

2025 JAPAN SYMPOSIUM DIALOGUE OUTCOMES

Towards an Australia–Japan partnership in advanced manufacturing



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Complementary partners in an uncertain world

The international environment is undergoing profound and rapid transformation, challenging long-held assumptions about global economics, security, and geopolitics.

In an era of such uncertainty, innovative collaboration and good-will between trusted international partners has never been more critical – especially in industries vulnerable to disruption. Increasingly, defence capabilities, supply chain infrastructure, and the energy transition are becoming key priorities for domestic and international stability.

Australia and Japan are natural partners in this regard. Having long-enjoyed a strong bilateral relationship built on shared values, their mutual vision for the Indo-Pacific and complementary capabilities provide a basis for innovative and sustainable industry collaboration.

Although Australia's industrial base has diminished, Japan's manufacturing expertise and technological prowess, combined with Australia's abundant resources, creates a solid foundation for mutually beneficial cooperation.

Together, Australia and Japan have an opportunity to rebuild, reinforce, and propel their industrial bases into future-oriented industries, keeping ahead of the dramatic technological and geopolitical shifts now shaping our international stage.

To help facilitate future collaboration, the Perth USAsia Centre's 2025 Japan Symposium, *Towards an Australia–Japan Partnership in Advanced Manufacturing*, brought together experts from both sides of the bilateral relationship to discuss the future of Australia–Japan cooperation in advanced manufacturing.

The dialogue was separated into two sessions: advanced manufacturing for **defence and security**, and advanced manufacturing for **supply chains, the energy transition, and critical minerals**. This report outlines the areas for bilateral collaboration identified during the dialogue.



SESSION 1:

Advanced manufacturing for defence and security

In the face of an increasingly tense international security environment and the rapid development of new critical technologies, advanced manufacturing for defence and security is becoming critical to both individual nations and broader regional stability.

With complementary defence priorities and abilities, Australia and Japan have a unique opportunity to collaborate not only on immediate concerns, but also future-oriented domains, such as maritime and space.

Opportunities for collaboration:

1. Workforce development, automation, and remote operations

- Australia and Japan face critical workforce shortages in the defence industry.
- Japan's strengths in robotics and autonomous systems, combined with Australia's expertise in remote operations, could help solve these shortages.
- Autonomous and remote operations could also help improve efficiency, innovation, and safety in the defence sector.
- Australia should promote its remote operations capabilities more effectively to Japanese stakeholders to grow this partnership.

2. Scenario-based analysis and planning

- Scenario-based analysis is essential to anticipate future crises and close capability gaps.
- A multilateral strategic contingency planning group (including Australia, Japan, and regional partners) could coordinate responses to crises, focusing on interoperability and managing supply chain disruptions. The group should conduct risk response exercises and drills to identify key areas of vulnerability and enhance preparedness.

3. Leveraging bilateral frameworks, like the RAA

- Existing bilateral frameworks, like the Reciprocal Access Agreement (RAA), should be utilised more. This would allow bilateral cooperation to move beyond dialogue, and address challenges more actively.
- The RAA not only supports training and interoperability but also spans significant parts of the value chain, making it vital for enhancing cooperative advanced manufacturing.
- Interoperability and sharing technology should be priorities for both nations to strengthen regional security and disaster response.

4. Focus on dual-use technology and industry

- Australia and Japan should focus on dual-use technologies to strengthen and maximise the efficiency of both the defence and commercial sectors.
- The two nations should explore ways to redeploy industrial capacity (e.g. Australia's resources sector) in times of conflict.

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5. Incentivising investment

- Stable regulations and transparent policy are key to attracting investment in the defence industry. Greater communication of long-term planning and changes would help reassure risk-averse investors who are hesitant to engage in emerging technology and industries.
- Governments should incentivise long-term private investment and support emerging sectors via policy tools like startup grants or price guarantees.

6. Secure data and intelligence sharing

- Improving intelligence sharing and data set security will be important for many of the recommendations discussed in this paper.
- Current data systems are fragile, oftentimes restricted, and heavily dependent on external players. Similarly, Japan lacks a robust personnel vetting system and robust anti-espionage laws, making information sharing complicated.
- Australia and Japan need a joint capability for screening sensitive security information and controls for intelligence sharing to work around these challenges.
- Improvements in Japan's security protocols are also essential for potential AUKUS Pillar II collaboration.

