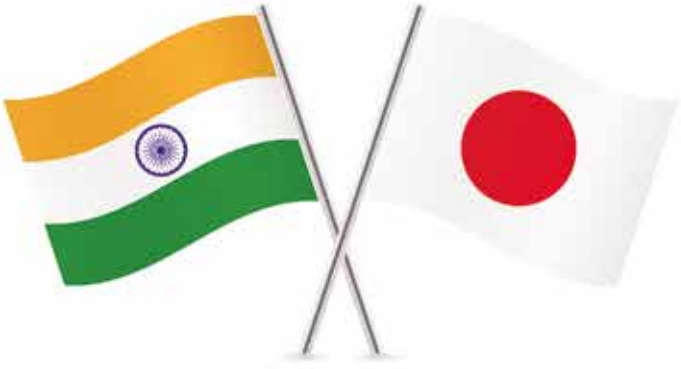
FICCI





An Overview of INDIA-JAPAN Bilateral Relations Initiatives and Opportunities Ahead

Knowledge Partner

Shardul Amarchand Mangaldas

CENTURY of EXCELLENCE

भारत के राजदूत
AMBASSADOR OF INDIA

सत्यमेव जयते

भारत का राजदूतावास
Embassy of India
2-2-11 Kudan Minami, Chiyoda-ku
Tokyo 102 0074



MESSAGE

I would like to commend the Federation of Indian Chamber of Commerce & Industries (FICCI) for having cooperated closely with Japan in taking forward the positive agenda of India-Japan Business Cooperation Committee (IJBCC). I hope that in its 43rd Joint Meeting, both sides will take steps to further stimulate bilateral trade, investments and capacity building between our two countries.

Strategic convergence, complementarities and opportunities exist for deepening of existing multi-platform, multi-sectoral and multi-stakeholder relationship. It is my firm belief that future of international trade and investment will be driven by process and technology innovations and I will urge both sides to work towards crystallizing the same. India and Japan can also look at jointly exploring economic and commercial opportunities in third countries as well.

I wish IJBCC accomplishes its mandate and objectives successfully.

22/2/19

(Sanjay Kumar Verma)

Tokyo
February 22, 2019

Telephone: +81-3-3265-5036 ; Fax: +81-3-3262-2301 ; E-mail: amb.tokyo@mea.gov.in ; amboffice.tokyo@mea.gov.in

Foreword



Mr Onkar Kanwar
Chair, India-Japan Business Cooperation Committee & Chairman, Apollo Tyres Ltd

India and Japan, the two largest democratic countries in Asia, share cordial relations under the 'Special Strategic and Global Partnership' based on decades of commitment towards partnership in development. The recent developments have laid strong emphasis on Railway, Defense manufacturing and SME as focus sectors for cooperation between the two countries. As we move closer towards realising vision India-Japan Vision 2025, institutions such as the India-Japan Business Cooperation Committee (IJBCC) would play a pivotal role in bringing the business community of the two nations together.

The successful visits by both leaders in recent years have imparted a fresh momentum to our relationship. India and Japan relations stand today at an important juncture. There is tremendous potential for growth and partnerships across wide spectrum of areas.

FICCI takes immense pride from the fact that it was the first business chamber from India to set up a bilateral mechanism in form of IJBCC in 1966. With its 52 years rich history it has been an important annual event and can be greatly accorded for the enhanced mutual understandings and productive discussions between the two sides. We have witnessed various several tangible results in our economic relationship due to the rich discourse of these meetings.

The 43rd Joint Meeting has a comprehensive agenda including the impact of Industry 4.0 as well as Society 5.0 on Make in India and the opportunities it presents, especially leveraging automation and digital technologies in manufacturing. It will also aims to present some recent success stories of India-Japan collaboration for the system integration for the mass Rapid Transit (BRT) systems and logistics visualization services by employing highly skilled IT talent, conducting joint research with academia, customers and partners and highlighting the need to coordinate efforts in the new technology area such as Artificial Intelligence, Internet of Things & Big data analysis

On the occasion of the 43rd India-Japan Business Cooperation Committee meeting, we are delighted to launch the FICCI report on "An Overview of India-Japan Bilateral Relations: Initiatives and Opportunities Ahead". The report takes account of the current status of India-Japan trade and investment relations and highlights some of the recent developments and key areas for industry cooperation.

I wish the IJBCC and deliberations at the 43rd Joint Meeting all the success.

Yours sincerely,

Onkar S Kanwar

Mr Onkar Kanwar
Chair, India-Japan Business Cooperation Committee &
Chairman, Apollo Tyres Ltd

Foreword



Shardul S. Shroff
Executive Chairman and
National Practice Head - Insolvency
and Bankruptcy

We are delighted to present this publication 'An Overview of India-Japan Bilateral Relations: Initiatives and Opportunities Ahead'. This knowledge paper has been prepared to provide a broad overview of the long-standing relations between India and Japan, which have exponentially grown in the past few years on manifold fronts of cooperation, including economic, social and commercial; trade between the two countries and the initiatives taken by the governments of both the countries to further nourish this relationship.

India and Japan have surely emerged at the forefront of Asian economies, relying on their respective strengths and synergizing their roles to the combined benefit of their respective citizenry. Recently, India and Japan have even forayed into jointly assessing their capabilities for helping development efforts in other countries, including countries in Africa. We are excited to witness the India-Japan partnership grow from strength to strength even beyond the geographic frontiers of the two countries.

Japan has become an active partner for India in its investment regime, by actively marshalling Japanese public and private sector efforts towards exciting new initiatives such as India's food sector, its construction development activities, people-to-people exchanges, initiatives in the education sector, and so many more, We are also eager to witness the growth of India and Japan's collaboration in upcoming sunrise sectors of investment such as food processing, healthcare, digital and information technology, etc., in the near future. Japan has also been generous with its strategic assistance, including by way of providing official development assistance to multifarious Indian development projects, especially in the north-east region of our country, in recent times.

The relationship between the two countries has become a formidable force to reckon with in the Asia Pacific region, and indeed, across the globe. We are certainly hopeful of witnessing the active participation of both the countries on their journey of mutual growth and success.

It was a pleasure collaborating with the Federation of Indian Chambers of Commerce and Industry (FICCI), a stalwart amongst India's business associations, on this research paper. Together, we have attempted to put together this research paper which shall hopefully be useful to Japanese companies which are looking to foray into India's rich investment landscape.

Yours sincerely,



Shardul S. Shroff
Executive Chairman,
Shardul Amarchand Mangaldas & Co.

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Introduction

History

The potential benefits of an effective rapport between Japan and India were recognised as early as 752 AD[1]. In this sense, historically India and Japan have enjoyed bilateral ties which have begun almost 1400 years ago[2]. India's relationship with Japan is a partnership with deep rooted friendship bounded by spiritual, cultural and civilizational affinities. Throughout the history of India-Japan relations, the two countries have never been adversaries. Bilateral ties have always remained free of disputes, whether they be ideological, cultural or territorial.

The India-Japan Association is one of the oldest surviving international friendship bodies, having been set up in 1903. The similarities and shared values, including democracy, respect for the rule of law combined with convergence of political, economic and strategic interests, an affinity for pluralism and open society, between India and Japan have served to further strengthen the bilateral relationship between the two countries over the years.

Recent Upswing in Bilateral Relations

More recently, the two democracies have come together with a mandate of driving ties through economic performance as well as earmarked by the two dynamic Prime Ministers of both countries-Prime Minister Narendra Modi and his Japanese counterpart Shinzo Abe.

Annual Summit Meetings

Last year, on 28-29 October 2018, PM Modi and Japanese PM Abe participated in an India-Japan Annual Summit Meeting, where the dynamic leaders reviewed the significant milestones achieved by their countries over the last four years and laid down a shared vision for the future. The two ministers discussed about how to utilise India and Japan's shared values not only to constitute the basis for the India-Japan bilateral relationship but also to underscore the principles for the two countries to work together for the benefit of the Indo-Pacific region and the world at large. The ministers discussed the progress on different partnership fronts which have been transforming the landscape of both nations in various ways.

Annual Summit meetings are part of the transformative relationship that began since the beginning of the 21st century when annual Prime Ministerial summits were conceived. The idea for a 'Special Strategic and Global Partnership' was arrived at in the year the 2014 during the 9th Annual Prime Ministerial summit meeting with Japanese PM Shinzo Abe. Both sides had then agreed to establish the 'India-Japan Investment Promotion Partnership'. PM Abe had pledged to realize public and private investments worth JPY 3.5 trillion and to ensure that of the number of Japanese companies in India doubled over the next five years.

Aim of this Knowledge Paper

Given this background, the main aim of this knowledge paper is to undertake an overview of both the economies as well as study of economic and commercial aspects of India-Japan relations as they have evolved over the recent years. The idea is to trace the trade and investment relations as well as other issues of common interests which strengthen ties between the countries. The paper documents the opportunities and challenges that two countries currently face in the due process of building further relations.

1 MEA Brief on Indo-Japan Relations http://www.mea.gov.in/Portal/ForeignRelation/14_Japan_Nov_2017.pdf

2 Ibid

An Overview of the Indian Economy and latest developments

Macroeconomic Indicators	
GDP (Official exchange rate)	USD 2.602 trillion (2017 est.)
GDP – Real Growth rate	6.7% (2017 est.)
GDP – Purchasing Power Parity (PPP)	USD 9.474 trillion (2017 est.)
GDP - Per capita income	USD 7,200 (2017 est.)
Population	1,296,834,042 (July 2018 est.)
Area	3,287,263 sq km country comparison to the world: 8
Exchange Rate (Indian Rupee (INR) per US$)	65.17 (2017 est.)
Currency	Indian Rupee (INR)
Gold and Foreign Exchange reserve in USD	USD 409.8 billion (31 December 2017 est.)
Total Trade with ROW (2017 est.)	USD 756.3 billion
Total Exports (2017 est.)	USD 304.1 billion
Total Imports (2017 est.)	USD 452.2 billion
Inflation	3.6% (2017 est.)
Inward FDI stock (2017 est.)	USD 377.5 billion
Outward FDI stock (2017 est.)	USD 155.2 billion
GDP Composition (2017)	
Agriculture	15.4%
Industry	23%
Services	61.5%
Labor Force	
Agriculture	47%
Industry	22%
Services	31%
Development Indicators	
Literacy Rate	71.2%
Human Development Index	0.64
Gini Index	35.10
Ease of Doing Business Rank	77

Source: CIA WORLD FACT BOOK

GDP Growth summary

Despite an uncertain global environment, India is performing well. Over the last three years, India has clocked approximately 7.3% GDP real growth (8.2% in 2015-16, 7.1% in 2016-17, 6.7% in 2017-18). This indicates a robust performance despite persistent global headwinds. The last two years have been particularly difficult with significant downside risks emerging from a slew of external and internal developments. The GOI has been serious about pursuing structural

reforms which have begun to show results, including by way of a stellar improvement in India's Doing Business rankings in the past few years.

Ease of Doing Business Rankings and Investor Confidence

According to the World Bank's Doing Business Report 2019[3], India's rank has improved to 77th position out of 190 nations. This is a sharp increase of 23 ranks over its 100th position as per the Doing Business Report 2018, and an increase of 65 ranks over its 142nd position as per the Ease of Doing Business Report 2015. India has made significant improvement in two major parameters this year - dealing with construction permits and trading across borders. This is expected to further promote investor confidence and aid growth in the country. This along with the Moody's upgrade of India's rating from stable to positive in November 2017 is a positive reaffirmation of the various reform measures undertaken by the GOI over the last three to four years.

