

(This translation is tentative and unofficial.)

Mid-Term Defense Program (FY 2005-2009)

I Policies for the Program

From FY 2005 to FY 2009, the GOJ of Japan will appropriately build up Japan's defense forces based on the following plan, in accordance with "National Defense Program Guideline, FY 2005-" (adopted by the Security Council and the Cabinet on December 10, 2004. Hereinafter the new NDPG).

1. In order to effectively respond to new threats and diverse situations as well as to voluntarily and proactively participate in activities that nations of the world cooperatively undertake to enhance the international security environment (hereinafter "international peace cooperation activities"), the GOJ will efficiently establish multi-functional, flexible and effective defense forces that are highly ready, mobile, adaptable and multi-purpose, and are equipped with state-of-the-art technologies and intelligence capabilities, while maintaining the most capabilities of its defense forces to cope with large-scale invasion.
2. Under the new security environment, the GOJ will review current organs of defense administration, and transit the major units and main equipment of the Self Defense Forces (SDF) to the new defense posture prescribed in the new NDPG while reducing equipment and personnel earmarked for large-scale invasion.
3. In order to realize defense forces that are multi-functional, flexible, and effective, the GOJ will advance the critical elements of defense capabilities by strengthening joint operation capabilities and strengthening intelligence capabilities while incorporating the progress in science and technology, and making effective use of human resources as well.
4. In building, maintaining and making use of defense forces, the GOJ will promote measures that support the defense forces such as: procuring defense equipment more effectively and efficiently; and improving cooperative ties with related administrative institutions and local communities.
5. The Japan-U.S. Security Arrangements are indispensable in ensuring Japan's security. In addition, the U.S. military presence is critically important to peace and stability in the Asia-Pacific region. Moreover, close cooperative relationship between Japan and the U.S. based on the Japan-U.S. Security Arrangements plays an important

role in facilitating international efforts in security fields. The GOJ will promote measures to further strengthen the Japan-US Security Arrangements and the close relations with the U.S. based on the Arrangements.

6. Mindful of seriously deteriorating fiscal conditions, the GOJ will restrict defense expenditures by further rationalizing and streamlining defense forces by harmonizing its operations with other measures taken by it.

II Review of the organizations of Defense Agency and SDF

1. The GOJ will review organization and methods of defense administration including the Internal Bureau of Defense Agency and take any necessary measures.
2. The GOJ will establish a new joint staff organization and transform each service Staff Office in order to strengthen structure for the joint operations. Further, the GOJ will reconsider organizations in view of implementing effective joint operations and take any necessary measures. The GOJ will place the Defense Intelligence Headquarters under direct control of the Minister of State for Defense.
3. On the Ground Self-Defense Force (GSDF), the GOJ will: transform a Division and two Combined Brigades into three Brigades and transform four other Divisions and another Brigade in order to improve responsiveness and mobility while reducing number of tanks and artillery; and establish the Central Readiness Group that administrates and operates mobile operations units and special units. The GOJ will decline the authorized number of GSDF personnel to around 161,000 persons (152,000 persons for regular personnel and 8,000 persons for reservists) at the end of the FY 2009. The actual number of GSDF regular personnel will be approximately 146,000 by the end of FY 2009.
4. On the Maritime Self-Defense Force, the GOJ will reduce the number of the Escort divisions of the Destroyer unit for mobile operations into 8, each of which is deployed 4 destroyers; and abolish an Escort division for regional deployment. The GOJ also reduce the number of divisions of the Submarine unit into 5, Flight Squadrons of Fixed-wings Patrol Aircraft unit into 4 and Patrol Helicopter unit into 5.
5. On the Air Self-Defense Force, the GOJ will transform the Early Warning Group into that composed by two squadrons. The GOJ will establish the first Aerial Refueling Transport Unit.

III Major Plans related to SDF Capabilities

1. Effective Response to the New Threats and Diverse Situations

(1) Response to ballistic missile attacks

The GOJ will improve the capabilities of the Aegis destroyers and patriots Surface-to-Air missiles to enable them to respond to ballistic missile attacks. But the GOJ will review the course of improvement for FY 2008 and after, taking into consideration the status of development in the U.S., and take any necessary measures.

The GOJ will also improve the BADGE system as well as to start to build up a new warning and control radar which can detect and track ballistic missiles.

The GOJ will promote the joint Japan-U.S. technical research targeting the sea-based upper-tier system, consider the possibility of transition to the development stage and take any necessary measures.

(2) Response to Attacks by Guerillas or Special Operations Units

In order to effectively respond to attacks by guerillas or special operations units, The GOJ will improve the responsiveness and mobility of ground units, and strengthen the capability of infantries and procure: light armored vehicles; multi-purpose helicopters (UH-60JA, UH-1J); and combat helicopters (AH-64D). The GOJ will also improve the capability to deal with nuclear, biological and/or chemical attacks.

