

Appendix 1

FUNDAMENTAL STRUCTURE OF THE GOVERNMENT OF JAPAN

Emperor

The Emperor is the symbol of Japan and of the unity of the people, performs the following acts in matters of state, with the advice and approval of the Cabinet, such as the promulgation of amendments of the Constitution, laws, cabinet orders and treaties, the convocation of the Diet, the dissolution of the House of Representatives, the proclamation of general election of members of the Diet, the attestation of the appointment and dismissal of Ministers of State and other officials as provided by laws, and of full powers and credentials of Ambassadors and Ministers, the awarding of honors, the attestation of instruments of ratification and other diplomatic documents as provided by laws, receiving foreign Ambassadors and Ministers and the performance of ceremonial functions, while he has no powers related to government.

He also appoints the Prime Minister and the Chief Justice of the Supreme Court as designated by the Diet and the Cabinet respectively.

In this respect, the position of the Emperor in postwar Japan differs from that in prewar days when the Emperor was the source of sovereign power.

The Imperial Throne is dynastic and succeeded from father to son.

Diet

The National Diet, composed of two houses - the House of Representatives and the House of Councillors - is the highest organ of state power and the sole law-making organ of the State.

The House of Representatives is composed of 480 members, of whom 300 are elected from single seat constituencies and 180 by the proportional representation system in which the nation is divided into 11 electoral blocs which according to size return between 6 and 29 members. Their term of office is 4 years, but is terminated, before the full term is up, if the House is dissolved.

The total membership of the House of Councillors is 242, of whom 96 are elected by the proportional representation system from a single nationwide electoral district and 146 from 47 prefectural constituencies, each returning 2 to 10 members. Their term of office is 6 years, and half of the members are elected every 3 years.

Both Houses have the same power with some exceptional cases in which the decision of the House of Representatives has precedence over that of the House of Councillors.

The Diet begins a 150 day ordinary session in January each year, and it may be extended only once by a Diet decision. The Cabinet may determine the convocation of extraordinary sessions whenever necessary.

Cabinet

Executive power is vested in the Cabinet, which consists of the Prime Minister and not more than 17 Ministers of State (including Ministers without portfolio and the Chief Cabinet Secretary) and is collectively responsible to the Diet. The Cabinet has to resign en masse when the post of Prime Minister becomes vacant or when the first session of the Diet is convoked after a general election of members of the House of Representatives. If the House of Representatives passes a non-confidence resolution or rejects a confidence resolution the Cabinet shall resign en masse, unless the House of Representatives is dissolved within ten days.

Prime Minister, who is designated from among the members of the Diet by a resolution of the Diet and appointed by the Emperor, must be a civilian.

Prime Minister appoints the Ministers of State and may dismiss them as he chooses. The Prime Minister, representing the Cabinet, submits bills to the Diet, reports to the Diet on general national affairs

and foreign relations, and exercises control and supervision over various administrative branches.

The Cabinet has the Cabinet Office and 11 Ministries, which are established by the respective Establishment Laws and are enumerated in the National Government Organization Law, as well as the Cabinet Secretariat, Cabinet Legislation Bureau, National Personnel Authority, Security Council of Japan, and other Cabinet organs.

There is the Board of Audit which is a constitutionally independent organization to audit the final accounts of the State and other public corporations and agencies.

Judiciary

The whole judicial power is vested in the Supreme Court, and in such lower courts as High Courts, District Courts, Family Courts and Summary Courts.

No extraordinary tribunal shall be established, nor shall any organ of the Executive have final judicial power.

The Justices of the Supreme Court, except the Chief Justice who is appointed by the Emperor, are appointed by the Cabinet. Judges of lower courts are also appointed by the Cabinet but only from a list of persons nominated by the Supreme Court.