The International Monetary Fund's ("**IMF**") latest country focus report for India[4] states that India's economy is picking up and growth prospects look bright, 'partly thanks to the implementation of recent policies, such as the nationwide goods and services tax. As one of the world's fastest-growing economies—accounting for about 15 percent of global growth—India's economy has helped to lift millions out of poverty.' The IMF also appreciates the implementation of the new insolvency and bankruptcy code, which should make it easier for creditors to seek repayment from debtors who are in arrears. The IMF further agrees that the bankruptcy code is already shifting the power balance between debtors and creditors and improving corporate repayment discipline.

In addition to the bankruptcy code, the central bank and government have taken steps to improve banks' recognition of bad assets and to recapitalize public sector banks. Ultimately, these efforts will help to solidify bank balance sheets and support the flow of credit to the rapidly expanding economy.

The AT Kearney Global Economic Outlook report for the years 2019-2023 also states that despite the slowdown of the global economy in general, the 'strongest regional economic performance will be in Asia, led by India, which continues to be the fastest-growing major economy'.[5]

RBI's outlook on growth

The GoI is keeping a close watch on the country's economic challenges. There have been several developments/announcements off late which will augur well for growth prospects going ahead. India's GDP growth surged to a nine-quarter high of 8.2% in the first quarter of 2018-19, as per the RBI's fourth bi-monthly policy statement in 2018-19, due to robust private consumption.[6] This led to the GDP growth estimation rising to an average of 7.2% for the financial year 2018-19, as per the RBI's sixth bi-monthly policy in 2018-19.

The RBI believes that 'improving capacity utilisation, larger Foreign Direct Investment ("**FDI**") inflows and increased financial resources to the corporate sector augur well for investment activity. The country is also witnessing some critical structural shifts which are expected to push the growth frontier over the course of next few years'. Due to PM Modi' Digital India initiative, India is also at the cusp of a major digital transformation which will bring in massive opportunities.

The RBI in the latest monetary policy assessment

3 World Bank's Ease of Doing Business Report 2019 Accessed at http://www.doingbusiness.org/en/reports/global-reports/doing-business-2019

4 IMF's Country Report on India accessed at https://www.imf.org/en/Publications/CR/Issues/2018/08/06/India-2018-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-Executive-46155

5 AT Kearney Global Economic Outlook report for the years 2019-2023, accessed at https://www.atkearney.com/web/global-business-policy-council/article?/a/global-economic-outlook-2019-2023-on-thin-ice

6 Reserve Bank of India in its fourth bi-monetary policy assessment for the year 2018 accessed at https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=45152



(announced February 7, 2019)[7] has decreased downwards the CPI inflation rate projection to 2.8% in the fourth quarter of 2018-19 and 3.2-3.4 in the first six months of 2019-20. One of the multiple factors for this downward revision is that the RBI believes that the food inflation situation is 'particularly benign due to the excess supply conditions for several food groups'. The RBI also states that there has been unexpected moderation in electricity prices, and that the crude oil outlook has also remained unchanged from the past year.

The GoI's approval to the public procurement policy in June 2017 will give preference to domestically manufactured goods and thus give push to 'Make in India[8]' initiative. The policy was approved with the aim to provide a much needed impetus to the domestic manufacturing sector by promoting greater indigenization and domestic value addition. Also, a new industrial policy, expected to be announced soon, is proposed to absorb the National Manufacturing Policy, 2011 and will be aligned with the needs of Industry 4.0[9].

Trade Volumes

As per the latest data, India's merchandise exports increased by 19.93% in Rupee terms over the cumulative period April to September 2018 as compared to the corresponding period in 2017. Exports of items other than petroleum, gems and jewellery during April-September 2018 exhibited a positive growth of 17.51% in Rupee terms and over the same period last year. Thus the growth is robust and not confined to petroleum products alone. Imports, on the other hand, exhibited a positive growth of 23.78% over the period April-October 2018 as compared to the same period in 2017. The reform oriented approach of the GoI has reinvigorated the interest of foreign investors in India. Foreign investment inflows in to India continue to remain robust. As per the Department for Promotion of Industry and Industrial Trade ("DPIIT") (erstwhile Department of Industrial Policy and Promotion), the total FDI inflow into India for 2017-18 was USD 61.96 billion (against USD60.22 billion for 2016-17). The statistics published by the DPIIT also reflect that India has seen total FDI inflow of USD 16.86 billion in the first quarter of financial year 2018-19 (an increase of about 16% compared to the corresponding quarter for 2017-18). Cumulative foreign direct investment inflows in the second quarter of 2017-18 amounted to USD 14.14 billion. Foreign portfolio flows turned negative in January 2019, after rebounding in November and December 2018.

7 Reserve Bank of India in the latest monetary policy assessment accessed at https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=46235

8 Make in India Initiative website accessed at http://www.makeinindia.com/home

9 India Brand Equity Foundation's website, accessed at https://www.ibef.org/news/new-exportoriented-industrial-policy-to-focus-on-textile-leather-sectors

Government Policies and Reform Measures - Collobrative approach with Japan

Since 2014, the GoI has introduced several reform measures and initiatives, both through the legislative and executive routes. The reforms have been broad-based encompassing wide range of areas including taxation, subsidies, labour, infrastructure, finance, investments as well as governance. Various campaigns initiated by the GoI (Make in India, Digital India, Smart Cities, Skill India) and measures taken towards ease of doing business have been encouraging. These programmes offer tremendous investment opportunities.

An India-Japan Digital Partnership (I-JDP) has also been launched during the last Annual Summit meeting, to further the scope of cooperation in relation to science and technology, and particularly information communications technology, with a particular focus on digital ICT technology. Start-up Hubs are also proposed to be set up between India and Japan in this regard, with the Ministry of Electronics and Information Technology being the primary agency from India, working with the Ministry of Economy, trade and Industry from Japan to bring the hub to fruition. The first Startup Hub was established in Bangalore by JETRO to identify selected Indian start-ups for Japanese market and for potential Japanese investors. This Bangalore hub, and NASSCOM's IT corridor project in Hiroshima Prefecture, are hopefully going to attract highly skilled talent and go on to establish a collaborative effort between the two countries' industries and institutions. Such collaborative effort will go a long way to achieve convergence between India's flagship programmes of "Digital India", "Start-Up India" and "Smart City" and Japan's "Society 5.0", leading to better distribution of societal benefits to citizens. Both countries aim to encourage the creation of funds to invest in start-ups in India with participation by Japanese stakeholders.[10] Startup-India (under Invest India) and Japan Innovation Network (JIN) have signed an MoU on innovation collaboration with a focus on Sustainable Development Goals connecting two start-up eco-systems in June 2018. Invest India also launched a web portal for the Start-up Hub.

India has significant inherent strengths - demographic dividend, good natural resource base, huge consumer market and the GoI is assiduously trying to leverage these advantages in the best possible manner. Going ahead, the country will continue to remain on the radar of foreign investors and FDI flows are expected to remain robust. Most of the policy reforms that have been undertaken will bring transparency and enhance efficiency. This is critical to strengthen the growth and development pillars of our economy.

10 India Japan vision Statement, Ministry of External Affairs, India, accessed at https://www.mea.gov.in/bilateral-documents.htm?dtl/30543/IndiaJapan_Vision_Statement

An Overview of the Japanese Economy and latest developments

Macroeconomic Indicators	
GDP (Official exchange rate)	USD 4.873 trillion (2017 est.)
GDP – Real Growth rate	1.7% (2017 est.)
GDP – Purchasing Power Parity (PPP)	USD 5.443 trillion (2017 est.)
GDP - Per capita income	USD 42,900 (2017 est.)
Population	126,168,156 (July 2018 est.)
Area	total: 377,915 sq. km country comparison to the world: 62
Exchange Rate (yen (JPY) per USD)	111.1 (2017 est.)
Currency	Yen (JPY)
Gold and Foreign Exchange reserve in USD	USD 1.264 trillion (31 December 2017 est.)
Total Trade with ROW (2017 est.)	USD 1333.6 billion
Total Exports (2017 est.)	USD 688.9 billion
Total Imports (2017 est.)	USD 644.7 billion
Inflation	0.5% in 2017 est
Inward FDI stock (2017 est.)	USD 252.9 billion
Outward FDI stock (2017 est.)	USD 1.547 trillion
GDP Composition (2017)	
Agriculture	1.1%
Industry	30.1%
Services	68.7%
Labor Force	
Agriculture	2.9%
Industry	26.2%
Services	70.9%
Development Indicators	
Literacy Rate	99.0%
Human Development Index	0.909
Gini Index	32.10 (2008)
Ease of Doing Business Index	39

Source: CIA WORLD FACT BOOK

GDP Growth summary

According to the OECD, growth of the Japanese economy is expected to remain around 1% in 2018-19, due to record high corporate profits and labour shortage driving most business investment. The OECD projects that although the October 2019 consumption tax hike will temporarily reduce demand, economic growth will resume in early 2020 due to additional government spending and the 2020 Olympic Games in Tokyo. Sustained growth, combined with higher oil



prices, is expected to boost inflation to 1.5% (excluding the impact of the consumption tax hike) in 2020.[11] Based on reports of the working age population declining, previous projections had stated that there would be a possible peaking of employment in 2018.

Economic Projections

The IMF, in its annual review of the Japanese economy, stated that real GDP growth for Japan is projected to remain above trend in 2018 at 1.1%. The report goes ahead to state, in an analysis similar to the OECD's, that 'underlying growth is expected to remain solid, notwithstanding the scheduled increase in the consumption tax rate in October 2019. However, absent mitigating fiscal measures, the consumption tax increase could lead to volatility in private consumption and investment. Meanwhile, monetary policy is expected to remain accommodative and support favorable financial conditions. Over the medium term, growth is projected to moderate and the output gap close. Following a consumption tax-induced spike in 2020, inflation will rise over the medium term, but likely remain below the Bank of Japan's ("**BOJ**") target.'

However, the IMF also suggested that due to aging population and a declining workforce, the country has to increase the speed of its reforms to enhance wages, productivity as well as growth[12]. The IMF predicts that by 2050 the number of aged dependents per worker in Japan will rise to about 74.7%, the highest of any country.

According to the BOJ, 'the projected growth rate for fiscal 2018 has been lower as compared to previous years, but the projections for fiscal 2019 and 2020 are more or less unchanged.' With regard to the outlook, the BOJ believes that Japan's economy is 'likely to continue on an expanding trend' throughout the projection period of fiscal 2020 due to external trade conditions, and Japan's exports are therefore projected to continue their moderate increasing trend.

According to AT Kearney's report on Global Economic Outlook 2019-23[13], the economic outlook for developed markets in Asia is also positive, although there are signs of weakness as well. The aging Japanese population may similarly decrease consumption growth there and weigh on the recent gains from mild acceleration of consumption and inflation. Nevertheless, Japan's economic growth will likely remain in positive territory. The AT Kearney report believes that a looming risk is the potential imposition of US tariffs on automotive imports, which would undermine growth prospects in markets with large auto-export industries such as Japan.

The recently concluded EU–Japan Economic

11 Japan – Economic Forecast, OECD, accessed at http://www.oecd.org/japan/japan-economic-forecast-summary.htm

12 IMF Report accessed at https://www.imf.org/en/Publications/CR/Issues/2018/11/27/Japan-2018-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-Executive-46394

13 AT Kearney Report accessed at https://www.atkearney.com/web/global-business-policy-council/article?/a/global-economic-outlook-2019-2023-on-thin-ice



Partnership Agreement positions the Japanese economy as a key Asian partner for the EU. This agreement will benefit Japan's auto exports through the elimination of tariffs and is expected to raise Japan's GDP by 1 percent. However, any gains from trade may be held down by the potential imposition of tariffs on Japan's automotive exports by the USA.

