the United Kingdom, France and China succeeded in acquiring such technology by as early as the 1960s, it is difficult to eliminate the possibility that North Korea, in a relatively short time, achieves miniaturization of nuclear weapons and acquires nuclear warheads¹⁹. It is necessary to remain watchful of all related developments.

(2) Biological and Chemical Weapons

Because North Korea is an extremely closed regime and because most materials, equipment and technology used for manufacturing biological and chemical weapons are for both military and civilian use, facilitating camouflage, details of North Korea's biological and chemical weapons development and arsenals are not clear. However, it is believed that North Korea has a certain level of production base for biological weapons although it ratified the Biological Weapons Convention in 1987. As for chemical weapons, North Korea has not acceded to the Chemical Weapons Convention, and it is estimated that North Korea has several facilities capable of producing chemical agents and has a substantial amount of stock of such agents²⁰.

(3) Ballistic Missiles

North Korea is an extremely closed regime, and details of its ballistic missiles are unknown as is the case with WMDs. It appears, however, that North Korea gives high priority to the development of ballistic missiles out of political and diplomatic considerations and from the viewpoint of earning foreign currency²¹, in addition to enhancing its military capabilities.

a. Scud

It is believed that, since the middle of the 1980s, North Korea has manufactured and deployed Scud B and Scud C²², a variant of Scud B with extended range, and has exported these ballistic missiles to the Middle East and other countries.

b. Nodong

North Korea is also thought to have started its development of longer-range ballistic missiles by the 1990s, including Nodong. It appears that Nodong, which is believed to be already deployed, is a liquid fuel propellant single-stage ballistic missile. It is assessed to have a range of about 1,300 km, and may reach almost throughout Japan.

It is highly probable that Nodong was used in the launch into the Sea of Japan in 1993. A total of six ballistic missiles fired from the Kittaeryong district in the southeastern part of North Korea in July 2006 are believed to be Scud and Nodong²³. In July 2009, North Korea is believed to have launched a total of seven ballistic missiles from the same district, and it is possible that each of them was either Scud or Nodong²⁴.

Though details about Nodong's capability have not been confirmed, as the ballistic missile is believed to be based on the Scud technology, it seems that it does not have the accuracy to carry out strikes on specific target installations.

c. Taepodong-1

Taepodong-1 is assumed to be a two-stage, liquid fuel propellant ballistic missile with a Nodong used as its first stage and a Scud as its second stage. It is estimated to have a range of at least approximately 1,500 km. The ballistic missile launched in 1998 is assessed to be based on Taepodong-1. North Korea is believed to have shifted its focus to the development of a longer range missile, and Taepodong-1 may have been a transitory product for the development of Taepodong-2.

d. Musudan

It is believed that North Korea is currently developing a new type of intermediate-range ballistic missile (IRBM) “Musudan.” It has been pointed out that Musudan is a revamped version of the Russian Submarine-Launched Ballistic Missile (SLBM) SS-N-6 that it acquired in the early 1990s. It will likely be loaded onto a transporter-erector-launcher (TEL), just like its Scud and Nodong counterparts, and then transported. Furthermore, it has been pointed out that the new missile boasts a range of between 2,500 and 4,000 km, meaning that Guam in addition to all parts of Japan could fall within its firing range²⁵.

It is very difficult to verify the intention of North Korea’s military activities because of its closed regime. In addition, it is believed that North Korea has constructed underground military facilities across the country, and the ballistic missiles such as Scud, Nodong and Musudan, would be loaded onto TELs. These make it difficult to detect in advance individual and specific signs of the launch of missiles with TELs, such as the detailed launch sites and timings.

e. Taepodong-2

Taepodong-2 is believed to be a missile with four engines, each of which is developed based on technologies of Nodong, in a cluster in its first stage and the same type of engine in its second stage. Its range is estimated to be approximately 6,000km for the two-stage type while the range of its three-stage variant can be more than approximately 10,000km assuming that the weight of the warhead is not over approximately one ton. A Taepodong-2 is believed to have been launched from the Taepodong district located in the northeastern coastal area in July 2006, and was damaged during flight at an altitude of several kilometers, several tens of seconds after the launch without separating the first stage, and fell near the launch site. In the launch of a missile in April 2009, which it called a “Satellite,” it is thought that North Korea used a Taepodong-2 or a variant of it from the same district again. It is estimated that the missile crossed over Japan, and flew more than 3,000 km before falling in the Pacific Ocean. In April 2012, North Korea conducted a launch believed to be using a Taepodong-2 or its variant from the Tongch’ang-ri district on the northwestern coast of North Korea, which it called a “Satellite.” The missile flew over a minute and then fell into the Yellow Sea broken to several pieces. The launch is believed to be a failure²⁶.

In December of the same year, North Korea again conducted a launch using a Taepodong-2 variant, which it called a “Satellite” launch, from the Tongch’ang-ri district. In this launch, all falling objects are estimated to have impacted in the danger areas set beforehand by North Korea, while an object including the possible third stage propelling device is estimated to have continued flight while changing its trajectory and put an object into orbit around the earth²⁷. The launch showed that North Korea has developed technologies to extend the range such as those to separate multi-stage propulsion devices and technologies to improve the accuracy of ballistic missiles such as those to control posture and guidance. As for the technology to extend the range, in particular, it is believed to have advanced significantly because North Korea could develop long-range ballistic missiles that could reach the midland and the

west of the U.S. homeland based on the technologies verified through the launches this time and in the past, though it has not yet been clear about some of the related technologies.

As North Korea is insisting on continuing to “launch satellites” while developing and launching more capable space launch vehicles, it is likely to further advance the development of long-range ballistic missiles by repeating similar launches, which it calls “satellite launches,” for further technical testing toward practical use of long-range ballistic missiles²⁸.

At present, North Korea appears to be developing not only the ballistic missiles mentioned above but also a solid fuel propellant short-range ballistic missile Toksa, with its range estimated to be approximately 120 km²⁹. In addition, there is a possibility that a new missile that appeared in the military parade in April 2012 is a long-range ballistic missile³⁰. Close attention is required in regard to North Korea’s potential efforts to improve existing ballistic missiles, including an attempt to extend their ranges.

As the background of North Korea’s rapid strides in the development of its ballistic missiles with only a few test launches, it is assumed that North Korea imported various materials and technologies from outside. It is also pointed out that North Korea transfers and proliferates ballistic missile airframes or related technologies, and that it promotes the further development of missiles using funds procured by such transfer and proliferation³¹. It is also pointed out that North Korea is conducting tests at transfer destinations and using the results. Moreover, because a test launch of a long-range ballistic missile would contribute to extending the range of other shorter-range missiles, increasing the warhead weight and improving the circular error probability (CEP), the launch of long-range ballistic missiles such as Taepodong-2 may lead to the improvement of the performance of Nodong and other ballistic missiles possessed by North Korea.

In light of this, it is necessary to remain alert to North Korea’s ballistic missiles, particularly in terms of transfer and proliferation, in addition to their development and deployment.

(See Figs. I-1-2-2, I-1-2-3)

3 Military Posture

(1) General Situation

North Korea has been building up its military capabilities in accordance with the Four Military Guidelines (extensive training for all the soldiers, modernizing all the armed forces, arming the entire population, and fortifying the entire country)³².

North Korea’s armed forces are comprised mainly of ground forces, with a total troop strength of roughly 1.2 million. North Korea’s military forces are believed to have been maintaining and enhancing their capabilities and operational readiness, but most of its equipment is outdated.

Meanwhile, North Korea has large-scale special operations forces that can conduct various operations ranging from intelligence gathering and sabotage to guerrilla warfare. These forces are believed to reach approximately 100,000 personnel³³. Moreover, North Korea seems to have many

underground military-related installations across its territory.

(2) Military Capabilities

The North Korean Army comprises about one million personnel, and roughly two-thirds of them are believed to be deployed along the DMZ. The main body of the army is infantry, but the army also maintains armored forces including at least 3,500 tanks and artillery. North Korea is believed to regularly deploy long-range artillery along the DMZ, such as 240 mm multiple launch rockets and 170 mm self-propelled guns, which can reach cities and bases in the northern part of the ROK including the capital city of Seoul.

The Navy has about 650 ships with a total displacement of approximately 103,000 tons and is chiefly comprised of small naval vessels such as high-speed missile craft. Also, it has about 20 Romeo class submarines, about 70 midget submarines, and about 140 air cushioned landing craft, the latter two of which are believed to be used for infiltration and transportation of the special operation forces.

The Air Force has approximately 600 combat aircraft, most of which are out-of-date models made in China or the former Soviet Union, but some fourth-generation aircraft such as MiG-29 fighters and Su-25 attack aircraft are also included. North Korea has a large number of outdated An-2 transport aircraft as well, which are believed to be used for transportation of special operation forces.

