

## Annex 1

Outline of national laws, regulations and decrees	
Area:	Law · Regulation · Degree Year
Manufacture	Bukiseizou Hou 1953
	Ordnance Manufacturing Law
	<p>&lt;Aim&gt; The Law (promulgated on August 1, 1953, Law No. 145) aims to coordinate manufacture activity of ordnance and regulate manufacture, sales, etc. of ordnance and hunting guns in order to operate healthy national economy and ensure public safety (Article 1).</p> <p>&lt;Specific provisions&gt; In this Law “ordnance” is defined as firearms, their ammunition, explosives and mechanical device that drops or ejects explosives, or their parts (Article 2). Manufacture of ordnance requires permission by the Minister of Economy, Trade and Industry (Articles 3 &amp; 4). Violation of manufacture of guns is liable to penalties of 3 years or more imprisonment. Violation for profit is liable to penalties of life imprisonment or 5 years or more imprisonment, or life imprisonment or 5 years or more (Article 31).</p>
Manufacture/Import	Kayaku Torishimari Hou 1950
	Explosives Control Law
	<p>&lt;Aim&gt; The Law (promulgated on May 4, 1950, Law No. 149) aims to regulate the manufacture, sales, stockpiling, transportation, consumption, etc. of explosives in order to prevent explosives-related disasters and to ensure public safety (Article 1).</p> <p>&lt;Specific provisions&gt; In this Law “explosives” are defined as “gunpowder,” “explosives” and “related products” (Article 2-1). Manufacture of explosives requires permission by the Minister of Economy, Trade and Industry (Articles 3 &amp; 4). Import of explosives requires permission by the Prefectural Governor. The Prefectural Governor shall not give the permission if the purpose of import is not clear or the import adversely affects public security (Article 24). Violation of manufacture (Article 3 &amp; 4) or import (Article 24) is liable to penalties of 3 years or less imprisonment or a fine of up to 1million yen, or both (Article 58).</p>

Export/ Import/ Brokering	Gaikokukawase Oyobi Gaikokuboueki Hou 1949
	<p data-bbox="619 203 1187 232">Foreign Exchange and Foreign Trade Act</p> <p data-bbox="619 239 724 268">&lt;Aim&gt;</p> <p data-bbox="619 275 746 304">Article 1</p> <p data-bbox="619 313 1442 730">The Act (promulgated on December 1, 1949, Law No. 228) aims to, based on freedom of foreign transactions, such as foreign exchanges and foreign trade, ensure the normal development of foreign transactions and the maintenance of peace and security in Japan or international society by conducting the minimum necessary control or coordination of foreign transactions, thereby bringing about a balance of payments equilibrium and stability of currencies and contributing to the sound development of the Japanese economy.</p> <p data-bbox="619 777 1123 806">&lt;Specific provisions&gt;Article 25(1)</p> <p data-bbox="619 815 1442 1384">A resident or non-resident that intends to conduct a transaction the purpose of which is to provide a specified type of technology for designing, manufacturing, or using goods (hereinafter referred to as "specified technology") in a specified foreign country (hereinafter referred to as a "specified country"), which is specified by Cabinet Order as a transaction that is found to result in hindering the maintenance of international peace and security, or a resident that intends to conduct a transaction the purpose of which is to provide specified technology to a non-resident belonging to a specified country, must, pursuant to the provisions of Cabinet Order, obtain the permission of the Minister of Economy, Trade and Industry for conducting the transaction.</p> <p data-bbox="619 1431 1426 1805">(4)If a resident intends to conduct with a non-resident a transaction for the purchase and sale, lease, or gift involving the transfer of goods between foreign countries, which is specified by Cabinet Order as a transaction that is found to result in hindering the maintenance of international peace and security, the resident must, pursuant to the provisions of Cabinet Order, obtain the permission of the Minister of Economy, Trade and Industry for conducting the transaction.</p> <p data-bbox="619 1852 804 1881">Article 48(1)</p> <p data-bbox="619 1890 1442 2033">A person that intends to conduct the export of a specified type of goods, with a specified region being the destination, which is specified by Cabinet Order as export that is found to result in hindering the</p>

maintenance of international peace and security, must obtain the permission of the Minister of Economy, Trade and Industry, pursuant to the provisions of Cabinet Order.

