

# Promotion of Defense Industry Activity

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Japan

# Today's Topic

- 1 . METI's Role**
- 2 . Overview of the Japanese Defense Industry**
- 3 . JP and U.S. companies' roles of International Cooperation**
- 4 . Promotion of Japanese Defense Industry Activity**

# **1 . METI's Role**

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# METI's Mission

## METI

### Industries

#### Products

- *Materials*
- *Robotics*
- *Aerospace*
- *Automobiles*
- *Defense*
- *Electronics*
- *Medical/  
Health care*

#### Service

- *AI/BD/IoT*
- *Cybersecurity*
- *Distribution*

#### Energy

- *Nuclear*
- *Fossil Fuel*
- *Renewable  
Energy*

#### Regulatory policy

- *Explosives*
- *Chemical /Bio*
- *Environment /  
Energy*

**R&D&Innovation, IPR, Standard**

**Trade**

**Small and Medium Enterprise Policy**

# **METI's Mission in Relation to Defense Industry**

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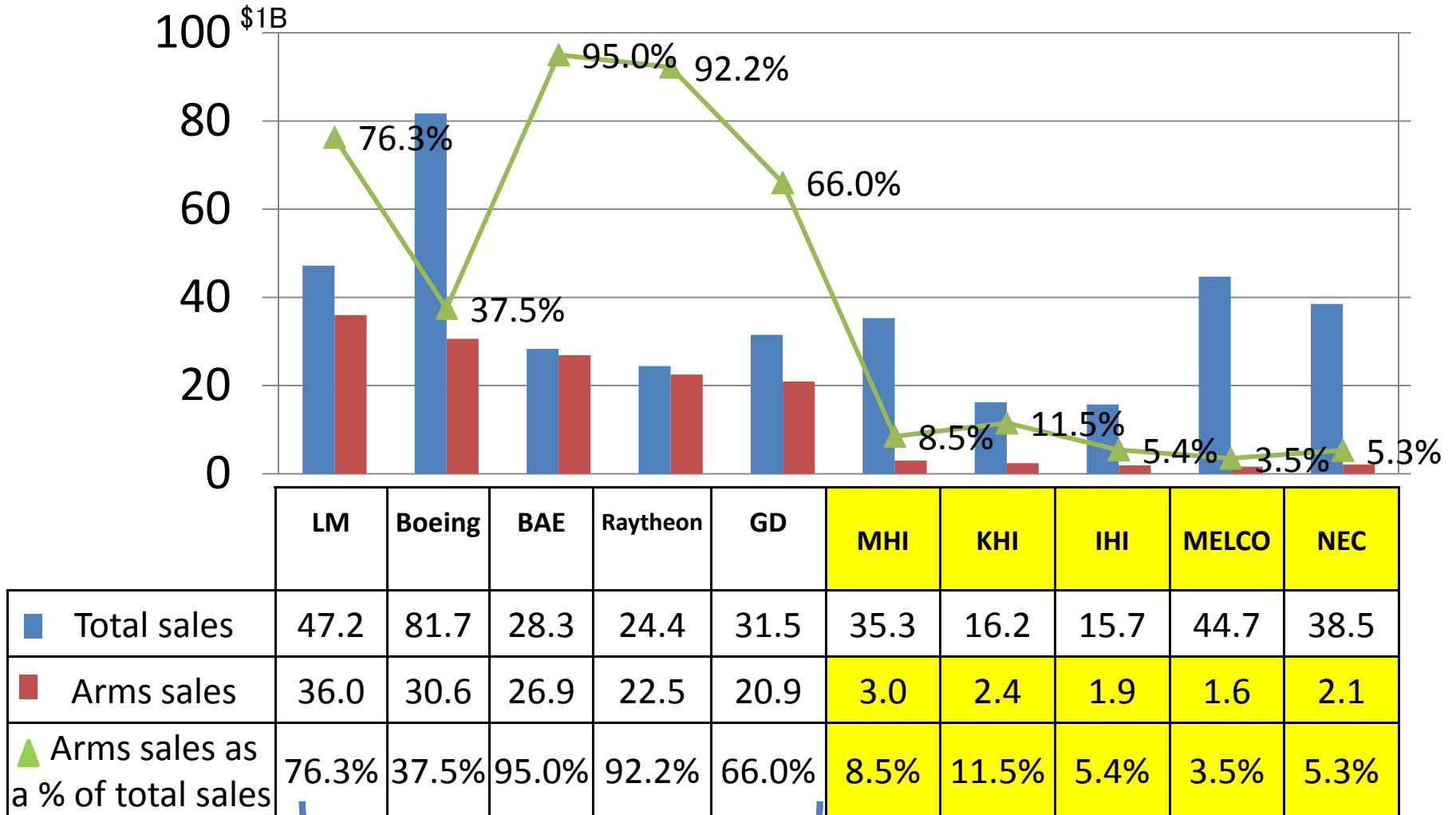
**Trade Control  
(Export, import, inbound direct investment)**