North Korea's military forces are vigorously conducting various types of training to maintain and enhance their operational readiness. Meanwhile, given the serious food situation, the military forces seem to be engaged in agricultural activities as well.

4 Domestic Affairs

(1) Movement of the Kim Jong-un regime

After the death of Kim Jong-il, Chairman of the National Defense Commission, in 2011, Kim Jong-un has become the de-facto head of the military, party and the "state" by assuming the position of Supreme Commander of the Korean People's Army, First Secretary of the Korea Workers' Party and First Chairman of the National Defense Commission by April 2012. The framework of the Kim Jong-un regime was laid out in a short period of time. Since the transition to the new regime, there have been a number of announcements of party-related meetings and decisions³⁴, which some point out indicates "running the state" under the initiative of the party. On the other hand, his emphasis on the importance of military strength and frequent visits to military organizations may suggest that Kim Jong-un, First Chairman of the National Defense Commission, will continue to place great importance on military strength.

After the transition, there have been many changes in personnel, especially at high levels of the military and the cabinet, which is reported to be aimed at strengthening of the power base of First Chairman Kim Jong-un. Because there is no apparent disruption due to the changes in personnel, and various "national" events and Field Guidance by First Chairman Kim Jong-un are carried out in an orderly manner, it is believed that the new regime is on a track to a certain degree. However, some point

to the concern over social control such as the increasing inequality between the rich and the poor, and the inflow of information from abroad and other factors, which attract attention in terms of stability of the regime.

(2) Economic Conditions

In terms of their economy, North Korea has been facing chronic stagnation and energy and food shortages in recent years due to the vulnerability of its socialist planned economy and shrunken economic cooperation with the former Soviet Union and East European countries following the end of the Cold War. In particular, it seems that North Korea still has to rely on food assistance from foreign countries³⁵.

In response to a host of economic difficulties, North Korea has attempted some limited reform measures and changes in its economic management systems and seems to be implementing economic cooperation projects with other countries³⁶. First Chairman Kim Jong-un's frequent emphasis on the need to improve economic situations suggests that North Korea is still placing importance on the improvement of the economy³⁷. Nonetheless, there is believed to be little possibility for North Korea to undergo any structural reforms that would impact its current leadership system, and thus it faces various challenges before it can fundamentally improve its current economic situation.

5 Relations with Other Countries

(1) Relations with the United States

The United States made it clear that it would make efforts to convince North Korea to abandon its nuclear program in close cooperation with other countries, aiming to resolve the issue through the Six-Party Talks. The United States has consistently clarified its position that it is necessary for North Korea to comply with the Joint Statement of the Six-Party Talks in 2005 and take specific measures to improve North-South relations before resuming the Six-Party Talks.

On the other hand, North Korea has been criticizing the United States claiming that its "hostile policy" toward North Korea and lack of trust between them get in the way of the peace and denuclearization of the Korean Peninsula, and that the conclusion of a U.S.-NK peace agreement is necessary to build relationships of trust³⁸. Thus, there has been a significant gap between the two parties' stances. Since the U.N. Security Council's adoption of Resolution 2087 in January 2013, North Korea, claiming that the "hostile policy" of the United States has entered a dangerous state, argues that denuclearization of the Korean Peninsula is impossible before denuclearization of the world and that there will be no more talks for denuclearization of the Korean Peninsula while leaving room for talks for peace and security of the region. It reacted sharply to the implementation of the U.S.-ROK combined exercise carried out from March to April of the same year and insisted on the change of the U.S. policy with regard to North Korea while repeating hard-line assertions including nullification of the Korean War Armistice Agreement and suggestion of pre-emptive nuclear attack on the United States³⁹.

(2) Relations with the Republic of Korea

Relations between the Republic of Korea (ROK) and North Korea have worsened under the administration of President Lee Myung-bak, as incidents that heightened North-South military tensions occurred, including the sinking of a South Korean patrol vessel⁴⁰ in March 2010 and the shelling incident of Yeonpyeong Island⁴¹ in November of the same year. After the election of Park Geun-hye as ROK president in December 2012, North Korea showed a stance that may be interpreted as positive about North-South talks, including a call for resolving the North-South confrontational state in the “New Year Address” made by First Chairman Kim Jong-un in January 2013. After the U.N. Security Council adopted Resolution 2087 in the same month, however, North Korea has repeated arguments strongly warning against the ROK⁴². Against the U.S.-South Korea combined exercise carried out from March to April of the same year, North Korea has been making even more hard-line arguments including nullification of all agreements concerning North-South non-aggression, and stated that it would take no part in North-South dialogues or improving North-South relations, as long as the ROK engages in acts of hostility against North Korea⁴³.

(3) Relations with China

With regard to the relationship between North Korea and China, the China-North Korea Treaty on Friendship, Cooperation and Mutual Assistance concluded in 1961 is still in force⁴⁴. Currently, China is North Korea’s biggest trade partner and the trade hit a record high in 2012. The percentage of the trade with China in the total trade of North Korea is over 70%. It is pointed out that North Korea’s dependence on China has been increasing year by year. In addition, First Chairman Kim Jong-un had talks with Chinese officials visiting North Korea in August and November 2012. These events among others indicate close relations between China and North Korea in various areas, especially in politics and economy⁴⁵. Concerning North Korea’s nuclear problem, China has repeatedly expressed its support for the denuclearization of the Korean Peninsula and early resumption of the Six-Party Talks. After the nuclear test by North Korea in February 2013, China issued a statement severely condemning the nuclear test, but at the same time China is continuing to call for calm response by relevant countries and suggested to the U.N. Security Council to make a discreet and proper reaction. China has maintained a similar stance to a series of hard-line insistences by North Korea since March of the same year. Director of the Korean People’s Army General Political Bureau Choe Ryong-hae visited China as a special envoy to First Chairman of the National Defense Commission Kim Jong-un in May of the same year and held a conference with General Secretary of the Communist Party of China Xi Jinping. It is necessary to continue monitoring the relationship between North Korea and China.

(4) Relations with Russia

While relations between North Korea and Russia have become less close since the end of the Cold War, they signed the Russia-North Korea Treaty on Neighborly Friendship and Cooperation in 2000⁴⁶. In August 2011, Kim Jong-il, then Chairman of the National Defense Commission, visited Russia and a Russia-North Korea summit was held for the first time in nine years and they agreed on promoting

cooperation in a gas-pipeline project. In September 2012 after the transition to the Kim Jong-un regime, they signed an agreement to write off 90% of the debt owed to Russia by North Korea, which indicates friendly relations between them. However, Russia condemned North Korea for a series of hard-line arguments since March 2013, in particular.

Concerning North Korea's nuclear problem, Russia, along with China, has expressed its support for the denuclearization of the Korean Peninsula and early resumption of the Six-Party Talks. After the nuclear test implemented by North Korea in February 2013, Russia issued a statement condemning the test but at the same time indicated that it is against sanctions that could influence normal trade and economic relations with North Korea.

(5) Relations with the Other Countries

Since 1999, North Korea has made an effort to establish relations with West European countries and others, including the establishment of diplomatic relations with them⁴⁷ and participation in the ARF (ASEAN Regional Forum) ministerial meetings. Meanwhile, it has been reported that North Korea has cooperative relationships with countries such as Iran and Syria in military affairs including arms export and military technology transfer.

¹ North Korea says it will open the door to a “powerful and prosperous nation (Kangseong Daeguk)” in 2012, which is the 100th anniversary of the birth of the late President Kim Il-sung, but recently they are also using the expression “powerful and prosperous country (Kangseong Kukka).”

² Joint editorial of the Korean Workers' Party's newspaper Rodong Shinmun and its journal Workers (June 16, 1999).

³ Until 1994, the late President Kim Il-sung gave a “New Year Address” on January 1st every year. From 1995 after his death to 2012, the Korean Workers' Party's newspaper Rodong Shinmun, the Korean People's Army's newspaper “Korean People's Army” and the Kim Il-sung Socialist Youth League's newspaper “Youth League” jointly published a joint New Year Editorial.

⁴ In addition, in his speech at the Association of the U.S. Army in October 2012, James Thurman, the commander of the U.S. Forces Korea said “the North Koreans possess a significant cyber warfare capability which they continue to improve,” showing his understanding that North Korea is stepping up its efforts to enhance cyber attack capabilities in recent years. Furthermore, in January 2013, the Korean National Police Agency announced their investigation result that a cyber attack on Korean news organizations in June 2012 was from IP addresses used by North Korea. Moreover, in April 2013, the ROK's joint response team of public, private, and military experts released an interim investigation report stating that North Korea was suspected to be involved in cyber attacks against the ROK's news media and financial institutions that broke out in March that year.

⁵ At around 11:59 on February 12, 2013, the Meteorological Agency of Japan observed a seismic wave with its hypocenter in the vicinity of North Korea; as the waveform differed from that of a normal seismic wave, it was thought that it might not be a natural earthquake. On the same day, North Korea announced via the Korean Central News Agency that it had successfully conducted a nuclear test. Accordingly, the government sought to ascertain the facts, with maintaining contacts with the U.S. and the ROK. Taking all of the aforementioned information into consideration, the Japanese government's judgment was that North Korea had conducted a nuclear test.

