

6 Additional Points

The NDPG sets out the form of Japan's defense capabilities over the next decade or so. The National Security Council will conduct regular, systematic review over the course of implementation of the various measures and programs. Smooth, swift and accurate transition to the future defense capabilities will be facilitated through validations based on joint operational capability assessment. When major changes in the situation are anticipated during the review

and verification process, necessary examination considering the security environment at that time will be implemented and these guidelines will be revised adequately. In light of the increasingly severe fiscal conditions, Japan will strive to achieve greater efficiency and streamlining in the defense capability buildup while ensuring harmony with other national initiatives.

Section 3 Outline of the Medium Term Defense Program

1 Program Guidelines

Following the NDPG, Japan is working to achieve an appropriate defense buildup through the MTDP under the following six basic program guidelines.

- Emphasis will be placed on the following functions and capabilities in particular: (1) ISR capabilities; (2) intelligence capabilities; (3) transport capabilities; (4) C3I capabilities; (5) response to an attack on remote islands; (6) response to ballistic missile attacks; (7) response to outer space and cyber space threats; (8) response to large-scale disasters; and (9) international peace cooperation efforts.
- Prioritize development of capacities to ensure maritime supremacy and air superiority, development of rapid

deployment capabilities, and achievement of greater efficiency and rationalization of preparations for invasions such as landing invasions.

- Efficiently secure defense capabilities adequate both in quality and quantity.
- Promote measures to reform the personnel management system
- Strengthen the deterrence and response capabilities of the Japan-U.S. Alliance
- Achieve greater efficiencies and streamline the buildup of the defense forces

2 Reorganization of the Major SDF Units

1 Ground Self-Defense Force (GSDF)

For the purpose of carrying out swift and flexible nationwide operations of basic GSDF units under the joint operations, the GSDF will establish the Ground Central Command. As part of such efforts the Central Readiness Force will be disbanded and its subsidiary units will be integrated into the Ground Central Command.

In order to respond swiftly to an attack on remote islands and various other situations, the GSDF will transform two divisions and two brigades into two rapid deployment divisions and two rapid deployment brigades. In addition, by establishing a coast observation unit and area security units, the defense posture of the remote islands in the southwest region will be strengthened. In order to enable the SDF to land, recapture and secure without delay any remote islands that might be invaded, an amphibious rapid deployment brigade will be established.

From the perspective of thoroughly facilitating efficiencies and rationalization of preparations for full-scale invasions, and swift and flexible operations, the GSDF will deploy mobile combat vehicles and remove tanks deployed in basic operational units stationed in locations other than Hokkaido and Kyushu. In addition, howitzers deployed in basic operational units stationed in locations other than

Hokkaido will be concentrated into field artillery units to be newly organized under the direct command of the respective regional armies.

See Fig. II-2-3-1 (Command Relationship of Ground Central Command, etc.)

