

**Joint Statement of the Japan-U.S. Economic Policy Consultative Committee  
November 14, 2023**

We, Japan's Minister for Foreign Affairs KAMIKAWA Yoko; Japan's Minister of Economy, Trade and Industry NISHIMURA Yasutoshi; United States Secretary of State Antony Blinken; and United States Secretary of Commerce Gina Raimondo, convened in San Francisco on November 14, 2023, for the second ministerial meeting of the Japan-U.S. Economic Policy Consultative Committee (EPCC).

Japan and the United States have taken concrete steps to advance economic prosperity and security in 2023, including as part of Japan's G7 presidency and the U.S. APEC host year. We affirm our continued shared commitment to enhancing the rules-based international economic order and making our economies more competitive and resilient.

Together with like-minded partners, we intend to build on efforts such as the G7 Leaders' Statement on Economic Resilience and Economic Security and APEC to create a resilient and sustainable future for all, including through the Indo-Pacific Economic Framework for Prosperity (IPEF). These efforts enhance our ongoing, bilateral strategic coordination on economic resilience and economic security by further reducing vulnerabilities and countering malign practices that exploit and reinforce those vulnerabilities.

We aim to maximally align our economic, technology, and related strategies to advance innovation and build the industrial base, supply chains, and strategic emerging industries of the future, while at the same time accelerating our decarbonization efforts in line with our 2030 climate commitments and achieving global net-zero greenhouse gas emissions by 2050 at the latest. We commit to promote public-private collaboration toward this end, including in furtherance of reskilling and workforce development, as well as startup-friendly ecosystems, while supporting women's economic empowerment, women's leadership in the public and private sectors, and women entrepreneurs. We also plan to pursue cross-sectoral initiatives to further strengthen business-to-business collaboration between our two countries, including maximizing innovation and investment to support the clean energy transition.

We intend to strategically promote coordination of policies to address rising threats to our economic and national security, and to enhance communication with other like-minded partners to achieve this objective. We also intend to enhance private sector engagement, to better inform our vision under EPCC.

We remain deeply concerned with the impact of Russia's brutal war of aggression against Ukraine that continues to inflict death and destruction upon Ukraine's people. Russia's heinous war is also exacerbating fragility in the global economy by disrupting supply chains, heightening energy and food insecurity, increasing risk to financial stability, contributing to inflation, exacerbating market volatility, and constraining growth. We intend to continue to coordinate on preventing the cutting-edge technologies we develop, as well as existing technologies that are useful for military purposes, from being used to further military capabilities that threaten international peace and security.

## **Strengthening the Rules-Based Economic Order in the Indo-Pacific Region**

### **1. Economic Engagement with the Indo-Pacific Region**

As Indo-Pacific nations, we have a shared responsibility to advance peace and prosperity in the Indo-Pacific region. As the region stands vulnerable to economic coercion and non-market policies and practices, it is critical to enhance resilience by building trusted supply chains and promoting open markets and fair competition. We need to encourage the region to uphold meaningful labor, social, and environmental protections that attract high-quality investment and downstream buyers. We also need to encourage regional actors to enhance economic integration with trusted partners. We welcome the significant progress made this year to deepen regional economic cooperation through IPEF and look forward to continuing to work closely with our IPEF partners to enhance our economic competitiveness in the region and globally. Acknowledging the impact of existing partnerships and initiatives to promote trade and investment in the Indo-Pacific region, we intend to use EPCC as a venue for bilateral discussions on further deepening economic ties in the region.

### **2. Addressing Non-Market Policies and Practices**

We aim to build on the G7 Leaders' Statement on Economic Resilience and Economic Security to address non-market policies and practices that are increasingly used to create and reinforce strategic dependencies and systemic vulnerabilities. These non-market policies and practices pose a systemic challenge and are deployed strategically, systematically, and in combination to fundamentally skew the playing field, dominate domestic and global markets, and create vulnerabilities in global supply chains. We are seriously concerned about the wide and evolving range of such policies and practices, which include all forms of forced technology transfer, as well as harmful industrial subsidies and market-distortive practices of state-owned enterprises, including those that create excess capacity. Japan and the United States are working bilaterally, as well as with other like-minded partners, to address the systemic challenges posed by non-market policies and practices through utilizing and developing tools, as well as international rules and norms.

