

# Defense Programs and Budget of Japan

Overview of FY2013 Budget



This is a provisional translation for reference purposes only. The original text is in Japanese.

# Defense Programs and Budget of Japan

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## Concept of the FY2013 Budget

Defense Programs will be steadily implemented based on the “2013 Defense Budget Formulation Policy”(Security Council Decision and Cabinet Decision on January 25, 2013)

### 1 Environment to consider

With regard to the regional security environment, North Korea continues nuclear and ballistic missile development, remaining a serious destabilizing factor, and neighboring countries continue military modernization and activation. China's increased activities in the airspace and sea area around Japan, including violation of Japan's territorial waters and breach of airspace, also require due consideration. Furthermore, the experience of the unprecedented disaster of the Great East Japan Earthquake has made us recognize anew the importance of preparedness for large-scale disasters.

In respect of financial circumstances, it is necessary to take into consideration that the “2013 Defense Budget Formulation Policy”(Cabinet Decision on January 25, 2013) states that the “2013 budget shall be formulated as a so-called ‘15-month budget’ in an integrated manner with the large-scale supplementary budget based on the emergency economic package” and a “bold selection of focus will be made along with minimization of wasteful expenditure during the DPJ rule to prevent aggravation of financial conditions.”

### 2 Basic concept

In FY2013, in light of the regional security environment mentioned in “1. Environment to consider”, Japan will work to strengthen its defense posture to protect its territories, territorial waters/airspace as well as people's lives and property, while placing emphasis on the following.

#### **(1) Enhancement of effective response and readiness to various forms of contingencies**

Focus will be on enhancement of our capabilities for information-gathering, warning, surveillance and ensuring security around Japan including the Southwestern region, transport capacity, mobility and air defense capabilities to defend offshore islands, as well as capabilities to respond to cyber and ballistic missile attacks. Japan will also enhance information and command communication capabilities essential for execution of these duties, while promoting measures to enhance our readiness including improvement of operational availability of equipment.

JSDF's capability to cope with disasters will be enhanced based on the lessons learned from the Great East Japan Earthquake, in order to protect people's lives and property in case of large-scale natural disasters or unconventional disasters. The number of JSDF personnel will not be changed until the review of the National Defense Program Guidelines has reached a decision.

## **(2) Enhancement of the Japan-U.S. alliance**

In light of the increasingly severe regional security environment, measures to further enhance the effectiveness of Japan-U.S. defense cooperation will be promoted, including a review of the Guidelines for Japan-U.S. Defense Cooperation.

In order to reduce the burden on local communities including Okinawa Prefecture while at the same time maintaining the deterrent capabilities of U.S. forces, concrete measures will be steadily implemented concerning the realignment of U.S. forces in Japan, including the relocation of MCAS Futenma.

## **(3) Efforts for further stabilization of the international security environment**

In order to further stabilize the international security environment including security in the Asia-Pacific region, cooperation in humanitarian assistance, disaster relief and other fields as well as bilateral and multilateral dialogues will be further promoted.

In addition, JSDF's basis for international activities will be strengthened to ensure independent and proactive activities including prevention of the proliferation of weapons of mass destruction and ballistic missiles, anti-terrorism/piracy and peacekeeping operations.

## **(4) Effective and efficient defense programs**

Faced with the tight state of finance, focus will be placed on the response to pressing issues in the current security environment, while ensuring effective utilization of human resources such as by building a proper rank/age composition of JSDF personnel with the objective of increasing their strength as well as promoting efforts for efficient acquisition of equipment.

Special emphasis will be placed on the improvement of cost-effectiveness by suppressing life-cycle costs, while increasing the transparency of procurement processes and improving the contract system in light of the inappropriate procurement cases which occurred last year.

Notes 1: Numbers in the text represent expenses excluding [non-recurring costs](#) required for the production of equipment, unless otherwise specified.

2: Numbers in the text are [on a contract basis](#), unless otherwise specified.

## I Enhancement of effective response and readiness to various forms of contingencies

### 1 Enhancement of readiness to various forms of contingencies

Enhance information and command communication capabilities essential for execution of duties, etc. while promoting measures to enhance our readiness including improvement of the operational availability of equipment

#### (1) Increase of JSDF personnel

Increase JSDF personnel by 287 to enhance troops' readiness to ensure execution of information-gathering, warning, surveillance and security duties in the Southwestern region.

Reference

Actual number at the end of FY	GSDF	MSDF	ASDF	JSDF in total	Note
FY2012	140,028	41,937	43,195	225,160	△70 of the GSDF is due to the status change of nursing students.
FY2013	140,052	42,033	43,292	225,377	
Increase (△Decrease)	+94	+96	+97	+287	
	△70			△70	

#### (2) Improvement of operational availability of equipment by securing a sufficient maintenance/repair budget

- Expand the operation of destroyers and patrol helicopters (SH-60J/K) by securing the repair budget (¥9.7 billion)
- Secure the budget for fuel, repairs, and communication maintenance to support expansion of operation of Airborne Warning And Control Systems (E-767) and airborne early warning aircraft (E-2C) (¥13.5 billion)
- Introduction of PBL\* contributing to operational availability improvement (¥4.6 billion)

In order to promote introduction of a new contract method (PBL) in which payment is made for performance concerning maintenance of equipment, etc., this method will be adopted for some parts of the T-7 and some parts of the F100 engine for F-15s of ASDF.

\* PBL (Performance Based Logistics) : a form of contract with corporations, in which payment is made not for the quantity of maintenance work but for equipment performance such as operational availability, safety, shorter repair time, and securing of stable inventory.



Patrol helicopter SH-60K



Airborne Warning And Control System E-767



Airborne early warning aircraft E-2C



### (3) Enhancement of education and training

#### ① Exercises contributing to improvement of capabilities to respond to various forms of contingencies

- JSDF combined exercise (field training exercise) (Joint Staff Office (JSO))  
Conduct field training exercise to maintain/improve joint operation capabilities from the JSO to the unit level
  - Field training exercises (GSDF)  
Conduct training for coordination with MSDF and ASDF, in the operation of defense of offshore islands
  - Joint long-distance mobilization exercise (GSDF)  
Conduct exercises to improve long-distance mobilization capabilities.
  - Joint field training exercises with U.S. Marine Corps in the U.S. and in Japan (GSDF)  
Conduct practical exercises by dispatching units to the U.S. in order to improve interoperability, such as effective operation execution capability and coordination procedures for the defense of offshore islands.
- \* All the exercises above contribute to improvement of prompt unit deployment to offshore islands and response capabilities.

#### ○ MSDF Exercises

Conduct Japan-U.S. joint training/exercises to maintain and improve not only tactical skills of MSDF but also Japan-U.S. interoperability and joint response capability

#### ○ Japan-U.S.-Australia joint exercise (Cope North Guam) (ASDF)

Conduct joint exercises with the U.S. and Australian Air Forces in Guam in order to maintain and improve tactical skills of ASDF and Japan-U.S. joint response capability

#### ② Joint exercises with the Police and Coast Guard

- Joint public security operation exercise with the police (GSDF)
- Joint exercises with the Japan Coast Guard for handling suspicious boats (MSDF)

#### ③ Education and exercises related to international peace cooperation activities

- Offer educational courses to train personnel for international peace cooperation activities (JSO)
- Participate in multilateral exercises (JSO)  
(multilateral exercises related to UN peacekeeping activities such as Cobra Gold)



Field training exercises



Joint field training exercises with U.S. Marine Corps in the U.S.



MSDF Exercises



Japan-U.S.-Australia joint exercise "Cope North Guam"



Joint exercise with the police

# I Enhancement of effective response and readiness to various forms of contingencies

## 2 Defending our territorial land/waters/airspace

Focus is placed on enhancement of our capabilities for information-gathering, warning, surveillance and ensuring security around Japan including the Southwestern region, transport capacity, mobility and air defense capabilities to defend offshore islands, as well as capabilities to respond to cyber and ballistic missile attacks.

### (1) Gathering information and conducting warning and surveillance activities and ensuring security of seas surrounding Japan

#### ① Enhance capabilities for information-gathering, warning and surveillance and strengthen maritime deterrence

- Building of destroyer (DD) (1 ship: ¥70.1 billion)
  - Build a new class multi-purpose destroyer (5,000t class), in response to reduction in the number of destroyers
  - Major characteristics of the destroyer:
    - (1) Improved capability to detect submarines to respond to higher performance and silence of submarines of other countries; and
    - (2) Reduced life-cycle cost by adopting a new fuel-efficient propulsion system (COGLAG\*)



FY 2013 Destroyer (5,000t class)  
(Graphic image)

- Building of submarine (SS) (1 ship: ¥53.1 billion)  
Build the 9th Soryu-class submarine (2,900t class)
- Acquisition of fixed-wing patrol aircraft (P-1)  
(2 units: ¥40.9 billion)  
Acquire P-1 with increased detection/identification capability, flight performance, information processing capability, and strike capability as a replacement for existing fixed-wing patrol aircraft (P-3C)
- Life extension of destroyers  
(life extension work for 2 ships and parts procurement for 12 ships: ¥9.4 billion yen)  
Implement life extension measures for Hatsuyuki-class (3 ships), Asagiri-class (6 ships), Abukuma-class (4 ships), and Hatakaze-class (1 ship) destroyers to maintain a sufficient posture of destroyers
- Life extension of submarines  
(life extension work for 2 ships and parts procurement for 1 ship: ¥2.6 billion)
  - Carry out life extension measures for existing ships in order to increase the number of submarines
  - In FY2013, acquire necessary parts to repair and carry out life extension work for “Oyashio” and carry out life extension work for “Uzushio.”



Soryu class submarine  
(2,900t class)



Fixed-wing patrol aircraft P-1  
(Pictured is the prototype XP-1)



- Life extension of fixed-wing patrol aircraft (P-3C) (2 units: ¥0.8 billion)  
Implement life extension measures for P-3C to maintain the posture of fixed-wing patrol aircraft
- Improvement of anti-submarine capabilities of system on patrol aircraft (¥2.8 billion)
  - Conduct research to improve capabilities of an acoustic system and a non-acoustic system (radar and optical sensor) in order to ensure superiority of patrol aircraft in anti-submarine warfare
  - Conduct research on information fusion technology from various sensors to enable prompt and accurate tactical decisions even should sensor and tactical information increase due to the above research
- Acquisition of wideband receivers for submarines  
Improve radiolocation performance of submarines to prevent detection by anti-submarine patrol aircraft
- Acquisition of acoustic information analysis equipment  
Develop high-performance acoustic information analysis equipment to improve the acoustic analysis capability of submarine sonar personnel

- Development of a new surface-to-surface missile (¥1.3 billion)
  - Develop new surface-to-surface missile with improved guidance precision and extended range as a successor to Type-90 surface-to-surface missile
  - To reduce development and non-recurring costs, the missile will be developed based on GSDF's Type-12 surface-to-ship missile

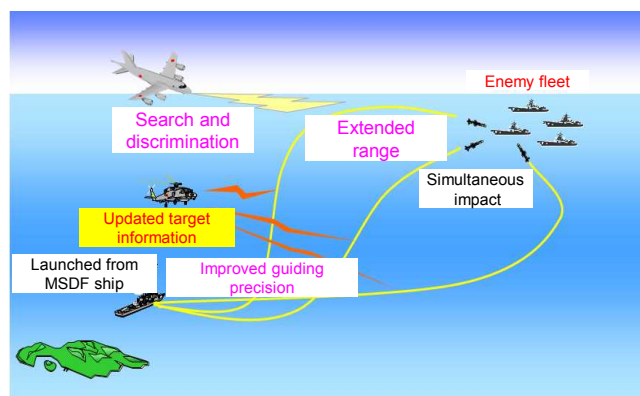


Image of a new surface-to-surface missile

## ② Safety of maritime traffic

- Building of mine sweeper ocean (MSO) (1 ship: ¥18.3 billion)
    - Build a new FRP\* hull mine sweeper ocean (690t class) as a successor to mine sweeper ocean “Yaeyama,” which is expected to be decommissioned
    - Continuously ensure detection capabilities against submarine-targeted deep-water mines and maintain open-sea navigation capability
- \*FRP: Fiber Reinforced Plastic  
FRP extends the service life of ships up to around 30 years, which is longer than conventional wooden ships. MSDF started to build FRP mine sweepers from FY 2008 MSC “Enoshima” (570t)



FY2013 Mine sweeper (690t class) (Graphic image)

- Acquisition of rescue amphibian (US-2) (1 unit: ¥12.3 billion)
- Life extension of patrol helicopters (SH-60J) (2 units: ¥0.9 billion)



Rescue amphibian US-2

## (2) Enhancement of warning, surveillance and air-defense capabilities in our territorial airspace including the Nansei Islands

### ① Enhance warning and surveillance posture in regional airspaces including offshore islands

- Improvement in capability of Airborne Warning And Control System (AWACS) (E-767) (¥10.1 billion)
  - Start conversion of central computing device and installation of electronic warfare support measures ,etc.in order to improve warning and control capability of the existing E-767
  - Acquire necessary parts for improving capability of 4 aircraft in FY2013
- Conversion of Fixed Air Defense Radar (2 units: ¥8.9 billion)
  - Convert the current radar on Miyakojima (Okinawa Prefecture) and Takahatayama (Miyazaki Prefecture) to FPS-7



Airborne Warning And Control System (AWACS) E-767

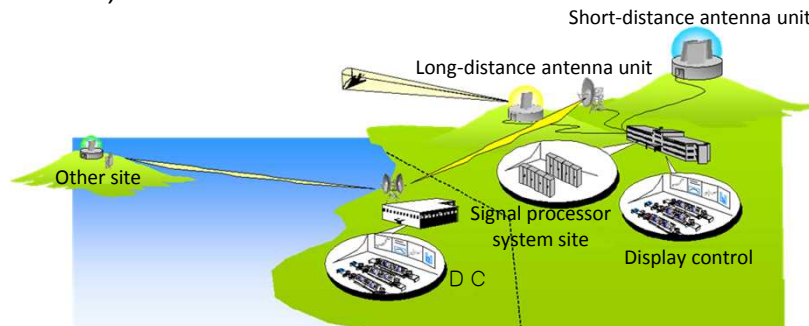


Image of operation of Fixed Air Defense Radar

- Strengthening of the posture to receive airborne early warning aircraft (E-2C) at Naha Air Base (ASDF) (¥0.3 billion)
  - Develop facilities and acquire maintenance equipment to be used at Naha Base in order to ensure constant operation of airborne early warning aircraft (E-2C) in the Southwestern region.
- Secure budget for fuel, repairs, and communication maintenance to support expansion of the operation of airborne warning and control systems (E-767) and airborne early warning aircraft (E-2C) [mentioned above]
- Study and research for warning/surveillance radar technologies (¥10 million)
  - Carry out studies and research on technical trends, feasibility, and issues concerning warning/surveillance technologies using shortwave radar in order to detect targets such as small aircraft from a distance.

