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Issue Brief

Japan and Australia: 50 Years of the Basic Treaty of Friendship and Cooperation

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S*ummary*

Fifty years after the Basic Treaty of Friendship and Cooperation, Japan and Australia have built a partnership that extends beyond the economic foundations and is now anchored in energy interdependence, shared democratic values and strategic alignment.

Introduction

The year 2026 marks the 50th anniversary of the Australia–Japan Basic Treaty of Friendship and Cooperation. The treaty was signed in Tokyo in 1976 by Prime Ministers Malcolm Fraser and Miki Takeo.¹ It institutionalised an expanding post-war partnership and laid the foundation for the ‘Special Strategic Partnership’ between Japan and Australia. Over time, the bilateral relationship between the two countries has evolved from a resource-trade partnership into a more comprehensive alignment involving Indo-Pacific security, defence, critical minerals and supply chains.

Prime Ministers Tony Abbott and Shinzo Abe announced the Special Strategic Partnership in July 2014 to boost cooperation across political, security and economic arenas.² This partnership was built upon the 2007 Joint Declaration on Security Cooperation and preceded the 2015 Japan–Australia Economic Partnership Agreement (JAEPA). This brief evaluates the trajectory and strategic depth of Japan–Australia relations as they complete 50 years of their Basic Treaty of Friendship and Cooperation.

Historical Background: Economic Interdependence

The 1976 Treaty formalised regular high-level consultations, legal frameworks for investment and business, mechanisms for political dialogue, and institutional economic cooperation. It also symbolised reconciliation and transformation of wartime adversaries into economic partners widely anchored in shared democratic values and norms. In the aftermath of World War II, bilateral ties between Japan and Australia were normalised in 1957 through a Commerce Agreement.³ The agreement established a trade partnership between the two countries. In the 1970s, Japan became Australia’s largest trading partner, especially for coal, liquefied natural gas (LNG) and Iron Ore.

After Japan’s post-war economic recovery, Australia became an increasingly reliable supplier of coal and agricultural goods. Japan’s imports from Australia were mainly agricultural products. During the 1960s and early 1970s, Japan was undergoing rapid re-industrialisation, which increased steel demand and, consequently, for energy resources. This development marked a crucial transition in Australia’s exports to Japan, shifting from agricultural goods to iron ore and coal. Japan

¹ James Arthur Ainscow Stockwin, “[Negotiating the Basic Treaty Between Australia and Japan, 1973–1976](#)”, *Brill*, 2004.

² “[Prime Minister Abbott and Prime Minister Abe Joint Statement ‘Special Strategic Partnership for the 21st Century’](#)”, Ministry of Foreign Affairs (MOFA), Japan, 8 July 2014.

³ David Lowe, “[Australia and Japan After the Second World War: Constructing New Futures in Asia](#)”, *The Otemon Journal of Australian Studies*, Vol. 35, 2009, pp. 123–133.

accounted for approximately 50 per cent of Australia’s coal and iron ore exports by 1990.⁴

In the 1990s, LNG trade between the two countries also expanded, which deepened the energy nexus. Australia’s emergence as one of Japan’s largest LNG suppliers boosted Tokyo’s energy security.⁵ The 2015 Japan–Australia Economic Partnership Agreement (JAEPA) further liberalised trade, signalling the centrality of economic cooperation.⁶ The agreement provided preferential access for exporters in Australia.

Japan’s exports to Australia also evolved, with initial exports consisting of textiles and manufactured goods. From the 1960s onwards, Japan began exporting goods, including electrical equipment, machinery and automobiles, to Australia.⁷ In recent times, Japan’s exports have included high-tech electronics. Economic cooperation between the two countries has expanded over time to include areas such as the green energy transition, the hydrogen supply chain, critical minerals, and supply-chain resilience amid geopolitical disruptions. Japan views Australia as a trusted supplier, and for Australia, Japan is its most trusted partner in Asia, particularly amid China’s expansionist behaviour.

