



About the Bank of Japan

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The Bank of Japan is the central bank of Japan. It is a juridical person established based on the Bank of Japan Act (hereafter the Act), and is not a government agency or a private corporation (Table 1).

Table 1
History of the Bank of Japan

1882	June	The Bank of Japan Act of 1882 is promulgated; the Bank is to have capital of 10 million yen and is given a license to operate for 30 years from the start of business.
	Oct. 10	Business operation begins.
1887	Mar.	An increase in the Bank's capital is announced from 10 million yen to 20 million yen.
1895	Aug.	An increase in the Bank's capital is announced from 20 million yen to 30 million yen.
1896	Apr.	The Head Office is moved to a new building at the present location.
1910	Feb.	The Bank is given a license to operate for 30 more years from October 10, 1912, and an increase in the Bank's capital is announced from 30 million yen to 60 million yen.
1942	Feb.	The Bank of Japan Act of 1942 is promulgated; the Bank is to have capital of 100 million yen.
	May 1	The Bank is reorganized under the Bank of Japan Act of 1942.
1949	June	The Policy Board is established.
1997	June	The Bank of Japan Act of 1997 is promulgated; the Bank is to have capital of 100 million yen.
1998	Apr. 1	The Bank of Japan Act of 1997 comes into effect.

I. CORE PURPOSES

The Act determines the Bank's core purposes as follows:

Article 1

- (1) The purpose of the Bank of Japan, or the central bank of Japan, is to issue banknotes and to carry out currency and monetary control.
- (2) In addition to what is prescribed in the preceding paragraph, the Bank of Japan's purpose is to ensure smooth settlement of funds among banks and other financial institutions, thereby

contributing to the maintenance of stability of the financial system.

The Act also stipulates the principle governing the Bank's currency and monetary control as follows:

Article 2

Currency and monetary control by the Bank of Japan shall be aimed at achieving price stability, thereby contributing to the sound development of the national economy.

II. CAPITAL

The Bank is capitalized at 100 million yen in accordance with Article 8, paragraph 1 of the Act. As of the end of March 2016, 55,008,000 yen is subscribed by the government, and the rest by the private sector (Table 2).¹

The Act does not grant holders of subscription certificates the right to participate in the Bank's

management, and, in the case of liquidation, only gives them the right to request distribution of residual assets up to the sum of the paid-up capital and, if any, the special reserve fund.² Dividend payments as a proportion of paid-up capital are limited to 5 percent or below in each fiscal year.³

Table 2

Subscribers by Category

Subscribers	Amount of subscription (thous. yen) ¹	Percentage of the total subscription (%)
The government	55,008	55.0
The private sector	44,991	45.0
Individuals	39,991	40.0
Financial institutions	2,229	2.2
Public organizations	181	0.2
Securities companies	41	0.0
Other firms	2,546	2.5
Total	100,000	100.0

Note: 1. Rounded down to the nearest 1,000 yen. As of the end of March 2016.

1. Article 8, paragraph 2 of the Act states as follows: "Of the amount of stated capital set forth in the preceding paragraph, the amount of contribution by the government shall be no less than fifty-five million yen."

2. Stipulated by Article 60, paragraph 2, and Supplementary Provisions Article 22, paragraph 2.

3. Stipulated by Article 53, paragraph 4.

III. THE BANK'S OFFICERS

The Bank's officers are the Governor, Deputy Governors, Members of the Policy Board, Auditors, Executive Directors, and Counsellors.⁴ Of the above, the Governor, Deputy Governors, and Members of the Policy Board make up the Policy Board.⁵

The Governor, Deputy Governors, and Members of the Policy Board are appointed by the Cabinet, subject to the consent of the House of Representatives and the House of Councillors. Auditors are appointed by the Cabinet. Executive Directors and Counsellors are appointed by the Minister of Finance based on the Policy Board's recommendation.⁶

The terms of office are five years for the Governor, Deputy Governors, and Members of the Policy Board; four years for Auditors and Executive Directors; and two years for Counsellors.⁷ The Bank's officers, excluding Executive Directors, are not dismissed against their will during their terms of office, except in the cases prescribed in the Act, such as the formal commencement of bankruptcy proceedings against them.⁸

