



# US-Japan Alliance Digest

Vol: 1.7

Date: April 15, 2022



## Headlines:

- JBIC investment in NuScale shows deepening energy partnership
- US Senators visit Japan, more in-person diplomacy resumes
- New Special Measures Agreement for USFJ takes effect
- Blinken and Hayashi meet at NATO foreign ministers meeting
- US-Japan Steel Agreement goes into effect

Image Source: [World Nuclear News](#)

## Details:

- The **Japan Bank for International Cooperation (JBIC)** [invested \\$110 million in the American energy company NuScale Power](#) on April 4, as a way to support simultaneously Japan's Strategic Energy Plan, the US-Japan Climate Partnership, and the alliance's new Competitiveness and Resilience (CoRe) Partnership. Established in 2007, NuScale is working to commercialize [small modular reactor \(SMR\)](#) technology, which offers cost and safety advantages over older nuclear energy technology. Japanese engineering companies JGC and IHI will participate in this commercialization effort via an entity they formed called Japan NuScale Innovation (JNI).
- A bipartisan delegation of **US Senators arrived in Japan on April 12 to meet with PM Kishida**, former [PM Abe](#) and other top officials and private sector representatives. Senators Hagerty (TN), Cornyn (TX) and Cardin (MD) [discussed](#) strengthening the alliance, the war in Ukraine, and regional security issues involving Taiwan and North Korea. Cornyn and Cardin also visited the US 7<sup>th</sup> Fleet's homeport in Yokosuka and toured the USS Ronald Reagan aircraft carrier. COVID-19 caused the postponement of House Speaker Nancy Pelosi's planned April trip to Tokyo with her delegation, but in-person diplomacy overall is increasing. Mid-April through early May will see at least two Diet delegations visit Washington, along with Finance Minister Suzuki for IMF/World Bank meetings and North American Affairs Director General Ichikawa for alliance consultations. President Biden [announced](#) plans to visit Japan from May 22.
- The **New Special Measures Agreement (SMA)**, in which Japan will play a greater role in alliance readiness and resiliency, went into [effect](#) on April 1. The government of Japan will invest about ¥1 trillion, or \$8.3 billion, to this endeavor over the next five years. Allocated funds will go towards equipment, materials, utilities and services provided in support of US forces in Japan, but also [¥164 billion](#) of facility improvements that can benefit from both countries' forces. The goal of combined benefit was a notable theme in the bilateral agreement, which includes a new funding category of up to 20 billion yen for purchasing advanced virtual combat training systems for joint exercises.
- In a [first](#) for a Japanese official, **Foreign Minister Hayashi attended a NATO ministerial and to meet US Secretary of State Blinken** and his European counterparts to discuss Russia's invasion of Ukraine. Hayashi's visit to Brussels also involved a G7 meeting covering several regional [security issues](#) including North Korean missile tests and the tensions in the East and South China Seas. In addition, he reaffirmed Japan's ongoing coordination with allies and partners in [support](#) for Ukraine and sought to deter Russian [threats](#) to implement biological or chemical weapons in their ongoing invasion of Ukraine.
- An **agreement on steel tariffs between the US and Japan** earlier this year went into effect on April 1. *Alliance Digest* volume 1.3, initially reported that the US would repeal the former administrations tariffs on [1.25 million metric tons](#) of steel (melted and poured in Japan). The [proclamation](#) put out by The White House on March 31 outlines the amount of steel subject to the agreement, its corresponding legislation, and the process by which the trade of steel to and from Japan should be handled. The agreement does not [appear](#) to cover affected aluminum products.