

AI White Paper 2.0

Japan's Structural Transformation toward an AI-Driven Nation

April 2026

Liberal Democratic Party of Japan

Headquarters for the Promotion of a Digital Society AI/web3 Subcommittee

Artificial intelligence is shifting from a mere **tool to an actor** that carries out tasks. The era of **agentic AI** has begun.

AI, which once only answered human questions, now — without receiving instructions at every step — formulates its own plans toward given goals, calls external tools and databases, executes multiple steps autonomously, verifies results, and selects the next action. Whereas conventional generative AI was a system that "answered questions," agentic AI has evolved dramatically into a system that "accomplishes objectives."

Dr. Shane Legg, who coined the term AGI (Artificial General Intelligence), put it this way when we interviewed him:

"This is only the beginning of an enormous transformation that will change human society."

What is required in the agentic AI era is not simply to accept AI. It is to redesign the very structure of the nation — across industry, government, daily life, national security, and international order — on the premise of AI.

This White Paper puts forward **"Structural Transformation toward an AI-Driven Nation"** as Japan's new national goal, and sets out the coordinate axes of a strategy to achieve it.

We put forward "Structural Transformation toward an AI-Driven Nation" as Japan's new national goal.

Background / Current Challenges

- The arrival of the agentic AI era
- The main arena of competition has shifted to a race for societal diffusion across society as a whole

"Intelligence" is ceasing to be a capability confined within an individual; it is becoming a new infrastructure that is broadly distributed and consumed across society. On the premise of AI, the question is whether AX can be driven into every corner of industry, government, and daily life — and whether the nation itself can be converted into an AI-driven one.

Direction

Toward structural transformation, fundamentally reexamine and redesign every societal mechanism.

The question is whether we can drive AI Transformation (AX) — a thoroughgoing reexamination and redesign of every societal mechanism on the premise that AI exists — into every corner of industry, government, and daily life. How fast, how broadly, and how safely this structural transformation can be achieved will determine the rise and fall of nations.

Aim of the Proposal

Turn the challenge of being a "challenge-frontier nation" into the greatest opportunity for AI adoption.

A declining and aging population, labor shortages, regional disparities, and aging infrastructure — the severity of these challenges also means, conversely, that Japan is the country where the benefits of AI-driven automation, efficiency gains, and remote operation will be greatest in the world. Precisely because Japan is a challenge-frontier nation, it has both the need and the potential to stand among the leaders of the world in the societal implementation of agentic AI.

Three Paradigm Shifts

The three paradigm shifts of the agentic AI era



1 From "Sovereign AI" to "AI Sovereignty"

- Securing "Strategic Autonomy" rather than "Made-in-Japan Fundamentalism"
- Turning Japan's On-Site Know-How into Assets, rather than "Simple Use of General-Purpose AI"
- Not only "Defense" but Elevating "Strategic Indispensability" and Building Its Foundation
- Power and Compute as National Infrastructure for the Agentic AI Era



2 From "What Can AI Do?" to "What Can Only Humans Do?"

- Advancing "AX" Through an All-of-Society Effort
- Leveraging the Strengths of a Challenge-Frontier Nation and Confronting Transition Costs Head-On



3 From "More or Less Regulation" to "Designing Trust"

- Designing Trust Multi-Dimensionally Through the Three Pillars of Regulation, Technology, and Literacy
- From "Government AI" to "Government AX"

Paradigm Shift 1

From "Sovereign AI" to "AI Sovereignty"

- 1-1. AI Robotics and Physical AI
- 1-2. Vertical AI (Domain-Specific AI)
- 1-3. Securing Strategic Indispensability in the AI Stack
- 1-4. Securing Electricity and Compute as National Infrastructure for the AI Era
- 1-5. AI for Mobility
- 1-6. AI for Defense
- 1-7. AI for Finance
- 1-8. AI for Government

With robotics and on-site implementation as the axis, elevate **Physical AI** to national strategy.

