

Section 3 North America

1 Overview

<The Importance of Cooperation with the North American Region, Which Shares Fundamental Values and Principles>

Currently, with changes in the balance of power and the intensifying geopolitical competition, the free, open, and stable international order is wavering significantly. Moreover, with China's unilateral attempts to change the status quo by force or coercion in the East China Sea and the South China Sea, growing tensions over the Taiwan Strait, North Korea's nuclear and missile development, and the advancement of the military cooperation between Russia and North Korea and military cooperation between China and Russia, the security environment surrounding Japan is in the most severe and complex situation since the end of World War II.

In this context, the importance of solidarity with allies and like-minded countries, including the G7, that share values and principles, has been greatly increased. The United States (U.S.) is Japan's only ally. The strong Japan-U.S. Alliance is the linchpin of Japan's foreign and security policy, and the foundation of peace and prosperity in the Indo-Pacific region. It is also essential to have cooperation with Canada, a member of the G7 and Japan's important partner in the Indo-Pacific region that shares universal values. Cooperation with these countries, based on the relationships of trust that Japan has built over the years, is essential to maintaining peace and stability in the region and the international community.

<Foreign Policies of the U.S. and Canada>

In December 2025, the U.S., under President Donald J. Trump, released a new National Security Strategy, demonstrating its commitment to advancing "Peace through Strength," cooperating with allies and partners

to deter conflict in the Indo-Pacific region, and reaffirming its commitment to a "Free and Open Indo-Pacific (FOIP)" — a common goal that has been confirmed with Japan. The U.S. has also been actively pursuing diplomacy aimed at resolving conflicts in various regions, including the Middle East and Ukraine, and Japan supports the U.S. in these diplomatic efforts to achieve peace in each of those regions.

Under Prime Minister Mark Carney, who took office in March 2025, Canada is simultaneously exploring the construction of a new economic and security relationship with the U.S. while also strengthening cooperative relationships with European and Indo-Pacific countries from the perspective of trade diversification. In 2025, as the G7 Presidency, Canada hosted the G7 Kananaskis Summit in June as well as G7 Foreign Ministers' Meetings in March and November, and led efforts on issues related to the Middle East and Ukraine.

<Japan's Diplomatic Relations with North America>

With the U.S. as Japan's only ally, the Japan-U.S. relationship is stronger and deeper than ever before, with multilayered cooperation in all areas, not just security and the economy.

Japan and the U.S. held a total of nine summit meetings (including six telephone calls) and six foreign ministers' meetings (including one telephone call) between January and the end of December 2025, maintaining communication at all levels and confirming the strengthening of Japan-U.S. relations and cooperation to realize FOIP.

In February, Prime Minister Ishiba visited the U.S. and held a Japan-U.S. Summit Meeting with President Trump, confirming that the two sides would work closely to realize FOIP and elevate the Japan-U.S.

Alliance to new heights. In October, President Trump visited Japan and held a Japan-U.S. Summit Meeting with Prime Minister Takaichi, at which the two leaders concurred to advance a broad range of security cooperation in order to further enhance the deterrence and response capabilities of the Japan-U.S. Alliance. The two leaders also signed a document reaffirming the swift and continued efforts by both countries regarding the agreement on tariffs between Japan and the U.S. (“Implementation of the Agreement — Towards a New Golden Age of the Japan-U.S. Alliance”) and confirmed their intention to further strengthen the economic growth of both countries. Furthermore, the two leaders affirmed their commitment to work closely together to strongly advance FOIP.

In regard to Japan-Canada relations, three summit meetings (including one telephone call) and six foreign ministers’ meetings (including one telephone call) were held between January and the end of December

2025. In those meetings, the two sides concurred on continuing to strengthen the Japan-Canada Strategic Partnership, and confirmed that they would steadily implement the “Japan-Canada Action Plan for contributing to a free and open Indo-Pacific region (FOIP),” announced between the two countries in 2022, and continue to cooperate between Japan and Canada toward the realization of FOIP. Indeed, cooperation in the fields of security and the rule of law based on that Action Plan has been steadily advancing, including the signing of the Japan-Canada Agreement on the Security of Information and cooperation in illegal, unreported, and unregulated (IUU) fishing surveillance operations. In addition, through the promotion of wide-ranging diplomacy including coordination through international frameworks such as the G7, for which Canada served as Presidency in 2025, the year saw Japan-Canada relations further strengthened.

2 The United States

(1) U.S. Domestic Situation

A Politics

On January 20, President Trump was inaugurated as the 47th President of the U.S., and the second Trump administration was launched. In his Inaugural Address, President Trump reaffirmed his “America First” stance and declared that “the golden age of America begins.”

From the moment the administration was launched, President Trump has been putting into action the policies pledged during the presidential election under the slogan “Make America Great Again,” including measures on immigration and border control, and an America First foreign policy.

(A) Domestic Situation in the U.S.

On January 20, upon assuming the presidency, President Trump signed 42 executive orders relating to matters including the downsizing of federal government agencies, personnel, and functions; the promotion of deregulation including the development of fossil fuels; immigration and border policies including a review of birthright citizenship; the cancellation of diversity, equity, and inclusion (DEI) policies; energy;

and the renaming of the Gulf of Mexico to the Gulf of America.

The 119th Congress was convened on January 3 following the results of the November 2024 congressional elections. Although Republicans hold a majority in both chambers, as the margins over the Democrats are narrow, preventing defections in floor votes was an important challenge for both the Republican and Democratic parties when seeking to act as a unified party.

By early July, both chambers of Congress passed the bill (commonly referred to as the “One Big Beautiful Bill”) incorporating key Trump administration policy priorities, including the permanent extension of expiring provisions of the 2017 Tax Cuts and Jobs Act (the so-called “Trump tax cuts”), an increase in the statutory debt ceiling, tax exemptions for tips and overtime pay, cuts to social security programs, and the elimination of clean energy support measures. President Trump subsequently signed the bill into law.

In mid-July, at the request of the Trump administration, congressional Republicans introduced the Rescissions Act of 2025, a budget rescission bill

comprising a total of 9 billion U.S. dollars in cuts to funding for the U.S. Agency for International Development (USAID) and public broadcasting. After the bill was passed, in August, the Trump administration announced the impoundment — without legislative action — of 4.9 billion U.S. dollars in contributions to the United Nations (UN) and its affiliated organizations.

The Democratic Party pushed back against these moves by the Trump administration and congressional Republicans, and hardened its stance in negotiations over a continuing resolution. Republicans and Democrats failed to reach an agreement, and on September 30 the continuing resolution expired, resulting in a partial shutdown of the federal government. Subsequently, Senate Republican leadership and a group of moderate Democratic senators reached agreement on extending the continuing resolution until January 30 of the following year, rehiring more than 4,000 federal government employees who had been dismissed during the shutdown, and the payment of unpaid wages. In early November, a continuing resolution bill was passed in Congress with the support of those Democratic senators, bringing to an end the 43-day partial federal government shutdown — then the longest in U.S. history.

President Trump focused intensively on strengthening measures against illegal immigration and border control, as well as measures against fentanyl and other drugs, signing on his first day in office multiple executive orders related to immigration and border control, including a declaration of a national emergency at the southern border.

In June, the Trump administration introduced entry bans or restrictions for nationals of 19 countries across Africa, the Middle East, Asia, and Central America (in December, the scope of the entry bans and restrictions was expanded to cover 39 countries). In November, President Trump announced the permanent pause of immigration from “third world countries” and the termination of federal subsidies to non-U.S. citizens, among other measures.

In addition, the U.S. Department of State introduced stricter visa screening measures, including a

review of applicants' social media accounts as part of the visa issuance process.

Also in June, the Trump administration deployed 4,000 National Guard troops to Los Angeles, California, in response to protest movements against the intensification of crackdowns on illegal immigrants. The State of California in turn filed suit, alleging that the deployment without the consent of the state's Governor was unlawful.

Citing the goal of improving the capability and effectiveness of the federal government, the Trump administration renamed and reorganized the United States Digital Service as the “Department of Government Efficiency (DOGE) Service,” with businessman Elon Musk taking on the leading role of the new organization.

