MANOHAR PARRIKAR INSTITUTE FOR DEFENCE STUDIES AND ANALYSES
मनोहर पर्रिकर रक्षा अध्ययन एवं विश्लेषण संस्थान

MP-IDSA
Issue Brief

Japan's Official Security Assistance (OSA) Policy towards Southeast Asia

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August 12, 2025

Summary

The success of Japan's OSA policy will depend on Tokyo's ability to maintain constitutional legitimacy, manage regional perceptions, deliver meaningful assistance, and foster sustainable partnerships, while avoiding exacerbating regional tensions.

Introduction

Since the end of World War II, Japan has operated under a pacifist constitution, particularly Article 9, which renounces the use of force in settling international disputes.[1] This legal framework has shaped Japan's foreign policy, primarily emphasising economic diplomacy and non-military engagement. As a result, Japan became one of the world's leading providers of Official Development Assistance (ODA), using it as a soft-power tool to foster economic growth, stability and goodwill, especially in Asia.

The ODA model, though effective for development, was not built to address rising security threats in the Indo-Pacific. As China's military assertiveness grew, especially in the South and East China Seas, Japan reassessed its security posture amid shifting regional geopolitics and US–China rivalry.

This rethinking culminated in a series of policy and institutional changes, including the 2013 establishment of Japan's National Security Council, the 2015 reinterpretation of Article 9 to allow limited collective self-defence, and the adoption of a new National Security Strategy (NSS) in December 2022. This latest strategy explicitly called for Japan to proactively maintain regional peace and stability. The current global order and complex security environment have prompted Japan to enhance its defence capabilities.

Japan's revised NSS aimed at enhancing defence and deterrence capabilities, which led to implementing the Overseas Security Assistance (OSA) in 2023, a new mechanism to provide non-lethal military aid to "like-minded" countries to enhance their security capacities. This marks a significant departure from Japan's traditional aid policy and signals a broader strategic pivot. Southeast Asia stands at the centre of this policy shift. The region's maritime vulnerabilities, economic importance and geostrategic location make it a focal point for China's expansionist activities and Japan's Indo-Pacific vision.

Japan's Interests in Southeast Asia

Japan attempted to change its relationship with Southeast Asia after 1945 to shed its reputation as an aggressive and exploitative colonial oppressor. As its economy expanded quickly in the 1960s, Japan emerged as Southeast Asia's economic superpower.[2] Japan often had to balance its economic interests with the region's

[1] Mark A. Chinen, **"Article 9 of the Constitution of Japan and Procedural and Substantive Heuristics for Consensus"**, *SeattleU School of Law*, 2005.

[2] Alexandra Sakaki, **"Japan in Southeast Asia: Countering China's Growing Influence"**, *Stiftung Wissenschaft und Politik*, 25 June 2025.

political realities, such as Indonesia's tilt towards a communist axis in the mid-1960s.

Japan revised its Southeast Asia policy in 1977 in response to the region's resurgence of old grievances and lingering resentments from Japan's wartime occupation (1940s), as well as the perception in the 1960s–70s that Japan was attempting to dominate the region again—this time economically rather than militarily. The 'Fukuda Doctrine', Japan's policy towards Southeast Asia during that period, remains a reference today. It is based on three key pillars. First, Japan renounced its military power. Second, it aimed to establish a trustworthy (or 'heart to heart') connection with the region, supported by interpersonal interactions beyond mere economic exchanges. Third, it sought to work closely with the ASEAN Community, founded in 1967 by Singapore, Malaysia, Thailand, Indonesia and the Philippines.

For Japan, Southeast Asia is critical economically. Despite variations amongst nations, the ASEAN states, which have a population of almost 678 million, generally see strong economic growth.[3] The region is as appealing to Japanese private-sector investors as it is for trade because of economic dynamism. To strengthen Japan's supply chains, it has offered financial assistance to Japanese businesses since 2020 that are moving their manufacturing facilities from China to Southeast Asia. Among the ASEAN nations, Thailand, Vietnam, Indonesia, Malaysia, Singapore and the Philippines are Japan's most significant commercial partners.

Due to its close economic links and geographical proximity to Southeast Asia, Japan has a fundamental interest in preserving its stability and security. Additionally, Southeast Asian maritime routes account for a sizable portion of Japan's trade, making them essential to the nation's economy. About 92 per cent of Japan's oil imports are transported through the South China Sea.[4] This implies that disruptions to shipping in Southeast Asia can perhaps severely impact the Japanese economy.