For duties and powers of the Bank's officers, see Table 3.⁹

Table 3

Duties and Powers of the Bank's Officers

	Duties and powers
Policy Board members	Decide the guideline for currency and monetary control and other important matters concerning the Bank's operations, and supervise the officers (excluding Auditors and Counsellors) in the fulfillment of their duties.
Governor	Represents the Bank and exercises general control over the Bank's business in accordance with decisions made by the Policy Board. At the same time, fulfills the duties of an independent Policy Board member.
Deputy Governors	In accordance with the decisions made by the Governor, represent the Bank, administer the business of the Bank assisting the Governor, act for the Governor whenever the Governor is prevented from attending to his/her duties, and perform the Governor's duties during a vacancy in the office of the Governor. At the same time, fulfill the duties of independent Policy Board members.
Members of the Policy Board	Comprise the Policy Board, together with the Governor and Deputy Governors.
Auditors	Audit the business of the Bank. May, when they find it necessary based on the audit results, submit their opinions to the Minister of Finance, the Prime Minister (the Commissioner of the Financial Services Agency when the Prime Minister delegates such authority under Article 61-2 of the Act), or the Policy Board.
Executive Directors	In accordance with the decisions made by the Governor, administer the business of the Bank assisting the Governor and Deputy Governors, act for the Governor when the Governor and Deputy Governors are prevented from attending to their duties, and perform the Governor's duties during a vacancy in the office of the Governor and Deputy Governors.
Counsellors	Give advice to the Policy Board when consulted on any important matter concerning the Bank's business operations. May also express their opinions to the Policy Board when they find it necessary.

4. Stipulated by Article 21. The officers of the Bank consist of a Governor, two Deputy Governors, six Members of the Policy Board, three or fewer Auditors, six or fewer Executive Directors, and a small number of Counsellors.

5. Stipulated by Article 16, paragraph 2.

6. Stipulated by Article 23.

7. Stipulated by Article 24.

8. Stipulated by Article 25.

9. Duties and powers are stipulated by Article 16, paragraph 2, and Article 22.

Policy Board Members^{1, 2}



Standing from left to right: Makoto Sakurai, Yutaka Harada, Takehiro Sato, Takahide Kiuchi, Yukitoshi Funo, and Takako Masai
Seated from left to right: Kikuo Iwata, Haruhiko Kuroda, and Hiroshi Nakaso

Haruhiko Kuroda

Governor (the 31st) and Chairman of the Policy Board

Date of Birth

October 25, 1944

Education

The University of Tokyo
(1967, B.A. in Law)
University of Oxford
(1971, M.Phil. in Economics)

1967	Joined Japan's Ministry of Finance (MOF)
1987	Director, International Organizations Division, International Finance Bureau
1988	Secretary to the Minister of Finance
1989	Director, International Tax Affairs Division, Tax Bureau
1990	Director, Income Tax and Property Tax Policy Division, Tax Bureau
1991	Director, Co-ordination Division, Tax Bureau
1993	Regional Commissioner, Osaka Regional Taxation Bureau, National Tax Agency
1994	Deputy Director-General, International Finance Bureau, MOF
1996	President, Institute of Fiscal and Monetary Policy
1997	Director-General, International Finance Bureau
1998	Director-General, International Bureau
1999	Vice Minister of Finance for International Affairs
2003	Special Advisor to the Cabinet and Professor, Graduate School of Economics, Hitotsubashi University
2005	President, Asian Development Bank
2013	Present position

Notes: 1. Members are as of August 10, 2016.

2. The texts of speeches by Policy Board members are available on the Bank's website (http://www.boj.or.jp/en/announcements/press/koen_speaker/index.htm).