Physical AI, which operates autonomously in the physical world, is a critical technology that serves both the strengthening of Japan's industrial competitiveness and the resolution of societal challenges, and a key field that connects Japan's manufacturing strengths to the next-generation growth capacity.

Background / Current Challenges

- Global competition is rapidly intensifying, centered on the United States and China
- Preparation of training-ready datasets is urgent
- Institutions for liability allocation, safety standards, and the like remain insufficient

Japan has strengths in industrial robots, high-precision components, and the skilled techniques of its frontlines, but on-site data is scattered across individual companies and the standardization and sharing of data are not sufficiently advanced.

Main Proposals

- Support for the development of **foundation models specialized in Physical AI**
- Promoting the preparation of **training-ready datasets ("data factories")**
- Strengthening **domestic development and production capacity of key components**, and developing institutions for **responsibility and safety**
- Accelerating societal implementation through **testing grounds and robotics special zones**

Intended Policy Effects

Realize both industrial-competitiveness strengthening and societal-challenge resolution through Physical AI.

By advancing the implementation of Physical AI on the frontlines of manufacturing, logistics, long-term care, infrastructure, and disaster response, respond to labor shortages, improve productivity, and substitute for hazardous work. As national strategy, advance the development of Physical-AI foundation models that reflect Japan's strengths in quality, safety, and collaborative operation, and connect Japan's manufacturing strengths to next-generation growth capacity.

Leveraging on-site know-how, business workflows, and rules, establish competitiveness with **Vertical AI**.

Vertical AI has the potential to greatly improve the productivity and efficiency of each industry, and Japan can establish competitiveness and autonomy by leveraging its strong industrial base, rich on-site know-how, and a regulatory environment comparatively favorable to data utilization.

Background / Current Challenges

- Rapid expansion of the Vertical AI market
- Integration of domain-specific data and on-site knowledge is the key
- Foreign oligopoly is advancing in middleware for data integration

Particularly in the middleware that structures and integrates the data AI uses — which can be called the core of Vertical AI — a small number of foreign firms is forming an oligopoly, and from the standpoint of securing Japan's autonomy, developing domestic alternatives is urgent.

Main Proposals

- Focused development support for **domestic middleware** for AI data integration
- Promoting the use of **public data** for Vertical AI
- Promoting the use of **private-sector data** for Vertical AI
- Monitoring of **progress in priority areas**

Intended Policy Effects

Establish competitiveness and autonomy by leveraging a strong industrial base and rich on-site know-how.

By converting domain-specific data, on-site knowledge, business workflows, and rules into forms usable by AI, generate significant value on the frontlines of industry, government, and daily life. Development of domestic middleware is the linchpin for securing Vertical AI's competitiveness and autonomy; through priority-domain support and continuous monitoring, accelerate societal implementation.

AI Sovereignty means raising **strategic indispensability** in core domains.

Semiconductor manufacturing equipment, silicon wafers, and related materials — areas in which Japan has strengths — are foundations supporting AI competitiveness, and core fields through which Japan can maintain and strengthen its indispensability within the global AI supply network.

Background / Current Challenges

- Expanding demand for advanced semiconductors and geopolitical risks
- Trend of declining share in some segments of manufacturing equipment
- Continued overseas dependence for raw materials and certain parts and materials

Competition over the AI stack is not one in which a single nation dominates every layer; it is a structure in which countries can secure indispensability through the areas in which they have strengths.

Main Proposals

- Focused support for **next-generation AI compute foundation technologies**, including optical-electrical fusion
- Securing **stable server supply** and strengthening the **procurement base**
- Strengthening **the supply chain**, including analog and legacy semiconductors
- Strengthening **design capability through design-hub development** and advanced **design talent cultivation**
- **Public-private development of common foundations** spanning design, prototyping, evaluation, and demonstration

Intended Policy Effects

Convert Japan's strengths into an "indispensable position" in the global AI supply network.