Southeast Asia has a very high degree of trust in Japan. According to a study published in April 2025 by Singapore's ISEAS-Yusof Ishak Institute, Japan remains the most trusted significant power in the area.[5] According to the seventh State of Southeast Asia study, trust in Japan rose from 58.9 per cent in 2024 to 66.8 per cent in 2025.[6] Japan's status as a 'responsible stakeholder that respects and champions international law' and its massive economic resources and political resolve to provide

[3] Patricia Enzmann and Matteo Moesli, **"Seizing Opportunities: ASEAN Country Cluster Readiness in Light of the Fourth Industrial Revolution"**, *Asia and the Global Economy*, 3 February 2022.

[4] Alexandra Sakaki, **"Japan in Southeast Asia: Countering China's Growing Influence"**, no. 2.

[5] Maria Siow, **"The 'Stabiliser'? Why Japan is Southeast Asia's Most Trusted Partner"**, *South China Morning Post*, 18 April 2025.

[6] Sharon Seah, **"Taking Southeast Asia's Pulse on Geopolitics"**, *Fulcrum*, 3 April 2025.

global leadership are the primary reasons for Japan being seen as a reliable partner by Southeast Asia.

Japan's political and diplomatic positions have grown more in line with Southeast Asia's strategic objectives, especially in looking for a tactical way to handle great power politics, which are fuelled mainly by the US–China competition.

Strategic Necessity behind Japan's OSA

After World War II, Japan embraced a pacifist identity, shifting from military power to economic influence through non-military means. Unlike other Western donors, its ODA policy reflected this, imposing strict limits on military involvement. However, rising regional tensions, especially China's maritime aggression, have led Japan to adapt its ODA, placing renewed emphasis on the rule of law and supporting security capacity-building.

The revised NSS described the current security environment as complex and severe, as it has ever been since the end of World War II.[7] The document noted that Japan would double its defence spending by 2 per cent of its GDP by the end of 2027, and pursue counter-strike capabilities.[8] China's attempts to unilaterally change the status quo by force in the maritime and air domains in the East and South China Seas, as well as Russia's invasion of Ukraine, were cited by Japan's NSS as two of the most obvious instances of serious dangers to Japan and current concerns to global security.

Japan's NSS calls for stronger military ties, especially with Southeast Asia, to uphold a 'free, open, and stable international order' amid rising geopolitical tensions. The updated and new Free and Open Indo-Pacific (FOIP) policy reflects this, emphasising security, freedom, the rule of law and regional cooperation.

The revised NSS was the first document to propose the idea of Official Security Assistance (OSA) as 'part of the efforts to reinforce the comprehensive defence architecture'. The OSA was introduced in April 2023 by Japan's Ministry of Foreign Affairs (MOFA).[9] OSA is distinct from ODA in that it explicitly aims to enhance the recipient countries' military and defence capacities, though strictly for non-lethal purposes in maritime surveillance, cybersecurity and humanitarian disaster response. This marks a departure from Japan's past reluctance to provide security-

[7] Adam P. Liff and Jeffrey W. Hornung, **"Japan's New Security Policies: A Long Road to Full Implementation"**, Brookings Institution, 27 March 2023.

[8] Ibid.

[9] **"Official Security Assistance (OSA)"**, Ministry of Foreign Affairs (MOFA), Japan, 23 April 2025.

related aid and reflects a growing consensus in Tokyo that development and security are increasingly intertwined.

OSA is currently in its third year of implementation and has grown considerably, from about US$ 13.8 million in 2023 to US$ 34.6 million in 2024 to about US$ 56 million for the 2025 fiscal year.[10] Japan has chosen recipient nations that share its FOIP goal and are situated in key locations, like close to the sea lanes that connect Japan to the South Pacific and the Indian Ocean to the Pacific. Bangladesh, Fiji, Malaysia and the Philippines received about US$ 15 million in OSA funding in FY2023/24. Southeast Asian nations comprise most of the initial OSA funding recipients, reflecting the region's growing common threat from China.

Objectives of Japan's OSA Policy

One of OSA's core aims is to operationalise Japan's vision for FOIP, and Southeast Asia is crucial to this vision. By strengthening the maritime and security capacities of Southeast Asian nations, OSA supports Japan's broader goal of preserving regional stability and deterring unilateral changes to the status quo, particularly in contested maritime domains such as the South China Sea.

Japan's OSA aims to deepen security cooperation with like-minded countries by providing equipment and supplies and infrastructure development to foster their security and deterrence capabilities. The OSA is used in three main areas: ensuring peace, stability, and security based on the rule of law, humanitarian activities, and operations to promote international peace and cooperation.[11]

Many Southeast Asian nations lack the resources or expertise to respond effectively to emerging security challenges, including maritime domain awareness, cyber threats and natural disasters. Japan's OSA policy seeks to build local capacity by providing non-lethal defence equipment, technical training and infrastructure development. This enables partner countries to manage their security more effectively while contributing to collective regional resilience. By engaging through OSA, Japan strengthens defence diplomacy, creates institutional linkages and builds long-term trust.