**Maintain and Strengthen Defense Industrial  
and Technological Bases**

**\*In close cooperation with industry and  
other ministries.**

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# Japanese Defense Business in Global Landscape



Global TOP 5

THE SIPRI TOP 100 ARMS-PRODUCING AND MILITARY SERVICES COMPANIES, 2014

**1950s** The Korean War

**1954** Established JSDF

**1967** The Three Principles on Arms Exports

**1970** Guideline for indigenous development/production

**1976** Collateral policy guidelines of the Principles

“Arms” Exports to the other areas not included in the Three principles will be also restrained.

⇒**For Domestic Only**

**1980's** “Exemption”

1983 Transfer of Military Technology to the U.S.

1999 Cooperative research on Ballistic Missiles

**2014** The Three Principles on Transfer of Defense Equipment and Technology

※Not stating a measure for “exemption”, but clearly defining limitation where transfer of defense equipment may be permitted



# The New Three Principles on Transfer of Defense Equipment and Technology

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“3” of The new 3Ps are;

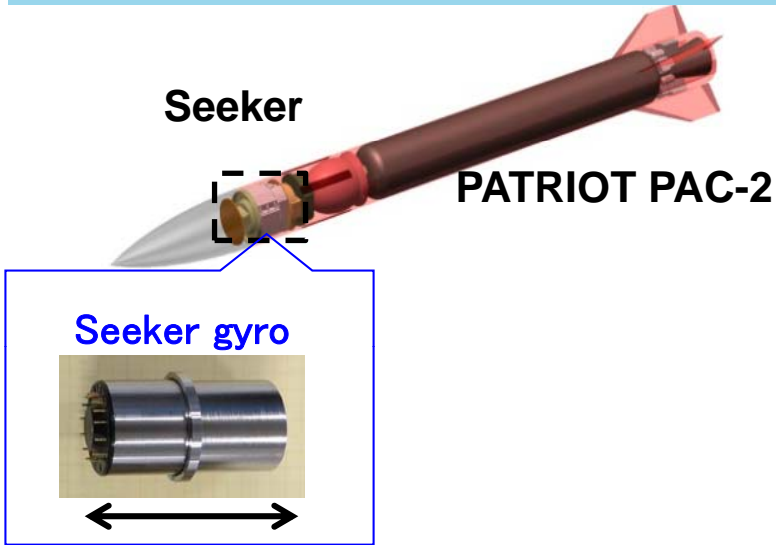
- 1 **Clarification of cases** where transfers are **prohibited**
- 2 **Limitation to cases** where transfers may be **permitted**, conducting strict examination while ensuring transparency
- 3 **Limitation to cases** where **appropriate control**

The new 3Ps set clear conditions and limitations to possible transfers which contribute to;

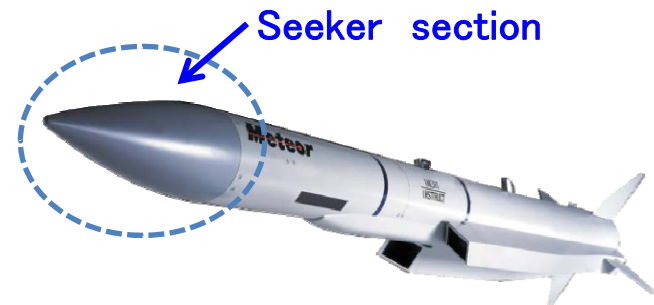
- Active promotion of contribution to peace and international cooperation
- Japan's security through cooperation with its ally and partners

# Cases Deliberated at the NSC and Published

Seeker gyro with the U.S.