### ② Enhance operational posture of ASDF in the Nansei Islands

- Construction of necessary facilities to increase the number of squadrons at Naha Air Base to 2 (¥3.4 billion)
- Study and research on enhancement/strengthening of the operational posture of ASDF in the Nansei Islands (¥50 million)

### ③ Improve air defense capabilities

- Acquisition of next-generation fighter aircraft(F-35A)  
(2 units: ¥29.9 billion\*)

Acquire F-35A as a successor to the existing fighter aircrafts (F-4)

- \* 1 ¥83.0 billion has been budgeted separately as the initial expense for the industrial participation of domestic corporations.
- \* 2 Domestic corporations will participate in the manufacturing of the F-35 and its international logistics support system.
- \* 3 ¥21.1 billion is allocated separately for other related expenses such as training equipment

- Implementation of studies to construct education/training facilities to prepare for the deployment of next-generation fighter aircrafts (F-35A) at Misawa

- Fighter aircraft upgrades (¥12.2 billion)

Upgrade capabilities of existing fighter aircrafts to adapt to the modernization of the aerial combat capabilities of neighboring countries and to appropriately carry out air defense operations

- Modernize fighter aircraft (F-15) (6 units: ¥6.9 billion)
- Improve fighter aircraft (F-2) air-to-air combat capability (12 units: ¥4.3 billion)
- Add JDAM\* function to fighter aircraft (F-2) (11 units: ¥1.0 billion)

※ JDAM (Joint Direct Attack Munition)



Next-generation fighter aircraft F-35A  
(Picture is the same type aircraft)



F-15 fighter aircraft



F-2 fighter aircraft

### (3) Enhancement of posture to defend our territories including offshore islands such as the Nansei Islands

#### ① Improvement of transport ability and mobility to ensure rapid deployment

- Acquire Type-96 armored personnel carrier (11 units: ¥1.4 billion)
- Acquire light armored vehicles (44 units for GSDF: ¥1.4 billion, 1 unit for ASDF: ¥40 million)
- Acquire a multi-purpose helicopter (UH-60JA) (1 unit: ¥4.3 billion)
- Purchase of samples of amphibious vehicle (4 units: ¥2.5 billion)
  - Start examination on the introduction of amphibious vehicles used for deployment of units from the sea in order to respond to illegal activities and invasions of islands, as well as for disaster relief activities in and out of Japan
  - In FY2013, expenses to purchase the relevant equipment as samples have been included in the budget plan. Following the acquisition, confirmation of performance and verification studies for operations will be conducted in order to judge whether equipment should be formally acquired
- Study and research on the improvement of mobile deployment capabilities of JSDF (¥60 million)
  - Carry out study and research concerning utilization of commercial transportation capabilities for mobile deployment
- Research and study on development and operation of tiltrotor aircraft in foreign countries (¥8 million)



Type-96 armored personal career



Amphibious vehicle (Graphic image)



Tiltrotor aircraft (Photo of V-22 Osprey)

#### ② Improvement of warning/surveillance systems at borders

- Deployment of coast surveillance unit (Yonaguni Island) (¥6.2 billion)
  - Acquire coast devices for early detection of various signs by surveying ships and aircraft passing through the area, in preparation for establishment of a GSDF coast surveillance unit
  - In addition, carry out design and site preparation works necessary for the construction of GSDF stations
- Research and study on strengthening of the GSDF defense posture in the Nansei Islands (¥50 million)
  - Carry out necessary surveys to continue examinations on forming initial response units in order ensure to responses to various situations, including disasters in the Nansei Islands



The photo shows a coast surveillance device installed at the coast surveillance unit no.301 (Wakkanai)



### ③ Response to attacks by terrorists and special operations force attacks

- Acquire an attack helicopter (AH-64D) (1unit: ¥5.3 billion)
- Acquire Military personnel equipment set (9,250 sets: ¥3.8 billion)
- Acquire 84mm recoilless rifles (B) (17 units: ¥0.2 billion)
- Acquire battle exercise equipment (4 sets: ¥2.5 billion)



84mm recoilless rifles (B)



Battle exercise equipment (red circles)

### ④ Improvement of land-based firepower combat capability

- Acquire Type-10 tank (14 units: ¥13.9 billion)
- Acquisition of Type-12 surface-to-ship missiles (4 units: ¥7.9 billion)



Type-10 tank



Type-12 surface-to-ship missile

- Development of 155mm wheeled howitzer (¥1.4 billion)
  - Develop wheeled howitzer, with speed-up gun displacement, enhanced strategic maneuverability, and networked capability, in response to the decreasing number of the existing towed howitzer (FH70)
  - Implement life-cycle cost reduction activities in the development project

### (4) Study and research on Unmanned Aerial Vehicles (UAVs)

- Overseas research on operation, maintenance and development of high-altitude long endurance UAVs (¥1.0 million)

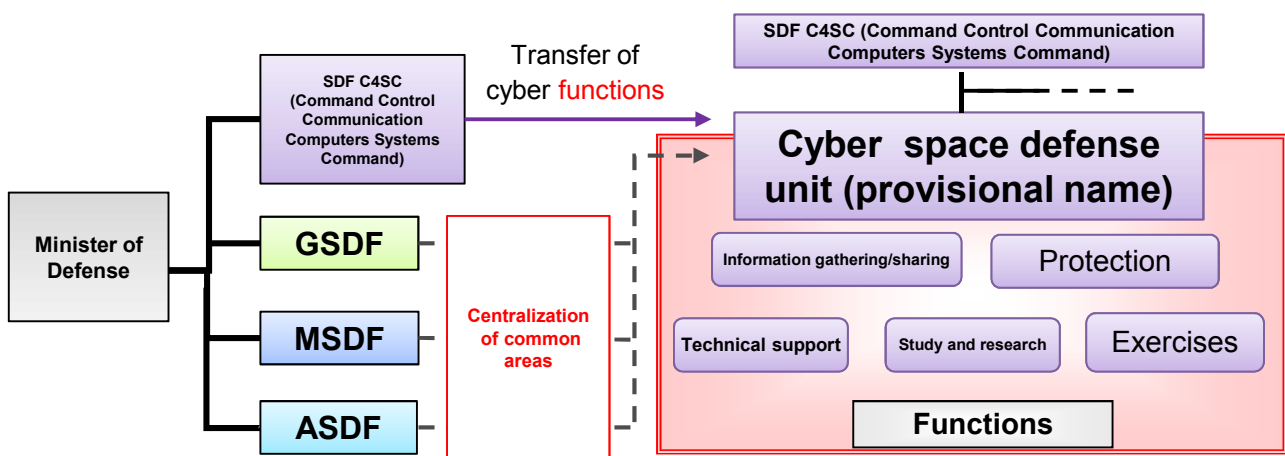


High-altitude long endurance UAV (Photo of Global Hawk)



① **Development/enhancement of structure**

- Establish a cyber space defense unit (provisional name)
  - Establish a cyber space defense unit (provisional name) to ensure appropriate response to the threat of cyber attacks that are becoming increasingly sophisticated and complex
  - Carry out surveillance of and response to incidents of the MOD/JSDF networks on a 24-hour basis, and centrally gather information on and research activities concerning cyber attacks

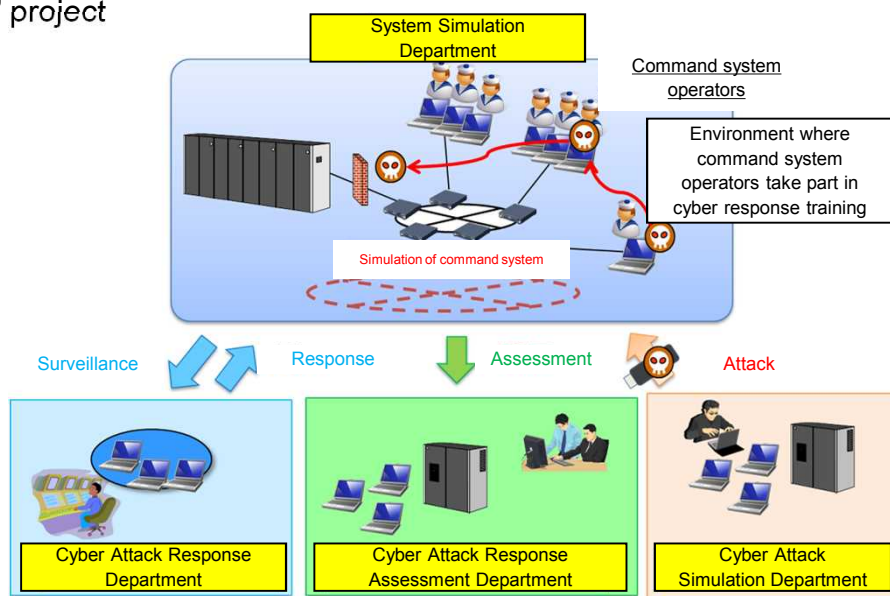


- Strengthening of response planning function against cyber attacks
  - Establish a “Cyber Attacks Response/Information Assurance and Planning Office (provisional name)” within the Information and Communication, Follow-up Research Division, Bureau of Operational Policy, in order to strengthen comprehensive planning function concerning cyber attacks response of the MOD/JSDF
  - Establish a new “Cyber Planning Office (provisional name)” within the C4 Systems Planning Division, JSO to consolidate the cyber planning functions of the JSO and create a more systematized structure to respond to cyber attacks

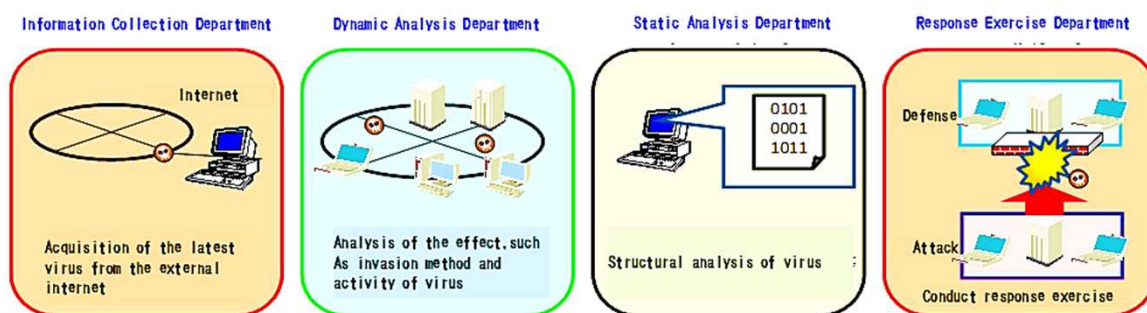
② **Improvement/enhancement of operational infrastructure**

- Enhancement of network surveillance (¥6.9 billion)
  - Install network surveillance devices in order to improve situational awareness concerning cyber attacks in the Defense Information Infrastructure (DII), limit the damage caused by cyber attacks and strengthen response capabilities such as early recovery

- Research on technologies to establish a cyber defense exercise environment (¥1.6 billion)
  - Conduct research on technologies to establish a cyber defense exercise environment with the aim of improving follow-up response capabilities such as damage containment, and enabling continuous operation of units even when command systems are under cyber attack
  - Incorporate system users' opinions into the project as a “demonstration-oriented research” project



- Improve functions of the security and analysis devices for cyber defense\* (¥0.5 billion)
  - \* Devices equipped with information collection, analysis and response/exercise functions concerning cyber attacks



- Research on recent technological advancements to respond to cyber attacks (¥20 million)

### ③ Human resource development and enhancement of partnerships with other countries

- Human resource development initiatives to defend against cyber attacks (¥80 million)
  - Dispatch personnel to study at Japanese and overseas graduate schools
  - Training at information security-related organizations
- Enhancement of partnerships with various countries (¥10 million)
  - Participate in IT Forums