⁶ Generally, solid fuel propellant missiles are considered to be militarily superior to liquid fuel propellant missiles because they are capable of immediate launches with their propellant stored in airframes, making signs of their launches unlikely to be detected in advance, and they are easy to store and handle.

⁷ Concerning the proliferation of weapons of mass destruction and ballistic missiles by North Korea, the Worldwide Threat Assessment of the United States Director of National Intelligence in March 2013 pointed out that “North Korea's export of ballistic missiles and associated materials to several

- countries, including Iran and Syria, and its assistance to Syria in the construction of a nuclear reactor (destroyed in 2007), illustrate the reach of the North's proliferation activities." Moreover, in the report entitled Military and Security Developments Involving the Democratic People's Republic of Korea 2012, which was published by the U.S. Department of Defense in May 2013, it was pointed out that North Korea uses various techniques to circumvent measures taken by each country on the basis of United Nations Security Council Resolutions, including sending cargo through multiple front companies and intermediaries.
- ⁸ On October 27, 2006, as a result of the independently collected information and its analysis as well as our own careful examination of the U.S. and the ROK analyses, the Japanese government judged that there was an extremely high probability that North Korea had conducted a nuclear test.
- ⁹ In June 2008, North Korea submitted a declaration of its nuclear program. However, as of April 2013 no agreement has been made concerning a specific framework for verification.
- ¹⁰ Given that North Korea announced on May 25, 2009, via the Korean Central News Agency, that it had successfully conducted an underground nuclear test, and in light of the fact that the Meteorological Agency of Japan had detected a seismic wave with a waveform that differed from usual, which could possibly have resulted from a North Korean nuclear test, the government believes that North Korea conducted a nuclear test on that day.
- ¹¹ In February 2012, North Korea announced suspension of the uranium enrichment program at Yongbyon and a moratorium on nuclear tests and long-range missile launches based on the agreement with the United States. However, in response to the North Korea's missile launch, which it called a "Satellite" in April of the same year, the United States announced the suspension of nutritional support that had been stated to be carried out, and the U.N. Security Council issued a presidential statement strongly condemning the launch; then North Korea declared that they were no longer bound to the agreement.
- ¹² The Worldwide Threat Assessment of the United States Director of National Intelligence in January 2012 pointed out that "these tests (in 2006 and 2009) strengthen our assessment that North Korea has produced nuclear weapons."
- ¹³ Plutonium is synthetically produced in a nuclear reactor by irradiating uranium with neutrons, and then extracting it from used nuclear fuel at a reprocessing facility. Plutonium is then used as a basic material for the production of nuclear weapons. Meanwhile, in order to use uranium for nuclear weapons, it is necessary to extract uranium 235 (U235), a highly fissile material, from natural uranium. This process is called enrichment. Generally, a large-scale enrichment facility that combines thousands of centrifuges is used to boost the U235 concentration to nuclear weapon levels (over 90%).
- ¹⁴ In October 2003, North Korea announced that it had completed the reprocessing of 8,000 used fuel rods that contains plutonium and then in May 2005 that it had completed extraction of an additional 8,000 used fuel rods.
- ¹⁵ Then U.S. Forces Korea Commander Walter Sharp testified before the House Armed Services Committee in April 2011 that "we assess North Korea currently holds enough plutonium to make several nuclear weapons." The ROK Defense White Paper 2012 estimates that North Korea has approximately 40kg of plutonium.
- ¹⁶ The Worldwide Threat Assessment of the United States Director of National Intelligence in January 2012 pointed out that "the North's disclosure (of a uranium enrichment facility) supports the United States' longstanding assessment that North Korea has pursued uranium-enrichment capability." Also, the ROK Defense White Paper 2012 notes that, "considering the mention of uranium enrichment by a North Korean Foreign Ministry spokesman in April 2009 and the disclosure of a uranium enrichment facility in November 2010, it is assessed that the North is pursuing a highly enriched uranium (HEU) program."
- ¹⁷ For example, on January 24, 2013, North Korea's National Defense Commission issued a statement that "we do not hide that the various satellites and long-range rockets which will be launched by the DPRK one after another and a nuclear test of higher level which will be carried out by it will target the U.S., the sworn enemy of the Korean people."
- ¹⁸ North Korea announced that it had "succeeded in the third underground nuclear test," "the test was conducted in a safe and perfect way on a high level with the use of a smaller and light A-bomb, unlike the previous ones, yet with great explosive power," and "physically demonstrating the good performance of the DPRK's nuclear deterrence that has become diversified."
- ¹⁹ The Ballistic Missile Defense Review (BMDR) Report released by the U.S. Department of Defense in February 2010 pointed out that "we must assume if there are no major changes in its (North Korea's)

- national security strategy in the next decade, it will be able to mate a nuclear warhead to a proven delivery system.”
- ²⁰ For example, the ROK Defense White Paper 2012 pointed out that North Korea “started to produce chemical weapons in the 1980s and approximately 2,500 to 5,000 tons of various chemical weapons are estimated to remain stored in facilities scattered across the country; the North is also suspected of being able to independently cultivate and produce such biological weapons as anthrax, smallpox, pest, cholera and hemorrhagic fever.” Moreover, the U.S. Department of Defense report Military and Security Developments Involving the Democratic People’s Republic of Korea 2012, which was published in May 2013, pointed out that “North Korea could employ CW (chemical weapons) agents by modifying a variety of conventional munitions, including artillery and ballistic missiles.”
- ²¹ North Korea admitted that it is exporting ballistic missiles to earn foreign currency. (Comment by the Korean Central News Agency (KCNA) on June 16, 1998, and statement made by a North Korean Foreign Ministry spokesman on December 13, 2002).
- ²² The ranges of Scud B and Scud C missiles are estimated to be about 300 km and 500 km, respectively.
- ²³ Of a total of seven ballistic missiles North Korea launched in July 2006, the third one is believed to be a Taepodong-2 fired from the Taepodong district in the northeastern coastal area. Other launches of Scud and Nodong missiles had more practical characteristics, based on the indication that the missiles were launched before dawn, a number of different types of ballistic missiles were launched in succession over a short period of time, launches were carried out using Transporter-Elector-Launchers (TELs,) and ballistic missiles with different ranges were landed within a certain area. This leads to the assumption that North Korea has improved the operational capability of ballistic missiles.
- ²⁴ All seven ballistic missiles launched were assumed to have landed in the military target practice area, for which a navigation warning was issued by the Japan Coast Guard upon notification by North Korea on June 22, 2009.
- ²⁵ In the statement for the House Armed Services Committee in March 2009, General Sharp, then Commander of the U.S. Forces Korea, stated that preparations are currently under way in North Korea to field a new intermediate range ballistic missile capable of striking Okinawa, Guam, and Alaska. Furthermore, the ROK’s Defense White Paper 2012 notes that, “with the operational deployment of Musudan missiles with a range beyond 3,000 km in 2007 North Korea became capable of direct strikes on neighboring countries, including South Korea, Japan and Guam.”
- ²⁶ After the launch, North Korea announced that “the earth observation satellite failed to enter its preset orbit,” admitting the failure of the launch.
- ²⁷ It is not confirmed that the object put into orbit around the earth is performing communication or transmitting/receiving any signal to/from the ground. Therefore, it is not assessed that the object actually functions as an artificial satellite.
- ²⁸ In order to bring its long-range missile to the stage of practical use, North Korea would seek such technologies as those for protecting a payload from high temperature when it reenters the atmosphere from higher altitude with high velocity, those for precision guidance, and those for building underground launch sites and silos, which enhance the survivability of missiles.
- ²⁹ In March 2007, then U.S. Forces Korea Commander Burwell B. Bell testified before the House Armed Services Committee that, “North Korea is developing a new solid propellant short-range ballistic missile. Recently, in March 2006, North Korea successfully test-fired the missile. Once operational, the missile can be deployed more flexibly and rapidly than the existing system and North Korea will be able to launch the missile in a much shorter preparation period.”
- ³⁰ The United States Director of National Intelligence James Clapper testified before the Senate Select Committee on Intelligence in March 2013 that “last April it (North Korea) displayed what appears to be a rogue mobile intercontinental ballistic missile. We believe North Korea has already taken initial steps towards fielding this system, although it remains untested.”
- ³¹ For example, because Nodong has a similarity in shape to Shahab-3 of Iran and Gauri of Pakistan, it is pointed out that Nodong airframes or related technologies may be transferred.
- ³² Four Military Guidelines were adopted at the fifth plenary meeting of the fourth Korean Workers’ Party’s Central Committee in 1962.
- ³³ It had been said that North Korea possessed two types of special operations forces: one under the military forces and the other under the Korean Workers’ Party. However, it has been reported that these organizations were consolidated in 2009 and the Reconnaissance General Bureau was established under the auspices of the armed forces. The existence of the bureau was officially confirmed when Korean Central Broadcasting Station reported General Kim Yong-chol as the Director

of the Reconnaissance General Bureau. Moreover, James Thurman, the Commander of the U.S. Forces Korea, stated “North Korea possesses the world’s largest special operations force of over 60,000” in his speech at the Association of U.S. Army in October 2012. Also, the ROK Defense White Paper 2012 points out “The number of North Korea special force troops is estimated to reach approximately 200,000.”