Kikuo Iwata

Deputy Governor

Date of Birth	Education
October 3, 1942	The University of Tokyo (1966, B.A. in Economics; 1970, M.A. in Economics; and 1973, withdrew from doctoral program in Economics after completion of course requirements except for dissertation)
1973	Lecturer, Sophia University
1976	Associate Professor, Sophia University
1983	Professor, Sophia University
1998	Professor, Gakushuin University
2013	Present position

Takehiro Sato

Date of Birth	Education
August 2, 1961	Kyoto University (1985, B.A. in Economics)

1985	Joined The Sumitomo Bank, Ltd.
1999	Joined Morgan Stanley Japan, Ltd.
2006	Executive Director, Chief Economist for Japan, Morgan Stanley Japan Securities Co., Ltd. (MSJS) ³
2010	Managing Director, Chief Economist for Japan, Head of Japan Interest Rate Strategy, MSJS
2012	Managing Director, Chief Economist for Japan, Head of Japan Fixed Income Research, Morgan Stanley MUFG Securities Co., Ltd. ⁴
	Present position

Yutaka Harada

Date of Birth	Education
September 1, 1950	The University of Tokyo (1974, B.A. in Agricultural Economics) University of Hawaii (1979, M.A. in Economics) Gakushuin University (2012, Ph.D. in Economics)

1974	Joined the Economic Planning Agency
1995	Director, Social Research Division, Social Policy Bureau
1997	Director, Overseas Research Division, Research Bureau
1998	Director, Price Policy Division, Price Bureau
1999	Vice President, Policy Research Institute, Ministry of Finance
2002	Executive Research Fellow, Economic and Social Research Institute, Cabinet Office
2004	Chief Economist, Daiwa Institute of Research, Ltd.
2012	Professor, Waseda University
2015	Present position

Makoto Sakurai

Date of Birth	Education
June 16, 1946	Chuo University (1969, B.A. in Economics) The University of Tokyo (1972, M.A. in Economics; and 1976, withdrew from doctoral program in Economics after completion of course requirements except for dissertation)

1976	Joined the Export-Import Bank of Japan
1980	Visiting Fellow, Economic Growth Center, Yale University
1989	Senior Economist, Research Institute for International Investment and Development, Export-Import Bank of Japan Director General and Chief Economist, Taisho Marine Research Institute Co., Ltd. Also served as Senior Research Fellow, Institute of Fiscal and Monetary Policy, Ministry of Finance
1990	Also served as Senior Research Fellow, Institute of Fiscal and Monetary Policy, Ministry of Finance
1996	President, Research Center for International Finance, Mitsui Marine Research Institute Co., Ltd.
2007	President, Sakurai & Associates International Finance Research Center
2016	Present position

Hiroshi Nakaso

Deputy Governor

Date of Birth	Education
October 12, 1953	The University of Tokyo (1978, B.A. in Economics)

1978	Joined the Bank of Japan
1997	Director, Head of Financial System Division, Financial and Payment System Department
2000	Deputy Director-General, Financial and Payment System Department Transferred to the Bank for International Settlements
2001	Deputy Director-General, Financial Markets Department and International Department, Bank of Japan
2003	Director-General, Financial Markets Department
2008	Executive Director
2010	Assistant Governor
2013	Present position

Takahide Kiuchi

Date of Birth	Education
November 29, 1963	Waseda University (1987, B.A. in Economics)

1987	Joined Nomura Research Institute, Ltd. (NRI)
2002	Head of Japanese Economic Research Unit and Senior Economist, NRI
2004	Joined Nomura Securities Co., Ltd. (NSC) Deputy Head of Economic Research Department and Head of Japanese Economic Research Section, Financial and Economic Research Center, NSC
2007	Managing Director, Head of Economic Research Department and Chief Economist, Financial and Economic Research Center, NSC
2012	Present position

Yukitoshi Funo

Date of Birth	Education
February 1, 1947	Kobe University (1969, B.A. in Business Administration) Columbia University (1976, MBA)

1970	Joined Toyota Motor Corporation (TMC)
2000	Director, TMC
2003	President, Toyota Motor Sales, U.S.A., Inc. (TMS)
2005	Chairman and Chief Executive Officer, TMS
2006	Chairman and Chief Executive Officer, Toyota Motor North America, Inc. (TMA)
2009	Executive Vice President and Member of the Board, TMC
2013	Senior Advisor to the Board, TMC Chief Executive Officer, Institute for International Economic Studies
2015	Present position

Takako Masai

Date of Birth	Education
March 8, 1965	Jissen Women's University (1988, B.A. in English Literature) Hosei University (2007, MBA)

