TO: The Secretary of Defense  
The Deputy Secretary of State  
The Administrator, National Aeronautics and Space Administration  
The Executive Director, Council of International Economic Policy  
The Director, Office of Telecommunications Policy

SUBJECT: U.S.-Japan Space Cooperation

The President has reviewed the May 5, 1975, Under Secretaries Committee study of the 1969 U.S.-Japan Space Cooperation Agreement. He approves the recommendations that:

1. The 1969 Agreement should run its course on the following basis:
   -- If requested by Japan and by U.S. industry, we would favorably consider for export, as consistent with national security requirements, remaining launcher manufacturing technology up to the level of the Thor Delta which was operational at the time the 1969 Agreement was concluded (the so-called Delta 58). Guidance and re-entry technology would be excluded.
   -- We would seek to limit exports of satellite technology to the level of that in orbit in 1969, as consistent with national security requirements. NASA shall develop appropriate technical criteria to provide a basis for a case-by-case review of export requests.

2. Any export requests going beyond the level of technology in orbit in 1969 as defined above would be evaluated on the basis of our general policy on providing space launching and technology assistance to other countries or would become the subject of a new agreement. Minor requests would be processed through normal export licensing procedures. Restrictions would continue to be imposed on the transfer of hardware and technology by Japan to third-parties, and we would require that Japen not provide launch services to third-parties without our approval. Any requirement for recoupment (for example, of any U.S. investment in the research and development involved) would be determined by the U.S. policy in force at the time a contract was signed.
Regarding the requirement for prior approval of launchings for third parties, the President has requested that the Department of State and NASA develop a suitable approach to convey this decision in such a manner as to minimize any adverse reaction on Japan's part.

cc: The Director of Central Intelligence
    The Chairman, Joint Chiefs of Staff