## (6) Response to Ballistic Missile Attacks

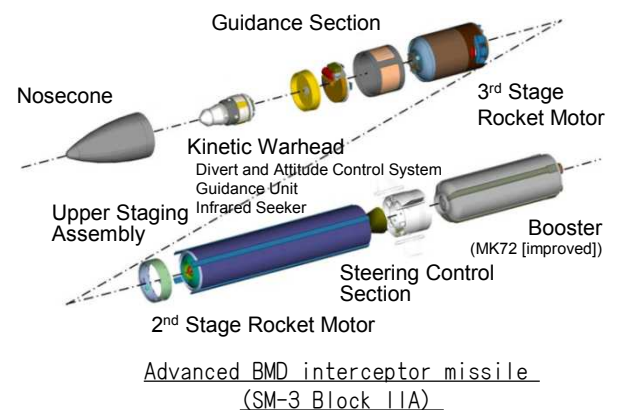
### ① Response to Ballistic Missile Attacks

BMD-related budget ¥28.3 billion

- Upgrade of Aegis ships' capability (2 ships: ¥2.2 billion)
  - Continue upgrading two Atago-class destroyers with ballistic missile defense capability, which started in FY2012
- Japan-U.S. cooperative development of advanced BMD interceptor missile (SM-3 Block IIA) (¥1.1 billion)
  - To improve capabilities for response to ballistic missile attacks, Japan and the U.S. will continue their cooperative development of an advanced BMD interceptor missile (SM-3 Block IIA) to be deployed on Aegis ships



Destroyer "Atago"



Advanced BMD interceptor missile (SM-3 Block IIA)

### ② Initiatives based on the results of investigations on the missile launch by North

#### Korea

- Research for enhancement of C4ISR\* capability using outer space
  - \*C4ISR: Command, Control, Communication, Computer, Intelligence, Surveillance, Reconnaissance
  - Research on mounting infrared sensor onto satellite
    - Conduct research on specifications of sensor system and ground facilities necessary for demonstrating two-color infrared image sensor (see page 14) in outer space
  - Research on the method of infrared sensor demonstration (¥ 6 million)
    - Conduct study and research necessary to reduce cost of launch, etc. in preparation for consideration of demonstration of aforementioned infrared sensor in outer space
- Research on system integration of airborne small IRST (¥1.4 billion)
  - Conduct research on system integration of airborne small IRST to detect ballistic missiles at their launch stage

## (7) Space programs and enhancement of information and telecommunication functions

### ① Space programs

Space-related budget ¥35.9 billion

- Research for enhancement of C4ISR capability [repost]
  - Research on two-color infrared image sensor technology, etc
- Use of satellite communication
  - Lease of communications satellite transponder, etc
- Use of commercial imagery satellites
  - Receive commercial satellite imagery, etc
- Use of meteorological satellite information
- Send personnel to the Space Fundamentals Course of the U.S. Air Force



Commercial communications satellite Superbird C2

### ② Initiatives for outer space monitoring

Promotion of research regarding Space Situational Awareness (SSA)\* activities is expected to contribute to improve BMD capabilities, protect satellites used by JSDF and deepen Japan-U.S. cooperation

\*Space Situational Awareness: Monitoring space objects based on the orbit information registered in the database by detecting and identifying satellites and space debris

- Research on SSA of MOD/JSDF (¥30 million)  
Research on defense oriented SSA
- Research on SSA capabilities (¥0.1 billion)  
Research on FPS-5's capabilities of detecting and tracking satellites, etc

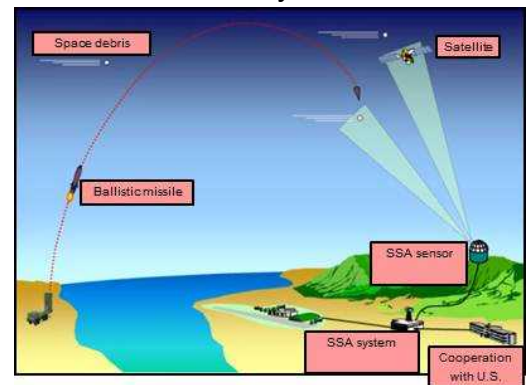


Image of SSA

### ③ Enhancement of information and telecommunication functions

- Research technologies for functional addition to broadband multipurpose Radio (joint communications) (¥1.0 billion)  
Conduct research to realize joint clandestine communications among broadband multipurpose radio for field communication systems used by GSDF, software-defined radio for ships used by MSDF, software-defined radio for air defense artillery used by ASDF, and others.
- Development of MARS Mobile Terminal compatible with the next-generation X-Band satellite communications network (¥1.4 billion)
  - Develop MARS mobile Terminals on ships and submarines that enable information sharing, contributing to prompt situational awareness and command by effectively utilizing broadband network realized through the re-establishment of X-Band satellite network

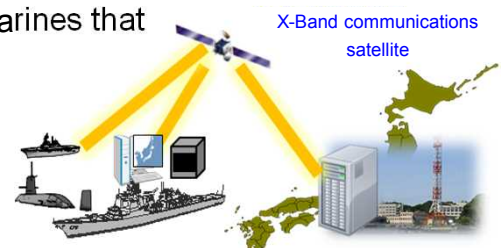


Image of MARS Mobile Terminal



# I Enhancement of effective response and readiness to various forms of contingencies

## 3 Enhancement of capabilities to respond to large-scale/unconventional disasters

In order to protect people's lives and property during large-scale natural disasters or unconventional disasters, the JSDF's capability to respond to disasters will be enhanced based on lessons learned from the Great East Japan Earthquake

### (1) Maintain and enhance functions of camp/base facilities that will serve as bases for response to disasters

- Promote seismic retrofitting for maintaining/strengthening functions during periods of disaster (¥24.7 billion)
- Enhance the emergency medical system at the National Defense Medical College Hospital (¥0.8 billion)

### (2) Conduct exercises to respond to large-scale and unconventional disasters

- JSDF Joint Disaster Response Exercise (¥70 million)  
Conduct exercise to maintain and enhance JSDF's joint operation capabilities including mobile deployment at time of large earthquake in the country
- Implement various disaster response exercises (¥0.6 billion)



JSDF joint disaster response exercise

### (3) Acquire equipment contributing to disaster response based on lessons learned from the Great East Japan Earthquake

#### ① Improvement in disaster response functions

- Acquire rescue amphibian (US-2) [repost]
- Acquire equipment for livelihood support during periods of disaster (¥1.5 billion)
- Acquire maintenance equipment for minesweeping and transport helicopters (MCH-101)(¥10 million)

#### ② Enhancement of various capabilities to respond to Nuclear, Biological, and Chemical (NBC) weapons

- Prevention of epidemics to perform operations in contaminated areas  
Acquire smallpox vaccines (200 boxes: ¥ 4 million)
- Detection/identification of contaminated substances
  - Acquire NBC Reconnaissance vehicles (2 units: ¥1.3 billion)
  - Acquire various types of dose-rate meters (50 sets: ¥0.1 billion)
  - Acquire NBC Alarms (1 set: ¥0.2 billion)
- Protection from contaminated substances
  - Acquire personnel protection equipment (9,710 sets: ¥1.9 billion)
  - Acquire chemical protective apparel (634 sets: ¥0.1 billion)
- Decontamination of contaminated substances  
Develop new decontamination equipment (¥0.7 billion)



NBC Reconnaissance vehicle



Y-ray counter

α/β-ray counter

Dosimeters



NBC Alarm



## II Strengthening of the Japan-U.S. Alliance

### Initiatives for the Realignment of U.S. Forces in Japan

In order to reduce the burden on local communities including Okinawa Prefecture while at the same time maintaining the deterrent capabilities of U.S. forces, concrete measures will be steadily implemented concerning the realignment of U.S. forces in Japan

#### (1) Measures for reducing the burden on local communities

¥89.2 billion

##### ① Relocation of U.S. Marine Corps from Okinawa to Guam

- Contribution to “Mamizu projects” (¥0.7 billion)  
(Note1) The term “Mamizu project” refers to the one funded by Japanese direct cash contributions for the development of facilities, such as headquarters buildings (¥0.2 billion)  
(Note2) The infrastructure development projects included in the budgets for FY2011 and FY2012 are not included because the U.S.-Japan Security Consultative Committee (“2+2”) announced on April 27, 2012 that no financial support other than in the form of direct cash contributions (so-called “Mamizu”) was to be utilized



Guam Island

##### ② Realignment-related measures in Japan (¥88.5 billion)

- Relocation of MCAS Futenma (¥4.1 billion)
  - Design and construction expenses for replacement facilities are not included at this time
  - With regard to the works on land within Camp Schwab, design and construction expenses are included for projects that require continual development and are not directly related to the construction of replacement facilities, including completion of already started works
  - Various methods will be considered as needed, including utilization of Contingency Funds and Purpose-Undecided National Treasury Funds
- Return of land south of Kadena Air Base (¥0.2 billion)
- Return of portions of land at Sagami General Depot ,etc. (¥5.2 billion)
- Relocation of Carrier Air Wing from Atsugi Air Facility to MCAS Iwakuni (¥65.4 billion)
- Relocation of U.S. aviation training from Kadena Air Base,etc. to mainland Japan, and Guam ,etc. (¥4.2 billion)
- Community development measures (realignment grants, etc.) ( ¥9.4 billion)



MCAS Futenma

\*¥89.2 billion for measures for reducing burden on local communities mentioned above includes 0.4 billion yen for the development of facilities related to reducing burden on local communities, etc.

#### (2) Measures for maintaining deterrent capabilities, etc.

¥5.0 billion

- Compensation for functions of the US facilities accompanying relocation of the JGSDF Central Readiness Force HQ to Camp Zama (¥4.0 billion)
- Compensation for functions of the US facilities accompanying relocation of the JASDF Air Defense Command to Yokota Air Base (¥1.0 billion)

#### (3) SACO-related cost

¥9.1 billion

- Regarding the measures not subject to change under the Japan-U.S. Security Consultative Committee (2+2) Joint Statement, Japan will continue to steadily implement these measures included in the Special Action Committee on Okinawa (SACO) Final Report

### III Efforts for further stabilization of international security environment

#### Further stabilization of international security environment including the Asia Pacific

In order to further stabilize the international security environment including the security in the Asia Pacific, cooperation in humanitarian assistance, disaster relief and other fields as well as bilateral and multilateral dialogues will be further promoted. In addition, JSDF's basis for international activities will be strengthened to ensure its independent and proactive activities including prevention of the proliferation of weapons of mass destruction and ballistic missiles, anti-terrorism/piracy and peacekeeping operations

#### (1) Strengthening JSDF's basis for international activities

##### ① Mobilization of equipment relevant to international operations

- Acquisition of sniper detector (GSDF) (1 set: ¥0.1 billion)  
Develop a sniper detector to detect snipers by acoustic or optical devices in order to limit the damage to personnel engaged in UN peace keeping operations



Optical device



Acoustic device



Control display device

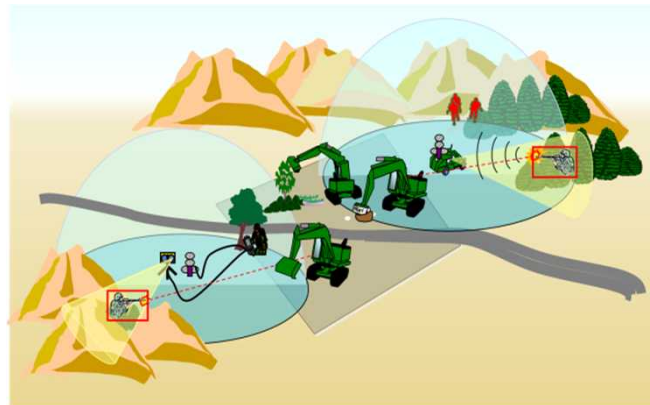


Image of sniper detector

- Acquire water purification sets (improved) (GSDF) (2 sets:¥0.2 billion)
- Acquire Traffic alert and Collision Avoidance System (TCAS) on transport aircraft (C-130H) (ASDF) (3 sets:¥0.1 billion)

##### ② Education and exercises related to international peace cooperation activities

- Offer educational courses to train personnel for international peace cooperation activities (JSO) [repost]
- Participate in multilateral exercises (JSO) [repost]
- Improve preparation for cartography for international activities

#### (2) Promotion of defense cooperation, exchanges and security cooperation in the Asia Pacific Region

- Bilateral defense cooperation and exchanges including those with Australia, ROK, and India, as well as trilateral defense cooperation (Japan-U.S.-Australia, Japan-U.S.-ROK)
- Capacity building for military and related organizations with focus on the Asia-Pacific region

Take initiatives in the promotion of human resource development and enhancement of capacity in the field of non-traditional security, such as humanitarian assistance/disaster relief for militaries or related organizations in concerned countries, through the utilization of knowledge and experience of the MOD/JSDF for the stability of the Asia-Pacific region



Capacity building project in Timor Leste

- Initiatives under the ASEAN Defense Ministers' Meeting-Plus (ADMM-Plus)
  - Actively promote enhancement of regional defense and security cooperation through the only official meeting of defense ministers in the Asia-Pacific region
  - Participate in Experts' Working Group (EWG) on Military Medicine (co-chair with Singapore) and four other EWGs
  - Participation in ADMM-Plus's first field training exercise concerning humanitarian assistance, disaster relief and military medicine



2nd ADMM-Plus EWG on Military Medicine TTX (Table Top Exercise)

- Participating in Pacific Partnership (PP) 2013  
 Naval ships mainly sent by the U.S. Navy will visit countries in the Asia-Pacific region and conduct medical activities and cultural exchanges. Through cooperation with governments, militaries, international Organizations, and NGOs, the PP strengthens partnerships among participating countries and facilitates International disaster relief operations