(3) Response to invasions of Japan's offshore islands

In order to effectively respond to invasion of Japan's offshore islands by improving transportation and deployment capabilities, the GOJ will procure transport helicopters (CH-47JA/J), air tanker-transport aircrafts (KC-767), fighters (F-2) and transport aircrafts that will replace C-1s. The GOJ will reconsider the number of possession of air tanker-transport aircrafts, which will be based on actual operations of them, and will take any necessary measures.

The GOJ will also improve rescuing capability by attaching the in-flight refueling function to transport aircraft (C-130H) for rescue helicopters (UH-60J).

(4) Patrol and Surveillance in the Sea and Airspace surrounding Japan, and Response to Violation of Japan's Airspace or the Intrusion of Armed Special-Purpose Ships

In order to patrol and survey in the the sea and airspace surrounding Japan constantly and continuously, and to deal properly with armed special-purpose ships or submerged foreign submarines navigating under Japanese territorial sea, the GOJ will: procure destroyers (DDH and DD), patrol helicopters (SH-60K) and minesweeper-transport helicopters (MCH-101); improve early warning aircrafts

(E-2C) and modernize the air control and warning systems of the BADGE; and procure new patrol aircrafts that will replace P-3Cs: improve E-767s

The GOJ will promote the modernization of F-15s while procuring new fighters that will replace F-4s, taking the restraint of procurement number under the new NDPO given the fiscal situation.

(5) Response to large-scale or special disasters

The GOJ will promote to improve the capability to dispatch SDF to the disaster areas.

2. Preparation for full-scale invasions against Japan

Under the declining possibility of full-scale invasions against Japan in the foreseeable future, the GOJ will transform the defense build-up concept which had emphasized anti-tanks, anti-submarines, warfare, or anti-air invasions operations. At the same time, mindful of the fact that defense capabilities cannot be made in a short time, the GOJ will continue to procure tanks, artilleries, mid-range land to air missiles, destroyers, submarines, minesweepers, patrol aircrafts, fighters while reducing equipment and personnel for full-scale invasions.

3. Proactive and positive effort to improve international security environment.

(1) Appropriate effort for international peace cooperation activity

The GOJ will establish units of education and research for international peace cooperation activities. The GOJ will enhance stand-by posture by rotation as well as to procure equipment for international peace cooperation activity.

(2) Enhancement of security dialog, defense exchange and joint training with other countries

The GOJ will promote policies for bi-lateral or multi-lateral security dialog and defense exchange by positively promoting defense exchange in each level and joint training. The GOJ will cooperate with efforts of international organizations in the areas of arms control and disarmament.

4. Fundamental elements of defense capabilities

(1) Strengthening Joint Operations

The GOJ will establish a new joint staff organization, reorganize the Joint Staff College, conduct joint exercise and establish common information and communication infrastructure.

(2) Functionally, strengthening intelligence capabilities

The GOJ will strengthen the capability of intelligence section such as Defense

Intelligence Headquarters and enhance equipment for intelligence gathering. The GOJ will start tentative modification for converting some of F-15 fighters to reconnaissance planes. In addition, take necessary measures, upon consideration, with regard to unmanned aerial vehicle of endurance type.

(3) Response to development of science and technology

- Strengthening command and control capability, etc.

The GOJ will establish advanced command and control system and information communication network by concentrating and circulating information of command and order system, sharing information in unit level, strengthening response capability against cyber attack and enhancing information sharing among relevant organizations.

- Promoting research and development

The GOJ will promote developments of next generation aircrafts that will replace P-3C and C-1, and next generation tank. The GOJ will promote taking into account trends of science and technology, research and development of various command and control systems and unmanned aerial vehicle, with stressed distribution of resources. In that case, the GOJ will make efforts for effective and efficient research and development.

Furthermore, the GOJ will review methods for stressed investment in research and development and the organization of the Technical Research and Development Institute, and take any necessary measures.

(4) Effective utilization of human resources

- Enhancement of measures for personnel, education and training

The GOJ will promote various measures for maintaining high morale and strict discipline of the personnel. The GOJ will secure and train of high quality so that the Self Defense Forces can better respond to the diversified and internationalized missions. The GOJ will consider effective way of utilization of retired personnel in the society and take any necessary measures.

- Promotion of research regarding security issues

The GOJ will improve research and education function of the National Institute for Defense Studies regarding security policy. The GOJ will enhance human basis by personnel exchanges in security area.

5. Promoting policies for supporting defense capability.

(1) Streamlined and efficient acquisition of equipment

The GOJ will strengthen efforts to curb life-cycle-cost of equipment, and promote general procurement reform.