According to the Asian Development Bank Institute, the BOJ had always been a front-runner in terms of implementing unconventional monetary policies from the late 1990s to 2006. Because of Japan's long-standing demand shortage and mild deflation, various tools were implemented during this time, including a zero interest rate policy, forward guidance, and quantitative easing[14]

Japanese Budget

As per news reports, this year, the Japanese Cabinet has approved a record USD 900 billion draft budget for the next fiscal year, boosted by spending to offset the impact of a planned sales tax hike, in a sign that fiscal reform is taking a backseat. This draft budget needs to be approved by the Diet (the Japanese Parliament) in April.[15] This may be compared to the FY2017 budget passed by the Diet with the total amount of 97.5 trillion yen, or 18% of GDP[16].

Abenomics

According to the IMF, Abenomics has enriched economic conditions and stimulated the necessary environment for structural reforms but has not yet realised a definitive exit from deflation[17]. In fact it commended that economy has expanded at an incredible pace over and above its potential in the last five quarters and also pointed out that unemployment has dropped to low levels. In fact unemployment has fallen to a 25 year low and job/applicant ratio is at an all-time high according to the IMF[18]. The key to this turnaround lies in the rising global demand as well as the government's short term financial stimulus provided for relief.

14 ADB Publication accessed at https://www.adb.org/sites/default/files/publication/225571/adbi-mission-incomplete-reflating-japan-economy.pdf

15 Reuters, *Japan's Cabinet approves record $900 billion budget, aims to soften sale tax blow*, Tetsushi Kajimoto, accessed at https://www.reuters.com/article/us-japan-economy-budget/japans-cabinet-approves-record-900-billion-budget-aims-to-soften-sale-tax-blow-idUSKCN1OK051

16 Ministry of Finance Report accessed at http://www.mofa.go.jp/files/000272312.pdf

17 IMF Report accessed at https://www.imf.org/en/Publications/CR/Issues/2017/07/31/Japan-2017-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-Executive-45149

18 IMF Report accessed at https://www.imf.org/en/News/Articles/2017/07/31/NA073117-For-Japan-Economy-Now-Is-the-Time-to-Step-Up-Reforms

Abenomics was launched in 2013 by the Japanese PM Shinzo Abe to pull Japan out of two decades of economic and financial stagnation.[19] Prime Minister Abe launched a 'comprehensive economic policy package' in order to resuscitate the Japanese economy while at the same time maintained fiscal discipline as well. In fact according to the Government of Japan, the centrepieces of Abenomics have been three policy measures[20]: aggressive monetary policy; flexible fiscal policy and growth strategy including structural reform.

According to the Government of Japan, Abenomics has achieved remarkable progress in setting the economy on course to overcome deflation and make a steady recovery. Nominal GDP is at record high of JPY 543 trillion. The number of employed persons female is at 65.2 million with an increase of 2.5 million with the unemployment rate being at 2.4% which is lowest in 24 years. The corporate ordinary profit is at a record high of JPY 81.0 trillion, private non-residential investment is JPY 86.2 trillion and tax revenue expanded to JPY 59.1 trillion[21]. The intentions behind this Abenomics strategy have been fourfold: (i) to boost productivity through a productivity revolution and human resource development revolution; (ii) to pursue regulatory reforms; (ii) to build on international opportunities; and (iv) improve business environment to drive inward FDI.

The Japanese government believes that a fledging business idea or technology needs support and understanding. Therefore, it is introducing a sandbox approach that seeks to help new ideas develop by limiting administrative barriers and regulations on a case by case basis without being subject to existing regulations.[22] A law to enable the sandbox approach took effect in June, 2018.

Ease of Doing Business and Investor Confidence

According to the Doing Business Report 2019, Japan ranks at 39th position with respect to setting up a business[23]. The government of Japan has taken several measures to attract foreign businesses to invest in Japan. These measures are three fold[24]: (i) Promises for attracting foreign businesses in Japan; (ii) Policy Package for promoting foreign direct investment into Japan to make Japan a global hub; and (iii) Measures taken to reinvigorate the Japanese economy.

Promises for attracting foreign businesses in Japan: The Japanese PM Abe through the Council for the promotion of Foreign Direct Investment in 2015 adopted the following measures to improve Japan as an investment destination.

- Removing language barriers at retailers and restaurants
- Improving internet connectivity
- Receiving business jets at regional airports
- Enhancing educational environment for expatriate children
- Strengthening consultation services for foreign businesses by state ministers

Policy Package for promoting foreign direct investment into Japan to make Japan a global hub

- Simplification of regulations and administrative procedures pertaining to foreign companies
- Accept highly skilled foreign professionals ie green card system
- Improvement of living environment for foreign nationals and more

Measures taken to reinvigorate the Japanese economy

- Reduced the effective corporate tax rate below 30% mark
- Reinforced corporate governance
- Reform of bedrock regulations ie. Healthcare

19 Abenomics brief accessed at https://www.japan.go.jp/abenomics/about/

20 Ibid

21 Abenomics brief accessed at https://www.japan.go.jp/abenomics/

22 Abenomics brief accessed at https://www.japan.go.jp/abenomics/regulatory/

23 Doing Business Index by World Bank accessed at http://www.doingbusiness.org/en/reports/global-reports/doing-business-2019

24 JETRO Investment Report accessed at https://www.jetro.go.jp/en/invest/gov_efforts.html

sector reform, electricity and gas market reform and pilot initiatives in national strategic zones
- Relaxation of requirements for expatriates to be accredited as highly skilled professionals

Japan offers attractive opportunities for investors: cost competitiveness, a business-friendly environment, advanced technology and infrastructure, and a highly-skilled workforce. Global businesses can benefit from one of the world's largest, most dynamic economies, as well as easy access to the Asia-Pacific. Japan welcomes investment from foreign companies. The Ministry of Economy, Trade and Industry (METI) is now taking a variety of measures to promote foreign direct investment in Japan.[25]

In order to promote Japanese investment in Japan, invest Japan initiative focusses on the following key areas:

- Make Japan the best country in the world to do business.
- Steadily improve Japan's investment environment through Abenomics.
- Promote comprehensive regulatory reform of agriculture, medical service, energy and employment sectors.
- Reduced effective corporate tax rate.
- Formulate a governance code.

25 Note on Invest Japan by Ministry of Economy, Trade and Industry accessed at: http://www.meti.go.jp/english/policy/external_economy/investment/index.html

India-Japan Relations

Japan was PM Modi's choice of first destination for a bilateral visit outside India's immediate neighbourhood in 2014. Since then, multiple meetings and bilateral talks later, both leaders have laid out a vision document for the future with the largest potential for growth, into a deep, broad-based and action-oriented partnership, which reflects a broad convergence of their long-term political, economic and strategic goals titled 'India Japan Vision 2025'.

Annual Summit Meeting, 2018

Last year, on 28-29 October 2018, PM Modi and Japanese PM Abe participated in an India-Japan Annual Summit Meeting, where the dynamic leaders reviewed the significant milestones achieved by their countries over the last four years and laid down a shared vision for the future. The two ministers discussed about how to utilise India and Japan's shared values not only to constitute the basis for the India-Japan bilateral relationship but also to underscore the principles for the two countries to work together for the benefit of the Indo-Pacific region and the world at large. The two leaders also affirmed that ASEAN unity and centrality are at the heart of the Indo-Pacific concept, which is inclusive and open to all. The ministers discussed the progress on different fronts, including on their partnership for prosperity, partnership for peace, and partnership for global action, which have been transforming the landscape of both nations in various ways.

This visit was preceded by PM Abe's official visit to India on 13-14 September, 2017 at the invitation of PM Modi where the leaders discussed a wide array of issues under the 'special strategic and global partnership' between the two democracies in tandem with the vision document released in 2015.

MoUs signed during Summit Meeting

Japan's announcement of joining the International Solar Alliance (ISA), Exchange of Notes concerning the provision of seven Yen loan projects including the Project for the Construction of MAHSR, Currency Swap Agreement, India-Japan Digital Partnership and Implementing Arrangement for deeper cooperation between Japan Maritime Self-Defence Force and Indian Navy were among the thirty two MoUs/ Agreements signed during this Annual Summit.



Multilateral Engagement

In addition to the bilateral engagement, Japan engages with India on various multilateral platforms such as G20, UN, the Asia Africa Growth Corridor, the Quadrilateral (composed of India, Japan, Australia and the United States of America ("**USA**")) to name a few.

With the aim to work together for the benefit of the Indo-Pacific region, India, Australia, USA and Japan; that comprise the "quadrilateral" coalition held their first official talks in Manila, in November 2017 on the side-lines of the ASEAN Summit. Through this quadrilateral partnership the four super powers aim at creating a free, open, prosperous and inclusive Indo-Pacific region serves the long-term interests of all countries in the region and of the world at large. Further, PM Modi, Japanese PM Abe and the President of USA, Mr. Donald Trump held the first ever trilateral meeting between the countries, on the sidelines of the G-20 Summit, in Argentina on 30 November 2018.[26]

26 Press Information Bureau, press release accessed at http://pib.nic.in/PMContents/PMVisitRelaese.aspx?VID=2331

Overview of Commercial and Economic Cooperation

The signing of the Comprehensive Economic Partnership Agreement ("**CEPA**") in 2011 has helped in transforming the relationship between the two countries especially to further promote trade, investment and commercial rapport that already exist. The CEPA went into effect on 1 August 2011, shortly before the 60th anniversary of Japan-India diplomatic relations in 2012. In addition to increasing commercial activities, the CEPA intended to eliminate tariffs on 90% of Japanese exports to India, including auto parts and electric appliances, and 97% of imports from India, such as agricultural and fisheries products, until 2021[27].

The CEPA has had an impact on trade between India and Japan, which has increased from USD 10.4 billion in 2010 (before the coming into effect of the CEPA) to USD 15.71 billion in FY 2017-18[28]. Exports from Japan to India during this period were USD 10.97 billion and imports were USD 4.74 billion.

The fifth meeting of the Joint Committee meeting under India-Japan CEPA was held on 21 December 2018 to review the progress made since the previous meeting in Tokyo in August 2017. The Joint Committee decided to improve the operational aspects of CEPA through further consultations. The sub committees have also held multiple meetings to deliberate on Trade in Services, Movement of Natural Persons, Rules of Origin and Technical Regulations, Standards, Conformity Assessment Procedures and SPS measures.

Defence Cooperation

India and Japan have also made great strides together in the area of defence and security. The strategic partnership between the two countries has benefitted by an 'increasing frequency of defence exchanges along the entire spectrum such as annual reciprocal visits between the Defence Ministers, 2 plus 2 meetings, Defence Policy Dialogue at the level of Defence Secretary and Vice-Ministerial level, etc.

Joint Exercises

The Indian Navy and Japan's Maritime Self-Defense Force conduct frequent exercises with the Trilateral Malabar Exercise being the most significant engagement. The Malabar exercise was most recently conducted off the Guam coast in 2018 and witnessed active participation. As per the Indian embassy in Tokyo, the bilateral maritime exercise JIMEX-18 was held off Visakhapatnam in October 2018 after a five year gap. India and Japan also conducted the first Counter Terrorism exercise between the Japan Maritime Self-Defense Force and the Indian Army 'Dharma Guardian' in November 2018. Further, the first ever bilateral air exercise with the Indian Air Force and the Japanese Maritime Self-Defense Force was conducted in December 2018, with the theme of joint mobility/ humanitarian assistance and disaster relief on transport aircraft.[29] These exercises help the two countries collaborate practically on the defence front.

Cooperation for Nuclear Disarmament

PM Modi and Japanese PM Abe have a shared commitment to push for the total elimination of nuclear weapons. The two countries have pledged to remain resolute in the 'task of strengthening international cooperation to address the challenges of nuclear proliferation and nuclear terrorism.' In the recent Annual Summit meeting, Japanese PM Abe discussed why the Comprehensive Nuclear-Test-Ban Treaty must enter into force at the earliest. The two leaders also called for 'an immediate commencement and early conclusion of negotiations on a non-discriminatory, multilateral, and internationally and effectively verifiable Fissile Material Cut-off Treaty on the basis of the Shannon Mandate'. The two leaders also pledged to continue working together for 'India's membership of the Nuclear Suppliers Group, with the aim of strengthening the global non-proliferation efforts.'