Seeker technology with the U.K.



Technical information, Co-Development & Production regarding submarines with Australia



“SORYU” class submarine

【reference : web site of Maritime Self-Defense Force】

Aegis display system with the U.S.



Aegis-equipped destroyer



Display system for Aegis-equipped destroyer

# Technologies Becoming Borderless

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**1960s Internet (Defense Use Only)**



→Spin-off



**Spread of the Internet for commercial**

**Present Technologies: Borderless**

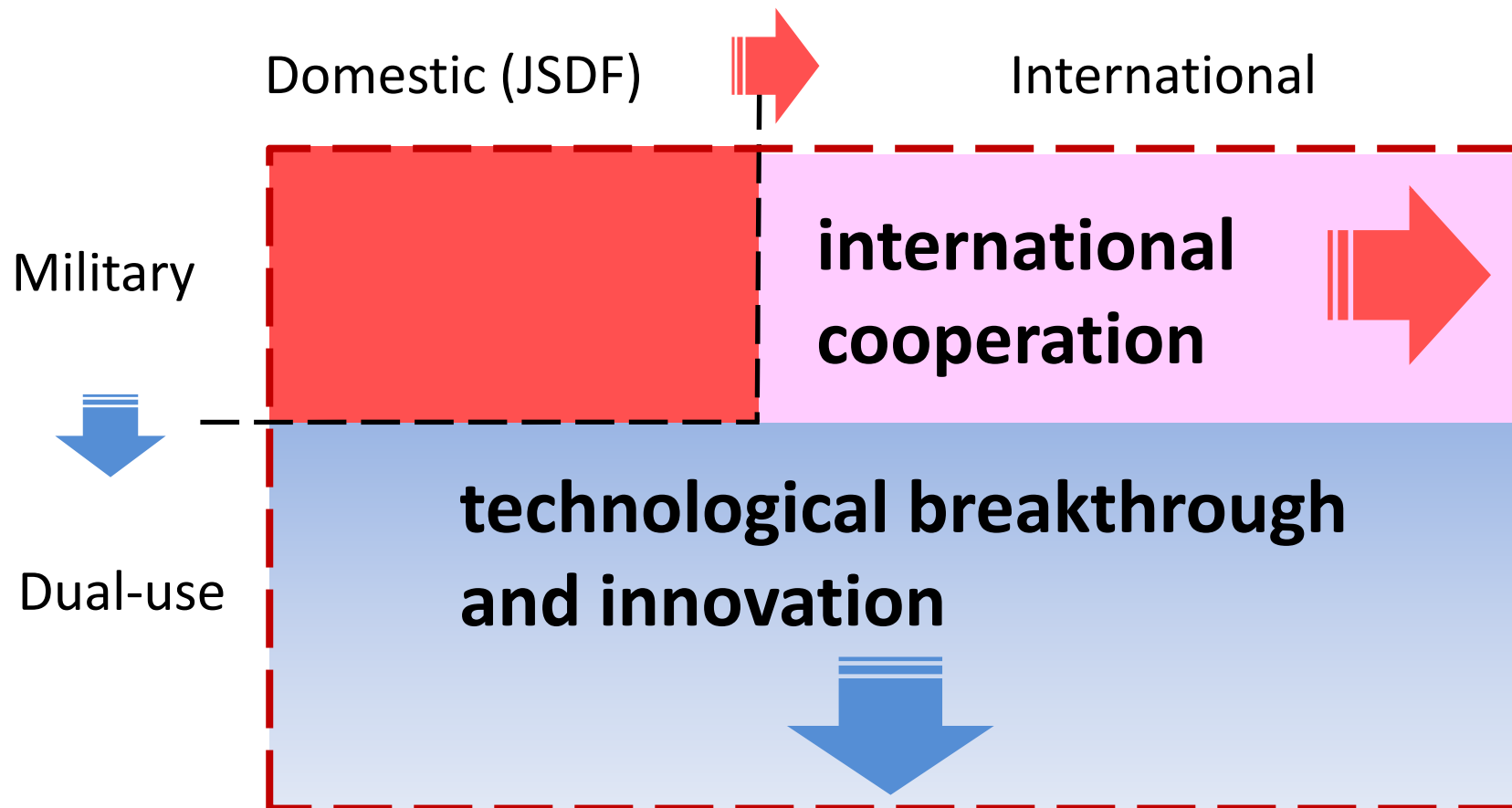
**e.g. Robots:**

**Nursing Care and Welfare Use**

**Defense Use**

# Future Vision of Japanese Defence Industry

Japanese defense industry will expand its business scope.