Pacific Partnership

- Participating in the ASEAN Regional Forum (ARF)  
 The ARF provides Japan with an opportunity to actively explain its defense policies and efforts, and to exchange candid opinions with member nations, thereby increasing the transparency of defense policies as well as fostering mutual understanding

### (3) Initiatives for international community efforts

- Anti-piracy operations off the coast of Somalia and in the Gulf of Aden  
 Continuation of anti-piracy operations by destroyers and P-3C off the coast of Somalia and in the Gulf of Aden



Anti-piracy operations off the coast of Somalia and in the Gulf of Aden

- Participation in PSI\* interdiction exercises  
 Maintain and increase the capability for a coordinated response among the MOD/SDF, relevant organizations, and concerned countries against the proliferation of weapons of mass destruction  
 ※PSI (Proliferation Security Initiative): Security concept against proliferation
- Dispatch of JSDF engineer units to South Sudan PKO (UNMISS)  
 Implement international peacekeeping operations including road repair and other infrastructure development
- Dispatch of instructors to PKO centers in African countries  
 Dispatch of JSDF instructors for education of PKO personnel in African countries to improve the countries' peacekeeping capabilities and maintain stability of the region



## IV Other

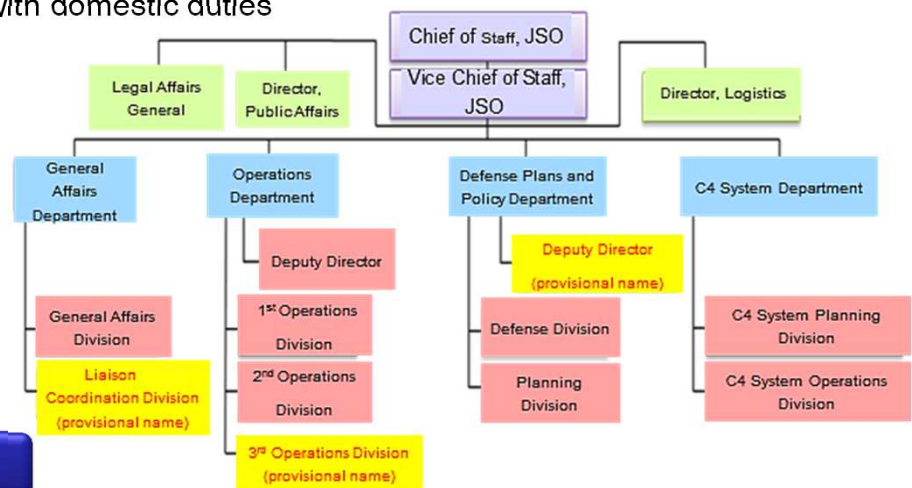
### 1 Restructuring and Organizational Quota Changes

Implement projects related to the reorganization of units in each SDF service within the personnel numbers at the end of FY2012, including functional enhancement of Joint Staff aiming for stronger organization

#### (1) Enhancement of functions of Joint Staff Office(JSO)

Learning from the lessons of the Great East Japan Earthquake, functions of the Joint Staff will be strengthened aiming for stronger organization

- Establish Liaison Coordination Department (provisional name)  
Enhance liaison functions with external organizations
- Establish 3<sup>rd</sup> Operations Division, Operations Department (provisional name)  
Enhance planning and assessment functions of joint exercises
- Establish Deputy Director, Defense Plans and Policy Department (provisional name)  
Enhance structure to carry out international duties, such as confidence building with other countries, together with domestic duties



#### (2) Restructuring Programs

- Reorganize the 7th Division (armed division) for modernized readiness, reorganize the 10th Division for modernized readiness and decommission the 1st tank group (GSDF)
- Decommission the 6th anti-aircraft artillery group and establish the 15th anti-aircraft artillery regiment (provisional name) (GSDF)
- Abolishment of the 1st Depot in line with the review of logistics and development organizations (ASDF)
- Establish cyber space defense unit (provisional name) [repost]

#### (3) Programs related to organizational quota

Organization building toward enhancement of policy planning functions of defense policies

- Establish a 'Cyber Attacks Response/Information Assurance Planning Office (provisional name)' within the Information and Communications, Follow-up Research Division, Bureau of Operational Policy [repost]
- Enhance organization for smooth implementation of the realignment of U.S. forces in Japan (personnel increase)
- Enhance organization for further stabilization of the security environment in the Asia-Pacific region (personnel increase)
- Enhance organization for response to changing international environment, such as international joint development and production (personnel increase)
- Enhance logistics support arrangements with the aim of improving the readiness of JSDF (personnel increase)
- Prevention of reoccurrence of misconduct in equipment procurement (personnel increase)

## IV Other

### 2 Promotion of Base Measures

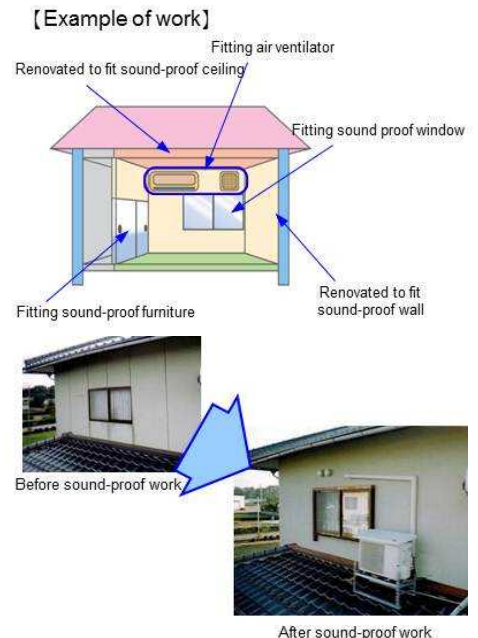
Japan will steadily implement measures to achieve harmony between defense facilities and the neighboring communities, as well as measures to facilitate the smooth and effective stationing of U.S. forces in Japan

#### (1) Expenses related to programs for communities near bases

¥121.1 billion

Including : Residential sound insulation : ¥42.8 billion  
Improvement of living environment of neighboring communities : ¥78.3 billion

- Expenses for the prevention of disturbances resulting from SDF activities or the establishment and operations of defense facilities
  - Implementation of sound insulation projects for residences near air bases
  - Implementation of projects to improve the living environment of neighboring communities (river and road restoration, sound-proofing systems in schools, etc.)
  - Implementation of projects covered by specified defense facilities environs improvement adjustment grants, with strong requests from municipalities around bases (development of public facilities and software projects, such as medical cost subsidies, etc.)



Sound-proof House

#### (2) Cost-sharing for the stationing of U.S. forces in Japan

¥186.4 billion

Including: Special Measures Agreement: ¥ 139.8 billion  
Facilities improvement : ¥ 21.3 billion  
USFJ employees measures, etc. : ¥ 25.3 billion

- Expenses of the Special Measures Agreement to ensure the smooth and effective stationing of U.S. forces in Japan
  - Share the cost of wages of USFJ employees and utilities at USFJ facilities.
  - Improve facilities (administration building, family housing, etc.)
  - Share the cost of social insurance premiums (healthcare insurance, welfare annuity insurance, etc.) for USFJ employees

\* ¥21.3 billion above for facilities improvement includes ¥0.1 billion for refurbishment projects at MCAS Futenma.



Administration Building

#### (3) Rental cost of facilities, compensation expenses

¥133.0 billion

- Rental cost of defense facility land, compensation for loss of fisherman income due to training exercises on water areas, etc.



## IV Other

### 3 Strengthening Education and Research System

Implement measures to strengthen the education and research system of the National Institute for Defense Studies, the National Defense Academy, and the National Defense Medical College in addition to developing an environment for the enhancement of various health measures so that personnel can devote themselves to their duties

#### National Institute for Defense Studies

- Enhancement of research from the mid- and long-term perspective contributing to policy making
  - Enhance research concerning cyber security
- Enhancement and deepening of research exchange / faculty exchange
  - Promote proactive international exchange and public relations
  - Carry out joint research with Australian National University and publish reports
  - Promote research and faculty exchanges with National Defence University, Pakistan
  - Promote exchange of opinions with government officials and major research institutions of other countries with respect to “East Asian Strategic Review” and “NIDS China Security Report”
- Promotion of research and compilation work concerning war history
  - Host meetings of war history study group to compile “History of the Pacific War (provisional name)”

#### National Defense Academy

- Enhancement of study abroad programs
  - Enlarge the number of dispatched personnel to the Australian Defence Force Academy
- Enhancement of education and research (increase in instructors)
  - Improve the contents of education programs (crisis management, safety science and life science)

#### National Defense Medical College

- Establishment of four-year nursing program
  - Preparations towards the start of the program in FY2014
- Improvement and enhancement of clinical systems
  - Improve and enhance clinical systems by increasing the number of nurses in order to improve facility operations of hospital's surgical department

#### Development of environment to concentrate on duties

- Enhancement of mental healthcare
  - Enhance mental healthcare for SDF personnel by developing various counseling approaches, such as utilization of clinical psychotherapists and external counselors

## V Restoration from the Great East Japan Earthquake (Special Account for the Reconstruction from the Great East Japan Earthquake)

Reconstruct equipment and JSDF facilities damaged by the Great East Japan Earthquake

### (1) Reconstruction of damaged equipment

¥49.5 billion

- Restore equipment damaged and broken by the tsunami caused by the Great East Japan Earthquake  
(e.g.) Repair damaged aircraft (in addition to the repair of six aircraft included in the 2011 budget, repair seven aircraft that were later found to be repairable)



Disaster-stricken F-2 fighter aircraft

### (2) Reconstruction of damaged JSDF facilities

¥16.0 billion

- Reconstruct JSDF facilities damaged by the Great East Japan Earthquake  
(e.g.) Rebuilding of public buildings and repair factories in the disaster affected areas (reconstruction)



Disaster-stricken barracks (Sendai)



# Major equipment

# 1 Major Equipment

Procurement type		FY2012 Number procured	FY2012 Supplement -ary Number procured	FY2013			
				Number Procured	Amount (¥ 100 million)		
Aircraft	GSDF	Multi-purpose helicopter (UH-60JA)	1	1	1	43 (0.2)	
		Transport helicopter (CH-47JA)	2	1	—	—	
		Attack helicopter (AH-64D)	1	—	1	53	
	MSDF	Fixed-wing patrol aircraft (P-1)	—	—	2	409 (78)	
		Patrol helicopter (SH-60K)	4	3	—	—	
		Minesweeping and transport helicopter (MCH-101)	1	2	—	—	
		Rescue Amphibian (US-2)	—	—	1	123 (9)	
		Primary trainer (T-5)	4	—	3	7	
		Helicopter trainer (TH-135)	—	—	3	17	
		Life extension of fixed-wing patrol aircraft (P-3C)	—	—	(2)	8	
		Life extension of patrol helicopter (SH-60J)	(2)	—	(2)	9	
		ASDF	Next-generation fighter aircraft (F-35A)	4	—	2	299 (830)
	Modernization of fighter aircraft (F-15)		(2)	(4)	(6)	69	
	Improvement of self-defense capability of fighter aircraft (F-15)		(1)	(2)	—	—	
	Improvement of air-to-air combat capability of fighter aircraft (F-2)		(12)	—	(12)	43	
	Addition of JDAM function to fighter aircraft (F-2)		(20)	—	(11)	10	
	Transport aircraft (C-2)		2	—	—	—	
	Rescue helicopter (UH-60J)		—	2	—	—	
	Improvement in capability of Airborne Warning And Control Systems (AWACS)		Upgrade Parts	— —	— —	(—) (1)	101
	Vessel	MSDF	Destroyer (DD)	—	—	1	701 (58)
Destroyer (DDH)			1	—	—	—	
Submarine (SS)			1	—	1	531 (0.8)	
Minesweeper ocean (MSO)			—	—	1	183 (34)	
Life extension of Hatsuyuki class destroyer			Work	(—)	—	(—)	8
			Parts	(1)	—	(3)	
Life extension of Asagiri class destroyer			Work	(2)	—	(2)	59
			Parts	(2)	—	(4)	
Life extension of Abukuma class destroyer			Work	(—)	—	(—)	15
			Parts	(2)	—	(4)	
Life extension of Hatakaze class destroyer			Work	(—)	—	(—)	11
			Parts	(1)	—	(1)	
Life extension of Oyashio class submarine			Work	—	—	(2)	26
			Parts	—	—	(1)	
Life extension of Towada class fast combat support ship			Work	—	—	(—)	2
		Parts	—	—	(2)		
Function improvement of short-range SAM system on Murasame class destroyer		(1)	—	—	—		
Life extension of Landing Craft Air Cushion	Work	(—)	—	(2)	3		
	Parts	(1)	—	(—)			



Procurement type			FY2012 Number procured	FY2012 supplemen- -tary Number procured	FY2013	
					Number Procured	Amount (¥100 million)
Missile	GSDF	Type-03 medium-range surface-to-air missile (SAM)	1 squadron	1 squadron	—	—
		Type-11 short-range surface-to-air missile	1	1	—	—
		Medium-range multi-purpose missile	11 sets	—	11 sets	50 (2)
		Type-12 Surface-to-ship missile	2	—	4	79 (55)
	ASDF	Surface-to-air missile (Patriot [excluding PAC-3])	¥11.1 billion	¥11.2 billion	—	38
		Upgrade of patriot system	(3)	(2)	—	—
Base air defense SAM		2	2	—	5	
Firearm, Vehicle, etc.	GSDF	9mm Pistol	90	—	90	0.2
		Type-89 rifle	9,513	—	6,949	19
		Anti-personnel sniper rifle	49	—	75	0.5
		5.56mm machine gun MINIMI	200	—	188	4
		12.7mm heavy machine gun	113	—	114	6
		84mm recoilless rifle (B)	3	—	17	2
		81mm motor L16	6	—	5	0.6
		120mm motor RT	3	—	2	0.8
		Type-99 155mm self-propelled new howitzer	6	—	6	58
		Type-10 MBT	13	—	14	139
		Light armored vehicle	49	—	44	14
		Type-96 wheeled armored personnel carrier	13	—	11	14
		Type-87 reconnaissance combat vehicle	1	—	1	3
		NBC reconnaissance vehicle	—	—	2	13
		Vehicle, communications equipment, facility equipment	¥64.5 billion	¥94.5 billion	—	496 (6)
	ASDF	Light armored vehicle	2	—	1	0.4
BMD	MSDF	Upgrade of Aegis Ships	(2)	—	(2)	22

Note 1: The procurement amount for FY 2012 indicates the number that was envisioned in the original budget.

