

# Act on the Review and Regulation of the Use of Real Estate Surrounding Important Facilities and on Remote Territorial Islands

(Act No. 84 of June 23, 2021)

## Chapter I General Provisions

### Purpose

Article 1 The purpose of this Act is to prevent real estate in areas surrounding important facilities and on remote territorial islands from being used for acts that impede the functions of those facilities and islands, to formulate a basic policy, designate monitored areas and special monitored areas, review the use of real estate in monitored areas, establish regulations for the use of the real estate, and measures for giving notification of contracts relating to real estate in special monitored areas, in order to support the lives of the public and contribute to protecting the territorial waters and national security of Japan.

### Definitions

Article 2 (1) The term "real estate" as used in this Act means land or buildings.

(2) The term "important facilities" as used in this Act means the following facilities:

(i) facilities of the Japan Self Defense Forces, and facilities and areas under Article 2, paragraph (1) of the Agreement under Article VI of the Treaty of Mutual Cooperation and Security between Japan and the United States of America, Regarding Facilities and Areas and the Status of United States Armed Forces in Japan (referred to as "defense facilities" in paragraph (4), item (i));

(ii) facilities of the Japan Coast Guard;

(iii) facilities used to support the lives of the public, which could cause serious damage to the lives, physical well-being, or property of the public if acts that impede their functions were carried out, as designated by Cabinet Order (referred to as "facilities supporting the public" in paragraph (4), item (iii) and in Article 14, paragraph (2), item (i)).

(3) The term "remote territorial islands" as used in this Act means:

(i) islands which have a baseline used for determining the boundary limits of the sea areas under Article 1, paragraph (1) of the Act on Territorial Waters and Contiguous Water Area (Act No.30 of 1977) (meaning the baseline as prescribed in Article 2, paragraph (1) of the same Act, and including the base points between which the straight baseline as prescribed in that paragraph

- is drawn);
- (ii) beyond what is provided for in the preceding item, the islands within populated remote territorial island areas prescribed in Article 2, paragraph (1) of the Act on Special Measures for the Conservation of Populated Remote Territorial Island Areas and Local Communities of Specified Populated Remote Territorial Island Areas (Act No.33 of 2016) (referred to as "islands within remote populated territorial island areas" in paragraph (5), item (ii)).
- (4) The term "functions of facilities" as used in this Act means:
- (i) the functions of defense facilities for national defense;
  - (ii) the functions of the facilities of the Japan Coast Guard for protecting territorial waters, the exclusive economic zone under Article 1, paragraph (1) of the Act on the Exclusive Economic Zone and Continental Shelf (Act No.74 of 1996), and the continental shelf under Article 2 of that Act (referred to as "territorial waters" in item (ii) of the following paragraph);
  - (iii) the functions of facilities supporting the public which are fundamental to their lives.
- (5) The term "functions of remote islands" as used in this Act means:
- (i) the functions of remote islands listed in paragraph (3), item (i) which are used for determining the sea areas under Article 1, paragraph (1) of the Act on Territorial Waters and Contiguous Zones, or under Article 1, paragraph (2) or Article 2, item (i) of the Act on the Exclusive Economic Zone and Continental Shelf;
  - (ii) the functions of islands within remote populated territorial island areas which are used for activities serving to preserve the territorial waters.
- (6) When enacting, amending or repealing the Cabinet Order set forth in paragraph (2), item (iii), the Prime Minister must hear the opinions of the Council on the Use of Real Estate in advance.

(Items for Consideration in the Implementation of the Measures Provided for in this Act)

Article 3 The Prime Minister must ensure that measures taken under this Act are limited to the bare minimum necessary to prevent use of real estate in monitored areas that impedes the functions of important facilities and remote territorial islands, while giving due consideration to the protection of personal information.

## **Chapter I Basic Policy**

Article 4 (1) The Government must formulate a basic policy (hereafter in this Article referred to as the "Basic Policy") to prevent the use of real estate that impedes the functions of important facilities and remote territorial islands.