As part of government efficiency efforts, the Trump administration undertook organizational restructuring and personnel reductions at agencies and departments overseeing in particular foreign assistance (USAID), administrative regulation (the Environmental Protection Agency, the Department of Energy, the Department of Labor, the National Labor Relations Board, and others), education (the Department of Education), and social welfare (the Department of Housing and Urban Development, the Department of Health and Human Services, public broadcasting, and others) (USAID was closed in July). In May, Mr. Musk stepped down from DOGE, and in November it was reported that DOGE had ceased its functions and been disbanded.

President Trump's approval rating⁽¹⁾ peaked at approximately 50% immediately after his inauguration, with his disapproval rating overtaking his approval rating in March, and from July through the end of December his approval rating generally fluctuated between approximately 42% and 46%.

In November, gubernatorial elections were held in New Jersey and Virginia, and a mayoral election in New York City; Democratic candidates won all three races, though the contests also served as an occasion for renewed demonstration of the intraparty fault line between moderate and progressive factions within the Democratic Party.

(1) RealClearPolitics polling average

(B) U.S. Foreign Policy

The Trump administration pursued “Peace through Strength” and conducted a foreign policy that placed America First, making its own national interests the highest priority.

Immediately after the inauguration, the Trump administration announced its withdrawal from the Paris Agreement, the World Health Organization (WHO), and the UN Human Rights Council, followed in July by the announcement of its withdrawal from the United Nations Educational, Scientific and Cultural Organization (UNESCO), strongly signaling a shift away from the previous administration's foreign policy.

In order to strengthen immigration and drug measures, a priority of the administration, the Trump administration tightened controls at the southern border, and pressed certain countries including Canada, Mexico, and China to step up their measures by means including the imposition of additional tariffs.

In addition, President Trump's references to the annexation or acquisition of Greenland, and his statements that he would retake the Panama Canal, generated significant reactions in the international community.

Furthermore, the Trump administration energetically pursued diplomacy aimed at achieving cease-fires and bringing conflicts around the world to an end. While conducting diplomatic efforts in various regions including Ukraine and the Middle East, President Trump repeatedly stated that he had ended eight wars in eight months, emphasizing his own achievements.

On his first day in office, President Trump suspended foreign assistance for 90 days and signed an executive order to reevaluate and realign U.S. foreign aid with U.S. foreign policy. In March, Secretary of State Marco Rubio announced a plan to terminate approximately 80% of USAID's assistance contracts, and in April announced a plan to reorganize nearly all of USAID's functions into the Department of State. Subsequently, on July 1, the Secretary formally announced the termination of USAID's foreign assistance operations.

In April, the Department of State announced a plan to reorganize the department in order to advance the “America First” foreign policy. In May, Secretary of State Rubio assumed the role of National Security

Advisor to the President concurrently with his role as Secretary of State, following the departure of the National Security Advisor Michael George Glen Waltz.

In September, President Trump delivered an address at the UN General Assembly, stating that the UN had failed to fulfill its role and had been creating problems such as climate change and illegal immigration rather than solving them.

In December, the Trump administration released the “National Security Strategy (NSS),” a document that governs and provides guidance for U.S. homeland defense, national defense, and foreign policy. The NSS sets out a commitment to advancing “Peace through Strength,” cooperating with allies and partners to deter conflict in the Indo-Pacific region, and reaffirming FOIP — a common goal confirmed between Japan and the U.S. — and clearly articulates the security policy objectives of the Trump administration. Numerous high-level exchanges were conducted between Japan and the U.S., including at the summit and foreign ministers' levels.

Under the relationship of trust built between leaders and others through opportunities for high-level exchanges, the Japan-U.S. relationship has become stronger than ever before. The Japan-U.S. Alliance is the cornerstone of Japan's diplomacy and security, and the foundation for peace and prosperity in the Indo-Pacific region. Furthermore, Japan and the U.S. are working closely together to strongly promote FOIP.

B Economy

(A) Current Economic Situation

The real GDP of the U.S. continued to grow at 2.9% year-on-year for all of 2023 and 2.8% year-on-year for all of 2024. However, partly due to the effects of a last-minute rush of imports and inventory stockpiling driven by the move to avoid tariff increases, the real GDP contracted at an annualized rate of 0.6% year-on-year from January to March 2025, marking the first negative growth in approximately three years. Afterwards, from April to June, the growth turned positive at 3.8% year-on-year, supported by a decline in imports reflecting the reversal of the previous quarter's last-minute demand, among other factors.

Regarding the economic outlook, the impact of trade policy, including tariff measures, on prices and

consumption has been noted, and there is a possibility that the momentum of growth may weaken. It is necessary to pay attention to the downside risk due to the impact of continuing high interest rates and the impact of future policy trends, including trade policy. As for inflation, which drew the attention of the U.S. public, the increase rate of the consumer price index (CPI, year-on-year) fell below 3% in July 2024 for the first time in approximately three years, and temporarily declined to the low 2% range in 2025, although it has been gradually rising since April 2025. Regarding the target policy interest rate, the Federal Open Market Committee (FOMC) had kept it at 5.25% to 5.50% for about a year since July 2023, but in September 2024, in response to the decline in the inflation rate, the FOMC lowered the target rate to between 4.75% and 5.00%, marking its first rate cut in about four and a half years. Subsequently, multiple additional rate cuts followed, bringing the target policy interest rate to between 3.75% and 4.00%. In terms of employment, the unemployment rate remained low at around 4% throughout the year, as it did in 2024, and the number of workers employed increased moderately.

(B) Major Economic Policies

Under the second Trump administration, as outlined by President Trump in his address to Congress in March 2025, economic policies have been pursued with a focus on tariff policies, industrial reshoring including investment attraction, deregulation, and tax cuts, among others. In particular, since taking office in January, the second Trump administration announced a series of trade policies centered on tariff measures, drawing considerable attention, as they would have a major impact on the global economy. On his first day in office, President Trump issued the presidential memorandum “America First Trade Policy,” announcing a policy to establish a robust and reinvigorated trade policy that promotes investment and productivity, enhances U.S. industrial and technological advantages, defends economic and national security, and above all, benefits U.S. workers and others. In February, the Trump administration announced the imposition of additional tariffs under the International Emergency Economic Powers Act (IEEPA) on Canada, Mexico, and China, on the grounds that the extraordinary

threat posed by illegal aliens and drugs, including fentanyl, constitutes a national emergency (these tariffs were imposed on China in the same month, and on Canada and Mexico in March). In addition, in April, it announced Reciprocal Tariff measures under IEEPA to reduce trade deficits and address other unfair and imbalanced aspects of trade. This resulted in a 10% tariff being imposed on nearly all countries, with additional individual high tariff rates (additional tariffs) applied to countries recording a trade surplus with the U.S. With regard to the additional tariffs, a suspension period was put in place, and after rate adjustments were made, they took effect in August. Subsequently, in April, September, and November, modifications were made to the scope of the Reciprocal Tariff, including the announcement of exclusions for certain agricultural products. Meanwhile, lawsuits alleging that the Reciprocal Tariff and others under IEEPA are unconstitutional or unlawful were filed. As of December 2025, the case is before the U.S. Supreme Court.

Furthermore, under Section 232 of the Trade Expansion Act of 1962, sector-specific tariffs have been imposed across a wide range of sectors, including steel and aluminum products and their derivatives, automobiles and automobile parts, semi-finished copper products and their derivatives, timber and its derivatives, and medium- and heavy-duty trucks and their parts (as of December 2025). In addition, investigations into semiconductors, pharmaceuticals, critical minerals, aircraft and aircraft parts, and other products are being conducted under the same provision to assess their impact on national security. The series of U.S. tariff measures has had a significant impact on the global economy and the multilateral free trade system, and many countries and regions, including Japan, engaged in negotiations with the U.S. for tariff reductions.