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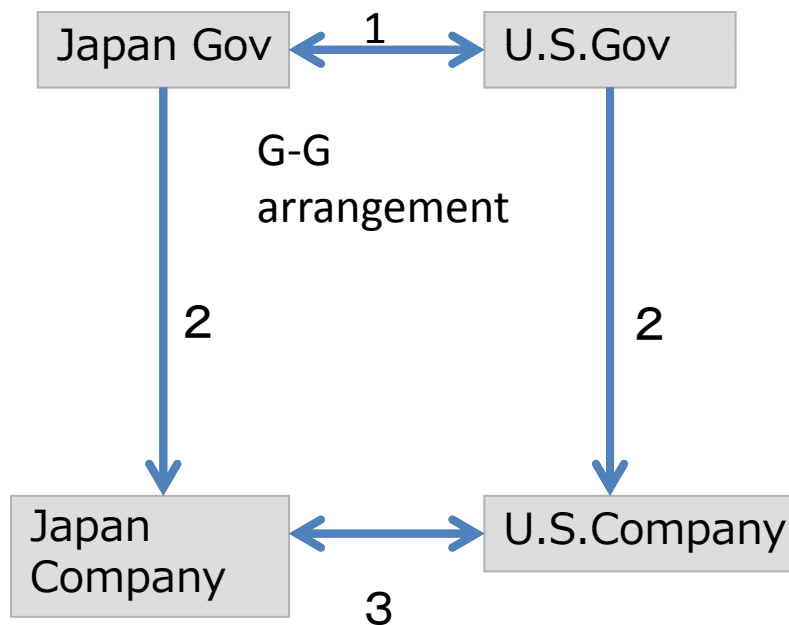
# Envisaged Cooperation and Roles of the Japanese Defense Industry

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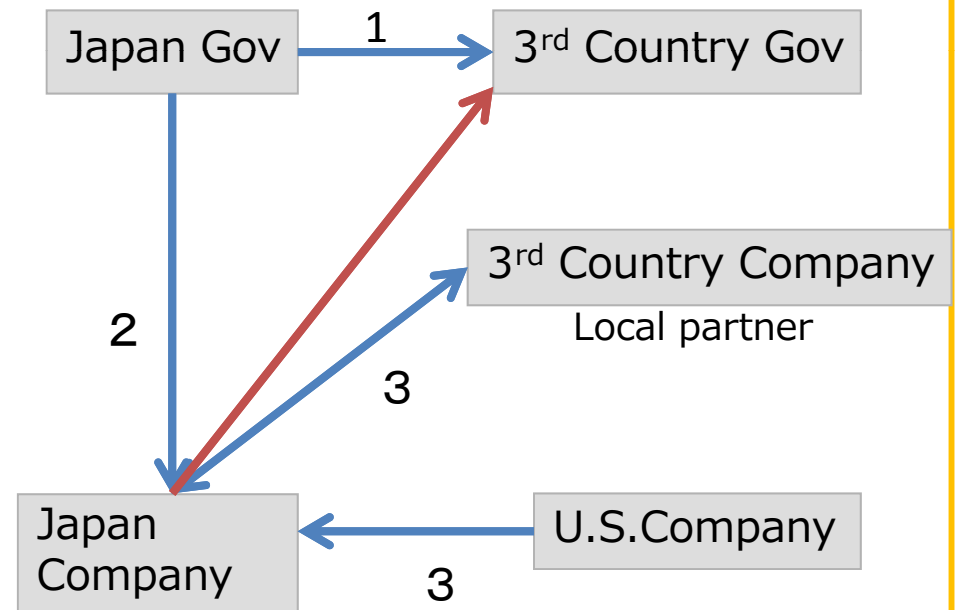
- ◆ **Partner for joint development and production**
- ◆ **Integrator of major platforms to partner countries**
- ◆ **Supplier to the international system for sharing parts / licensed production**
- ◆ **Provider of maintenance services**

