

MUTUAL DEFENSE ASSISTANCE AGREEMENT
BETWEEN JAPAN AND THE UNITED
STATES OF AMERICA
8 March 1954

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

Desiring to foster international peace and security, within the framework of the Charter of the United Nations, through voluntary arrangements which will further the ability of nations dedicated to the purposes and principles of the Charter to develop effective measures for individual and collective self-defense in support of those purposes and principles;

Reaffirming their belief as stated in the Treaty of Peace with Japan signed at the city of San Francisco on September 8, 1951 that Japan as a sovereign nation possesses the inherent right of individual or collective self-defense referred to in Article 51 of the Charter of the United Nations;

Recalling the preamble of the Security Treaty between Japan and the United States of America, signed at the city of San Francisco on September 8, 1951, to the effect that the United States of America, in the interest of peace and security, would maintain certain of its armed forces in and about Japan as a provisional arrangement in the expectation that Japan will itself increasingly assume responsibility for its own defense against direct and indirect aggression, always avoiding any armament which could be an offensive threat or serve other than to promote peace and security in accordance with the purposes and principles of the Charter of the United Nations;

Recognizing that, in the planning of a defense assistance program for Japan, economic stability will be an essential element for consideration in the development of its defense capacities, and that Japan can contribute only to the extent permitted by its general economic condition and capacities;

Taking into consideration the support that the Government of the United States of America has brought to these principles by enacting the Mutual Defense Assistance Act of 1949, as amended, and the Mutual Security Act of 1951, as amended, which provide for the furnishing of defense assistance by the United States of America in furtherance of the objectives referred to above; and

Desiring to set forth the conditions which will govern the furnishing of such assistance;

Have agreed as follows:

ARTICLE I

1. Each Government, consistently with the principle that economic stability is essential to international peace and security, will make available to the other and to such other governments as the two Governments signatory to the present Agreement may in each case agree upon, such equipment,

materials, services, or other assistance as the Government furnishing such assistance may authorize, in accordance with such detailed arrangements as may be made between them. The furnishing and use of any such assistance as may be authorized by either Government shall be consistent with the Charter of the United Nations. Such assistance as may be made available by the Government of the United States of America pursuant to the present Agreement will be furnished under those provisions, and subject to all of those terms, conditions and termination provisions of the Mutual Defense Assistance Act of 1949, the Mutual Security Act of 1951, acts amendatory and supplementary thereto and appropriation acts thereunder which may affect the furnishing of such assistance.

2. Each Government will make effective use of assistance received pursuant to the present Agreement for the purposes of promoting peace and security in a manner that is satisfactory to both Governments, and neither Government, without the prior consent of the other, will devote such assistance to any other purpose.

3. Each Government will offer for return to the other, in accordance with terms, conditions and procedures mutually agreed upon, equipment or materials furnished under the present Agreement, except equipment and materials furnished on terms requiring reimbursement, and no longer required for the purposes for which it was originally made available.

4. In the interest of common security, each Government undertakes not to transfer to any person not an officer or agent of such Government, or to any other government, title to or possession of any equipment, materials, or services received pursuant to the present Agreement, without the prior consent of the Government which furnished such assistance.

ARTICLE II

In conformity with the principle of mutual aid, the Government of Japan agrees to facilitate the production and transfer to the Government of the United States of America for such period of time, in such quantities and upon such terms and conditions as may be agreed upon of raw and semi-processed materials required by the United States of America as a result of deficiencies or potential deficiencies in its own resources, and which may be available in Japan. Arrangements for such transfers shall give due regard to requirements for domestic use and commercial export as determined by the Government of Japan.

ARTICLE III

1. Each Government will take such security measures as may be agreed upon between the two Governments in order to prevent the disclosure or compromise of classified articles, services or information furnished by the other Government pursuant to the present Agreement.

2. Each Government will take appropriate measures consistent with security to keep the public informed of operations under the present Agreement.

ARTICLE IV

The two Governments will, upon the request of either of them, make appropriate arrangements providing for the methods and terms of the exchange of industrial property rights and technical information for defense which will expedite such exchange and at the same time protect private interests and maintain security safeguards.

ARTICLE V

The two Governments will consult for the purpose of establishing procedures whereby the Government of Japan will so deposit, segregate, or assure title to all funds allocated to or derived from any programs of assistance undertaken by the Government of the United States of America so that such funds shall not be subject to garnishment, attachment, seizure or other legal process by any person, firm, agency, corporation, organization or government, when the Government of Japan is advised by the Government of the United States of America that any such legal process would interfere with the attainment of the objectives of the program of assistance.

