

Japan–OECD Cooperation Plan on Economic Security

For decades, the OECD has played a central role in building and sustaining a rules-based, free and fair international economic order. Through rigorous data-driven analysis, cross-country policy coordination, and the development of internationally recognised standards, the Organisation has helped underpin open markets and equitable trade conditions across its membership and beyond. Through targeted outreach and capacity-building partnerships, the OECD has extended these contributions to a growing number of partner economies around the world.

The international economic environment has changed materially. Geopolitical tensions are intensifying, and with them a range of structural vulnerabilities. Unfair market-distorting practices, opaque industrial subsidies, and over-concentration in critical supply chains — particularly in key sectors and technologies such as artificial intelligence (AI) and quantum — pose growing risks to economic security. Rapid technological competition amplifies these risks, while the urgency of delivering strong, resilient, and sustainable growth remains undiminished.

To meet these challenges, evidence-based analysis and coherent cross-sectoral policy responses are essential. New policy guidelines and international standards need to be developed through close coordination among like-minded partners, with particular attention to the Global South, including Southeast Asia, a region of strategic priority for both Japan and the OECD. Extending the reach and effective implementation of OECD standards and recommendations through targeted outreach and capacity-building will make a distinctive and lasting contribution to the rules-based international order.

Japan and the OECD share a common commitment to these objectives. This Cooperation Plan reflects their joint resolve to work more closely together to strengthen a rules-based international economic order, addressing economic security challenges based on the initiatives set out further below.

These efforts will also align with and will contribute to the promotion of the principles underpinning the strategic vision for a Free and Open Indo-Pacific (FOIP), which include upholding the rule of law, respecting diversity, inclusion and openness.

1. Supply Chain Resilience (including Critical Minerals)

Resilient and transparent supply chains are foundational to stable economic growth and economic security.

Japan and the OECD will strengthen joint efforts to identify vulnerabilities, map dependencies, and develop actionable policy recommendations — with a particular focus on critical minerals, semiconductors, and other strategically significant sectors.

Key commitments include:

- Advancing the OECD's role as a convener for international cooperation among like-minded countries on supply chain resilience and competitiveness in strategic technologies, including AI and quantum.
- Supporting the further development and wide uptake of the OECD's core analytical and transparency tools: the Inter-Country Input-Output (ICIO) database; Trade in Value Added (TiVA) indicators; Services Trade Restrictiveness Index (STRI); Trade Facilitation Indicators (TFIs); and the OECD Inventory of Export Restrictions on Critical Raw Materials.

- Deepening analysis of the effects of export restrictions on critical raw materials — including upstream supply chain impacts and downstream sector risks — and the role of subsidies and non-market practices in driving concentration in critical mineral and derivative product markets.
- Promoting uptake of OECD supply chain due diligence and responsible business conduct (RBC) frameworks to improve the reliability and sustainability of critical mineral supply chains.
- Continuing OECD analysis on recycling and waste, including transboundary movements of waste, to help meet growing critical mineral demand.
- Extending OECD analytical capacity and partnerships to Global South economies, including through targeted capacity-building initiatives in Southeast Asia.
- Continuing dialogue on the transfer of critical technologies and production bases and their impact on economic security, in order to identify potential future analysis in this area.

2. Subsidies and a Level Playing Field

Restoring competitive neutrality in global markets requires greater transparency on government support to industry and a common evidence base for policy action. Japan and the OECD will continue to develop and apply the Organisation's leading tools in this area:

- Continued development of the OECD Manufacturing Groups and Industrial Corporations (MAGIC) database to improve transparency and analysis of subsidies across industrial sectors, including the impacts on the production base in OECD Members.
- Deepening OECD analytical work on the role of state-owned enterprises in industrial support and the downstream effects of subsidies across supply chains, including their implications for partner economies.
- Strengthening OECD analysis of the trade-distorting effects of industrial subsidies in economically strategic sectors, with particular attention to Shipbuilding and Steel.