### **3. Addressing Economic Coercion**

We affirm our bilateral information sharing and coordination on deterring and countering economic coercion, as well as our work with other like-minded partners, including through the G7 Coordination Platform on Economic Coercion. We welcome economic analysis by the Organization for Economic Cooperation and Development (OECD) to deepen our understanding of the effects of economic coercion. We intend to continue to improve our ability to deter and mount a coordinated response to instances of economic coercion. We plan to continue engaging partners in the Indo-Pacific region to help them identify and reduce economic vulnerabilities to support their economic development, resilience, and prosperity. We remain vigilant and intend to continue to assess potential impacts of export restrictions on critical minerals, which could significantly affect production of solar panels, semiconductors, and other essential inputs for electric vehicles, computers, and smart devices.

### **4. Addressing Trade Restrictions not based on Scientific Principles or Substantiated by Scientific Evidence**

We reiterate that measures affecting the free trade of food and agricultural products should be based on scientific principles and substantiated by scientific evidence and that restrictions on the imports of Japanese food products should be immediately rescinded. We reaffirm our

satisfaction with Japan's plans to discharge Advanced Liquid Processing System (ALPS) treated water, in light of findings by the International Atomic Energy Agency (IAEA) and other international experts that Japan's plans are safe, science-based, and transparent. We acknowledge the reported monitoring results after each discharge to date, showing that the concentration of nuclides including tritium in sea water and marine products are far below internationally recognized standards.

## **5. Building Transparent, Resilient, and Sustainable Supply Chains**

We intend to work together to formulate transparent, resilient, and sustainable supply chain strategies that promote reliable and trustworthy sources for strategic goods and also advance environmental protections. Through such efforts, we aim to promote a level playing field and counter non-market policies and practices.

## **6. Promoting Quality Infrastructure and Sustainable Investment and Addressing Opaque Lending Practices**

We intend to continue working together with partner countries to make concrete progress in fostering investment under the G7 Partnership for Global Infrastructure and Investment (PGI), building on the G7 Hiroshima Summit and G20 New Delhi Summit. To this end, the United States and Japan support the establishment of a Blue Dot Network Secretariat to certify quality infrastructure projects. We will continue calling on all actors to adhere to international rules, standards, and principles for investment, lending, and debt transparency, including those in the G20 Principles for Quality Infrastructure Investment, the G20 Operational Guidelines for Sustainable Financing, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. We are expanding economic and diplomatic ties with Pacific Island Countries, including in the area of economic cooperation, by leveraging the private sector to enhance the business environment of these countries, and by jointly promoting the provision of business development support and access to fair, competitive, and transparent financing for startups and micro, small, and medium enterprises that contribute to the solutions needed for issues such as climate resilience and addressing the infrastructure gap.

## **7. Personal Data Protection and Privacy**

Through the Japan-U.S. Commercial and Industrial Partnership (JUCIP), we will continue collaborating to facilitate cross-border data flows and effective data and privacy protections globally. In support of our efforts to enable cross-border data flows and operationalize Data Free Flow with Trust (DFFT), we plan to coordinate bilaterally and multilaterally on outreach to partners to promote expansion of the Global Cross-Border Privacy Rules (CBPR) Forum. We are committed to the establishment and promotion of the Global CBPR and Global Privacy Recognition for Processors (PRP) Systems as government-backed, internationally recognized certifications that can serve as the basis for the interoperability of privacy regimes globally. Furthering the objectives of effective data protection and privacy, we also intend to identify bilateral and multilateral opportunities for collaboration on the promotion of the OECD Declaration on Government Access to Personal Data Held by Private Sector Entities, including demonstrating how our countries adhere to the principles in the Declaration under our national laws and legal procedures, engaging non-OECD countries about supporting the Declaration, and providing input to planned OECD-led efforts to develop a roadmap for how non-OECD countries can demonstrate consistency with the Declaration.

