[Draft Reference Provisions Type I]

Draft Provisions between a specified essential infrastructure service provider and a supplier of the Specified Critical Facilities

Draft Provisions between a specified essential infrastructure service provider and the other party entrusted with Critical Maintenance and Management, Etc.

# 1. Purpose and positioning of these Draft Reference Provisions and commentary

In responding to the system for ensuring the stable provision of specified essential infrastructure services (the “**System**”) provided in Chapter III of the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures (Act No. 43 of 2022, the “**Economic Security Promotion Act**”), it is anticipated that the acquisition, etc. of information on matters to be filed as necessary for responding to the System will be stipulated in a contract or otherwise between (i) a specified essential infrastructure service provider and (ii) a supplier of the Specified Critical Facilities (as defined in section 2 below) or another party entrusted with Critical Maintenance and Management, Etc. (as defined in section 2 below).

These Draft Reference Provisions and commentary present, from the perspective of the smooth operation of the System, the concept and text of draft provisions that are anticipated to be agreed upon between (i) the specified essential infrastructure service provider and (ii) the supplier of the Specified Critical Facilities or the other party entrusted with Critical Maintenance and Management, Etc. (the “**Supplier or Other Entrusted Party**”). The form of the provisions is drafted on the assumption that an agreement has been separately entered into in the form of a memorandum of understanding (referred to as this/the “**MOU**”) with respect to the main body of the contract for the installation of the Specified Critical Facilities or the entrustment of Critical Maintenance and Management, Etc. Due to the characteristics, etc. of the Specified Critical Facilities, one may consider executing a contract to the same effect as this MOU by reference to these Draft Reference Provisions, even if there is no existing contractual relationship between the specified essential infrastructure service provider and the Supplier or Other Entrusted Party.

These Draft Reference Provisions cover the major matters that are anticipated to be agreed upon between the specified essential infrastructure service provider and the Supplier or Other Entrusted Party, based on the provisions of the Economic Security Promotion Act, the Order of the Competent Ministry (as defined in section 2 below), etc. and the operational approach, etc. presented by the Cabinet Office and government agencies with jurisdiction over the business in public comment responses. However, these Draft Reference Provisions are proposed only for the purpose of reference in the context of business practice. In other words, the matters and form thereof to be determined by the parties will vary depending on the nature of individual Specified Essential Infrastructure Businesses and the actual context of transactions and contracts between individual business entities, which from the perspective of smooth operation of the System are not precluded from selecting the most appropriate matters and form.[[1]](#footnote-1) If there are established business practices, etc. in individual business fields, appropriate clauses may be used based on such established practices, or it may also be possible that a decision will be made to the effect that there is no deficiency in obtaining information concerning matters to be filed and implementing risk management measures even without contractual arrangements as presented in these Draft Reference Provisions, in light of the facilities or services, and their method of provision, to be installed or entrusted.

In cases where, at the time of the release of these Draft Reference Provisions, a contract, etc. regarding responding to the System has already been executed between business entities, and the parties believe that all necessary matters have already been covered, it is not necessarily recommended that a new contract, etc. based on these Draft Reference Provisions needs to be executed.

In addition, in responding to the System, it will also be necessary to provide for the burden of costs for responding to each risk management measure, etc., contract termination and the burden of costs in the case where it becomes clear that it is difficult for the Prohibition Period to elapse without receiving a recommendation for modification or suspension from the Competent Minister with respect to the installation of the Specified Critical Facilities or the entrustment of Critical Maintenance and Management, Etc. relating to the Plan of Installation, Etc., or contract termination and compensation for loss or damage in the case where either party violates the provisions related to the Economic Security Promotion Act in these Draft Reference Provisions. However, since it is not considered appropriate to present uniform standards for these matters from the government, these Draft Reference Provisions do not include any draft provisions concerning such matters. Appropriate arrangements should be made among business entities depending on the nature of individual Specified Essential Infrastructure Businesses and the actual context of transactions and contracts between individual business entities.

In this regard, on page 17 of the “Guiding Principles on Ensuring the Stable Provision of Specified Essential Infrastructure Services by Preventing Specified Interference Actions (Cabinet Decision of April 28, 2023)” states that “the minister with jurisdiction over the business shall endeavor to prevent excessive burdens from arising on the supplier of the Specified Critical Facilities, etc. through appropriate supervision, etc., such as by ensuring that the burden necessary for ensuring the stable provision of specified essential infrastructure services, including administrative costs, is not unfairly shifted from the specified essential infrastructure service provider to the supplier of the Specified Critical Facilities, etc.” It is important to make appropriate arrangements among business entities so that no particular business entities bear an excessive or unreasonably heavy burden.

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| Although the article numbers are listed in order from Article 1 in the following Draft Reference Provisions, these numbers are for convenience only and need not to be in the same order as in these Draft Reference Provisions when a memorandum of understanding, etc. is concluded between the respective business operators. In addition, depending on individual circumstances, it is acceptable to add necessary clauses (for example, clauses on contract termination, the burden of costs, and compensation for loss or damage, etc.) or delete unnecessary ones. |

# Definition of terms

**Article 1 Definitions**

In this MOU, the following terms have the following definitions.