In addition to trade policy, economic policies aimed at industrial revitalization that encourage reshoring of production to the U.S. have also been promoted. In the resource sector, the Executive Order “Unleashing American Energy” was issued in January 2025, followed by “Immediate Measures to Increase American Mineral Production” in March, aimed at strengthening domestic production of energy and critical minerals to create jobs in the U.S., reduce dependence on foreign products, and strengthen domestic supply

chains, thereby furthering U.S. prosperity. In the ship-building sector, recognizing the decline in U.S. ship-building capacity falling behind China and others as a challenge, the Executive Order “Restoring America’s Maritime Dominance” was issued as part of an economic policy based on the America First policy, with the objective of rebuilding the U.S. maritime industrial base and strengthening the workforce to ensure U.S. national and economic security. In the pharmaceutical sector, similarly from the perspective of strengthening domestic production capacity, the Executive Order “Regulatory Relief to Promote Domestic Production of Critical Medicines” was issued in May, while in the same month the Executive Order “Delivering Most-Favored-Nation Prescription Drug Pricing to American Patients” was also issued, calling on pharmaceutical manufacturers to lower the prices of pharmaceutical products in the U.S. In the AI sector, the “Winning the Race: America’s AI Action Plan,” organized around the pillars of accelerating AI innovation, building American AI infrastructure, and leading in international AI diplomacy and security, was released, and a concrete plan was developed to maintain and strengthen the global advantage of the U.S. in the AI sector.

Another major development in economic policy was the enactment of the budget reconciliation bill that President Trump had pressed Congress to pass in July, based on which measures including the permanent extension of expiring provisions of the Tax Cuts and Jobs Act of 2017 (the so-called “Trump tax cuts”), tax exemptions for tips and overtime pay, cuts to social security programs, and the elimination of clean energy support measures were implemented.

(2) Japan-U.S. Political Relations

Numerous high-level exchanges were conducted between Japan and the U.S., including at the summit and foreign ministers’ levels.

Under the relationship of trust built between leaders and others through opportunities for high-level exchanges, the Japan-U.S. relationship has become stronger than ever before. The Japan-U.S. Alliance is the cornerstone of Japan’s diplomacy and security and is the foundation for peace and prosperity in the Indo-Pacific region. Furthermore, Japan and the U.S. are working closely together to strongly promote FOIP.



Japan-U.S. Summit Meeting (February 7, Washington, D.C., U.S.; Photo: Official Website of the Prime Minister's Office of Japan)

On January 7, Foreign Minister Iwaya held a meeting with Secretary of State Antony Blinken, who was visiting Japan. Foreign Minister Iwaya expressed his gratitude to Secretary Blinken for his contributions to the Japan-U.S. Alliance, and the two ministers concurred on continuing to work closely together to further uphold and bolster the Japan-U.S. relationship, which has become stronger than ever.

On January 9, the official state funeral of former President Jimmy Carter, who had passed away on December 29 of the previous year, was held in Washington, D.C. Former Prime Minister SUGA Yoshihide attended as a special envoy of the Prime Minister on behalf of Japan.

In addition, in January, a large-scale wildfire broke out in California, the U.S., causing devastating damage. On January 10, in response to the serious damage caused by the wildfire, Prime Minister Ishiba sent a condolence message to President Joseph R. Biden, Jr., conveying that “I offer my heartfelt condolences to those who have fallen victim to this tragedy, and pray for the swift recovery of those injured. Japan stands with the U.S. and its people at this difficult time.” On January 15, Japan decided to provide a total of 2 million U.S. dollars of assistance through the American Red Cross as a relief measure for victims of the disaster.

On January 20, Foreign Minister Iwaya, visiting Washington, D.C., attended the Presidential Inauguration Ceremony at the invitation of the U.S. side, becoming the first Japanese foreign minister to attend the inauguration of a U.S. President. On January 21, Foreign Minister Iwaya held the first Japan-U.S. Foreign Ministers’ Meeting with Secretary of State Rubio. Foreign Minister Iwaya congratulated

Secretary Rubio on his appointment, and the two ministers concurred to work together to continue elevating the Japan-U.S. Alliance to new heights and to realize FOIP. Furthermore, the two ministers concurred to maintain close partnership to further uphold and bolster Japan-U.S. relations, which have become stronger than ever.

On February 7, Prime Minister Ishiba, during his visit to Washington, D.C., held a Japan-U.S. Summit Meeting in person with President Trump for the first time. The two leaders shared views on the severe and complex security environment and concurred to work closely to realize FOIP and to elevate the Japan-U.S. Alliance to new heights. They also concurred to strengthen the deterrence and response capabilities of the Japan-U.S. Alliance. Prime Minister Ishiba reiterated Japan's unwavering commitment to fundamentally reinforcing its defense capabilities and President Trump welcomed such commitment. President Trump underscored the unwavering commitment by the U.S. to the defense of Japan, using its full range of capabilities, including nuclear. The two leaders once again reaffirmed that Article V of the Japan-U.S. Treaty of Mutual Cooperation and Security applies to the Senkaku Islands. The two leaders confirmed their commitment to the steady implementation of the realignment of U.S. Forces in Japan in accordance with the Okinawa Consolidation Plan, including the construction of the Futenma Replacement Facility at Henoko and the return of Marine Corps Air Station (MCAS) Futenma. The two leaders exchanged views on regional situations such as issues related to China, and dealing with North Korea including on the nuclear and missile issues as well as the abductions issue. The two leaders

concurred on the importance of further developing coordination among like-minded countries, including Japan-U.S.-Republic of Korea (ROK), Japan-Australia-India-U.S. (Quad), and Japan-U.S.-Philippines. They shared the intention to maintain close partnership to further uphold and bolster Japan-U.S. relations, which have become stronger than ever, and issued a joint statement. At the end of the meeting, Prime Minister Ishiba invited President Trump to make an official visit to Japan at an early date.

On March 13, Foreign Minister Iwaya, visiting Charlevoix, Canada to attend the G7 Foreign Ministers' Meeting, held a Japan-U.S. Foreign Ministers' Meeting with Secretary of State Rubio. The two ministers concurred to advance cooperation to further strengthen the deterrence and response capabilities of the Japan-U.S. Alliance based on the outcomes of the Japan-U.S. Summit Meeting in February. The two ministers also reaffirmed their commitment to the steady implementation of the realignment of U.S. Forces in Japan as concurred in the past summit meeting. They also reaffirmed that they would communicate closely to further strengthen Japan-U.S. economic relations. Regarding the additional tariff measures on steel and aluminum products, Foreign Minister Iwaya conveyed that it is regrettable that the imposition of additional tariffs has begun without Japan being excluded, despite Japan's claims that it be excluded from the measures. Foreign Minister Iwaya also lodged a claim that Japan should not be subject to tariff measures such as reciprocal tariffs and tariffs on automobiles.

On March 29, Prime Minister Ishiba visited Iwo-to to attend the Japan-U.S. Reunion of Honor Ceremony. The ceremony was attended on the Japanese side by approximately 130 participants, including government officials represented by Prime Minister Ishiba, members of the Diet, including AISAWA Ichiro, Member of the House of Representatives (President of Parliamentary League for Iwo-To) and SHINDO Yoshitaka, Member of the House of Representatives (Representative of Bereaved Families of the Iwo-To Association), and representatives of the Iwo-To Association, which consists of families of the war dead. From the U.S. side, approximately 160 people attended, including Pete Hegseth, Secretary of Defense, Joseph M. Young, Chargé d'Affaires ad interim of the U.S. Embassy in Japan, Eric



Prime Minister Ishiba offering flowers at the Japan-U.S. Iwo-To Reunion of Honor Ceremony (March 29, Iwo-To; Photo: Official Website of the Prime Minister's Office of Japan)

M. Smith, Commandant of the U.S. Marine Corps, Richard Mills, Chairman of the Iwo Jima Association of America, and David Bice, President of Iwo Jima Association of America, and members of the U.S. Congress. At the ceremony, Prime Minister Ishiba delivered an address to the war dead and their families from both Japan and the U.S. In his address, he renewed Japan's pledge for peace and expressed his determination to elevate the Japan-U.S. Alliance, which brings peace and prosperity to the world, to new heights.

Following the Japan-U.S. Iwo-To Reunion of Honor Ceremony, the Japanese attendees relocated to the Tenzan Memorial Monument for the Memorial Ceremony for the Japanese War Dead at the Battle of Iwo-To, and Prime Minister Ishiba attended the ceremony and delivered his memorial remarks. In addition, Prime Minister Ishiba visited the sites where the remains were collected.

