



FSA Strategic Priorities

July 2025 – June 2026

Financial Services Agency
Government of Japan





Three Pillars of Our Priorities

1. Contributing to Sustainable Growth through Enhancing Financial Functions

The FSA will contribute to sustainable corporate and economic growth and enable steady asset building by households through enhancing the functions of the financial system. We will promote innovation in bringing digital technologies, such as blockchains and AI, to financial services while ensuring investor protection.

2. Ensuring Trust in a Stable, Fair and Secure Financial System

The FSA will conduct effective onsite and offsite supervision of financial institutions (FIs) to ensure their financial soundness, appropriate business operations including the prevention of misconduct, and risk management systems as the foundation of their business. We thereby serve to ensure a stable, fair and secure financial system.

3. Continuously Evolving as a Financial Regulator that Serves the Public

The FSA will enhance its institutional capabilities to deliver high-quality financial regulatory services.



1. Contributing to Sustainable Growth through Enhancing Financial Functions

The FSA will:

- **Develop a “Regional Financial Power Enhancement Plan” by the end of 2025** to help support the sustainable development of Japan’s regions, which includes measures to:
 - Bring out the potential of regional financial institutions (FIs) to contribute to regional economies (“regional financial power”)
 - Ensure appropriate business management and operations of regional FIs
- **Further advance the initiative for “Promoting Japan as a Leading Asset Management Center” and enhance companies’ corporate value through:**
 - Promoting corporate governance reforms through constructive dialogue between companies and investors
 - Promoting provision for growth and risk capital to companies through financial markets
 - Promoting sustainable finance to help realize a sustainable economy and society
 - Supporting steady asset building by households, including through the further enhancement of NISA (a tax exemption program for retail investors) and the promotion of financial and economic education
 - Promoting initiatives to ensure customer-oriented business conduct
 - Improving the functioning of the asset management sector and the capabilities of asset owners
 - Strengthening external communications of the initiative, including hosting “Japan Weeks”
- **Responding to the digitalization of financial services through:**
 - Refining the regulatory framework for crypto-assets
 - Promoting efforts to improve and streamline payment systems including yen-denominated stablecoins
 - Encouraging FIs to utilize AI in a sound and effective manner



2. Ensuring Trust in Stable, Fair and Secure Financial System

The FSA will:

■ Ensure the stability of the financial system through:

- Assessing the financial soundness, appropriateness of business conduct, and governance frameworks of FIs by employing data analytics, interviews, and other supervisory measures, and encouraging FIs to take appropriate and timely actions
- Implementing a more integrated supervisory structure that enables closely coordinated operations between sector-specific supervision divisions and thematic monitoring units, and facilitates the prioritization of key issues and the implementation of effective and systematic onsite and offsite supervision
- Implementing measures to address non-financial risks, such as money laundering and cyber threats in cooperation with relevant agencies and organizations
- Conducting group-wide supervision of large financial groups and those with non-financial parent companies
- Closely monitoring cooperative financial institutions to identify issues at early stages and take necessary actions, with a view to ensuring their sound management and business practices

■ Promote confidence in the fairness and security of FIs and financial markets through:

- Mitigating the risks and impacts of financial crime, such as fraud and unauthorized access to securities accounts, through public-private and cross-agency collaboration
- Enhancing regulations to deter violations of securities regulations
- Strengthening the regulatory and supervisory structure to restore trust in and promote the sound development of the insurance industry



3. Continuously Evolving as a Financial Regulator that Serves the Public

To this end, the FSA will:

- **Aim to reorganize the Supervision Bureau into a two-bureau structure to promote the sound development of businesses, foster innovation, and further enhance the sophistication of its supervision**
 - Establishing a bureau responsible for asset management and insurance supervision to closely coordinate the supervision of both sectors and restore trust in the insurance sector
 - Establishing another bureau for banking and securities supervision to further enhance group-wide supervision
- **Improve the organization of FSA and enhance our staff members' capabilities through:**
 - Deepening staff member's shared understanding, including the connection between their own work with the mandates and objectives of the FSA
 - Facilitating the career development of staff members
 - Improving the working environment by promoting the use of generative AI and enhancing the management skills of senior officials