

Summary of Economic Security Management Guidelines (1st Edition)

January 23, 2026

Ministry of Economy, Trade and Industry (METI)

Background

- The international environment surrounding **Japanese companies has entered an era where responses to geopolitical risks are required**, shifting from the era of globalization characterized by cross-border, cost efficiency-focused economic activities.
- **To realize Japan's economic security**, it is **crucial for private companies**, which form the industrial and technological base, **to enhance strategic autonomy and strategic indispensability**. However, private companies also indicates that advancing economic security initiatives may entail additional costs.
- As economic security risks increase, **the supply and development of products and services, considering supply stability and robustness of security, may create new market value and could lead to expanded business opportunities**. Furthermore, in order to enhance strategic autonomy, it is essential for all companies involved in the supply chain, from upstream to downstream, to share awareness of economic security risks and advance the initiatives together.
- **These guidelines are intended to serve as recommendations for executives to consider and implement the initiatives to enhance economic security as part of their business strategy**. These guidelines will be continuously updated in line with the changes in international situations and Japan's economic security policies.

※The draft of the Economic Security Management Guidelines was published on November 20, 2025. Following a public comment period from November 26 to December 26, 2025, the 1st Edition of the Guidelines has been finalized based on the feedback received.

Table of Contents

1. Introduction

2. Basic Policy

- Positioning, companies covered, subjected parties, content and scope

3. Principles that executives should recognize

- 1) Accurately understand own business and develop risk scenarios
- 2) Position the initiatives as investments rather than mere costs
- 3) Promote dialogue with various stakeholders

4. Direction of initiatives in specific areas

- ① Initiatives to ensure strategic autonomy
- ② Initiatives to ensure strategic indispensability
- ③ Strengthening of governance in economic security

Appendix: Checklist

Background

- Nov 20, 2025: The draft version of Economic Security Management Guidelines (1st Edition) was published.
- Nov 26, 2025 – Dec 26, 2025: METI called for public comments on the draft version.
- Jan 23, 2026: The 1st Edition was published on METI's website

Use Cases (examples)

Management mindset



Our company also needs to address economic security. Let's consider how to incorporate these guidelines into our business strategy.

Vertical coordination within company

Bottom-up Communication
from Ground-level staff to Executives



Let's use these guidelines as a reference and work towards economic security in our company!

Utilization by industry associations and other organizations

Creating Organization-Specific Guidelines

Based on these guidelines, let's create specific guidelines within our industry association!



Horizontal coordination within company

Request for Cooperation from the Command Center to the Responsible Department

Economic security measures can contribute to our company's medium-to-long term growth. Let's work together on this!



Dialogue with business partners

Enhancing Suppliers' Understanding



The government has released these guidelines. Economic security measures are crucial for the entire supply chain, so let's work together on this!

Dialogue with business partners

Enhancing Understanding of Shareholders and Investors



In response to unstable geopolitical risks, we have made a decision on economic security measures from a medium-to-long term perspective.

Main Content of the Guidelines (1)

1. Introduction

- Amid the erosion of the liberal international economic order, industries are **increasingly recognizing the importance of economic security**.
- On the other hand, industry voices have expressed concerns that advancing economic security initiatives may entail additional costs. Some companies **recognize the value of economic security**, arguing that supplying and developing products and services that consider **supply stability** and **reliability** amid heightened geopolitical risks can potentially lead to **expanded business opportunities** through the **creation of new market value**.
- Such voluntary initiatives by industry ultimately **contribute to securing Japan's economic security**.



Aren't Economic Security measures a cost for companies ?

However, some companies are implementing procurement and R&D strategies suited to an era of heightened economic security risks...

Main Content of the Guidelines (1)

1. Introduction

To fulfill the responsibilities of stable supply,
procure raw materials and products from **multiple suppliers.**

Reduce the use of materials and raw materials with a high risk of supply disruption:
Develop alternative technologies

To **prevent the leakage of core technologies** through joint research partners or business counterparts, select joint research partners by **assessing not only own technology management systems but also those of research partners and business counterparts.**

To promote the government's economic security policies and accelerate individual corporate initiatives aligned with new market values such as supply stability and reliability, it is crucial for companies to formulate business strategies that not only address "risk management" but also to formulate strategies that **view changes in the economic security environment as business opportunities** and proactively turn them into enhanced corporate competitiveness.