3. Investment

Attracting high-quality, sustainable investment to Emerging Market and Developing Economies (EMDEs) is central to inclusive growth and economic security. Japan supports the OECD's work to help EMDEs in attracting “More, Better and Safe (MBS)” investment and to design and implement appropriate investment security mechanisms in line with international standards.

Key commitments include:

- In 2026, the OECD, with the support of Japan, will publish a flagship report on global investment, examining how international investment patterns have evolved over the past several decades and how to boost economic resilience, sustainability and economic security.
- Continuing to promote the MBS approach to foreign direct investment, an OECD framework developed in 2023, which supports emerging market and developing economies in attracting foreign direct investment that is simultaneously greater in volume, higher in quality and free from security risks. For example, in 2026, the OECD, with the support of Japan, will conduct Investment Policy Reviews for ASEAN, Zambia, and Nigeria. The OECD will also implement capacity building activities for ECOWAS

(the Economic Community of West African States), SADC (the Southern African Development Community), and their member States, focused on the MBS approach.

- In 2026, the OECD will also mark the 50th anniversary of the “OECD Declaration on International Investment and Multinational Enterprises”. To commemorate this milestone, the OECD will convene a high-level meeting of the Investment Committee. Ministers and senior government officials from adherent countries, including Japan, will be invited to review fifty years of international investment policies, using the above flagship report and other analytical materials, and to identify priority areas for the future.
- In 2027, the OECD, with Japan’s support, will host the “Conference on Investment and National Security 2027” in Paris and will publish a comprehensive report on investment policies for managing the national-security implications of foreign investment in EMDEs.

Japan and the OECD will also strengthen cooperation on responsible business conduct frameworks to reinforce supply chain resilience for critical minerals, including through the following commitments:

- In connection with the 50th anniversary of the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD MNE Guidelines) on June 29–July 2, Japan and the OECD will cooperate to promote implementation of the OECD MNE Guidelines, the OECD Due Diligence Guidance for Responsible Business Conduct, the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and related instruments, with a view to ensuring a level playing field in supply chains for critical minerals and other strategic goods.
- Japan engages in dialogue among policymakers around the world on due diligence policies through its support for the OECD Inclusive Platform on Due Diligence Policy Cooperation.
- The OECD will develop new RBC tools, provide technical assistance, and promote traceability in producing, refining, and processing countries. This includes supporting public-private collaborative risk management approaches, such as government stockpiling, financing, and equity acquisitions, and applying RBC instruments to address governance risks in critical mineral-producing countries, with a view to improving investment environments and diversifying supply chains.

4. Semiconductors

Semiconductor supply chains are among the most strategically significant in the global economy. Japan will support the strengthening of the OECD’s analysis on the semiconductor value chain, including:

- Deepening policy discussions on strengthening the semiconductor value chain by enhancing understanding of the global semiconductor ecosystem and the factors supporting it, including through the OECD Semiconductor Informal Exchange Network (SIEN).

5. Emerging Technologies, including Quantum

Emerging technologies, including quantum technologies, have the potential to bring significant and transformative benefits to societies worldwide, while also carrying far-reaching implications for national and international security. Recognising that these technologies are in early stages of development, are highly specialised, and are supported by limited available data, Japan and the OECD will cooperate to build a trusted ecosystem

that unleashes innovation and manages risks, including through research integrity and security.

Key commitments include:

- Through the OECD Global Forum on Technology, Japan and the OECD will continue to support dialogue on emerging technology trends. This includes developing a shared understanding of quantum technologies by identifying their use cases, and approaches for modeling and analysing quantum supply chains to enable cross-country comparisons.
- Japan supports the OECD's collaborative initiatives to promote research integrity and security in response to geopolitical risks, to establish a balanced relationship between science, technology and innovation (STI) and security of critical technologies, to facilitate international research collaboration, and to promote a wide range of fundamental research, including in critical and emerging technologies.

