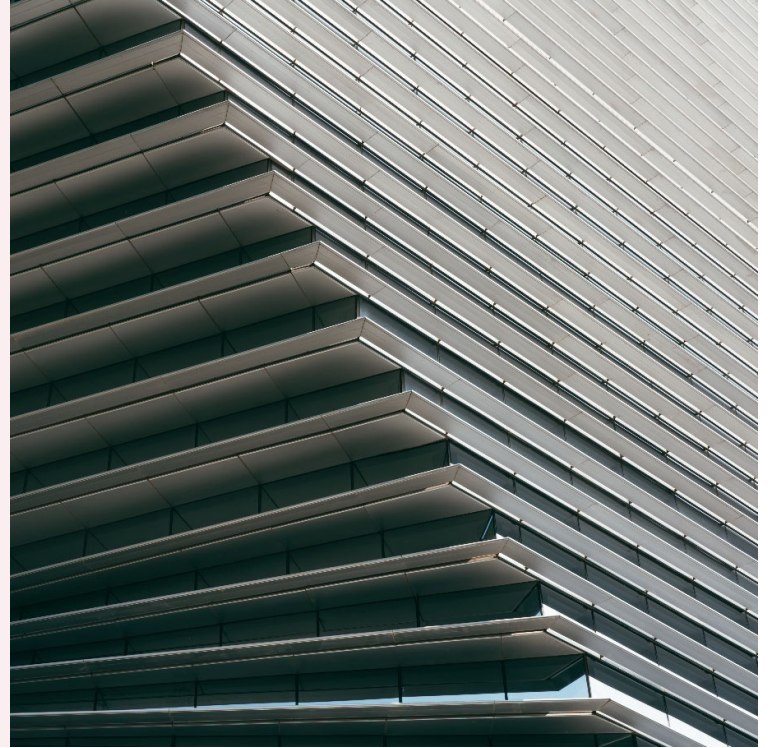


Still no fines, still no mandates: Japan's continued soft law approach to AI

April 2026



Key issues

- The Guidelines adopt a principles-based, soft-law approach and do not introduce legally binding obligations or penalties.
- They promote risk-based and lifecycle-based AI governance, encouraging organisations to manage risks throughout the development and deployment of AI systems.
- Many of the key elements reflected in the Guidelines align with international AI regulatory frameworks, including the EU AI Act.
- Although non-binding, adherence to the Guidelines may help mitigate regulatory and governance risks, including potential scrutiny of directors' duties in the event of AI-related incidents.

The Japanese government has issued new AI guidelines promoting voluntary, risk-based governance for the development and use of AI technologies in line with international norms.

Overview of the Guidelines

On 19 December 2025, the Artificial Intelligence Strategic Headquarters, a government body established under the Act concerning the Promotion of Research and Development and the Utilisation of Technologies Related to Artificial Intelligence of Japan (the "**Japan AI Act**"), published the Guidelines for Ensuring the Appropriateness of Research and Development and Utilisation of Artificial Intelligence-Related Technology (the "**Guidelines**"). The Japan AI Act itself entered fully into force on 1 September 2025.

The Guidelines were developed in line with internationally recognised norms in order to promote voluntary and proactive initiatives for the appropriate development and use of AI technologies by all stakeholders involved in AI, including the national government, local governments, research and development institutes, businesses that develop or provide AI-enabled products or services or otherwise use AI technologies in their business activities ("**AI business operators**"), and citizens. Notably, the term "AI business operators" includes overseas companies providing or using AI services in Japan.

The Guidelines take a principles-based and flexible approach. They do not define "appropriateness" or set mandatory standards. Instead, they encourage each stakeholder to take voluntary measures appropriate to its circumstances, taking into account the characteristics and intended uses of the AI concerned, as well as its own role and responsibilities.

The Guidelines first outline key considerations and fundamental principles applicable to all stakeholders involved in AI development and deployment, and then identify specific measures that certain stakeholders should particularly address.