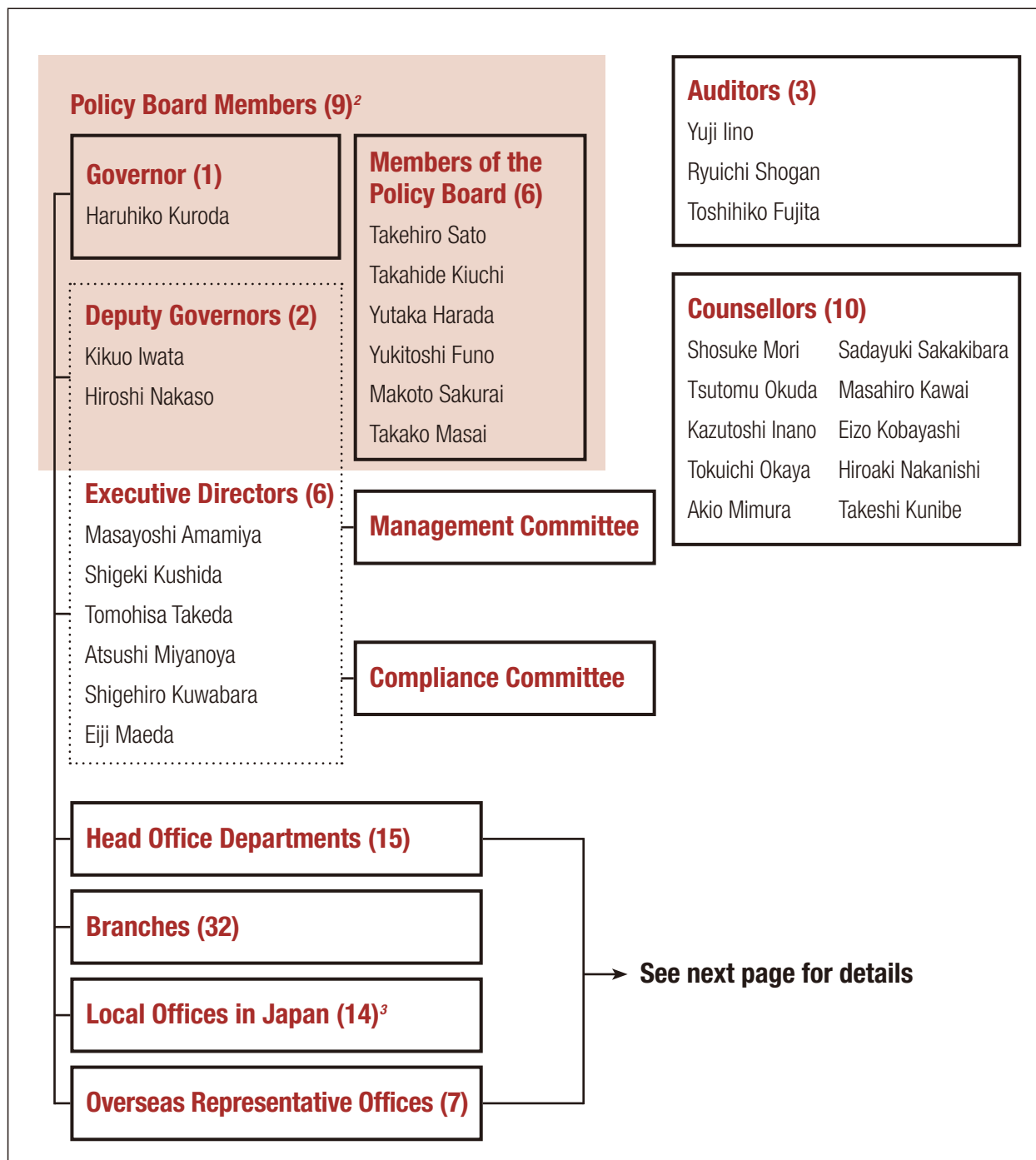
1988	Joined Scotiabank, Tokyo
1989	Joined The Toronto-Dominion Bank, Tokyo
1998	Joined Credit Agricole Indosuez, Tokyo
2004	Joined Calyon Corporate and Investment Bank, ⁵ Tokyo
2007	General Manager, Capital Markets Division, Shinsei Bank, Ltd.
2011	General Manager, Markets Division, Shinsei Bank, Ltd. General Manager, Markets Sub-Group, Shinsei Bank, Ltd.
2013	Executive Officer, Head of Markets Research Department, Markets Sub-Group, Shinsei Bank, Ltd.
2015	Executive Officer, General Manager of Markets Research Division, Shinsei Bank, Ltd.
2016	Executive Officer, General Manager of Financial Research Division, Shinsei Bank, Ltd. Present position

Notes: 3. Established in 2006 through the transfer of business from Morgan Stanley Japan, Ltd.