Shift Towards Strategic and Security Cooperation

Japan–Australia security partnership is centred on shared strategic interests and concerns about regional stability in the Indo-Pacific. After World War II, both countries became close US allies under the US security umbrella, which laid the foundation for their security cooperation. Japan’s security was deeply anchored in the 1951 Treaty of Mutual Cooperation and Security between the US and Japan, and Australia was linked to the US through the 1951 ANZUS (Australia, New Zealand and the US) Treaty.⁸ Both countries, as US allies, shared strategic outlooks and threat perceptions, and this alliance framework led to a closer policy coordination.

Australia and Japan established a defence element in their bilateral ties in the 1990s, when Japan’s defence minister, Yozo Ishikawa, visited Australia in May 1990.⁹ Australia’s interest in Japan’s security role in the region was a shift in Australia’s strategic position regarding the vitality of East Asia to its security. Australia eventually came to the view that the security of Southeast Asia is not separate from that of East Asia, and that instability in East Asia has a direct impact on Australia’s

⁴ Ibid.

⁵ Masahide Takahashi, “[Australia’s Strategic Importance to Japan’s Energy Policy](#)”, Sasakawa Peace Foundation, 18 February 2026.

⁶ “[Japan-Australia Economic Partnership Agreement](#)”, Australian Government Department of Foreign Affairs and Trade (DFAT).

⁷ “[Australia and Japan: A Trading Tradition](#)”, Parliament of Australia.

⁸ Takashi Terada, “[Evolution of the Australia-Japan Security Partnership: Toward a Softer Triangle Alliance with the United States?](#)”, IFRI, Centre for Asian Studies, October 2010.

⁹ Ibid.

well-being.¹⁰ One of the fundamental motives behind the security partnership between the two countries was China’s rise. Shifting power dynamics in the 21st century, driven by concerns over maritime security in the South China Sea and East China Sea, have motivated both countries to deepen their defence cooperation.

A turning point in security cooperation between Japan and Australia was the 2007 Joint Declaration on Security Cooperation, signed by Prime Ministers Shinzo Abe and John Howard.¹¹ The agreement was successful in institutionalising defence and foreign ministerial consultations, the 2+2 format, which further expanded joint military exercises and intelligence-sharing. In May 2010, both countries signed the Acquisition and Cross-Servicing Agreement (ACSA), which allowed for reciprocal provision of services and supplies between Japan’s Self-Defence Forces (SDF) and the Australian Defence Force (ADF).¹² ACSA includes exercises, UN Peacekeeping operations and humanitarian and disaster relief operations. This was the second such agreement Japan had with another country; the first was with the United States, which came into force in 1996.

The Reciprocal Access Agreement (RAA) signed in January 2022 facilitates reciprocal access and cooperation between the SDF and ADF on joint training and the smooth deployment of forces in each other’s territories.¹³ This agreement has also expanded trilateral exercises with the United States and furthered coordination in maritime domain awareness and humanitarian assistance. The SDF and ADF train regularly and participate in major multilateral exercises such as Talisman Sabre.

Japan and Australia have cooperated to establish the Trilateral Strategic Dialogue (TSD) with the US, which China viewed as a containment model. The US has motivated its allies to forge stronger ties to strengthen the security architecture further. The first ministerial meeting of the TSD was held in Sydney in 2006 by the foreign ministers of all three nations.¹⁴ In July 2025, Australia, Japan and the United States signed an agreement to enhance interoperability of their maritime logistics, marking the first trilateral logistics agreement among the three countries.¹⁵

Like the TSD, Japan and Australia have also been instrumental in institutionalising the Quad. The Quad is not a formal military alliance but is intended to counter

¹⁰ [“In the National Interest: Australia’s Foreign and Trade Policy”](#), White Paper, Commonwealth of Australia, Department of Foreign Affairs and Trade, Australia, 1997.

¹¹ [“Japan-Australia Joint Declaration on Security Cooperation”](#), Ministry of Foreign Affairs (MOFA), Japan.

¹² [“The Signing of the Japan-Australia Acquisition and Cross-servicing Agreement \(ACSA\)”](#), Ministry of Foreign Affairs (MOFA), Japan, 19 May 2010.