OSA is carefully crafted to remain within the boundaries of Japan's pacifist constitution by focusing exclusively on non-lethal assistance. This gives Japan a flexible tool to expand its strategic footprint without provoking domestic backlash or

[10] Christopher Woody, **"Japan Steps Up New Security Assistance to Countries Caught Between US and China"**, *The Diplomat*, 8 July 2025.

[11] Ippeita Nishida, **"How will OSA Change Security Cooperation?"**, *Discuss Japan (Japan Foreign Policy Forum)*, 5 July 2024.

international concerns about militarism. At the same time, it allows Japan to act more like a 'normal' strategic actor in regional affairs.

Japan's OSA Engagement in Southeast Asia

The Philippines became the first official recipient of Japan's OSA, reflecting both countries' growing strategic alignment in response to China's maritime assertiveness in the South China Sea. The Philippines, which faces repeated incursions by Chinese vessels in its Exclusive Economic Zone (EEZ), has been actively modernising its coast guard and naval capabilities. In November 2023, the Philippines received a coastal radar system as part of OSA. The coastal radar systems help bolster surveillance along key sea lanes such as the West Philippine Sea and Luzon Strait.

In December 2024, Japan pledged approximately 1.6 billion yen in security assistance to the Philippines under the OSA framework.[12] This includes coastal radar systems to boost maritime domain awareness (MDA) and rigid-hulled inflatable boats for the Philippine Navy, technical training, maintenance support and cooperation on humanitarian and disaster response (HA/DR) operations.

By supporting the Philippines' non-military defence capabilities, Japan enhances Manila's ability to patrol contested waters while maintaining its pacifist posture. MDA enables the Philippines to monitor its expansive maritime territories and detect intrusions by foreign vessels, including Chinese naval and coast guard ships. OSA support aligns with Manila's 'Re-Horizon' 3 military modernisation plan, especially its focus on coastline security and EEZ enforcement.

In December 2023, Malaysia signed a ¥400 million (US$ 2.8 million) grant for rescue boats and supplies.[13] Malaysia is a coastal country on the Strait of Malacca, the southern part of the South China Sea, which makes its location important as a maritime transportation route connecting the Indian Ocean and East Asia. Japan's contribution is, therefore, crucial for improving the security capabilities of the Malaysian Armed Forces.

Beyond the Philippines and Malaysia, Japan is exploring OSA partnerships with Indonesia and Vietnam, particularly in cybersecurity, anti-terrorism and disaster response. Notably, Japan remains cautious in ensuring that OSA does not challenge ASEAN's centrality or trigger geopolitical tensions. Japan emphasises transparency,

[12] **"Signing and Exchange of Notes for Official Security Assistance (OSA) FY2024 Project to the Republic of the Philippines"**, Ministry of Foreign Affairs (MOFA), Japan, 5 December 2024.

[13] Sakura Murakami, **"Japan and Malaysia Sign $2.8 mln Maritime Security Assistance Deal"**, *Reuters*, 16 December 2023.

non-intervention, and alignment with international norms while deploying OSA, distinguishing it from more assertive forms of security assistance by other powers.

Strategic and Geopolitical Implications

Repositioning Japan as a Regional Security Contributor

OSA marks a significant evolution in Japan's post-war identity, from a strictly pacifist aid donor to a more proactive but still constitutionally constrained security provider. While still adhering to its prohibition on lethal weapons exports and overseas combat roles, Japan is now engaging directly in security assistance—a space once avoided to preserve diplomatic neutrality. This shift allows Japan to expand its strategic presence without entering into formal alliances or deploying forces, which is politically sensitive at home and in recipient countries. OSA positions Japan as a "quiet guardian" of regional stability, complementing its existing economic and diplomatic assets with hard-security credibility.

Countering China's Expanding Influence

A key strategic motivation for Japan's OSA policy is to offer Southeast Asian states alternatives to Chinese military and infrastructure support. China's Belt and Road Initiative, growing defence exports and maritime assertiveness have created dependencies and geopolitical vulnerabilities among ASEAN members. Japan, through OSA, presents a transparent, rules-based engagement model, focusing on sovereignty, non-coercion and trust-building. OSA can be interpreted as a soft-balancing strategy, enabling regional states to resist Chinese pressure without being drawn into open conflict or formal military blocs.