Maintain and strengthen the competitiveness of core domains including semiconductor manufacturing equipment, wafers, and materials and parts, and raise Japan's indispensability in the global AI supply network. On the premise of international division of labor with like-minded partners, by securing strategic autonomy in core domains, achieve AI Sovereignty, economic security, and industrial competitiveness as an integrated whole.

1-4. Securing Electricity and Compute as National Infrastructure for the AI Era

Ministry of Economy, Trade and Industry;
Ministry of Internal Affairs and Communications

Electricity, data centers, and compute are the core national infrastructure of the AI era.

The country that can secure sufficient compute and stable power supply will be able to convert AI autonomously into industrial competitiveness, public services, and regional revitalization — and will heighten international indispensability as well.

Background / Current Challenges

- Explosive increase in electricity demand is forecast
- Harms from siloed policies (AI, energy, regional revitalization)

Future electricity demand is likely to be pushed up by a combination of factors — data centers and semiconductor plants in addition to autonomous driving, edge computing, autonomization of industrial equipment by Physical AI, and communications demand.

Main Proposals

- Re-examination of the electricity-demand forecasts in the Strategic Energy Plan
- Strategic siting and investment promotion of data centers
- Promoting energy efficiency through leading-edge technologies
- Strengthening the supply chain of compute foundations and data centers
- Strategic overseas deployment of the data-center ecosystem

Intended Policy Effects

Secure at the national level the "sustained operational capability" that is the foundation of AI competition.

By securing sufficient compute and stable electricity supply, build the foundation that connects AI autonomously to industrial competitiveness, public services, and regional revitalization. Power, compute, and data are no longer separate policies; they are themselves the national infrastructure of the agentic AI era.

Autonomous driving is the greatest field of societal implementation where AI Sovereignty is tested.

Autonomous driving is the greatest field of societal implementation where Physical AI and Vertical AI intersect, and it is the frontline on which AI Sovereignty is tested.

Background / Current Challenges

- End-to-End (E2E) AI is transforming the competitive landscape of autonomous driving
- Dependence on modular, rule-based technologies
- Establishment of safety-evaluation methods for E2E AI is urgent

If domestic E2E-AI development continues to lag, then given the characteristic of E2E AI — that performance improves through data accumulation as driving continues — only foreign AI companies' models will grow smarter, raising the risk of lock-in to specific AI vendors.

Main Proposals

- Accelerating the development of **domestic E2E AI**
- Establishing methods for **E2E-AI safety evaluation** and promoting **their international standardization**
- Building **the operational foundation** to support societal implementation of autonomous driving
- Promoting **unmanned operations in the logistics field**
- **Subsidies for autonomous-vehicle purchase** as economic-security and transport-desert measures

Intended Policy Effects

Expand the societal implementation of autonomous driving area-wide, supporting the resolution of regional-transport and logistics challenges.

The automotive industry is a mainstay of Japan, and losing autonomy in the AI that becomes its brain cannot be overlooked from an economic-security standpoint. In addition to technology development, by developing the operational foundation that bears vehicle procurement, maintenance, dispatch, and operations management, expand the societal implementation of autonomous driving area-wide from cities to regions, and accelerate deployment in the logistics field where labor shortages are severe.

Defense AI should be developed as **the integrated foundation that supports the sophistication of decision-making and force employment.**

AI is not a tool for strengthening individual functions but an integrated operational foundation that secures decision-making superiority and sophisticates force employment. The shift to "AI and Data Centric Warfare," and the redesign of institutions, procurement, and personnel that supports it, is needed.

Background / Current Challenges

- Rapid AI implementation in military functions in foreign countries
- Relative decline of defense capabilities due to delay in AI utilization
- Reconciling interoperability with allies and autonomy

Amid drastic changes in warfighting — including ISR, command and control, and cyber — swift introduction of AI is the key to resolving the structural challenges that the Ministry of Defense and Self-Defense Forces face, including shortfalls in Self-Defense personnel rates.