ARTICLE VI

1. The Government of Japan will grant
 - a. Exemption from duties and internal taxation upon importation or exportation to materials, supplies or equipment imported into or exported from its territory under the present Agreement or any similar agreement between the Government of the United States of America and the Government of any other country receiving assistance, except as otherwise agreed to; and
 - b. Exemption from and refund of Japanese taxes, as enumerated in the attached Annex E, so far as they may affect expenditures of or financed by the Government of the United States of America effected in Japan for procurement of materials, supplies, equipment and services under the present Agreement or any similar agreement between the Government of the United States of America and the Government of any other country receiving assistance.

2. Exemption from duties and exemption from and refund of Japanese taxes as enumerated in the attached Annex E will apply, in addition, to any other expenditures of or financed by the Government of the United States of America for materials, supplies, equipment and services for mutual defense, including expenditures made in conformity with the Security Treaty between Japan and the United States of America or any foreign aid program of the Government of the United States of America under the Mutual Security Act of 1951, as amended, or any acts supplementary, amendatory or successory thereto.

ARTICLE VII

1. The Government of Japan agrees to receive personnel of the Government of the United States of America who will discharge in the territory of

Japan the responsibilities of the latter Government regarding equipment, materials, and services furnished under the present Agreement, and who will be accorded facilities to observe the progress of the assistance furnished by the Government of the United States of America under the present Agreement. Such personnel who are nationals of the United States of America, including personnel temporarily assigned, will, in their relationships with the Government of Japan, operate as part of the Embassy of the United States of America under the direction and control of the Chief of the Diplomatic Mission, and will have the same privileges and immunities as are accorded to other personnel with corresponding rank in the Embassy of the United States of America.

2. The Government of Japan will make available, from time to time, to the Government of the United States of America funds in yen for the administrative and related expenses of the latter Government in connection with carrying out the present Agreement.

ARTICLE VIII

The Government of Japan, reaffirming its determination to join in promoting international understanding and good will, and maintaining world peace, to take such action as may be mutually agreed upon to eliminate causes of international tension, and to fulfill the military obligations which the Government of Japan has assumed under the Security Treaty between Japan and the United States of America, will make, consistent with the political and economic stability of Japan, the full contribution permitted by its manpower, resources, facilities and general economic condition to the development and maintenance of its own defensive strength and the defensive strength of the free world, take all reasonable measures which may be needed to develop its defense capacities, and take appropriate steps to ensure the effective utilization of any assistance provided by the Government of the United States of America.

ARTICLE IX

1. Nothing contained in the present Agreement shall be construed to alter or otherwise modify the Security Treaty between Japan and the United States of America or any arrangements concluded thereunder.

2. The present Agreement will be implemented by each Government in accordance with the constitutional provisions of the respective countries.

ARTICLE X

1. The two Governments will, upon the request of either of them, consult regarding any matter relating to the application of the present Agreement or to operations or arrangements carried out pursuant to the present Agreement.

2. The terms of the present Agreement may be reviewed at the request of either of the two Governments or amended by agreement them at any time.

ARTICLE XI

1. The present Agreement shall come into force on the date of receipt by the Government of the United States of America of a written notice from the Government of Japan of ratification of the Agreement by Japan.

2. The present Agreement will thereafter continue in force until one year after the date of receipt by either Government of a written notice of the intention of the other to terminate it, provided that the provisions of Article I, paragraphs 2, 3, and 4, and arrangements entered into under Article III, paragraph 1 and Article IV shall remain in force unless otherwise agreed by the two Governments.

3. The Annexes to the present Agreement shall form an integral part thereof.

4. The present Agreement shall be registered with the Secretariat of the United Nations.

IN WITNESS WHEREOF the representatives of the two Governments, duly authorized for the purpose, have signed the present Agreement.

DONE in duplicate, in the Japanese and English languages, both equally authentic, at Tokyo, this eighth day of March, one thousand nine hundred fifty-four.

For Japan:

(Signed) Katsuo Okazaki

For the United States of America:

(Signed) John M. Allison

ANNEX A

In carrying out the present Agreement, the Government of the United States of America will give every consideration, to the extent that other factors will permit, to procurement in Japan of supplies and equipment to be made available to Japan, as well as to other countries, where feasible, and to providing information to and facilitating the training of technicians from Japan's defense-production industries. In this connection, representatives of the Government of Japan stated that the development of Japan's defense capacities will greatly be facilitated if the Government of the United States of America will give consideration to assisting in the financing of Japan's defense-production industries.

The two Governments recognize the advisability of establishing adequate liaison between them to facilitate procurement by the Government of the United States of America in Japan.