7. Collaborative strategic stockpiling

- Collaborative strategic stockpiling could buffer against supply chain shocks – an especially high risk in the current geoeconomic climate.
- The strategic contingency planning group from recommendation 2 could assist here.
- Australia could benefit from access to Japan's shipping capabilities in a conflict scenario, as it lacks its own marine merchant fleet. This would help work around possible supply chain disruptions between Australia and Japan and better help them coordinate in times of crisis. Joint access could be integrated into future frigate contracts between Australia and Japan.

8. Space cooperation

- Space will play a critical role in future national security, yet Australia currently lacks a cohesive national space strategy. Japan, on the other hand, is a leader in the space sector.
- Bilateral cooperation between the two nations could enhance the development and protection of space infrastructure, especially satellites, which Australia currently lacks. In return, Australia can offer its landmass as a launch site.
- Developing a constellation of shared Earth-observation satellites would benefit both nations' strategic and commercial interests.

SESSION 2:

Advanced manufacturing for supply chains, energy transition, and critical minerals

As with advanced manufacturing for defence, Australia–Japan energy and minerals capabilities are complementary. Australia is a major global supplier of key minerals essential for clean energy technologies, electric vehicles, and other advanced manufacturing ventures, including lithium, cobalt, and rare earth elements. Japan, with its advanced manufacturing capabilities, relies heavily on these materials to produce high-tech electronics, renewable energy systems, and batteries.

As both nations strive to meet their commitments to reduce carbon emissions and shift towards renewable energy, they can also engage in joint efforts to develop new technologies, such as hydrogen production and carbon capture, usage, and storage (CCUS).

Opportunities for collaboration:

1. Next-generation workforce engagement

- As with defence, the resources sector would benefit from utilising Japan's automation and Australia's remote operations expertise. But there is also a need to incentivise the next generation to engage in the resource industry.
- The resources sector has an acute messaging crisis; a lot of young people see no future in fossil fuels and related industry. Australia and Japan must therefore work together to promote career opportunities, industry sustainability ventures (e.g. CCUS), and cross-cultural skills, including Japanese language training in Australia, to build long-term bilateral ties and ensure the industry's future.

2. Creating more efficient supply chains and competitive markets

- To combat China's growing monopoly on critical minerals processing, Australia and Japan must focus on creating more efficient, streamlined supply chains.
- Combining Australia's upstream strengths with Japan's downstream expertise can shorten supply chains and drive competitiveness, especially working with other nations, such as Vietnam.
- Collaboration with regional partners, like the Quad, could help create alternative competitive markets and reduce dependency on China.

3. Policy stability and long-term planning

- Both sides of the bilateral relationship must establish policy and regulatory stability to ensure investment and build sovereign capability.
- Australia must achieve bipartisan consensus on the bilateral relationship to avoid policy instability with each government change. This is necessary for long-term planning.
- Without policy continuity, it's difficult to compete with China's strategic, long-term planning.

4. Risk appetite in the energy transition

- Japan's traditionally conservative investment approach may hinder clean energy collaboration.
- More open dialogue between government and business is needed to align risk appetites and unlock greater investment in transition technologies.
- In this era of geopolitical uncertainty, there is an opportunity to reassess risk appetites, and therefore engage in further collaboration.