Main Proposals

- Shifting to **"AI and Data Centric Warfare"** and **mindset** reform
- Clarifying and institutionalizing **the authority to aggregate data**
- **Reforming procurement** on the premise of AI utilization (fast-path procurement)
- Fundamentally revamping **personnel development and placement** on the premise of AI utilization

Intended Policy Effects

Strengthen defense capabilities while reconciling interoperability with allies and Japan's autonomy.

The introduction of AI not only enables effective use of defense capabilities but also contributes to resolving structural challenges of the Ministry of Defense and Self-Defense Forces, such as personnel shortfalls. Promote system design that can be autonomously controlled by Japan, while securing interoperability with like-minded partners.

Advance financial policy, the legal framework, and infrastructure development as an integrated whole.

With agentic AI taking on payments, remittances, and investment in view, position finance as national strategy and advance legal-framework and infrastructure development in an integrated manner.

Background / Current Challenges

- Arrival of agentic commerce
- Delay in legal arrangements for autonomous transactions
- Rising importance of on-chain finance

If left unaddressed, Japan risks being reduced to a mere user of foreign-designed protocols and payment infrastructure and foreign-currency-denominated stablecoins — not only missing growth opportunities but also taking on economic-security vulnerabilities.

Main Proposals

- Position finance in the agentic AI era as **national strategy**
- Advance legal arrangements and societal implementation of **autonomous financial transactions**
- Demonstration of integration between **agentic AI and on-chain finance**
- Strengthen resilience and cybersecurity of **payment infrastructure**
- Study and verification of **next-generation settlement foundations**

Intended Policy Effects

Build a "Japan-style high-trust financial AI model" ahead of the world.

Japan has foundations that can be leveraged in advance — the stablecoin framework, the public digital-ID base, and the FSA's demonstration support. Establish a Japan-style model with "trust" as its strength, and connect this to securing international interoperability and to participation in rulemaking.

AI utilization in government is the core foundation that determines national competitiveness.

The use of AI in government not only improves service quality and operational efficiency; it enables responses to staff shortages driven by population decline, and, by encouraging implementation in local governments and the private sector, connects to the formation and expansion of a domestic AI market.

Background / Current Challenges

- Staff shortages from population decline
- Disconnection between national and local government data and operations
- Business design premised on paper and face-to-face

Japan needs to shift its mindset from “individual and separate” to “common and shared,” from “manpower premise” to “AI and digital premise,” and from “mere delegation of authority” to “continuous accompaniment and support.”

Main Proposals

- **Common-foundation** development across national and local government, and **expansion of Government AI ("GENAI")**
- **Leading implementation of priority use cases**
- AI-premised **BPR (back-office)**
- Talent development and **a nationwide rollout framework** ("GovTech Japan," tentative name)

Intended Policy Effects

As a leading demand source, government drives the formation of the AI market across society as a whole.

By extending mechanisms for joint use, accompaniment support, human-resource development, and shared development assets across the country, and by combining talent pools, joint procurement, common specifications, and nationwide security operations, minimize regional disparities and realize an inclusive administrative DX and AX in which no one is left behind.

Paradigm Shift 2

From "What Can AI Do?" to "What Can Only Humans Do?"

- 2-1. Driving AX across All Businesses
- 2-2. Redesigning Work and Employment for the Agentic AI Era
- 2-3. AI for Science
- 2-4. AI for Education
- 2-5. AI for Creators

Spread AI Transformation(AX) from large enterprises to SMEs — to all businesses.

Advancing AX and becoming an AI-first company is the most important management agenda determining future competitiveness.

Background / Current Challenges

- AI utilization among SMEs remains low
- Insufficient understanding among executives and shortage of AI-promotion talent
- Lack of funds to support AX investment

Although IT-related subsidies that can also be used for AX already exist, AX support targets are not set, and there are issues making it difficult to use them for AI-utilization projects.