- (2) The Basic Policy is to establish the following:
- (i) basic direction on preventing use of real estate that impedes the functions of important facilities and remote territorial islands;
  - (ii) basic matters concerning designation of monitored areas and special monitored areas (including economic and social matters to be taken into consideration);
  - (iii) basic matters on reviewing the use of real estate in monitored areas;
  - (iv) basic matters on recommendations and orders to users of real estate (meaning owners or those with titles other than ownership who use or make profit from real estate; the same applies hereinafter) in monitored areas (including those on details of acts that impede the functions of important facilities and remote territorial islands in relation to those recommendations and orders);
  - (v) beyond what is provided for in the preceding items, necessary matters to prevent the use of real estate that impedes the functions of important facilities and remote territorial islands.
- (3) The Prime Minister must formulate a draft of the Basic Policy and seek Cabinet approval of the Policy.
- (4) If the Cabinet approval as prescribed in the preceding paragraph is given, the Prime Minister must make the Basic Policy public without delay.
- (5) The provisions of preceding two paragraphs apply mutatis mutandis to any changes to the Basic Policy.

## **Chapter II Monitored Areas**

(Designation of Monitored Areas)

- Article 5 (1) The Prime Minister may designate as monitored areas those within a range of approximately 1,000 meters from important facilities or within remote territorial islands, if it is particularly necessary to prevent the use of real estate in those monitored areas that impedes the functions of the important facilities and remote territorial islands.
- (2) When designating monitored areas, the Prime Minister must consult with the heads of relevant administrative organs and hear the opinion of the Council on the Use of Real Estate in advance.
  - (3) When designating monitored areas, the Prime Minister must make this fact and the relevant areas public in the Official Gazette.
  - (4) The designation of monitored areas comes into effect through publication under the preceding paragraph.
  - (5) After publicizing pursuant to the provisions of paragraph (3), the Prime Minister must promptly notify the heads of the relevant local government of the designated areas and other particulars provided for by Cabinet Office

Order.

- (6) The provisions of paragraph (2) to the preceding paragraph apply mutatis mutandis to deletion and changes to the designation of monitored areas. In cases in which this applies to the deletion of monitored areas, the phrase "this fact and the relevant areas" in paragraph (3) and the phrase "the designated areas and other particulars provided for by Cabinet Office Order" in the preceding paragraph are deemed to be replaced with "that fact".

(Review of the Use of Real Estate)

Article 6 The Prime Minister is to conduct a review of the use of real estate in monitored areas (referred to as a "review of the use of real estate" in paragraph (1) of the following Article and in Article 8).

(Provision of Information on Users of Real Estate)

Article 7 (1) When necessary for reviews of the use of real estate, the Prime Minister may ask the heads of relevant administrative organs and local governments, and other executive agencies of relevant local governments to provide information on the names, addresses, and other matters provided for by Cabinet Order of users and related parties of the relevant real estate in monitored areas subject to those reviews.

- (2) The heads of relevant administrative organs and local governments, and other executive agencies of relevant local governments are to provide the information prescribed in the preceding paragraph if required pursuant to the provisions of that paragraph.

(Collection of Reports and Documentation)

Article 8 The Prime Minister may request users or related parties of real estate in monitored areas to provide reports or written materials on its use if the Prime Minister finds it necessary for reviews of the use of real estate, even after requesting the information under paragraph (1) of the preceding Article.

(Recommendations and Orders to Users of Real Estate in Monitored Areas)

Article 9 (1) If the Prime Minister finds that a user of real estate in a monitored area uses it in a way which impedes the functions of important facilities or remote territorial islands or that there is a clear risk that the user will do so, they may recommend, after consulting with the Council on the Use of Real Estate, that the user takes necessary measures to prevent the real estate being used in a way that interferes with their functions.

- (2) If a person who received a recommendation under the preceding paragraph does not take the recommended action without any justifiable ground for not doing so, the Prime Minister may order that person to take that action.

(Compensation for Losses)

Article 10 (1) If a person who received a recommendation under paragraph (1) of the preceding Article or order under paragraph (2) of that Article (hereinafter referred to as a "recommendation" in this paragraph and paragraph (1) of the following Article) suffers a loss or inflicts a loss on others as a result of taking measures under that recommendation, the Prime Minister compensates the persons who suffered a loss for the amount of loss that would normally occur; provided, however, that, if any other law exists (including orders based on laws and ordinances) that stipulates that permission from or a disposition by an administrative agency should be obtained to conduct an act under that recommendation (excluding those that stipulate that losses should be compensated to persons who suffered a loss due to the inability to obtain that permission or other disposition), this does not apply to measures under that recommendation in cases in which the application for the permission or other disposition is rejected or falls under a case in which it should be rejected.

(2) The Prime Minister and any person who suffered a loss must hold a consultation with each other on the compensation under the preceding paragraph.