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| **Term** | **Definition** |
| **SEI Service Provider** | means [TBD]. |
| **Contractor** | means [TBD]. |
| **Economic Security Promotion Act** | means the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures (Act No. 43 of 2022) |
| **Order of the Competent Ministry** | means one of following 11 orders or ministerial ordinances that is applicable to the matters provided for in this MOU: - the Order of the Cabinet Office on Designation, Etc. of Specified Essential Infrastructure Service Providers based on the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures (Order of the Cabinet Office No. 61 of 2023);- the Order on Designation, Etc. of Specified Essential Infrastructure Service Providers based on the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures relating to the Cabinet Office and Ministry of Justice (Order of the Cabinet Office and the Ministry of Justice No. 2 of 2023);- the Order on Designation, Etc. of Specified Essential Infrastructure Service Providers based on the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures relating to the Cabinet Office, the Ministry of Justice and the Ministry of Finance (Order of the Cabinet Office, the Ministry of Justice and the Ministry of Finance No. 1 of 2023);- the Order on Designation, Etc. of Specified Essential Infrastructure Service Providers based on the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures relating to the Cabinet Office and the Ministry of Finance (Order of the Cabinet Office and the Ministry of Finance No. 6 of 2023);- the Order on Designation, Etc. of Specified Essential Infrastructure Service Providers based on the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures relating to the Cabinet Office, the Ministry of Finance and the Ministry of Agriculture, Forestry and Fisheries (Order of the Cabinet Office, the Ministry of Finance and the Ministry of Agriculture, Forestry and Fisheries No. 2 of 2023);- the Order on Designation, Etc. of Specified Essential Infrastructure Service Providers based on the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures relating to the Cabinet Office and the Ministry of Health, Labour and Welfare (Order of the Cabinet Office and the Ministry of Health, Labour and Welfare No. 6 of 2023);- the Order on Designation, Etc. of Specified Essential Infrastructure Service Providers based on the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures relating to the Cabinet Office and the Ministry of Agriculture, Forestry and Fisheries (Order of the Cabinet Office and the Ministry of Agriculture, Forestry and Fisheries No. 4 of 2023);- the Ministerial Ordinance on Specified Essential Infrastructure Service Providers, Etc. based on the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures relating to the Ministry of Internal Affairs and Communications (Order of the Ministry of Internal Affairs and Communications No. 64 of 2023);- the Ministerial Ordinance on Specified Essential Infrastructure Service Providers, Etc. based on the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures relating to the Ministry of Health, Labour and Welfare (Order of the Ministry of Health, Labour and Welfare No. 103 of 2023);- the Ministerial Ordinance on Specified Essential Infrastructure Service Providers, Etc. based on the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures relating to the Ministry of Economy, Trade and Industry (Order of the Ministry of Economy, Trade and Industry No. 41 of 2023); and- the Ministerial Ordinance on Specified Essential Infrastructure Service Providers, Etc. based on the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures relating to the Ministry of Land, Infrastructure, Transport and Tourism (Order of the Ministry of Land, Infrastructure, Transport and Tourism No. 62 of 2023). |
| **Specified Essential Infrastructure Business** | has the meaning as defined in Article 50, Paragraph 1 of the Economic Security Promotion Act. |
| **Specified Critical Facility** | has the meaning as defined in Article 50, Paragraph 1 of the Economic Security Promotion Act. |
| **Component Facility** | means facilities, equipment, devices, or programs that comprise part of the Specified Critical Facilities, and that are determined by the Order of the Competent Ministry to be related to matters that are likely to be used as a means for specified interference actions (meaning actions taken from outside Japan to interfere with the stable provision of specified essential infrastructure services relating to the installation of the Specified Critical Facilities or the entrustment of Critical Maintenance and Management, Etc. (as defined below)). |
| **Component Facility Supplier** | means a person who manufactures or supplies a Component Facility that is in a fully functional condition as it should be. |
| **Critical Maintenance and Management, Etc.** | has the meaning as defined in Article 52, Paragraph 1 of the Economic Security Promotion Act. |
| **Plan of Installation, Etc.** | has the meaning as defined in Article 52, Paragraph 1 of the Economic Security Promotion Act. |
| **Prohibition Period** | means a period during which the installation of the Specified Critical Facilities, relating to the filed Plan of Installation, Etc., and the Critical Maintenance and Management, Etc. are prohibited, pursuant to the provisions of Article 52, Paragraphs 3 to 5 of the Economic Security Promotion Act. |
| **Specified Critical Facility** **for the MOU** | has the meaning as defined in Article 2, paragraph 1. |
| **Critical Maintenance and Management, Etc. for the MOU** | has the meaning as defined in Article 2, paragraph 1. |
| **Original Agreement** | has the meaning as defined in Article 2, paragraph 2. |
| **Country, Etc. with Jurisdiction over Incorporation** | has the meaning as defined in Article 3(a), paragraph 1, item (1). |
| **Other Party, Etc. to Further Entrustment** | has the meaning as defined in Article 3(b), paragraph 1, item (1). |
| **Material Modification** | has the meaning as defined in the main sentence of Article 5(b), paragraph 1. |
| **Confidential Information** | has the meaning as defined in the main sentence of Article 12, paragraph 1. |

# Clauses for both the SEI Service Provider and the Contractor to clarify the scope of the Specified Critical Facilities and Critical Maintenance and Management, Etc.

**Article 2 Purpose**

1. The SEI Service Provider and the Contractor shall cooperate with each other in good faith so that the SEI Service Provider will be able to properly fulfill its obligations under the Economic Security Promotion Act in light of the fact that (i) the SEC Service Provider is designated as a specified essential infrastructure service provider as stipulated in said Act, (ii) [[TBD] falls under a Specified Critical Facility/[TBD] falls under Critical Maintenance and Management, Etc. (hereinafter, in this MOU, the [TBD] that falls under a Specified Critical Facility shall be referred to as a “**Specified Critical Facility for the MOU**”/the [TBD] that falls under Critical Maintenance and Management, Etc. shall be referred to as “**Critical Maintenance and Management, Etc. for the MOU**,” and a Specified Critical Facility that becomes subject to Critical Maintenance and Management, Etc. for the MOU shall be referred to as “**Specified Critical Facility for the MOU**”)], and (iii) it is highly likely that a situation will arise that will damage the security of the nation and its citizens if the stable provision of services by the SEI Service Provider is disrupted.

2. In light of the purpose of the preceding paragraph, the SEI Service Provider and the Contractor agree that, with respect to actions taken for [the installation of the Specified Critical Facilities for the MOU/the entrustment of the Critical Maintenance and Management, Etc. for the MOU] pursuant to the Economic Security Promotion Act, the provisions of this MOU shall prevail if there are any inconsistencies between the provisions of the [TBD] Agreement between the SEI Service Provider and the Contractor dated [mm/dd/yyyy] (the “**Original Agreement**”) and this MOU.