6. Artificial Intelligence – Advancing Trustworthy AI Governance and Digital Resilience

Japan and the OECD share a commitment to promoting innovation in trustworthy AI grounded in shared democratic values, human rights, and an open, resilient digital economy. Cooperation in this area is anchored in the outcomes of the Hiroshima AI Process (HAIP), of which the OECD has been a central institutional partner.

Key commitments include:

- Promoting transparency in AI governance through the HAIP Reporting Framework, launched by the OECD in cooperation with the G7, which enables AI developers and deployers to voluntarily report and disclose their risk management activities. In parallel, Japan's HAIP Friends Group brings together countries and organisations sharing the spirit of HAIP.
- Enhancing the AI evidence base, including through the comprehensive mapping of national AI strategies and policies, and providing data and indicators such as on AI investment trends to understand the competitive environment.
- Japan will support promotion of the "OECD Due Diligence Guidance for Responsible AI" published by OECD in 2026.
- Convening annual high-level and regular expert-level events under the OECD Southeast Asia AI Dialogue, with Japan's support, institutionalising it as a structured platform with meetings held in Tokyo or Southeast Asia.
- Providing targeted capacity-building support to Southeast Asian economies through the OECD AI Policy Toolkit, and drawing on co-creation workshops supported by Japan to provide practical guidelines on advancing trustworthy AI that respects human rights and democratic values.
- Expanding Southeast Asian country participation in the OECD.AI Policy Navigator by identifying dedicated national contact points, facilitating cross-country policy exchange and more effective utilisation of OECD expertise.
- With Japan's support, deploying the OECD's AI-enhanced assessment model (CIME) to analyse and visualise PISA data for Southeast Asia — initially covering Thailand and Indonesia — with a report to be published in 2026, identifying specific strengths and skill gaps in mathematics literacy to support human capital development and technological autonomy. Japan and the OECD will also support improvements in education policy, including the development of innovative teacher training programmes that contribute to enhancing teaching quality.

7. Data Free Flow with Trust (DFFT)

Japan and the OECD will continue to advance practical coordination on international frameworks for Data Free Flow with Trust (DFFT), translating shared principles into operational cross-border data governance arrangements, which constitute an essential basis for the development and deployment of safe, secure and trustworthy AI.

Key commitments include:

- Japan took the lead in the endorsement of the Institutional Arrangement for Partnership (IAP) among G7 members, and in establishing the DFFT Expert Community within the OECD — bringing together industry, academia, and government — based on IAP. Japan will support the further expansion of the Community to underpin this work with robust technical and policy capacity.
- Japan welcomes the first in-person meeting of the DFFT Expert Community scheduled for autumn 2026, with a view to achieving further progress toward the practical social implementation of DFFT.
- With the support of Japan, the OECD is building a Global Repository of privacy-enhancing technologies (PETs) use cases, recognised by G7 Digital Ministers.

8. Cyber Risks across the Financial System

Cyber risks are not merely technical challenges but cross-border macro-financial risks that can affect financial stability and raise geopolitical concerns. Japan and the OECD will cooperate to strengthen resilience to cyber and geopolitical risks across the financial system including risks in crypto-asset markets:

- In 2026, the OECD, with Japan's support, will publish a report analysing cyber risks in financial markets, including a case study on the impacts of cyberattacks on Southeast Asian small and medium-sized enterprises (SMEs) within global supply chains and the channels through which these risks may propagate across financial markets, deepening the assessment of systemic cyber risks and supporting the global agenda on cyber resilience and financial crime, including risks in crypto-asset markets
- Japan will support OECD efforts to explore new policy initiatives, including the possible establishment of a mutual evaluation mechanism on cyber risks and the creation of a regional data centre, to strengthen cross-border cooperation by enhancing ex-ante preparedness and enabling continuous data analysis.
- Japan will encourage the OECD to advance this work in coordination with the G7, building on progress under Canada's G7 Presidency and ensuring continuity under France's G7 Presidency, with a view to reinforcing responses to cyber-enabled financial crime and promoting cross-border policy coordination.