#### Article 52

In order to achieve the sound development of foreign trade and national economy, allow Japan to sincerely implement a treaty or any other international agreement that it has signed, allow Japan to contribute to international efforts for international peace, or implement the cabinet decision referred to in Article 10, paragraph (1), a person that intends to import goods may be subjected to the obligation to obtain approval of import pursuant to the provisions of Cabinet Order.

#### Article 69-6(2)(i)

A person that has conducted a transaction prescribed by an order based on the provisions of Article 25, paragraph (1) without obtaining permission under the provisions of that paragraph, with regard to specified technology that is technology specified by Cabinet Order as technology for designing, manufacturing, or using a nuclear weapon, a military chemical agent or biological agent, a device for spraying one of those agents, or a rocket or unmanned aerial vehicle capable of transporting one of these, which is specified by Cabinet Order (hereinafter referred to as a "nuclear weapon, etc." in this paragraph), or as technology for designing, manufacturing, or using goods that are found to be highly likely to be used for the development, manufacturing, use, or storage (hereinafter referred to as "development, etc." in the following item) of a nuclear weapon, etc.; or

\* The penalty for cases where the offender is a judicial person, not an individual person, will be a fine not more than one billion yen, however, that five times the price of the subject matter of the violation exceeds one billion yen, a fine shall be not more than five times the price.

Note: Article 69-6(2)(i) applies to SALW based on the following provisions:

- Foreign Exchange Order  
Article 27(1) Rockets or unmanned aerial vehicles specified by Cabinet Order as prescribed in Article 69-6, paragraph (2), item (i) of the Act are rockets or

	<p>unmanned aerial vehicles capable of transporting nuclear weapons, CW agents or military bacterial agents or devices for spraying the agents with a range or flight range of 300km or longer.</p> <p>(2)Technology specified by Cabinet Order as prescribed in Article 69-6, paragraph (2), item (i) of the Act is the technology listed in the middle column of rows 1 to 4 of the appended table (excluding those pertaining to the design, manufacture, or use of goods listed in row 1, (v), (vi), and (x) to (xii) of appended table 1 of the Export Trade Control Order and nuclear weapons, etc.).</p> <ul style="list-style-type: none"> <li>● Cabinet Order on Export Trade Control Appended Table 1 (Re: Articles 1 and 4) GOODS <ul style="list-style-type: none"> <li>(i) Firearms, ammunition therefor (including those used to emit light or smoke), or accessories or parts thereof</li> <li>(ii) Explosives (excluding ammunition), explosive dispensers or launchers, or accessories or parts thereof</li> </ul> </li> </ul> <p>Article 69-7 A person that falls under any of the following items is punished by imprisonment for not more than five years or a fine of not more than 10 million yen, or both:provided, however, that if five times the value of the subject matter of the violation exceeds 10 million yen, the fine is not more than five times that value:</p> <p>Article 69-7-5 A person that has imported goods without obtaining approval under the provisions of an order based on the provisions of Article 52.</p> <p>* The penalty for cases where the offender is a judicial person, not an individual person, will be a fine not more than five hundred million yen, however, that five times the price of the subject matter of the violation exceeds five hundred million yen, a fine shall be not more than five times the price.</p>
Import	<p>Kanzei Hou 1954</p> <p>Customs Act</p> <p>&lt;Aim&gt; This Act makes the necessary provisions for the proper handling of the customs processes connected with the determination, payment, collection, and refunding of customs duties and the export and import of cargo. (Article 1).</p>

