

# Summary of the Japan's Second AI Basic Plan

~Japan AI Transformation: A Stronger Nation. Greater Prosperity.~

Cabinet Decision on Jul.14.2026

## Basic Concept

- ◎ Adapting to the rise of agentic AI and strengthen Japan's AI capabilities – from computing and energy to institutions and policy
- ◎ Driving AI Transformation (AX) by redesigning decision-making and ways of working with AI at the core
- ◎ Pioneering a human-AI collaborative society by pursuing the value only human can create to advance “people skills and humanness”
- ◎ Harnessing “Trustworthy AI” to solve societal challenges, enhance national strength, and generate new value from Japan

## Four Principles

- Promoting innovation while mitigating risks
- Agile (flexible and swift) response
- Trial, learning, and iteration
- Advancing integrated domestic and international policies

Virtuous Cycle of deployment and Tech-Innovation

## Four Strategic Pillars and Actions

Reconfigure Government for AX and conduct a Government-wide review of institutions, regulations, and operations

### 1. Accelerate AI Deployment “Adopt AI” : **Actively adopt agentic AI, government deployment**

- **Mainstream AI across national and local governments:** Evolution and scale Government AI “GENAI”, and unlocking regional potential through Regional AX
- **Harness AI to solve societal challenges and create new businesses:** Accelerate the deployment of Vertical AI and Physical AI
- **Advance Data strategy and build foundations for greater AI adoption:** Build interoperable data infrastructure across government, public service, and industry sectors

### 2. Strengthen AI Development Capabilities “Create AI” : **Build and deploy AI to secure “AI Sovereignty”**

- **Expand and upgrade AI R&D and deployment infrastructure:** Secure computing resources, data, and sufficient power capacity as national AI infrastructure
- **Advancing Japan's AI development capabilities:** Develop datasets, attract top talent, advance model development, and build evaluation platforms and testbeds
- **Develop trustworthy foundation models:** Develop and evaluate AI aligned with Japan and accelerate the development of multimodal foundation models
- **Forge Japan's competitive edge:** Advance Vertical AI (Sector-Specific Strategies); Physical AI (AI robotics, autonomous driving); AI for Science

### 3. Lead AI governance “Enhance AI trustworthiness” : **Lead the world by shaping global “trust” in the AI ecosystem**

- **Realize responsible agile governance:** Proactively and continuously review laws, regulations, and governance frameworks, including the AI Act and advance YATA-Shield
- **Foster international cooperation with ASEAN and Global South:** Elevate AISI and convene an AI Summit in Japan to foster trustworthy AI co-creation

### 4. Build an AI-powered Society “Collaborate with AI”: **Drive Japan through AX with human accountability**

- **Prepare industry and workforces for the AI Era:** Promote AX across SMEs and regions (e.g., monitoring AI adoption), and assess AI's impact on employment
- **Design frameworks for the AI Era:** Reform regulations and institutions, clarify responsibility between humans and AI, ensure transparency for IP protection and utilization
- **Develop and secure talent for AI Era:** Develop and secure AI implementation talent, enhance AI literacy all citizens, and expand reskilling opportunities
- **Cultivate people skills and humanness in the AI Era:** Cultivate people skills and humanness including creativity, critical thinking, and accountability in decision-making, and explore the evolving roles between humans and AI

## ■ Evolution of AI Technology

- AI is evolving from a tool that supports human work into an agent capable of making decisions and taking actions.
- Agentic AI is expanding rapidly and **is becoming a foundation for autonomously managing end-to-end operations across a wide range of sectors**, including industry and national security.
- How societies deploy and govern agentic AI will directly shape national strength, including economic competitiveness, defense capabilities, and technological prowess.

## ■ Japan's Current Situation and Challenges

- Around the world, both the deployment and adoption of frontier technologies, including agentic AI, are accelerating.
- In Japan, AI adoption in frontline operations and investment in AI development continue to grow. However, challenges remain in scaling adoption across organizations, SMEs, and in regional communities.
- Japan must strengthen its overall AI deployment capability, including computing resources, energy, talent, data, governance, institutions, and policy.

## ■ Japan's Strategic Path Forward

- To translate Japan's strengths in real-world operations into a distinctive AI deployment capability, Japan will place strategic emphasis on "Vertical AI" and "Physical AI," enabling it to address domestic challenges, create unique value, and contribute to solving global challenges.
- Japan will secure both strategic autonomy and strategic indispensability within the global AI ecosystem and establish open "AI Sovereignty." Working with like-minded countries, Japan will strengthen autonomy in strategic domains, secure resilience against disruptions and operational capabilities, and build competitive advantages rooted in its strengths in real-world operations and hardware.
- To address challenges facing industry, government, and citizens while strengthening national competitiveness and resilience, organizations across society will promote "AI Transformation (AX)" by redesigning decision-making and ways of working with AI at the core.

## ■ Addressing Increasingly Complex and Serious Risks

- AI-related risks are becoming increasingly complex and consequential as technological innovation accelerates, particularly in agentic AI.
- Alongside regulatory measures, including the AI Act, Japan will pursue an integrated approach combining technological, institutional, and organizational measures, while proactively advancing "responsible agile governance" to realize trustworthy AI.