(2) Promotion of cooperation with relevant administrative organizations and local societies

The GOJ will strengthen cooperation with the relevant organizations such as police department, fire department, the Japan Coast Guard, and promote cooperation with local governments and local societies with the civil protection legislature on its basis.

In addition, maintain defense facilities efficiently and continue to promote measures for areas surrounding bases under close cooperation with local governments.

IV Measures to Strengthen the Japan-U.S. Security Arrangements

1. Exchanges of intelligence and Policy consultations

Promote exchanges of intelligence and views regarding international situations, and keep strategic dialogue with the U.S. on wide-ranging security issues such as role-sharing between two countries and the military posture such as force structure of USFJ, bearing in mind the need to reduce the excessive burden that U.S. military bases and facilities place on local communities, while maintaining the deterrent that the U.S. military presence in Japan provides.

2. Operational cooperation and bilateral exercise/training

Make efforts to build an effective posture for operational cooperation, and to frequent bilateral exercise/training.

3. Promotion of cooperation based on ballistic missile defense (BMD)

Strengthen Japan-US bilateral efforts to enhance ballistic missile defense (BMD) capabilities, and promote cooperation with the U.S. from the fields of defense policy, operations, and equipment and technology.

4. Exchanges of equipment and technology

Regarding equipment and technology, make efforts to enhance broad mutual exchanges with the U.S.

5. Promotion of efforts to make the stationing of the USFJ smooth and effective

Promote the measures to make the stationing of the USFJ smooth and effective, such as support to the stationing of the USFJ and realignment, consolidation, and reduction

of USFJ facilities and areas in Okinawa, while engaging in strategic dialogue with the U.S. regarding force structure of the USFJ on its own initiative and continuously maintaining the deterrent that the U.S. military presence in Japan provides.

6. Enhancement of Japan-U.S. cooperation concerning international measures in regional or global security

Promote measures to closely cooperate with the U.S. and proactively participate in international activities to prevent or to tackle new threats and various emergencies such as war against terrorism and Proliferation Security Initiative (PSI).

V Size of Procurement

Regarding the size of equipment procurement, specific numbers of main equipment are shown in the attached table.

VI Expenses Required

1. The limit of the total amount of defense-related expenditures needed for this program is approximately 24.24 trillion yens at the prices of FY 2005. In case of needs to respond an unforeseeable situation in future, extra budget might be provided within the limit of 100 billion yens on condition that the Security Council of Japan would approve.
2. In the annual budget-formulation process, decide it within the framework of the expenditures required by this Program, while making utmost efforts to limit expenditure so as to achieve harmony with other Government measures by seeking further efficiency and rationalization. In case of needs to respond an unforeseeable situation in future or to contribute to promote stable security environment, extra budget, except for the above the defense related-expenditures, might be provided within the limit of 100 billion yens on condition that the Security Council of Japan would approve.

In doing so, continue to respect the spirit of seeking a moderate defense build-up as stated in the Program for the Future Build-up of Defense Capability (adopted by the Security Council and the Cabinet in January 24, 1987)
3. Within the limit of the total budget amount, the Program will be reviewed as required in three years from now, noting both domestic and international situations prevailing at that time, including global trend, technological standards and the economic and fiscal situation.

VII Others

1. Review the modality of defense capabilities stated in the new NDPO after five years or when serious situational changes take place, in order to make necessary amendments taking into account security environment and technological trend at the time.
2. Implement steadily projects related to the Special Action Committee on Okinawa (SACO). The costs required for their implementation will be separately identified.

(Attached Table)

Classification	Type	Size of Procurement
Ground Self-Defense Force	Tanks	49 vehicles
	Artillery (excluding mortar)	38 vehicles
	Armored vehicles	104 vehicles
	Combat helicopters (AH-64D)	7 craft
	Transport helicopters(CH-47JA)	11 craft
	Medium-range surface-to-air guided missiles	8 batteries
Maritime Self-Defense Force	Improve capability of AEGIS system equipped Destroyers	3 ships
	Destroyers	5 ships
	Submarines	4 ships
	Others	11 ships
	Total number of self-defense ships to be built (Tonnage)	20 ships (Approx. 59,000 tons)
	New fixed-wing patrol aircraft	4 crafts
	Patrol helicopters (SH-60K)	23 crafts
	Minesweeping and transport helicopters (MCH-101)	3 crafts
Air Self-Defense Force	Improve capability of surface-to- air guided patriot missiles	2 groups & educational necessities
	Modernization of fighters (F-15)	26 crafts
	Fighters(F-2)	22 crafts
	New fighters	7 crafts
	New transport aircraft	8 crafts
	Transport helicopters (CH-47J)	4 crafts
	Air tanker-transport aircraft (KC-767)	1 craft