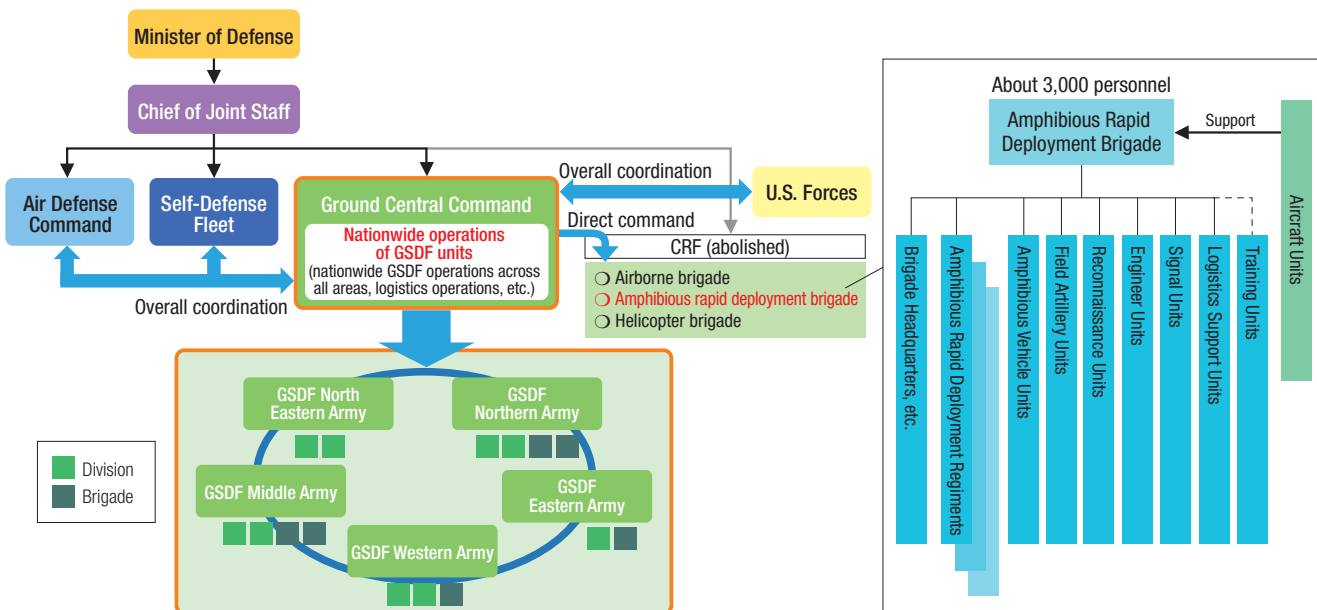
2 Maritime Self-Defense Force (MSDF)

For the purpose of defending the seas surrounding Japan and ensuring the security of maritime traffic in the region, through the effective conduct of various operations such as persistent ISR operations and anti-submarine operations, as well as for agile response in international peace cooperation activities, the MSDF will retain four escort flotillas mainly consisting of one helicopter destroyer (DDH) and two Aegis-equipped destroyers (DDG), and five escort divisions consisting of other destroyers. Necessary measures to increase the number of submarines will also be continued.

3 Air Self-Defense Force (ASDF)

To enhance the air defense posture in the southwestern region, the ASDF will relocate one fighter squadron to Naha Air Base, and newly organize and deploy one airborne early warning squadron at Naha Air Base. To prevent the relative decline of Japan's air defense capabilities and

Fig. II-2-3-1 Command Relationship of Ground Central Command, etc.



Commentary

Largest reform since the establishment of the Ground Self-Defense Force

The Ground Self-Defense Force (GSDF) is making efforts to achieve a truly grand reform in order to build a Dynamic Joint Defense Force based on the 2013 NDPG. The aim is to respond flexibly to the increasingly severe security environment, and establish a ground defense force that can respond to situations seamlessly and dynamically. In order to realize this, the GSDF particularly puts weight on response to attacks on remote islands, which is comprised of the following three levels: regular “deployment of units”; “rapid deployment” of units necessary to interdict any invasion; and “recapturing” in case any remote islands are invaded. The “deployment of units” is to deploy coast observation units and area security units in the southwestern region; “rapid deployment” is to transform about half of the divisions and brigades deployed across Japan into rapid deployment divisions and brigades that are furnished with advanced mobility and ISR capabilities; and for “recapturing,” new establishment of an amphibious rapid deployment brigade that is able to conduct sufficient amphibious operations. Mobile combat vehicles (MCVs), amphibious vehicles, Osprey (V-22), and other equipment will be introduced for the operation of these units.



GSDF personnel taking part in amphibious training

Moreover, with a view to integrating the operation of GSDF units across Japan, and improving joint operation with the Maritime Self-Defense Force (MSDF) and Air Self-Defense Force (ASDF) as well as the effectiveness of Japan-U.S. joint training with U.S. Forces, the Ground Central Command will be established as a new integrated headquarters that controls the operation of the five regional armies of the GSDF (The headquarters of the Ground Central Command will be newly established in JGSDF Camp Asaka in FY2017). In addition, education, training, and research functions will be unified, and a system to integrate these three functions swiftly in an inter-related manner to enable continuous reform into the future will be established.