4. Established in 2010 as Morgan Stanley's securities joint venture in Japan with Mitsubishi UFJ Financial Group, Inc. (MUFG).

5. Established in 2004 through merger of Credit Agricole Indosuez and Credit Lyonnais.

IV. ORGANIZATION

Organization Chart of the Bank¹

Notes: 1. As of August 10, 2016.

2. As stipulated by Article 16, paragraph 2 of the Act, the Policy Board shall consist of the Governor, two Deputy Governors, and six Members of the Policy Board.

3. Includes the computer center represented by the Director-General of the Information System Services Department; and the banknote operations center represented by the Director-General of the Currency Issue Department.

Head office departments	Officials
Secretariat of the Policy Board	Ryota Yanagihara (Director-General) Junichi Iwabuchi (Director-General, Senior Secretary to the Governor) Yoji Onozawa (Director-General for Management Strategy, Budget, and Accounting)
Internal Auditors' Office	Toshiyuki Wada (Director-General)
Monetary Affairs Department	Shinichi Uchida (Director-General)
Financial System and Bank Examination Department	Yasuhiro Yamada (Director-General)
Payment and Settlement Systems Department	Hiroshi Yamaoka (Director-General)
Financial Markets Department	Seiichi Shimizu (Director-General)
Research and Statistics Department	Toshitaka Sekine (Director-General)
International Department	Shigeto Nagai (Director-General)
Currency Issue Department	Yutaka Okada (Director-General)
Operations Department	Mitsuru Nomura (Director-General)
Information System Services Department	Takeshi Kato (Director-General)
Public Relations Department	Seiichi Tsurumi (Director-General)
Personnel and Corporate Affairs Department	Nobuyasu Yoshioka (Director-General)
Administration Department	Takeshi Nakamura (Director-General)
Institute for Monetary and Economic Studies	Shigenori Shiratsuka (Director-General)

Overseas representative offices		Telephone numbers	General managers/ chief representatives
New York	Bank of Japan Chief Representative Office for the Americas Bank of Japan Representative Office in New York 140 Broadway, 18th Floor, New York, NY 10005, U.S.A.	+1-212-269-6566	Tetsuya Sakamoto (General Manager for the Americas and Chief Representative in New York)
Washington, D.C.	Bank of Japan Representative Office in Washington, D.C. 2100 Pennsylvania Ave., N.W., Suite 505, Washington, D.C. 20037, U.S.A.	+1-202-466-2228	Shinichiro Okawa (Chief Representative in Washington, D.C.)
London	Bank of Japan Chief Representative Office for Europe Bank of Japan Representative Office in London Basildon House, 7-11 Moorgate, London EC2R 6AF, U.K.	+44-20-7606-2454	Tokiko Shimizu (General Manager for Europe and Chief Representative in London)
Paris	Bank of Japan Representative Office in Paris 17 Avenue George V, 75008 Paris, France	+33-1-4720-7295	Yuji Yokobori (Chief Representative in Paris)
Frankfurt	Bank of Japan Representative Office in Frankfurt Taunusanlage 21, 60325 Frankfurt am Main, Germany	+49-69-9714310	Jun Mifune (Chief Representative in Frankfurt)
Hong Kong	Bank of Japan Representative Office in Hong Kong Suite 1012, One Pacific Place, 88 Queensway, Central, Hong Kong	+852-2525-8325	Ken Chikada (Chief Representative in Hong Kong)
Beijing	Bank of Japan Representative Office in Beijing 19th Floor, Unit 12C, China World Tower 2, No. 1 Jian Guo Men Wai Avenue, Beijing 100004, China	+86-10-6505-9601	Kenji Wada (Chief Representative in Beijing)

Functions of Committees/Departments/Offices

COMMITTEES AND HEAD OFFICE DEPARTMENTS

Management Committee

Examines and manages Bank-wide issues regarding the Bank's operations. The members of this committee comprise the Deputy Governors and all Executive Directors.

