

No. 6914

**UNITED STATES OF AMERICA
and
JAPAN**

**Exchange of notes (with annex) constituting an agreement
relating to missile battalions for air defense of Japan.
Tokyo, 26 April 1963**

Official texts: English and Japanese.

Registered by the United States of America on 18 September 1963.

**ÉTATS-UNIS D'AMÉRIQUE
et
JAPON**

**Échange de notes (avec annexe) constituant un accord
relatif à des groupes d'engins sol-air pour la défense
aérienne du Japon. Tokyo, 26 avril 1963**

Textes officiels anglais et japonais.

Enregistré par les États-Unis d'Amérique le 18 septembre 1963.

No. 6914. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND JAPAN RELATING TO MISSILE BATTALIONS FOR AIR DEFENSE OF JAPAN. TOKYO, 26 APRIL 1963

I

The American Ambassador to the Japanese Minister for Foreign Affairs

EMBASSY OF THE UNITED STATES OF AMERICA

Tokyo, April 26, 1963

No. 982

Excellency :

I have the honor to refer to the Mutual Defense Assistance Agreement between the United States of America and Japan signed at Tokyo on March 8, 1954,² which provides *inter alia* that each Government will make available to the other 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.

Having regard to the mutual interest in the development of an effective air defense system for Japan, the representatives of the Governments of the United States of America and Japan have held discussions concerning a program to provide Japan, on a cost-sharing basis, the United States-furnished equipment for one NIKE battalion and two HAWK battalions, as well as one battalion operations center for the United States fiscal year 1961 military assistance program NIKE battalion. As a result of these discussions, the understandings of my Government are as follows :

A. The Government of Japan wishes to obtain certain equipment, materials and services from the United States, which will be utilized together with certain Japanese-furnished equipment, materials, services, real estate and construction to attain an additional surface-to-air-missile operational capability to be employed in the air defense of Japan.

B. The Government of the United States of America is prepared, subject to the provisions of the said Agreement, to furnish to the Government of Japan, with partial reimbursement in accordance with paragraph D hereof, the equipment produced in the United States for one NIKE battalion and two HAWK battalions, as well as one battalion

¹ Came into force on 26 April 1963 by the exchange of the said notes.

² United Nations, *Treaty Series*, Vol. 232, p. 169; Vol. 251, p. 404; Vol. 265, p. 406; Vol. 272, p. 300; Vol. 273, p. 288; Vol. 283, p. 316; Vol. 303, p. 348; Vol. 316, p. 351; Vol. 357, p. 379; Vol. 388, p. 366; Vol. 434, p. 300, and Vol. 461, p. 318.

operations center for the United States fiscal year 1961 military assistance program NIKE battalion. The Government of the United States of America is also prepared to provide initial training in the United States for Japanese personnel to man these units. Equipment produced in the United States shall be that equipment, as specified in implementing arrangements pursuant to paragraph C hereof, which, because of its specific design and functional characteristics, is used with the NIKE or HAWK weapon system.

C. Such implementing arrangements as may prove desirable will be concluded by representatives of appropriate authorities of the two Governments on the basis of these understandings. These arrangements will include mutually agreeable listings of United States-furnished and Japanese-furnished equipment, provision for up-dating those listings, and mutually agreeable time schedules for delivery of equipment and for attainment of operational capability.

D. The final and fixed share of the costs of the United States-furnished equipment to be borne by the Government of Japan is \$34,771,614.00. The Government of Japan will reimburse to the United States military assistance program the yen equivalent of \$34,771,614.00 in accordance with the payment schedule and other conditions set forth in the Annex to this Note.

E. The Government of Japan will take necessary steps in accordance with the implementing arrangements to provide the non-United States-furnished equipment, construction and real estate necessary to make the aforementioned surface-to-air missile units operationally ready, and to employ the units in the air defense of Japan.

F. Any obligation or expenditure to be undertaken by either Government under this Exchange of Notes and all arrangements to be concluded hereunder will be subject to budget authorizations pursuant to the constitutional provisions of the respective countries.

I would appreciate it if Your Excellency would confirm on behalf of your Government that these are also the understandings of the Government of Japan.

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

Edwin O. REISCHAUER

His Excellency Masayoshi Ohira
Minister for Foreign Affairs
Tokyo

ANNEX

TERMS AND CONDITIONS OF REIMBURSEMENT TO THE UNITED STATES MILITARY ASSISTANCE PROGRAM BY THE GOVERNMENT OF JAPAN

1. Reimbursements to the United States military assistance program shall be in accordance with the following schedule, reflecting the principle that reimbursement of

the share of the Government of Japan of the cost of each item of the program shall be made at approximately the time of the delivery thereof :

<i>Reimbursement Period</i>	<i>Item</i>	<i>Amount</i>
During the 1st quarter of Japan fiscal year 1963	One battalion operations center for the United States fiscal year 1961 military assistance program NIKE battalion	\$757,250
During the 4th quarter of Japan fiscal year 1964	One HAWK battalion	\$13,537,124
During the 4th quarter of Japan fiscal year 1965	One NIKE battalion	\$7,862,964
During the 4th quarter of Japan fiscal year 1966	One HAWK battalion	\$12,614,276

2. The reimbursements shall be deposited to a free-yen account or accounts established by the Government of the United States of America for this purpose at a bank or banks in Japan.

3. The amount of yen to be deposited in accordance with the foregoing schedule shall be computed at the official yen-dollar exchange rate agreed with the International Monetary Fund, prevailing on the date of the deposit.

4. The Government of the United States of America expresses its present intention to use the reimbursements for the procurement with yen of equipment and services in Japan for the military assistance program, but reserves the right to use them for such other purposes as it may determine.

5. The Government of Japan will apply, to purchases of equipment from Japanese suppliers made with funds from the account or accounts specified in paragraph 2, those provisions of export incentive programs in force at the time of each purchase which pertain to United States procurements in Japan for the military assistance program.

[TRANSLATION¹ — TRADUCTION²]

Tokyo, April 26, 1963

Mr. Ambassador :

I have the honor to acknowledge receipt of Your Excellency's Note of today's date, with enclosed Annex, reading as follows :

[*See note I*]

I have the honor to confirm on behalf of my Government that these are also the understandings of the Government of Japan.

I avail myself of this opportunity to renew to Your Excellency, Mr. Ambassador, the assurance of my highest consideration.

Masayoshi OHIRA
Minister for Foreign Affairs of Japan
[SEAL]

His Excellency Edwin O. Reischauer
Ambassador Extraordinary and Plenipotentiary
of the United States of America to Japan

¹ Translation by the Government of the United States of America.

² Traduction du Gouvernement des États-Unis d'Amérique.