

LDP-Ishin Coalition Agreement Document

Preamble

The Liberal Democratic Party and the Japan Innovation Party have decided to fully cooperate with each other, believing in Japan's resilience. They stand on the judgment that, as our nation faces unprecedentedly severe circumstances both domestically and internationally, it is of utmost importance to share a vision for the nation, transcend differences in stance, establish a stable government, overcome national crises, and achieve Japan's revival.

To overcome the most severe and complex international security environment since the war, we must advance domestic and foreign policies that strengthen and enrich the Japanese archipelago, advancing our journey as a proud, self-reliant nation.

As an independent nation, Japan will uphold strategic stability in the Far East and contribute to global security, with the Japan-U.S. Alliance as its cornerstone. Beyond this resolve, Japan must possess a realistic perspective that responds promptly to changes in the security environment, grounded in the questions: "How do we protect our citizens?" and "How do we safeguard Japan's peace and independence?" Both parties share this realistic view of international politics and security.

Furthermore, both parties share the recognition that economic growth will improve the lives of the people. To that end, they aim to resolve societal challenges by thoroughly implementing expenditure reforms through a review of the bloated and inefficient structure of government, while simultaneously expanding effective public and private investment based on responsible, proactive fiscal policy.

Over the eighty years since the war, it is urgent to implement reforms that resolve the unfinished tasks accumulated during the process of shaping the nation, while simultaneously addressing the unresolved issues that have built up over the past thirty years of harsh economic conditions following the Cold War, as we strive to improve the lives of our citizens.

As a measure to achieve this, we have reached this agreement on promoting structural reforms that will form the foundation for Japan's medium- to long-term development. This includes not only the prompt implementation of economic measures that support the people, but also constitutional revision, security reforms, social security reforms, and reforms to the system of government.

To realize these policies, it is essential to secure the broadest possible support. While engaging in earnest discussions with other parties goes without saying, to refine the details of this agreement, a working-level consultative body comprising representatives from both parties shall be established to ensure its reliable implementation.

Furthermore, to realize the contents of this agreement, we pledge cooperation based on collaboration in the election of the Prime Minister during the extraordinary session of the Diet in 2025, and will establish a coalition government.

1. Economic and Fiscal Policy Measures

- Pass the bill to abolish the provisional gasoline tax rate during the extraordinary session of the Diet in 2025.
- Promptly compile measures to address rising prices, including subsidies for electricity and gas bills, and pass a supplementary budget during the extraordinary session of the Diet in 2025.
- Promptly formulate and implement comprehensive measures necessary to transition to inflation-responsive economic policies. Specifically, we will finalize the system design for adjusting the basic income tax deduction and other elements in response to inflation by the end of FY 2025. We will expedite the system design for introducing cash handouts and tax deductions and strive to realize them.
- Conduct a comprehensive review of special tax measures and large-scale subsidies, abolishing those with low policy effectiveness. Establish a Government Efficiency Bureau (tentative name) to handle the administrative tasks for this purpose.
- Regarding food and beverages, we will consider legislation that may exempt them from consumption tax for a period of two years.
- The policy of providing ¥40,000 per person to children and adults in households exempt from resident tax, and ¥20,000 per person to others, shall not be implemented.

2. Social Security Policy

- Aim to halt and reduce the premium rates for the working generation by advancing comprehensive social security reforms while implementing the specific institutional designs for healthcare system reforms outlined in the so-called “Three-Party Agreement on the Medical Care Act” and the “Three-Party Agreement on the Basic Policy” concluded during the 2025 ordinary session of the Diet. This includes revising out-of-pocket expenses for medications, including OTC equivalents, and thoroughly implementing ability-to-pay principles such as reflecting financial income. These reforms will be realized within fiscal year 2025.
- Sharing a sense of crisis over the rapid increase in social security expenditures and a shared concern about the excessive burden increase primarily on the working generation, we shall build upon the agreement on social security reform implemented since the 2025 ordinary session of the Diet, aiming for fundamental reforms to overcome this situation. To this end, we shall hold regular meetings of the bipartisan consultative body on social security reform.
- During FY 2025, we will reach agreement on the specific outline of social security reform items, including the following. During FY 2026, we will develop the specific system design and implement it sequentially.