³⁴ For example, it was reported in February 2013 that an enlarged meeting of the Central Military Commission of the Korean Worker’s Party had been held and First Chairman of the National Defense Commission Kim Jong-un had made an important conclusion speech which served as guidelines for defending the security and sovereignty of North Korea. This was the first time that a meeting of the commission was reported.

³⁵ In November 2012, the United Nations World Food Programme (WFP) and Food and Agriculture Organization of the United Nations (FAO) forecasted North Korea’s production of principal foods to be 5.80 million tons between November 2012 and October 2013, and estimated the necessary imported amount of grains to be approximately 0.507 million tons.

³⁶ For example, North Korea conducted a so-called redenomination (decreasing the denomination of its currency) at the end of 2009. It is pointed out that the redenomination led to economic disorder such as price escalation due to shortfall of supply, etc. increasing social unrest. Regarding relations with other countries, in June 2011, ground-breaking ceremonies were held for China-North Korea joint development projects at the Rason Economic and Trade Zone in the northeastern part of North Korea and the Hwanggumpyong and Wihwado Economic Zones in the northwestern part of North Korea.

³⁷ Since 2012 it has been reported that North Korea has been implementing new economic measures on a trial basis, including independent management of some of its factories and cooperative farms, but the details including the implementation status are unclear.

³⁸ According to Rodong Sinmun on November 12, 2012, for example, North Korea argued that “The Korean Armistice Agreement should be replaced with a peace treaty, to begin with, in order to terminate the hostile relations between the DPRK and the U.S., solve the nuclear issue and, furthermore, achieve peace and stability in the peninsula and Northeast Asia.”

³⁹ There were North Korean assertions in which it listed U.S. military bases in Japan and Japanese cities and insisted that it was capable of blowing up these locations. According to Rodong Sinmun on March 31, 2013, for example, North Korea argued that “It is a matter of course that Yokosuka, Misawa and Okinawa are located within the range of our attacks along with Guam.” “The U.S. mainland is also within that range.” On April 10, 2013, Rodong Sinmun also argued that the entire territory of Japan could not escape from its retaliatory attacks (after the argument, it listed Japanese cities of Tokyo, Osaka, Yokohama, Nagoya, and Kyoto.)

⁴⁰ On March 26, 2010, the ROK’s naval patrol ship “Cheonan” sank near the Northern Limit Line in the Yellow Sea. In May 2010, a joint military-civilian survey group comprising experts from the United States, Australia, the United Kingdom and Sweden released survey results indicating that the ROK naval ship had split and sank as a result of a shock wave and bubble effect created by the underwater blast of a torpedo fired by a small North Korean submarine.

⁴¹ On November 23, 2010, North Korea bombarded Yeonpyeong Island as the South Korean military engaged in firing exercises off the coast of the island facing the Yellow Sea, causing deaths and injuries on the South Korean side including some civilians.

⁴² In January 2013, North Korea’s Committee for the Peaceful Reunification of Korea issued a statement that if the South “takes direct part in the U.N. ‘sanctions,’ the DPRK will take strong physical counter-measures against it.” Furthermore, in February of the same year, the Rodong Sinmun published an article “(if ROK tightens sanctions as a countermeasure against the nuclear test, it) will not be able to avoid deadly retaliation.”

⁴³ In April 2013, North Korea prohibited South Korean nationals from entering the Kaesong Industrial Complex (established in the city of Kaesong, in the southwest of North Korea, close to the military demarcation line with the ROK. Many companies from the ROK operate there, employing North Korean workers), which had begun operating in 2004 as a North-South economic cooperation project; subsequently, it withdrew all North Korean workers and announced that it was temporarily suspending the project. In May 2013, all personnel from the ROK also withdrew from the Complex, and, as of May 2013, there was no prospect of operations there resuming.

⁴⁴ It includes a provision that if either of the signatories (China and North Korea) is attacked and enters into a state of war, the other would immediately provide military and other assistance with all its strength.

- ⁴⁵ Wang Jiarui, director of the International Department of the Central Committee of the Communist Party of China, and Li Jianguo, a member of the Communist Party's Political Bureau of the Central Committee, visited North Korea in August and November 2012, respectively, and talked with First Chairman of the National Defense Commission Kim Jong-un. In August of the same year, Jang Song-thaek, Vice Chairman of North Korea's National Defense Commission, visited China, attended a meeting of the China-North Korea Joint Guidance Committee for the China-North Korea joint development projects at the Rason Economic Trade Zone and the Hwanggumpyong and Wihwado Economic Zones in the western part of North Korea, and talked with then President Hu Jintao.
- ⁴⁶ The previous treaty (Soviet-North Korea Friendship and Mutual Assistance Treaty) had contained the provision that if either of the signatories (Russia and North Korea) is attacked, the other would immediately provide military and other assistance by any means available. This provision, however, was dropped from the new treaty.
- ⁴⁷ For example, the United Kingdom and Germany established diplomatic relations with North Korea in 2000 and 2001, respectively.

2 The Republic of Korea and the U.S. Forces in the ROK

1 General Situation

In the ROK, the administration of Park Geun-hye inaugurated in February 2013 has shown its stance that building mutual trust through talks is most important to improve the North-South relations. In respect of the nuclear issue, the administration states that it will never accept the nuclear development of North Korea and will handle the issue in concert with the international community, while at the same time aiming to execute “the trust-building process on the Korean Peninsula,” namely, to promote economic cooperation if there is an advance in denuclearization of North Korea.” The ROK states that it would make a decisive response to military provocations by North Korea and emphasizes the importance to build a solid posture to deter and address the threat of North Korea.

U.S. forces, mainly the Army, have been stationed in the ROK since the ceasefire of the Korean War. The ROK has established very close security arrangements with the United States primarily based on the U.S.–ROK Mutual Defense Treaty, and the U.S. forces stationed in the ROK have been playing a vital role in deterring the outbreak of large-scale armed conflicts on the Korean Peninsula. The two countries are advancing a shift to a new joint defense system of “the ROK forces leading and the U.S. forces supporting” through a transition of the wartime operational control (OPCON) to the ROK¹. It is necessary to monitor their development.

2 Defense Policies and Defense Reform of the ROK

The ROK has a defensive weakness in that its capital Seoul, where a quarter of the country’s population is concentrated, is situated close to the DMZ. The ROK has set the defense objectives as follows: “defending the nation from external military threats and invasion, upholding the peaceful unification, and contributing to regional stability and world peace.” As one of the “external military threats,” the ROK had once designated North Korea as its “main enemy” in the Defense White Paper, but now the white paper indicates that the ROK’s enemy is the North Korean regime and its military².

In 2005, the ROK Ministry of National Defense announced the “National Defense Reform Basic Plan 2006-2020” for “the restructuring of the military from its current quantitative, conventional form centered on troops to a qualitative, high-tech military force structure that is information and technology-intensive³.” In 2009, in light of the changes such as the missile launches and nuclear test by North Korea, the Defense Reform Basic Plan 2009–2020 was announced in 2009, defining such matters as a narrowing of the initially planned reduction in the force strength and the possibility of preemptive strikes against North Korean nuclear and missile facilities. Meanwhile, in response to the sinking of the ROK patrol ship and the artillery shelling on Yeonpyeong Island in 2010, in August 2012, the ROK Ministry of National Defense released the Defense Reform Basic Plan 2012–2030, incorporating the enhancement of deterrence against North Korea and further streamlining of the military. Now, efforts

toward embodiment of the plan are underway⁴.

3 Trends in Defense Buildup in the ROK

As for the ROK's military capacity, the ground forces consist of 22 army divisions and two marine divisions, totaling 550,000 personnel; the naval forces consist of about 190 vessels with a total displacement of approximately 193,000 tons; and the air forces (Air Force and Navy combined) consist of approximately 620 combat aircraft.

In recent years, the ROK has been focused on modernizing its Navy and Air Force in particular in order to establish a system of omnidirectional military posture to deal with all types of threats, not least threats from North Korea. The Navy has been introducing submarines, large transport ships and domestically built destroyers. In February 2010, the first mobile force in the ROK was created⁵. In April 2012, the Air Force completed the introduction of F-15K fighters which had been implemented since 2002, and plans to promote a next-generation fighter program that includes stealth capabilities.