## ■ Toward Society-Wide AX

- Japan will fundamentally strengthen its AI deployment capability, including rebuilding institutions and policies for the AI era, and embed Japan's hallmark reliability into agentic AI.
- Japan will redefine the relationship between humans and society, explore the value that humans should create - including accountability for decisions - and take the lead in cultivating "people skills and humanness" while building social frameworks that enable people to thrive alongside AI.
- Driving a society-wide AX through "Trustworthy AI" to solve societal challenges, enhance national strength, and create new value for Japan.

## Key Points

- **Advance Government AI** through the **adoption of agentic AI** and the active use of AI models developed in Japan. **Support AI adoption by local governments through the open-source expansion of “GENAI.”**
- **Drive structural transformation of local government operations through AI** by scaling proven use cases and best practices.
- To unlock regional potential and translate it into growth, **support AI adoption among mid-sized enterprises and SMEs, foster the creation of AI-enabled locally rooted businesses, and promote innovative projects that address regional challenges.**
- **Promote the development, demonstration, development, and adoption of Vertical AI and Physical AI** – including agentic AI – across sectors such as **healthcare, finance, education, disaster management. Develop sector-specific Vertical AI** strategies and mobilize public and private investment in priority areas.
- **Maximize the use of data and AI to transform defense capabilities.**
- Develop the infrastructure and ecosystem for sharing and exchanging geospatial data, and **promote the development and adoption of “Geo AI”.**
- **Build interoperable data infrastructure across government, public service, industry, and research sectors.**
- **Support their R&D and pilot projects for data-refinement middleware and data-space technologies,** and foster domestic platform service providers that serve as core enablers of data refinement and data linkage.
- **Undertake a cross-government review and redesign of laws, regulations, guidelines, and operational rules** to accelerate AX across society.

## Key Points

- **Expand domestic production and supply capacity for AI infrastructure** - data, community-friendly data centers, computing resources, and semiconductors – and **strengthen supply chains**.
- **Secure world-class AI researchers and developers** while ensuring trustworthiness and **enhance support mechanisms that enable AI-driven research**.
- Advance AI for Science initiatives in accordance with the “Basic Strategic Policy for the Promotion of AI for Science,” through **pioneering research** including fundamental AI research, ambitious new challenges, and international collaboration; **the development of research infrastructure**; and **the strategic management and utilization of research data under an “open-and-closed strategy.”**
- **Promote the development, deployment, and international expansion of Vertical AI for knowledge-intensive real-world domains**, with the aim of creating globally competitive AI systems that embody uniquely Japanese value.
- Leverage Japan’s strengths in industrial robotics and automotive supply chains **to strengthen and cultivate domestic robot manufacturers and system integrators for multi-purpose robots**.
- **Strategically and comprehensively promote R&D, demonstrating, and real-world deployment of Physical AI** - including AI robotics – across both the public and private sectors, positioning Japan to lead globally.
- **Accelerate R&D, demonstration, and large-scale deployment of next-generation autonomous driving technologies**.

## Key Points

- Operationalize activities such as research under Article 16 of the AI Act more dynamically, and proactively and continuously review and update legal, regulatory, and policy frameworks, including the AI Act, to respond effectively to increasingly complex and consequential AI-related risks.
- **Develop guidelines and other frameworks** to protect citizens' rights and ensure transparency and fairness, including by clarifying key considerations for the use of AI in administrative operations and **providing legal clarification regarding rights infringements arising from the broader use of AI.**
- **Consolidate AI expertise within the Artificial Intelligence Strategic Headquarters and establish mechanisms to continuously review and improve AI-related laws, regulations and guidelines.**
- **Strengthen Japan's cybersecurity under "Project YATA-Shield,"** including measures for critical infrastructure operators and enhanced capabilities to identify and remediate vulnerabilities.
- **Continuously strengthen cyber defense capabilities,** including by using advanced AI technologies.
- **Establish and enhance AISI's technical evaluation** capabilities for AI model assessment, traceability, guardrails, and crisis-time information sharing, while creating mechanisms to translate evaluation results into policy, regulatory, and operational improvements.
- Lead the development of AI governance through **the AISI International Network and other international standardization initiatives,** while working with partners **to shape global discussions on the governance of advanced AI systems.**
- Position Japan as a global hub for AI innovation by **convening an AI Summit in Japan at an early opportunity** and leading international models for AI cooperation and coordination.

## Key Points

- Advance AX across all industries – including medium-sized enterprises, SMEs and regions – to create new industrial structures powered by AI.
- Continuously examine the allocation of responsibility in the age of agentic AI, including in cases involving rights infringements, damages, or other harms arising from AI deployment.
- Ensure transparency that supports both the protection and utilization of intellectual property. Promote fair value return to content creators and rights holders.
- Proactively address the impact of AI on work and employment through comprehensive measures, including reskilling initiatives.
- Revise guidelines for the use of generative AI in primary and secondary education, and promote safe, secure, and responsible AI use in schools through education-focused AI pilot programs and research.
- Cultivate and secure AI talent in both quality and scale, including AI deployment professionals who play a central role in advancing AX.
- Fundamentally strengthen information literacy in primary and secondary education by expanding training opportunities for educators and equipping all citizens to use AI appropriately and effectively.
- To build a society which humans and AI evolve together, strengthen people skills and humanness – centered on human agency and accountability for decisions and including creativity and critical thinking - while addressing the social and psychological impacts of widespread AI adoption.