# Clauses necessary for the specified essential infrastructure service provider to file the Plan of Installation, Etc. under Article 52, Paragraph 1 of the Economic Security Promotion Act (and the Filing of Urgent Installation, Etc.under Article 52, Paragraph 11 of the same Act), and to obtain information necessary for reporting modifications under Article 54, Paragraph 4 of the same Act

**(1) Clauses concerning installation**

**Article 3(a) Provision of information**

1. The Contractor will, at the SEI Service Provider’s request after the execution of this MOU, report to the SEI Service Provider, in a manner specified by the SEI Service Provider such as in writing or by e-mail, the matters described in each of the items listed below, as specified by the SEI Service Provider, to the extent necessary for the SEI Service Provider to fulfill its obligations under the Economic Security Promotion Act. Also, if there is any modification in matters reported to the SEI Service Provider prior to the installation of the Specified Critical Facilities for the MOU (excluding matters for which prior notification is required under Article 5(a) and matters listed in Article 24 of the Order of the Competent Ministry), or if there is any modification in the types, names or functions of the Component Facilities after the installation of the Specified Critical Facilities for the MOU, the Contractor shall promptly notify the SEI Service Provider of the details of such modification, in a manner specified by the SEI Service Provider such as in writing or by e-mail. Provided, however, that if the Component Facility is a cloud service that is registered under the Information system Security Management and Assessment Program (also known as “ISMAP”), the provisions stated above do not apply to the matters described in the following items (2) through (5) regarding the Component Facility Supplier:

(1) The names and addresses of the Contractor and the Component Facility Supplier, the names of their representatives, and the country or region that enacted the law or regulation under which each of the Contractor and the Component Facility Supplier is incorporated (hereinafter referred to as “**Country, Etc. with Jurisdiction over Incorporation**”);

(2) The names, Country, Etc. with Jurisdiction over Incorporation, or nationalities or the like of any persons who directly hold 5% or more of the voting rights of all of the shareholders, etc. of each of the Contractor and the Component Facility Supplier, and the proportion of the voting rights held by such persons relative to the number of voting rights held by all shareholders, etc. of each of the Contractor andthe Component Facility Supplier;

(3) The names, dates of birth, and nationalities of officers of each of the Contractor and the Component Facility Supplier;

(4) If the total sales of the Contractor or the Component Facility Supplier related to transactions with Foreign Governments, Etc. (meaning foreign governments, foreign government agencies, foreign local governments, foreign central banks, or foreign political parties or other political organizations; the same applies hereinafter) belonging to the same country or region account for 25% or more of the total sales of the Contractor or the Component Facility Supplier in any one of the three most recent fiscal years ending on or before the date two months prior to the date of filing of the Plan of Installation, Etc. by the SEI Service Provider, the relevant fiscal year, the names of such Foreign Governments, Etc., and the proportion of sales relating to transactions with such Foreign Governments, Etc. relative to the total sales of the Contractor or the Component Facility Supplier for the relevant fiscal year;

(5) The locations of factories or workplaces where the Specified Critical Facilities for the MOU and Component Facilities are manufactured;

(6) The types, names and functions of the Component Facilities; and

(7) Any other matters necessary to verify that the measures that were separately agreed upon between the SEI Service Provider and the Contractor or between the Contractor and the Component Facility Supplier to prevent specified interference actions for the installation of the Specified Critical Facilities for the MOU are being implemented.

2. The Contractor shall, at the SEI Service Provider’s request after the execution of this MOU, submit to the SEI Service Provider the following documents designated by the SEI Service Provider (provided, however, that in cases of documents with a validity period or expiration date, this is limited to the documents that are valid as of the date when the Plan of Installation, Etc. is filed by the SEI Service Provider, and in cases of any other documents, limited to the documents prepared within three months prior to the date of said filing, unless otherwise agreed) to the extent necessary for the SEI Service Provider to fulfill its obligations under the Economic Security Promotion Act:

(1) a certificate of registration (including the equivalent thereof) for each of the Contractor and the Component Facility Supplier; and

(2) a copy of a passport, an abstract of the family register or a certificate of family register description, or a copy of a resident record which states the registered domicile for each of the officers of the Contractor and the Component Facility Supplier (if said officer is not a citizen of Japan, a copy of a passport, residence card or special permanent resident certificate, or other documents certifying the name, date of birth, nationality, etc.).

3. Notwithstanding the provisions of preceding two paragraphs, the Contractor or the Component Facility Supplier shall be able to directly submit the information or documents specified in either paragraph to the Competent Minister to the extent permitted under the Economic Security Promotion Act.

4. In the case of the preceding paragraph, the Contractor shall inform the SEI Service Provider in advance of the information and the names of the documents to be submitted by the Contractor or the Component Facility Supplier directly to the Competent Minister, and to which matters to be flied in the Plan of Installation, Etc. that information relates. The Contractor shall make or cause the Component Facility Supplier to make the direct submission described in the preceding paragraph by the deadline determined by the SEI Service Provider and the Contractor based on a separate discussion between them, and report to the SEI Service Provider promptly after that submission.

5. In order to secure the obligations borne by the Contractor pursuant to each of the preceding paragraphs, the Contractor shall take appropriate measures such as imposing on the Component Facility Supplier contractual obligations equivalent to those borne by the Contractor to the SEI Service Provider under this MOU (including an obligation of the Component Facility Supplier to report or submit documents to, or otherwise cooperate with the Contractor with respect to any matters that the Contractor is obligated to report, submit documents for to, or otherwise cooperate with the SEI Service Provider under this MOU), and must report to the SEI Service Provider, at the SEI Service Provider’s request, any matters relating to the Component Facility Supplier. The Contractor shall reasonably cooperate with the SEI Service Provider and the Component Facility Supplier, including providing the SEI Service Provider and the Component Facility Supplier with information necessary for the Component Facility Supplier to fulfill its obligations under the contract between the Contractor and the Component Facility Supplier.

6. If the SEI Service Provider or the Contractor receives any inquiry, etc. from a government or public office in the course of any screening conducted by the Competent Minister pursuant to Article 52, Paragraph 4 of the Economic Security Promotion Act, the Contractor shall reasonably cooperate with the SEI Service Provider, including providing any necessary information.

7. The SEI Service Provider shall reasonably cooperate with the Contractor, including providing any necessary information, to enable the Contractor to fulfill its obligations under this Article.