In October 2012, the ROK announced a revision of its missile guidelines stipulating the range of ballistic missiles it possesses; the revision includes the extension of their maximum range from 300km to 800km to enhance the deterrence against military provocation by North Korea. In addition, the ROK intends to work on expansion of its missile capabilities⁶, construction of systems to execute its missile capabilities⁷, promotion of the construction of a missile-defense system⁸, etc.

In recent years, the ROK is actively promoting equipment export, which reached 2.35 billion dollars in 2012. It is reported that export items have become diverse to include communication electronics and naval vessels.

The FY2012 defense budget (main budget) amounts to approximately 34.3453 trillion won, an increase of approximately 4.2% over the previous fiscal year, marking the 14th consecutive rise since FY2000.

(See Fig. I-1-2-4)

4 U.S.-ROK Alliance/U.S. Forces in the ROK

The United States and the ROK have implemented various efforts to deepen the U.S.-ROK alliance in recent years. At the U.S.-ROK Summit Meeting in June 2009, an agreement was reached on the "Joint Vision for the Alliance of the United States of America and the Republic of Korea" that includes an evolution into "a comprehensive strategic alliance" to expand the scope of the alliance globally beyond the Korean Peninsula and widen the partnership of the two countries to non-military areas. Furthermore, the 42nd Security Consultative Meeting (SCM) in October 2010 announced a joint communiqué incorporating the Guidelines for U.S.-ROK Defense Cooperation to embody the future vision of the U.S.-ROK Alliance, which shows a further strengthening of the bilateral relationship⁹. At the U.S.-ROK summit in May 2013, a joint declaration was released to commemorate the 60th anniversary of the

conclusion of the United States-Republic of Korea Mutual Defense Treaty, in which the two countries affirmed that they would continue to strengthen their alliance, in order to deal with 21st century security challenges.

In addition, the two countries have been working to solve issues such as realignment of the U.S. forces stationed in the ROK and transition of wartime OPCON to the ROK. As for the realignment of the U.S. forces in the ROK, the relocation of U.S. forces Camp Yongsan located in the center of Seoul to the Pyongtek area, south of Seoul, and the relocation of U.S. forces stationed in the northern side of Han Gang to the southern side of the river were agreed upon in 2003. However, it seems that the relocation to the Pyongtek area is delayed¹⁰. For the transition of the wartime OPCON to the ROK¹¹ scheduled on December 1, 2015, the U.S.-ROK Strategic Alliance 2015, which provides the framework for the transition of the wartime OPCON, was signed in October 2010. After the completion of the realignment of the U.S. forces in the ROK and the transition of the wartime OPCON, defense of the ROK will change from “the U.S.-ROK joint defense system” to the new joint defense system of “the ROK forces leading and the U.S. forces supporting,” which could have a significant impact on the nature of the U.S. forces in the ROK.

5 Relations with Other Countries

(1) Relations with China

The ROK has been promoting military exchanges with China, including mutual visits of naval vessels. At the May 2008 summit meeting of the top leaders of the ROK and China, they agreed to upgrade the ROK-China relationship from a “full-scale cooperative partnership” to a “strategic cooperative partnership.” Further, at the ROK-China defense strategic dialogue in July 2012, the two countries exchanged a memorandum on military exchanges and agreed to establish hotlines between the defense authorities of the two countries.

(2) Relations with Russia

Military exchanges have been under way between the ROK and Russia in recent years, including exchanges among high-ranking military officials. The two countries have also agreed on cooperation in the areas of military technology, defense industry and military supplies. At the ROK-Russia Summit in September 2008, they agreed to upgrade the bilateral relations to a “strategic cooperative partnership.” In March 2012, the two countries held the first ROK-Russia defense strategic dialogue and agreed to regularize the dialogue.

(3) Overseas Activities

Since its dispatch of an engineering unit to Somalia in 1993, the ROK has participated in a number of U.N. peacekeeping operations (PKO). In December 2009, the ROK unveiled plans to substantially expand the number of personnel sent overseas on PKO missions from the current level¹². In July 2010, the ROK created the “International Peace Support Force,” a special unit for overseas dispatch.

The ROK has sent troops to Afghanistan for the purpose of protecting Korean members of the Provincial Reconstruction Team (PRT). Further, the ROK has dispatched naval vessels to off the coast of Somalia and in the Gulf of Aden where they have been engaged in the protection of ROK-registered ships and maritime security operations (MSO) of the Combined Maritime Forces (CMF). Since January 2011, the ROK has dispatched a ROK special forces unit for the purpose of supporting the training of the United Arab Emirates (UAE) special forces units, joint exercises, and protecting South Korean citizens in emergency situations¹³. Further, in September 2012, the ROK decided on the dispatch of troops to the United Nations Mission in the Republic of South Sudan (UNMISS) with the approval of the Diet and has dispatched its troops mainly consisting of engineering units to South Sudan since March 2013.

¹ The United States and the ROK have been operating the U.S.–ROK Combined Forces Command since 1978 in order to run the U.S.–ROK combined defense system to deter wars on the Korean Peninsula and to perform effective combined operations in case of emergency. Under the U.S.–ROK combined defense system, the operational control authority over the ROK forces is to be exercised by Chairman of the Korea Joint Chiefs of Staff in peacetime and by Commander of the U.S. Forces Korea, who also serves as Commander of the Combined Forces Command, in wartime.

² The ROK Defense White Paper 2012 described North Korea as follows: “The North has posed serious threats to the South’s security with its large-scale conventional military forces, development and enhancement of WMDs, including nuclear weapons and missiles, and constant armed provocations as shown by the attack on the ROK ship Cheonan and the artillery firing at Yeonpyeong Island. As long as such threats continue, the main agents of the provocative acts, which are the North Korean regime and its military, will remain enemies of the South.”

³ An act on national defense passed in 2006 obligates revision and supplementation of the National Defense Reform Basic Plan based on the analysis and assessment of the changes in conditions and the performance of national defense reform.

⁴ In order to change the ROK armed forces to the structure tailored to the operational environment of the Korean Peninsula, the ROK Ministry of National Defense intends to greatly enhance its operational capability in the northwestern offshore island region, reorganize the upper command structure in preparation for the transition of the wartime OPCON, gradually promote troop reduction and reorganization, and greatly expand capabilities to handle missile and cyber warfare. Moreover, in order to build a highly efficient and advanced defense structure, it will promote streamlining, reorganize the human resource management system, and improve the military’s welfare and service environment.

⁵ The primary missions of the Seventh Mobile Corps, which is the first mobile force established in the ROK, are described as the protection of sea lanes, deterrence against North Korea and support for the government’s external policies.

⁶ In April 2012, the ROK Ministry of National Defense announced that the country has developed and already fielded missiles that include cruise missiles able to strike throughout North Korea. In February 2013, the ministry indicated that it would accelerate the development of 800km-range ballistic missiles, possession of which was made possible by the revision of the missile guidelines in October 2012, and announced that it has fielded cruise missiles to be launched from vessels or submarines and capable of attacking the entire area of North Korea.

⁷ The ROK Ministry of National Defense calls the system “Kill Chain” and explains that it is a system capable of detecting and identifying signs of missile launch, determining attack, and actual attacking in a moment.

⁸ In December 2006, the ROK indicated promotion of its own missile defense system (Korea Air Missile Defense: KAMD). It is reported that the ROK is advancing the construction of the system to be completed by around 2015. Meanwhile, the ROK Ministry of National Defense denies the participation in the U.S. missile defense system and stresses that it would build its own system, reportedly because the United States and the ROK understand threats differently.

⁹ In addition to these, the U.S.-ROK Foreign and Defense Ministers’ Meetings were held in July 2010

and June 2012, respectively. At the meeting in June 2012, the two countries agreed to pursue measures for strengthening the defense posture against the missile threat by North Korea and to establish a dialogue mechanism on cyber issues.

- ¹⁰ The United States is advancing the realignment of its forces stationed in the ROK in line with the June 2003 agreement to relocate its forces to the southern side of Han Gang in two stages and the October 2004 agreement to cut the number of its forces stationed in the ROK by 12,500 from approximately 37,500. However, the two countries agreed at the summit meeting in April 2008 to maintain the current strength of 28,500 as the appropriate level.
- ¹¹ In 2007, the U.S. and the ROK agreed to dismantle the U.S.-ROK Combined Forces Command and complete the transition of the wartime OPCON in April 2012. Later in June 2010, however, agreement was made to postpone the transition to December 1, 2015. As reasons for the postponement of the transfer, the Republic of Korea's Ministry of National Defense mentioned several factors, such as: 1) the change of the security environment on the Korean Peninsula, including an increase in military threats from North Korea; 2) a time of leadership change in and around the Korean Peninsula, including the presidential election of the Republic of Korea; and 3) public demand, noting the necessity to adjust the period of the transfer, and the reflection of financial conditions necessary to fulfill future military capabilities.
- ¹² The ROK intends to further improve the legal and institutional foundations for the ROK armed forces to expand their participation in PKO activities. In December 2009, an act concerning the participation in U.N. peacekeeping operations was enacted.
- ¹³ The ROK obtained a contract for construction of a nuclear power plant from the UAE in December 2009 and a groundbreaking ceremony for the nuclear plant was held in the UAE in the presence of then President Lee Myung-bak in March 2011.