(3) If the consultation under the preceding paragraph is unsuccessful, the Prime Minister or the person who suffered the loss may apply to the Expropriation Committee for a determination under Article 94, paragraph (2) of the Land Expropriation Act (Act No. 219 of 1951) pursuant to the provisions of Cabinet Order.

(Purchase of Real Estate Rights)

Article 11 (1) The Prime Minister is to purchase real estate in monitored areas if the owner offers the purchase of its real estate right (meaning the right of ownership of land or buildings (including superficies or leasehold rights of land for the purpose of owning that building); the same applies hereinafter in this Article), due to the fact that measures under the abovementioned recommendation will cause significant hindrance to the use of that real estate, unless it is to be purchased under paragraph (3) or there are special circumstances preventing this.

(2) If the Prime Minister has received an offer set forth in the preceding paragraph and a national administrative agency wishes to purchase those rights, the Prime Minister may determine the head of that agency as the counterparty to purchase those rights.

(3) In a case under the preceding paragraph, the head of the agency designated as the counterparty for the purchase of the rights is to purchase those rights.

(4) The price of the purchase under paragraph (1) or the preceding paragraph is

to be the market price.

### **Chapter III Special Monitored Areas**

(Designation of Special Monitored Areas)

- Article 12 (1) The Prime Minister may designate monitored areas as special monitored areas if important facilities in those areas are specified important facilities (facilities whose functions are of particular importance or are vulnerable, and cannot be easily substituted; the same applies in paragraph (1) of the following Article) or if remote territorial islands in those areas are specified remote territorial islands (islands whose functions are of particular importance or are vulnerable, and cannot be easily substituted; the same applies in paragraph (1) of the following Article).
- (2) When designating special monitored areas, the Prime Minister must consult with the heads of relevant administrative organs and hear the opinion of the Council on the Use of Real Estate in advance.
- (3) When designating special monitored areas, the Prime Minister must make this fact and the designated areas public in the Official Gazette.
- (4) Designation of special monitored areas becomes effective through the publication under the preceding paragraph.
- (5) After publicizing pursuant to paragraph (3), the Prime Minister must promptly notify the heads of the relevant local governments of the designated monitored areas and other particulars provided for by Cabinet Office Order.
- (6) If there is any change to the coverage of monitored areas based on which special monitored areas have been designated, the designation of those special monitored areas is deemed to have changed to cover the monitored areas after the change. In this case, the Prime Minister must make this public in the Official Gazette.
- (7) The provisions of paragraphs (2) through (5) apply mutatis mutandis to the deletion of special monitored areas. In this case, the phrase "this fact and the designated areas" in paragraph (3), and the phrase "the designated monitored areas and other particulars provided for by Cabinet Office Ordinance" in paragraph (5) are deemed to be replaced with "that fact".
- (8) If monitored areas were also designated as special monitored areas, and the designation of those monitored areas has been discontinued, the designation of those special monitored areas is deemed to be discontinued. In this case, the provisions of the second sentence of paragraph (6) apply mutatis mutandis.

(Notification of Changes to Real Estate Ownership Rights in Special Monitored Areas)

Article 13 (1) Before concluding a contract of the transfer or establishment of an

ownership right on the real estate in special monitored areas (excluding real estate having an area which is smaller than prescribed by Cabinet Order as not less than 200 square meters; the same applies in this paragraph and paragraph (3) (or in cases of buildings, those having a floor area which is smaller than that; the same applies in item (ii))) or any other right for the purpose of owning that real estate (hereinafter referred to as a "real estate ownership right"), the parties must notify the Prime Minister in advance of the following particulars pursuant to the provisions of Cabinet Office Order (the contract mentioned above includes plans to form the contract, and excludes contracts in which the national government, a local government, or another person as provided for by Cabinet Order is a party to whom the real estate ownership right is transferred or under whose title it is established, and also excludes contracts as provided for by Cabinet Order as having little risk of leading to use of the relevant real estate that impedes the functions of important facilities and remote territorial islands after the real estate ownership right has been transferred or established; hereafter in this Article and in Article 26, paragraph (1) referred to as a "real estate transaction contract"):

