



U.S. Chamber of Commerce
International Affairs

U.S.-Japan
Business Council



Travel, Tourism and Transportation



Over the decades, Japan and the United States have forged a robust partnership through trade, investment, and people-to-people exchanges, contributing significantly to the growth and stability of the global economy. Among the areas of bilateral cooperation, the fields of travel, tourism, and transportation play a vital role, not only in job creation and regional revitalization, but also as a foundation for deepening mutual understanding and fostering new value and innovation. Building on initiatives such as the “U.S.-Japan Tourism Year,” bilateral exchanges are steadily recovering from the pandemic period. Continued efforts remain necessary to further enhance two-way exchanges.

At the same time, the rapid rebound in demand has brought to light a range of challenges. In Japan, tourism infrastructure has not kept pace with the increase in visitors, and strengthening local capacity to host travelers has become a pressing issue. Addressing these challenges will require the broader deployment of digital tools, the introduction of advanced technologies such as autonomous driving, and, in some instances, workplace and regulatory reforms. Indeed, pioneering public-private initiatives are already underway, including Japan-U.S. joint pilot projects in autonomous mobility.

In the United States, major international events such as the FIFA World Cup 2026 and the Los Angeles Olympic Games 2028 are forthcoming. These will create opportunities to expand tourism demand, attract visitors to diverse regions, and promote increased flows of people and goods from Japan.

In view of these developments, the Japan-U.S. Business Council and the U.S.-Japan Business Council (hereinafter, “the Councils”) respectfully submit the following recommendations to both governments to address the challenges facing the travel, tourism, and transportation sectors and to advance their sustainable growth.

1. Revitalization of Bilateral Exchanges

1.1 Promotion of Regional Tourism

Sustainable growth of the tourism industry requires avoiding excessive concentration of demand, while expanding consumption and encouraging longer stays. Promotion of regional tourism is indispensable. Regional assets such as history, culture, nature, cuisine, and sports should be effectively showcased to channel both people and goods toward regional areas. Demand should be further balanced by stimulating off-peak travel and promoting flexible vacation systems. Public-private cooperation will be essential, with government expected to play a leading role in shaping public awareness.

MICE (Meetings, Incentives, Conferences, and Exhibitions) represents a high-growth sector with substantial economic impact. The United States possesses strong capabilities in attracting large-scale international conferences and entertainment events, with extensive experience in branding and monetizing such initiatives. Japan should draw upon these best practices while leveraging its own strengths, such as safety, detailed hospitality, and cultural diversity.

1.2 Enhancement of Tourism Infrastructure

The sustainable development of the tourism industry requires, in parallel with improved working conditions, the pursuit of efficiency through digital innovation. The effective utilization of data will be decisive for competitiveness. Advancing initiatives such as autonomous driving, Mobility-as-a-Service (MaaS), cross-industry data collaboration, and artificial intelligence (AI)-driven efficiency will enhance labor-efficiency, automation, and overall resilience. Through coordinated efforts, Japan and the United States can assume a global leadership role in tourism innovation.

In Japan, where demographic decline and population aging are accelerating, institutional reforms including the acceptance of foreign workers should be advanced through public-private cooperation. Lessons from U.S. precedents in ride-sharing and autonomous driving should be applied in both urban and regional transportation systems. Furthermore, multilingual services, cashless payment systems, and digitalization of transportation information are indispensable to improving visitor convenience, and the government should lead in establishing standards and promoting their adoption. Equally important is the maintenance and enhancement of a diverse range of accommodation options, from hotels to short-term rentals. Overly restrictive regulations could limit travelers' choices and undermine the economic benefits of tourism. Therefore, flexible and carefully designed policies are essential to support sustainable growth in the tourism sector.

1.3 Facilitation of Entry and Exit Procedures

People-to-people exchange underpins the bilateral relationship. To promote greater mobility, smoother and more convenient border procedures are required, with strong administrative leadership. The Councils welcome Japan's inclusion in the U.S. Global Entry Program and urge further improvements in accessibility, such as interviews at embassies and the establishment of pre-clearance facilities at major airports.