Main Proposals

- Promoting understanding among SME executives and **inspiring will to take on challenges**
- Compiling and publicizing knowledge useful for **building AI-promotion organizations**
- Talent development and **accompaniment support for AI-utilization projects**
- Maintaining **seamless subsidies tailored to each AX stage**

Intended Policy Effects

Achieve productivity improvement of the Japanese economy as a whole and continuous competitiveness strengthening.

Use of generative AI in Japanese firms is expanding, but progress on AI utilization and AX adoption lags significantly behind that of other major countries. So as not to repeat the failure of falling behind in DX, the state should immediately support AX initiatives from large firms down to SMEs.

Support large-scale **skill change** and smooth **labor mobility** for the AI era.

The development of AI will bring about large-scale skill change and job change. With AI substituting for simple and repetitive work in view, support practical reskilling and smooth labor mobility as an integrated whole.

Background / Current Challenges

- Advancing AI substitution of simple, repetitive work
- Expansion of impact on labor markets, including young workers
- Rigidity of conventional employment systems and organizational structures

Japan's employment system still leans heavily on membership-based employment and pyramid-shaped organizational structures with heavy middle layers, standing as obstacles to the transition toward work that only humans can do.

Main Proposals

- Continuous research and publication on **AI's impact on the labor market**
- **Reskilling support** for AI-utilization capabilities and non-substitutable skills
- Promoting **job-based employment** and shifting to **flat organizational structures**
- Supporting **smooth job change** by expanding Hello Work functions

Intended Policy Effects

Adapt to AI-premised ways of working and achieve smooth and fair labor mobility.

Transition costs — unemployment and job changes that accompany the progress of AX, wage volatility, widening regional disparities — must be faced squarely, and reskilling support, strengthened safety nets, and institutional design for a just transition must be prepared as a policy package. Without preparation for transition costs, society-wide AX cannot be realized.

Make AI for Science the core foundation for **the rebirth of science and the strengthening of research capabilities.**

AI for Science is a new research foundation that can transform the entire process of scientific research — literature review, hypothesis formation, experimental design, data analysis, and verification.

Background / Current Challenges

- Comparative weakness in AI research capabilities, compute resources, and the like
- Insufficient research data and research-environment development
- Immature foundation for developing advanced AI researchers

Japan possesses outstanding research data and research foundations, but its AI research capabilities, compute resources, and investment scale remain comparatively weak against major countries.

Main Proposals

- Develop environments enabling **safe and smooth AI use at research sites**
- Implement support for **1,000 research projects this fiscal year and 3,000 over three years**
- Develop and secure **3,000 advanced AI researchers over five years**
- Ensure reliability through **field-specific evaluation criteria and benchmarks**

Intended Policy Effects

Dramatically raise research speed, exploration scope, and reproducibility, and recover international competitiveness.

AI for Science transforms the entire process of scientific research — from literature review, hypothesis formation, experimental design, and data analysis through verification — and enables scientific discoveries and societal applications previously hard to reach. Lead the world in priority fields such as materials, life sciences, drug discovery, disaster preparedness, and environment and energy, and contribute to the rebirth of science and to the strengthening of research capabilities and international competitiveness.

Advance both "AI for Education" and "Education for the AI era" together.

Advance "AI for Education" — which lightens administrative burden and supports learning — together with "Education for the AI era" — which cultivates the qualities and capabilities required in the AI era — as an integrated whole.

Background / Current Challenges

- Increased burden on teachers and diversifying learning needs
- Significant lag in AI utilization compared to other countries
- New literacy challenges including "AI shallow thinking"

According to OECD international comparisons, AI utilization in Japanese schools is markedly behind that of many other countries, due to an interlocking mix of soft-side and hard-side issues.

Main Proposals

- Conduct **AI-utilization training for 3,000 teachers** this summer
- Large-scale demonstration of **school-administration AI** and creation of an **AI-era school-management model**
- Thorough **liberal arts** and **inquiry-based learning**
- Acceleration of **cloud-based online environments** and data infrastructure

Intended Policy Effects

Raise the quality of learning while realizing inclusive education that leaves no one behind.