Note 2: Price represents amounts excluding non-recurring costs needed for the production of equipment. The non-recurring costs are indicated in parentheses in the amount column (external value).

Note 3: Number procured indicates the number that is newly contracted in 2013. (The period for acquiring the item varies by equipment, but can take between two to five years.)

Note 4: The number in brackets represents the number related to upgrading the existing commissioned equipment.

Note 5: Regarding the number for the improvement of Airborne Warning And Control System (AWACS) (E-767), the upper figure represents the number of aircraft modified, while the lower figure represents the number of pieces of equipment with improved capabilities. One set to be procured in FY 2013 indicates pieces of equipment necessary for improving the capabilities of four aircraft. Regarding the volume of procurement for the life extension of vessels, the upper figure represents the number of ships subject to life extension work and the lower figure represents the number of parts procured for life extension work.

Note 6: The supply quantity in FY2012 of Base air defense SAM includes 1 set of mass production refurbishing of test aircraft for the purpose of education.

Note 7: The number of procurement for capability improvement of Aegis ships in FY2013 represents the number of procurement of parts for upgrading two Atago-class destroyers with a ballistic missile defense (BMD) capability, which started in FY2012.

## 2 Major Research and Development

	Item	Overview	FY2013 Amount (¥100 million)
New	Development of 155mm wheeled howitzer	Develop wheeled howitzer, with speed up gun displacement , enhanced strategic maneuverability, and networked capability, in response to the decreasing number of the existing towed howitzer (FH70)	14
	Development of new surface-to-surface missile	Develop new surface-to-surface missile with improved guidance precision and extended range as a successor to Type-90 surface-to-surface missile. To reduce development and non-recurring costs, the missile will be developed based on GSDF's Type-12 surface-to-ship missile.	13
	Development of autonomous underwater mine hunting system	Develop autonomous underwater mine hunting system with mine detection and identification capabilities equipped with unmanned and remote control functions of sailing underwater autonomously and with improved safety of the ship.	15
	Improvement of anti-submarine capabilities of system mounted on patrol aircraft	Conduct research on an acoustic and non-acoustic system (radar and optical wave sensor) enhancements in order to ensure superiority in anti-submarine warfare of patrol aircraft. In addition, conduct research on technologies to integrate information from various sensors in preparation for an increase in sensor and strategic information as a result of the above research to enable rapid and accurate tactical decisions.	28
	Research on technologies to create environment for cyber exercises	Conduct research on technologies to create an environment for cyber exercises with an aim to improve follow-up response capabilities, such as damage containment, in addition to securing unit operation continuity of command systems under cyber attacks.	16
	Research on technologies for functional addition to broadband multipurpose Radio (joint communication)	Conduct research to realize joint clandestine communications among broadband multipurpose Radio for field communication systems used by GSDF, software-defined radio for ships used by MSDF, software-defined radio for air defense artillery used by ASDF, and others.	10
	Research on system integration of airborne small IRST	Conduct research on system integration of airborne small IRST to detect ballistic missiles at their launch stage.	14
	Research on engine elements for fighter aircraft	Conduct research on engine elements for fighter aircraft with slim body and large propulsion power, which is necessary to ensure stealth capability and high-altitude/high speed combat capability for future fighter aircraft, which tend to be larger.	45
Continuation	Development of new air-to-ship guided missile, XASM-3	Conduct research on the development of a new air-to-ship guided missile (XASM-3) to be used for more effective response to enemy battle ships with high-performance anti-aircraft artillery on board.	114

### 3 Changes in Number of Personnel

#### ● Changes in number of SDF personnel

Numbers are maintained at the level of end of FY2012 in order to reflect the future defense force that will be designed based on the review of the current National Defense Program Guidelines.

(Unit : Person)

	End of FY2012	End of FY2013	Increase/ Decrease
GSDF	159,238	159,238	0
Regular personnel	151,063	151,063	0
Ready reserve personnel	8,175	8,175	0
MSDF	45,517	45,517	0
ASDF	47,097	47,097	0
Joint Units	1,227	1,227	0
Joint Staff	361	361	0
Defense Intelligence Headquarters	1,907	1,907	0
Total	247,172	247,172	0
	(255,347)	(255,347)	(0)

Note1: Figures for the end of each fiscal year are budget figures.

Note2: The number in the brackets includes the number of SDF ready reserve personnel.

#### ● Number of SDF personnel (annual average)

(Unit : Person)

	GSDF	MSDF	ASDF
Annual average	140,029	41,941	43,199

#### ● Number of SDF reserve personnel

(Unit : Person)

	GSDF	MSDF	ASDF	Total
SDF reserve personnel	46,000	1,100	800	47,900

#### ● Number of candidates for GSDF reserve personnel

(Unit : Person)

	End of FY2012	End of FY2013	Increase/Decrease
SDF reserve candidates	4,600	4,600	0

#### ● Change in the quota of administrative officials

(Unit : Person)

	FY2012	FY2013	Remarks
Increase	218	316	
Rationalization program	▲ 488	▲ 488	
Additional rationalization		【▲91】	See Note 1
Other rationalization	▲ 4	▲ 17	See Note 2
Total	▲ 274	▲ 189 【▲280】	
Quota at the end of FY	21,715	21,435	

Note1: [▲91] is a part of the rationalization planned for FY2014, which is implemented ahead of schedule in FY2013 in order to earlier achieve the 12<sup>th</sup> quota rationalization plan (FY2010-2014) with the aim of increasing the effectiveness of administrative reform as an effort shared across government ministries and agencies faced with tight state finance.

Note 2: "Other rationalization" is a decrease as a result of efficiency improvement in the process of quota examination.





# **Defense-related expenses**

# 1 Overall Defense-related Expenses

[Expenditures (classified into 3 categories by expense)]

(Unit: ¥100 million)

	FY2012 Budget		FY2013 Budget	
		YR/YR		YR/YR
Defense-related expenditures	46,453 (47,138)	Δ172[Δ0.4] (Δ614[Δ1.3])	46,804 (47,538)	351[0.8] (400[0.8])
Personnel and provisions expenses	20,701	Δ215[Δ1.0]	19,896	Δ806[Δ3.9]
Material expenses	25,751 (26,437)	42[0.2] (Δ400[Δ1.5])	26,908 (27,642)	1,157[4.5] (1,206[4.6])
<Deferred expenses>	<187>		<->	
Obligatory outlay expenses	16,315 (16,655)	Δ6[Δ0.0] (Δ3[Δ0.0])	16,612 (17,149)	298[1.8] (494[3.0])
General material expenses (activity expenses)	9,437 (9,782)	49[0.5] (Δ396[Δ3.9])	10,296 (10,493)	859[9.1] (712[7.3])

(Comments)

- [ ]: growth rate, < >: Deferred expenses.
- The term "Deferred expenses." means the extension of the payment period of a part of the obligatory outlay expenses to be paid in the respective fiscal years to later fiscal years. The above mentioned obligatory outlay expenses indicate the reduced expenses by the amount of deferred expenses.
- Figures may not add to the total due to rounding (hereinafter the same).
- Top row indicates SACO-related expenses and the U.S. forces realignment-related expenses where the portion intended to reduce the burden on the local community has been omitted. The number in parentheses in the bottom row indicates that which has been included.  
The amount in the SACO-related expenses of the total are:  
FY 2012: ¥8.6 billion      FY 2013: ¥8.8 billion  
The portion intended to reduce the burden on the local community out of the U.S. forces realignment-related expenses is:  
FY 2012: ¥59.9 billion      FY 2013: ¥64.6 billion
- As expenses for the reconstruction of Sapporo Hospital, the figures for FY 2012 include ¥0.3 billion for expenditures and ¥0.7 billion for future obligations concerning new contracts. For FY 2013, they include ¥0.6 billion for expenditures and ¥0.1 billion for future obligations concerning new contracts, which is a portion of the budget of the Ministry of Finance.
- General material expenses of FY2013 include 68.9 billion yen that needs to be transferred to the Special Account for Reconstruction from the Great East Japan Earthquake
- Exchange rate for FY2013: US\$ = JPY ¥82

[Future obligation pertaining to new contracts]

(Unit: ¥100 million)

	FY2012 Budget		FY2013 Budget	
		YR/YR		YR/YR
Future obligation pertaining to new contracts	16,672 (17,253)	132[0.8] (Δ50[Δ0.3])	16,517 (17,299)	Δ155[Δ0.9] 46[0.3]

(Comments)

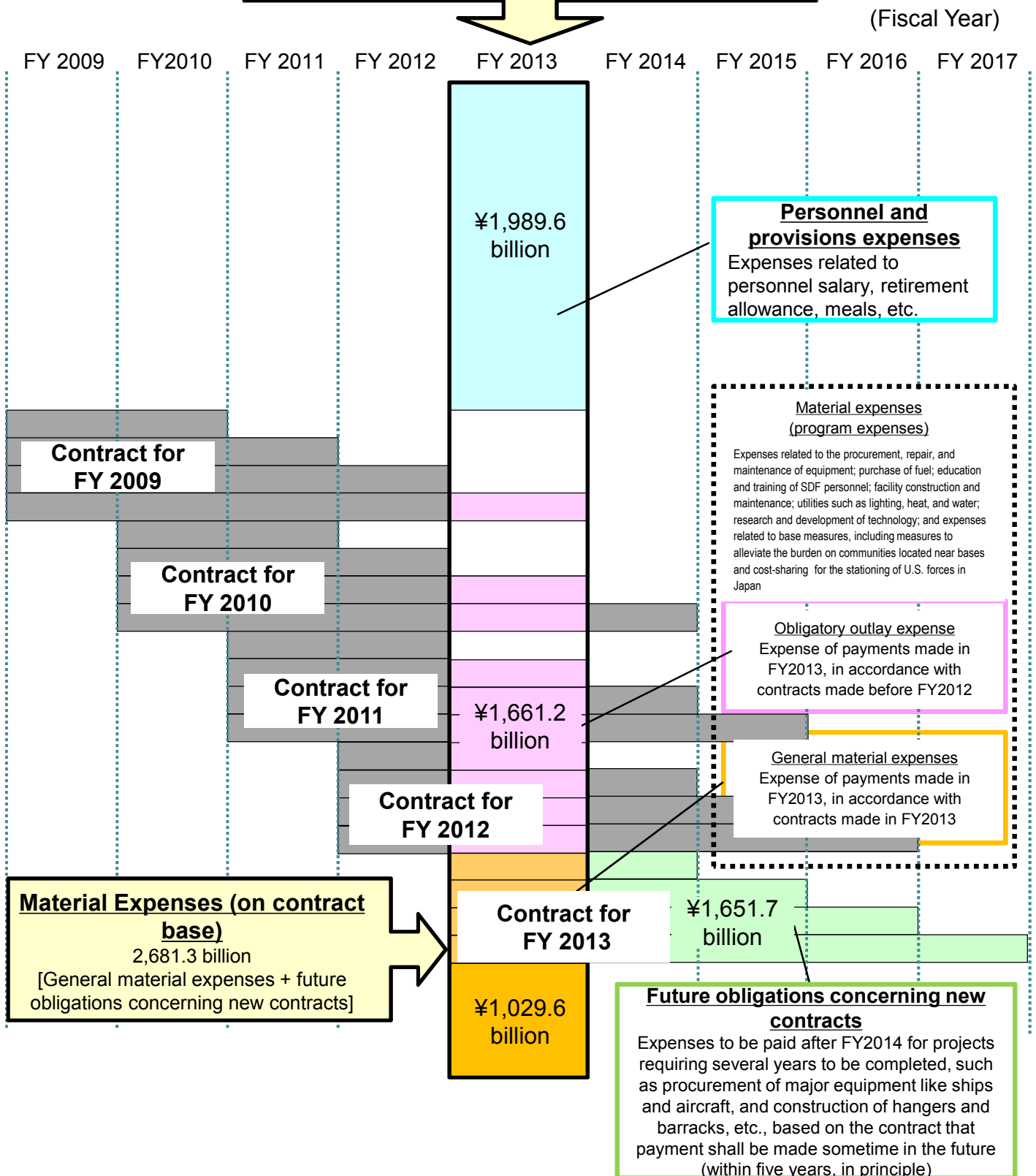
- [ ]: growth rate (%).
- Top row indicates SACO-related expenses and the U.S. forces realignment-related expenses where the portion intended to reduce the burden on the local community has been omitted. The number in parentheses in the bottom row indicates that which has been included.  
The said amount in the SACO-related expenses are:  
FY 2012: ¥7.8 billion      FY 2013: ¥4.2 billion  
The portion intended to reduce the burden on the local community out of the U.S. forces realignment-related expenses is:  
FY 2012: ¥50.3 billion      FY 2013: ¥74.0 billion
- Expenses related to the development and operation of X band satellite communications (122.4 billion yen) are excluded from FY2012.

