

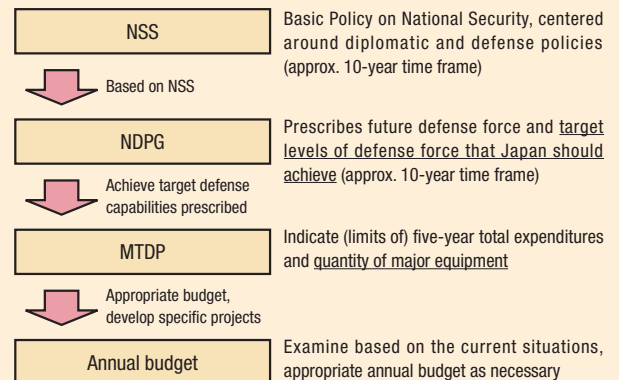
Chapter
3

Japan's Security and Defense Policy

National Security Strategy (NSS)

The NSS developed in December 2013 specifies, as Japan's fundamental principle of national security, that Japan will contribute more proactively than ever before to the peace, stability, and prosperity of the international community, while committed to continuing the path as a peace-loving nation, and seeking its own security as well as peace and stability in the Asia-Pacific region from the perspective of a "Proactive Contribution to Peace" based on the principle of international cooperation.

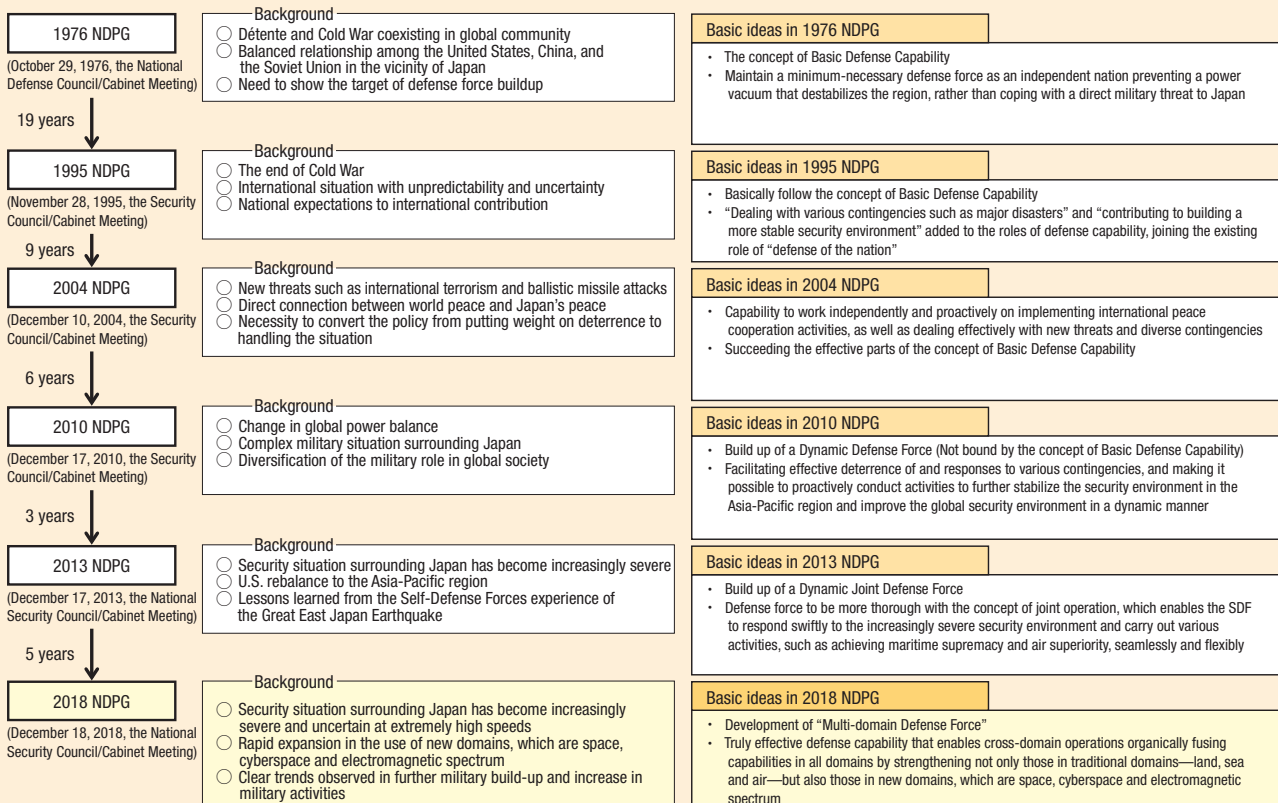
Relationship among the NSS, the NDPG, the MTDP, and the fiscal year budget



The National Defense Program Guidelines for FY2019 and Beyond (NDPG)

- The NDPG was approved by the National Security Council and the Cabinet in December 2018.
- The NDPG establishes the posture of Japan's defense forces and the level to achieve, envisioning approximately 10 years

Changes in NDPG



Japan's Basic Defense Policy

The following are set forth as national defense objectives:

- to create, on a steady-state basis, a security environment desirable for Japan by integrating and drawing on the strengths at the nation's disposal;
- to deter threats from reaching Japan by making opponents realize that doing harm to Japan would be difficult and consequential; and
- should a threat reach Japan, to squarely counter the threat and minimize damage.