27 Study by ORF accessed at http://www.orfonline.org/research/india-japan-economic-partnership-agreement-gains-and-future-prospects/

28 https://www.indembassy-tokyo.gov.in/bilateral_brief.html

29 Embassy of India in Tokyo, accessed at https://www.indembassy-tokyo.gov.in/defecen_cooperation.html



Bilateral loan through Overseas Development Assistance

Overseas Development Assistance ("**ODA**") has been extended to India since 1958. In fact, it is important to note here that Japan is the largest bilateral donor to India. India has a huge infrastructure deficit and Japan has experience in handling long-term, low-cost funds for infrastructure projects in emerging markets in the form of ODA loans, distributed through policy institutions such as the Japan International Cooperation Agency ("**JICA**") and Japan Bank for International Cooperation ("**JBIC**").

Japanese ODA provisions for India's determination for accelerated economic development particularly in import areas like power, transportation, environmental projects and projects linked to basic human needs. According to the GOI, in the forthcoming decade ODA assistance will transform India through various infrastructure projects such as the Chennai-Bengaluru Industrial Corridor, Mumbai-Ahmedabad High Speed Rail, the Western Dedicated Freight Corridor as well as Delhi-Mumbai Industrial Corridor with eight manufacturing cities (in the first phase). The Delhi metro is an excellent example of ODA Assistance.

The cumulative amount of loan aid received by India from Japan (in the form of ODA loans) is JPY 20,515.42 billion as of 2017. Between the years 2010 and 2017, the total ODA disbursements by Japan in favour of India were as follows:

Table: Japanese Official Development Assistance (ODA) to India (Gross Disbursements) Value in JPY 100 million

Fiscal year	Loan Aid	Grant Aid	Technical operation
2010	480.17	11.59	22.12
2011	2898.37	2.78	34.69
2012	3531.06	1.04	33.01
2013	3650.59	16.62	43.62
2014	1186.43	2.17	37.76
2015	3664.78	1.58	48.38
2016	3713.50	1.10	159.50
2017	1390.52	1.35	162.60

Source: mofa.go.jp and jica.co.jp

Note: 1. The yearly figures for Loan Aid and Grant Aid are based on the amount of assistance agreed to through exchange of notes during the fiscal year. However, Grant Assistance for Japanese NGOs, Cultural Grassroots and Grassroots Human Security projects within Grand Aid depends on grant contracts (G/C).

A yearly figure for Technical Cooperation indicates the amount of fund disbursed from the budget of JICA, relevant ministries and local governments in the fiscal year.

Note: 2. Accumulated totals may not always add up due to rounding

India-Japan Act East Forum

In pursuance of the Memorandum of Cooperation to establish the India-Japan Act East Forum signed on 14 September 2017 during the visit of Prime Minister Abe to India, the Ministry of External Affairs and Embassy of Japan held the first joint meeting of the Forum

on 5 December 2017. The meeting was co-chaired by Foreign Secretary Dr. S. Jaishankar and the Japanese Ambassador to India Mr. Kenji Hiramatsu.

The Act East Forum aims to provide a platform for India-Japan collaboration under the rubric of India's "Act East Policy" and Japan's "Free and Open Indo-Pacific Strategy". The Forum will identify specific projects for economic modernization of India's North-East region including those pertaining to connectivity, developmental infrastructure, industrial linkages as well as people-to-people contacts through tourism, culture and sports-related activities. Besides the Ministry of External Affairs and the Embassy of Japan, participants included representatives from Ministry of Development of North Eastern Region, Department of Economic Affairs in the Ministry of Finance, Ministry of Road Transport and Highways, Ministry of Home Affairs and the States of North-East region from the Indian side, and Japan International Cooperation Agency, Japan External Trade Organization, Japan Foundation and Japan National Tourism Organization from the Japanese side.

Japan Plus

PM Modi and Japanese PM Abe announced the India–Japan Investment Promotion Partnership at Tokyo, on 1 September 2014. Under this Partnership, Japan has offered to invest JPY 3.5 trillion (USD 33.5 billion) in India by way of public and private investment and financing over the next five years. The DPIIT has set up "Japan Plus", a special management team to facilitate and fast track investment proposals from Japan to achieve this goal. Japan Plus is operational from 8th October, 2014. "Japan Plus", comprises four representatives from the GoI and three representatives from the Government of Japan.

Role of Japan Plus

- Supports GoI in initiating, attracting, facilitating, fast tracking and handholding Japanese investments across sectors.
- Provides updated information on investment opportunities across sectors, in specific projects and Japan Industrial Townships in particular.
- Japan Plus is in constant touch with existing Japanese companies in India to highlight their concerns to the relevant Government Department/ Ministries for an early resolution. All the issues showcased till date have been acknowledged, aligned with the concerned Government Department (Centre or State) and resolved. On an average Japan Plus assists 20 Japanese companies per month.
- Japan Plus is the Nodal cell in the GoI to co-ordinate & collate investment proposals being pursued by all Ministries/Departments / State Governments.
- Assistance to Core-Group: A Core-group has been set up under the chairmanship of Cabinet Secretary with Secretaries of 17 Ministries/Departments to realize JPY 3.5 trillion. These include Railway Board; Ministry of External Affairs; Department of Economic Affairs, Department of Expenditure, Department of Financial Services; Department of Revenue; Ministry of Medium, Small & Micro Industries; Department of Commerce; Ministry of Urban Affairs; Ministry of Textiles; Department of Defence Production; Department of Electronics & Information Technology; Ministry of Food Processing; Department of Heavy Industries; Department of science and technology; DPIIT, NMCC.
- Japan Plus provide assistance to Core-Group to ensure that investments from Japan as envisaged in India–Japan Investment Promotion Partnership are facilitated in various sectors and opportunities of investment and technology transfer are fully exploited.
- An institutional mechanism has been set up for resolution of issues faced by Japanese Companies working in India. This is facilitated by JCCII (Japan Chamber of Commerce & Industry in India) in consultation with DPIIT. Japan Plus provides assistance for this.

Trade Relations

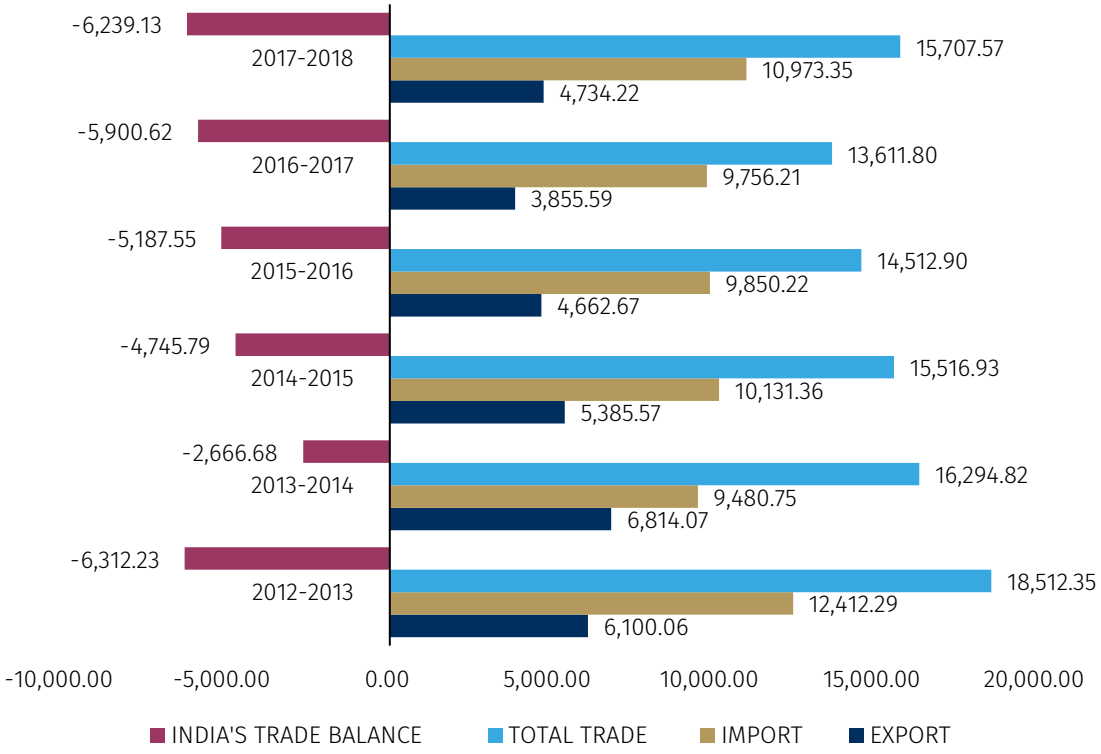
Japan ranks at the 13th position amongst India's top trading partners. Bilateral trade between India and Japan has increased from about USD 4 billion in financial year 1999-2000 to USD 15.707 billion during financial year 2017-18. The share of the India-Japan bilateral trade has been approximately 1% of Japan's total foreign trade, while it was about 2% of India's total trade in the last couple of years. India has been ranked as the one of the most attractive investment destination in the latest survey of Japanese manufacturing companies, conducted by the Japan Bank for International Cooperation (JBIC) in 2018.

Table 1: India- Japan Bilateral Trade

Year	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Export	6,100.06	6,814.07	5,385.57	4,662.67	3,855.59	4,734.22
Import	12,412.29	9,480.75	10,131.36	9,850.22	9,756.21	10,973.35
Total Trade	18,512.35	16,294.82	15,516.93	14,512.90	13,611.80	15,707.57
India's Trade Balance	-6,312.23	-2,666.68	-4,745.79	-5,187.55	-5,900.62	-6,239.13

Department of commerce

Figure 2: India Japan Bilateral Trade



India, being the second-most-populous country in the world, and having one of the fastest-growing economies in Asia, offers attractive opportunities for investment and partnership, especially in the infrastructure sector, to Japan which has an abundance of capital and the presence of strong construction, transport and machinery

companies. In the past, companies such as Suzuki and Honda, have partnered with Indian companies and have become household names in India. The lasting success of these companies is evidence that there is untapped potential in the India-Japan bilateral trade and investment relationship. Analysing what India exported to Japan from 1999-2000 till 2017-18, the major heads are mineral fuels, fish and crustaceans and other aquatic invertebrates, organic chemicals, nuclear reactors, pearls, imitation jewellery, iron and steel etc. Exports from India to Japan are USD 4,734.22 million in 2017-18.

India's major exports to Japan have been primary products, listed below:

S.No.	HSCode	Commodity	2016-2017	2017-18	%Growth
1.	27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes.	564.10	866.14	53.54
2.	03	Fish and crustaceans, molluscs and other aquatic invertebrates.	383.19	443.85	15.83
3.	29	Organic chemicals	413.56	408.83	-1.14
4.	84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof.	267.53	294.02	9.90
5.	71	Natural or cultured pearls, precious or semiprecious stones, precious metals, clad with precious metal and articles thereof; imitation jewellery; coin.	310.37	278.09	-10.40
6.	72	Iron and steel.	154.98	252.49	62.92
7.	26	Ores, slag and ash.	67.14	229.68	242.11
8.	87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof.	166.08	207.78	25.11
9.	38	Miscellaneous chemical products.	134.65	165.46	22.88
10.	62	Articles of apparel and clothing accessories, not knitted or crocheted.	146.89	157.62	7.30

Source: Ministry of Commerce, GoI

A similar analysis for change in product mix for Japanese Imports into India has been carried out. A comparison of Imports from Japan, pre CEPA and that after CEPA is depicted in the following charts. Imports by India from Japan for 2017-18 are USD 10,973.35million.