¹³ Amb. Anil Wadhwa, [“The Significance of the Australia-Japan Defence Agreement”](#), Vivekananda International Foundation (VIF), 8 January 2022.

¹⁴ Thomas Wilkins, [“The US-Japan-Australia Trilateral Strategic Dialogue \(TSD\)”](#), in *Strategic Minilateralism and the Regional Security Architecture of the Indo-Pacific*, Palgrave Macmillan, Singapore, 27 May 2025.

¹⁵ Mike Yeo, [“US, Australia and Japan Sign Trilateral Naval Logistics Agreement”](#), *Breaking Defense*, 11 July 2025.

China’s expansionist behaviour in the Indo-Pacific region. Both countries share mutual concerns regarding coercive behaviour in the East and South China Seas. Moreover, ongoing tensions in the Taiwan Strait and remarks by Japan’s Prime Minister Sanae Takaichi regarding Taiwan have further strained relations between China and Japan.¹⁶

Security cooperation between Japan and Australia also helps shape the ‘Free and Open Indo-Pacific’ (FOIP) vision, originally articulated by Prime Minister Abe. The FOIP concept was eventually adopted in various forms by countries such as India, Australia and the United States. For Australia, the geographic scope of the Indo-Pacific extends to India but does not include the western margins of the Indian Ocean littoral. It also focuses on inclusiveness and maintaining the US presence in the region.

Japan’s FOIP vision aligns closely with Australia’s Indo-Pacific strategy, which emphasises the rule of law, maritime domain awareness, capacity-building in Southeast Asia and the Pacific islands, and infrastructure development. Australia’s 2024 National Defence Strategy (NDS) designated Japan as an indispensable partner for peace and stability in the Indo-Pacific region.¹⁷ Australia prioritises trilateral cooperation with the US and Japan to promote interoperability and coordinated action. Moreover, the founding of AUKUS (Australia, the UK and the US) in 2021 further showcases Australia’s position as a close US ally. Japan is not a formal member of AUKUS but has expanded its cooperation with the partnership under the advanced technology pillar, which includes Artificial Intelligence (AI), cyber capabilities, quantum technologies, and undersea and hypersonic technologies.

Apart from the traditional defence collaboration, both countries are increasingly cooperating in defence technology and industrial resilience. Cooperation on defence equipment and technology transfer creates opportunities for joint research and development in areas of autonomous systems and advanced materials. Australia’s NDS of 2024 emphasises enhancing cooperation on defence innovation while further boosting ties with Japan. In August 2025, Canberra announced a US\$ 6 billion agreement for purchasing 11 cutting-edge warships manufactured by Japan’s Mitsubishi Heavy Industries.¹⁸

This agreement is a significant defence export agreement for Japan, as it ended the 2014 prohibition on military exports. The Mogami-class frigates under the agreement are stealth frigates capable of delivering long-range missiles and with an operational range of up to 10,000 nautical miles.¹⁹ The construction of the Australian Mogami is

¹⁶ Sayuri Romei, “[Japan’s Takaichi Stands Firm on Taiwan](#)”, German Marshall Fund, 4 December 2025.

¹⁷ Simran Walia, “[Australia’s National Defence Strategy Through the Lens of India in the Indo-Pacific Region](#)”, *Defence and Diplomacy Journal*, Vol. 13, No. 3, 2024.

¹⁸ Moyuru Tanaka, “[The Mogami: Advancing Australia-Japan Defense Cooperation](#)”, Center for Strategic & International Studies (CSIS), 21 November 2025.

¹⁹ Ibid.

an example of defence and industrial collaboration between the regional partners and signifies a recalibration of Japan’s strategic posture and identity. Furthermore, the agreement would enhance Australia’s naval capabilities and interoperability with the other country. Despite Japan’s pacifist constitution and Australia’s reliance on the US as its primary security guarantee, both nations see each other as indispensable security partners, and their cooperation further reinforces a networked security architecture in the Indo-Pacific.