- Promoting measures for sound insurance finances (institutional responses to ensure consistency between healthcare benefit expenditures under inflation and containing insurance premium burdens for the working population)
- Strengthening the authority and functions of insurers in the medical and long-term care sectors, and enhancing the role of prefectures (1. Reorganization and consolidation of insurers, 2. Establishment of a nationwide integrated platform for the medical and long-term care insurance system, 3. Designating prefectures as the responsible entities for infrastructure development related to long-term care insurance services, etc.)
- Reform of the Central Social Insurance Medical Council to strengthen hospital functions, enhance drug discovery capabilities, reflect patient voices, and achieve data-driven system design
- Achieving a truly fair, ability-to-pay system for out-of-pocket medical expenses, regardless of age
- Revising the definition of “elderly” to realize a society where people can continue working regardless of age
- Institutional design to sustain regional medical and long-term care services amid population decline
- Study on the role of public insurance and utilization of private insurance to safeguard the core of the National Health Insurance System
- Strengthening university hospital functions (including establishing an appropriate salary structure for medical professionals engaged in education, research, and clinical practice)
- Stabilizing the management of hospitals providing advanced medical care and improving the treatment of their staff (fundamental review of the medical fee system)
- Revision of the Third-Category Insured Persons System, etc., taking into account factors such as the rising rate of spouses enrolled in social insurance and the increasing lifetime non-marriage rate
- Establishment of indicators for cost-effectiveness analysis in healthcare
- Reviewing the approach to for-profit operations by medical institutions to strengthen their revenue structure and stabilize management
- Review of the current consumption tax burden related to the replacement of advanced medical equipment and facilities at medical institutions
- In light of the severe financial situation facing hospitals and nursing care facilities due to recent soaring prices, we will implement measures to improve their financial conditions.

3. Imperial Household, Constitutional Revision, Family System, etc.

- Recognizing the weight of the fact that patrilineal succession has been maintained without exception since ancient times, and on the premise of not altering the current order of succession, we will aim to amend the Imperial House Law during the ordinary session of the Diet in 2026. This amendment will prioritize a proposal that is both consistent with the history of the Imperial Family and realistic for ensuring stable imperial succession: “Allowing adoption, which is not permitted for members of the Imperial Family, and designating patrilineal males belonging to the Imperial line as members of the Imperial Family.”
- Based on *Ishin’s* proposal “National Defense Concept for the 21st Century and Constitutional Revision,” a joint drafting committee for revising Article 9 of the Constitution shall be established. The establishment shall occur during the extraordinary session of the Diet in 2025.
- Regarding the emergency provisions (maintenance of Diet functions and emergency ordinances), to achieve constitutional revision, a bipartisan drafting committee will be established during the extraordinary Diet session of 2025, aiming to submit a draft bill to the Diet within FY 2026.
- As soon as possible, establish permanent drafting committees within the Commissions of Constitution of both the House of Representatives and the House of Councillors.
- Develop institutional frameworks necessary for proposing constitutional amendments (e.g., organizational laws concerning the structure and responsibilities of the National Referendum Public Relations Council, as well as operational laws concerning TV ad regulations and internet regulations, etc.).
- While maintaining the family register system and the principle of shared family registers and surnames, we will establish a system granting legal effect to the use of maiden names in all aspects of social life. To this end, we will submit a bill to legalize the common use of maiden names to the ordinary session of the Diet in 2026 and aim for its enactment.
- During the 2026 ordinary session of the Diet, enact the “Crime of Damaging the Emblem of Japan” to rectify the inconsistency where only the “Crime of Damaging the Emblem of a Foreign State” currently exists.