**(2) Clauses concerning Critical Maintenance and Management, Etc.**

**Article 3(b) Provision of information**

1. The Contractor will, at the SEI Service Provider’s request after the execution of this MOU, report to the SEI Service Provider, in a manner specified by the SEI Service Provider such as in writing or by e-mail, the matters described in the items listed below, as specified by the SEI Service Provider, to the extent necessary for the SEI Service Provider to fulfill its obligations under the Economic Security Promotion Act. Also, if there is any modification in matters reported to the SEI Service Provider prior to entrusting another person with Critical Maintenance and Management, Etc. for the MOU or before the end of the period of entrusting another person with Critical Maintenance and Management, Etc. for the MOU (excluding matters for which prior notification is required under Article 5(b) and matters listed in Article 24 of the Order of the Competent Ministry), the Contractor shall promptly notify the SEI Service Provider of the details of such modification, in a manner specified by the SEI Service Provider such as in writing or by e-mail:

(1) The names and addresses of the Contractor and a party further entrusted by the Contractor with Critical Maintenance and Management, Etc. for the MOU (if such party to the further entrustment of Critical Maintenance and Management, Etc. for the MOU entrusts the same to another party, to include such other party; the “**Other Party, Etc. to Further Entrustment**”), the names of their representatives, and Country, Etc. with Jurisdiction over Incorporation of each of them;

(2) The names, Country, Etc. with Jurisdiction over Incorporation or nationalities or the like of any persons who directly hold 5% or more of the voting rights of all of the shareholders, etc. of each of the Contractor and the Other Party, Etc. to Further Entrustment, and the proportion of the voting rights held by such persons relative to the number of voting rights held by all shareholders, etc. of each of the Contractor and the Other Party, Etc. to Further Entrustment;

(3) The names, dates of birth, and nationalities of officers of each of the Contractor and the Other Party, Etc. to Further Entrustment;

(4) If the total sales of each of the Contractor and the Other Party, Etc. to Further Entrustment related to transactions with Foreign Governments, Etc. belonging to the same country or region account for 25% or more of the total sales of each of the Contractor and the Other Party, Etc. to Further Entrustment in any one of the three most recent fiscal years ending on or before the date two months prior to the date of filing of the Plan of Installation, Etc. by the SEI Service Provider, the relevant fiscal year, the names of such Foreign Governments, Etc., and the proportion of sales relating to transactions with such Foreign Governments, Etc., relative to the total sales of each of the Contractor and the Other Party, Etc. to Further Entrustment for the relevant fiscal year;

(5) Details and timing or duration of Critical Maintenance and Management, Etc. for the MOU to be further entrusted by the Contractor to other business operators;

(6) In the case where a person further entrusted by the Contractor with Critical Maintenance and Management, Etc. for the MOU entrusts another business operator with the same, details and timing or duration of Critical Maintenance and Management, Etc. for the MOU to be further entrusted; and

(7) Any other matters necessary to verify that the measures that were separately agreed upon between the SEI Service Provider and the Contractor or between the Contractor and the Other Party, Etc. to Further Entrustment to prevent specified interference actions for the entrustment of the Critical Maintenance and Management, Etc. for the MOU are being implemented.

2. The Contractor shall, at the SEI Service Provider’s request after the execution of this MOU, submit to the SEI Service Provider the following documents designated by the SEI Service Provider (provided, however, that in cases of documents with a validity period or expiration date, this is limited to the documents that are valid as of the date when the Plan of Installation, Etc. is filed by the SEI Service Provider, and in cases of any other documents, limited to the documents prepared within three months prior to the date of said filing, unless otherwise agreed) to the extent necessary for the SEI Service Provider to fulfill its obligations under the Economic Security Promotion Act:

(1) a certificate of registration (including the equivalent thereof) for each of the Contractor and the Other Party, Etc. to Further Entrustment; and

(2) a copy of a passport, an abstract of the family register or a certificate of family register description, or a copy of a resident record that states the registered domicile for each of the officers of the Contractor and the Other Party, Etc. to Further Entrustment (if said officer is not a citizen of Japan, a copy of a passport, residence card or special permanent resident certificate, or other documents certifying the name, date of birth, nationality, etc.).

3. If the SEI Service Provider omits the entry of certain matters and the attachment of documents pertaining to the Other Party, Etc. to Further Entrustment pursuant to Article 17 of the Cabinet Office Ordinance on Designation, etc. of Specified Essential Infrastructure Service Provider under the Economic Security Promotion Act, the Contractor shall submit documents and other necessary information, etc. to verify that the Other Party, Etc. to Further Entrustment has been taking the following measures, to the SEI Service Provider:

(1) measures to specify the areas where the Other Party, Etc. to Further Entrustment conducts Critical Maintenance and Management, Etc. for the MOU, and to restrict entry into and prevent unauthorized access to such specified areas; and

(2) measures to periodically or occasionally audit whether there are any wrongful operations or acts with respect to the Specified Critical Facilities for the MOU for which Critical Maintenance and Management, Etc. for the MOU is conducted, by establishing procedures for personnel engaged in the further entrusted works pertaining to Critical Maintenance and Management, Etc. for the MOU to keep records concerning Critical Maintenance and Management, Etc. for the MOU of the Specified Critical Facilities for the MOU and also establishing procedures for confirming such records, and making personnel observe such procedures or take other measures.

4. Notwithstanding the provisions of paragraphs 1 and 2, the Contractor or the Other Party, Etc. to Further Entrustment shall be able to directly submit the information and documents specified in this Article to the Competent Minister to the extent permitted under the Economic Security Promotion Act.

5. In the case of the preceding paragraph, the Contractor shall inform the SEI Service Provider in advance of the information and the names of the documents to be submitted by the Contractor or the Other Party, Etc. to Further Entrustment directly to the Competent Minister, and to which matters to be filed in the Plan of Installation, Etc. that information relates. The Contractor shall make or cause the Other Party, Etc. to Further Entrustment to make the direct submission described in the preceding paragraph by the deadline determined by the SEI Service Provider and the Contractor based on a separate discussion between them, and report to the SEI Service Provider promptly after that submission.