Unprecedentedly large-scale transfers of GSDF personnel across Japan will be necessary to realize these efforts. As a whole, this major reform is so grand and extensive that it not only includes organizational and institutional reforms but also a reform of the mentality of each GSDF personnel, including the personal preparedness of each member. As such, the GSDF is making concerted efforts as a whole to realize the largest reform since its establishment.

ensure sustained air superiority, ASDF units equipped with training support functions will be integrated for further effective enhancement of advanced tactical skills¹.

4 Authorized Number of SDF Personnel

The total number of authorized GSDF personnel at the end of FY2018 will be approximately 159,000, with approximately 151,000 being SDF Regular personnel, and approximately 8,000 being Reserve Ready personnel. The authorized number of SDF Regular personnel of the MSDF and ASDF through FY2018 will be approximately at the same levels as at the end of FY2013.

3 Major Programs Regarding SDF's Capabilities

1 Effective Deterrence and Response to Various Situations

The SDF will carry out various programs, including the buildup of defense equipment, in order to respond to each

of the important situations described in “The Role of the Defense Force” addressed in the NDPG.

See Fig. II-2-3-2 (Programs Related to Effective Deterrent of and Response to Various Situations)

Fig. II-2-3-2 Programs Related to Effective Deterrent of and Response to Various Situations

Category		Main Programs
Ensuring security of the sea and airspace surrounding Japan		<ul style="list-style-type: none"> Procure new airborne early warning (and control) aircraft (*1) and fixed air defense radar; introduce unmanned aerial vehicles (*2); improve airborne warning and control systems (AWACS) (E-767). Steadily procure fixed-wing patrol aircraft (P-1), Aegis-equipped destroyers (DDG), submarines, and patrol helicopters (SH-60K). Introduce the new destroyers, with additional multifunctional capability and with a compact-type hull
Response to attacks on remote islands	Development of a persistent ISR structure	<ul style="list-style-type: none"> Deploy a coast observation unit to Yonaguni Island; introduce new airborne early warning aircraft; establish one squadron in the air warning unit and its deployment at Naha Air Base. Prepare a deployment structure for mobile air defense radar on remote islands in the southwestern region.
	Obtaining and securing air superiority	<ul style="list-style-type: none"> Increase the number of fighter aircraft units at Naha Air Base from one squadron to two; steadily procure fighter aircraft (F-35A); replace fighter aircraft (F-15) unsuitable for modernization with more capable fighter aircraft. Procure new aerial refueling/transport aircraft; equip transport aircraft (C-130H) with aerial refueling capabilities, and procure rescue helicopters (UH-60J).
	Obtaining and securing maritime supremacy	<ul style="list-style-type: none"> Increase the number of Aegis-equipped destroyers. Steadily procure patrol helicopters (SH-60K) and surface-to-ship guided missiles. Introduce ship-based multipurpose helicopters.
	Improvement of capabilities for rapid deployment and response	<ul style="list-style-type: none"> Introduce tilt-rotor aircraft (*3); steadily procure transport aircraft (C-2). Acquire amphibious vehicles; refit Tank Landing Ships (LST). Consider active utilization of civilian transport capabilities, and implement necessary measures. Newly establish rapid deployment regiments with a focus on improvement of mobility; newly establish area security units in charge of initial responses on remote islands in the southwestern region; newly establish an amphibious rapid deployment brigade. Improve guidance capability of precision-guided bombs; increase firing range of ship-to-ship guided missiles.
Development of C3I		<ul style="list-style-type: none"> Station GSDF, MSDF, and ASDF personnel in the main headquarters of each of the other services. Extend the secured exclusive communication link for the SDF to Yonaguni Island; deploy mobile multiplex communication equipment at Naha Air Base.
Response to ballistic missile attacks		<ul style="list-style-type: none"> Increase the number of Aegis-equipped destroyers; introduce advanced PAC-3 missiles (PAC-3 MSE); improve automated warning and control systems; procure and improve fixed air defense radar (FPS-7) systems. Promote Japan-U.S. cooperative development of advanced interceptor missiles (SM-3 Block II-A). Conduct studies on the best mix of the overall posture of the future BMD system, including the new BMD equipment. In preparation for an attack by guerrilla or special operations forces concurrently, continue procurement of a variety of surveillance equipment, light armored vehicles, NBC reconnaissance vehicles, etc.
Response in outer space and cyberspace		<ul style="list-style-type: none"> Continue enhancement of information gathering capabilities through the use of various space satellites; steadily develop a sophisticated X-Band satellite communications system; enhance the resiliency of satellites through space situational awareness efforts and research on satellite protection methods. Enhance survivability of the various SDF systems; strengthen information gathering functions, etc.; develop a practical training environment.
Response to large-scale disasters		<ul style="list-style-type: none"> Develop capabilities to respond immediately by transporting and deploying sufficient numbers of SDF units, as well as establish a rotating staff posture in the event of various disasters.
Strengthening intelligence capabilities		<ul style="list-style-type: none"> Drastically reinforce capabilities to gather intelligence from diverse sources, including SIGINT, GEOINT, and HUMINT. Recruit and train personnel who would engage in information gathering and analysis.