Compliance Committee

Ensures that the officers and employees perform their duties fairly and in compliance with the relevant laws and regulations. The members of this committee comprise members appointed from among the Deputy Governors and Executive Directors by the Governor; the Director-General of the Internal Auditors' Office; and one or more legal experts from outside the Bank.

Secretariat of the Policy Board

(1) Arranges proceedings for Policy Board meetings; (2) liaises with the Diet and the media; (3) reviews the content and wording of important documents, and offers a legal perspective on them; (4) plans and formulates measures relating to the Bank's business operations and organizational management; (5) handles the Bank's budget, settlement, and accounting; (6) provides administrative services for the Bank's officers; and (7) supports Auditors in auditing.

Internal Auditors' Office

Audits the Bank's business operations.

Monetary Affairs Department

Plans and formulates monetary policy measures.

Financial System and Bank Examination Department

(1) Plans and formulates measures that contribute to the maintenance of an orderly financial system; (2) conducts on-site examinations and off-site monitoring of financial institutions that hold current accounts at the Bank; (3) judges financial institutions' eligibility to hold current accounts at the Bank and to have access to its lending facilities; and (4) determines the specifics of credit extension and discounting of bills by the Bank.

Payment and Settlement Systems Department

Plans and formulates measures in the following areas: (1) policy issues relating to payment and settlement systems; (2) financial institutions' access to payment and settlement services provided by the Bank; and (3) the Bank's business continuity planning.

Financial Markets Department

(1) Determines the specifics of daily market operations; (2) conducts foreign exchange interventions; (3) works toward improving the functioning of Japanese financial markets, including the foreign exchange market; and (4) monitors and analyzes developments in financial markets in Japan as well as overseas, including foreign exchange markets.

Research and Statistics Department

(1) Conducts research on the domestic economy and fiscal situation; and (2) compiles and releases statistics.

International Department

(1) Liaises and coordinates with overseas central banks and international organizations; (2) makes arrangements for investment in yen assets by overseas central banks, and conducts operations aimed at providing international financial support; (3) manages foreign currency assets held by the Bank; (4) conducts research on global economic and financial conditions; and (5) compiles Japan's balance of payments and other such statistics.

Currency Issue Department

(1) Conducts planning and operations relating to banknotes; and (2) conducts payment/receipt of coins, and examines and takes custody of them.

Operations Department

Conducts banking operations including the following: (1) discounting of bills; (2) credit extension; (3) purchasing/selling of bills, Japanese government securities, and other securities; (4) borrowing/lending of securities with cash collateral; (5) accepting of deposits; (6) domestic funds transfers; (7) handling of treasury funds; and (8) operations relating to stocks purchased by the Bank.

Information System Services Department

Manages the development and operation of the Bank's computer systems.

Public Relations Department

(1) Is responsible for public relations; (2) administers the Bank's library; and (3) works toward raising the public's awareness and understanding of financial and economic issues.

Personnel and Corporate Affairs Department

Handles business in corporate affairs, personnel policy issues relating to recruitment, assessment of job performance, career planning and training, wages and salaries, and the Bank's code of ethics.

Administration Department

Conducts administrative operations relating to the Bank's facilities, supplies, security, and transportation.

Institute for Monetary and Economic Studies

(1) Studies theoretical, institutional, technological, and historical aspects of monetary and economic issues; (2) collects, preserves, and exhibits historical materials and documents related to monetary and economic issues; and (3) exchanges views with academics.

BRANCHES AND OFFICES

Branches

The 32 branches mainly conduct operations relating to currency issue and banking operations, and research on the economic and financial situation in their respective areas.