When AI is designed and introduced with a human-centric stance, it becomes not a factor that widens educational disparities but a powerful means to support learners who have been hard to reach. In adult reskilling, too, develop opportunities for practical experience in both AI-related occupations and occupations that AI cannot easily replace, supporting the acquisition of capabilities to thrive in the AI era.

While advancing AI utilization in creative fields, restructure **exercise of rights, licensing, and profit return.**

If we remain caught indefinitely in the simple conflict structure of "copyright holders vs. AI operators," it will accelerate the hollowing-out not only of Japan's AI industry but also of its content industries.

Background / Current Challenges

- Dramatic improvement in production efficiency and broadening of expressive possibilities
- Rising concerns over unauthorized content use
- Legal challenges to securing the effectiveness of rights exercise

If we remain caught indefinitely in the simple conflict structure of 'copyright holders vs. AI operators,' it will accelerate the hollowing-out not only of Japan's AI industry but also of its content industries.

Main Proposals

- **Active use of guidance, advice, and other** necessary measures under the AI Act
- Research and demonstration for building **a licensing and profit-return ecosystem**
- Ensuring **the effectiveness of rights exercise** by businesses
- Clarifying the interpretation for **unauthorized use of voice** and strengthening countermeasures

Intended Policy Effects

Reconcile the healthy development of the content industries with the expansion of new creative opportunities.

"Proper exercise of rights" and "licensing through contracts" are not in opposition but are complementary. By taking strict action against malicious infringements while developing environments where appropriate consideration is smoothly returned to rights holders open to licensing, promote the healthy development of the ecosystem supporting the content industries.

Paradigm Shift 3

From "More or Less Regulation" to "Designing Trust"

- 3-1. A Three-Pillar Approach to Designing Trust
- 3-2. Leading International Cooperation and Rulemaking
- 3-3. Executing Government AX
- 3-4. Strengthening the Strategic Coordination Function

3-1 A Three-Pillar Approach to Designing Trust

Cabinet Office; National Cybersecurity Office of the Cabinet Secretariat

The core of AI policy is not about more or less of regulation, but about **the design of trust as a whole nation.**

"Responsible Agile Governance" is indispensable: rulemaking, technical control and auditing, and user literacy must be advanced as an integrated trinity.

Background / Current Challenges

- Difficult to address with the existing legal framework alone
- The threat of AI-driven sophisticated cyberattacks
- Insufficient AI literacy on the user side

The conventional approach — which begins legislative work only after a legislative fact becomes clear, i.e., after a serious accident or harm has occurred — must be fundamentally reconsidered. AI's malfunctions and cyberattacks may have serious and broad effects on citizens' lives, bodies, and property, and even on national security.

Main Proposals

- Strengthening **the enforcement of Article 16 of the AI Act** and updating the legal system
- Strengthening **AISI's technical evaluation and auditing capabilities** in both quality and quantity
- Building **a public-private information-sharing and cooperation framework** in the cyber field
- Improving **AI literacy** and expanding **public consultation desks**

Intended Policy Effects

Make "trust" itself Japan's new international competitiveness.

A nation that can carefully design mechanisms of trust can safely reconcile expanded utilization with innovation. This connects not only to the promotion of AI adoption domestically, but also to competitive advantage in international markets. Through the trinity of legal system, technical evaluation and auditing, and user literacy, Japan can heighten its international presence as the designer of a "trusted AI ecosystem."

With "Designing Trust" and "AI Sovereignty" as the key principles, lead **international rulemaking and standardization.**

AI is not a domain that can be completed within one country. With "AI Sovereignty" and "Designing Trust" as its strengths, Japan should lead international rulemaking and heighten its indispensability within the international division of labor.

Background / Current Challenges

- Expanding new AI risks and societal concerns
- Need to advance and strengthen the effectiveness of the Hiroshima AI Process
- Establishing Japan's strengths and indispensability in the international community

As AI risks spread across borders, working with other countries to build AI risk assessment and technical auditing regimes is necessary to increase the effectiveness of the "Hiroshima AI Process."