The defense strategic guidance indicates that the global security environment presents an increasingly complex set of challenges (e.g. the threat of violent extremists, the proliferation of weapons of mass destruction (WMD), infringement on the global commons—sea, air, space, and cyberspace) and opportunities (e.g. development of the Asia-Pacific region, the Arab Awakening in the Middle East) to which all elements of U.S. national power must be applied.

As for the Asia-Pacific region, in particular, the guidance indicates that because U.S. economic and security interests are inextricably linked to developments in the arc extending from the Western Pacific and East Asia into the Indian Ocean region and South Asia, the U.S. will rebalance toward the Asia-Pacific region, and emphasize its existing alliances in the region and expand its networks of cooperation with partners.

In respect to China's emergence as a regional power, it states that it will have the potential to affect the U.S. economy and our security in a long term and that the two countries have a strong stake in peace and stability in East Asia and an interest in building a cooperative bilateral relationship. On the other hand, it also points out that the growth of China's military power must be accompanied by greater clarity of its strategic intentions in order to avoid causing friction in the region. Then it states that the United States will continue to make the necessary investments to ensure that we maintain regional access and the ability to operate freely in keeping with our treaty obligations and with international law and that, working closely with our network of allies and partners, the U.S. will continue to promote a rules-based international order that ensures underlying stability and encourages the peaceful rise of new powers, economic dynamism, and constructive defense co-operation.

Concerning the Middle East, after stating the particular concern about the diffusion of ballistic missiles and weapons of mass destruction, it states that U.S. policy will strengthen Gulf security, in collaboration with Gulf Cooperation Council (GCC)⁵ countries when appropriate, to prevent Iran's development of a nuclear weapon capability and others.

Regarding Europe, it states that the drawdown in Iraq and Afghanistan has created a strategic opportunity to rebalance the U.S. military investment in Europe, moving from a focus on current conflicts toward a focus on future capabilities. In keeping with this evolving strategic landscape, the U.S. forces' posture in Europe must also evolve⁶.

For other regions, the guidance indicates that the U.S. will build new partnerships for sharing the costs and responsibilities of global leadership with a growing number of nations - including those in Africa and Latin America – who share interests and viewpoints with the United States; and that, whenever possible, the United States will develop innovative, low-cost, and small-footprint approaches to achieve our security objectives, relying on exercises, rotational presence, and advisory capabilities.

(2) Priorities for Capability Development

The defense strategic guidance states that the U.S. forces will need to maintain and enhance their capabilities to succeed in the following primary missions, which will largely determine the shape of the

future Joint Force, and that the overall capacity of the U.S. forces, however, will be based on requirements that the missions (i), (ii), (vi) and (vii) present below:

(i) Counter Terrorism and Irregular Warfare: U.S. military forces must continue the efforts to defeat Al-Qaeda and prevent Afghanistan from ever being a safe haven again.

(ii) Deter and Defeat Aggression: The United States envisages forces that are able to fully deny a capable state's aggressive objectives in one region by conducting a combined arms campaign across all domains --land, air, maritime, space, and cyberspace. Even when U.S. forces are committed to a large-scale operation in one region, they will be capable of denying the objectives of, or imposing unacceptable costs on, an opportunistic aggressor in a second region⁷.

(iii) Project Power Despite Anti-Access/Area Denial (A2/AD)⁸ Challenges: States such as China and Iran will continue to pursue asymmetric means to counter the United States' power projection capabilities, while the proliferation of sophisticated weapons and technology will extend to non-state actors as well. Accordingly, the U.S. military will invest as required to ensure its ability to operate effectively in A2/AD environments⁹.

(iv) Counter Weapons of Mass Destruction: U.S. forces conduct a range of activities aimed at preventing the proliferation and use of nuclear, biological, and chemical weapons. In partnership with other elements of the U.S. Government, the Department of Defense (DoD) will continue to invest in capabilities to detect, protect against, and respond to WMD use, should preventive measures fail.

(v) Operate Effectively in Cyberspace and Space: The DoD will continue to work with domestic and international partners and invest in advanced capabilities to defend its networks, operational capability, and resiliency in cyberspace and space.

(vi) Maintain a Safe, Secure, and Effective Nuclear Deterrent: As long as nuclear weapons remain in existence, the U.S. will maintain an arsenal. It is possible that our deterrence goals can be achieved with a smaller nuclear force.

(vii) Defend the Homeland and Provide Support to Civil Authorities: U.S. forces will continue to defend U.S. territory from direct attack. They will also come to the assistance of domestic civil authorities in the event such defense fails or in case of natural disasters.

(viii) Provide a Stabilizing Presence: U.S. forces will conduct a sustainable pace of presence operations abroad, including rotational deployments and bilateral and multilateral training exercises. However, with reduced resources, thoughtful choices will need to be made regarding the location of deployment and the frequency of multilateral training exercises.

(ix) Conduct Stability and Counterinsurgency Operations: the U.S. will emphasize non-military means and military-to-military cooperation to reduce the demand for significant U.S. force commitments to stability operations. U.S. forces will no longer be sized to conduct large-scale, prolonged stability operations.

(x) Conduct Humanitarian, Disaster Relief, and Other Operations: The DoD will continue to develop joint

doctrine and military response options to prevent and, if necessary, respond to mass atrocities. U.S. forces will also remain capable of conducting non-combatant evacuation operations for American citizens overseas on an emergency basis.

(3) Principles of the Military Posture and Program Reviews

To ensure success in the missions mentioned in (2) above, the Defense Strategic Guidance lists the following principles to guide the U.S. force and program development. DoD will:

- i) make clear distinctions both among the key sizing and shipping missions and between the mission areas and all other areas of the defense program,
- ii) differentiate between those investments that should be made today and those that can be deferred,
- iii) maintain a ready and capable force, even as we reduce our overall capacity,
- iv) continue to reduce the “cost of doing business,”
- v) examine how the new strategy will influence existing plans,
- vi) examine the mix of Active Component and Reserve Component elements best suited to the strategy,
- vii) take extra measures to retain and build on key advancements in networked warfare,
- viii) make every effort to maintain an adequate industrial base and our investment in science and technology in adjusting our strategy and attendant force size.

2 Enhancement of U.S. Forces’ Presence in the Asia-Pacific Region

Based on the policy to emphasize the Asia-Pacific region indicated in the Defense Strategic Guidance, the United States is enhancing its presence in the region. In November 2011, President Obama delivered a speech at the Australian Parliament, clearly stating that he will give top priority to the U.S. presence and mission in the Asia-Pacific region and indicating that the U.S. will enhance its presence in Southeast Asia while maintaining the presence in Japan and the Republic of Korea.

Concrete examples of the enhancement of U.S. forces’ presence in the Asia-Pacific region include enhanced presence of U.S. forces in Australia. In November 2011, President Obama and Australian Prime Minister Gillard jointly announced U.S.-Australia force posture initiatives, which include: (1) the rotational deployment of U.S. marines to Darwin and Northern Australia for around six months at a time where they will conduct exercises and training with the Australian Defence Force¹⁰; and (2) increased rotations of aircraft of the U.S. Air Force through northern Australia, which will offer greater opportunities for combined training and exercises with the Royal Australian Air Force. The joint initiatives are described as part of the efforts to embody the basic concept of the U.S. forces presence in the Asia-Pacific region, which intends to pursue “a more geographically distributed, operationally resilient, and politically sustainable military presence.” Other examples include the rotational deployment of up to four Littoral Combat Ships (LCS)¹¹ to Singapore announced by then Secretary of Defense Gates on June, 2011. In April 2013, LCS Freedom arrived at Singapore and started the first rotation. Also, the United States repeatedly conducted joint military exercises with and provided military technologies and assistance to Southeast Asian countries in an effort to build up trusting relationships and strengthen the

quick reaction capabilities of the countries. Furthermore, then Secretary of Defense Panetta mentioned the plans to change the ratio of vessels in the Pacific and Atlantic from the current 5:5 to 6:4¹² and to expand the number and the scale of joint exercises in the Asia-Pacific region.

The United States has been expressing its stance to emphasize the Asia-Pacific region not only to its allies and partners but also to China. In his speech at the Chinese people's Liberation Army's Engineering Academy of Armored Forces in September 2012, then Secretary of Defense Panetta stated that in order to ensure the peace and stability of the region it was important to build military relationships between the United States and China and invited China to the 2014 Rim of the Pacific Exercise.