	<p>&lt;Specific provisions&gt;  It is prohibited to import cargo as set forth in the following items:  (ii)hand-guns, rifles, machine guns, cannons, and bullets thereof and parts of hand-guns; provided, however, that those imported by a person authorized, under other laws and regulations, to import pursuant to the provisions thereof, are excluded;  (Article 69-11-2).</p> <p>A person who has imported cargo as set forth in Article 69-11, paragraph (1), items (i) through (vi) (Cargo Prohibited for Import) is punished by imprisonment with work for not more than ten years or a fine of not more than thirty million yen, or both. (Article 109).</p>
Import/Brokering	<p>Juuhou Toukenrui Shojitou Torishimari Hou  1958</p> <p>Act for Controlling the Possession of Firearms or Swords and Other Such Weapons</p> <p>&lt;Aim&gt;  Article 1  This Act sets forth safety regulations necessary for the prevention of harm related to the possession and use of firearms and swords.</p> <p>&lt;Specific provisions&gt;  Article 2(1)  Under this Act, firearms refer to handguns, rifles, machine guns, large caliber guns, hunting guns, other guns using gunpowder that have the function to discharge metal bullets and air guns (including guns using pressured air whose bullet kinetic energy exceeds that stipulated by the Cabinet order. They can be hazardous to the lives of people).</p> <p>Article 3-4  Except under one of the following circumstances, no person shall import any handgun, rifle, machine gun, or large caliber gun (hereinafter collectively termed “handguns, etc.”);  (enumeration of exceptions is omitted)</p> <p>Article 3-7  Except under one of the following circumstances, no person shall transfer or lend a handgun, etc.  (enumeration of exceptions is omitted)</p> <p>Article 3-10  Except under one of the following circumstances, no person shall receive by transfer or loan any handgun, etc.  (enumeration of exceptions is omitted)</p> <p>Article 31-2  (1) Persons who violate Article 3-4 shall be sentenced to imprisonment for a fixed period of more than three years.</p>

	<p>(2) Any person who engages in activities in violation of provisions under the preceding paragraph for the purpose of profit shall be sentenced to imprisonment for a fixed period of more than five years or life imprisonment, or imprisonment of a fixed period of more than five years and a fine of more than 30,000,000 yen.</p> <p>(3) (abbreviation)</p> <p>Article 31-15 Any person who serves as an intermediary for the transfer, receipt by transfer, lend, or loan of a handgun, etc. prohibited by Article 3-7 or Article 3-10 shall be sentenced to imprisonment of less than three years, or imprisonment of less than three years and a fine of less than 1,000,000 yen.</p>
--	---

## **The Three Principles on Transfer of Defense Equipment and Technology**

### **●Main Contents of the Principles**

While maintaining its basic philosophy as a peace-loving nation that conforms to the Charter of the United Nations and the course it has taken as a peace-loving nation, Japan will control the overseas transfer of defense equipment and technology based on the Three Principles on Transfer of Defense Equipment and Technology. Main contents of the Principles are as follows;

#### **(1) Clarification of cases where transfers are prohibited (the First Principle)**

Overseas transfer of defense equipment and technology will not be permitted when:

- i) the transfer violates obligations under treaties and other international agreements that Japan has concluded,
- ii) the transfer violates obligations under United Nations Security Council resolutions, or
- iii) the defense equipment and technology is destined for a country party to a conflict (a country against which the United Nations Security Council is taking measures to maintain or restore international peace and security in the event of an armed attack).

#### **(2) Limitation to cases where transfers may be permitted as well as strict examination and information disclosure (the Second Principle)**

In cases not within (1) above, cases where transfers may be permitted will be limited to the following cases. Those cases will be examined strictly while ensuring transparency.

The transfer contributes

- i) to active promotion of peace contribution and international cooperation, or
- ii) Japan's security.

Significant cases that require especially careful consideration from the viewpoint of Japan's security will be examined at the National Security Council (NSC). As for the cases that were deliberated at the NSC, the Government will disclose their information in accordance with the Act on Access to Information Held by Administrative Organs (Law No. 42 of 1999).

#### **(3) Ensuring appropriate control regarding extra-purpose use or transfer to third parties (the Third Principle)**

In cases satisfying (2) above, overseas transfer of defense equipment and technology will be permitted only in cases where appropriate control is ensured. More concretely, the Government will in principle oblige the Government of the recipient country to gain its prior consent regarding extra-purpose use and transfer to third parties.