6. In order to secure the obligations borne by the Contractor pursuant to each of the preceding paragraphs, the Contractor shall take appropriate measures such as imposing on the Other Party, Etc. to Further Entrustment contractual obligations equivalent to those borne by the Contractor to the SEI Service Provider under this MOU (including an obligation of the Other Party, Etc. to Further Entrustment to report, submit documents to, or otherwise cooperate with the Contractor with respect to any matters that the Contractor is obligated to report, submit documents for to, or otherwise cooperate with the SEI Service Provider under this MOU), and must report to the SEI Service Provider, at the SEI Service Provider’s request, any matters relating to the Other Party, Etc. to Further Entrustment. The Contractor shall reasonably cooperate with the SEI Service Provider and Other Party, Etc. to Further Entrustment, including providing the SEI Service Provider and the Other Party, Etc. to Further Entrustment with information necessary for the Other Party, Etc. to Further Entrustment to fulfill its obligations under the contract between the Contractor and the Other Party, Etc. to Further Entrustment.

7. If the SEI Service Provider or the Contractor receive any inquiry, etc. from a government or public office in the course of any screening conducted by the Competent Minister pursuant to Article 52, Paragraph 4 of the Economic Security Promotion Act, the Contractor shall reasonably cooperate with the SEI Service Provider, including providing any necessary information.

8. The SEI Service Provider shall reasonably cooperate with the Contractor, including providing any necessary information, to enable the Contractor to fulfill its obligations under this Article.

**(3) Clauses for cases where the installation of the Specified Critical Facilities [or Critical Maintenance and Management, Etc. in the manner of entrustment] is urgent and necessary**

**Article 4 Urgent** **installation, etc.**

1. If the SEI Service Provider notifies the Contractor in writing or by electromagnetic means such as e-mail that [the installation of the Specified Critical Facilities for the MOU/Critical Maintenance and Management, Etc. for the MOU in the manner of entrustment] falls under any cases of urgent necessity specified in the proviso to Article 52, Paragraph 1 of the Economic Security Promotion Act, and if it is necessary in light of works to be performed by the Contractor when [urgently installing the Specified Critical Facilities for the MOU/urgently entrusting the Contractor to conduct Critical Maintenance and Management, Etc. for the MOU of the Specified Critical Facilities for the MOU], the Contractor shall promptly report and submit to the SEI Service Provider as specified in Article 3(a), paragraphs 1 and 2 after [the installation of the Specified Critical Facilities for the MOU/the entrustment of Critical Maintenance and Management, Etc. for the MOU]. In this case, “Plan of Installation, Etc.” in Article 3(a), paragraphs 1 and 2 shall be replaced with “Filing of Urgent Installation, Etc.”

2. The provisions of the preceding paragraph shall not apply if, despite the fact that the SEI Service Provider gives such notice to the Contractor, it is found that the [installation of the Specified Critical Facilities for the MOU/Critical Maintenance and Management, Etc. for the MOU in the manner of entrustment] does not fall under any cases of urgent necessity specified in the proviso to Article 52, Paragraph 1 of the Economic Security Promotion Act.

3. In the event that [the installation of the Specified Critical Facilities for the MOU /Critical Maintenance and Management, Etc. for the MOU in the manner of entrustment] has not yet completed ([meaning any cases where no procedures for the installation have been initiated or have been initiated but not yet completed/no procedures have been initiated to start entrustment or have been initiated but the entrustment has not been started]) when the matters specified in the preceding paragraph are found, the SEI Service Provider and the Contractor shall immediately suspend the procedures for installation, etc. (if the procedures for filing the Filing of Urgent Installation, Etc. have been initiated, such procedures are also included), and shall consult each other as necessary and use their best efforts to realize [the installation/entrustment] in accordance with the procedures prescribed in the Economic Security Promotion Act, including a filing of the Plan of Installation, Etc.

4. In the event that the matters specified in paragraph 2 are found after urgently [installing the Specified Critical Facilities for the MOU/conducting Critical Maintenance and Management, Etc. for the MOU in the manner of entrustment], the SEI Service Provider and the Contractor shall discuss the measures to be taken as necessary, and use their best efforts to comply with the Economic Security Promotion Act, including both contacting and consulting with and seeking instructions from the Competent Minister.

# Provisions for appropriately obtaining information for filing a notification of modifications under Article 54, Paragraph 1 of the Act

**(1) Clauses concerning installation**

**Article 5(a) Material modifications regarding the Plan of Installation, Etc.**

1. With respect to the information provided to the SEI Service Provider in accordance with the provisions of Article 3(a), if any of the modifications listed below arise prior to the installation of the Specified Critical Facilities for the MOU, the Contractor shall contact the SEI Service Provider in advance in writing or by electromagnetic means such as e-mail about the timing and details of the modifications. However, if it is impossible or extremely difficult to contact the SEI Service Provider by that deadline, the Contractor shall contact the SEI Service Provider as soon as possible and cooperate with the SEI Service Provider so that the SEI Service Provider may file notification to the Competent Minister as required for such modifications:

(1) modifications to the outline of the Specified Critical Facilities for the MOU;

(2) modifications to the details of the installation of the Specified Critical Facilities for the MOU;

(3) modifications to the name, address, or Country, Etc. with Jurisdiction over Incorporation of the Contractor (if the Contractor is an individual, his or her name, address, nationality, etc.; in cases of a modification to the address, limited to cases of modification to the country name);

(4) modifications pertaining to the location of factories or workplaces where the Specified Critical Facilities for the MOU are manufactured (limited to cases of modification to the country name in which the factories or workplaces are located);

(5) modifications pertaining to the type, name or function of the Component Facilities;

(6) modifications to the name, address, or Country, Etc. with Jurisdiction over Incorporation of the Component Facility Supplier (in the case of an individual, his or her name, address, nationality, etc.);

(7) modifications pertaining to the location of factories or workplaces where the Component Facilities are manufactured (limited to cases of modification to the country name in which the factories or workplaces are located); or

(8) modifications pertaining to matters listed in Article 8.