On April 7, Prime Minister Ishiba held a telephone call with President Trump. Prime Minister Ishiba confirmed with President Trump that, building on the outcomes of the Japan-U.S. Summit Meeting in February, the two leaders would further develop the overall Japan-U.S. relations and cooperate with each other to realize FOIP. On the economy, Prime Minister Ishiba stated that Japan has been the world's largest investor in the U.S. for five consecutive years, expressed strong concerns that the tariff measures by the U.S. could weaken investment capacity among Japanese companies, and conveyed his view that the two countries should pursue ways to promote broader cooperation that benefits both Japan and the U.S. in a mutual manner, including the enhancement of investment, rather than imposing tariffs, and urged a reconsideration of the measures.



Japan-U.S. Summit Meeting at the G7 Kananaskis Summit (June 16, Kananaskis, Canada; Photo: Official Website of the Prime Minister's Office of Japan)

The two leaders confirmed that they will continue to have candid and constructive discussions.

On May 23, Prime Minister Ishiba held a telephone call with President Trump. The two leaders broadly exchanged views on the Japan-U.S. Consultations on U.S. Tariff Measures, economic security cooperation, and diplomatic and security challenges. During the call, President Trump shared the outcomes of his recent visit to the Middle East, to which Prime Minister Ishiba expressed his appreciation for such diplomatic efforts by the U.S. Prime Minister Ishiba conveyed Japan's position on U.S. tariff measures, and stated that, with regard to Japan-U.S. Consultations on U.S. Tariff Measures, AKAZAWA Ryosei, Minister in charge of Economic Revitalization, was en route to Washington, D.C., and that he looked forward to productive consultations, on which President Trump concurred. Prime Minister Ishiba also stated that he was looking forward to an in-person meeting on the occasion of the G7 Kananaskis Summit, to which President Trump stated that he would also look forward to it.

On May 29, Prime Minister Ishiba held a telephone call with President Trump. Following their telephone talk on May 23, the two leaders exchanged views on ways to further advance Japan-U.S. cooperation in a wide range of fields, encompassing foreign affairs, security and the economy, and also exchanged views on Japan-U.S. Consultations on the U.S. Tariff Measures. During the discussion, Prime Minister Ishiba conveyed Japan's views on the U.S. tariff measures, and the two leaders concurred to have the ministers in charge further deepen their discussion on the issue.

On June 13, Prime Minister Ishiba held a telephone call with President Trump. Prime Minister



Japan-U.S. Foreign Ministers' Meeting (July 1, Washington, D.C., U.S.)



Courtesy call on Prime Minister Ishiba by the U.S. Presidential Delegation led by Secretary of the Treasury Bessent (July 18, Tokyo; Photo: Official Website of the Prime Minister's Office of Japan)

Ishiba reiterated Japan's view on the U.S. tariff measures, taking into account the results of Japan-U.S. Consultations on the U.S. Tariff Measures conducted thus far. The two leaders concurred to accelerate the consultations between the ministers in charge in order to achieve a mutually beneficial agreement for both Japan and the U.S. The two leaders also exchanged views on the response to the ongoing Israeli attacks against Iran, and concurred that peace and stability in the Middle East are of paramount importance and that they would continue close communication.

On June 16, Prime Minister Ishiba, visiting Canada to attend the G7 Kananaskis Summit, held a meeting with President Trump. The two leaders concurred that both countries would further strengthen the Japan-U.S. Alliance to promote FOIP and to further contribute to the peace and prosperity of the world. The two leaders also had candid discussions on the series of tariff measures by the U.S. and concurred that they would instruct the ministers in charge to further advance their consultations.

On June 25, Foreign Minister Iwaya, visiting The Hague, the Netherlands, to attend events related to the North Atlantic Treaty Organization (NATO) Summit, held a Japan-U.S. Foreign Ministers' Meeting with Secretary of State Rubio. The two ministers exchanged views on the current situation in the Middle East. Foreign Minister Iwaya welcomed the announced cease-fire between Israel and Iran as a significant development and underscored the importance of its faithful implementation. The two ministers concurred on the necessity of further diplomatic efforts to achieve peace and stability in the Middle East, and affirmed their

commitment to maintaining close communication. They also exchanged views on U.S. tariff measures, and concurred to support the consultations between the ministers in charge toward achieving a mutually beneficial agreement for both Japan and the U.S.

On July 1, Foreign Minister Iwaya, visiting Washington, D.C. to attend the Japan-Australia-India-U.S. Foreign Ministers' Meeting, held a Japan-U.S. Foreign Ministers' Meeting with Secretary of State Rubio. At the outset, Foreign Minister Iwaya stated that it is of the utmost importance for Japan and the U.S. to communicate closely with each other in the face of rapidly changing international circumstances, and the two ministers affirmed to elevate the Japan-U.S. Alliance to even greater heights. They also discussed the challenges facing the Indo-Pacific region and the roles to be played by Japan and the U.S. in the region, and concurred on the importance of steadily implementing concrete cooperation to realize FOIP. Furthermore, Foreign Minister Iwaya highly appreciated the U.S. initiative in hosting the Japan-Australia-India-U.S. Foreign Ministers' Meeting, and the two ministers affirmed that they would further advance cooperation with like-minded partners in the region, including the Japan-Australia-India-U.S., Japan-U.S.-ROK, and Japan-U.S.-Philippines. The two ministers also held discussions on further strengthening the deterrence and response capabilities of the Japan-U.S. Alliance, and confirmed that they would continue coordination toward convening a Japan-U.S. Security Consultative Committee (Japan-U.S. "2+2") meeting. With regard to U.S. tariff measures, they reconfirmed that they would support consultations between the ministers in charge toward achieving a mutually beneficial agreement for both Japan and the U.S. Finally, the two ministers exchanged views on regional affairs, confirming the importance of issues related to China and of peace and stability across the Taiwan Strait. They also reconfirmed their resolute commitment toward the complete denuclearization of North Korea in regard to the situation surrounding North Korea, including the nuclear and missile issues, and with regard to the immediate resolution of the abductions issue, Foreign Minister Iwaya asked for the continued cooperation of the U.S., and gained the support from Secretary of State Rubio.

From July 18 to 20, a U.S. Presidential Delegation led by Scott Bessent, Secretary of the Treasury, visited Japan, and on July 18 paid a courtesy call on Prime Minister Ishiba. Prime Minister Ishiba expressed his welcome for the visit of the U.S. Presidential Delegation to Japan, and stated his expectation that the U.S. National Day at EXPO 2025 Osaka, Kansai, Japan on July 19 would serve as an opportunity to showcase the strong Japan-U.S. Alliance and Japan-U.S. friendship. Prime Minister Ishiba also exchanged views with the U.S. Presidential Delegation on Japan-U.S. cooperation in a wide range of fields, conveying among other things: that the security of Ukraine, the Middle East, and Asia are interconnected, and that he wished to further strengthen Japan-U.S. cooperation; that Japan would make proactive efforts in securing its own peace and security and would continue to work on strengthening its defense capabilities; and that there are many areas in the economic and economic security fields in which Japan and the U.S. should enhance their cooperation.

The delegation attended U.S. National Day-related events held at Expo 2025, Osaka Kansai, Japan on July 19. From the Japanese side, Minister in charge of Economic Revitalization Akazawa attended the event and delivered a speech as a representative of the Government of Japan at the official ceremony.

Following the launch of the Takaichi Cabinet, on October 25, Prime Minister Takaichi, visiting Kuala Lumpur, Malaysia to attend the Association of Southeast Asian Nations (ASEAN)-related Summit Meetings, held her first telephone call with President Trump. At the outset, President Trump offered his congratulations to Prime Minister Takaichi on her assumption of office. Prime Minister Takaichi stated that strengthening the Japan-U.S. Alliance is a top priority of Japan's foreign and security policy, and the two leaders confirmed that they would cooperate to continue elevating the Japan-U.S. Alliance to new heights. Prime Minister Takaichi also stated that Japan is an indispensable partner for the U.S. in the Indo-Pacific, and expressed her intention to work together toward realizing FOIP. She further expressed her respect for President Trump's leadership in achieving the agreement in the Middle East during that month. Prime Minister Takaichi also asked for continued understanding and cooperation from the

U.S. for the immediate resolution of the abductions issue. Prime Minister Takaichi stated that she looked forward to welcoming President Trump to Japan, and President Trump in turn expressed that he likewise looked forward to meeting Prime Minister Takaichi in person.

