



JOINT STATEMENT

63rd U.S.-JAPAN BUSINESS CONFERENCE

Washington, DC

October 6-7, 2026

The United States and Japan have entered a period of strong commercial momentum and strategic alignment driven by deep integration in corporate strategy, mutual investment, and shared innovation. Thus, the U.S.-Japan Business Council and the Japan-U.S. Business Council held their 63rd U.S.-Japan Business Conference under the theme of “Allied for Growth: Driving the Next Era of the U.S.-Japan Economic Partnership” to capitalize on the full potential of this moment.

The U.S. and Japanese business communities see rapid shifts in the global economy, spurred by developments in artificial intelligence (AI), energy buildouts, and global supply chain reorganizations, as an opportunity to unlock exponential growth. We thus call on policymakers in both countries to lay the foundations needed to ensure that these opportunities can be fully leveraged. Those foundations should prioritize accelerating mutual investment, promoting cooperation on AI and advanced technologies, and strengthening resilient and trusted global supply chains to guide these policy efforts. Each section below goes into greater detail on how the private sector recommends guiding regulatory harmonization, permitting reform, and economic security policies so that they reinforce, rather than hinder, sustainable economic growth.

This Joint Statement, which was ratified by 130 U.S. and Japanese companies at the 63rd U.S.-Japan Business Conference in Washington, DC on October 7, 2026, also includes five sectoral annexes to provide working-level recommendations for the Digital Economy, Energy & Infrastructure, Financial Services, Healthcare Innovation, and Travel, Tourism and Transportation sectors.

Pillar I: Accelerating U.S.-Japan Mutual Investment

The next era of the U.S.-Japan economic partnership will be driven not only by trade in goods, but by a robust mutual investment relationship built on predictable, transparent, and market-oriented policies that foster the free flow of people, goods, and capital. Therefore, our Councils recommend the following actions:

- **Advance U.S.-Japan Mutual Investment for Shared Growth:** The Councils call on both governments to promote greater U.S.-Japan mutual investment by enhancing transparency, predictability, and investment facilitation measures. In this context, the U.S.-Japan Strategic Investment Initiative should ensure that a wider range of private sector stakeholders of both countries can benefit from this landmark agreement, including, where consistent with the objectives of the Initiative, sectors such as digital infrastructure, energy, materials production and healthcare.
- **Derisk Supply Chain Diversification:** The Councils call on government financing institutions (e.g., U.S. DFC, EXIM, and Japan's JBIC) to coordinate with the private sector to derisk commercial investments aimed at diversifying critical supply chains in the Indo-Pacific.
- **Streamline Bilateral Investment and Market Access:**
 - The Councils call on the Japanese Government to enable government-affiliated organizations,

including JETRO, to serve as a primary touchpoint for U.S. businesses seeking to begin or grow their investments in Japan, similar to the SelectUSA initiative held by the U.S. Department of Commerce, and to actively support the business activities of U.S. companies.

- The Councils call on the U.S. Government (USG) to recognize Japan's role as a trustworthy investor in American jobs and create a stable, predictable environment for Japanese Foreign Direct Investment (FDI), especially in sectors of shared priority like advanced manufacturing, infrastructure, and technology.
- The Councils advise both governments to maintain transparent, predictable, and innovation-supportive pricing and reimbursement frameworks that promote timely patient access to medicines, medical devices, and other healthcare innovations, while removing tariffs and non-tariff barriers that impede healthcare companies from expanding in the United States and Japan.
- The Councils urge both governments to promote the digital economy by ensuring the free flow of data across borders with trust (DFFT), avoiding data localization mandates, protecting source code and algorithms from mandatory disclosure, and ensuring open, non-discriminatory ICT government procurement, while strengthening cybersecurity, resilience and prioritizing trusted vendors.
- **Ensure Transparency, Predictability, and Stability in Trade and Investment Policies:** The Councils encourage both governments to maintain transparent, predictable, and rules-based trade and investment frameworks that support long-term business planning, resilient supply chains, and sustainable economic growth. In this regard, maintaining a stable USMCA (the United States-Mexico-Canada Agreement) framework is of critical importance to supporting North American regional supply chains and providing the predictability that businesses need to make long-term investment decisions.
- **Enhance Human Capital, Mobility, and Bilateral Connectivity:**
 - Both governments should provide bilateral policy support to facilitate talent mobility, workforce development, business engagement, and travel between the United States and Japan, thereby strengthening economic competitiveness, commercial ties, and long-term people-to-people connections.
 - In particular, both governments should modernize visa programs and cross-border workforce initiatives, taking into account the economic and workforce conditions of each country, to address the acute talent shortages companies face in AI, network engineering, cybersecurity, healthcare, tourism, transportation, and energy.