2. In the case of the preceding paragraph, the Contractor shall also provide the SEI Service Provider with the documents listed below. However, if there is no modification to the name, address, or Country, Etc. with Jurisdiction over Incorporation of the Contractor or the Component Facility Supplier, or their representatives, the provision of document (1) may be omitted, and if there is no modification to the name, date of birth, nationality, etc. of the officer of the Contractor, the Component Facility Supplier, etc., the provision of document (2) may be omitted:

(1) a certificate of registration (including the equivalent thereof) for each of the Contractor and the Component Facility Supplier; and

(2) a copy of a passport, an abstract of the family register or a certificate of family register description, or a copy of a resident record that states the registered domicile for each of the officers of the Contractor and the Component Facility Supplier (if said officer is not a citizen of Japan, a copy of a passport, residence card or special permanent resident certificate, or other documents certifying the name, date of birth, nationality, etc.).

3. Notwithstanding the provisions of the preceding two paragraphs, the Contractor or the Component Facility Supplier shall be able to directly submit the information or documents specified in either paragraph to the Competent Minister to the extent permitted under the Economic Security Promotion Act.

4. In the case of the preceding paragraph, the Contractor shall inform the SEI Service Provider in advance of the information and the names of the documents to be submitted by the Contractor or the Component Facility Supplier directly to the Competent Minister, and to which matters to be filed in the Plan of Installation, Etc. that information relates. The Contractor shall make, or cause the Component Facility Supplier to make, the direct submission described in the preceding paragraph by the deadline determined by the SEI Service Provider and the Contractor based on a separate discussion between them, and report to the SEI Service Provider promptly after that submission.

5. In order to secure the obligations borne by the Contractor pursuant to each of the preceding paragraphs, the Contractor shall take appropriate measures such as imposing on the Component Facility Supplier contractual obligations equivalent to those borne by the Contractor to the SEI Service Provider under this MOU (including the Component Facility Supplier’s obligation to report, submit documents to, or otherwise cooperate with the Contractor with respect to any matters that the Contractor is obligated to report, submit documents for to, or otherwise cooperate with the SEI Service Provider under this MOU), and must report to the SEI Service Provider, at the SEI Service Provider’s request, any matters relating to the Component Facility Supplier. The Contractor shall reasonably cooperate with the SEI Service Provider and the Component Facility Supplier, including providing the SEI Service Provider and the Component Facility Supplier with information necessary for the Component Facility Supplier to fulfill its obligations under the contract between the Contractor and the Component Facility Supplier.

6. If the SEI Service Provider or the Contractor receives any inquiries, etc. from a government or public office in the course of any screenings conducted by the Competent Minister pursuant to Article 52, Paragraph 4 as applied *mutatis mutandis* pursuant to Article 54, Paragraph 2 of the Economic Security Promotion Act, the Contractor shall reasonably cooperate with the SEI Service Provider, including providing any necessary information.

7. The SEI Service Provider shall reasonably cooperate with the Contractor, including providing any necessary information, to enable the Contractor to fulfill its obligations under this Article.

8. The provisions of each of the preceding paragraphs shall not apply to any cases where the SEI Service Provider has given the Contractor a notice as specified in Article 4, paragraph 1. However, this exception will not apply to cases where any of the events specified in Article 4, paragraph 3 are found to have occurred.

**Article 6(a) Cases where making modifications is of urgent necessity**

If the SEI Service Provider notifies the Contractor in writing or by electromagnetic means such as e-mail that the SEI Service Provider falls under any case where it is of urgent necessity to make any of the modifications as specified in Article 5(a) pertaining to the Plan of Installation, Etc. as filed in accordance with the Economic Security Promotion Act, and if it is necessary in light of works to be performed by the Contractor when urgently installing the Specified Critical Facilities for the MOU from the Contractor by modifying the Plan of Installation, Etc., the Contractor shall promptly contact and provide documents to the SEI Service Provider as specified in Article 5(a), paragraphs 1 and 2 after the modifications specified in each item of Article 5(a), paragraph 1 pertaining to the Plan of Installation, Etc. have been made.

**(2) Clauses concerning entrustment of Critical Maintenance and Management, Etc.**

**Article 5(b) Material modifications regarding the Plan of Installation, Etc.**

1. With respect to the information provided to the SEI Service Provider in accordance with the provisions of Article 3(b), if any of the modifications listed below (the “**Material Modifications**”) arise prior to the commencement of the entrustment of Critical Maintenance and Management, Etc. for the MOU or prior to the end of the duration of such entrustment (if the SEI Service Provider has given the Contractor a notice as specified in Article 4, paragraph 1, unless any of the events specified in Article 4, paragraph 3 are found to have occurred, only prior to the end of the duration of such entrustment), the Contractor shall contact the SEI Service Provider in advance in writing or by electromagnetic means such as e-mail about the timing and details of the modifications. However, if it is impossible or extremely difficult to contact the SEI Service Provider by that deadline, the Contractor shall contact the SEI Service Provider as soon as possible and cooperate with the SEI Service Provider so that the SEI Service Provider may file notification to the Competent Minister as required for such modifications:

(1) modifications to the outline of the Specified Critical Facilities for the MOU;

(2) modifications to the details and timing or duration of the entrustment of Critical Maintenance and Management, Etc. for the MOU (excluding those shortening the duration of such entrustment);

(3) modifications to the name, address, or Country, Etc. with Jurisdiction over Incorporation of the Contractor (if the Contractor is an individual, his or her name, address, nationality, etc.; excluding any modifications to be made after the commencement of the entrustment of Critical Maintenance and Management, Etc. for the MOU (excluding any modifications to the name of the Contractor));

(4) in the case where the entire or partial Critical Maintenance and Management, Etc. for the MOU is further entrusted to a business entity other than the Contractor, modifications pertaining to the details and timing or duration of such further entrustment (excluding those shortening the duration of further entrustment);

(5) modifications to the name, address, or Country, Etc. with Jurisdiction over Incorporation of the Other Party, Etc. to Further Entrustment (in case of an individual, his or her name, address, nationality, etc.; excluding any modifications to be made after the commencement of the entrustment of Critical Maintenance and Management, Etc. for the MOU (excluding any modifications to the name of the Other Party, Etc. to Further Entrustment)); or

(6) modifications pertaining to matters listed in Article 8.