'Social Principles of Human-Centric AI' as foundational principles

These principles in the Guidelines have been built upon following principles set out in the "Social Principles of Human-Centric AI", adopted by the government's Integrated Innovation Strategy Promotion Council in March 2019:

- **Human-centred values** – respecting human dignity and fundamental rights, ensuring compliance with applicable laws, and promoting inclusive growth so that the benefits of AI can be enjoyed broadly across society.
- **Fairness** – preventing unjust bias or discrimination arising from the use of AI.
- **Accountability** – clarifying responsibility and establishing mechanisms to address the social impact of AI systems from technological, institutional and societal perspectives.
- **Security** – mitigating security risks, including unintended behaviour or system disruption caused by malicious interference.
- **Privacy and personal data protection** – respecting privacy and protecting personal data appropriately, including compliance with applicable data protection laws.

This briefing focuses on the fundamental principles applicable to all stakeholders and the measures applicable to AI business operators.

Fundamental Principles Applicable to All Stakeholders

The Guidelines highlight four key governance concepts that stakeholders should take into account when developing or using AI technologies.

1. A risk-based approach, under which organisations should assess risks in light of the sector, use case and intended purpose of the AI system and implement mitigation measures proportionate to the potential impact.
2. Active stakeholder engagement, encouraging the involvement of relevant stakeholders in AI governance processes and promoting collaboration among them to address emerging risks.
3. End-to-end AI governance, meaning that governance measures should cover the full lifecycle of AI technologies, from research and development to deployment and practical use in society.
4. Agile governance, recognising that governance frameworks should evolve over time in response to technological developments and uncertainty, including through continuous monitoring and iterative improvement.

Key Measures for R&D Institutes and AI Business Operators

The Guidelines also identify several areas where research and development institutes and AI business operators are expected to take particular action.

Establishment and continuous improvement of AI governance frameworks	Organisations are encouraged to establish, operate and continuously improve AI governance frameworks, including AI management systems aligned with relevant international standards such as ISO/IEC 42001.
Explainability regarding training data sources and generated outputs	Organisations should seek to ensure appropriate explainability regarding the sources of training data and AI outputs. For example, AI systems may provide references to the websites or sources on which outputs are based.
Provision of information to enable appropriate use of AI	Organisations should provide information that enables users to utilise AI systems appropriately. This may include warnings against misuse that could lead to unfair discrimination (e.g. in employment decisions) or the spread of misinformation, as well as contact points or support channels for user inquiries.
Ensuring adequate safety	Organisations should identify, assess and mitigate risks associated with the misuse of AI systems for unlawful purposes. They are encouraged to leverage the latest technologies and expertise — such as

	watermarking of AI-generated content, provenance management, and API-based safeguards — to prevent inappropriate outputs and address unintended behaviour or malfunctions.
Business continuity	Organisations should consider establishing business continuity plans addressing risks associated with AI systems.
Consideration for stakeholders such as intellectual property and data rights holders	Appropriate consideration should also be given to stakeholders including intellectual property holders and other data rights holders, particularly in relation to the use of training data.

Many of the elements described above broadly correspond to concepts addressed in other AI regulatory frameworks. In particular, requirements relating to the establishment of AI governance frameworks (or AI management systems), the management of safety and operational risks, transparency regarding AI outputs, and the provision of appropriate information to users are conceptually aligned with obligations imposed on providers of high-risk AI systems under the EU AI Act. For example, the EU AI Act requires providers of high-risk AI systems to implement a risk management system, ensure transparency and information provision to deployers, and adopt appropriate technical and organisational measures to ensure safety and reliability of AI systems throughout their lifecycle.

Practical implications

The Guidelines primarily set out principles and recommended practices, encouraging voluntary compliance, rather than establishing legally binding obligations.

The Guidelines do not introduce penalties or sanctions, nor do they refer to the public naming measures which media sources reported might be introduced when the Japan AI Act was put forward to the national diet.

Nevertheless, AI business operators are encouraged to take the Guidelines into account when developing and deploying AI systems, and compliance with the Guidelines may help mitigate both regulatory and governance risks. Although the Guidelines do not create legally binding obligations, an AI business operator may wish to avoid the broadly defined enforcement power of the government since the Japan AI Act allows the government to adopt "other necessary measures" — the scope of which is not clearly defined — where AI is used for improper purposes or through inappropriate methods. Moreover, in the event of AI-related incidents or disputes, implementation of the measures recommended in the Guidelines would also be considered favourably when assessing directors' fulfilment of their fiduciary duties.



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