- (i) the names and addresses of the parties, and in the case of corporations, the names of their representatives;
  - (ii) the location and area subject to the real estate transaction contract;
  - (iii) type and details of the real estate ownership right pertaining to the real estate transaction contract;
  - (iv) the purpose of use of the real estate after the transfer or establishment of the real estate ownership right due to the real estate transaction contract;
  - (v) beyond what is set forth in the preceding items, the particulars defined by Cabinet Office Order.
- (2) The provisions of the preceding paragraph do not apply to real estate transaction contracts concluded through conciliation under the Civil Conciliation Act (Act No. 222 of 1951) or due to other causes provided for by Cabinet Order.
- (3) If a real estate transaction contract is concluded on the real estate in special monitored areas due to the causes under the preceding paragraph, the parties to that real estate transaction contract must file a notification providing the information listed in each item of paragraph (1) to the Prime Minister within two weeks from the date of the contract pursuant to the provisions of Cabinet Office Order.
- (4) Upon receiving notification under paragraph (1) or the preceding paragraph, the Prime Minister is to conduct a review of the matters listed in each item of paragraph (1).
- (5) The provisions of Articles 7 and 8 apply *mutatis mutandis* to the review under

the preceding paragraph.

#### **Chapter IV Council on the Use of Real Estate**

(Establishment of the Council on the Use of Real Estate)

Article 14 (1) The Council on the Use of Real Estate (hereinafter referred to as "the Council") is to be established in the Cabinet Office.

(2) The Council is responsible for the following administrative affairs:

- (i) with regard to facilities supporting the public, handling the matters prescribed in Article 2, paragraph (6);
- (ii) with regard to the designation of monitored areas, handling the matters prescribed in Article 5, paragraph (2) (including as applied mutatis mutandis pursuant to paragraph (6) of that Article);
- (iii) with regard to recommendations to users of real estate in monitored areas, handling the matters prescribed in Article 9, paragraph (1);
- (iv) with regard to the designation of special monitored areas, handling the matters provided for in Article 12, paragraph (2) (including as applied mutatis mutandis to paragraph (7) of that Article);
- (v) beyond what is provided for in each of the preceding items, when necessary, giving opinions to the Prime Minister after deliberating on important matters for the prevention of use of real estate that impedes the functions of important facilities and remote territorial islands.

(Organization)

Article 15 (1) The Council is to consist of ten members or less.

(2) Expert advisors may be assigned to the Council if it is necessary for research on specialized matters.

(Appointment of Council Members)

Article 16 (1) Members of the Council are appointed by the Prime Minister from among those who have outstanding insight into law, international affairs, domestic and foreign social and economic circumstances, and trends in the management and use of real estate.

(2) Expert advisors are appointed by the Prime Minister from among those who have outstanding insight into the specialized matters referred to in paragraph (2) of the preceding Article.

(Term of Appointment of Council Members)

Article 17 (1) The term of office for council members is two years; provided, however, that the term of office for replacement committee members is for the remaining term of the replaced member.

- (2) Council members may be re-appointed.
- (3) Expert advisors are to be dismissed upon conclusion of the relevant research on specialized matters referred to in Article 15, paragraph (2) which they have been assigned to conduct.
- (4) Council members and expert advisors are employed on a part-time basis.

(Chairperson)

Article 18 (1) The Council appoints a chairperson, who is elected by council members.

- (2) The chairperson is in charge of the affairs of the Council and represents the Council.
- (3) If the chairperson is unable to perform their duties, a pre-nominated council member performs chairperson's duties in their place.

(Request for the Submission of Materials)

Article 19 If the Council finds it necessary to do so in order to conduct administrative affairs under its jurisdiction, it may request the heads of relevant administrative organs to provide relevant written materials, opinions, and explanations, and cooperate in other necessary ways.

(Delegation to Cabinet Order)

Article 20 Beyond what is provided for in this Act, necessary matters involving the Council are provided for by Cabinet Order.

## **Chapter V Miscellaneous Provisions**

(Requests for Implementation of Measures Based on the Provisions of Other Laws)

Article 21 (1) If finding it necessary for the prevention of the use of real estate in monitored areas that impedes their functions of important facilities and remote territorial islands, the Prime Minister may provide the heads of relevant administrative organs with information that helps prevent impairing the functions of those facilities and islands.

- (2) If there are measures provided for in the provisions of other laws that can be implemented to prevent the use of real estate in monitored areas that impedes the functions of important facilities and remote territorial islands, and the Prime Minister finds it necessary to implement those measures promptly for that purpose, they may request the minister with jurisdiction over the relevant administrative affairs for their implementation promptly.
- (3) If the Prime Minister makes a request for the prompt implementation of the measures pursuant to the preceding paragraph, they may request the minister

in charge to report on the status of the implementation.