2. In the case of the preceding paragraph, the Contractor shall also provide the SEI Service Provider with the documents listed below. However, if there is no modification to the name, address, or Country, Etc. with Jurisdiction over Incorporation of the Contractor or the Other Party, Etc. to Further Entrustment, or their representatives, the provision of document (1) may be omitted, and if there is no modification to the name, date of birth, nationality, etc. of the officer of the Contractor or the Other Party, Etc. to Further Entrustment, the provision of document (2) may be omitted:

(1) a certificate of registration (including the equivalent thereof) for each of the Contractor and the Other Party, Etc. to Further Entrustment; and

(2) a copy of a passport, an abstract of the family register or a certificate of family register description, or a copy of a resident record that states the registered domicile for each of the officers of the Contractor and the Other Party, Etc. to Further Entrustment (if said officer is not a citizen of Japan, a copy of a passport, residence card or special permanent resident certificate, or other documents certifying the name, date of birth, nationality, etc.).

3. Notwithstanding the provisions of the preceding two paragraphs, the Contractor or the Other Party, Etc. to Further Entrustment shall be able to directly submit the information or documents specified in either paragraph to the Competent Minister to the extent permitted under the Economic Security Promotion Act.

4. In the case of the preceding paragraph, the Contractor shall inform the SEI Service Provider in advance of the information and the names of the documents to be submitted by the Contractor or the Other Party, Etc. to Further Entrustment directly to the Competent Minister, and to which matters to be filed in the Plan of Installation, Etc. that information relates. The Contractor shall make, or cause the Other Party, Etc. to Further Entrustment to make, the direct submission described in the preceding paragraph by the deadline determined by the SEI Service Provider and the Contractor based on a separate discussion between them, and report to the SEI Service Provider promptly after that submission.

5. In order to secure the obligations borne by the Contractor pursuant to each of the preceding paragraphs, the Contractor shall take appropriate measures such as imposing on the Other Party, Etc. to Further Entrustment contractual obligations equivalent to those borne by the Contractor under this MOU (including the Other Party, Etc. to Further Entrustment’s obligation to report, submit documents to, or otherwise cooperate with the Contractor with respect to any matters that the Contractor is obligated to report, submit documents for to, or otherwise cooperate with the SEI Service Provider under this MOU), and must report to the SEI Service Provider, at the SEI Service Provider’s request, any matters relating to the Other Party, Etc. to Further Entrustment. The Contractor shall reasonably cooperate with the SEI Service Provider and the Other Party, Etc. to Further Entrustment, including providing the SEI Service Provider and the Other Party, Etc. to Further Entrustment with information necessary for the Other Party, Etc. to Further Entrustment to fulfill its obligations under the contract between the Contractor and the Other Party, Etc. to Further Entrustment.

6. If the SEI Service Provider or the Contractor receives any inquiries, etc. from a government or public office in the course of any screenings conducted by the Competent Minister pursuant to Article 52, Paragraph 4 as applied *mutatis mutandis* pursuant to Article 54, Paragraph 2 of the Economic Security Promotion Act, the Contractor shall reasonably cooperate with the SEI Service Provider, including providing any necessary information.

7. The SEI Service Provider shall reasonably cooperate with the Contractor, including providing any necessary information, to enable the Contractor to fulfill its obligations under this Article.

**Article 6(b) Cases where making modifications is of urgent necessity**

If the SEI Service Provider notifies the Contractor in writing or by electromagnetic means such as e-mail that the SEI Service Provider falls under any case where it is of urgent necessity to make any of the modifications as specified in Article 5(a) pertaining to the Plan of Installation, Etc. or the Filing of Urgent Installation, Etc. as filed in accordance with the Economic Security Promotion Act, and if it is necessary in light of works to be performed by the Contractor when urgently installing the Critical Maintenance and Management, Etc. for the MOU by modifying the Plan of Installation, Etc. or the Filing of Urgent Installation, Etc. and entrusting to the Contractor, the Contractor shall promptly contact and provide documents to the SEI Service Provider as specified in Article 5(a), paragraphs 1 and 2 after the modifications specified in each item of Article 5(a), paragraph 1 pertaining to the Plan of Installation, Etc. or the Filing of Urgent Installation, Etc. have been made.

# Clauses concerning representations and warranties for information provided by the Contractor

**Article 7 Representations and warranties**

1. With respect to the information related to the Contractor itself that is to be submitted to the SEI Service Provider or the Competent Minister in accordance with Articles [3(a)/3(b)], 4, [5(a)/5(b)] and [6(a)/6(b)], the Contractor shall represent and warrant that such information, etc. is accurate as of such submission.

2. With respect to the acquisition and provision to third parties of personal information obtained by the Contractor itself that is to be submitted to the SEI Service Provider or the Competent Minister in accordance with Articles [3(a)/3(b)], 4, [5(a)/5(b)] and [6(a)/6(b)], the Contractor shall represent and warrant that it satisfies the requirements and procedures of applicable domestic and foreign laws, regulations, etc. (including laws, cabinet orders, notifications, rules, orders, and prefectural or municipal ordinances) that include an acquisition of consent from the provider of the personal information.

# Clauses concerning implementation of risk management measures

**Article 8 Risk management measures**

The Contractor shall reasonably cooperate with the SEI Service Provider when the SEI Service Provider, in fulfillment of its obligations under the Economic Security Promotion Act, takes measures to prevent specified interference actions upon [the installation of the Specified Critical Facilities for the MOU/the entrustment of the Critical Maintenance and Management, Etc. for the MOU]. The details of the specific cooperations of the Contractor shall be separately agreed upon between the SEI Service Provider and the Contractor, either in writing or by electromagnetic means such as e-mail. Upon entering into such agreements, the SEI Service Provider and the Contractor shall mutually specify and confirm which of the measures listed in the form of the Plan of Installation, Etc. prescribed by the Order of the Competent Ministry relate to the Contractor’s cooperations.