Notes: 1. E-2D airborne early warning aircraft has been acquired since FY 2015.
 2. Acquisition of Global Hawk unmanned aircraft vehicle began in FY 2015.
 3. Osprey (V-22) has been acquired since FY 2015.
 4. Some of the programs above are reposted in categories that are different from the previous year.

¹ On August 1, 2014, Tactical Air Training Group was organized in Yokota Base.

2 Stabilization of the Asia-Pacific Region and Improvement of the Global Security Environments

Japan will enhance bilateral and multilateral cooperative relations and conduct various activities including training and exercises in a timely and appropriate manner, as well as actively engage in international peace cooperation activities.

See Fig. II-2-3-3 (Programs for the Stabilization of the Asia-Pacific Region and Improvement of the Global Security Environments)

3 Basic Structure to Maximize Defense Capability

In order to maximize the effectiveness of functions and capabilities to be emphasized in seamlessly and dynamically fulfilling the role of the defense force, the SDF will steadily develop various basic structures.

See Fig. II-2-3-4 (Measures Related to the Basic Structure to Maximize Defense Capability)

4 Measures for the Strengthening of the Japan-U.S. Alliance

In order to maintain and strengthen the U.S. commitment to Japan and the Asia-Pacific region and to ensure Japan's national security, Japan will continue the revision of and revise the Guidelines for Japan-U.S. Defense Cooperation². Meanwhile, Japan will expand bilateral training and exercises, joint ISR activities and the joint/shared use of facilities and areas by the SDF and the U.S. Forces. In addition, Japan will further deepen various Japan-U.S. operational cooperation and policy coordination in areas such as BMD, bilateral planning, and bilateral Extended Deterrence Dialogue.

Japan will also strengthen cooperation not only in

the fields of counter-piracy, capacity building assistance, HA/DR, peacekeeping and counter-terrorism, but also in maritime affairs, outer space and cyberspace. Furthermore, Japan will strengthen and expand the Japan-U.S. cooperative relationship over a broad range of fields, including intelligence cooperation and information security, and defense equipment and technology cooperation.

Moreover, from the perspective of making the stationing of the U.S. Forces in Japan more smooth and effective, Japan will steadily ensure the Host Nation Support (HNS).

5 Quantities of Major Procurement

The Annex Table shows details of the quantities of major procurement described in Section 3. Japan will aim to develop the defense forces described in the Annex Table of

the NDPG over a 10-year time frame.