Under the basic precept of maintaining an exclusively defense-oriented policy, Japan will strengthen each of the means by which to successfully achieve these national defense objectives: Japan's own architecture for national defense; the Japan-U.S. Alliance; and international security cooperation.

Priorities in Strengthening Defense Capability

In order to adapt to increasingly rapid changes in the security environment, Japan will enhance priority capability areas as early as possible.

- Strengthening Capabilities Necessary for Cross-Domain Operations
 - Strengthening capabilities in the new domains of space, cyberspace and electromagnetic spectrum
 - Strengthening capabilities in the traditional domains, such as capabilities in maritime and air domains, stand-off defense capability, comprehensive air and missile defense capability, and maneuver and deployment capability
 - Strengthening sustainability and resiliency by promoting necessary measures for securing ammunition and fuel, ensuring maritime shipping lanes, and protecting important infrastructure.
- Strengthening core elements comprising defense capability
 - Strengthening core elements of defense capability by reinforcing the human resource base, technology base, and defense industrial base, reviewing equipment structure, etc.

Organization of Self-Defense Forces (SDF)

- Joint Operation to Realize Cross-Domain Operations
 - The SDF will establish new units in the domains of space, cyberspace and electromagnetic spectrum, strengthen its posture, build comprehensive air and missile defense capability, and maintain a maritime transport unit as an integrated unit.
- Ground Self-Defense Force (GSDF)
 - The GSDF will maintain rapidly deployable basic operational units furnished with advanced mobility and intelligence, surveillance, and reconnaissance (ISR) capabilities, and mobile operating units equipped with specialized functions. The GSDF will strengthen its ability to deter and counter threats by taking measures including persistent steady-state maneuvers.
 - To be able to counter an invasion of remote islands, the GSDF will maintain surface-to-ship guided missile units and hyper-velocity gliding projectile units for remote island defense.
- Maritime Self-Defense Force (MSDF)
 - The MSDF will maintain reinforced destroyer units including a new type of destroyers (FFM), minesweeper units, and embarked patrol helicopter units, and will organize surface units. The MSDF will establish patrol ship units to enable enhanced steady-state ISR in the waters around Japan.
 - In order to conduct underwater ISR, and to engage in patrols and defense in the waters around Japan, the MSDF will maintain reinforced submarine units.
 - In order to conduct wide-area airborne ISR, and to effectively engage in patrols and defense in the waters around Japan, the MSDF will maintain fixed-wing patrol aircraft units.
- Air Self-Defense Force (ASDF)
 - The ASDF will maintain ground-based warning and control units capable of conducting sustained surveillance in the airspace around Japan, and air warning and control units capable of conducting airborne warning, surveillance and control also during situations with heightened tensions, such as "gray-zone" situations.
 - The ASDF will maintain fighter aircraft units reinforced by high-performance fighter aircraft, and aerial refueling and transport units.
 - The ASDF will maintain unmanned aerial vehicle units which enable it to conduct information collection in areas remote from Japan and persistent airborne monitoring during situations with heightened tensions.

Medium Term Defense Program (FY2019–FY2023; MTDP)

- The MTDP sets forth the policy for the build-up of defense capability, and main projects for the five-year period from FY2019 to FY2023.
- In order to build a structure that is capable of realizing cross-domain operations, the SDF will conduct reorganization of its major units.
- The SDF will conduct programs to strengthen capabilities in both new and traditional domains.
- The SDF will conduct programs to strengthen core elements of defense capabilities, including reinforcement of the human resource base.

Chapter
4

Build-up of Defense Capability and Defense-Related Expenditures in FY2020

Build-up of Defense Capability in FY2020

In FY2020, as the second year of the NDPG and the MTDP, the MOD/SDF will steadily implement initiatives toward building a Multi-domain Defense Force based on the NDPG and the MTDP.