On October 28, Prime Minister Takaichi held a Japan-U.S. Summit Meeting and a signing ceremony and other events with President Trump, who was visiting Japan. Prime Minister Takaichi welcomed President Trump's visit to Japan, and expressed her respect for his



Japan-U.S. Summit Meeting (October 28, Tokyo; Photo: Official Website of the Prime Minister's Office of Japan)



Joint Statement Signing Ceremony (October 28, Tokyo; Photo: Official Website of the Prime Minister's Office of Japan)



Prime Minister Takaichi and President Trump shaking hands following the signing of the joint statement (October 28, Tokyo; Photo: Official Website of the Prime Minister's Office of Japan)



Meeting with families of the abductees and others (October 28, Tokyo; Photo: Official Website of the Prime Minister's Office of Japan)



Visit by Prime Minister Takaichi and President Trump to the U.S. aircraft carrier USS George Washington (October 28, Yokosuka; Photo: Official Website of the Prime Minister's Office of Japan)



First Japan-U.S. Foreign Ministers' Meeting since Foreign Minister Motegi's assumption of office (October 28, Tokyo)

past contributions to the development of the Japan-U.S. Alliance and for his leadership in the international community, including in the Middle East. Prime Minister Takaichi also stated that the Japan-U.S. Alliance is the foundation for peace and prosperity in the Indo-Pacific region, and that its further strengthening is a top priority in Japan's foreign and security policy, while emphasizing that Japan is also an indispensable partner for the U.S. in the Indo-Pacific region.

Prime Minister Takaichi further conveyed her determination to restore a strong Japanese diplomacy with the Japan-U.S. Alliance, now the greatest alliance in the world, as its cornerstone, and expressed her desire to create a new chapter in the history of the Japan-U.S. Alliance together, that will make both Japan and the U.S. stronger and more prosperous.

In response, President Trump expressed his warm congratulations for Prime Minister Takaichi on her appointment, and stated that Japan-U.S. relations would be stronger than ever before, and that Japan and the U.S. are allies at the strongest level. President Trump also emphasized that he would help Japan at any time when Japan needs it, and stated that he would have

a fantastic relationship with Prime Minister Takaichi. The two leaders also affirmed their intention to jointly celebrate the 250 years of American independence next year, and further develop the friendship and people-to-people exchanges between Japan and the U.S.

The two leaders concurred to advance a broad range of security cooperation in order to further enhance the deterrence and response capabilities of the Japan-U.S. Alliance. Prime Minister Takaichi stated that she has consistently emphasized the necessity of fundamentally reinforcing defense capabilities amidst the most severe and complex security environment since the end of World War II, and has been taking actions immediately after assuming office, and expressed her commitment to continue working on fundamentally reinforcing Japan's defense capabilities and increasing the defense budget at Japan's own initiative. President Trump stated that he is aware that Japan is increasing defense capabilities very substantially.

The two leaders signed a document reaffirming the swift and continued efforts by both countries regarding the agreement on tariffs between Japan and the U.S. ("Implementation of the Agreement — Towards

a New Golden Age of the Japan-U.S. Alliance”), and confirmed their intention to further strengthen the economic growth of both Japan and the U.S. The two leaders also signed a document on critical minerals and rare earths (“Japan-U.S. Framework for Securing Supply of Critical Minerals and Rare Earths through Mining and Processing”), and concurred on further strengthening economic security initiatives in a wide range of fields, including critical technologies such as AI and shipbuilding, in addition to critical minerals and rare earths.

Prime Minister Takaichi expressed her determination to continue strongly promoting FOIP as a pillar of Japan’s diplomacy and to update it to align with the times, after which the two leaders affirmed their commitment to work closely together to strongly advance FOIP. Under the vision, the two leaders also confirmed the importance of strengthening regional networks among like-minded partners, such as Japan-U.S.-ROK, Japan-U.S.-Philippines, and Japan-Australia-India-U.S.

The two leaders also exchanged views on efforts toward peace in various regions of the world, including the realization of cease-fire agreements between Cambodia and Thailand in July and in the Middle East in October, and Prime Minister Takaichi stated that Japan is a partner in the pursuit of peace alongside the U.S. The two leaders also exchanged views on the situation and various challenges facing the Indo-Pacific region, considering the upcoming diplomatic calendar. The two leaders also discussed the unprecedentedly severe and complex regional security environment, including the cooperation among China, North Korea, and Russia, as well as the intensification of their military activities. The two leaders exchanged views on issues concerning China, and confirmed their opposition to unilateral attempts to change the status quo by force or coercion and their intention to work closely together between Japan and the U.S. The two leaders reiterated the importance of peace and stability across the Taiwan Strait.

The two leaders shared their views on the situation regarding North Korea, and affirmed the need to address its nuclear and missile issues together and their resolute commitment to the complete denuclearization of North Korea.

Prime Minister Takaichi asked for continued understanding and cooperation from the U.S. for the immediate resolution of the abductions issue and gained full support from President Trump. Additionally, the two leaders met with the family members of the abductees.

Also on October 28, Prime Minister Takaichi visited, together with President Trump, the U.S. aircraft carrier “USS George Washington,” which was docked at Yokosuka. The two leaders made remarks to encourage the members of the Self-Defense Forces (SDF) and the U.S. Forces in Japan. Prime Minister Takaichi stated her determination to ensure a Free and Open Indo-Pacific and to make it the foundation of peace and prosperity in the region, while elevating the Japan-U.S. Alliance, already the greatest alliance in the world, to even greater heights, together with President Trump.

On October 28, Foreign Minister Motegi held a Japan-U.S. Foreign Ministers’ Meeting with Secretary of State Rubio, who was visiting Japan in conjunction with President Trump’s visit, marking the first Japan-U.S. Foreign Ministers’ Meeting since Foreign Minister Motegi’s assumption of office. At the outset, Foreign Minister Motegi welcomed Secretary Rubio’s visit to Japan and stated that he would like to work closely with Secretary Rubio in order to demonstrate to the world the strength of the Japan-U.S. Alliance, the greatest alliance in the world. Foreign Minister Motegi also expressed his appreciation to Secretary Rubio for meeting with the family members of the abductees. Secretary Rubio expressed his intention to further strengthen the Japan-U.S. Alliance, including the area of security and economy. The two ministers concurred on advancing concrete security cooperation to further strengthen Japan-U.S. Alliance deterrence and response capabilities. The two ministers also exchanged views on economic issues. Foreign Minister Motegi emphasized the importance of further advancing initiatives in the field of economic security in addition to implementing the Agreement between Japan and the U.S. Foreign Minister Motegi also expressed his firm support for U.S. diplomatic efforts around the world, such as in the Middle East, Ukraine, Cambodia, and Thailand, and the two ministers concurred to cooperate on issues related to China and their policies toward North Korea, including the nuclear and missile issues as well as the abductions issue. The two ministers

confirmed that they would further develop networks of like-minded countries, including Japan-U.S.-ROK, Japan-U.S.-Philippines, and Japan-Australia-India-U.S. to realize FOIP.

On November 25, Prime Minister Takaichi held a telephone call with President Trump. Prime Minister Takaichi expressed her gratitude to President Trump for the gift of his hand-written message to her on a newspaper reporting on President Trump's October visit to Japan, and conveyed her appreciation for U.S. efforts toward peace in Ukraine. The two leaders also exchanged views on strengthening the Japan-U.S. Alliance and the situation and various challenges facing the Indo-Pacific region. During the call, President Trump made an explanation on the latest situation of U.S.-China relations, including the U.S.-China summit meeting held that month. Furthermore, in response to President Trump's question, Prime Minister Takaichi explained the G20 Johannesburg Summit that had recently taken place. The two leaders affirmed that the two countries would continue working closely under the current international situation. President Trump told Prime Minister Takaichi that, as a close friend, he would be willing to receive calls from the Prime Minister any time.