See Fig. II-2-3-5 (Annex from the Medium Term Defense Program)

6 Expenditures

The expenditures required to implement the defense force developments described in this program amount to approximately ¥24,670 billion in FY2013 prices. For the

duration of this program, in harmony with other measures taken by the Government, approximately ¥700 billion will be secured by means of further streamlining and

Fig. II-2-3-3 Programs for the Stabilization of the Asia-Pacific Region and Improvement of the Global Security Environments

Category	Main Programs
Implementing training and exercises	○ Proactively promote bilateral and multilateral combined training and exercises in the Asia-Pacific region.
Promoting defense cooperation and exchanges	○ Promote multilayered bilateral and multilateral defense cooperation and exchanges on various levels, including high level exchanges and unit exchanges.
Promoting capacity building assistance	○ Help the militaries of countries eligible for support strengthen their capacities in various fields, including humanitarian assistance, disaster relief, landmine/unexploded ordnance disposal and military medicine. ○ Work with the U.S. and Australia to carry out effective and efficient assistance while coordinating diplomatic policy.
Ensuring maritime security	○ Support anti-piracy operations off the coast of Somalia and in the Gulf of Eden and provide capacity building assistance to coastal countries in the region. ○ Carry out joint training and exercises with other countries in waters outside of Japan.
Implementing international peace cooperation activities	○ Strengthen information gathering capabilities in the deployed area and improve the armor performance of defense equipment. ○ Enhance posture of engineering units and enhance posture related to telecommunications, supplies, medical services and family assistance, etc. ○ Dispatch SDF personnel to local mission headquarters and UN DPKO develop human resources from a long-term perspective ○ Expand educational content at the Japan Peacekeeping Training and Research Center and enhance cooperation in education with related ministries and agencies.
Cooperating with efforts to promote arms control, disarmament, and non-proliferation	○ Actively engage in order to cooperate with international initiatives on arms control and arms reductions, including human contributions. ○ Promote initiatives for non-proliferation, through participating in Proliferation Security Initiative (PSI) exercises.

² On April 27, 2015, new Guidelines were approved between Japan and the United States.

Fig. II-2-3-4 Measures Related to the Basic Structure to Maximize Defense Capability