Reference: Defense-related expenditures in the "15-month budget" (total of FY2013 budget and FY2012 supplementary budget)

	FY2012 supplementary budget	FY2013 Budget	Total
Expenditure	2,124	46,804	48,928
Future obligations pertaining to new contracts	1,127	16,517	17,644

Composition of defense-related expenses

**Expenditures** ¥4,680.4 billion  
 [Personnel and provisions expenses + obligatory outlay expense + general material expenses]



Notes: 1. SACO-related expenses and the portion pertaining to the reduction of local burden in the U.S. forces realignment-related expenses are excluded from this chart.

2. This chart is a rough sketch. The length of a box does not necessarily correspond to the actual amount of expenses.

## 2 Details of Material Expenses (Program Expenses)

[Details and classification of material expenses (program expenses)] (Unit: ¥ 100 million)

FY 2013	Expenditure base	Contract base
Material expenses (program expenses)	26,908	26,813
Obligatory outlay expense	16,612	
General material expenses	10,296	10,296
Future obligation pertaining to new contracts		16,517

(Comment)

- Expenditure base

Total amount to be paid in the current fiscal year for projects like acquisition of equipment and facility development. Specifically, the sum of the expenses to be paid in FY 2013 (general material expenses) based on the contracts concluded in FY2013 and the expenses to be paid in FY 2013 (obligatory outlay expenses) based on the contracts concluded before FY 2012. This is a useful point of view in understanding the share of defense-related expenses in the overall expenditure budget of the government which is based on the principle of one-year budget.

- Contract base

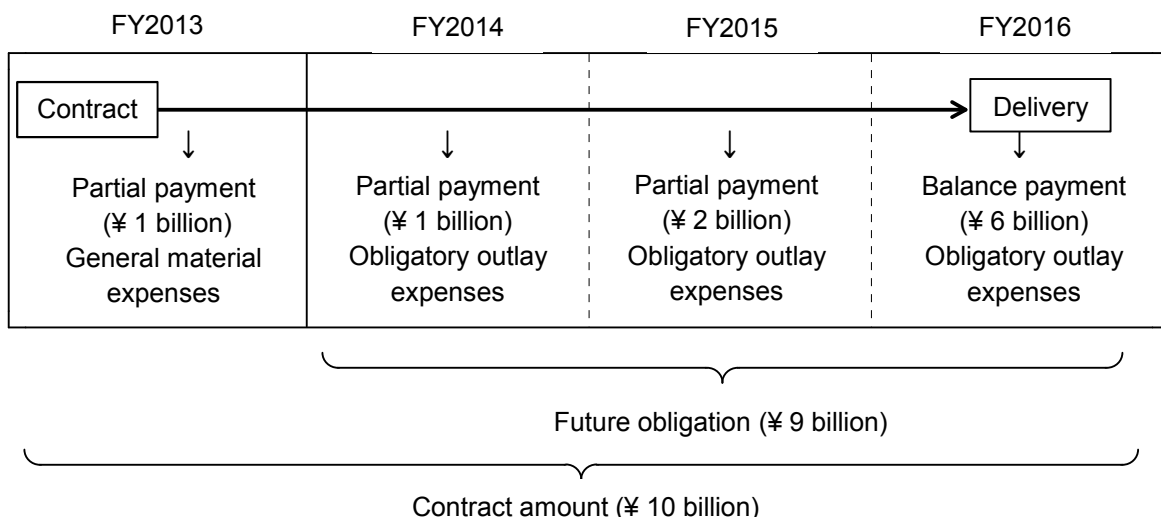
Total amount of contracts concluded in the current fiscal year for projects like acquisition of equipment and facility development. Specifically, the sum of the expenses to be paid in FY 2013 and the expenses to be paid after FY2014 (future obligation pertaining to new contracts) based on the contracts concluded in FY2013. This is a useful point of view in understanding the total amount of expenses by program with respect to year-by-year projects for developing defense power.

### Concept of Future Obligation

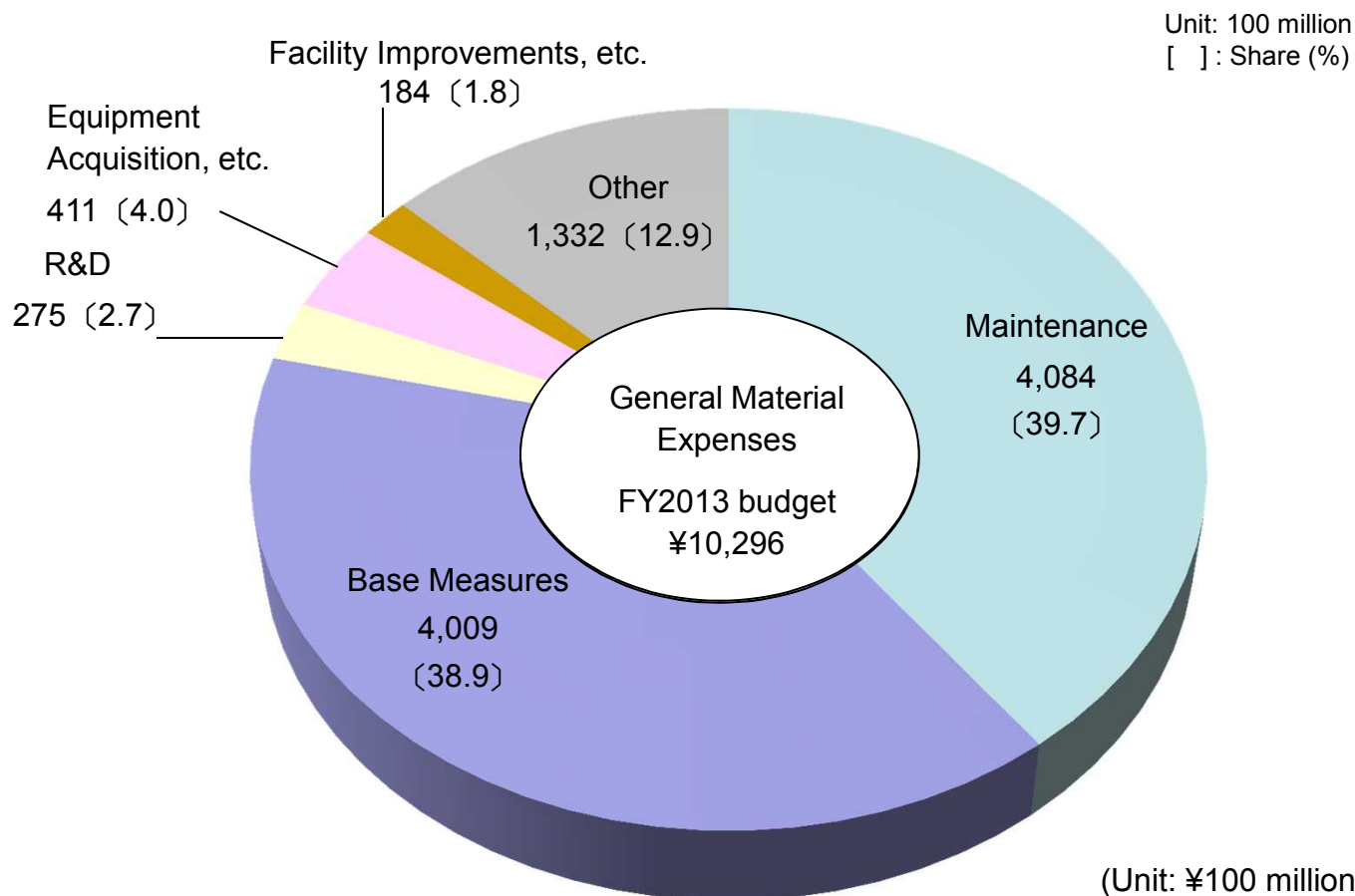
Build-up of defense capabilities, such as procurement of major equipment including vessels and aircrafts, as well as construction of hangars and accommodations for SDF personnel, may take several fiscal years. For this reason, the MOD makes contracts which span several fiscal years (in principle less than five years), and at the time of concluding the contract, makes an advance commitment to pay the expenses at a certain time in the future.

Future obligation refers to the amount which will be paid in the fiscal year(s) following the year the contract is made, in accordance with the contract of several fiscal years.

(e.g.) ¥10 billion worth of equipment is procured under a four-year contract



## Details of General Material Expenses (Activity Expenses)



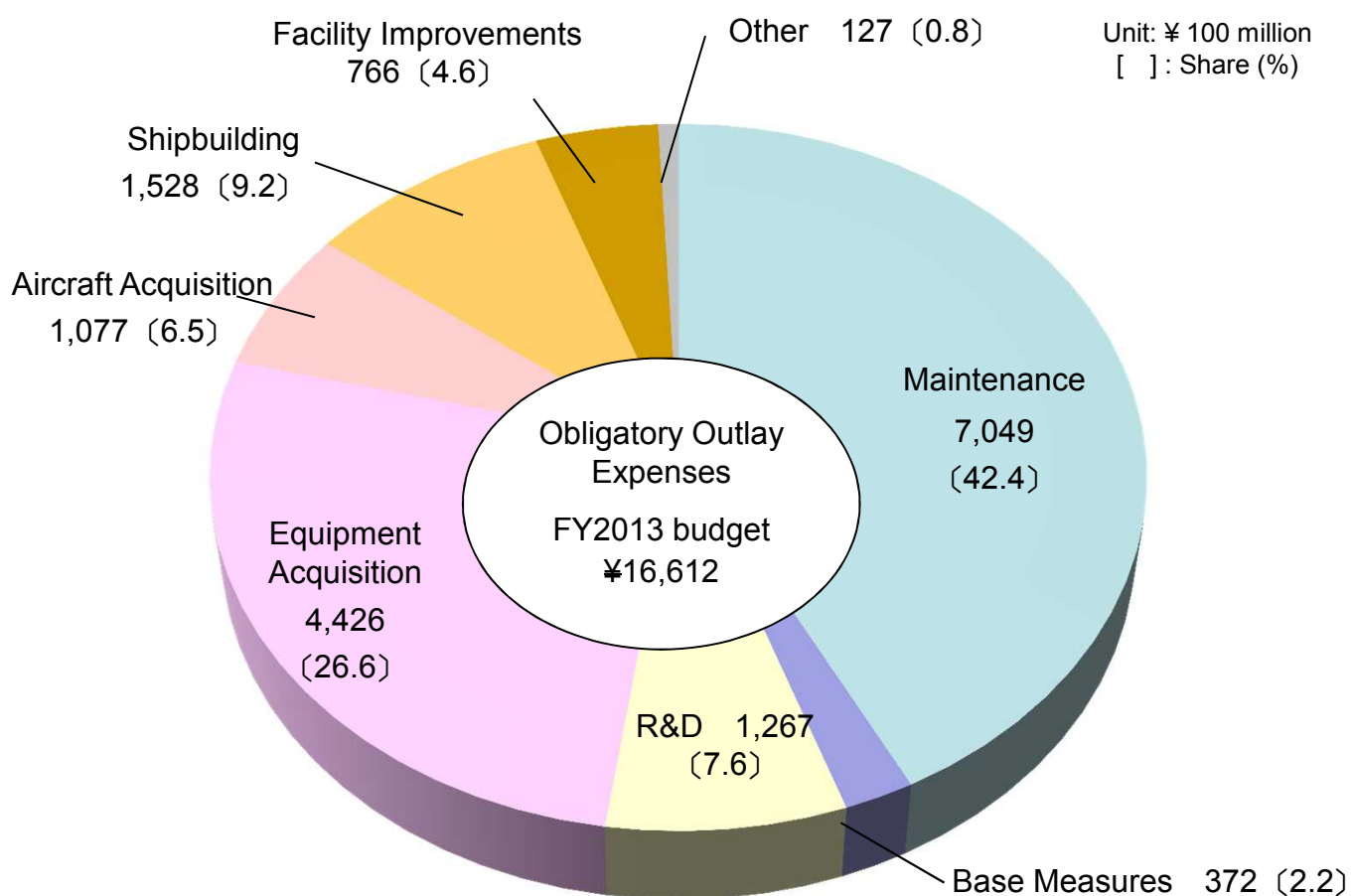
Item	FY 2012	FY2013	YR/YR
Maintenance	4,029	4,084	5.6
• Petrol	955	999	4.4
• Repair	1,634	1,619	Δ1.5
• Education & Training	266	272	6
• Medical Care	244	253	8
• Utilities	930	942	1.3
Base Measures	4,082	4,009	Δ7.3
• Community Grants	966	1,001	3.6
• Host Nation Support	1,754	1,691	Δ6.3
• Rent, Compensation Costs	1,362	1,317	Δ4.6
R&D	246	275	2.9
Equipment Acquisition	249	411	16.3
Facility Improvements	182	184	2
Other (computer rentals, etc.)	649	1,332	68.3
<b>Total</b>	<b>9,437</b>	<b>10,296</b>	<b>85.9</b>

Notes: 1. SACO-related expenses and the portion pertaining to the reduction of local burden in the U.S. forces realignment-related expenses are excluded from this table.

2. "Other" of FY2013 includes 68.9 billion yen that needs to be transferred to the Special Account for Reconstruction from the Great East Japan Earthquake.