On January 2, 2026, Prime Minister Takaichi held a telephone call with President Trump. Prime Minister Takaichi offered her congratulations on the 250th anniversary of the founding of the U.S. She also reiterated her respect for President Trump's diplomatic efforts to achieve peace around the world, including in Ukraine and the Middle East. The two leaders affirmed that they will make this momentous anniversary a year in which they carve out a new chapter in the history of the Japan-U.S. Alliance, and that they will further deepen the friendly relations between Japan and the U.S., as well as the broad-ranging Japan-U.S. cooperation, including in economy and security, and affirmed their commitment to steadfastly promoting cooperation among like-minded partners, including Japan-U.S.-ROK and FOIP. The two leaders also exchanged views mainly on the Indo-Pacific region and confirmed close cooperation between Japan and the U.S. under the current international situation. President Trump extended an invitation for Prime Minister Takaichi to visit the U.S., and the two leaders concurred to

coordinate in detail to realize the visit to the U.S. in spring 2026. Furthermore, the two leaders confirmed that they would continue to communicate closely going forward.

(3) Japan-U.S. Economic Relations

Japan-U.S. economic relations, together with national security cooperation and people-to-people exchange, are one of the main elements underpinning the strong Japan-U.S. Alliance, and Japan and the U.S. are the closest partners in the economic field. For example, Japan has been the world's largest investor in the U.S. for six consecutive years in terms of outstanding direct investment in the U.S. (819.2 billion U.S. dollars in 2024), and helped to create approximately 970,000 jobs in 2022 (second place following the United Kingdom (UK)). 2025 was a year in which U.S. trade policy, including wide-ranging tariff measures, had a major impact on the economic relations between Japan and the U.S. Nonetheless, against the backdrop of the strong Japan-U.S. economic relationship, including the significant and long-standing contributions of Japanese companies, candid and constructive discussions were held at various levels, resulting in an agreement reached in July 2025 that is mutually beneficial to both Japan and the U.S., and a foundation was built for further strengthening Japan-U.S. cooperation in the fields including economic security. The following provides an overview of the developments.

At the first in-person meeting between Prime Minister Ishiba and President Trump held in Washington, D.C. on February 7, the two leaders affirmed that Japan is the world's largest investor in the U.S. and that the two countries are close partners in the economic field. Prime Minister Ishiba conveyed his willingness to cooperate together to elevate Japan's investment in the U.S. to an unprecedented amount of 1 trillion U.S. dollars, and President Trump strongly welcomed such investments by Japanese companies. The two leaders then concurred to elevate the Japan-U.S. partnership to an even higher level through improving the business environment and increasing bilateral investment and employment, strengthening each other's industries and leading the world in development in the field of technologies such as AI and leading-edge semiconductors, and strongly promoting efforts to harness the energy

of the growing market in the Indo-Pacific region. The two leaders also confirmed that they will cooperate to strengthen energy security between the two countries, including increasing exports of U.S. liquefied natural gas (LNG) to Japan, in a mutually beneficial manner.

With regard to U.S. tariff measures, in February, 25% sector-specific tariffs on steel and aluminum under Section 232 of the Trade Expansion Act of 1962, covering the entire world, were announced (subsequently raised to 50% in June). In March, 25% sector-specific tariffs on automobiles and automobile parts were similarly announced. Furthermore, on April 2, President Trump announced “Reciprocal Tariffs” under the International Emergency Economic Powers Act (IEEPA), with the rate applicable to Japan set at 24%. In response, on April 8, the Government of Japan established the Comprehensive Response Headquarters for U.S. Tariff Measures in the Cabinet, headed by Prime Minister Ishiba, to take comprehensive measures in response to U.S. tariff measures. At MOFA, the Headquarters for the Japan-U.S. Economic Consultation, headed by Foreign Minister Iwaya, was established on April 10 to address the situation.

Subsequently, Minister in charge of Economic Revitalization Akazawa was designated as the Minister responsible for Japan-U.S. consultations on U.S. tariff measures. From April through September, he visited the U.S. a total of ten times, and held consultations aimed at reducing tariffs based on the concept of “investment over tariffs.” An agreement was ultimately reached between Japan and the U.S. on July 22. Under the agreement, the Reciprocal Tariff on imports from Japan would be set at 15% with “non-stacking” (in other words, products with existing tariff rates of 15% or above would not be subject to the Reciprocal Tariff, while products with existing tariff rates less than 15% would be subject to a total Reciprocal Tariff of 15%, including the existing rate). The tariff on automobiles and automobile parts from Japan would also be subject to 15% with “non-stacking” in the same manner. Furthermore, it was also agreed that, should sector-specific tariffs be imposed on Japanese pharmaceuticals and semiconductors in the future, Japan would not be treated less favorably than third countries and regions, including the EU, and that aircraft and aircraft parts originating in Japan would not be

subject to any tariffs. At the same time, both countries agreed to work closely together to build resilient supply chains from which Japan and the U.S. can mutually benefit through investment by Japanese companies in the U.S., in order to promote the economic security and national security interests of both countries. Specifically, they confirmed that they would promote 550 billion U.S. dollars investment in the U.S. in sectors critical to economic security, including semiconductors, pharmaceuticals, and energy. Afterwards, on September 4, President Trump signed an Executive Order on measures to reduce tariffs on Japan pursuant to the agreement of July 22. On the same day, Minister in charge of Economic Revitalization Akazawa signed a Memorandum of Understanding with Secretary of Commerce Lutnick to confirm the common understanding between Japan and the U.S. regarding the aforementioned strategic investment initiative in the U.S. On the same day, Japan and the U.S. issued a joint statement reconfirming their commitments with respect to the Japan-U.S. agreement on July 22.

On October 28, Prime Minister Takaichi and President Trump, who was visiting Japan, signed a document reaffirming the swift and continued efforts by both countries regarding the agreement on tariffs between Japan and the U.S. (“Implementation of the Agreement — Towards a New Golden Age for the Japan-U.S. Alliance”) and a document on critical minerals and rare earths (“Japan-U.S. Framework for Securing the Supply of Critical Minerals and Rare Earths through Mining and Processing”). The two leaders also concurred to further strengthen economic security initiatives in a wide range of fields, including critical technologies such as AI and shipbuilding. On this occasion, various exchanges of views were also held at the ministerial level. Foreign Minister Motegi held a Japan-U.S. Foreign Ministers’ Meeting with Secretary of State Rubio, emphasizing the importance of further advancing initiatives in the field of economic security. Foreign Minister Motegi also exchanged views with Secretary of Commerce Lutnick on a wide range of fields, including cooperation between Japan and the U.S. to enhance economic security, and reaffirmed their commitment to further deepen collaboration at various levels to strengthen Japan-U.S. relations in the future.

Column

“The Roots of Japanese Baseball” — Horace Wilson — Consulate General of Japan in Boston

Baseball is one of the most popular sports in Japan. The outstanding performances of Japanese players in Major League Baseball — the home of the sport — are reported on a daily basis in the United States (U.S.) as well, captivating audiences with excitement.

The individual credited with first introducing baseball to Japan is Horace Wilson, a native of the State of Maine in the U.S. Mr. Wilson came to Japan during the *Meiji* era as an “*oyatoi gaikokujin*” (foreign expert in *Meiji* Government employ) and taught English and mathematics at the former Kaisei School (predecessor of the University of Tokyo). It was alongside his regular classes that he introduced to his students the game of baseball, which had not yet reached Japan at the time. In recognition of these achievements, Mr. Wilson was inducted into Japan's Baseball Hall of Fame, located in Kōrakuen, Tokyo, in 2003, and a commemorative monument was erected at the former *Gakushi Kaikan* building. However, Mr. Wilson's contributions were entirely unknown not only in the U.S. at large, but even among the people of his home state of Maine.

On February 2, 2025, the Consulate General of Japan in Boston, in cooperation with Ryan Shaffer, President of the Japan-America Society of Washington DC and also a native resident of Maine, held a ceremony to commemorate Horace Wilson in Portland, Maine, to honor his achievements as a symbol of Japan-U.S. baseball exchange. The event was attended by YOSHIDA Masataka of the Boston Red Sox, Representative Ellie Sato, the first Japanese American member of the Maine State Legislature, and Mayor Mark Dion of Portland. Mr. Yoshida's visit to Mr. Wilson's approximately 200-year-old birthplace, and his meeting with Mr. Wilson's relatives who still reside there, were also covered by media outlets on both sides of the Pacific.