Emerging Areas of Cooperation

Japan and Australia have been working together to reduce their dependence on single suppliers for critical minerals. The COVID-19 pandemic, supply chain disruptions and a fragmented environment due to US–China rivalry highlighted vulnerabilities in concentrated supply chains, especially for critical minerals. Australia’s resource endowments have positioned it as a supplier of lithium, cobalt and rare-earth elements, which are essential for Japanese high-tech industries, semiconductors and electric vehicles. Japanese firms and companies, including Toyota Tsuho, have increasingly invested in Australia’s rare-earth processing to reduce dependence and diversify away from China-dominated supply chains.²⁰ From Japan’s perspective, such cooperation lessens strategic risk and fosters advanced manufacturing, while for Australia, it facilitates deeper integration into high-technology supply networks. This partnership demonstrates strategic resource collaboration between the two countries.

Both Japan and Australia are also cooperating on critical and emerging technologies to enhance their economic security and technological resilience further. Both countries are exploring cooperation in AI and quantum technologies, semiconductor supply chains, space technology and cybersecurity. Both nations are strengthening their AI policies and cybersecurity through initiatives like the Japan–Australia Cyber Policy Dialogue.

An energy partnership between the two countries is another important area of cooperation. Australia supplies LNG and several other energy resources to Japan. Australia is Japan’s reliable supplier of industrial and energy resources. Both countries have widely promoted clean energy and carbon-neutral cooperation. ‘Japan-Australia Partnership on Decarbonisation through technology’ was announced in June 2021 to facilitate their carbon-neutral goals further.²¹ Japan’s decarbonisation goals rely on Australia’s hydrogen exports. Pilot hydrogen shipping projects also signal a strategic energy transformation in the long run.

²⁰ Yui Sato, “[Japan's Sojitz Launches Australian Rare-earth Imports to Reduce China Risk](#)”, *Nikkei Asia*, 31 October 2025.

²¹ “[Japan-Australia Partnership on Decarbonisation Through Technology](#)”, Ministry of Foreign Affairs (MOFA), Japan, 13 June 2021.

Challenges and Way Forward

Despite strong convergence between Japan and Australia, structural constraints and challenges remain. Both countries share deep economic ties with China, which is one of their largest trading partners. Australia relies heavily on China for exports such as coal, iron ore and agricultural products. Japan depends on China extensively for manufacturing supply chains and as a major export market. Trade with China accounts for 19 per cent of Japan’s total exports and 24.5 per cent of its imports.²²

Domestic political changes and shifts can also influence the depth of bilateral cooperation between Japan and Australia. In Japan, debates over constitutional constraints, defence spending and military involvement can shape Tokyo's willingness to further expand security cooperation. Changes in government priorities in Australia, such as differences between administrations on regional diplomacy and climate change, can affect strategic bilateral initiatives. Furthermore, the security environment involving the Taiwan Strait, South China Sea disputes and US–China strategic competition in the Indo-Pacific region creates complex dynamics. For Japan and Australia, strengthening their mutual deterrence while preventing conflict is a crucial strategic challenge.

The evolving, complex global shift towards clean energy may also involve uncertainties. Japan is investing heavily in ammonia, hydrogen and renewable technologies. However, technological development, infrastructure costs and market viability remain uncertain. These factors may affect the pace of future energy collaborations. Coordinated policy frameworks could perhaps determine if hydrogen cooperation becomes transformative. The transition to high-technology collaboration requires regulatory harmonisation, research and private-sector investment.

As regional uncertainties intensify, the partnership between the two countries is likely to be more institutionalised and technologically integrated. Fifty years after the Basic Treaty of Friendship and Cooperation, both Japan and Australia have built a partnership that extends beyond the economic foundations. The partnership is now anchored in energy interdependence, shared democratic values and strategic alignment and has also become an important pillar of Indo-Pacific stability. The coming years would perhaps revolve around economic security in critical minerals, leadership in clean energy transitions and increasing defence interoperability amid regional competition. While the 1976 treaty provided a framework for institutional continuity and mutual trust, the coming decades would test whether it could sustain integration amid a contested regional security environment.

²² [“China Exports to Japan”](#), Trading Economics.

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