# Opportunities for U.S. Companies

## Co-development, Production Partner



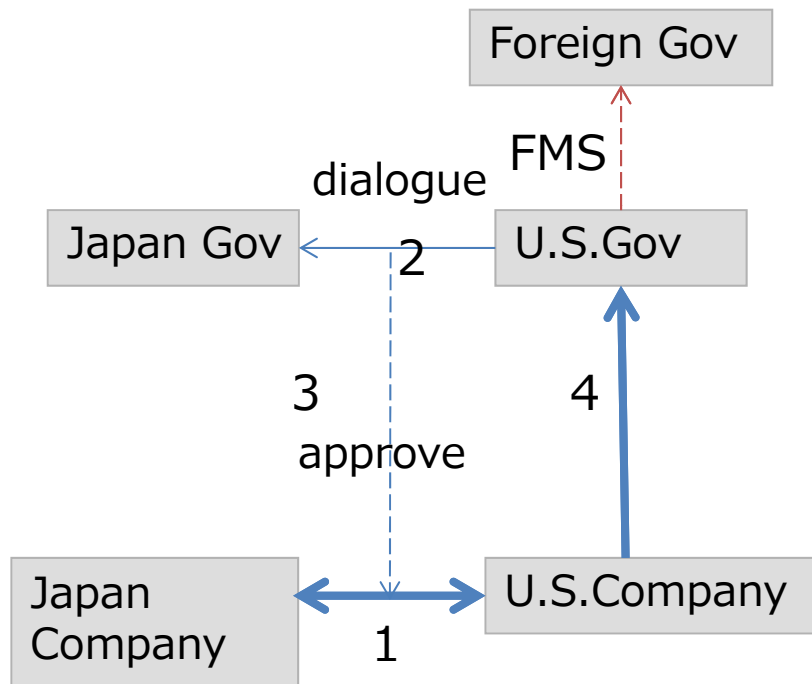
## Complementing for Japanese Platform Integrator



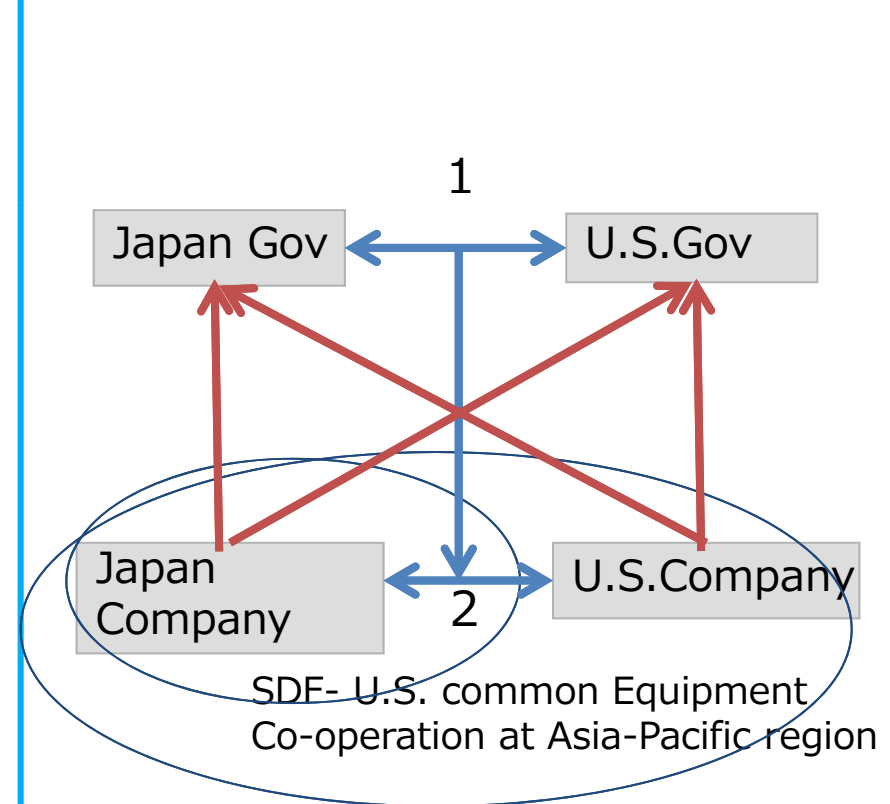
# Opportunities for U.S. Companies

## Co-Supplier to U.S.Gov

(Through U.S.Gov to 3<sup>rd</sup> Countries)