## **Enhancing Economic Resilience and Promoting and Protecting Critical and Emerging Technologies**

### **8. Computing Technology**

#### **A) Semiconductors**

We intend to continue to consult closely on global semiconductor supply and demand trends to strengthen supply chains among like-minded partners and to enhance efforts toward early warning systems to detect disruptions to the supply of semiconductors. We intend to build upon productive discussions under the Joint Task Force on the development of next-generation semiconductors to enable new designs for chips used in emerging industrial applications. We encourage cooperation on the R&D roadmap to be accelerated between Japan's Leading-edge Semiconductor Technology Center (LSTC) and the U.S. National Semiconductor Technology Center (NSTC). We intend to promote cooperation in talent development involving academia and national research institutes and intend to start a collaborative project from next year while expanding and following up on these concrete projects.

#### **B) Artificial Intelligence**

We intend to lead discussions around AI with other like-minded partners in international fora, including the G7 Hiroshima AI Process and elsewhere. We welcome progress under the Hiroshima AI Process, particularly the Hiroshima Process International Guiding Principles for Organizations Developing Advanced AI Systems and the Hiroshima Process International Code of Conduct for Organizations Developing Advanced AI Systems and affirm our determination to further advance the Hiroshima AI Process together with other G7 members. We intend to continue supporting efforts by relevant ministers of the G7 to conduct multi-stakeholder outreach and consultation within the G7 and beyond. We share a sense of the need for improving the interoperability of governance frameworks and welcome the opportunity to collaborate toward developing a crosswalk, to be led by the U.S. National Institute of Standards and Technology (NIST) and Japan's Information-technology Promotion Agency, between the NIST AI Risk Management Framework and Japan's AI Guidelines. We intend to cooperate on expanding the availability of cutting-edge semiconductors essential for the development of generative AI in Japan and the United States.

#### **C) Quantum Information Science and Technology**

We welcome the revision of the MOU between NIST and Japan's National Institute of Advanced Industrial Science and Technology (AIST), which expands their cooperation to quantum technology, as well as the initiation of joint discussions on shared research interests and international standardization activities in support of the development of robust quantum supply chains and practical use cases.

### **9. Biotechnology**

In view of the lessons of the COVID-19 pandemic, we intend to promote linkages between the public and private sectors toward strengthening the pharmaceutical and biotechnology industrial base. We intend to continue working to enhance our competitiveness in biomanufacturing and to foster a healthy ecosystem for drug discovery and innovative biotechnology research between our two countries.

### **10. Clean Energy Technology**

We intend to work to strengthen battery supply chains and promote innovative technologies such as perovskite solar cells, floating offshore wind, and advanced nuclear reactors, including small modular reactors. We intend to support the development of international standards and evaluation methods to grow the global market for secure, sustainable, and resilient clean energy technology while accelerating the deployment of these technologies in our domestic markets this decade.

### **11. Advanced Communications Technology**

We intend to work to accelerate the adoption of 5G networks with Open Radio Access Networks (Open RAN) as a secure, commercially viable telecommunications approach in global markets, including by building workforce capacity and raising awareness of the Open RAN model. To this end, Japan intends to support the Asia Open RAN Academy (AORA) in the Philippines in its regional expansion to India and the Pacific Islands, as well as the development and implementation of the AORA interoperability lab in the Philippines. We intend to continue to advance the U.S.-Japan Global Digital Connectivity Partnership through the U.S.-Japan Dialogue on Digital Economy. We plan to continue supporting efforts to build secure and open 5G networks globally with an ambition to significantly increase the market share of Open RAN in the 5G market. Such efforts may include workshops, seminars, and proof-of-concept projects in third countries.