Major import items from Japan are as listed below:

S.No.	HS Code	Commodity	2015-2016	2016-2017	%Growth
1.	84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof.	2,784.12	2,669.19	-4.13
2.	85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers and parts.	1,141.44	1,335.74	17.02

S.No.	HS Code	Commodity	2015-2016	2016-2017	%Growth
3.	72	Iron and steel.	930.55	1,169.67	25.70
4.	39	Plastic and articles thereof.	697.68	830.38	19.02
5.	90	Optical, photographic cinematographic measuring, checking precision, medical or surgical instruments and apparatus parts and accessories thereof.	639.60	700.88	9.58
6.	87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof.	573.10	637.16	11.18
7.	89	Ships, boats and floating structures.	447.34	385.20	-13.89
8.	29	Organic Chemicals.	419.83	471.79	12.38
9.	73	Articles of iron or steel.	377.47	317.81	-15.80
10.	40	Rubber and articles thereof.	228.12	288.51	26.47

Source: Ministry of Commerce, GoI

Investment Relations

In 2017-18, India has received FDI of USD 12,180 million from Japan, and as of December 2018, there were 1,441 Japanese companies registered in India[30]. Given the background and strong relationship already established between the two countries, the elevation of Japan to a strategic partner and the consequent commitment of both countries to cooperate in the areas of economic development, investment, environmental protection, energy and defense, amongst other areas, the economic and investment relations between India and Japan are likely to accelerate even more in the coming years.

Cumulative FDI equity inflows (remittance-wise) received during April 2000-18 (up to September 2018) were INR 2,223,602.92 crores (USD 398.32 billion) excluding amount remitted on RBI's-NRI schemes. Out of this, FDI inflows from Japan (which is India's third largest investor) are INR 165,677.21 crores (US$ 29.19 billion), which represents 7.33% of the cumulative inflows received (this amount does not include inflows received prior to April 2000, as such data prior to that date was not centrally maintained by the RBI). Further, project, country & sector specific FDI equity inflows data, in respect of JAPAN, is available only from April 2000 onwards.

Japan has also been India's fourth largest investor in FY 2017-18, with a percentage share of total FDI inflows of 8.32%, amounting to INR 12,901.63 crores(USD 1.88 billion).



30 Embassy of Japan in India - Japanese Business Establishments in India, accessed at https://www.in.emb-japan.go.jp/PDF/2018_co_list_en.pdf

Financial year-wise inflows of Foreign Direct Investment: *(Amount of FDI inflows)*

Financial Year (April-March)	FDI equity inflows From JAPAN		FDI equity inflows from all Countries *		Total FDI inflows (including equity, re-invested earnings & other capital) **
	INR in crores	USD in million	INR in crores	USD in million	(US$ in million)
2000-01	976.64	223.66	10,733	2,463	4,029
2001-02	808.78	177.68	18,654	4,065	6,130
2002-03	1,970.96	411.87	12,871	2,705	5,035
2003-04	360.45	78.36	10,064	2,188	4,322
2004-05	575.19	126.24	14,653	3,219	6,051
2005-06	925.07	208.29	24,584	5,540	8,961
2006-07	382.47	84.74	56,390	12,492	22,826
2007-08	3,336.41	815.20	98,642	24,575	34,843
2008-09	21,692.58	4,469.95	142,829	31,396	41,873
2009-10	5,670.40	1,183.40	123,120	25,834	37,745
2010-11	7,062.98	1,562.00	97,320	21,383	34,847
2011-12 ^	14,089.09	2,971.70	165,146	35,121	46,556
2012-13	12,243.42	2,237.22	121,907	22,423	34,298
2013-14	10,549.58	1,717.75	147,518	24,299	36,046
2014-15	12,751.83	2,084.23	181,682	29,737	45,148
2015-16	17,275.49	2,613.68	262,322	40,001	55,559
2016-17	31,588.30	4,709.46	291,696	43,478	60,220
2017-18	10,515.93	1,632.90	288,889	44,857	60,974
2018-19 (upto Sept 18)	12,901.63	1,884.96	155,117	22,664	31,177
Cumulative Total (April 2000-September 2018)	165,677.21	29,193.28	2,224,137	398,440	576,640

Data from DPIIT

Note:

i) *These amounts include the inflows received through FIPB/SIA route, acquisition of existing shares, RBI's automatic route and RBI's – NRI schemes.

ii) The amount of FDI equity inflows, in respect of country/sector specific data was not provided by RBI, Mumbai, prior to April 2000.

iii) ^Inflows for the month of March, '12 are as reported by RBI, consequent to the adjustment made in the figures of March,'11, October, '11.

iv) **Country & sector specific details on 're-invested earnings' and 'other capital' are, however, not centrally maintained by the Reserve Bank of India.

v) **Data in respect of 'Re-invested earnings' & 'Other capital' for the years 2009-10, 2010-11, 2011-12, 2012-13 & 2013-14, 2014-15 are on an estimated basis. It is estimated by RBI as an average of the previous two years.

Share of top five sectors attracting FDI equity inflows from Japan (from April 2000 to September 2018):

(Amount of FDI equity inflows)

Rank	Sector	Amount of FDI equity inflows		% age of FDI equity inflows from JAPAN
		INR in crores	USD in million	
1	Automobile Industry	32,246.91	5,561.52	19.05
2	Drugs & Pharmaceuticals	22,083.53	4,463.87	15.29
3	Services Sector*	23,492.25	4,078.17	13.97
4	Metallurgical Industries	14,328.01	2,575.12	8.82
5	Telecommunications	13,871.15	2,158.66	7.39
Total of Above		106,021.85	18,837.34	64.52

(*)Star refers here Fin., Banking, Insurance, Non Fin/Business, Outsourcing, R&D, Courier, Tech. Testing and Analysis, Other

DETAILS OF TOP FDI INFLOWS RECEIVED FROM JAPAN (remittance-wise)

(through Indian companies, from April 2000 to September 2018):

Sl. No	Name of Indian Company	FDI Route	Name of Foreign Collaborator	Rbi Regional Office	Item of manufacture	Amount of FDI Inflows	
						(In Rs crore)	(In US$ million)
1	Ranbaxy Laboratories Ltd.	RBI	Daiichi Sankyo Co. Ltd.	Region Not Indicated	Manufacture of chemical substances used in the manufacture of pharmaceuticals	6,818.66	1,401.42
2	Ranbaxy Laboratories Ltd.	RBI	Daiichi Sankyo Co. Ltd.	Region Not Indicated	Manufacture of chemical substances used in the manufacture of pharmaceuticals	6,037.01	1,240.77
3	Jsw Steel Ltd.	RBI	Jfe Steel Corporation, Japan	Mumbai	Manufacture of other basic iron and steel n.E.C	4,800.72	719.23
4	Jsw Steel Ltd.	RBI	Jfe Steel Corporation	Mumbai	Manufacture of semi finished iron & steel products nec	4,800.72	1,060.26
5	Ranbaxy Laboratories Ltd.	RBI	Daiichi Sankyo Co. Ltd.	Region Not Indicated	Manufacture of chemical substances used in the manufacture of pharmaceuticals	3,539.14	722.28
6	Ranbaxy Laboratories Ltd.	RBI	Daiichi Sankyo Co. Ltd.	Region Not Indicated	Manufacture of chemical substances used in the manufacture of pharmaceuticals	3,409.22	700.69

Sl. No	Name of Indian Company	FDI Route	Name of Foreign Collaborator	Rbi Regional Office	Item of manufacture	Amount of FDI Inflows	
						(In Rs crore)	(In US$ million)
7	Mcpi Private Limited (Formerlymcc Pta Ind	RBI	Mitsubishi Chemical Corporation	Kolkata	Manufacture of organic and inorganic chemical compounds n.E.C.	3,218.66	474.78
8	Suzuki Motor Gujarat Private Limited	RBI	Suzuki Motor Corporation	Ahmedabad	Manufacture of passenger cars	3,100.00	460.95
9	Reliance Life Insurance Company Ltd	RBI	Nippon Life Insurance Company	Region Not Indicated	Life insurance health insurance & annuity business	2,761.61	543.02
10	Suzuki Motor Gujarat Private Limited	RBI	Suzuki Motor Corporation	Ahmedabad	Manufacture of passenger cars	2,600.00	382.91
11	Suzuki Motor Gujarat Private Limited	RBI	Suzuki Motor Corporation	Ahmedabad	Manufacture of passenger cars	2,600.00	378.49
12	Reliance Life Insurance Company Limited	RBI	Nippon Life Insurance Company	Region Not Indicated	Life insurance	2,265.62	338.04
13	Toshiba Transmission & Distribution Syst	RBI	Toshiba Corporation	Hyderabad	Manufacture of transformers	1,633.00	273.39
14	Renault Nissan Automotive India Pvt Ltd	RBI	Nissan Motors Company	Chennai	Manufacture of transport equipment & parts	1,477.00	274.67
15	Reliance Capital Asset Managem Ltd	RBI	Nippon Life Insurance Company	Region Not Indicated	Financia,asset management & portfolio management	1,449.98	260.98
16	Anchor Electricals Pvt Ltd	FIPB	Matsushita Electric Works Ltd	Region Not Indicated	Electrical products.	1,440.83	341.85
17	Kotak Mahindra Bank Ltd	RBI	Sumito Mitsui Banking Corporation	Mumbai	Banking activities including financial services	1,366.12	303.47
18	Kotak Mahindra Bank Ltd	RBI	Sumito Mitsui Banking Corporation	Mumbai	Monetary intermediation of commercial banks, saving banks. Postal savings bank and discount houses	1,366.12	203.00

Sl. No	Name of Indian Company	FDI Route	Name of Foreign Collaborator	Rbi Regional Office	Item of manufacture	Amount of FDI Inflows	
						(In Rs crore)	(In US$ million)
19	Indusind Bank Ltd.	RBI	Various Investors	Mumbai	Deposit activities (this group includes activities of central banks, commercial banks, savings banks	1,304.83	209.60
20	Honda Siel Cars India Ltd	RBI	Asian Honda Motor Co Ltd	New Delhi	Manufacture of motor cars	1,300.00	213.07
21	Honda Siel Cars India Ltd	RBI	Honda Motor Co Ltd	New Delhi	Manufacture of motor cars	1,200.00	215.98
22	Mukand Sumi Special Steel Ltd	RBI	Sumitomo Corporation	Mumbai	Manufacture of hot-rolled and cold-rolled products of steel	1,180.99	171.92
23	Telco Construction Equipment Co Ltd	RBI	Hitachi Construction Machinery Co Ltd	Region Not Indicated	Mfg construction equipment	1,159.50	260.56
24	Renault Nissan Automotive India Pvt Ltd	RBI	Nissan Motor Co Ltd	Chennai	Manufacture of passenger cars	1,044.03	169.20
Grand Total						71,670.36	12,778.19

Data from DPIIT

Japanese Projects in India

India is one of Japan's oldest and most important development partners. Japan's contribution to the development of India is based on our shared values of democracy, human rights and market economy. Japan's cooperation is predicated on the complementarity of our strengths and gaps in financial, technological and human resources. Development cooperation between the two countries is an important component of the Japan-India Special Strategic Global Partnership. Japan is the largest bilateral ODA donor to India.[31] The Country Assistance policy[32] framed by Japan for India identifies the following key areas in terms of overall focus of Japanese ODA:

Enhancing connectivity

With a view to de-bottleneck the infrastructure constraints to investment and growth, Japan is supporting development of transportation hub and network infrastructure in the areas of railways (including high speed railways and metros) and national highways (including express ways) as well as electricity and other infrastructure to strengthen connectivity among major industrial cities and economic zones as well as regional connectivity. Realization in concrete terms of regional economic development initiatives such as the Delhi-Mumbai Industrial Corridor (DMIC) and the Chennai-Bengaluru Industrial Corridor (CBIC) are also being promoted. In addition, Japan will promote cooperation on the enhancement of regional connectivity including in

31 Country Assistance Evaluation of India, Ministry of Foreign Affairs of Japan, accessed at https://www.mofa.go.jp/policy/oda/evaluation/FY2017/pdfs/india.pdf

32 Overview of Japan-India Relations, Ministry of Foreign Affairs of Japan accessed at http://www.in.emb-japan.go.jp/itpr_en/Japan_India_Relations.html



the Northeast region.