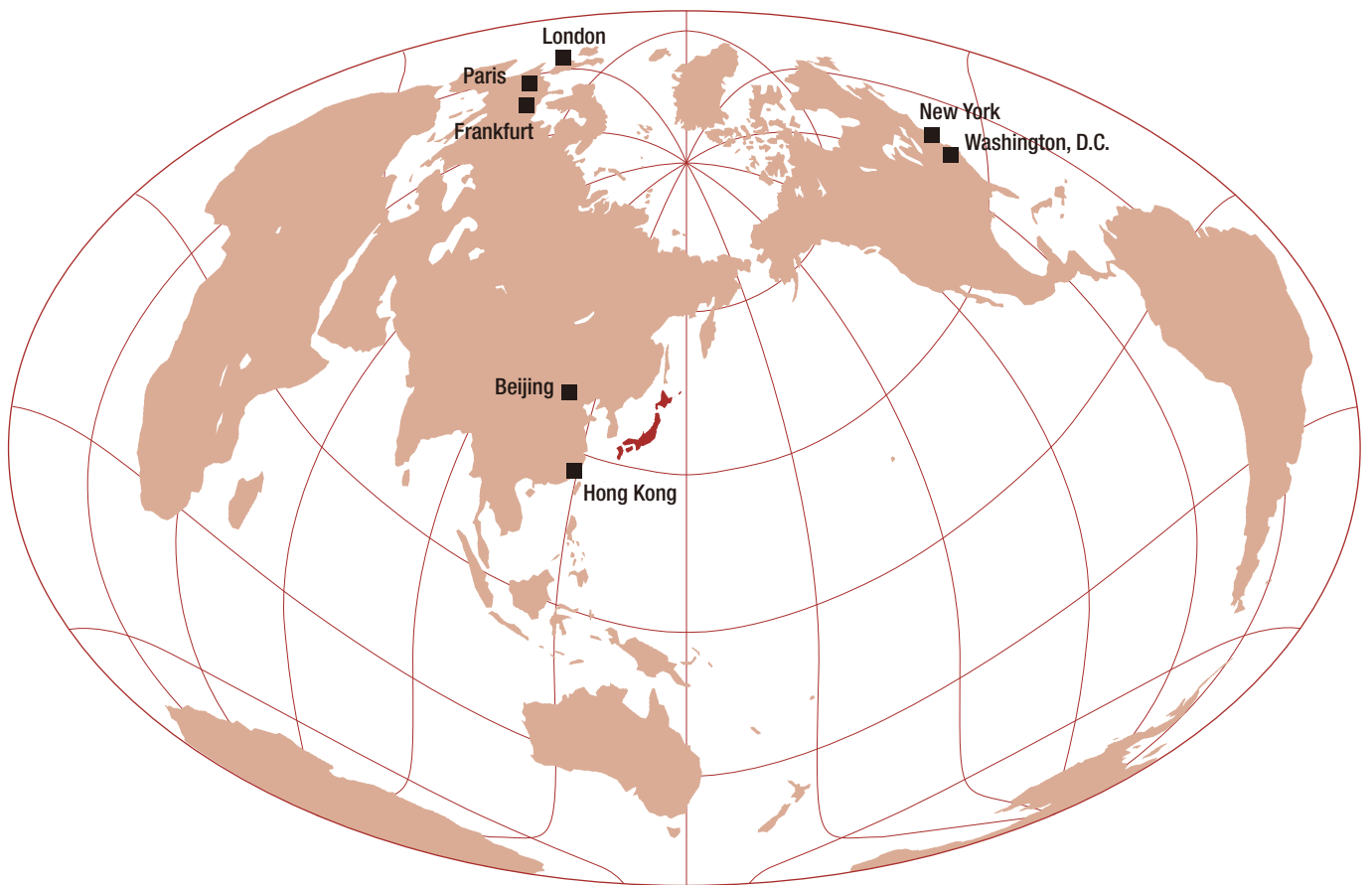
Local Offices in Japan

The computer center in Fuchu City, Tokyo, operates the Bank's systems. The banknote operations center in Toda City, Saitama Prefecture, receives, pays, and stores banknotes. The other twelve local offices handle some of the operations of the Head Office or branches.

Overseas Representative Offices

The seven overseas representative offices perform a liaison function, gather information, and conduct research.

Overseas Representative Offices¹



Note: 1. For details, see page 15.