Furthermore, this event prompted a cooperative effort among individuals and organizations involved in Japan-related activities in Maine to establish a monument to Mr. Wilson in his home state. This initiative subsequently developed into the founding of the Horace Wilson Committee, and its members, including Representative Sato, are working vigorously toward this goal.

In July, to commemorate the baseball bonds between Japan and the U.S. forged by Mr. Wilson, “Japan Night” was held for the first time at a home game of the Portland Sea Dogs — an AA League Baseball team affiliated with the Boston Red Sox and based in Portland, Maine. Consul General Takahashi, who delivered remarks prior to the game, underscored in his speech the role that baseball has played as a bridge of friendship between Japan and the U.S., and extended his congratulations on the formation of the Committee, describing it as “a new chapter written into the history of Japan and the State of Maine.”

The seeds sown by Mr. Wilson are on the verge of blossoming in his birthplace, serving as a bridge between the peoples of Japan and the U.S.



YOSHIDA Masataka of the Boston Red Sox with Abigail Balcomb, a descendant of Mr. Wilson, at Mr. Wilson's birthplace



Japan Night at the Portland Sea Dogs (Consul General Takahashi at far left)

Building close ties not only with the federal government but also with the unique individual states of the U.S. is expected to contribute to further deepening the multilayered and broad-based Japan-U.S. economic ties. In 2025, the Japan-U.S. Business Conference, which aims to promote mutual understanding through dialogue between Japanese and U.S. private sectors, as well as the Annual Joint Meeting of the Japan-Midwest U.S. Association and the Midwest U.S.-Japan Association, and the Annual Joint Meeting of the Japan-U.S. Southeast Association and the Southeast U.S./Japan Association — both of which aim to promote mutual exchanges between Japan and respective regions of the U.S. — were held in person in Japan. In addition, governors of the states of Maryland and Hawaii also visited Japan on separate occasions.

In order to strengthen the foundation of Japan-U.S. economic relations from the grassroots level, the Government of Japan is working as one, on efforts to

promote American people's understanding of Japan. Since the launch of the Government Taskforce on Strengthening Japan-U.S. Ties at the Grass Roots in 2017, tailored relationship building efforts reflecting the characteristics of each region and their level of interest in Japan have been advanced with the cooperation of various ministries and agencies. These efforts include the “Grassroots Caravan,” which highlights the contributions of Japanese companies to local economies. To date, for example, a webinar on hydrogen was held to promote further decarbonization efforts between Japan and the State of California. In addition, symposia, workshops, and networking events reflecting local industries and interests have been held in various locations across the U.S., including Arkansas, Nebraska, Kentucky, Maryland, Arizona, and Nevada, thereby advancing Japan-U.S. cooperation at the grassroots level.

3 Canada

(1) Canada's Domestic Situation

In Canada, in March 2025, Prime Minister Justin Trudeau, who had served as Prime Minister for approximately nine years, stepped down, and Mark Carney, who won the ruling Liberal Party leadership election, assumed the office of Prime Minister. Although Prime Minister Carney also won the federal House of Commons election held at the end of April, securing 169 of the 343 seats up for election, the Liberal Party minority government continued. The Carney Cabinet upon taking office comprised 38 ministers (28 Cabinet

ministers and 10 ministers of state), with 24 new Cabinet members (13 of whom were first-term members of Parliament), gender parity among Cabinet ministers (14 each), and ministers appointed from all 10 provinces. As a minority government, parliamentary cooperation with the various opposition parties on a case-by-case basis has continued. However, in November and December of that year, two Conservative members of Parliament crossed the floor to the Liberal Party, bringing the Liberal Party's seat count in the House of Commons to within one seat of a majority.



Japan-Canada Foreign Ministers' Meeting (March 13, Charlevoix, Canada)



Japan-Canada Summit Meeting (June 16, Kananaskis, Canada; Photo: Official Website of the Prime Minister's Office of Japan)



Japan-Canada Foreign Ministers' Meeting (June 25, The Hague, the Netherlands)



Japan-Canada Summit Meeting (November 1, Gyeongju, ROK; Photo: Official Website of the Prime Minister's Office of Japan)



Japan-Canada Foreign Ministers' Meeting (July 8, Tokyo)

On the economic front, according to Canada's federal budget plan released by the Department of Finance Canada in November 2025, real GDP growth in 2025 is expected to be 1.1% (1.5% in the previous year), the unemployment rate to be 7.0% (5.4% in the previous year), and the annual average of the Consumer Price Index (CPI) to be 2.1% (2.4% in the previous year). In addition, due to the negative impact of U.S. tariff measures and uncertainty over future trade rules, as well as proactive fiscal measures taken by the Government, a fiscal deficit of 78.3 billion Canadian dollars is projected for fiscal year 2025 (a deficit of 42.2 billion Canadian dollars was projected as of December of the previous year).

On the diplomatic front, as the G7 Presidency in 2025, Canada hosted the G7 Kananaskis Summit in June and G7 Foreign Ministers' Meetings in March and November, and led efforts on a wide range of matters including the situations in the Middle East and Ukraine. There have also been major developments in the traditionally stable U.S.-Canada relationship. As part of the series of tariff measures taken by the U.S. Government, Canada has been subject to 25% tariffs

on all products on the grounds of the flow of illegal immigrants and fentanyl since March (raised to 35% in August). (goods compliant with the United States-Mexico-Canada Agreement (USMCA) were excluded; energy and fertilizer are subject to 10%). Various sector-specific tariffs were also imposed, as with other countries. In response, the Government of Canada imposed counter-tariff measures on certain U.S. goods. Prime Minister Carney, who took office in March, sought to build a new economic and security relationship with the U.S. while also promoting stronger cooperation with European and Indo-Pacific countries from the perspective of trade diversification.

With regard to ASEAN countries, Canada has been strengthening its relationship based on the "Strategic Partnership" established in September 2023, including through Minister of Foreign Affairs Anita Anand's attendance at the 32nd ASEAN Regional Forum (ARF) in July 2025, and Prime Minister Carney's attendance at the ASEAN-related Summit Meetings in October, and is accelerating negotiations toward the conclusion of a Canada-ASEAN Free Trade Agreement in the course of 2026. In September 2025, Indonesian President Prabowo Subianto visited Canada, and the Canada-Indonesia Comprehensive Economic Partnership Agreement (CEPA) was signed, which is the first such bilateral agreement between Canada and an ASEAN member country.

With regard to Canada-China relations, in 2024, the Government of Canada introduced surtaxes on Chinese electric vehicles (EVs) and steel and aluminum goods from China on the grounds of China's unfair trade practices, to which the Government of China responded in March 2025 by imposing additional tariffs on Canadian



Japan-Canada Foreign Ministers' Meeting (November 11, Niagara, Canada)

canola, seafood, pork, and other products. Furthermore, from June onward, Canada imposed tariff-rate quotas on Chinese steel mill products and surtaxes on steel goods melted and poured in China and aluminum goods smelted and cast in China, with the exchange of additional tariff measures continuing. Amid this situation, following Minister of Foreign Affairs Mélanie Joly's visit to China in July 2024, Foreign Minister Anand visited China in October 2025, and on the occasion of the APEC Economic Leaders' Meeting in November, a Canada-China Leaders' Meeting was held between Prime Minister Carney and President Xi Jinping for the first time in approximately eight years. In January 2026, at the invitation of Premier of State Council Li Qiang, Prime Minister Carney visited China, the first visit by a Canadian Prime Minister in approximately eight years. At the Canada-China Leaders' Meeting with President Xi held on January 16, a leaders' joint statement on a "new Strategic Partnership" and seven bilateral cooperation documents and memoranda of understanding, including the "Canada-China Economic and Trade Cooperation Roadmap," were concluded, and a provisional arrangement on Canada-China trade was announced, including a significant reduction in tariffs on certain products imposed between Canada and China since 2024.