Strengthening industrial competitiveness

Strengthening of the industrial competitiveness, especially in the manufacturing sector, is the key to secure sustainability of India's economic growth. Manufacturing will create new jobs to absorb the young productive population, enhance the technological foundation of the economy and increase productivity. From such viewpoint, Japan is supporting key infrastructure development including power generation, transmission and distribution, energy efficiency, quality highways, port and water supply and sewage in order to contribute to strengthening industrial competitiveness including manufacturing sector. Japan will also provide assistance to promote foreign direct investment and to strengthen human resource development in such areas as business management, higher education and practical skills.

Supporting sustainable and inclusive growth

Although high growth is an imperative, it has to become sustainable and the fruit of growth needs to be shared and enjoyed by the society on a broad and equitable basis. Japan is working on the provision of assistance which contributes to poverty reduction and social sector development such as improvement of basic social services (including health, sanitation, water supply and sewage), infrastructure development addressing urbanization, and income generation programmes for the poor (including improvement of small-scale infrastructure, enhancement of agricultural productivity and establishment of food value chain). Japan is also promoting cooperation in such areas as water supply and sewage, afforestation, and disaster management to tackle environment and climate change issues.

Other considerations

- Under the Japan-India Special Strategic Global Partnership, ODA cooperation aims for a win-win (mutually beneficial) solution as partners on an equal footing instead of simply positioning the relationship as a donor and a recipient.
- Japan is cognizant of India's basic stance regarding non-acceptance of tied-aid and the imperative of international competitive bidding in its procurement policy. At the same time, we will work to promote incomparable Japanese technologies and expertise to be introduced and transferred to India through development cooperation projects and programmes.
- Under the programme-based approach, policy matrices are mutually agreed through close and continuous policy dialogue; monitoring and review are conducted; and projects are guided by its progress. This will allow greater flexibility in the management of projects, and enhance sense of ownership by the recipient country, and ensure accountability on quantitative targets, concrete steps and outcomes. Japan will gradually promote the programme-based approach, as appropriate.



- It is noted that close people-to-people exchanges will be promoted in various areas through development cooperation.
- The gender equality will be noted in formulating projects in order to achieve equal and inclusive society.

JICA's Pivotal Role in supporting India's Development Initiatives

JICA has been one of the most important development partner organisations from Japan and has been providing development assistance to India for varied projects. Their assistance primarily covers technical cooperation, development study/technical cooperation for development planning, loan and grant aid.

JICA is providing assistance to realize Japan-India cooperation goals such as the Delhi-Mumbai Industrial Corridor (DMIC) and the Chennai-Bengaluru Industrial Corridor (CBIC) in South India, as well as assistance to strengthen Japan-India academic-industry networks, and human resources development for industries such as manufacturing. JICA is extending its assistance to contribute to stronger relations between Japan and India.

Although the spectrum of projects supported by JICA is diversified, some of the key focus areas/ sectors of focus for their recent and ongoing projects in India include:

- Programme based assistance
- Health and medical care
- Transportation
- Power and Energy
- Private Sector Development
- Agriculture and Rural Development
- Urban and regional development
- Urban Environment Management [33]

Spectrum of projects in India

Some of the major Indian states where JICA is actively engaging[34] through providing assistance include, in the north, Delhi NCR, Uttar Pradesh, Himachal Pradesh, and Uttarakhand, primarily focussing on water conservation and management, transportation, sewage, forest resource management and disaster risk management.

In India's western region, JICA is providing assistance to projects in the 3 key states of Rajasthan, Maharashtra and Gujarat. The focus of assistance provided here is railway and freight corridors, forest conservation, distribution system upgradation, metro projects and water conservation.

JICA support is actively present in Southern India across the states of Andhra Pradesh, Goa, Karnataka, and Tamil Nadu where the focus of project assistance includes water supply and sewage projects, traffic and transportation management, campus development projects, bio-diversity conservation, metro projects, healthcare among others. Please see below a detailed:

Source: JICA

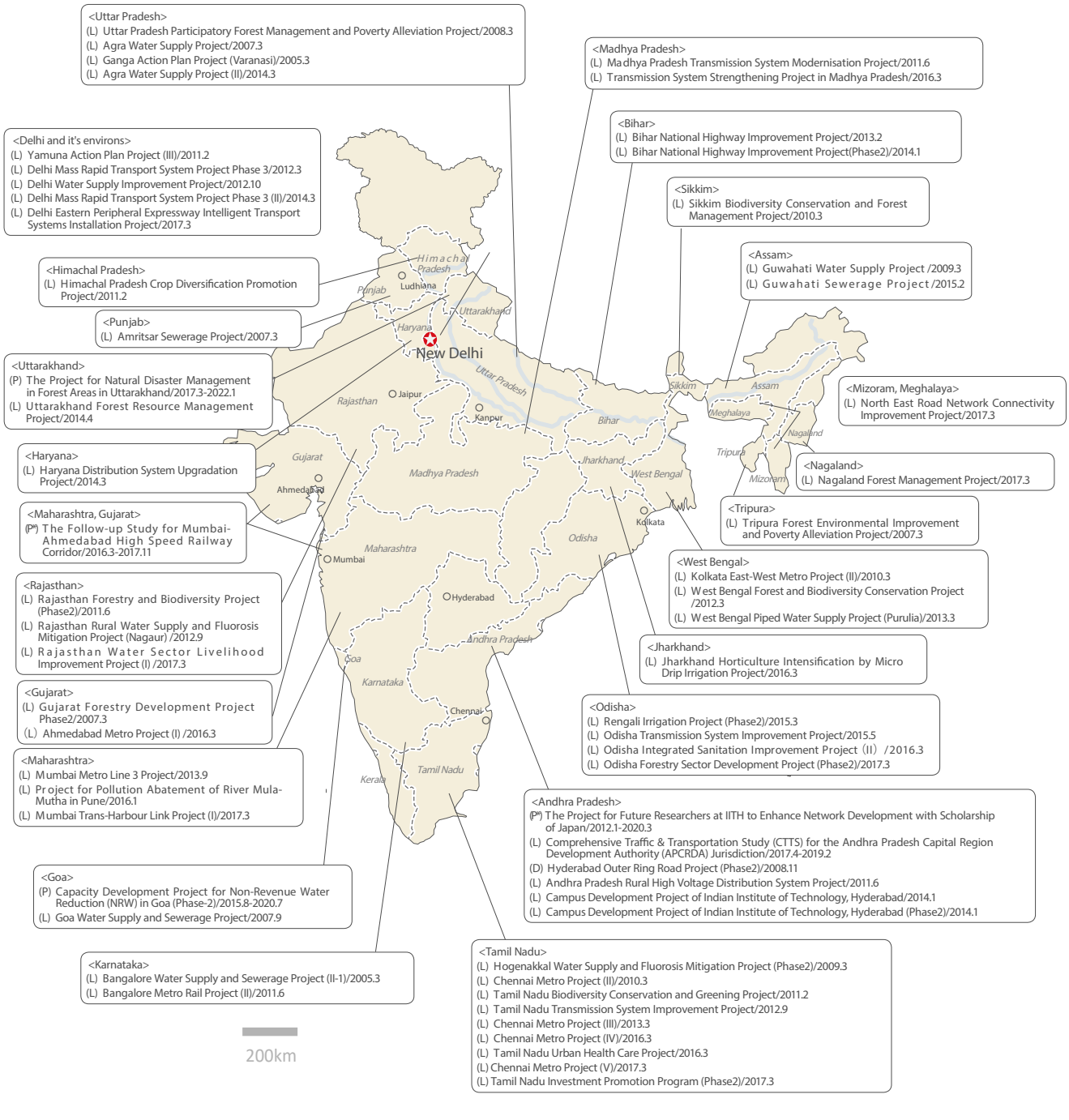
Special Focus on Development of India's North East region

Although as far as the spread of projects across India

33 JICA Activities in India accessed at: https://www.jica.go.jp/india/english/activities/activity.html

34 Map of JICA's Major Projects in India accessed at https://libportal.jica.go.jp/library/Data/PlanInOperation-e/EastSouthAsia/054_India-e.pdf

(P)Technical Cooperation (D)Development Study /Technical Cooperation for Development Planning (L)Loan (G)Grant Aid



Technical Cooperation : Ongoing and planned (R/D signed) projects, *Technical Assistance Project related to ODA Loan
Development Study/Technical Cooperation for Development Planning : Ongoing projects
Loan : Ongoing and planned (L/A signed) projects
Grant Aid : Ongoing projects (G/A or E/N signed)

This India Map has been revised by FICCI

is concerned, JICA presence is pan India, however, they are increasingly now focussing on the development of

India's northeast region and have recently provided assistance for development projects in the north eastern states.[35] Enhancing connectivity within North East Region and with its neighbouring countries is essential to tap its potential and presents crystallized examples of the shared vision between Japan and India. The two countries are collaborating on improvement of roadway connectivity, construction of a river bridge, and loans for providing power to parts of the North-east region.

JICA has recently extended ODA Loans for the North-East Road Network Connectivity Improvement Project[36]; for the renovation and modernisation of Umiam-Umtru Stage III Hydroelectric Power Station in Meghalaya[37]; for the Sustainable Forest Management Project in Tripura[38], etc. Japan has also expressed its willingness to consider proposals from certain universities in the north-east region to include Japanese as a language certificate course, and to provide assistance to these universities, in the summit meeting held between PM Modi and Japanese PM Abe in 2018.

Some of the recent key ODA transactions between India and Japan are as follows:

- JICA signed an agreement with the GoI on October 29, 2018 to provide an ODA loan of JPY 12,287 million for the Project for Sustainable Forest Management Project in Tripura to improve quality of forests in the targeted catchment area by imbibing sustainable forest management practices, soil and moisture, thereby contributing to development of forest ecosystem services and livelihood improvement of forest dependent communities in Tripura.[39]
- JICA, on October 29, 2018 entered into an agreement with the GoI to provide an ODA loan of JPY 5,497 for the 'Project for Renovation and Modernisation of Umiam-Umtru Stage III Hydroelectric Power Station" in Meghalaya to reduce power shortages in Meghalaya by renovating, modernizing, and upgrading the Umiam-Umtru Stage III Hydroelectric Power Station, situated by the Umtru River. The Project will contribute towards industrial development in Meghalaya and will improve living standards in the state through optimum utilization of water resources.[40]
- JICA entered into an agreement with the GoI on December 20, 2018, to provide an ODA loan of JPY 75,519 million Japanese yen for Chennai Metro Project (Phase 2) (I).[41]
- JICA signed an agreement with the GoI on October 29, 2018 to provide an ODA loan of JPY 53,675 million for the 'Delhi Mass Rapid Transport System Project Phase 3 (Tranche III)'. The objective of the Project is to cope with the increasing traffic demand in Delhi by expanding mass transit systems, thereby mitigating traffic congestion, reducing air pollution, minimizing road accidents and making travel smoother for the people in New Delhi. The scope of the Phase 3 includes the construction of Pink Line and Magenta Line and the extension of Yellow Line, Blue Line, Green Line and Violet Line. The Phase 3 will add 159.7 kilometers to the existing Delhi Metro Line and will connect 109 metro stations.[42]
- JICA also signed an agreement with the GoI to provide an ODA loan of JPY 25,903 million for building a metro rail system between Howrah Maidan to Salt Lake Sector V, including an underwater section, as a part of the 'Kolkata East-West Metro Project (III)'. The objective of the Project is to mitigate traffic congestion, reduce air pollution, minimize road accidents and

35 JICA Press Release accessed at https://www.jica.go.jp/india/english/office/topics/press170807.html

36 JICA Press Release accessed at https://www.jica.go.jp/india/english/office/topics/press170331_01.html

37 JICA Press Release accessed at https://www.jica.go.jp/india/english/office/topics/press181030_05.html

38 JICA Press Release accessed at https://www.jica.go.jp/india/english/office/topics/press181030_03.html

39 JICA Press Release accessed at https://www.jica.go.jp/india/english/office/topics/press181030_03.html

40 JICA Press Release accessed at https://www.jica.go.jp/india/english/office/topics/press181030_05.html

41 JICA Press Release accessed at https://www.jica.go.jp/india/english/office/topics/press181221_01.html

42 JICA Press Release accessed at https://www.jica.go.jp/india/english/office/topics/press181030_01.html



make travel smoother for the people in Kolkata. The Project will connect Howrah Maidan to Salt Lake Sector V through Esplanade and provide an improved access to the public from the west gateway area to the central business district as well as the residential-cum-institutional complex areas.[43]

Since September 2017, when the previous Annual Summit meeting had been held, Japan has provided ODA loans to, among others, the following projects[44]:

- Bengaluru Water Supply and Sewerage Project (Phase 3) (I) in Karnataka;
- Mumbai Metro Line 3 Project (II) in Maharashtra;
- Project for Construction of Chennai Seawater Desalination Plant (I) in Tamil Nadu;
- Project for Improvement of Himachal Pradesh Forest Ecosystems Management and Livelihoods in Himachal Pradesh;
- Project for Installation of Chennai Metropolitan Area Intelligent Transport Systems in Tamil Nadu.

