FSA Strategic Priorities
Key Points

July 2026 – June 2027

Financial Services Agency
Government of Japan

FSA Strategic Priorities Key Points (July 2026 – June 2027)

The FSA will:

- **Steadily implement and advance the key initiatives set out in the *Financial Services Strategy to Promote Growth Investment* formulated in July 2026, including:**
  - Strengthening the functioning of financial institutions and markets
  - Advancing corporate governance reform to promote growth investment
  - Strengthening the capabilities of regional financial institutions to support local businesses and address regional challenges
  - Enhancing asset owner capabilities and asset management services
  - Supporting steady asset building by households
  - Enhancing financial market infrastructure

FSA Strategic Priorities Key Points （July 2026 – June 2027）

The FSA will:

- **Enhance monitoring of individual financial institutions and the financial system through:**
  - Closely coordinating sector-specific and cross-sectoral monitoring to conduct effective onsite and offsite supervision
  - Monitoring how financial institutions are addressing challenges with the changing economic and financial environment, such as rising interest rates and growing corporate financing needs, and monitoring cross-sectoral developments and challenges, including new financial products
  - Monitoring the accumulation of individual risks, and monitoring their potential implications for overall financial stability

- **Ensure effective governance at financial institutions through:**
  - Analyzing the root causes of misconduct, including management practices, organizational culture, and internal checks and balances; taking rigorous action against serious or malicious cases
  - Enhancing the independent assurance and challenge functions of internal audit departments
  - Taking rigorous supervisory action in response to misconduct in the insurance companies, while encouraging ongoing dialogue between insurance companies and insurance agencies to ensure thorough implementation of customer-oriented business conduct
  - Monitoring crypto-asset exchange service providers and taking action against unregistered operators to ensure a safe trading environment

FSA Strategic Priorities Key Points （July 2026 – June 2027）

The FSA will:

■ Address financial crime and natural disasters through:

- Working with the National Police Agency and other relevant government agencies and private-sector entities to prevent and contain damage from financial crime, including online and telephone fraud and unauthorized transactions resulting from account compromise
- Promoting the support for the restoration of livelihoods and occupation of those affected by the 2026 Kumamoto Earthquake and other natural disasters

■ Uphold trust in capital markets through:

- Responding effectively to significant market changes and conducting rigorous investigations and onsite supervision where violations of laws and regulations, including large shareholdings and acquisitions designed to evade applicable rules, are suspected
- Conducting risk-based and proportionate monitoring of audit firms and examining individual audits where false or inappropriate attestation is suspected

■ Advance the FSA’s operations through AI and stronger organizational capabilities by:

- Enhancing the processes for policy planning, supervision, monitoring, and market surveillance through the use of generative AI to respond to rapid changes in the financial environment and policy challenges
- Systematically developing onsite supervision and monitoring professionals over the medium term
- Enhancing staff expertise and capabilities in policy planning and implementation