Main Proposals

- Promoting and developing the **"Hiroshima AI Process" with an eye to the AGI era**
- Hosting **the FY2028 AI Summit**
- Strengthening **international standardization strategy for agentic AI**

Intended Policy Effects

Strengthen Japan's leading role through international rulemaking and standardization for trustworthy AI.

Through the continuation and development of the "Hiroshima AI Process," hosting the AI Summit, and strengthening international standardization strategy, raise Japan's international presence as a country that reconciles "Designing Trust" with "AI Sovereignty." Together, deepen cooperation with countries — including partners outside the G7 — and raise the effectiveness of frameworks for AI risk assessment and technical auditing.

Through **Government AX**, redesign government on the premise of **agentic AI**.

What government is now asked to do is not simply to adopt AI, but to carry out "Government AX (Agentic AI Transformation)" — redesigning laws and institutions, data and systems, and organizations and business itself on the premise of agentic AI.

Background / Current Challenges

- Constraints of current legal systems and administrative procedures
- Insufficient data preparation and linkage mechanisms
- No integrated promotion structure across institutions, operations, and technology

The government's AI and digital foundations should be positioned as "digital public goods" and reconceived as national investment.

Main Proposals

- Establishing the **"AI Extraordinary Commission"**
- Public-private leading demonstrations and **data preparation for AX**
- Visualizing progress and outcomes through the **"Japan AX Dashboard"**
- **Reform of the public-servant personnel system** for the AX era

Intended Policy Effects

Government itself embodies a new administrative model, leading the reboot of Japanese society as a whole.

By advancing institutional review, leading demonstrations, data-foundation preparation, outcome visualization, and organizational reform as an integrated whole, break free from partial-optimum reform on the extension of the past, and pivot to a new administrative model.

Strengthen **the national-level strategic coordination function** that drives AI strategy, implementation, and evaluation as an integrated whole.

Policy issues in the AI era are not confined to R&D support and industrial policy. Institutional design, data foundations, talent development, international cooperation, and the formation of social acceptance must be advanced as an integrated whole across ministries.

Background / Current Challenges

- Insufficient strategic coordination function for cross-ministerial leadership
- AI has become a national issue spanning public administration, industry, social infrastructure, and national security

What is required is not merely a coordination function, but a core function that shows the direction of institutional reform, sets priority areas, prepares necessary data foundations and demonstration environments, supports public-private implementation, and connects outcomes to the next cycle of institutional review — running strategy, implementation, and evaluation as an integrated whole.

Main Proposals

- Launching the **"Japan AX Promotion Team"**
- Establishing the **"AX Strategy Promotion Fund"** (tentative name)
- Integrating and strengthening **AI-policy promotion functions**
(more than doubling the authorized and actual staffing of the AI Strategy Headquarters secretariat)

Intended Policy Effects

Build a strong strategic coordination function that leads the transformation of the nation as a whole.

A new promotion system with clear accountability for execution, necessary authority, and sufficient agility is needed to advance institutional review, data preparation, leading demonstrations, and horizontal rollout of outcomes across ministries as an integrated whole.

AI White Paper 2.0

Track Record (Annex)

April 2026

Liberal Democratic Party of Japan

Headquarters for the Promotion of a Digital Society AI/web3 Subcommittee

Meetings held by the LDP Digital Society Promotion Headquarters (AI-related) and the AI/web3 Subcommittee (from October 2025)

2025

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Draft outline of the AI Basic Plan
Cabinet Office

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Fully domestic NTT LLM "tsuzumi" — Protecting Japan's intelligence at low cost; Development of domestic general-purpose foundation models
NTT R&D Marketing HQ; METI

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Strengthening AISI's functions; Domestic and overseas AISIs
AI Safety Institute — Akiko Murakami, Director; Cabinet Office