## Maintenance service partner





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# METI's Reinforced Efforts to Expand International Cooperation

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## ◆ G-G Cooperation

Foreign Comparative Testing(FCT) Dec.2014

Dual-Use Technology Workshop Feb.2016

## ◆ B-B Cooperation

U.S.-JP Technology Forum May(Every year)

Industry Day(U.S. Company-Japanese Companies)

\*And more individual meetings

## ◆ Other countries (Australia, U.K., Germany, India··)

# **METI's reinforced efforts to strengthen our technological advantages**

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## **◆ Support for Activities of Japanese Private Companies**

### **Ceramic Matrix Composites(CMC)**

**-Coating Technology**

### **Carbon Fiber Reinforced Plastics(CFRP)**

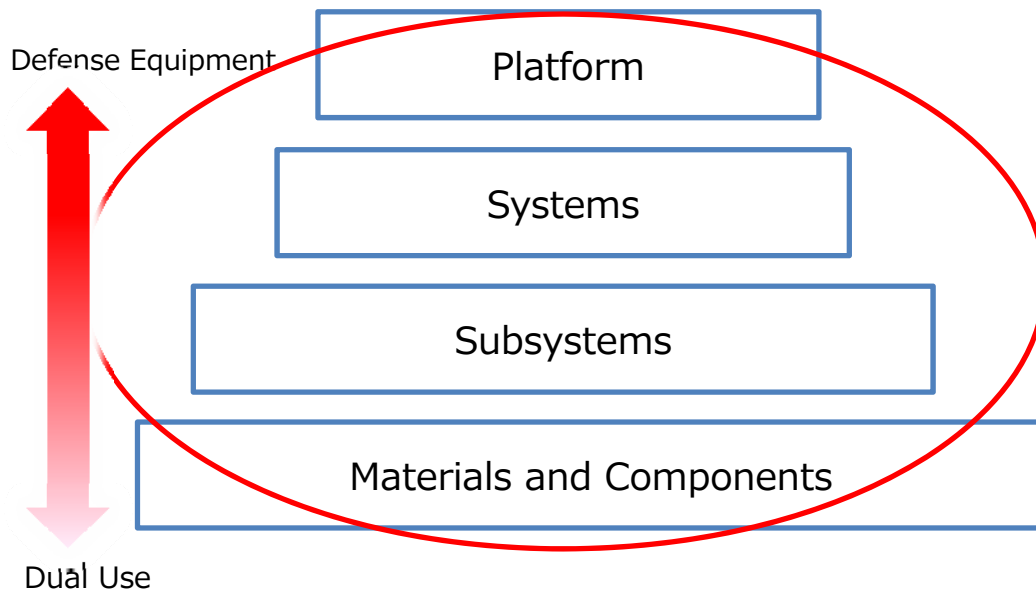
**-Thermoplastic CFRP, Structure Health Monitoring, Automatic Laminating**

## **◆ Establish an office for critical technology management**

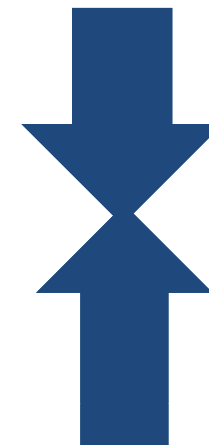
**Realization of a cross-sectional policy in relation to critical technologies to be applied for innovation in manufacturing industry (including controlling the technologies)**

# Challenges -Enabling Environment for International Cooperation-

- Our defense industry system has been optimized for domestic businesses.
- Our defense industry structure should be built up by focusing on international business opportunities as well.



Ministry of Defense: Approaches based upon Major Equipment Products



Ministry of Economy, Trade and Industry:  
Approaches based upon Critical Technologies

## GOJ

- Contributing to national security



## Defense Industry

- New opportunities for global business

# Thank you for your attention

Eiji Wakai