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### **Economic unit of the National Security Secretariat joins fight against COVID-19**

Japan's National Security Secretariat (NSS) has instituted an economic team. The Chief Cabinet Secretary, Suga Yoshihide stressed that since the realm of national security is rapidly expanding to economic and technical fields, one of the priority areas for the unit will be to track movement of pathogenic agents during this global pandemic to protect national safety. The economic unit will gather information on the international response to COVID-19 and its economic consequences. It will also monitor suspected intellectual property abuses and technology theft by China in addition to cyber-attacks emanating from North Korea. This unit will work at the NSS alongside other teams including the coordination team, strategic planning team, intelligence team and another three teams dealing with regional affairs. This development unfolded as Japan barred Huawei Technologies and ZTE Corp. from getting involved in public procurement contracts as apprehensions regarding alleged espionage intensifies. Japan instituted the National Security Council in December 2013 with the objective of carrying out strategic discussions on several national security issues on a regular basis.

### **US Forces Japan and COVID-19**

The US Forces Japan initially declared a Public Health Emergency for the Kanto region, which was subsequently extended to whole of Japan on April 15. It will continue till May 15. COVID-19 cases emerged on USS Theodore Roosevelt and USS Ronald Reagan (based in Japan) in addition to a US base in Japan.

### **COVID-19 and Japan's economic woes**

The Cabinet Office has stated that the economy is adversely affected by an extremely severe situation triggered by COVID-19 outbreak. The Cabinet Office in its latest report has revised the assessments for industrial output, private consumption and another four of the 11 key components. Estimation of exports, corporate profits, and employment situation has seen a downward movement. Economic and Fiscal Policy Minister, Nishimura Yasutoshi argued that the economy will witness a downward phase. In the short-term, Japan may need to cope with further downside risks with unstable international financial markets since the outbreak of the COVID-19. Especially, the auto sector is likely to experience a steep fall in production in April owing to slowing demand, supply chain disruptions and factory suspensions. Also, private consumption is adversely affected due to emergency measures in place because of the global health emergency. Japan injected a stimulus package worth 20 percent of GDP to help the economy manage the shock.

### **COVID-19 severely affects Japan's trade surplus**

Finance Ministry data reflects that overall exports dipped 11.7 percent, with US shipments plummeting 16.5 percent and China shipments diminishing 8.7 percent. Meanwhile, exports to the European Union decreased 11.1 percent. Trade surplus dropped 99 percent in March primarily because Covid-19 hit exports to Japan's major trading partners. US shipments witnessed the biggest dive since April 2011, driven by decrease in demand for automobiles, airplane motors and construction and mining machinery. Meanwhile, Japan's imports dropped 5.0 percent since imports from China decreased 4.5 percent and from the EU decreased 9.7 percent. But imports from the US increased 1.3 percent, driven by purchases of aircraft, medical supplies and LNG.

### **Parliament passes law to form the maiden Space Operations Squadron**

On April 17, the parliament passed legislation to facilitate the institution of Japan's maiden Space Operations Squadron in the current fiscal year 2020. This is in keeping with the policy direction prioritising three new defence domains including space, cyber space, and electronic warfare (EW). This Space Squadron, comprising 20 personnel, is a part of Japan Air Self-Defense Force (JASDF). They will be based at Fuchu Air Base in western Tokyo. The strength will gradually increase to 100 personnel by 2022. The primary responsibility includes operating a surveillance system designed to track space debris and the position of satellites in order to steer clear of collisions in space.

### **Japan builds AI-based system to manage cyber attacks**

Defence Ministry indicated that Japan plans to spend JP¥ 25.6 billion (US \$ 235 million) in fiscal year 2020 on cyber-security associated activities and programmes, together with the development of an artificial intelligence (AI) based system in order to respond to cyber attacks. This system is likely to automatically identify malicious electronic mail and measure the level of threat by resorting to AI technologies. By now, JP¥ 30 million is allocated for the preliminary design. Additionally, the ministry will expend JP¥ 20 million to undertake research on cyber-security measures especially for 5G-capable network devices used by Defence Ministry and the Japan Self-Defense Forces (JSDF).

### **US-Japan strengthen naval cooperation in Andaman Sea**

Joint operation involving littoral combat ship USS Gabrielle Giffords (LCS 10) and the Japanese Maritime Self-Defense Force (JMSDF) *Akizuki*-class destroyer, JS *Teruzuki* (DD 116) was conducted on April 2 while sailing through the Andaman Sea. JS *Teruzuki* was underway in the Indo-Pacific to support regional security and stability. Meanwhile, Gabrielle Giffords was on her rotational deployment to the US 7th Fleet. They focussed on bilateral communications exercises, division tactics, and photo exercise with the objective of enhancing interoperability between the two navies and lay emphasis on the value of communications and coordination while operating together. The aim is to bolster shared commitment to a free and open Indo-Pacific.

### **US-Japan operate together in the East China Sea**

US Amphibious assault ship USS America (LHA 6) together with Japan's *Murasame* class destroyer JS *Akebono* (DD 108) conducted a series of collaborative activities from April 9-11 in the Philippine Sea and East China Sea. The focus was on bilateral communications exercises and division tactics intended to improve interoperability between the two navies and call attention to the significance of communications and coordination while operating underway. In addition, they focussed on war-fighting readiness during replenishment-at-sea on April 11. JS *Akebono* is deployed to the East China Sea. Cohesive operations with allies and the need to provide versatile and mission-ready strike group to the region was stressed.

### **Foreign Minister Motegi protests Chinese incursions in East China Sea**

Japanese Foreign Minister, Motegi Toshimitsu registered protest with his Chinese counterpart, Wang Yi on April 21 against Chinese incursions into territorial waters near the contested Senkaku Islands in the East China Sea. Chinese vessels have reportedly entered the disputed waters seven times in 2020. Moreover, Motegi also articulated that Japan is closely monitoring the recent developments in the South China Sea and supports upholding the rule of law and peaceful resolution of conflicts based on international law.