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Domestic general-purpose foundation models
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Anthropic's founding background and vision for responsible AI; Anthropic's product deployment and market strategy in Japan, and collaboration with Japanese firms
Anthropic — Dario Amodei, CEO

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Public-private DX opening regional women's wage increases and empowerment, driving a virtuous economic cycle
Public-Private DX Women's Empowerment Consortium — Wakako Yata, Representative Director

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Draft AI Basic Plan
Cabinet Office

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Draft AI Basic Plan
Cabinet Office
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Draft Urgent Proposal on Strengthening the Functions of the AI Safety Institute (AIS), and other items

METI: Ministry of Economy, Trade and Industry
 MEXT: Ministry of Education, Culture, Sports, Science and Technology
 MHLW: Ministry of Health, Labour and Welfare
 MIC: Ministry of Internal Affairs and Communications
 MOFA: Ministry of Foreign Affairs MOD: Ministry of Defense
 MLIT: Ministry of Land, Infrastructure, Transport and Tourism
 SME Agency: Small and Medium Enterprise Agency



Meetings held by the LDP Digital Society Promotion Headquarters (AI-related) and the AI/web3 Subcommittee (from February 2026)

2026

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General overview of Japan's national AI strategy
 Institute of Geoeconomics — Makoto Shiono, Managing Principal / Head, Emerging Technology Group;
 University of Tokyo Graduate School of Engineering — Prof. Yutaka Matsuo

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Status of considerations on AI for Science
 MEXT; Matlantis Inc. — Akiko Segawa, Head of Corporate Planning;
 Google Japan — Yu Kawamoto, Senior Executive Officer (Policy & Government Relations); Google DeepMind — Byeongha Jeon, Principal Scientist & Tokyo Site Lead; Google Japan — Hiroki Kayama, AI Research & Core Partnership Japan Lead

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 Cabinet Office; TikTok Japan — Nobuaki Yasunaga, Head of Public Policy

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 Sakana AI — Ren Ito, COO; NSV Wolf Capital — Naoki Shibata, Managing Partner

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Supporting AI utilization in SMEs
 SME Agency;
 Akari Inc. — Yuki Noro, President and CEO

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 Google DeepMind — Shane Legg, Co-founder;
 Google DeepMind — Shane Gu, Research Scientist & Manager

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Institutional reform for the agentic AI era
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 Atsumi & Sakai — Takafumi Ochiai, Senior Partner

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AI for Defense
 Yoshihide Yoshida, former Chief of Staff, Joint Staff, MOD;
 Palantir Technologies Japan — Katsuyuki Ohara, CEO

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The future of commerce: AI and stablecoins
 Oliver Jenkyn, Visa Group President

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AI for Government
 Tokyo Metropolitan Government — Deputy Gov. Manabu Miyasaka; Digital Agency; Council for Digital Administrative and Fiscal Reform

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 Nomura Research Institute, Future Creation Center — Zhihui Li, Chief Expert; METI

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 University of Tokyo Graduate School of Engineering — Assoc. Prof. Rui Yoshida; Polaris.AI Inc. — Hiroto Tobishima, COO; MEXT

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Work in the AI era
 University of Tokyo Graduate School of Economics — Prof. Daiji Kawaguchi; MHLW

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AI for Creators
 Japan Academic Association for Copyright Clearance — Toshimichi Ishijima, Executive Director; note, Inc. — Sadaaki Kato, CEO; Voice-AI Concerned Associations

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Data centers in the agentic AI era
 NTT Global Data Centers Japan Inc. — Yasuo Suzuki, President and CEO; Keio University Graduate School of Media and Governance — Prof. Koichi Takahashi; METI; MIC

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AI for Mobility
 Honda R&D; Digital Agency; METI; MLIT

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17 areas of the Japan Growth Strategy related to the Digital Society Promotion HQ: AI/semiconductors (AI portion); Digital and cybersecurity
 Cabinet Office; METI; Digital Agency

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Compilation of AI White Paper 2.0

