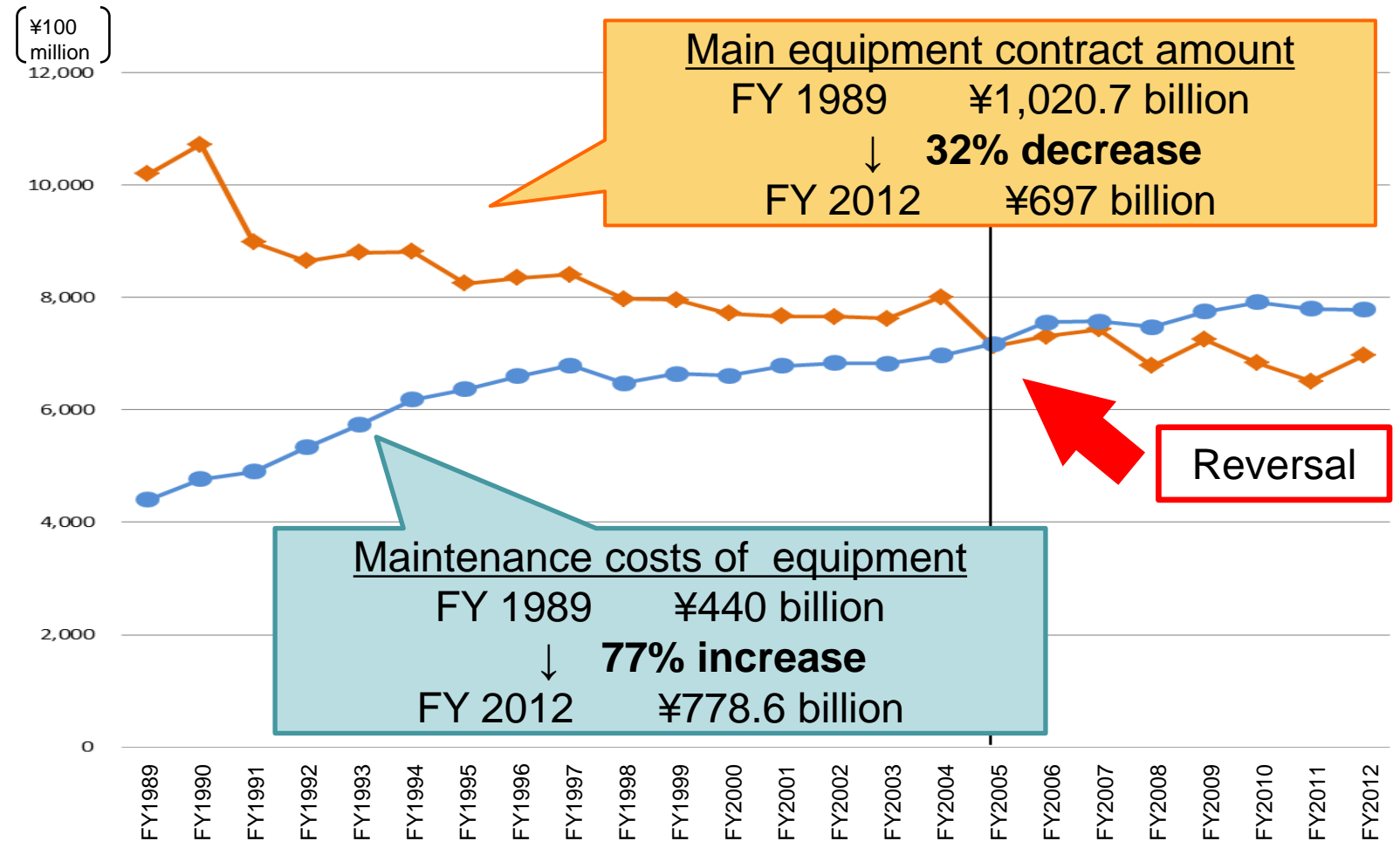


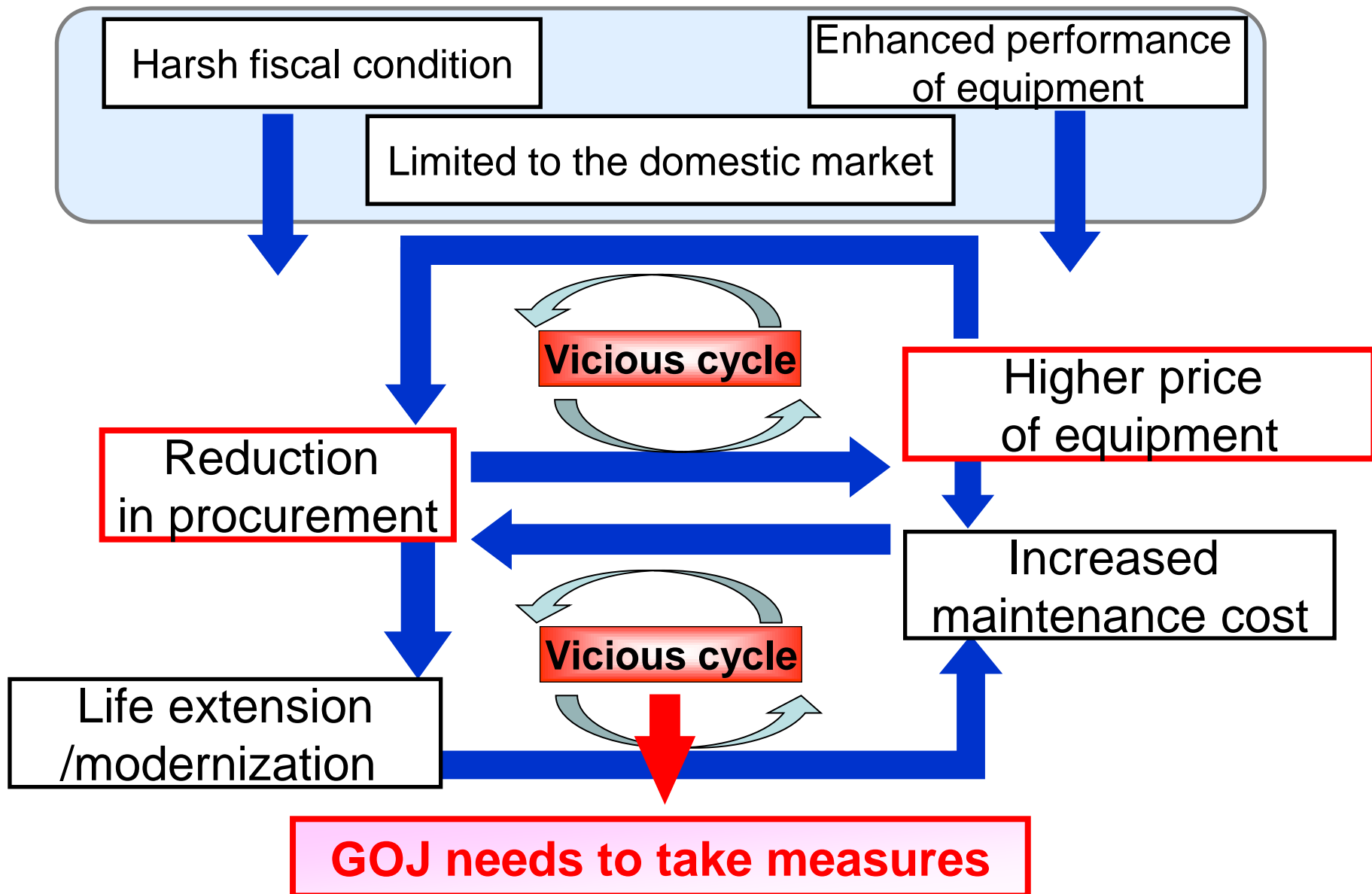
- Situation around Japan's defense Production and Technological bases
- National Defense Program Guidelines (NDPG) and Mid-Term Defense Program (MTDP)
- The “Strategy”
 - (1) Image of the “Strategy”
 - (2) Selection and Concentration
 - (3) Points to be considered for the “Strategy”
 - (4) “Important Areas”
 - (5) Judgment Criteria Image

Situation (1) Trend of Cost for Major Equipment (Contract Base) & Maintenance/Sustainment cost of Equipment

Contract amount and Maintenance costs of main equipment



Situation (2) Vicious Circles





National Defense Program Guidelines & Mid-Term Defense Program

Dec. 2010 NDPG & MTDP

NDPG & MTDP

“From the perspective of the importance of national security, **Japan will set forth a strategy for defense production capability and technological bases.** With this strategy, Japan will identify critical defense production capabilities and technologies that should be kept in the country and, through **selection and concentration**, develop and maintain defense forces in a stable manner from the medium-to long-term perspective by concentrating resources on the development and maintenance of those capabilities and technologies.”

Image of the “Strategy”

(1) Analysis of present state of defense production and technological bases



(2) Goal to be pursued



(3) Defense production capabilities and technologies that should be kept in the country / points to be considered



(4) Ways to revise the strategy



- (1) Selection and Concentration
 - Identify “Important Areas”
- (2) Defense Industrial Organization
 - Cooperation, Consolidation, Alliance
- (3) Defense Technology
 - Dual Use Technology, General Purpose Technology
- (4) International Joint Development and Production
 - Identify Areas open for International Joint Development and production
- (5) Governmental Policy
 - Improve contract systems etc.