With regard to relations with the ROK, a Canada-ROK Leaders' Meeting was held on the occasion of the APEC Economic Leaders' Meeting in November, at which it was announced that agreement had been reached on the Canada-Republic of Korea Security and Defence Cooperation Partnership.

With regard to relations with India, while tensions had continued following the murder of a Sikh in

Canada in 2023, a Canada-India Leaders' Meeting was held on the occasion of the G7 Kananaskis Summit in June. At the end of August, both countries announced the reposting of their respective High Commissioners to each other's countries, and in October, Foreign Minister Anand visited India.

With regard to the response to the situation in Ukraine, Canada has joined the Coalition of the Willing led by the UK and France, and is continuing its sanctions against Russia and its support for Ukraine, including through visits to Ukraine by Prime Minister Trudeau in February, just before his departure from office, and by Prime Minister Carney in August. Since February 2022, the Government of Canada has committed to a total of 22.0 billion Canadian dollars (approximately 2.515 trillion yen) in support, including 6.5 billion Canadian dollars in military assistance.

With regard to the response to the Israel-Palestine situation, at the UN General Assembly in September, Prime Minister Carney announced Canada's recognition of the State of Palestine. With new announcements of support including 40 million Canadian dollars in July, the Government of Canada has announced a total of 340 million Canadian dollars (approximately 38.8 billion yen) in humanitarian assistance to improve the humanitarian situation in Gaza.

(2) Japan-Canada Relations

From January through December 2025, three meetings were held between the leaders of Japan and Canada (including one telephone call), and six meetings were held between the foreign ministers (including one telephone call).

On March 13, Foreign Minister Iwaya, visiting Canada to attend the G7 Foreign Ministers' Meeting in Charlevoix, held a Japan-Canada Foreign Ministers' Meeting with Foreign Minister Joly. The two ministers affirmed the importance of cooperation among allies and like-minded countries, including the G7, and Foreign Minister Iwaya stated that Japan would provide full support for the success of Canada's G7 Presidency in 2025. The two ministers welcomed the agreement in principle on the Japan-Canada Agreement on the Security of Information.

On May 2, Prime Minister Ishiba held a telephone call with Prime Minister Carney. Prime Minister Ishiba

expressed his congratulations to Prime Minister Carney on the victory in Canada's federal election, and stated his wish to cooperate with Prime Minister Carney, who is also the G7 Summit chair in 2025, to address various challenges amidst the continuing severe international environment.

On May 29, Foreign Minister Iwaya held a telephone call with Foreign Minister Anand. Foreign Minister Iwaya extended his congratulations on Foreign Minister Anand's appointment as Minister of Foreign Affairs, and the two ministers expressed their hope to hold an in-person meeting at an early timing.

On June 16, Prime Minister Ishiba, visiting Canada to attend the G7 Kananaskis Summit, held a Japan-Canada Summit Meeting with Prime Minister Carney. Prime Minister Ishiba expressed his respect for Prime Minister Carney on his leadership for hosting the G7 Summit Meeting, and also expressed his sympathies to those affected by the wildfires in Canada. The two leaders concurred on fortifying Japan-Canada security cooperation by signing, at an early date, the Agreement on the Security of Information and the Agreement concerning Transfer of Defense Equipment and Technology, which reached an agreement in principle in 2025, in addition to the ongoing cooperation based on the Agreement concerning Reciprocal Provision of Supplies and Services between the Self-Defense Forces of Japan and the Canadian Armed Forces, which is already in force. The two leaders also welcomed the progress made on LNG Canada and small modular reactor projects, and further discussed the possibility of cooperation between Japan and Canada in economic fields such as batteries and critical minerals.

On June 25, Foreign Minister Iwaya, who attended NATO Summit-related events, held a meeting with Foreign Minister Anand. Foreign Minister Iwaya welcomed Canada's commitment to the Indo-Pacific region, referring to Canada's initiatives to monitor illegal fishing activities in the region, as well as its monitoring and surveillance activities against illicit maritime activities including ship-to-ship transfers⁽²⁾ involving North Korean-flagged vessels in waters surrounding Japan.

On July 8, Foreign Minister Iwaya held a Japan-Canada Foreign Ministers' Meeting and a Signing Ceremony for the Japan-Canada Agreement on the Security of Information with Foreign Minister Anand, who was visiting Japan. The two ministers welcomed the signing of the Agreement on the Security of Information, and shared the view to sign the Agreement concerning Transfer of Defense Equipment and Technology and the Treaty on Mutual Legal Assistance in Criminal Matters at an early date. The two ministers confirmed their continued collaboration between Japan and Canada, including within the G7, bearing in mind Canada's role as G7 Presidency in 2025.

On November 1, Prime Minister Takaichi, visiting Gyeongju, ROK to attend the APEC Economic Leaders' Meeting, held a Japan-Canada Summit Meeting with Prime Minister Carney. At the outset, Prime Minister Carney conveyed his congratulations on Prime Minister Takaichi's assumption of office, to which Prime Minister Takaichi expressed her gratitude and conveyed her sincere respect for Prime Minister Carney's leadership as G7 Chair in 2025. The two leaders reaffirmed their commitment to further strengthening cooperation for realizing FOIP, on the basis of the "Japan-Canada Action Plan for contributing to a free and open Indo-Pacific region." Prime Minister Takaichi noted that Canada is an extremely important partner, and the two leaders reaffirmed their intention to advance cooperation across a wide range of areas of security and economic fields, including energy security and food security. The two leaders concurred to work in close coordination on regional situations such as on their policies toward North Korea, including its nuclear and missile issues as well as the abductions issue.

On November 6, Foreign Minister Motegi held a telephone call with Foreign Minister Anand. Foreign Minister Anand extended her congratulations to Foreign Minister Motegi on his assumption of the position, to which Foreign Minister Motegi expressed his gratitude and conveyed his respect for Canada's leadership as G7 Presidency in 2025. The two ministers confirmed to strengthen cooperation, including collaboration at the future G7 Foreign Ministers' Meeting.

(2) In this context, "ship-to-ship transfers" refers to the transfers to or from North Korea-flagged vessels of any goods or items at sea, which UN Security Council Resolution 2375 (adopted in September 2017) prohibits UN member states from facilitating or engaging in.

On November 11, Foreign Minister Motegi, visiting Niagara, Canada to attend the G7 Foreign Ministers' Meeting, held a meeting with Foreign Minister Anand. Foreign Minister Motegi expressed his respect for Canada's leadership as G7 Presidency in 2025, and the two ministers concurred to cooperate closely, building on the "Japan-Canada Action Plan for contributing to a free and open Indo-Pacific region." The two ministers also reaffirmed their commitment to the early signing of the Agreement concerning Transfer of Defense Equipment and Technology and the Treaty on Mutual Legal Assistance in Criminal Matters, which have been agreed upon in-principle. Subsequently, the Agreement concerning Transfer of Defense Equipment and Technology was signed in January 2026, and the Treaty on Mutual Legal Assistance in Criminal Matters was signed in December 2025, between the two governments.

In the economic and trade fields, Japan cooperated with Canada in advancing discussions on issues such as accessions to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the general review, with a view to maintaining and strengthening a free and fair economic order in the Indo-Pacific. Japan also worked together with Canada

on reform of the World Trade Organization (WTO), including discussions in the Ottawa Group. In August, the second meeting of the Dialogue based on the Memorandum of Cooperation concerning Battery Supply Chains, which was signed in 2023, was held in Tokyo. At the meeting, the participants reviewed the progress of concrete action plans taken by the two countries since the previous dialogue with a view to building a global battery supply chain between Japan and Canada. They concurred to continue advancing further efforts regarding the exchange of information on policies of the two countries, measures to promote trade and investment, and research and development. In the energy field, in June, shipments commenced from the LNG Canada project in which Japanese companies are participating, and the supply of Canadian LNG to Asia, including Japan, began. Furthermore, in the small modular reactor (SMR) construction project being advanced by the Province of Ontario, Canada, an SMR developed with the involvement of Japanese companies was adopted. In the science and technology field, coordination is progressing based on the Memorandum of Cooperation on Industrial Science and Technology such as quantum and AI, signed in 2023.