Category	Main measures
Training and Exercises	<ul style="list-style-type: none"> ○ Expand the use of the good training environment in Hokkaido by SDF units across the country; facilitate active use of LSTs and transport capabilities of the civilian sector, and improve unit mobility; expand the joint/shared use of U.S. Forces facilities with the SDF; actively engage in bilateral trainings with U.S. Forces. ○ Reinforce coordination with relevant agencies including police and firefighters, and the Japan Coast Guard; conduct various simulation exercises and training exercises regarding various situations in a tailored manner
Operations Infrastructure	<ul style="list-style-type: none"> ○ Strengthen the SDF's capabilities to immediately rebuild various support functions; take measures for the SDF to immediately utilize civilian airports and ports in contingency situations; store necessary ammunition and spare parts in locations most appropriate for operations; promote measures supporting families of military personnel to enable a sustained response posture over the long term. ○ Utilize a new contract system under which the price is to be determined according to realized performance regarding sustainment and procurement.
Personnel Education	<ul style="list-style-type: none"> ○ Achieve a composition of ranks given the characteristics of respective units; ensure an appropriate age distribution. <ul style="list-style-type: none"> • Secure and nurture appropriate numbers of officers, warrant officers and sergeants/petty officers; review the retirement age of 60; research on new systems for early retirement; take measures to allow airplane pilots to be re-employed in the private sector as pilots. ○ Make use of SDF personnel more effectively; promote measures related to honors and privileges. <ul style="list-style-type: none"> • Make use of female personnel more effectively; actively reappoint retiring personnel possessing advanced knowledge, skills and experience; expand the Defense Meritorious Badge program. ○ Continue to secure competent personnel in the coming years; improve the re-employment environment for SDF personnel. <ul style="list-style-type: none"> • Effectively engage in public relations to adjust to the changing times: enhance coordination and cooperation with relevant ministries and agencies and local governments; promote provision of more incentives for companies to employ retired SDF personnel; encourage employment of retired SDF personnel in the public sector. ○ Promote the use of ready reserve personnel and reserve personnel in broad areas. <ul style="list-style-type: none"> • Appoint reserve personnel and their assignment to duties including possible opportunities to work at headquarters; improve training for call-ups; appoint reserve personnel equipped with specialized skills; promote increased public awareness of the reserve program and enhanced incentives for reserve personnel themselves and companies to employ reserve personnel, in order to increase the staffing rate of reserve personnel.
Medicine	<ul style="list-style-type: none"> ○ Establish an efficient and high-quality medical system including the upgrading of SDF hospitals to hubs with enhanced functions, and promote the formation of its networks. ○ Arrangements for prompt treatment and medical evacuation, including consideration of the revision of regulations for emergency medical treatment in response to contingencies.
Defense Production and Technological Bases	<ul style="list-style-type: none"> ○ Formulate a strategy that sets forth the MOD's future vision for Japan's defense production and technology base as a whole; promote cooperation on defense equipment and technology development with other countries. ○ Promote the adaptation of defense equipment developed by the MOD/SDF to civilian uses.
Efficient Acquisition of Equipment	<ul style="list-style-type: none"> ○ In order to carry out effective and efficient acquisition of equipment, introduce a project manager system, and enhance consistent project management throughout the life-cycle of equipment. ○ Actively train and appoint personnel related to the acquisition of equipment to positions. ○ Develop a system that allows for reconsideration, including review of specifications and project plans, when there is a significant discrepancy between the estimated life-cycle cost and the real value of the life-cycle costs. ○ Ensure transparency and fairness; sort and rank, as necessary, parties available for negotiated contracts. ○ Consider a contract system to incentivize companies to lower prices, longer-term contracts, and the use of a consortium.
Research and Development (R&D)	<ul style="list-style-type: none"> ○ Technically review next-generation surface-to-air guided missiles to strengthen its air defense capabilities. ○ Conduct strategic studies including empirical research relating to next-generation fighter aircraft. ○ In an effort to improve ISR capability, promote development of SIGINT aircraft as well as research on new fixed air defense radar, and sonars with higher detecting capabilities through simultaneous use of multiple sonars. ○ Conduct research on unmanned equipment available for flexible operations in the case of various contingencies including large-scale natural disasters, R&D to improve existing equipment. ○ Set a vision for future equipment which shows a direction of medium- and long-term R&D with regard to the development of major equipment. ○ Actively utilize civilian technologies (dual-use technologies) by enhancement of coordination with universities and research institutions; employ military technologies in civilian activities; strengthen the function of technology control to prevent outflow of advanced technologies.
Collaboration with Local Communities	<ul style="list-style-type: none"> ○ Advance measures targeting the areas around defense facilities; secure the understanding and cooperation of local governments and communities through intensive public relations activities. ○ Give consideration to the attributes of each area in securing the understanding of local governments and residents on the reorganization of units, and deployment and administration of SDF camps and bases, etc.; promote measures conducive to local economies.
Boosting Communication Capabilities	<ul style="list-style-type: none"> ○ Provide information actively and effectively via various media sources such as social media networks. ○ Facilitate provision of information to foreign countries about MOD/SDF efforts including the overseas activities of the SDF.
Enhancing the Intellectual Base	<ul style="list-style-type: none"> ○ Promote education on security-related matters at educational institutions, etc., including by MOD personnel presenting academic papers and sending MOD lecturers. ○ Strengthen the role of the National Institute for Defense Studies (NIDS) as an MOD think tank through coordination with policy-making divisions and promotion of academic exchanges.
Promoting Reform of the MOD	<ul style="list-style-type: none"> ○ Reform the MOD's work methods and organization to foster a sense of unity among civilian officials and uniformed personnel, optimize the build-up of defense capabilities, promote SDF joint operation functions, and enhance policy-making and communication functions. ○ Take measures to facilitate efficiency and optimization in the acquisition of equipment, keeping in mind the option of establishing a new agency in the MOD. ○ Conduct an organizational review including the reorganization or disbanding of the Bureau of Operational Policy by such efforts as integration of duties related to actual unit operations into the Joint Staff Office.

rationalization through efforts such as equipment procurement reform. The annual defense budgets for the implementation of this program will be allocated within a limit of approximately ¥23,970 billion over the next five years.

This program will be reviewed after three years as necessary, with consideration to such factors at home and abroad as the international security environment, trends in technological standards including information communication technology, and fiscal conditions.

