Headlines:
➢ US, Japan hold first-ever space engagements talks
➢ Allies deepen trilateral relations on multiple fronts in summit prelude
➢ Japanese firms boost green investments in US to pursue net-zero
➢ Japan’s new semiconductor export controls take effect
➢ US, Japan agree to lower flight altitude minimum for US Ospreys

Details:

• US-Japan-South Korea trilateral activity is rising ahead of their planned (and first) stand-alone trilateral leaders summit (Biden-Kishida-Yoon) at Camp David on August 18. US Special Rep. Sung Kim, Japan’s Director General Funakoshi, and South Korea’s Special Rep. Kim met in Japan on July 20 to coordinate North Korea policy, condemning a recent North Korean missile launch and vowing to deepen ties. The navies of each country also held joint missile defense exercises in the Sea of Japan on July 16 to boost missile detection and response capabilities, occurring after a Tri-CHOD meeting (Chiefs/Heads of Defense) convened in Hawaii on July 11. Also, Dep. Sec. of State Sherman held a call with Vice FM Mori and First Vice FM Chang on July 24 to discuss expanding the trilateral partnership, along with deeper regional and global cooperation. In addition, affiliated officials held a second economic security dialogue on July 18 in Washington to discuss responding to economic coercion, cooperating on emerging technology, and securing supply chains.

• Itochu Corp. and partners announced plans to invest $2 billion in US and Canadian renewables on July 24. They also announced a partnership with Sumitomo Mitsui Trust Bank to provide institutional investors opportunities to invest in similar green technology. Separately, Mitsubishi Fuso tested electric trucks that utilize a swappable battery by California-based company Ample. The innovation would boost Japan’s trucking industry’s lagging shift to net-zero.

• Japan’s new export controls on semiconductor technologies took effect July 23. The Japanese government announced the trade controls on 23 types of equipment on March 31. Although broader in nature and not country-specific, the restrictions align with US efforts to “de-risk” or restrict AI microchip manufacturing in China. The regulations have drawn criticism from Chinese officials, but Beijing has yet to explicitly threaten Japan with retaliatory measures.

• A July US-Japan bilateral agreement lowered the minimum safe altitude for US Ospreys’ flight training in mountainous areas of Japan. Moving from 150 meters to 60 meters, the change took place after the US requested more practical training space. Specific flight routes have not been disclosed, despite growing public safety concerns from the National Governors’ Association of Japan. The prefectural governments cite risks of high-speed Ospreys flying too close to disaster and medical relief helicopters. Separately, Japan’s SDF grounded some V-22 Osprey aircraft pending part replacement after a July 21 US military report pointed to possible mechanical failures in a fatal June 2022 crash.