Achieving this requires strong leadership and action by executives to drive reforms suited to a new era

Main Content of the Guidelines (2)

2. Basic Policy

1. Positioning

- These guidelines are intended to serve as **recommendations for companies** as they advance their economic security measures and **formulate business strategies aimed at maintaining and enhancing corporate value**. **The matters set forth in these guidelines do not impose obligations on companies.**
- **These guidelines are not targeted at transactions with specific countries, companies, or individuals.**
- Initiatives and responses aligned with these guidelines may generally serve as **one basis for demonstrating that management has fulfilled its duty of due care.**
- However, **consideration of only the matters set forth in these guidelines is not sufficient.** Each company is expected to **advance its initiatives with creativity and resourcefulness,** taking into account the specific risks it faces.

2. Companies Covered

- These guidelines **are written so as not to presume any particular industry, business model, or scale of operations.**

3. Intended Users

- These guidelines are primarily intended for **executives** and other members of management.
- Furthermore, it is useful to utilize these guidelines as a basis for dialogue **with stakeholders, including business partners and shareholders.**

4. Content and Scope

- Focus on responses to **economic security risks that cannot be addressed solely through compliance with domestic laws,** including the strengthening of border measures by foreign countries and the risk of technology leakage that could threaten a company's competitive advantage.

※Compliance matters under domestic laws such as security trade control under the Foreign Exchange and Foreign Trade Act are the natural responsibility of companies conducting business activities in Japan and are therefore not directly addressed.
- **Specifically, initiatives to ensure strategic autonomy, initiatives to ensure strategic indispensability, and strengthening of governance in economic security** are outlined.

※When cooperation among multiple companies is required, **refer to Japan Fair Trade Commission's "Basic Concept Under the Antimonopoly Act on Activities of Enterprises Related to Economic Security" and "Casebook on Economic Security and the Antimonopoly Act"**

Main content: Principles that executives should recognize

Economic security measures should be positioned as an important management matter, and executives and other members of management themselves must exercise leadership and take the lead in promoting measures tailored to the company's specific risks.

(1) Accurately understand own business and develop risk scenarios

- Understand as accurately as possible the volume and monetary value of transactions within the company's value chain, broken down by counterparty company, country or region, and product or service.
- Identify the company's core technologies and other assets that serve as source of competitive advantage.
- Understand which products and services may be disrupted due to external shocks and identify events that could lead to the loss or leakage of the company's core technologies and other key assets. Develop such risk scenarios and corresponding countermeasures, prioritizing in accordance with their level of importance and urgency.



(2) Position the initiatives as investments rather than mere cost

- Proactively enhancing economic security and ensuring strategic autonomy and strategic indispensability are important for gaining the trust and confidence of stakeholders such as business partners and shareholders.
- Recognize responses to economic security as necessary investments that help reduce future costs and losses in corporate activities and support the pursuit of sustainable business management.



(3) Promote dialogue with various stakeholders

- It is essential to promote dialogue with various stakeholders such as business partners, financial institutions, shareholders, national and local governments in order to advance economic security initiatives.