3 Nuclear Strategy

While President Obama aims to realize a world without nuclear weapons, he admits that it is impossible to abolish nuclear weapons soon, and indicates the need to maintain a nuclear deterrent as long as nuclear weapons exist.

The Nuclear Posture Review (NPR), which was released in April 2010, indicates that the nuclear security environment is changing and nuclear terrorism and nuclear proliferation are an imminent threat of today. Furthermore, it points to the necessity of working on the issue of ensuring strategic stability with existing nuclear powers, in particular Russia and China.

The NPR presents five key objectives based on awareness of this security environment: (1) preventing nuclear proliferation and nuclear terrorism; (2) reducing the role of U.S. nuclear weapons; (3) maintaining strategic deterrence and stability at reduced nuclear force levels; (4) strengthening regional deterrence and reassuring U.S. allies and partners; and (5) sustaining a safe, secure, and effective nuclear arsenal.

4 Space Policy

The U.S. relies on space-based systems for a great deal of its intelligence gathering and communications. The National Security Space Strategy (NSSS) issued in February 2011 indicates recognition of three trends in both the current and future space environment, namely that: 1) space is increasingly congested with man-made objects such as satellites; 2) space is increasingly contested by potential adversaries; and 3) space is increasingly competitive. Based on this understanding, the national security space objectives of the U.S. are: 1) to strengthen safety, stability, and security in space; 2) to maintain and enhance the strategic national security advantages afforded to the U.S. by space; and 3) to energize the space industrial base that supports the national security of the U.S. In order to attain these goals, a number of strategic approaches have been pursued, namely: 1) to promote responsible, peaceful, and safe use of space; 2) to provide partners with improved U.S. space capabilities; 3) to partner with responsible nations, international organizations, and commercial firms; 4) to prevent and deter aggression against space infrastructure that supports the national security of the U.S.; and 5) to prepare to defeat attacks and to

operate in a degraded environment.

5 FY2014 Budget

As the budget deficit of the U.S. Government is deepening in recent years, the Budget Control Act enacted in August 2011 established a deep cut in government spending by FY2021. In January 2012, the DoD announced that the reduction in defense spending in light of the act will amount to approximately 487 billion dollars in 10 years from FY2012 to FY2021 (approximately 259 billion dollars in five years from FY2013 to FY2017). In March 2013, the mandatory reduction of government spending including defense spending started based on the provisions of the Budget Control Act. The mandatory reduction will continue to FY2021 budget unless the President and Congress agree on a bill to reduce the budget deficit of approximately 1.2 trillion dollars. The mandatory reduction of defense spending based on the act is estimated to rise to approximately 500 billion dollars by FY2021 budget.

In the FY2014 budget request announced in the meantime, President Obama stated to reduce the budget deficit by approximately 1.8 trillion dollars over the next decade, exceeding the amount on which agreement is necessary to lift the mandatory reduction. However, this does not reflect the amount of the mandatory reduction of government spending including defense spending. The DoD base budget increased by 1.2 billion dollars from the level of the FY2013 budget to 526.6 billion dollars in the regular budget; in addition, the budget for overseas contingency operations decreased 9.1 billion dollars by 79.4 billion dollars from the level of FY2013 budget. Key principles of the defense budget are as follows: 1) good stewardship of taxpayers' dollars; 2) implementing and deepening programs in line with the new strategic guidance; 3) people are central; and 4) fund a responsible drawdown in Afghanistan. However, if the President and Congress fail to reach an agreement on a deficit reduction bill and the mandatory reduction should continue, it is pointed out that the amount above will be reduced by approximately 52.0 billion dollars a year. Attention will be paid to future trends in mandatory reduction of government spending including defense spending.

(See Figs. I-1-1-1, I-1-1-2)

¹ The formal title of the document is "Sustaining U.S. Global Leadership: Priorities for 21st Century Defense."

² According to the document published by the DoD concerning the FY2013 budget request that was submitted to Congress in February 2012, "the amount of reduction" here means the difference between the total DoD base budget for 10 years estimated at the time of the FY2012 budget request (submitted to Congress in February 2011) and the total DoD base budget for 10 years estimated at the time of the FY2013 budget request.

³ It has been pointed out that the mandatory cuts in defense expenditure resulting from the Budget Control Act will amount to approximately 500 billion dollars by the time of the budget for the 2021 fiscal year.

⁴ U.S. forces in Iraq completed withdrawal from Iraq on December 18, 2011, and combat forces in Afghanistan are to complete withdrawal by the end of 2014.

⁵ Regional organization established in 1981 for the purpose of coordination, integration, etc. among member states. Its six members are the United Arab Emirates, Bahrain, Saudi Arabia, Oman, Qatar,

- and Kuwait.
- ⁶ Fiscal Year (FY) 2013 budget request of the DoD, which was submitted to Congress in February 2012, indicates that while reducing the U.S. Army's four brigade combat teams in Europe by two¹², the DoD will rotate U.S.-based units to Europe for training and exercises, and maintain the investment in missile defense systems in Europe.
 - ⁷ Following the end of the Cold War, U.S. military forces have been composed based on the idea of "fighting and winning two major regional conflicts." However, the QDR released in 2010 indicates that the current security environment is more complex than when these ideas were adopted, and that it is no longer appropriate for the U.S. to determine its military's force structure based on these ideas as the U.S. must address diverse contingencies. The QDR points out that, while the U.S. must possess the capacity to address two capable nation-state aggressors, it must also have the ability to conduct a wide range of operations
 - ⁸ Anti-Access (A2) is a concept introduced by the United States and refers to capabilities, usually long-range, designed to prevent an opposing force from entering an operational area. Area-Denial (AD) refers to capabilities, usually of shorter range, designed to limit an opposing force's freedom of action within the operational area. Weapons used for A2/AD include ballistic missiles, cruise missiles, anti-satellite weapons, air-defense systems, submarines and mines.
 - ⁹ 2010 QDR indicates that in order to defeat adversaries possessing sophisticated A2/AD capabilities, the U.S. is developing a new joint air-sea battle concept. According to the 2010 QDR, this concept will address how air and naval forces will integrate capabilities across all operational domains. It is said to help guide the development of future capabilities needed for effective power projection operations.
 - ¹⁰ The initial deployment would consist of a company of 250 U.S. marines and aims to eventually establish a rotational presence of up to a 2,500-person Marine Air-Ground Task Force including aircraft, ground vehicles, and artilleries over a few years. From April to September of 2012, about 250 U.S. Marine Corps personnel were deployed to Darwin as the first rotation.
 - ¹¹ Fast and agile war vessels designed to defeat asymmetrical threats with A2 capability in near-shore environments.
 - ¹² It states that 6 out of 10 carriers of the United States will be deployed to the Asia-Pacific region.

2 Military Posture

1 General Situation

In regard to strategic offensive weapons including nuclear weapons, the U.S. is moving ahead with its reduction based on a new Strategic Arms Reduction Treaty that came into force in February 2011. In April 2013, it announced that its current deployed strategic warheads¹ stood at 1,654, while its deployed delivery platforms stood at 792².

The U.S. is studying the concept of a Conventional Prompt Global Strike (CPGS), as an effort contributing to the nation's new ability to reduce reliance on nuclear weapons. The concept consists of utilizing highly precise non-nuclear long-range guided missiles to penetrate the anti-access (A2) capabilities of adversaries and promptly strike, no matter what and where in the world the target may be.

In regard to Missile Defense (MD), the U.S. announced the Ballistic Missile Defense Review (BMDR) in February 2010. On homeland defense, the review noted that the U.S. would use ground-based interceptors to respond to ICBMs from North Korea and Iran. In regard to regional defense, the U.S. would expand investments in MD systems while taking a phased adaptive approach (PAA) that is tailored to each region and improve the MD capabilities step by step, working with partner countries and properly sharing the burden. In January 2012, the U.S. announced that it will continue investments in MD programs in its homeland and Europe while reducing the spending for deployable regional MD systems with a view to increasing reliance on its allies and partners in the future. Further, in March 2013, the U.S. announced that it will additionally deploy ground-based interceptors in the U.S. homeland and mobile radars in Japan in order to bolster homeland security in response to North Korea's nuclear test and the advancement of its long-range ballistic missile development, while restructuring the program of the standard missile (SM-3) Block IIB scheduled for deployment in Europe.

The U.S. ground forces consist of approximately 550,000 soldiers, and approximately 200,000 marines, which are forward-deployed in Germany, the ROK, and Japan, among other countries. As described in the defense strategy guidance, the Army continues its transition to a smaller yet capable force fully prepared to conduct a full range of operations worldwide. The Marine Corps aims to acquire forces capable to respond to any threat as a "middleweight force," bridging the seam between smaller special operations forces and larger heavy conventional forces. In January 2012, the DoD announced that it will reduce the active Army end strength to 490,000 and the active Marine Corps end strength to 182,000 in the future.