(Cooperation with Relevant Administrative Organs)

Article 22 If the Prime Minister finds it necessary for the accomplishment of the purpose of this Act, they may request the heads of relevant administrative organs and local governments, and other executive agencies of relevant local governments to provide relevant written materials and opinions, and cooperate in other ways.

(Purchase of Real Estate by the Government)

Article 23 If the Government finds it necessary to appropriately manage real estate in monitored areas in order to prevent use of that real estate that impedes the functions of important facilities and remote territorial islands, the Government is to endeavor to purchase the real estate ownership right, superficies or other rights for the purpose of use and revenue, or take other necessary measures.

(Delegation to Cabinet Office Order)

Article 24 Beyond what is provided for in this Act, necessary matters for the implementation of this Act are established by Cabinet Office Order.

## **Chapter VI Penal Provisions**

Article 25 A person who violates an order under Article 9, paragraph (2) is subject to imprisonment for not more than two years or a fine not exceeding 2,000,000 yen, or both.

Article 26 A person who falls under any of the following items is subject to imprisonment for not more than six months or a fine not exceeding 1,000,000 yen:

- (i) a person who has concluded a real estate transaction contract without filing a notification, in violation of the provisions of Article 13, paragraph (3);
- (ii) a person who has failed to file a notification, in violation of the provisions of Article 13, paragraph (3);
- (iii) a person who has filed a false notification in place of the notification under Article 13, paragraph (1) or (3).

Article 27 A person who has failed to provide a report or written materials under Article 8 (including as applied mutatis mutandis to Article 13, paragraph (5); the same hereafter in this Article) or has submitted a false report or material in place of that under Article 8, is subject to a fine not exceeding 300,000 yen.

Article 28 If a representative of a corporation, or an agent, employee or other worker of a corporation or individual, commits a violation under any of the three preceding Articles, the violator is subject to punishment, and the relevant corporation and individual is also subject to the fine prescribed in each of those Articles.

### **Supplementary Provisions**

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding 1 year and 3 months from the date of promulgation; provided, however, that the provisions of Article 2, paragraph (6), Chapter II, Chapter V, Article 24, and Article 3 and 4 of the Supplementary Provisions come into effect as of the day specified by Cabinet Order within a period not exceeding 1 year from the date of promulgation.

(Examinations)

Article 2 Five years after this Act comes into effect, the Government is to examine the state of implementation of this Act, and take any measures found necessary based on the results of this review.

(Partial Amendment of the Cabinet Act)

Article 3 The Cabinet Act (Act No.5 of 1947) is partially amended as follows:

In Article 16, paragraph 2, item (i), "the following item and" is to be inserted after "National Security (" , and "the matter and" is to be amended to "the matter", and "and the matter listed in the following item" is to be inserted after "belonging to", and in item (iii) "the preceding two items" is to be amended to "the preceding three items", and item (iii) is to be amended to item (iv), item (ii) is to be amended to (iii), and the following item is to be inserted after item (i).

(ii) among the affairs listed from Article 12, paragraph (2), items (ii) through (v) regarding important matters for national security, those regarding the basic policy on prevention of use of real estate that impedes the functions of important facilities and remote territorial islands, under the Act on the Review and Regulation of the Use of Real Estate Surrounding Important Facilities and on Remote Territorial Islands (Act No. 84 of 2021).

Partial amendment of the Act for the Establishment of the Cabinet Office

Article 4 The Act for the Establishment of the Cabinet Office (Act No.89 of 1999) is partially amended as follows:

The following items are to be inserted in Article 4, paragraph (1).

(xxxi) matters with regard to basic policies for the prevention of the use of real estate that impedes the functions of important facilities and remote territorial islands, under the Act on the Review and Regulation of the Use of Real Estate Surrounding Important Facilities and on Remote Territorial Islands (Act No.84 of 2021)

The following item is to be inserted after Article 4, paragraph (3), item (xxvii-6)

(xxvii)-7 matters regarding the review and regulation on use of real estate near important facilities and on remote territorial islands under the Act on the Review and Regulation of the Use of Real Estate Surrounding Important Facilities and on Remote Territorial Islands

The following addition is to be made to Children and Child-rearing Conference row in the table under Article 37, paragraph (3):

Council on the Use of Real Estate	Act on the Review and Regulation of the Use of Real Estate Surrounding Important Facilities and on Remote Territorial Islands
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