# Clauses for responding to recommendations and orders by the Competent Minister

**Article 9 Obligations concerning [the installation of the Specified Critical Facilities/Critical Maintenance and Management, Etc.] during the Prohibition Period**

1. Notwithstanding any provisions of the Original Agreement, with respect to [the installation of the Specified Critical Facilities for the MOU/the entrustment of Critical Maintenance and Management, Etc. for the MOU], which is a purpose of the Original Agreement, the Contractor shall not bear any obligation to conduct [the installation of the Specified Critical Facilities for the MOU/Critical Maintenance and Management, Etc. for the MOU] until the Competent Minister receives the Plan of Installation, Etc. under the Economic Security Promotion Act and the Prohibition Period under the same Act has elapsed. However, this will not apply if the SEI Service Provider gives notice to the Contractor as per Article 4, paragraph 1 (excluding cases where any events set out in Article 4, paragraph 2 are found).

2. In the cases set out in the main clause of the preceding paragraph, if the Prohibition Period for the Plan of Installation, Etc. filed by the SEI Service Provider has not elapsed by the timing agreed as the timing of [the installation of the Specified Critical Facilities for the MOU/the commencement of Critical Maintenance and Management, Etc. for the MOU] in the Original Agreement, the SEI Service Provider and the Contractor will consult with each other in good faith on the postponement of such timing and on other modifications to the terms of the Original Agreement.

**Article 10 Response to recommendations, etc.**

With respect to the Plan of Installation, Etc., if the Competent Minister issues recommendations under Article 52, Paragraph 6 of the Economic Security Promotion Act or it becomes clear that it is difficult for the Prohibition Period to elapse without receiving such recommendations, the SEI Service Provider and the Contractor will consult with each other on how to respond, including changing the Component Facilities and the other party to further entrustment, and will use their best efforts to install the Specified Critical Facilities and implement Critical Maintenance and Management, Etc.

**Article 11 Response to Material Modifications to the Plan of Installation, Etc. or ex post recommendations, etc.**

1. In cases where the SEI Service Provider files a notification regarding the Material Modifications to the Plan of Installation, Etc. [before the installation of the Specified Critical Facilities for the MOU/before making the Contractor conduct Critical Maintenance and Management, Etc. for the MOU/before expiration of the period in which the SEI Service Provider makes the Contractor conduct Critical Maintenance and Management, Etc. for the MOU], if the Competent Minister issues recommendations under Article 52, Paragraph 6 of the Economic Security Promotion Act, which applies *mutatis mutandis* through Article 54, Paragraph 2 of the same Act, or it becomes clear that it is difficult for the Prohibition Period to elapse without receiving such recommendations, the SEI Service Provider and the Contractor will consult with each other on the necessity of such Material Modifications, and on how to respond to such changes, including changing the Component Facilities and the other party to further entrustment, and will use their best efforts to implement such Material Modifications when such changes are confirmed to be necessary.

2. The SEI Service Provider and the Contractor will consult with each other to take necessary measures and use their best efforts to agree to the details of such measures in cases where (i) after [the installation of the Specified Critical Facilities for the MOU/the commencement of Critical Maintenance and Management, Etc. for the MOU], the Competent Minister recommends to conduct an inspection or maintenance check of the Specified Critical Facilities for the MOU, change the other party to the entrustment of Critical Maintenance and Management, Etc. for the MOU of the Specified Critical Facilities for the MOU, or take other necessary measures to prevent specified interference actions, or makes a request equivalent thereto under Article 55, Paragraph 1 of the Economic Security Promotion Act due to a shift in the international situation or other changes in circumstances, or (ii) the SEI Service Provider gives notice to the Contractor as set out in Article 4, paragraph 1 and files an Filing of Urgent Installation, Etc., and the Competent Minister recommends to conduct an inspection or maintenance check of the Specified Critical Facilities for the MOU, change the other party to the entrustment of Critical Maintenance and Management, Etc. for the MOU of the Specified Critical Facilities for the MOU, or take other necessary measures to prevent specified interference actions, or makes a request equivalent thereto under Article 55, Paragraph 2 of the Economic Security Promotion Act.

# Other clauses considered necessary

**(1) Provisions concerning the handling of information**

**Article 12 Confidentiality obligation clauses**

1. The SEI Service Provider and the Contractor shall not disclose, provide, or divulge any information disclosed by the other party in connection with this MOU to any third parties, whether disclosed in writing, by e-mail, orally, on electronic storage media, or in any other form (“**Confidential Information**”). However, the Confidential Information set out in this paragraph shall not include any of the following:

(1) information that is already publicly known at the time of disclosure;

(2) information that is legally obtained from a third party by the receiving party without being subject to imposition of any confidentiality obligation after the disclosure;

(3) information that was already in the possession of the receiving party at the time of disclosure; and

(4) information that has become publicly known through no fault of the receiving party after the disclosure.

2. Notwithstanding the preceding paragraph, if the SEI Service Provider or the Contractor is requested to disclose Confidential Information (i) by the Competent Ministry in relation to the SEI Service Provider’s fulfillment of its obligations under the Economic Security Promotion Act (including, but not limited to, the cases listed under Articles 58 and 59 of the Act) or (ii) by an administrative agency, regulatory authority, or court pursuant to laws or regulations, it may disclose the Confidential Information only to the minimum extent necessary.

1. For example, specified essential infrastructure service providers include local governments, incorporated administrative agencies, special corporations, etc., and bidding procedures may be required when these entities procure facilities or conduct other services. Regarding the relationship between the System and bidding procedures, concepts are summarized in the “Consistent Operation of System Relating to Bidding Agreements in the System Concerning Ensuring the Stable Provision of Essential Infrastructure Services” released by the Cabinet Office on October 6, 2023, based on which it is considered that appropriate provisions will be provided in the public notices for bids, bidding agreements, etc. while referring to these Draft Reference Provisions.

In addition, while these Draft Reference Provisions assume a contract between a specified essential infrastructure service provider and a Supplier or Other Entrusted Party, in practice, for example, it is considered that there may be cases where the specified essential infrastructure service provider executes a contract directly with a Component Facility Supplier, separately from a contract with a supplier of the Specified Critical Facilities. In such case, it is anticipated that an appropriate memorandum of understanding, etc. would be executed in accordance with the actual conditions of the transaction, while referring to these Draft Reference Provisions. [↑](#footnote-ref-1)