ANNEX B

The security measures which the Government of Japan agrees to take pursuant to Article III, paragraph 1 will be such as would guarantee the same degree of security and protection as provided in the United States of America, and no disclosure to any person not an officer or agent of the Government of Japan of classified articles, services or information accepted by Japan, will be made without the prior consent of the Government of the United States of America.

ANNEX C

The two Governments recognize the benefits to be derived from the principle of standardization, and agree to the advisability of taking feasible joint measures to achieve that degree of standardization, with respect to specifications and quality, which will promote the effective utilization and maintenance of any assistance furnished under the present Agreement.

ANNEX D

In the interest of common security, the Government of Japan will cooperate with the Governments of the United States of America and other peace-loving countries in taking measures to control trade with nations which threaten the maintenance of world peace.

ANNEX E

To effectuate Article VI, the Governments of Japan and the United States of America agree as follows:

1. The Japanese taxes referred to in Article VI, paragraph 1b and paragraph 2, are as follows:
 - a. Commodity tax;
 - b. Travelling tax;
 - c. Gasoline tax;
 - d. Electricity and gas tax.
2. With respect to any present or future taxes of Japan not specifically referred to in this Annex which might be found to be applicable to the expenditures covered by Article VI, the two Governments will agree upon procedures for granting exemption and refund.
3. Exemption from duties and exemption from and refund of Japanese taxes will be applied upon appropriate certification by the Government of the United States of America.
4. Materials, supplies and equipment imported into or procured by the Government of the United States of America in Japan exempt from duties and taxes under Article VI, shall not be disposed of in Japan except as such disposal may be authorized by the authorities of Japan and the United States of America in accordance with mutually agreed conditions.
5. Nothing in Article VI, or this Annex shall be construed to
 - a. Require exemption from import or export procedures provided for by the laws of Japan, or
 - b. Affect exemption from duties and internal taxation provided for by the laws of Japan in accordance with existing agreements and arrangements such as the Administrative Agreement under Article III of the Security Treaty between Japan and the United States of America.

ANNEX F

1. With respect to the facilities to be accorded by the Government of Japan to the personnel of the Government of the United States of America who, pursuant to Article VII of the present Agreement, will discharge in Japan responsibilities of the Government of the United States of America to observe the progress of assistance furnished in pursuance of the present Agreement, the two Governments agree that such facilities to be accorded shall be reasonable and not unduly burdensome upon the Government of Japan.

2. The two Governments agree that the number of such personnel to be accorded diplomatic privileges will be kept as low as possible.

3. It is understood between the two Governments that the status of such personnel of the nationality of the United States of America, considered part of the Diplomatic Mission of the Government of the United States of America, will be the same as the status of personnel of corresponding rank of the Embassy of the United States of America in Japan.

Such personnel will be divided into three categories:

a. Upon appropriate notification by the Government of the United States of America, full diplomatic status will be granted to the senior military member and the senior Army, Navy and Air Force officer assigned thereto, and to their respective immediate deputies.

b. The second category of personnel will enjoy privileges and immunities conferred by international custom to certain categories of personnel of the Embassy of the United States of America in Japan, such as the immunity from civil and criminal jurisdiction of Japan, immunity of official papers from search and seizure, right of free egress, exemption from customs duties or similar taxes or restrictions in respect of personally owned property imported into Japan by such personnel for their personal use and consumption, without prejudice to the existing regulations on foreign exchange, exemption from internal taxation by Japan upon salaries of such personnel. Privileges and courtesies incident to diplomatic status such as diplomatic automobile license plates, inclusion on the "Diplomatic List," and social courtesies may be waived by the Government of the United States of America for this category of personnel.

c. The third category of personnel will receive the same status as the clerical personnel of the Embassy of the United States of America in Japan.

ANNEX G

1. The two Governments agree to restrict to the minimum necessary the amount of expenses to be made available from time to time by the Government of Japan pursuant to Article VII.
2. The two Governments also agree that the Government of Japan may, in lieu of meeting the expenses referred to in the preceding paragraph, make available necessary and suitable real estate, equipment, supplies and services.
3. The two Governments agree that, in consideration of the contributions in kind to be made available by the Government of Japan, the amount of yen to be made available as a cash contribution by the Government of Japan for any Japanese fiscal year shall be as agreed upon between the two Governments.
4. The contributions by the Government of Japan will be made available in accordance with arrangements as may be agreed upon between the two Governments.
5. The two Governments further agree that, in consideration of the contributions in kind to be made available by the Government of Japan during the initial period from the date of coming into force of the present Agreement to March 31, 1955, the amount of cash contributions by the Government of Japan for such period shall not exceed Three Hundred Fifty-Seven Million Three Hundred Thousand Yen (¥357,300,000).