Main Projects of Build-up of Defense Capabilities in FY2020 (Priorities in strengthening capabilities necessary for cross-domain operations)

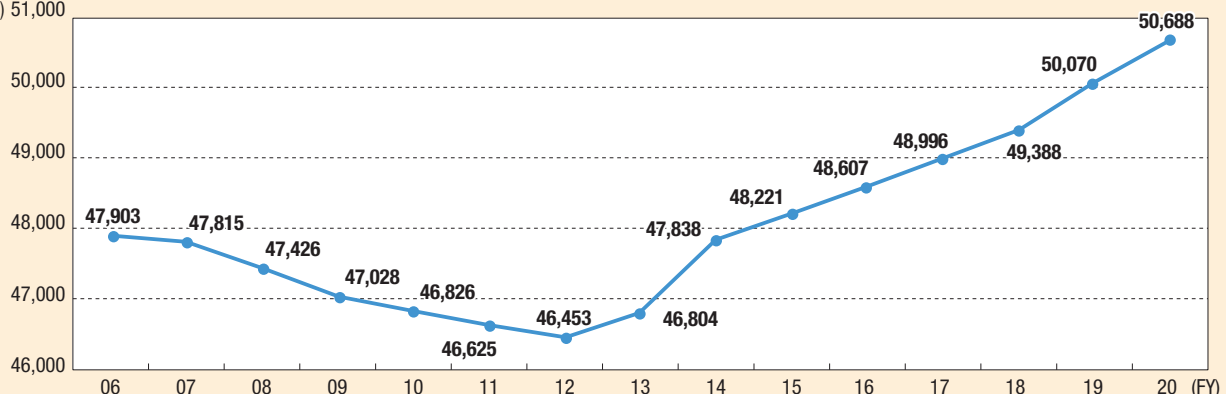
Capabilities that should be acquired and strengthened	Outline
Capabilities in space domain	<ul style="list-style-type: none"> ○ Development of systems for Space Operations Squadron etc. ○ Procurement of SSA satellites (space-based optical telescopes) ○ Procurement of SSA system ○ Strengthening of information-gathering capability using outer space, etc.
Capabilities in cyber domain	<ul style="list-style-type: none"> ○ Enhancement of Cyber Defense Group, etc. ○ Securing and development of cyber talents ○ Enhancement and strengthening of the systems and networks ○ Utilization of cutting-edge cyber technologies, etc.
Capabilities in electromagnetic domain	<ul style="list-style-type: none"> ○ Research and development of devices to neutralize the radar of opponents who intend to invade Japan, including development of standoff electronic warfare aircraft ○ Strengthening of capabilities to minimize electromagnetic jamming from opponents who intend to invade Japan through procurement of fighters (F-35A/B) with superior electronic protection capability, etc. ○ Enhancement of systems of electronic warfare units, etc.
Capabilities in Maritime and Air Domains	<ul style="list-style-type: none"> ○ Procurement of P-1 patrol aircraft (× 3), Procurement of SH-60K patrol helicopters (× 7) ○ Construction of destroyers (× 2), a submarine, and a minesweeping vessel ○ Establish a Temporal Unmanned Aerial Vehicle Unit (Tentative name) ○ Partial refurbishment of Destroyer JS "Izumo" for takeoff and landing by F-35B ○ Japan-led development of F-X ○ Establishment of Squadron for Aerial Refueling and Transport ○ Establishment of F-35A squadron in Misawa Air Base ○ Introduction of small UUV for underwater defense, etc.
Stand-off defense capability	<ul style="list-style-type: none"> ○ Procurement of stand-off missiles, etc.
Comprehensive air and missile defense capability	<ul style="list-style-type: none"> ○ Procurement of SM-3 Block IIA ○ Modification to the Patriot system, etc.
Maneuver and deployment capability	<ul style="list-style-type: none"> ○ Procurement of type-16 mobile combat vehicles (× 33) ○ Procurement of type-19 155mm wheeled self-propelled howitzers (× 7), etc.
Sustainability and resilience	<ul style="list-style-type: none"> ○ Procurement of Type-20 5.56mm rifle (× 3,283) ○ Procurement of SFP9 (× 323), etc.

Defense-Related Expenditures in FY2020

In order to adapt to increasingly rapid changes in the security environment, Japan must strengthen its defense capability at speeds that are fundamentally different from the past. To this end, in light of the NDPG and the MTDP, defense-related expenditures for FY2020 were increased by 61.8 billion yen from the previous fiscal year to 5.0688 trillion yen (an increase of 1.2% from the previous year). Defense-related expenditures has increased for the eight consecutive years.

Change in Defense-Related Expenditures (Past 15 years; Original Budget Basis)

(100 million) 51,000



Note: The figures above do not include SACO-related expenses, the U.S. Forces realignment-related expenses (the portion allocated for mitigating the impact on local communities), expenses for the introduction of new government aircraft, and expenses for the three-year emergency measures for disaster prevention/reduction and national resilience. Including these expenses, total defense-related expenditures were as follows: 4,813.6 billion yen in FY2006, 4,801.3 billion yen in FY2007, 4,779.6 billion yen in FY2008, 4,774.1 billion yen in FY2009, 4,790.3 billion yen in FY2010, 4,775.2 billion yen in FY2011, 4,713.8 billion yen in FY2012, 4,753.8 billion yen in FY2013, 4,884.8 billion yen in FY2014, 4,980.1 billion yen in FY2015, 5,054.1 billion yen in FY2016, 5,125.1 billion yen in FY2017, 5,191.1 billion yen in FY2018, 5,257.4 billion yen in FY2019, and 5,313.3 billion yen.