

Outcomes Statement: Inaugural Australia-Japan Finance Ministerial Dialogue

On 5 October 2026, Australian Treasurer Dr Jim Chalmers and Japanese Minister of Finance Ms Satsuki Katayama ('Ministers'), met in Tokyo, Japan. Marking 50 years since the signing of the *Basic Treaty of Friendship and Cooperation between Australia and Japan*. Ministers celebrated the trust and friendship that underpin the relationship today. They committed to build on this foundation and advance the commitments made by Prime Ministers Albanese and Takaichi at the May 2026 Australia-Japan Annual Leaders' Meeting.

Recognising the importance of closer economic policy coordination, Ministers established the annual Australia-Japan Finance Ministerial Dialogue by signing the Memorandum of Cooperation ('MoC'). This annual meeting between the Australian Treasurer and the Japanese Finance Minister will strengthen our partnership on economic security and our international collaboration to deliver a more stable and prosperous region.

Ministers held the Inaugural Australia-Japan Finance Ministerial Dialogue under this MoC. During the meeting, Ministers exchanged views on a wide range of issues, including the global and domestic economic outlooks, economic policy priorities, economic security, and Australia-Japan investment cooperation.

Ministers discussed shared challenges driven by global volatility, fragmentation and conflict, including fuel security, rising global inflation and the cost of living, as well as fiscal pressures from rising bond yields. Ministers also discussed the challenges and opportunities of long term structural shifts, including the energy transition and the impacts of climate change, demographic change, developments in AI and digital technology and the evolving industrial bases of both economies. Ministers exchanged views on their respective economic policy priorities and reaffirmed the importance of maintaining resilient, open and rules-based economic systems.

Ministers discussed how Australia and Japan are delivering more two-way investment in our national priorities, including energy, critical minerals and the defence industry. Ministers also discussed how both countries are developing an enabling environment to support sustainable investment in AI and data centres. Investment from trusted partners is essential to growing these strategic sectors in the national interest, with the value of investment proposals in Australia from Japan already 3 times higher in 2024-25 than it was in 2020-21.

Ministers agreed to prioritise greater investment cooperation, with a focus on more resilient and secure supply chains, energy and fuel security, green industry, housing, critical minerals and digital infrastructure. Ministers also agreed to prioritise greater collaboration on supply chains for key goods such as fuel, food and critical minerals, as well as promoting and protecting critical technologies.

Ministers welcomed recent reforms to each side's respective foreign investment screening framework, and the shared objective of pursuing increased certainty for investors, faster and fewer approvals, reduced regulatory burden, and improved tools to address high-risk investment.

Ministers welcomed stronger cooperation between our financing agencies, including the signing of a Strategic Financing Memorandum of Cooperation and the inaugural Australia-Japan Strategic Investment Networking Forum, held in Tokyo on 2 October 2026. Together, these initiatives will help financing and policy agencies in both countries coordinate faster and more effectively on shared economic security priorities. It will help both countries make better use of their balance sheets and deploy capital where it matters most.

Ministers also discussed practical cooperation on critical minerals through joint support for the Alcoa-Sojitz Gallium Recovery Project and Japan's longstanding support for the Lynas Rare Earths Project.

Ministers discussed how Australia and Japan can work together to support a peaceful, prosperous and resilient Pacific, and strengthen economic resilience across the region. They welcomed work to improve access to banking services and cross-border payments, including through the World Bank's *Pacific Strengthening Correspondent Banking Relationships* project which will identify practical solutions the withdrawal of correspondent banking services in the Pacific. This is a critical piece of work that supports Pacific Island Countries having adequate access to the global financial system, including international trade, tourism, remittances, and humanitarian financial flows.

Ministers also discussed the importance of financial integrity and stronger anti-money laundering and counter-terrorism financing capability. They recognised both countries' contributions through the Asia-Pacific Group on Money Laundering, as well as Australia's \$5.5 million investment in the 2026-27 Budget for AUSTRAC to strengthen the Pacific's resilience against financial crime

Both Ministers appreciated the discussion, and look forward to meeting in Australia for the next Australia-Japan Finance Ministerial Dialogue.