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JAPAN

Digest

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Economic security bill submitted to the Diet

On 25 February, economic security bill was [submitted to the Diet](#) for approval. The bill is put forward for debate in the parliamentary session. The goal is to get it cleared by [June](#). The bill prioritises four issues, including bolstering security of critical infrastructure against cyberattacks, strengthening supply chains for key materials, expediting public-private cooperation on advanced technology, and protecting patents on sensitive technologies. Japanese manufacturers have struggled owing to chip shortages. In response, Japan has firmed up plans with Taiwan Semiconductor Manufacturing Co. to set up a chip factory in Kumamoto. Japan is reportedly considering to designate semiconductors, medical supplies and rare earth as special goods. When it comes to securing critical infrastructure, corporations pertaining to sectors such as gas, petroleum, power, water, railway, trucking, airlines, airports, international freight, communications, broadcasting, postal services, financial services and credit card providers will have to report on their plans relating to installing parts and equipment, and also suppliers. Japan further aims to deepen public-private cooperation in domains like outer space, artificial intelligence and quantum computing. However, some are sceptical if this would lead to interference by the government as they get to assess company's business plans.

Japan and Ukraine

On 23 March, Ukrainian President addressed Japanese Parliament where the key message was seeking Japanese and other Asian countries assistance "to stabilize the situation". The next day, Prime

Minister Kishida attended the G7 Summit in Belgium where he underscored Tokyo's commitment to take concerted action notwithstanding Moscow's assertion that it will suspend negotiation for a peace treaty with Japan. Japan is gearing up for its G7 presidency next year, and Prime Minister Kishida said Tokyo is ready to "lead international efforts against Russia's aggression" in cooperation with other nations. Kishida stated that being the sole G7 nation representing Asia, Japan has [reached out to other Asian powers, including India](#) "to invite them to work with the G7". Japan also engaged in a few bilateral meetings on the side-lines including the US, the leaders of the European Union (EU), the UK, Poland, NATO and Canada.

Meanwhile, Japan has already provided bulletproof vests, helmets, tents, cameras, binoculars, flashlights, medical equipment to Ukraine. They are also considering personnel contribution in health sector to help refugees who are in neighbouring nations. They extended additional emergency humanitarian assistance of [US\\$ 100 million](#) through international organizations which will be used for medical care and food. Earlier, it announced US\$ 100 million in assistance and another US\$ 100 million in loans to Ukraine. Tokyo has frozen assets of people related to Russian government, President Putin and oligarchs, seven banks including VEB.RF, Promsvyazbank, Bank Rossiya, VTB Bank, Sovcombank, Novicombank and Bank Otkritie and their subsidiaries in Japan, and excluding them from the SWIFT system. In addition to Russian banks, Japan has frozen assets of three Belarusian banks including Belagroprombank, Bank Dabrabyt and Development Bank of the Republic of Belarus and their subsidiaries

in Japan. It has also employed sanctions on exports to Russian military-related entities; exports of controlled items specified on the globally agreed list and other dual-use goods, for example, semiconductors.

However, it is important to note that Minister of Economy, Trade and Industry, Koichi Hagiuda has clarified that Japan has [no intension of withdrawing](#) from oil and LNG development projects in Russia.

Japan sanctions North Korea following the ICBM launch

On 24 March, Japan confirmed that Pyongyang launched a new type of inter-continental ballistic missile (ICBM) which fell within its exclusive economic zone (EEZ). Prime Minister Kishida has condemned the development as an “outrageous act that cannot be tolerated”. This is in violation of relevant United Nations Security Council resolutions. State Minister of Defense, Makoto Oniki suggested that the latest launch constitutes “a serious threat” to Japan. Chief Cabinet Secretary, Hirokazu Matsuno indicated that Tokyo has registered its protest through Pyongyang’s embassy in Beijing. Following the recent launch, Japan has expanded its sanctions against Pyongyang. It is freezing assets of six North Koreans, three Russians and four Russian entities who are allegedly involved in Pyongyang’s nuclear and missile development. With this, Tokyo’s sanctions list covers [120 individuals and 129 entities](#). Japan is likely to work in close cooperation with [Washington and Seoul](#) in responding to the situation.

India-Japan annual summit

On 19 March, 14th India-Japan annual summit was hosted in Delhi. Japanese Prime Minister Fumio Kishida’s visit to

India led to a number of important deliverables as both nations celebrate the 70th anniversary of establishment of diplomatic relations. The joint statement emphasised the shared intention to realize around [\\$42 billion of public and private investment](#) and financing from Japan to India over the next five years. The India-Japan Industrial Competitiveness Partnership Roadmap has been outlined with the aim of further supporting industrial cooperation, especially in MSME (Micro, Small and Medium Enterprises), manufacturing and supply chains. Additionally, the [Clean Energy Partnership \(CEP\)](#) was launched with the objective of achieving sustainable economic growth, by advancing cooperation in electric vehicles (EV), storage systems including batteries, electric vehicle charging infrastructure (EVCI), solar energy, green hydrogen/ammonia, energy efficiency, CCUS (Carbon dioxide Capturing, Utilization and Storage) and carbon recycling. Meanwhile, Suzuki Motor Corporation has concluded a [MOU with Gujarat](#) for local manufacturing of electric vehicles (BEV) and BEV batteries. With the Memorandum of Cooperation on Decentralized Domestic Wastewater Management, Johkasou technology will advance sewage infrastructure in India. Just before the bilateral summit, on 15 March, the 6th Act East Forum was held to further bolster Japan-India cooperation in Northeast India. Presently, Japanese ODA projects in Northeast amounts to more than [246 billion yen](#).