Headlines:
➢ US and Japan sign deal on critical minerals, boosting supply for EVs
➢ Amb Emanuel calls for “Anti-Coercion Coalition” to counter China
➢ US and Japan exploring hypersonic missile defense partnership
➢ US and Japan demonstrate force integration with series of exercises
➢ The Philippines getting US-Japan help to contain oil spill

Details:
• US Trade Representative Katherine Tai and Japanese Ambassador Koji Tomita signed a critical minerals supply chain agreement on March 28. It establishes several new commitments and areas for cooperation regarding electric vehicle (EV) battery supply chains between the US and Japan, and it is intended to qualify as a “trade agreement” so that Japanese EVs are more likely to be eligible for tax breaks under the Inflation Reduction Act for cars sold in the US. The deal is part of Biden’s broader effort to boost the EV market while reducing dependence on China for EV battery supply. Some US lawmakers criticized the deal for lacking transparency and not doing enough to safeguard workers’ rights and the environment. The deal does include some information-sharing and enforcement actions related to labor rights and environmental practices for critical minerals extraction and processing.

• US Ambassador Rahm Emanuel called on world leaders to form an anti-coercion coalition to counter China’s economic pressures on vulnerable countries in a speech at Tokyo University on March 27. Amb Emanuel said “if the world does not organize against economic coercion, Beijing will continue to prey on other countries and their economies, large or small, developed or developing, near or far.” A release by the US Embassy in Tokyo outlined examples of China’s hard and soft coercion tactics from regional maritime disputes to global cases of economic coercion.

• The US and Japan are working towards jointly developing hypersonic missile defense capabilities. The Glide Phase Interceptor (GPI) would be fitted to Aegis ballistic missile defense destroyers. Vice Admiral Jon Hill, head of the US Missile Defense Agency (MDA), considers the joint development with Japan an agency priority. He wants to offer the Japanese more involvement in the development of the propulsion stacks and warhead. The MDA requested $209 million in FY24 for the development of the project to meet the projected deployment in the early 2030s.

• US and Japanese armed forces engaged in bilateral and multilateral exercises with partners across the Indo-Pacific region throughout March. Responding to North Korean missile launches, US, Japanese, and South Korean warplanes conducted joint presence drills, part of Freedom Shield exercises. In the Sea of Japan, the JS Atago ran ballistic missile defense exercises with the USS Milius to strengthen network connection and information sharing processes between Aegis warships, while US and Japanese planes also conducted integrated bomber operations overhead. Separately, the JS Suzutsuki and US Navy engaged in the France-led exercise “La Perouse 23” with seven other nations in Sri Lanka.

• The Philippine Coast Guard (PCG) detailed their efforts to contain an oil spill off of Naujan in cooperation with the US and Japan on March 20. The operation came as oil from the sunken tanker MT Princess Express reached biodiversity-rich areas of Philippine waters. Personnel from the US Coast Guard, NOAA, and USAID arrived on March 21 to provide funding and expertise to the PCG in the containment effort. The Japan Coast Guard is working with PCG to inspect the vessel that sank at the end of February in rough seas carrying 800,000 liters of industrial fuel.

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