Pillar II: Expanding Public-Private Cooperation on AI and Deep Tech

The United States and Japan must work together to develop the energy, infrastructure, and policy foundations for the AI era, while strengthening collaboration on the deployment and commercialization of next-generation technologies, including Physical AI and quantum computing, to unlock new opportunities for growth. Therefore, our Councils recommend the following actions:

- **Power AI Infrastructure:** Both governments should accelerate permitting processes and implement policies that support corporate procurement of power sources aligned with their corporate strategies. Additionally, we urge both governments to leverage this rare moment of growing electricity demand to invest in R&D for next-generation energy sources (including advanced nuclear and geothermal) that can reinforce our national energy security, enhance data center and network energy efficiency, and open new business opportunities abroad.
- **Accelerate Secure Digital Infrastructure Modernization:** The Councils call on both governments to accelerate the modernization of legacy digital infrastructure, networks, cloud environments, and data centers, embedding security-by-design, resilience, and interoperability from the outset. This should include coordinated approaches to AI-related cybersecurity risks and preparation for the transition to post-quantum cryptography.
- **Harmonize AI Governance:** The Councils call on both governments to pursue interoperable, risk-based and use-case-specific AI governance grounded in international consensus standards and the Hiroshima AI Process. We urge cooperation between our respective AI Safety Institutes on shared evaluation methodologies (including for agentic AI systems) to avoid a fragmented playing field that stifles industry-led

innovation.

- **Support Joint R&D and Commercialization Incentives:** The Councils recommend targeted government funding and tax incentives, tailored to the industrial circumstances of each country, to support collaborative R&D efforts and private-sector advancement in "Physical AI" and deep tech, including but not limited to applications such as autonomous technologies, quantum computing, post-quantum security, and commercial space.

Pillar III: Fortifying Economic Security and Supply Chain Resilience

The United States and Japan must proactively foster resilient and trusted global networks with reliable partners to create a foundation for resilient supply chains that can generate sustainable growth in the next era of the global economy. Therefore, our Councils recommend the following actions:

- **Prioritize Energy Export Stability:** The Councils urge the U.S. Government to ensure the swift, stable, and predictable export of liquid fuels and natural gas, recognizing U.S. energy as a cornerstone of Japanese and Indo-Pacific economic security, while calling on both governments to incentivize long-term energy infrastructure investments.
- **Incentivize Trusted and Diversified Supply Chains:** We call on both governments to provide public-private co-investment mechanisms, tax credits, and other incentives to build viable domestic capacity in critical inputs and products, tailored to the industrial circumstances of each country, such as critical minerals processing, advanced petrochemicals, semiconductor components, and pharmaceuticals. It is important that these incentives are not conditioned on domestic-content requirements, forced localization, or technology transfer.
- **Finance Trusted Commercial Corridors:** We urge both governments to align foreign commercial diplomacy and financing to support U.S. and Japanese businesses in building secure, high-standard infrastructure and digital networks in emerging markets.
- **Ensure Operational Continuity:** The Councils advise that economic security tools be narrowly targeted and cultivated in close consultation with the private sector to safeguard against economic coercion while preserving the operational continuity of U.S. and Japanese multinational supply chains.
- **Foster Resilient and Trusted Global Networks:** We ask both governments to advance cooperation with trusted partners to build resilient and diversified supply chains, strengthen critical infrastructure, and support secure ecosystems, including through enhanced cybersecurity cooperation, threat information sharing, and coordinated preparation for emerging AI and quantum security risks.

Conclusion

The U.S. and Japanese private sectors remain committed to supporting growth and innovation to unlock massive growth potential and meet the challenges of the coming decades. Strong support from the public sector is an essential enabler for this growth. Therefore, we warmly invite both governments to join in our commitment by advancing the pro-growth, pro-partnership policies outlined in this statement and our five sectoral annexes.