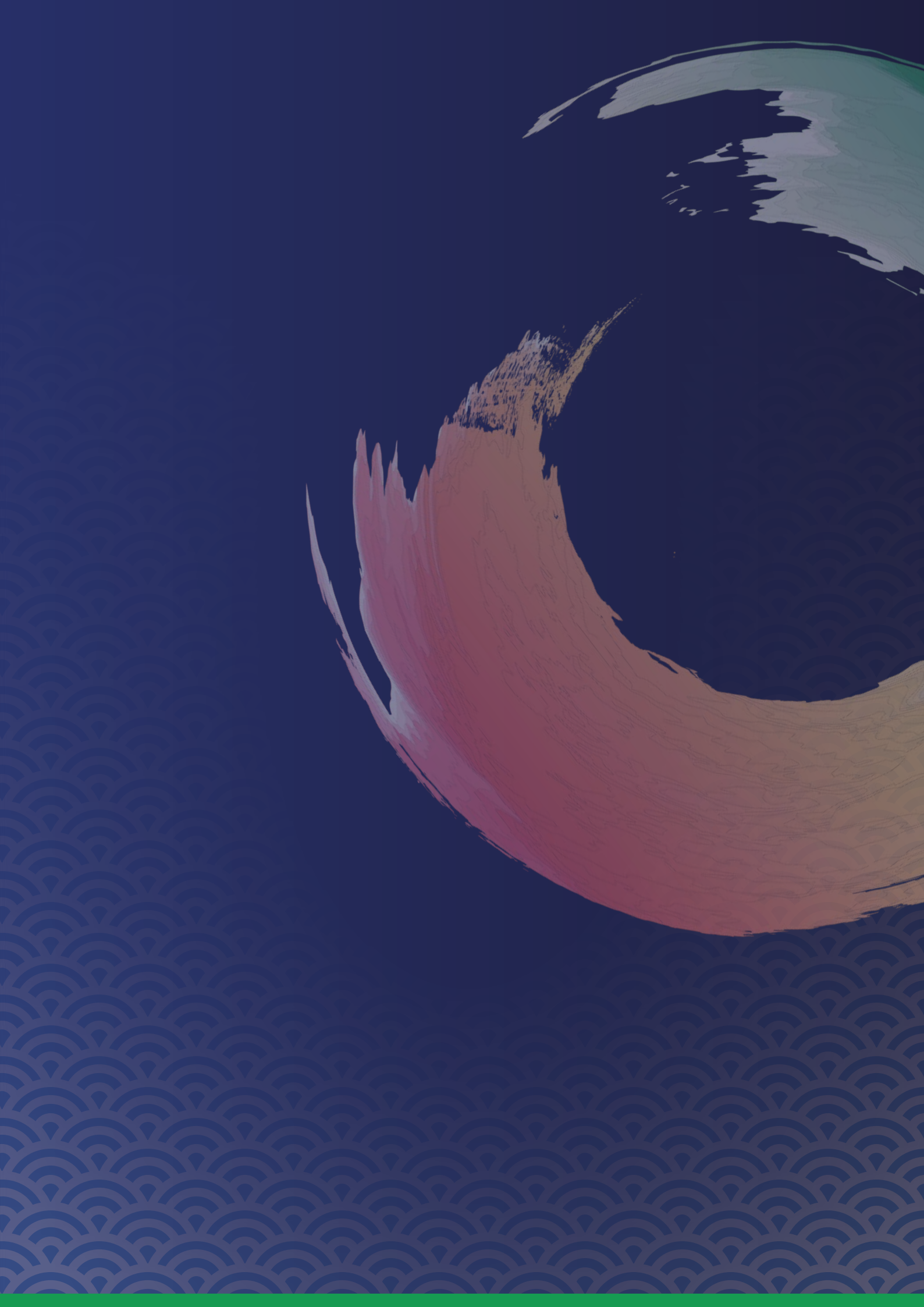
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Recommendations

Australia and Japan already share a strong foundation of collaboration, but now is the moment to turn these discussions into actionable outcomes. By fostering collaboration across sectors and investing in future-ready manufacturing, both countries are better positioned to meet emerging global challenges and unlock sustainable economic growth. Increased cooperation also means that Australia and Japan will instinctively look to one another as a trusted partner in times of need.

Recommendations for Australia–Japan collaboration in advanced manufacturing

1. **Workforce development:** Addressing issues of scarcity and skill gaps, enhancing workforce capacity, and ensuring future engagement in industry.
2. **Scenario-based analysis:** Employing research-driven, scenario-based planning to ensure that bilateral efforts are both effective and meet the challenges of a changing global order.
3. **Automation and remote operations:** Japan's automation expertise and Australia's remote operations experience can help bolster both the defence and resource industries. This can help in supplementing workforces, increasing efficiency, and increasing safety.
4. **Regional Partnerships:** Expanding cooperation and friendshoring with other trusted regional allies to diversify supply chains, increase security, and amplify collective impact.
5. **Cultural understanding in business:** Cultivating deeper business cultural literacy between Australia and Japan is key to improving collaboration. Australia and Japan have different operational cultures, different cultures of procurement, and a different relationship between government and business.
6. **Private sector consultation:** Increasing private sector involvement and communication to ensure that government policies and initiatives are implemented effectively and are responsive to real-world challenges.
7. **Upgrading the narrative around the bilateral partnership:** The bilateral relationship has evolved significantly, becoming more integrated than many realise. It is time for Australia and Japan to project a more contemporary image of their relations to the general public and showcase how Australia and Japan cooperate in multifaceted ways.



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