43 JICA Press Release accessed at https://www.jica.go.jp/india/english/office/topics/press180928_02.html

44 India Japan Fact Sheets, Ministry of external affairs, India accessed at https://www.mea.gov.in/outoging-visit-detail.htm?30544/IndiaJapan+Fact+Sheets

India & Japan Collaboration in Third Countries

Background

India and Japan had initiated a dialogue on development in Africa as a bi-annual event from the year 2010. However, it was in the year 2016 that the idea of Asia Africa Growth Corridor: Partnership for Sustainable and Innovative Development ("**AAGC**") came into limelight, at the India-Japan annual summit meeting in Tokyo. India and Japan released a joint statement on November 11, 2016, wherein the intention of collaborating their efforts for development in Africa with an aim "*to promote industrial corridors and industrial networks in Asia as well as in Africa*" was reflected.

Key aspects of the AAGC

In the year 2017, the AAGC was formalized, as envisioned by India and Japan, at the 52nd Annual Meeting of the African Development Bank ("**AfDB**") summit in Gujarat, India. The Vision Document for AAGC partnership ("**Vision Document**") envisages various aspects which would be looked upon by the two countries for development in Africa. These include deliberations on the following:

- The existing mechanism for co-operation between Asia and Africa;
- Agenda for synchronised growth of Asia-Africa for sustainable and innovative development;
- Establishment of industrial corridor and industrial network;
- Infrastructure development between Asia-Africa, including their sub-regions;
- Identification of projects, based on optimisation, prioritisation and economic and financial feasibility;
- Mechanisms that can result in exchange of best practices of growth, governance and partnership between Asia and Africa; and
- Roadblocks on development in technical, economic and institutional front.

AAGC concentrates on capacity-building and expanding the manufacturing base and trade between the two continents. As the name suggests, the notion is to transform the region into a growth corridor, which will in turn embed the development processes in the region. It focuses on further integration of the economies of the two continents, with an aim to emerge as globally competitive economic region. The Vision Document states that the AAGC will provide quality physical and institutional infrastructure that will act as catalyst to the growth trajectory envisaged by Africa.

The uniqueness of the AAGC is in its emphasis on people-to-people partnership, which is a procedure of thorough consultation involving the government, firms, think-tanks and civil society of both India and Japan. Moreover, the AAGC is aligned with Agenda 2030 for sustainable development, wherein green projects are to receive priority funding and implementation. The Vision Document proposes four elements for realization of the objective of the AAGC:

- Development and co-operation projects in the sector of agriculture and agro processing, health and pharmaceuticals and disaster management;
- Quality infrastructure and institutional connectivity which includes partnership in international solar alliance and developing infrastructure;
- Enhancing capacities and skills in relation to sustaining infrastructure, improving human resource conditions of universities in identified regions of Africa; and
- People-to-people partnership in relation to engagement between people, stakeholders, education and tourism.

In furtherance to achieving the objectives of AAGC, the Indian and Japanese Prime Ministers during the 2018 India-Japan annual summit ("**2018 Summit**"), discussed the way forward and highlighted their commitment to work together in promoting peace, stability and prosperity, through economic growth and development in the Africa region.

To ensure collaborative development in the Indo-Pacific and the AAGC, the two countries intend to synergize their initiatives aimed specifically for the said region. India's "Act East Policy" and Indian Prime Minister's 10 guiding principles for India's sustained and regular engagement with African countries forms part of India's initiative which is collaborated with Japan's "Expanded Partnership for Quality Infrastructure Initiative" and Tokyo International Conference on African Development ("**TICAD**").



In the 2018 Summit, the two countries have effectively acknowledged that there is a need for expanding their co-operation in the field of human resource development, capacity building, healthcare, livelihood, water, sanitation and in the digital space, along with extending access to education, health and other amenities in the African region, and helping the African people in realizing their developmental capabilities and achieving the same. The two countries believe that the development plan for the region of Indo-Pacific will be helpful in realizing true potential for the desired change in the said region which will further add to development in the African region.

Way Forward

Amongst the first initiatives under the AAGC, India and Japan aim at organizing an small and medium enterprise (SME) development seminar in Kenya. The two countries are exploring the possibilities of executing a collaborative project in the area of health sector, in line with the development of a cancer hospital in Kenya. At the 2018 Summit, to further the aim of developing industrial corridors and industrial network in the AAGC, India-Japan welcomed discussions on establishment of "Platform for Japan-India Business Cooperation in Asia-Africa Region", thereby improving the exchanges between Japanese and Indian businesses.

The linking of Asia and Africa via sea route is also seen as a potential development under the AAGC. This is envisaged by rediscovering ancient sea routes and creating new sea corridors between Africa and India and South Asian countries and includes prospective plans of connecting ports in Jamnagar in Gujarat with Djibouti in the Gulf of Aden, ports of Mombasa and Zanzibar will be connected to ports near Madurai and Kolkata will be linked to Sittwe port in Myanmar.

In addition, the inclusion of AfDB in the India-Japan initiative has been confirmed at the 52nd Annual Meeting of the AfDB. As AfDB provides financial, institutional and technical support to the private sector, its collaboration with Japanese investment in Africa and Indian corporation is expected to contribute to the improvement of the African economy and helping in reduction and effective management of the risks involved.

Based on the discussion papers published on the



AAGC website, it is clear that the following points of consideration will help the two countries in achieving the desired goal in the AAGC:

- The crucial areas which will see joint effort by the two countries under AAGC would be the education, human resource development and skill enhancement, agriculture, infrastructure, information technology and healthcare sectors;
- The India-Africa Forum Summit (IAFS) and TICAD would act as vital platforms of India and Japan, respectively, for promoting development cooperation in the Africa region;
- The countries may incorporate a consultative and participatory approach for choosing the development projects under AAGC which will include appropriate involvement of African countries; and
- The two countries may initiate a periodic dialogue with the Regional Economic Communities in Africa which would help them in establishing a network of think-tanks, from Asia and Africa. This will in turn give an in-depth understanding of the people of Africa and their developmental priorities.

Such discussion papers also deliberate on the following aspects:

- Agriculture sector
  - In order to effectively help the African farmers in overcoming the hardships faced by them, the collaboration of India and Japan must aim at providing a conducive financial mechanism to the farmers;
  - The AAGC projects in the agriculture sector should be in line with the requirements of the stakeholders including the African farmers. These initiation and implementation of agricultural projects must be undertaken after effective consultation with every African nation.

- **Women**

It is also proposed to establish the 'Asia-Africa Women's Economic Growth and Empowerment Fund'. This is to build a network of women's economic organizations, which would assist in knowledge sharing and varied potential trade opportunities. This will further facilitate in exchange of experiences between the two continents.

- **Disaster and Climate Risk Management**
  - In relation to development in disaster management sector, the emphasis on human security, environment and natural resource preservation, risk management, governance, as well as inclusive growth through collaborative partnerships are required to be focused upon by the projects undertaken under the AAGC;
  - Potential areas of collaboration under AAGC are disaster risk information and climate services, data and statistical analysis, risk-informed urban development, capacity development, climate change mitigation and adaptation action, knowledge management and information sharing;
  - As the two continents, geographically, share similar challenges in relation to disaster risks and climate change, the experience and expertise of Japan and India will turn out to be very helpful for the African countries in dealing with high-magnitude disasters, thereby saving lives, conserving livelihood, and sustainability of development gains and building socio-economic resilience.

FICCI Initiatives towards promotion of India-Japan Relations

Japan has been a strong contributor towards India's economic development across a wide spectrum of agenda including some of India's flagship initiatives such as Make in India, Smart Cities, Skill India, etc.

The last few years have seen an impressive expansion and deepening of India's 'Special Strategic and Global Partnership' with Japan. FICCI has always put a lot of emphasis on this partnership and has been supplementing the GoI's efforts through its holistic agenda with Japan. FICCI is the only industry association with an office in Japan.

The India Japan Business Cooperation Committee ("**IJBCC**") was set up in 1966 to stimulate bilateral trade, investment and technological transfers through sectoral consultations. Japan was the first country to have the institutional arrangement of a joint business committee with India. The next edition of the IJBCC is scheduled to take place on 26 February 2019 in Tokyo, Japan.

FICCI engages with the political leadership, enables businesses, produces knowledge work and policy initiatives, synergises with the state and provinces, engages on track two diplomacy and works towards promoting people to people connect as well as new initiatives in Japan. FICCI's key partners in Japan include JETRO, JCCI (Japan Chamber of Commerce and Industry), JCCII (Japan Chamber of Commerce and Industry in India) and Sasakawa Peace Foundation ("**SPF**").

FICCI has received multiple accolades for its work. Recently, FICCI received the prestigious Japanese Foreign Minister, Mr. Hirematsu's commendations for its work in promoting India Japan bilateral trade and economic relations on 15 November 2017 at the Japanese Embassy in New Delhi.

Mr. Onkar S Kanwar, Past President-FICCI and Chairman, IJBCC was felicitated with the Order of the Rising Sun, Gold and Silver Star by the Japanese Government at the 2018 Autumn Imperial Decoration at the Imperial Palace in Tokyo on 6 November 2018. This award recognizes the contribution of FICCI's IJBCC in promoting India Japan business relations.

Following are some of the key FICCI initiatives with Japan in the focus areas in line with government's agenda:

Defence Cooperation:

Defence and security relations between India and Japan have evolved steadily over the past few years and now constitute a strong pillar of the India – Japan strategic partnership. FICCI's defence committee has been consistently working to strengthen industry cooperation between India and Japan in the defence sector. There is tremendous scope for redefining the contours of the bilateral defence cooperation by way of transfer of, and collaboration on co-development and co-production of projects related to defence equipment and technology.

In this context, FICCI coordinated a high powered defense and aerospace delegation to Japan on 4-5 September 2017 accompanying the Hon'ble Defense Minister, Ms. Nirmala Sitharaman, during the 3rd India-Japan Joint Working Group Meeting. The visit comprised of B2B meetings on Defense Industry Cooperation between India and Japan including visits to key ministries, meeting key Japanese companies in this sector and site visits. In order to engage with the Japanese defence industry FICCI along with key Indian companies participated at the 3rd Meeting of India – Japan Joint Working Group on Defence Equipment & Technology Cooperation in September, 2017, Tokyo, Japan. The members of this delegation included key private and public sector companies from this sector including Cochin Shipyard, Bharat Heavy Electricals, TATA Advanced Systems Ltd, Larsen and Toubro among other companies. FICCI is now working on a space programme and is looking at Japan as a partner country for this programme in



partnership with the Japan Aerospace Exploration Agency.