### **12. Critical Minerals**

We are committed to continuing to support local value creation in critical minerals supply chains, including processing and refining, to ensure those supply chains remain robust, resilient, responsible, and transparent. We plan to continue our collaboration through the Minerals Security Partnership to strengthen supply chains for critical minerals; promote responsible and sustainable investment in extraction, processing, and recycling; and to drive high Environmental, Social, and Governance (ESG) standards in order to reduce dependence on certain countries. We support efforts to promote e-waste recycling in our countries and other partner countries in the Indo-Pacific region.

### **13. Energy Security**

We underscore our commitment to reduce reliance on Russian energy. We intend to deepen our cooperation on nuclear energy and the building of robust civil nuclear energy supply chains. We aim to continue cooperation to support the development and deployment of advanced nuclear reactors, consistent with highest international nuclear security, nonproliferation, and safety standards, in each of our countries and in third countries, including through the Foundational Infrastructure for Responsible Use of SMR Technology (FIRST) program, building upon our existing cooperation in third countries such as Romania, Indonesia, and Ghana. We endorse the expanded use of zero-emission and renewable energy resources such as offshore wind, solar, nuclear, and others as appropriate to accelerate decarbonization of our respective power sectors during this critical decade, in line with domestic and international climate commitments, as well as the role of clean hydrogen and its derivatives, such as ammonia, in decarbonizing hard to abate sectors, and we shared perspectives on the potential use of those fuels to generate zero-emission thermal power. We commend and support private sector efforts to strengthen supply chains for hydrogen production and utilization, including through joint workshops, seminars, research, and development. We intend to enhance action to reduce methane emissions across sectors, including from internationally traded fossil fuels, and to support methane emissions reduction in third countries. We welcome the conclusion of the

Japan-U.S. Energy Security Dialogue at the Hoover Institution in Palo Alto, California, from October 16-18, where our two countries reiterated our aim to strengthen our collective energy security and accelerate the clean energy transition.

#### **14. Food Security**

We remain committed to promoting rules-based, open, fair, transparent, predictable, and non-discriminatory trade as an essential basis for building more resilient and sustainable agriculture and food systems, promoting food security, and making nutritious food more available and affordable. We welcome the launch of and intend to actively engage in the Vision for Adapted Crops and Soils and to continue addressing food insecurity, including by collaborating on climate adaptation for nutritious crops and healthy soils in Africa and beyond. Recognizing the impact of the climate crisis on global food security, we intend to work together to support ambitious public and private agricultural research and development efforts to pursue increased agricultural productivity, soil health, and nutrition to meet the food needs of a growing global population. We encourage the private sector to be involved in efforts to make small farming more resilient and sustainable around the world and commend the Enhanced Linkages between Private sector and Small-scale producers (ELPS) initiative as welcomed in the 2023 G7 Agriculture Ministers' Communique. We welcome the establishment of the Japan-U.S. Dialogue on Sustainable Agriculture as announced in Miyazaki, Japan. We condemn Russia's weaponization of food exports and recognize the importance to global food security of resuming the shipment of grain from Ukraine through the Black Sea. We intend to continue cooperating with like-minded countries to urge Russia to return to the Black Sea Grain Initiative to enable more normal shipments of Ukraine's grain and to improve global food security.

#### **15. Cybersecurity**

We applaud the success of the U.S.-led Cybersecurity Business Development Mission to Japan in September 2023 and intend to continue promoting information sharing on cybersecurity threats, including through discussion of threat assessment and mitigation efforts in the Japan-U.S. Cyber Dialogue. We also intend to continue working to ensure interoperability of Internet-of-Things (IoT) device labeling schemes currently in development in both countries. We intend to coordinate efforts on outreach to other like-minded partners towards global interoperability of IoT device labeling schemes. We intend to strengthen research collaboration between AIST's Cyber Physical Security Research Center (CPSEC) and NIST on cryptography and hardware security technologies under the Memorandum of Understanding (MOU) for comprehensive research cooperation between AIST and NIST, which was renewed in 2019.

#### **16. Export Controls**

We intend to continue strengthening our cooperation on export controls to prevent our critical and emerging technologies, including microelectronics and surveillance systems, from being diverted for military or other uses that could potentially threaten international peace and security.