The U.S. maritime forces consist of approximately 960 vessels (including approximately 70 submarines) totaling about 6.40 million tons. The 6th Fleet is deployed in the East Atlantic Ocean, the Mediterranean Sea and Africa; the 5th Fleet in the Persian Gulf, Red Sea and northwest Indian Ocean; the 3rd Fleet in the eastern Pacific; the 4th Fleet in South America and the Caribbean Sea; and the 7th Fleet in the western Pacific and Indian Ocean. The QDR indicates that the U.S. maritime forces will continue to

retain a robust forward presence and power projection capabilities³.

The U.S. air forces consist of roughly 3,500 combat aircraft across the Air Force, Navy, and Marine Corps. In addition to carrier-based aircraft deployed at sea, part of the tactical air force is forward-deployed in Germany, the United Kingdom, Japan and the ROK. The QDR indicates that the increase of fifth-generation fighters will further improve the survivability of the U.S. air forces and strengthen support operations for the security forces of partner countries.

Moreover, in addressing the increasing threats in cyberspace, the U.S. Cyber Command (USCYBERCOM) was founded in order to oversee operations in cyberspace. The U.S. Cyber Command attained Initial Operational Capability (IOC) in May 2010 and commended full capability in November in the same year⁴.

2 Current Military Posture in the Asia-Pacific Region

The United States, which is a Pacific nation, continues to play an important role in ensuring the peace and stability of the Asia-Pacific region by deploying the Pacific Command, a joint command consisting of the Army, Navy, Air Force, and Marine Corps.

The Army is composed of two divisions and deploys such forces as the 25th Infantry Division in Hawaii and the 2nd Infantry Division and 19th Sustainment Command in the ROK, in addition to approximately 2,500 personnel in Japan, including the I Corps (Forward) headquarters and the headquarters, U.S. Army Japan⁵.

The Navy consists of the 7th Fleet, which is in charge of the area including the western Pacific and Indian Ocean, and the 3rd Fleet, which is in charge of the area including the eastern Pacific Ocean and Bering Sea, under the Pacific Fleet, the headquarters of which is located in Hawaii, totaling approximately 180 vessels. The 7th Fleet is comprised mainly of one carrier strike group, with main bases in Japan and Guam. Its major mission is to defend and protect the territory, citizens, sea lanes, allies, and other vital interests of the United States, and ships assigned to the Pacific Fleet including carriers, amphibious ships, and Aegis cruisers.

The Marine Corps deploys one Marine Expeditionary Force each in the U.S. mainland and Japan under the Pacific Marine Corps, which has its headquarters in Hawaii. Of this force, approximately 17,000 personnel are in the 3rd Marine Division and the 1st Marine Aircraft Wing, which is equipped with F/A-18 fighters and other aircrafts and are both deployed in Japan. In addition, maritime pre-positioning ships loaded with heavy equipments and others are deployed in the western Pacific.

The Air Force deploys four air forces under the Pacific Air Force, the headquarters of which is in Hawaii. It deploys three air wings equipped with F-16 fighters C-130 transport aircrafts in the 5th Air Force stationed in Japan, and two air wings equipped with F-16 fighters in the 7th Air Force stationed in the ROK.

(See Fig. I-1-1-3)

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- ¹ Warheads that have been equipped in deployed ICBMs and Submarine-Launched Ballistic Missiles (SLBMs) and nuclear warheads equipped in heavy bombers. (A deployed heavy bomber is counted as one nuclear warhead)
- ² The figure as of March 1, 2013.
- ³ 2006 QDR stated to deploy at least six aircraft carriers and 60% of submarines that are continually operational in the Pacific and then Secretary of Defense Panetta stated in 2012 to deploy 60% of its vessels to the Pacific by 2020.
- ⁴ As cyber-related units, Army Cyber Command (ARCYBER), Fleet Cyber Command (FLTCYBERCOM), 24th Air Force/Air Force Cyber Command (AFCYBER), and Marine Corps Forces Cyber Command (MARFORCYBER) have been newly formed.
- ⁵ The figures of U.S. military mentioned in this paragraph are the numbers of active personnel recorded on the publication source of the U.S. Department of Defense (as of September 30, 2012), and they could change according to unit deployment.

were killed.

There is still a diverse range of regional conflicts across the globe, with complex backgrounds and in complicated forms. The international community is undertaking intensive efforts to deal with these conflicts and resolve them with its focus especially on the Middle East and the African region. Moreover, there is a growing tendency towards so-called “gray-zone” conflicts, which relate to territory, sovereignty or economic interests but do not reach the stage of armed conflict. At the same time, as the problems of climate change and competition between sovereign states to secure resources and energy are becoming increasingly tangible and causing regional disputes, there are signs that there is a new possibility that they could become a new factor that has an impact on the global security environment. Furthermore, military forces have also been tasked to take on various missions such as prompt response to large-scale disasters and epidemics.

As seen above, the international community today faces diverse, complex and multilayered security issues and destabilizing factors. These challenges could even occur simultaneously or compound one another. In addition to deterrence and handling of armed conflicts, the roles of military forces in responding to these challenges are becoming so diverse that they include a broad spectrum of activities from the conflict prevention to reconstruction assistance. Moreover, as the opportunities for military forces to play such an important role are increasing, comprehensive responses are required that combine military capacity with other capacities such as diplomacy, law enforcement and justice, intelligence and the economy.

¹ The global commons, in this context, refers to territories and other entities not bound to exclusive jurisdiction that are connected and shared globally, on which security and prosperity of all nations are depended. U.S. “National Security Strategy” (released in May 2010), etc.

In particular, China has now become an influential country both politically and economically, and its military developments also draw attention from other countries. Accordingly, China is strongly expected to recognize its responsibility as a major power, accept and stick to the international norms, and play a more active and cooperative role in regional and global issues. On the other hand, China has been engaging in extensive, rapid modernization of its military forces, backed by continual substantial increases in its defense budget. China has not clarified the current status and future vision of its military modernization initiatives, while its decision-making process in military and security affairs is not sufficiently transparent: Hence it has been pointed out that this could potentially lead to a sense of distrust and misunderstanding by other countries. Furthermore, China has been rapidly expanding and intensifying its maritime activities. In particular, in the waters and airspace around Japan, it has engaged in dangerous acts that could give rise to a contingency situation, such as Chinese naval vessel's direction of its fire-control radar at a JMSDF destroyer in January this year. In addition, Chinese aircraft and surveillance ships affiliated to China's maritime law enforcement agencies have intruded into Japanese territorial waters and airspace. Coupled with the lack of transparency in its military and security affairs, these moves by China are a matter of concern for Japan and other countries in the region and the international community. Therefore, Japan needs to pay utmost attention to China's movements. This is why China is asked to further improve transparency regarding its military and why further strengthening of mutual understanding and trust by promoting dialogue and exchanges with China is an important issue. At the same time, while a substantial reshuffle in the Chinese Communist Party leadership has taken place, resulting in the establishment of the Xi Jinping regime, the environment surrounding the next administration is certainly not rosy, due to its various domestic problems. Thus, the question of how it will deal with the challenges it faces will be the focus of attention.

Perceiving the building of an affluent nation as its task for the present, Russia believes that it must become a country with influence that can maintain its sovereignty, based on the deployment of its new economic, cultural, and military might. It is endeavoring to develop a military posture commensurate with its national power, against the backdrop of its economic development to date, while continuing to attach importance to its nuclear capability. In recent years, it has been moving forward with downsizing its troops, reforming its organizational aspects, reinforcing its readiness postures, and modernizing its military, including the development and introduction of new equipment, as well as recent global deployment of its military, particularly its naval and air forces. In the Far East, too, Russia continues active operations of its naval vessels and aircraft, conducting large-scale exercises in the region.

As seen above, in the Asia-Pacific region, where the security environment has increasingly grown severe, the presence of the U.S. military remains extremely important in order to achieve regional stability. Accordingly, Japan and other countries, such as Australia and South Korea, have established bilateral alliances and friendly relations with the U.S., and allow the stationing and deployment of U.S. forces in their territories. In addition, U.S. military has recently taken measures to further strengthen its presence.

(See Fig. I-0-0-1)

Moreover, opportunities for bilateral defense exchanges between countries in the region have increased in recent years. Multilateral security dialogues, including the ASEAN Regional Forum (ARF), the ASEAN Defence Ministers' Meeting-Plus (ADMM-Plus), conferences hosted by non-governmental institutions with the participation of relevant defense ministers, bilateral and multilateral joint exercises are held. Promoting and developing such multi-layered approaches among countries is also important to ensure security in the region.

In addition, there have been major national elections and changes in political leadership between 2011 and 2013 in such countries as the U.S., China, Russia, and South Korea, all of which are influential in terms of security in the Asia-Pacific region. Attention will be paid to security strategy and military posture by the new regimes, which are facing diverse, complex domestic challenges, and how they tackle the various issues and destabilizing factors in the region and the international community.

continue to be scrutinized by the international community.