Complementing the US–Japan Alliance and the QUAD Framework

Japan's OSA dovetails with the US–Japan alliance, which has long encouraged Japan to take greater responsibility for regional security. By bolstering the capabilities of like-minded Southeast Asian partners, OSA serves shared strategic interests in deterring aggression, ensuring freedom of navigation, and maintaining a stable regional balance. OSA also complements multilateral initiatives such as the Quad, which promotes infrastructure, cybersecurity and maritime domain awareness across the Indo-Pacific. While OSA is a bilateral tool, its effects ripple into a broader network of cooperative frameworks that enhance collective regional resilience.

Challenges

It is essential to note that Japan developed the OSA concept over a prolonged period. Japan's constitution, particularly Article 9, continues to limit the scope of military engagement and arms exports. Therefore, while OSA cleverly circumvents direct provision of lethal weapons, the line between non-lethal security assistance and militarisation often gets blurred, leading to domestic debates. Public opinion in Japan remains divided on expanding military-related aid, with strong pacifist sentiments wary of "remilitarisation". Lawmakers and civil society groups sometimes challenge the government's interpretation of constitutional compliance, potentially constraining OSA's scale and scope.

The other challenge is that Japan's increased security role, especially in contested waters, risks antagonising China, which views such moves as containment. While Japan officially positions OSA as non-confrontational, Beijing perceives it as an encroachment or part of a broader US-led containment strategy. This dynamic could lead to a security dilemma where regional states feel pressured to choose sides, increasing instability rather than mitigating it.

Some Southeast Asian countries are cautious about deepening ties with Japan through the OSA out of fear of Chinese retaliation or economic repercussions. Furthermore, the strict focus on non-lethal aid, such as surveillance equipment and training, limits OSA's operational impact compared to other powers' more comprehensive military assistance. This can frustrate recipient countries seeking more robust defence support to deter growing threats.

Although equipment transfers are significant, the kind of equipment OSA provides does not match the capabilities required to prevent interstate hostility. Instead, the transfer is a continuation of Japan's long-standing commitment to 'human security', which has seen Japan assist Southeast Asian nations in strengthening their defences against non-state threats. As part of this commitment, the Japanese Coast Guard has trained regional maritime law enforcement organisations, and its OSA has provided equipment such as patrol boats and surveillance radars.

OSA requires sustained financial and technical resources, including ongoing training, maintenance and infrastructure development. Japan's government budget constraints and competing priorities may limit the scale or continuity of OSA programmes. However, Japan's parliament approved a 60 per cent (3 billion yen), year-on-year increase in the OSA funding, which raises the budget to 8 billion yen (US$ 54.6 million) for fiscal 2025 as Japan seeks to strengthen the security capabilities of like-minded nations amid the current regional security environment.

Conclusion

Japan's decades-long engagement with Southeast Asia and gentler approach to security have made it the region's preferred security partner. The OSA accomplishes two significant goals. First, it lays out a secure course for establishing, bolstering and solidifying Japan's military ties with Southeast Asian nations. Second, OSA's less costly, non-lethal equipment can be a springboard for more significant military agreements. The economic factor is crucial since Japan's financial status prevents it from fully funding the deterrent capabilities of the regional military.

OSA allows Japan to participate more in regional security issues without violating constitutional limits. Japan's transition from ODA to OSA reflects its changing perception of its place in world politics, moving from an economic power to a more all-encompassing strategic actor. Under the OSA, Japan can now more transparently and directly give Southeast Asian military grants for defence hardware and related infrastructure.

Through OSA, Japan can assist partner nations in developing seaports and dual-use airports. This would encourage JSDF planes and naval ships to visit. Providing material and equipment is typically the primary focus of interest in OSA, but infrastructural development is equally crucial. This results from Japan's ODA's inability to finance the renovation or improvement of dual-use facilities. Therefore, in an airport, it may also be possible to envision a mix of OSA for military-civilian facilities and ODA for constructing civilian terminals. To provide a platform for international aid, OSA may also be utilised to build storage facilities for pre-positioning relief supplies and equipment in littoral and island nations and earthquake-prone countries with a high probability of major natural disasters.

Japan's OSA policy must navigate a complex web of legal, political, financial and diplomatic challenges. Its success will depend on Tokyo's ability to maintain constitutional legitimacy, manage regional perceptions, deliver meaningful assistance, and foster sustainable partnerships, while avoiding exacerbating regional tensions. It remains unclear to what extent Japan will be able to increase the deterrence capabilities of Southeast Asian countries to prevent aggression and ambitions to change the status quo unilaterally. This depends not only on Japan's willingness to deepen military ties, but also on the willingness of Southeast Asian countries to accept it. Japan's evolving OSA policy thus reflects a broader trend of middle powers redefining their roles amid great power competition, seeking to foster stability through innovative, constitutionally compliant security partnerships.

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