9. Digital Trade

Japan and the OECD will deepen cooperation on digital trade, recognising its growing centrality to the global economy and to economic security. Key workstreams include:

- Updating the OECD Index of Digital Trade Integration and Openness (INDIGO) to reflect evolving patterns of digital trade.
- Advancing work at the intersection of trade and artificial intelligence through the Trade Policy Readiness for the Adoption and Diffusion of AI (TRADAI) initiative.

- Mapping and analysing policy measures affecting the cross-border movement of non-personal data, to inform international standards and policy coherence.

10. Shipbuilding – Transparency in Maritime Supply Chains and a Level Playing Field

The global shipbuilding sector faces significant distortions from market-distorting practices and opaque subsidy regimes. Japan and the OECD will advance a range of targeted initiatives to improve market transparency, and promote fair competition:

- In 2026, the OECD, with Japan's support, will conduct a Regional Peer Review in Southeast Asia and publish a comprehensive report. This will provide Southeast Asian economies with in-depth comparative assessments and actionable policy recommendations to modernise and decarbonise the sector, fostering economic security and a more balanced global level playing field against market-distorting measures.
- The OECD will establish contact groups with Southeast Asian countries (including Indonesia, the Philippines, Thailand, and Viet Nam) to advance engagement on policies, and share rules and standards. This engagement will reinforce the OECD Shipbuilding Committee as a platform for balanced rules-based cooperation and directly improve the investment climate for shipbuilding and marine equipment in the region.
- The OECD and Japan hosted dedicated Southeast Asia events in Tokyo (February) and Paris (April).

11. Steel – Addressing Excess Capacity and Restoring a Level Playing Field

Global steel markets continue to be distorted by excess capacity and non-market policies and practices. Coordinated international action — grounded in evidence and policy exchange — is essential to restore competitive conditions. Japan and the OECD will:

- Deepen engagement with Southeast Asian partners on joint responses to steel excess capacity, promoting mutual learning on trade measures, supply chain cooperation, and the impact of non-market policies and practices, and work to foster a fair and competitive environment in the global steel market.
- Draw on the forthcoming OECD Steel Outlook (to be released in the first half of 2026), which will provide updated figures, trend analysis, and evidence-based recommendations for addressing the global steel crisis.
- Through frameworks such as the OECD Steel Committee and the Global Forum on Steel Excess Capacity (GFSEC), Japan will support the accumulation and consolidation of information and analysis on steel market developments and excess capacity arising from non-market policies and practices, as well as initiatives to enhance transparency within the GFSEC.
- Through the OECD Steel Committee, the OECD will advance discussions on potential areas for cooperation, including coordination to facilitate multilateral action on steel excess capacity, assessment of non-market policies and practices (NMPPs) that contribute to excess capacity, and the continued analysis of steel market developments.
- Starting in 2026, Japan will support the OECD's analytical work on NMPPs in the steel sector in Southeast Asia, including country-specific surveys examining opaque financial support, preferential tax treatment, and non-transparent licensing processes

that may contribute to excess capacity, with a view to promoting greater transparency and a fair and predictable market environment.

12. OECD–Southeast Asia Policy Roundtable

With Japan's continued support, the OECD will sustain the OECD–Southeast Asia Policy Roundtable as a high-level annual platform for dialogue on economic security issues. The 2026 Roundtable in Tokyo examined economic security through the lens of three strategic sectors: shipbuilding, steel, and AI. The OECD Tokyo Office plays an important role as a hub for outreach activities to Southeast Asian countries in this regard. Building on the success of the 2026, the 2027 Roundtable will again be held in Tokyo, with Japan's support.

Japan and the OECD will review progress against these commitments through regular dialogue between Japan's relevant ministries and OECD Directorates, and report on outcomes at appropriate intervals, including at the OECD Ministerial Council Meeting.