In addition, the early and reliable introduction of Japan's planned Electronic System for Travel Authorization (JESTA), expected in 2028, will be critical to expedite immigration procedures and ease congestion. Revenues generated through JESTA should be directed toward strengthening infrastructure and workforce development in the travel, tourism, and transportation sectors.

1.4 Promotion of Next-Generation Exchanges

The cultivation of next-generation talent forms the cornerstone of future bilateral relations. Diverse opportunities for cultural, educational, sports, and youth exchanges should be strategically leveraged.

Strengthening youth exchanges is particularly urgent. The number of Japanese students studying in the U.S. has been in long-term decline since the early 2000s, with barriers including lower passport acquisition rates, rising tuition fees, and currency fluctuations. Concurrently, the reduction of Japan studies programs in the United States raises concerns for future mutual understanding and policymaking. Public-private collaboration to nurture researchers and secure academic posts is imperative.

Stable and ongoing government-led exchanges, including short-term study abroad programs and training initiatives, should be expanded. Combined with corporate internships and industry-led initiatives, such measures will nurture globally capable next-generation leaders.

2. Diverse Human Resource Participation in the Tourism Industry

2.1 Globalization of Work Conditions and Practices

The introduction of internationally standardized work conditions and flexible work practices are necessary to encourage the growth of the tourism industry in Japan. The industry should promote merit-based evaluation systems and the application of digital technologies in workforce management, thereby establishing an environment in which diverse human resources can actively contribute.

2.2 Investment in the Tourism Workforce Development Infrastructure

Strengthening investment in practical education and training is required in collaboration with educational institutions, in order to foster immediately effective personnel and support reentry into the workforce. Through these measures, the industry will be able to respond to the increasing demand from inbound travelers while ensuring the sustainable succession of Japan's distinctive strength, the spirit of *omotenashi*.

3. Promotion of Sustainability and Emerging Technologies

3.1 Critical Minerals and Supply Chain Resilience

Decarbonization in the automotive and other sectors requires a broad portfolio of technologies suited to local conditions, rather than a narrowing of technological options. By disseminating these technologies to third countries, Japan and the United States, together with industry, can contribute to global sustainability. To achieve this, supply chain resilience—including the securing of critical minerals—must be strengthened. The Councils look to both governments for continued leadership to ensure the practical adoption of diverse low-carbon technologies, including hydrogen, synthetic fuels, and biofuels.

3.2 Stable Supply and Global Competitiveness of SAF

In aviation, Sustainable Aviation Fuel (SAF) is essential to reducing future carbon emissions. In the United States, SAF investment is accelerating through federal policy support as well as state-level incentives in California, Minnesota, and elsewhere. Further expansion is anticipated.

In Japan, a new tax framework to promote domestic production of strategic goods has been established. Nevertheless, it is essential to build a globally competitive SAF supply chain that enables airlines to secure stable procurement. This will require not only capital investment in production and supply facilities, but also mechanisms to reduce operating costs and provide incentives. Such measures are vital to achieving long-term cost reduction and global competitiveness.

3.3 Introduction of Advanced Air Mobility (AAM)

Next-generation air mobility, including flying vehicles, has the potential to transform urban transport, disaster response, and tourism. Both governments should advance research and development support, the establishment of takeoff and landing sites, and the international standardization of operational and safety requirements, while ensuring regulatory and infrastructural preparedness.

4. Crisis Preparedness, Including Natural Disasters

To prepare for natural disasters and other crises, the tourism and transportation sectors must build resilient infrastructure and rapid decision-making frameworks. Drawing lessons from the Noto Peninsula earthquake and the Maui wildfires, efforts should be accelerated to reinforce the earthquake resistance of airports, stations, and tourist sites; establish evacuation routes; and strengthen preparedness for floods and heavy rains.

Public-private cooperation must be reinforced during normal times to ensure prompt responsiveness in crises, thereby minimizing damage. Moreover, Japan and the United States should establish frameworks for sharing crisis-related information and ensuring the safety of foreign visitors.