## Details of Obligatory Outlay Expenses

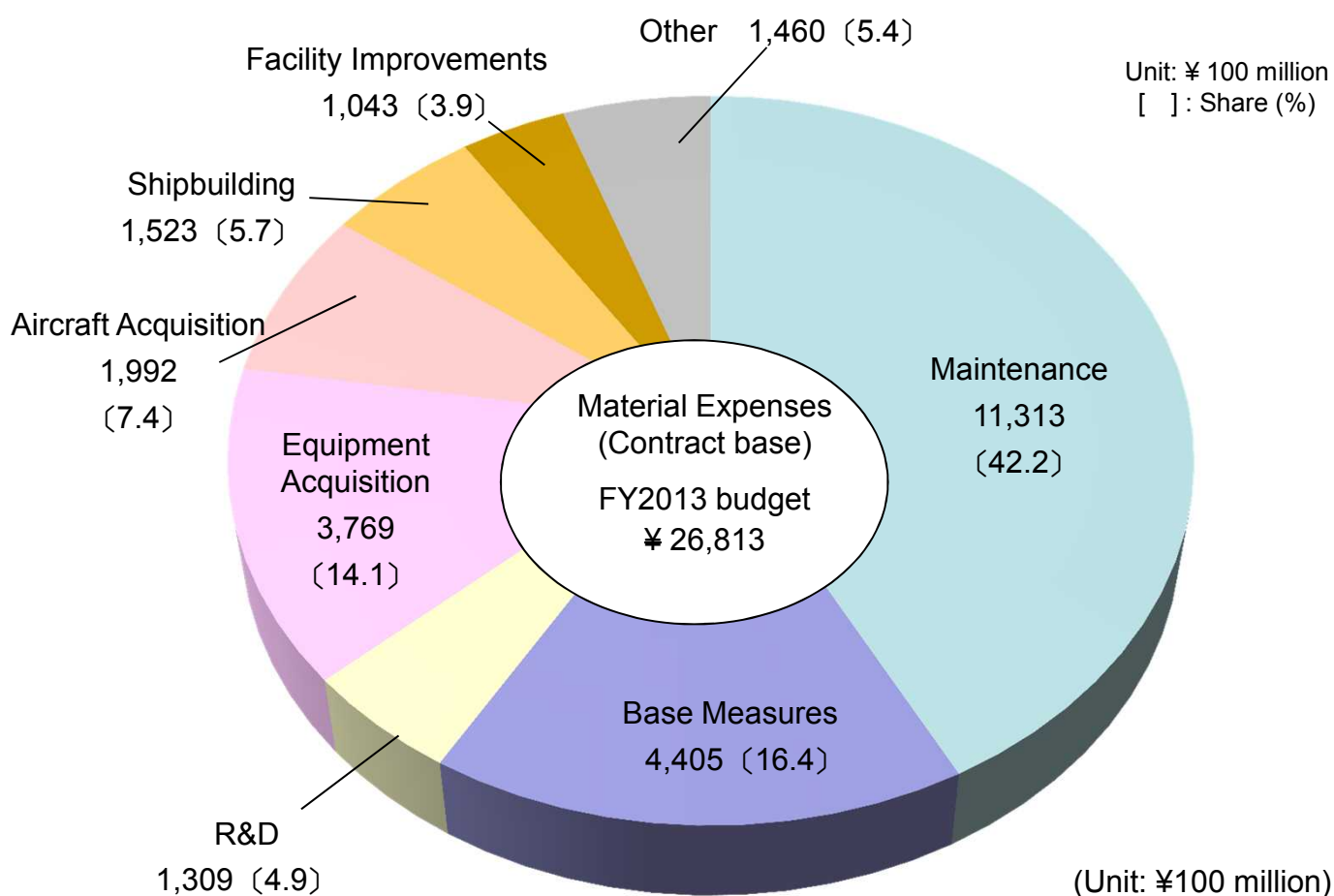


(Unit: ¥ 100 million)

Item	FY 2012	FY2013	YR/YR
Maintenance	7,028	7,049	21
Repair	6,676	6,708	32
Education & Training	352	341	△12
Base Measures	335	372	37
R&D	698	1,267	569
Equipment Acquisition	4,548	4,426	△122
Aircraft Acquisition	912	1,077	165
Shipbuilding	1,856	1,528	△328
Facility Improvements	817	766	△50
Other (computer rentals, etc.)	120	127	7
<b>Total</b>	<b>16,315</b>	<b>16,612</b>	<b>298</b>

Note: SACO-related expenses and the portion pertaining to the reduction of the local burden in the U.S. forces realignment-related expenses are excluded from this table

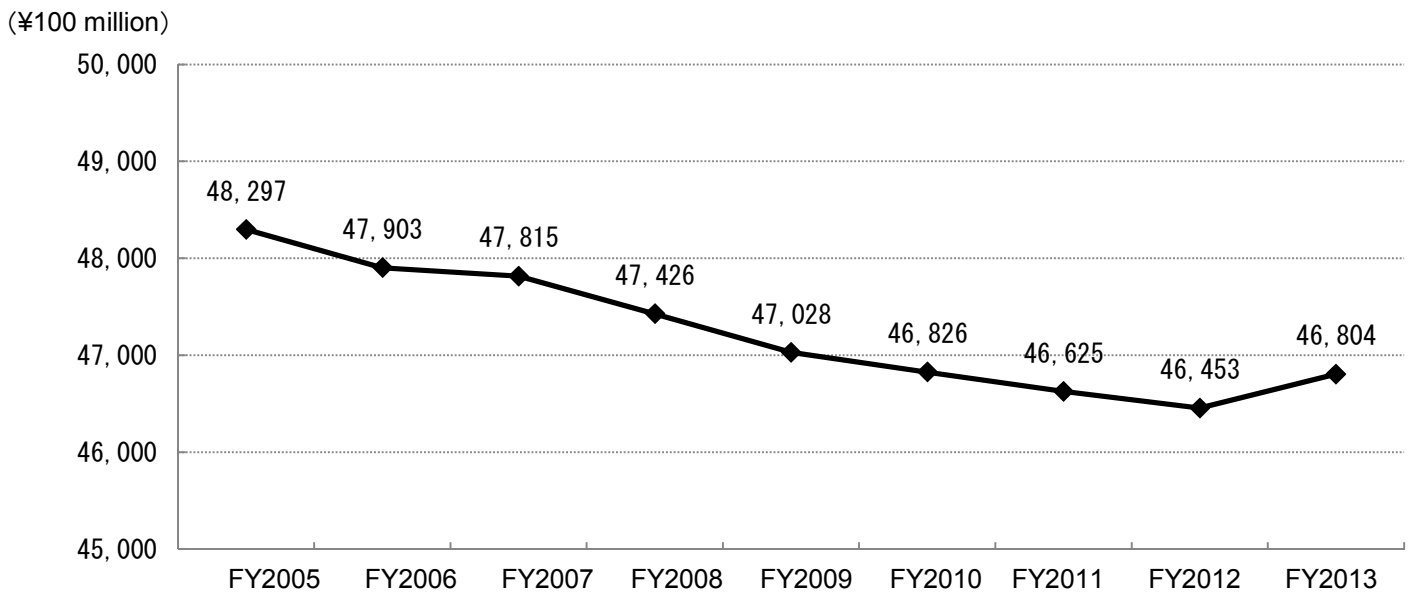
## Details of Material Expenses (Contract Base)



Item	FY 2012	FY2013	YR/YR
Maintenance	10,668	11,313	644
Petrol	955	999	44
Repair	7,978	8,528	550
Education & Training	1,736	1,786	50
Base Measures	4,445	4,405	△40
R&D	1,273	1,309	35
Equipment Acquisition	4,869	3,769	△1,100
Aircraft Acquisition	1,396	1,992	595
Shipbuilding	1,741	1,523	△219
Facility Improvements	896	1,043	147
Other (computer rentals, etc.)	820	1,460	640
<b>Total</b>	<b>26,108</b>	<b>26,813</b>	<b>704</b>

- Notes: 1. SACO-related expenses and the portion pertaining to the reduction of the local burden in the U.S. forces realignment-related expenses are excluded from this table  
2. "Other" of FY2013 includes 68.9 billion yen that needs to be transferred to the Special Account for Reconstruction from the Great East Japan Earthquake.  
3. Expenses related to the development and operation of X-Band satellite communications (122.4 billion yen) are excluded from FY2012.

Changes in total amount



Notes: 1. Above figures are on an expenditure basis.

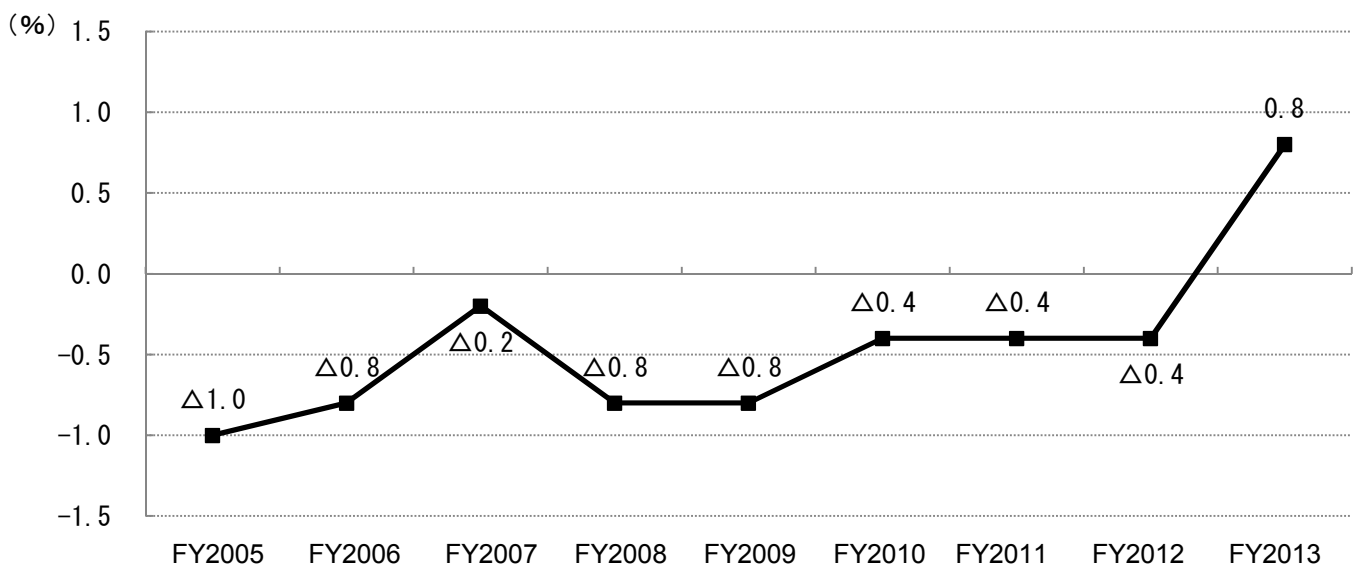
2. In addition to the above, SACO-related expenses are:

¥26.3 billion for FY2005, ¥23.3 billion for FY2006,  
¥12.6 billion for FY2007, ¥18.0 billion for FY2008, ¥11.2 billion for FY2009,  
¥16.9 billion for FY2010, ¥10.1 billion for FY2011, ¥8.6 billion for FY2012,  
¥8.8 billion for FY2013's general budget.

And the portions pertaining to the reduction of the local burden in the U.S. forces realignment-related expenses are:

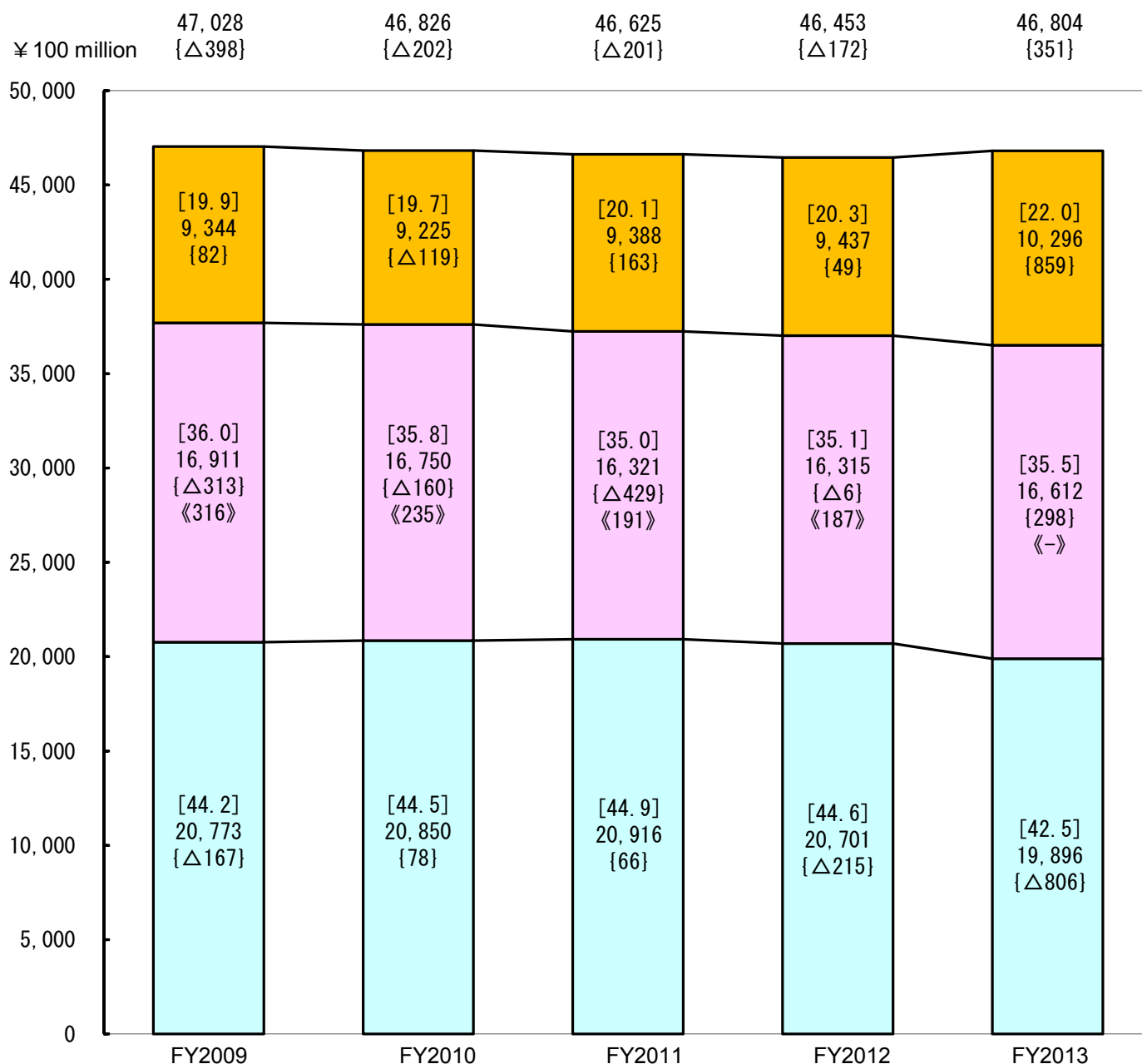
¥7.2 billion of FY2007, ¥19.1 billion for FY2008, ¥60.2 billion for FY2009,  
¥90.9 billion for FY2010, ¥102.7 billion for FY2011, ¥59.9 billion for FY2012,  
¥64.6 billion for FY2013's general budget.