4. Foreign and Security Policy

- In response to the most severe and complex changes in the strategic environment since the postwar period, the three strategic documents will be revised ahead of schedule.
- From the perspective of fostering new diplomatic means to build peace in the international community, a division dedicated to peace mediation will be established within the Ministry of Foreign Affairs during FY 2025.

- To significantly enhance Japan's deterrence capabilities, we will accelerate the development of stand-off defense capabilities. This includes advancing the deployment of long-range missiles with counterstrike capabilities and ensuring steady progress in land-based deployment sites. Concurrently, we will advance policies for acquiring next-generation VLS-equipped submarines powered by advanced propulsion systems. These submarines will carry long-range missiles and enable extended-duration, long-distance submerged operations.
- To enhance the efficiency of organizations involved in JSDF operations and strengthen the unified command system of the Joint Operations Command, we will steadily implement measures such as regional integration of the JSDF and simplification of intermediate nodes.
- From the perspective of strengthening the defense production and technology base, the five categories of the “Guidelines for the Implementation of the Three Principles on Defense Equipment Transfer” will be abolished during the 2026 ordinary session of the Diet, and measures concerning government-owned, contractor-operated (GOCO) facilities and state-owned facilities for the defense industry will be promoted.
- We share a sense of crisis regarding the severe situation surrounding the recruitment of JSDF personnel, the need for fundamental strengthening of the human resources foundation including improved treatment, and measures to enhance the pride of JSDF personnel in their role. Aiming for fundamental reforms to overcome the current situation, we will consider establishing a pension system for JSDF personnel. Furthermore, the international standardization of the current JSDF’s “ranks,” “uniforms,” and “job classifications” will be implemented by FY 2026.

5. Intelligence Policy

- We share the recognition that Japan's intelligence capabilities are vulnerable and that strengthening national intelligence functions is an urgent priority. We will discuss comprehensive intelligence reform and implement agreed-upon measures.
- During the 2026 ordinary session of the Diet, the Cabinet Intelligence and Research Office and the Cabinet Intelligence Officer shall be elevated in status, and the National Intelligence Agency and the Director of National Intelligence shall be established. To place the policy and intelligence sectors within the security domain on equal footing, the National Intelligence Agency and the Director of National Intelligence shall be accorded the same status as the National Security Secretariat and the Director General of the National Security Secretariat.
- The current Cabinet Intelligence Council (matters decided by the Cabinet) will be dissolved in a progressive manner, and legislation to establish the National Intelligence Council will be enacted during the ordinary session of the Diet in 2026.
- An independent Foreign Intelligence Agency (tentative name) will be established by the end of FY 2027.

- To systematically train intelligence personnel, an intelligence officer training institution spanning the intelligence community (across ministries and agencies) will be established by the end of FY 2027.
- Regarding intelligence and counterespionage legislation (including the Basic Act, Foreign Agents Registration Act, and Lobbying Disclosure Act), we will commence deliberations in 2025, steadily formulate bills, and secure enactment.

6. Energy Policy

- In light of increasing electricity demand, we will proceed with restarting nuclear power plants with safety as the paramount priority. We will also accelerate the development of next-generation innovative reactors and fusion reactors. We will promote the development of renewable energy sources where Japan holds advantages, such as geothermal power.
- Accelerate the development of domestic marine resources (energy resources and mineral resources).

7. Food Security/National Land Policy

- We share the recognition that securing a stable food supply is essential for the survival of our citizens. We will create an environment that enables the effective utilization of all farmland and realize large-scale investment in facility-based food production systems capable of withstanding harsh climates (such as plant factories and land-based aquaculture).
- Recognizing the importance of preserving the beautiful land our nation has nurtured since ancient times, and with a view to curbing environmental destruction and disaster risks caused by deforestation and inappropriate development, as well as ensuring appropriate land use and maintenance, measures to legally regulate large-scale solar power plants (megasolar) will be implemented during the 2026 ordinary session of the Diet.