Fig. II-2-3-5 Annex from the Medium Term Defense Program

Service	Equipment	Quantity
GSDF	Mobile Combat Vehicles	99
	Armored Vehicles	24
	Amphibious Vehicles	52
	Tilt-Rotor Aircraft	17
	Transport Helicopters (CH-47JA)	6
	Surface-to-Ship Guided Missiles	9 companies
	Mid-Range Surface-to-Air Guided Missiles	5 companies
	Tanks	44
MSDF	Howitzers (excluding mortars)	31
	Destroyers (Aegis-Equipped Destroyers)	5 (2)
	Submarines	5
	Other Ships	5
	Total (Tonnage)	15 (approx. 52,000 t)
	Fixed-Wing Patrol Aircraft (P-1)	23
	Patrol Helicopters (SH-60K)	23
ASDF	Multipurpose Helicopters (Ship-Based)	9
	New Airborne Early Warning (Control) Aircraft	4
	Fighters (F-35A)	28
	Fighter Modernization (F-15)	26
	New Aerial Refueling/Transport Aircraft	3
	Transport Aircraft (C-2)	10
Joint units	Upgrade of PATRIOT Surface-to-Air Guided Missiles (PAC-3 MSE)	2 groups & education
	Unmanned Aerial Vehicles	3

Note: Acquisition of ship-based unmanned aerial vehicles will be allowed within the number of Patrol Helicopters (SH-60K) specified above.

7 Other

While maintaining the deterrence of the U.S. Forces, Japan will steadily implement specific measures including the realignment of the U.S. Forces in Japan and SACO

(Special Action Committee on Okinawa) related programs to mitigate the impact on local communities, including those in Okinawa.

Section 4 Three Principles on Transfer of Defense Equipment and Technology

1 Purpose of Establishment of the Three Principles on Transfer of Defense Equipment and Technology

Japan has dealt with arms exports in a careful manner, in accordance with the Three Principles of Arms Exports and their related policy guidelines. On the other hand, in individual cases, such as the joint development of BMD by Japan and the U.S., it has taken separate measures by issuing Chief Cabinet Secretary's statements, where arms exports are dealt with outside the Three Principles.

Amidst this situation, in December 2011, the Statement by the Chief Cabinet Secretary on Guidelines for Overseas Transfer of Defense Equipment, etc. put in place exemptions from the Three Principles of Arms Exports based on the premise of strict control¹, with regard to cases related to peace contribution and international cooperation; and cases regarding international joint development and production of defense equipment, etc. that contributes to Japan's security.

However, when Japan endeavored to arrange the participation of companies within Japan in the international logistics support systems for the manufacture of the F-35,

in December 2013, and when 10 thousand rounds of ammunition owned by GSDF forces engaged in activities as a part of South Sudan PKO (United Nations Mission in the Republic of South Sudan (UNMISS)) were provided to the U.N. based on a request by the U.N. since it was not possible to apply Guidelines for Overseas Transfer of Defense Equipment, etc. for these cases, the measures were taken by issuing Chief Cabinet Secretary's statements not to rely on the Three Principles on Arms Export, etc.

Given these circumstances, based on the National Security Strategy, in April 2014, the Government decided upon the Three Principles on Transfer of Defense Equipment and Technology² and implementation guidelines. These clarify the concrete standards, procedures and limitation better than ever and state them clearly with transparency both internally and externally.

Based on the Three Principles on Transfer of Defense Equipment and Technology, the Ministry of Defense and Self-Defense Forces, in addition to contributing even more

¹ The strict control refers to the duty imposed on recipient countries to gain prior consent from Japan with respect to extra-purpose use and third party transfer, within international arrangements concluded between the Governments of Japan and recipient countries.

² The term "defense equipment" is deemed appropriate for the title of "Three Principles for the Transfer of Defense Equipment and Technology," since possible articles of overseas transfers help peace contribution and international cooperation as was seen in the example of the provision of bulldozers and other items belonging to the SDF to disaster-stricken countries. Similarly, due to the fact that there is provision of technology in addition to goods, the term "transfer" was adopted rather than "export."