Changes in growth rate



## Changes in the three categories

General Material Expenses	[ ] : Share of expenses budget (%) { } : YR/YR increase/decrease 《 》 : Expenditures that are to be expended later on
Obligation Outlay Expenses	
Personnel Provisions Expenses	



- Notes: 1. SACO-related expenses and the portion pertaining to the reduction of the local burden in the U.S. forces realignment-related expenses are excluded from this table.  
 2. General material expenses of FY2013 includes 68.9 billion yen that needs to be transferred to the Special Account for Reconstruction from the Great East Japan Earthquake

## Breakdown by organization

(Unit: ¥ 100 million, %)

Classification	FY2012	FY2013	YR/YR	Growth rate
Defense expenditures	46,453	46,804	351	0.8
Ministry of Defense	46,450	46,798	348	0.7
(Ministry of Defense Head Office)	46,264	46,624	360	0.8
GSDF	17,723	16,929	△794	△4.5
MSDF	11,078	11,190	112	1.0
ASDF	10,435	10,234	△201	△1.9
Sub-total	39,236	38,353	△883	△2.2
Internal Bureau	4,805	4,739	△66	△1.4
Joint Staff	232	241	9	3.9
Defense Intelligence Headquarters	496	503	7	1.4
National Defense Academy	145	142	△4	△2.6
National Defense Medical College	213	233	20	9.6
National Institute for Defense Studies	17	20	3	15.2
Technical Research and Development Institute	1,047	1,636	588	56.2
Equipment Procurement and Construction Office	68	63	△5	△6.8
Inspector General's Office of Legal Compliance	4	4	0	8.6
Sub-total	7,028	7,581	553	7.9
Transferred to the Special Account for Reconstruction from the Great East Japan Earthquake.	—	689	689	—*
(Regional Defense Bureaus)	186	174	△12	△6.6
Ministry of Finance				Approx. 2 times
(Ministry of Finance Head Office)	3	6	3	

Note: SACO-related expenses and the portion pertaining to the reduction of the local burden in the U.S. forces realignment-related expenses are excluded from this table.



## Promotion of base measures, etc.

(unit: ¥ 100 million, %)

Classification	FY2012 budget	FY2013 budget	YR/YR	Growth rate	Remarks
Promotion of base measures	< 4,445 > 4,418	< 4,405 > 4,381	< Δ 40 > Δ 36	< Δ 0.9 > Δ 0.8	
(1) Expenses related to measures for local communities	< 1,161 > 1,185	< 1,211 > 1,200	< 50 > 15	< 4.3 > 1.3	
Residential sound insulation	409	428	19	4.6	Subsidies for sound insulation work near air bases
Improvement of surrounding environment	< 752 > 776	< 783 > 772	< 31 > Δ 4	< 4.2 > Δ 0.5	Subsidies for living environment and facilities (river and road reconstruction, sound-proofing systems in schools, waste disposal facilities, etc.)
(2) Cost-sharing for the stationing of USFJ	< 1,916 > 1,867	< 1,864 > 1,860	< Δ 52 > Δ 7	< Δ 2.7 > Δ 0.4	
Special Measures Agreement	1,392	1,398	6	0.4	
Labor cost	1,139	1,144	6	0.5	Salary expenses of USFJ employees
Utilities	249	249	0	0.0	Cost of utilities used at USFJ facilities
Training relocation cost	4	4	0	8.4	Expenses related to US field-carrier landing practice on Iwo Jima
Facility improvements	< 255 > 206	< 213 > 209	< Δ 42 > 3	< Δ 16.5 > 1.4	Improvement of U.S. forces in Japan facilities (Administration buildings, family housing, etc.)
Measures for USFJ employees, etc.	269	253	Δ 16	Δ 5.9	Expenses related to social security contributions of employees
(3) Facility rentals, compensation expenses, etc.	< 1,368 > 1,366	< 1,330 > 1,321	< Δ 38 > Δ 44	< Δ 2.8 > Δ 3.2	Rental cost of land used for defense facility and compensation for loss of fishermen's income, etc.

Note: The figures are on expenditure basis, and figures in < > indicate contract-based amount.

## Cost related to the Special Action Committee on Okinawa (SACO)

(Unit: million yen, %)

Item	FY2012 Budget	FY2013 Budget	YR/YR	Growth Rate	Remarks
1 Program for land restitution	< 3,587> 2,099	< 2,956> 2,976	<Δ 631> 877	< Δ 17.6 > 41.8	Implementation of measures included in the Special Action Committee on Okinawa (SACO) Final Report  Relocation work and compensation of expenses for relocating and receiving the facilities
2 Program for improvement of drills	1,277	1,305	28	2.2	Personnel transportation etc. associated with relocation of live-fire training across Okinawa Prefectural Route 104 to the mainland
3 Program for noise abatement	< 5,725> 2,426	< 2,173> 1,860	<Δ 3,551> Δ 565	< Δ 62.0 > Δ 23.3	Implement noise abatement initiatives
4 Program for facilitation of The SACO project	2,792	2,677	Δ 114	Δ 4.1	Programs to facilitate implementation of measures included in the Special Action Committee on Okinawa (SACO) Final Report
Total	< 13,380> 8,593	< 9,111> 8,819	<Δ 4,269> 226	< Δ 31.9 > 2.6	

## The Portion Pertaining to the Reduction of Local Burden in the U.S. Forces Realignment-related Expenses

(Unit: million yen, %)

Item	FY2012 Budget	FY2013 Budget	YR/YR	Growth Rate	Remarks
1 Projects for relocation of U.S. marine corps from Okinawa to Guam	8,097	332	△ 7,765	△ 95.9	Promotion of policies to appropriately and promptly implement measures related to realignment based on the "Government's undertakings regarding the review of the force configuration of the U.S. forces in Japan, etc." (approved by the Cabinet on May 30, 2006) and the "Government's present undertakings regarding the items approved at the Japan-United States Security Consultative Committee on May 28, 2010) (approved by the Cabinet on May 28, 2010)  Funding in the form of direct cash contributions (so-called "Mamizu"), etc.
2 Programs for realignment in Okinawa	< 8,607 > 3,753	< 4,293 > 6,019	<△ 4,314 > 2,266	<△ 50.1 > 60.4	
(1) Relocation of MCAS Futenma	< 8,350 > 3,752	< 4,109 > 5,715	<△ 4,241 > 1,963	<△ 50.8 > 52.3	Environmental outlook survey, etc.
(2) Return of land south of Kadena	< 257 > 1	< 184 > 304	<△ 73 > 303	<△ 28.4 > 337.7 times	Programs regarding the return of land south of the Kadena Air Base
3 Projects regarding the transformation of the U.S. Army command	< 9,421 > 2,229	< 5,240 > 8,381	<△ 4,181 > 6,152	<△ 44.4 > 3.8 times	Projects regarding the return of portions of land, etc. at the Sagami General Depot
4 Projects for the relocation of the Carrier Air Wing	< 37,736 > 30,473	< 65,377 > 36,247	< 27,642 > 5,775	< 73.3 > 19.0	
(1) MCAS Iwakuni	< 37,509 > 30,420	< 65,376 > 36,072	< 27,867 > 5,652	< 74.3 > 18.6	Projects regarding the relocation of Carrier Air Wing from Atsugi Air Facility to MCAS Iwakuni
(2) Field Carrier Landing Practice (FCLP) facility, etc.	< 227 > 52	< 1 > 175	<△ 225 > 123	<△ 99.5 > 3.3 times	Projects regarding the relocation of the Field Carrier Landing Practice (FCLP) facility, etc.
5 Programs for training relocation	4,052	4,249	196	4.8	Programs regarding the relocation of U.S. aviation training from Kadena Air Base, etc. to mainland Japan, Guam, etc.
6 Programs to facilitate realignment measures	< 11,321 > 11,321	< 9,384 > 9,371	<△ 1,937 > △ 1,950	<△ 17.1 > △ 17.2	
(1) Realignment grant	9,336	8,731	△ 605	△ 6.5	
(2) Measures around bases, etc.	< 1,985 > 1,985	< 653 > 640	<△ 1,332 > △ 1,345	<△ 67.1 > △ 67.8	
Total	< 79,234 > 59,925	< 88,875 > 64,599	< 9,640 > 4,673	< 12.2 > 7.8	

Notes: 1. US Forces Realignment Related Expenses totaled at ¥69,195 million <¥94,241 million> and are broken down as follows:

(1) Measures that contribute to reduce local burden ,etc.: ¥65,575 million <¥89,241 million>

①Reduction of local burden: ¥64,599 million <¥88,875 million>

②Facility development related to reducing local burden: ¥976 million<¥366 million>

Expenses related to Guam Relocation Office, etc. ¥ 366 million <¥366 million>

MCAS Iwakuni ¥610 million <-million>

(2) Measures to maintain deterrence ¥3,620 million <¥5,000 million>

2. For the relocation of Futenma Air Station, Reserve Funds and Purpose-Undecided National Treasury Funds may be options to facilitate the GOJ to take necessary procedures for the contract as soon as the environment for construction work of the replacement facility is in place



# Reference



# Overview of 2012 Supplementary Budget (administered by MOD)

Ministry of Defense  
January 2013

Amount requested by the MOD . . . . . Approx. ¥212.4 billion  
(Approx. ¥325.1 billion)

\*The figures are on basis of expenditure, and figures in ( ) indicate a contract-based amount.

## **[1] Based on the Emergency Economic Package . . . . . Approx. ¥180.5billion (Approx. ¥293.1billion)**

### **(1) Enhancement of the telecommunication function of units, etc.**

. . . . . **Approx. ¥50.3 billion (Approx. ¥84.8 billion)**

Considering that the use of different types (new and old) of telecommunication systems by units hampered smooth communication of information at the time of the Great East Japan Earthquake, improve varied telecommunication systems to enable prompt and correct information communication/sharing by JSDF units, etc. in their handling of various forms of contingencies.

- Acquisition of field communication system [12 sets]  
\*Equip GSDF divisions and brigades, etc. across the country to enhance their capabilities including data communication between units.



### **(2) Improvement of military camp/base facilities that serve as bases for response to various forms of contingencies . . . . . Approx. ¥16.8 billion (Approx. ¥16.8 billion)**

In preparation for various forms of contingencies including large-scale disaster, enhance functions of military camp/base facilities, etc. across the country to serve as operating bases for units sent from all over the country as well as bases to care for JSDF personnel engaging in relief activities and to accumulate and supply necessary goods.

- Seismic retrofitting and tsunami countermeasures for camp/base facilities (seismic survey, design, tsunami simulation, etc.)
- Enhancement of medical equipment (diagnostic imaging units, etc.) of the National Defense Medical College Hospital

### **(3) Renewal/modernization of equipment, etc. supporting transportation/surveillance capabilities and activities of JSDF personnel . . . . . Approx. ¥42.9 billion (Approx. ¥60.0 billion)**

Acquire various equipment and materials necessary for long-term implementation of activities such as the rescue of victims, transportation of materials, surveillance of local conditions and livelihood support during various forms of contingencies including large-scale disaster.

- Acquire a transport helicopter (CH-47JA)[1 unit], rescue helicopters (UH-60J)[2 units], minesweeping and transport helicopters (MCH-101)[2 units], etc.
- Acquire wheeled vehicles (trucks, motorbikes, etc.)
- Acquire personal equipment for disaster dispatch (clothes, etc. for disaster dispatch)
- Acquire equipment used by JSDF personnel in camp, etc. (washing machine, Irons for clothing, etc.)







# Defense Programs and Budget of Japan

— Overview of FY2013 Budget —

Published January 2013



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