Main content: Direction of initiatives in specific areas

(1) Initiatives to ensure strategic autonomy

- In light of the current rise in geopolitical instability, executives should **recognize that excessive concentration of procurement, supply, or production bases in specific countries, regions, or companies may increase the risk of supply chain disruption or interruption.**
- In normal times, regularly **assess the risks and potential impacts** on the company and its business partners in the event of a disruption in the supply of its products or services. Before risks materialize, **examine plausible risk scenarios** based on their importance and urgency and **consider measures** such as alternative procurement and stockpiling. As necessary, consider engaging in information exchange, sharing of awareness, and joint measures with the government, industry peers, suppliers and customers.
- **Where procurement currently depends on a single source**, it is important to prepare for the possibility of supply disruption. For example, **companies should establish systems and build relationships with potential alternative suppliers in advance**, such as obtaining certification in advance of raw materials to be incorporated into their products or services in advance **so that they can swiftly transition to alternative sources of procurement in the event of an emergency.**
- For raw and other materials with a high risk of supply disruption, it is also useful to formulate medium-to-long term strategies, such as **rationalizing their use** by reviewing specifications, as well as **developing recycling technologies and alternative technologies.**
- In order to advance initiatives for supply chain diversification, it is also **important to obtain the understanding and cooperation of downstream customer companies and other parties in the supply chain** that purchase the company's products and services. Executives and other members of management are expected to take the lead in engaging in dialogue with these customer companies and other relevant parties, and to strive to ensure **their understanding of the potential risks inherent in the company's supply chain and the corresponding countermeasures.**
- **Where suppliers and industry associations located upstream in the company's supply chain seek consultation regarding measures such as the diversification of procurement sources and production bases to ensure a stable supply, companies are expected to engage in good-faith dialogue**, recognizing that such initiatives can contribute to enhancing corporate value over the medium-to-long term through strengthening supply chain resilience.
- In the event that sudden border measures or similar actions taken by other countries cause supply chain disruptions or interruptions, as some cases require a coordinated public-private response, companies are expected, as necessary, to **consult with the Ministry of Economy, Trade and Industry (METI)** and other relevant authorities, while **METI also shares information** with companies and jointly considers appropriate countermeasures.

Main content: Direction of initiatives in specific areas

(2) Initiatives to ensure strategic indispensability

- Recognize that ,in addition to investments in research and development aimed at generating innovation, **protecting the company's core technologies** and **ensuring thorough measures to prevent the leakage of technical information belonging to business partners and other parties** can **contribute to enhancing corporate value**.
- Implement measures to prevent technology leakage by **identifying core technologies, assessing potential leakage risks, and understanding the potential impact on management in the event of leakage**.
- **Consider capital policy for business expansion and related purposes, including decisions on whether to pursue a public listing**, considering the risks of know-how and technology leakage through acquisitions, capital alliances, and similar arrangements
- Ensure that measures to prevent the leakage of technologies and related assets are addressed not merely as issues for the heads of research and development, production technology, or business divisions, but **as core management matters to be pursued on a company-wide basis**, involving executives as well as the heads of corporate planning, human resources, legal, and other corporate functions.
- Recognize that, **where multiple Japanese companies possess superior technologies supporting Japan's industrial and technological base in the same field**, the leakage of such technologies from even one company to another country could, in the future, allow other countries to gain a competitive advantage and thereby undermine the collective interests and competitive position of Japanese companies in that field. On that basis, if there are any concerns or uncertainties regarding the positioning of the company's own core technologies, methods of information gathering, or the consideration of measures to prevent leakage, **consult METI and, taking into account the outcome of such consultations, endeavor to engage in dialogue with other companies possessing technologies in the same field**.

Main content: Direction of initiatives in specific areas

(3) Strengthening of governance in economic security

- To advance risk management, it is important to gather not only **internal information**, including the company's strengths and weaknesses and supply chain information, but also **external information** such as domestic and international regulatory trends and global political developments.
- **Where management resources are limited and establishing a sufficient information-gathering system is difficult**, it is also useful to continuously collect information from **government websites and through media sources such as news outlets and newspapers**, as well as to regularly gather information published by **think tanks and industry associations**.
- **Monitor not only the effectiveness of countermeasures but also whether organizational structures and corporate culture, as well as the allocation of responsibilities and authorities in economic security responses, are appropriate.**
- Establish an organization in which departments and functions, including corporate and business divisions, collaborate organically to **examine and implement countermeasures on a company-wide basis**, and also establish **arrangements enabling executives and other members of management to directly instruct the departments and functions responsible for implementing such measures** when rapid decision-making is required.
- It is also useful to consider the following when establishing an optimal organization:
 - Establish a command center department or function to oversee economic security responses.
 - Appoint department heads or equivalent personnel as persons responsible and, in addition, to designate an executive officer or higher-level executive in charge of economic security.
 - Grant sufficient and appropriate authority to the command center department or function and to the organizations responsible for examining and implementing risk response measures.
 - Where management resources are limited and it is difficult to establish a sufficient organizational structure, it is not necessarily required to create a new organization or increase personnel; instead, responses may be carried out using existing organizational structures and personnel.
 - Develop personnel with knowledge and experience in economic security.