8. Economic Security Policy

- Promote measures to enhance the resilience of submarine cables in the Nansei Islands.

9. Population Policy and Foreign Nationals Policy

- Recognizing population decline as our nation's most pressing issue, the government will establish a Population Decline Countermeasures Headquarters (tentative name) during the extraordinary session of the Diet in 2025. This body will deliberate and implement fundamental and robust countermeasures against population decline, including policies for children and child-rearing.

- Based on the principle that strict measures against foreigners who fail to comply with rules and laws are also important for those foreigners who have integrated into and contribute to Japanese society, the following countermeasures will be implemented.
 - Strengthen the command center within the Cabinet and appoint a responsible minister.
 - A “Population Strategy” will be formulated by the end of FY 2026, specifying numerical targets and basic policies for accepting foreign nationals, including quantitative management of foreign residents from the perspective of potential social friction arising from increased foreign resident ratios.
 - Strengthen responses to illegal activities involving foreign nationals and reinforce the institutional framework.
 - Strengthen measures against misuse, abuse, and exploitation of systems concerning foreign nationals.
- The 2026 ordinary session of the Diet will aim to establish a Committee on Foreign Investment in Japan (Japan's version of CFIUS). Additionally, the 2026 ordinary session of the Diet will draft legislation to strengthen regulations on land acquisition by foreign nationals and foreign capital.

10. Education Policy

- To implement the so-called tuition-free high school program starting in April 2026, we will reach agreement on the remaining issues by October 2025 and finalize the system design.
- To implement free elementary school lunches starting in April 2026, we will organize the remaining issues and finalize the system design.
- We will substantially expand child-rearing support measures, including reducing childcare fees as outlined in the “Three-Party Agreement” concluded during the 2025 ordinary session of the Diet.
- In accordance with the “Three-Party Agreement” concluded during the 2025 ordinary session of the Diet, we will formulate a grand design for high school education reform to ensure educational opportunities nationwide and enhance the quality of education.
- In response to population decline, we aim to optimize the number and scale of universities.
- To secure sufficient research funding for fundamental research that forms the foundation of a science and technology-driven nation, we will significantly expand the grant-in-aid for scientific research program.

11. Governance Structure Reform

- Establish a backup system for the capital's crisis management functions. From the perspective of decentralizing capital functions and forming a multipolar economic zone, establish a bipartisan consultative body during the extraordinary session of the Diet in 2025. After clarifying the responsibilities and functions of the capital and the secondary capital, promptly conduct deliberations and enact legislation during the ordinary session of the Diet in 2026.

12. Political Reform

- Regarding corporate and organizations donations, the LDP has advocated for “disclosure rather than prohibition,” while *Ishin* has called for “complete abolition.” While both parties share the awareness that institutional reform is necessary to dispel concerns that large donations from specific corporate groups might distort policy decision-making, and share the goal of pursuing a system of political funding that earns public trust, we have not reached a conclusion at this point in time. Therefore, both parties will establish a consultative body during the 2025 extraordinary session of the Diet to discuss the structure of political party fundraising. This will cover contributions from corporate entities and political groups, regulations on recipients, maximum contribution limits, and the structure of party business revenues and disclosure practices, including those from party publications. A third-party committee will also examine these matters, with the goal of reaching a conclusion during President Takaichi’s tenure as president.
- To clarify governance within political parties, we will proceed with deliberations on the Political Parties Act.
- To reduce the number of House of Representatives seats by 10 percent, we will submit a Diet member-sponsored bill during the extraordinary session of the Diet in 2025 and aim for its enactment.
- To establish an electoral system suited to the times, both parties will take the lead in discussions at every venue, including the “Council on the House of Representatives Electoral System” established within the House of Representatives Steering Committee, and will consider options including the abolition of the mixed-member proportional representation system and the introduction of a medium-sized constituency system. To this end, a consultative body involving both parties will be established by the end of FY 2025.

Regarding policies other than those listed above, both parties shall engage in sincere and earnest discussions.