Parliamentary exchanges

Although governments of both sides share a very strong relationship which has only grown in the recent past, there is a need for stronger engagement between Members of Parliament of the two countries. FICCI has been working to bridge this gap in the past few years. 2017 was the year of 'Japan-India Friendly Exchanges'. Therefore, in 2017, FICCI organized interactions between Indian MPs and Japanese Ambassador and MPs through the FICCI's Forum of Parliamentarians. FICCI hosted Mr Kono Taro, Foreign Minister of Japan at Federation House, New Delhi.

Further, as part of activities undertaken by FICCI's India Japan Forum of Parliamentarians, FICCI's Forum of Parliamentarians organises a Dialogue Series with Indian States in partnership with the Embassy of Japan focusing on the significant deepening of bilateral relations in the past three years and a growing convergence in the political, economic and strategic interests. FICCI has already organised these Dialogue Series with two Indian states, Bihar and Maharashtra.

Women Empowerment

There is a strong focus on growing cooperation in the field of women empowerment and healthcare by both prime ministers and to create a 'society where all women shine' as was elaborated in the Joint Statement on India and Japan Vision 2025. FICCI's Ladies Organisation ("**FLO**"), which is the apex body of industry and commerce in India, represents Indian women entrepreneurs from diverse sectors. FLO has built a strong relation with Japan. FLO's women business leaders and entrepreneurs from diversified fields visited Japan in September to understand their political, cultural and economic nuances especially with respect to women participation in these areas. FLO has also brought up the "Gender Parity Index", which is a 'tool kit to evaluate gender diversity & empowerment of women in the formal sector in India'.

People to People

FICCI has been engaging extensively with Japan by aligning its agenda with that of the GoI and has been focussing on strengthening "people to people" exchanges by bridging the gap between the two sides and engaging in meaningful dialogues and exchanges through the following key initiatives. FICCI in its capacity as the secretariat for India Japan Partnership Forum has initiated an effort to revive this Forum. FICCI has already initiated the process to discuss the roadmap for re-constituting and re-energising the India-Japan Partnership under the ambit of India Japan Friendship Association (IJFA) in partnership with Embassy of Japan. Ms. Deepa Wadhwa, Former Indian Ambassador to Japan will be the new Chairperson of the forum and Ambassador Arjun Asrani is to act as Advisor to the forum. New members and associations (other than business as



usual) with strong connect with Japan will also be invited to join the forum such as Indian scholars, artists, academia, societies such as friends of Japan, theatre actors etc.

Cooperation in the Education Sector

This includes institutionalised exchange of doctoral and post-doctoral research fellows, and encouraged movement of professors and faculty between India and Japan. The GOI projects that 10,000 young Indian talents will be visiting Japan under such frameworks as students exchange, IT training and short term exchanges in next 5 years.

In order to boost educational exchanges between India and Japan, FICCI is in conversation with IIM Bangalore to establish an India-Japan Study Centre (IJSC) with the following objectives:

- Conduct Japan-related research/studies/work on how to enhance investment and trade between the two countries.
- System of guest faculty exchanges. Guest speakers from Japan-related think-tanks/research institutes/eminent industrialists/academia could be invited to IJSC.
- Develop a business development programme for Japanese executives who are to assume assignments in India.

Sectoral Engagements:

- **Pharmaceuticals**: The Japanese pharmaceutical market offers great potential for the Indian pharma industry, which has a well-established reputation for producing affordable generics. A fast track movement to iron out the remaining issues hampering access will be useful as the share of generics in Japan is increasing and India's capability to meet this demand can be a win-win for both countries. FICCI has been at the forefront of promoting brand pharma and has in the recent past organised the biggest pharmaceutical show called 'Brand India Pharma' show at the Interphex and Inpharma trade show in Tokyo in 2014 with participation of over 100 pharma companies. In this regard, PM Modi believes that the target regarding quantitative share of generic medicines in Japan would be an excellent opportunity for collaboration between Indian and Japanese pharmaceutical companies. Therefore, on the policy front, FICCI presented issues faced by Indian pharma industry while doing business with Japan before the CEPA negotiations.
- **Social Security**: The implementation of the Social Security Agreement between India and Japan has favourably impacted the profitability and competitive position of Indian and Japanese companies with foreign operations in either countries by reducing their cost of doing business abroad. The need to sign a social security agreement between India and Japan was first suggested by the members of the IJBCC which was later signed in Tokyo on November 16, 2012.
- **Fintech**: The government of Japan has decided to become the partner country in the 2nd PICUP Fintech Conference which is scheduled to take place on 14 March 2019 in Mumbai.
- ***India-Japan Collaboration in Africa:*** The idea of India-Japan cooperation for African development was one of the key deliverables highlighted in the



joint statement between India and Japan signed during PM Modi's official visit to Japan last year. To further capitalize on this and create substantive projects, FICCI has decided to reach out to Indian industry and identify actual projects where Indian and Japanese companies can collaborate in Africa.

- ***India-Japan Friendship Forum:*** PM Modi and Japanese PM Abe have stated that enhancing ties between the two nations by way of economic cooperation and greater people to people contacts is a major focus point. While strengthening security and political relations and economic engagement forms the centre stage of our relationship with Japan at current times, there is a clear realisation that increased "people to people exchanges" through tourism, culture and sports-related activities are an equally significant cornerstone of this evolving partnership. FICCI with the support of the Embassy of Japan in India has recently launched the "India-Japan Friendship Forum". The aim of this forum is to deepen the people to people exchange between India and Japan through organising regular engagements including presenting art and culture, knowledge and tourism.
- **Policy Advocacy:** FICCI is actively involved in providing knowledge inputs, especially based on Indian Industry's view on various trade agreements including the following:
  - **India Japan Financial Dialogue**: FICCI provided inputs on behalf of Indian industry for the 4th India-Japan Financial Dialogue. The issues highlighted by FICCI included with-holding charges and 'Inverted Duty Structure'.
  - **India Japan CEPA**: FICCI also presented Indian Industry issues with respect to India-Japan CEPA. The issues highlighted pertained to Indian IT and pharma companies with respect to market access and early conclusion of MRAs.
  - **Regional Comprehensive Economic Partnership**: FICCI provided the issues faced by the Indian investors who have invested in the RCEP countries with respect to investment in RCEP countries to the Indian Ministry of Finance.

The Way Forward



India and Japan have made significant headway in terms of their bilateral relationship in the past few years. The two countries have also chosen to present a joint front in multilateral negotiations, for e.g., in respect of the Asia Africa Growth Corridor. Annual Summits have been instrumental in setting the tone for this revival putting us solidly on the path to achieving the "India-Japan Vision 2025". The target for doubling Japanese investment within five years, committing USD 35 billion for different infrastructure projects to bolster the Make in India programme set by Japanese PM Abe is indicative of the strong economic partnership envisaged by the two leaders, and the growth stories of both countries are strong indicators to show that these aspirational targets may be converted to reality.

Key sectors for Industry Cooperation

Infrastructure

Lending for development, is one of the major areas where Japan's ODA assistance is utilised. The two nations are working together on multiple infrastructure projects that include the USD100 billion Delhi-Mumbai Industrial Corridor and a Japanese bullet train to run between Mumbai and Ahmedabad in PM Modi's home state of Gujarat, as discussed earlier in this paper. Japan is also playing an important role in infrastructure development in the northeast, as has been elaborated earlier in this paper. The two countries are collaborating on improvement of multiple factors, including roadway connectivity, river bridge constructions, and improving the provision of power to parts of the North-east region.

FDI by Japanese companies has also soared, reaching USD 1.6 billion in the financial year 2017-18, cementing Japan's position as the third largest source for FDI to India.

Areas of Cooperation between India and Japan

- Opportunity in High speed railways project: It is a giant leap in terms of technology for India which has Asia's largest rail network. The project has a deadline of 2022. It entails high technology transfer, creation of many jobs and is aligned with PM's flagship project.
- Collaborating to develop infrastructure in the north east: Ground level infrastructure like roadways, rives bridges, etc. are being planned.

Defence Manufacturing

Cooperation between India and Japan on defence equipment and technology holds immense scope and potential for strengthening technological capability and industrial infrastructure through joint efforts between the public and private sectors. To this end, PM Modi and Japanese PM Abe have agreed to promote interaction between Indian and Japanese defence industries and relevant authorities, and also welcomed the commencement of the cooperative research in the area of Unmanned Ground Vehicle (UGV) and Robotics during the last Annual Summit meeting. The two sides also agreed to continue to make efforts with regard to cooperation on US-2 amphibian aircraft.[45]

Areas of Cooperation between India and Japan

- Strengthening technological capability and industrial infrastructure of both countries.
- Cooperative research in the area of Unmanned Ground Vehicle (UGV) and Robotics.
- Cooperative research with respect to amphibious aircraft.

Skill Development

Skill development certainly forms one of the cornerstones of the future of India-Japan cooperation, even from an industry point of view. In November 2016, the Ministry of Economy, Trade and Industry (METI) and the Ministry of Skill Development and Entrepreneurship (MSDE), India, concluded a Memorandum of Corporation on the Manufacturing Skill Transfer Promotion Programme (MOC). Under the MoC, Japanese companies in India are participating in Skill Development through the establishment of Japan India Institute of Manufacturing (JIM) and Japanese Endowed Courses (JEC).

It should be noted that JIMs have already been established to train future shop floor leaders in Japanese style manufacturing processes and key working methods such as Kaizen and 5S, etc. Five Japanese Companies took the lead by establishing JIMs in 2017 viz., Suzuki (Gujarat), Daikin (Rajasthan), Yamaha (Tamil Nadu), Toyota and Hitachi (Karnataka). In 2018, Ahresty established its JIM in Bawal (Haryana), Toyota Tsusho in Mandal (Gujarat), And Terumo in Thiruvananthapuram (Kerala).

JECs have been initiated in select engineering colleges for training middle management engineers in the manufacturing sector. Meidensha Corporation established the first JEC in power transformation and generation in 2017 followed by Mitsubishi Electric, which has established Factory Automation course in numerous Engineering Colleges across India in 2018.[46]

JICA also provided financial assistance of around INR 200 crore for building a modern convention centre in Varanasi in 2017. The Project for Construction of the International Cooperation and Convention Centre in Varanasi was part of the Japan-India joint statement in November 2016 when Modi had visited Japan. Varanasi International Cooperation and Convention Centre's groundbreaking ceremony was held on July 16, 2018 where Mr. Katsuo Matsumoto, Chief Representative, JICA India Office said, "We are

45 India Japan Vision Statement, Ministry of External Affairs, India, accessed at https://www.mea.gov.in/bilateral-documents.htm?dtl/30543/India-Japan_Vision_Statement

46 India Japan Fact Sheets, Ministry of external affairs, India accessed at https://www.mea.gov.in/outoging-visit-detail.htm?30544/IndiaJapan+Fact+Sheets

pleased to witness the groundbreaking ceremony of the Convention Centre. The Centre is a glorious symbol of the friendship between India and Japan. It will be a first-of-its-kind facility that will nurture social and cultural exchanges among local people, national and international visitors."

Areas of Cooperation between India and Japan

- Cooperation for JIMs: JIM is a collaboration between the Governments of Japan and India along with Japanese companies to create a pool of skilled manpower for manufacturing units in India.
- Japan and India will promote skill training such as Japanese language, including for caregivers from North East who visit Japan for training under TITP (Technical Intern Training Program), which contributes to enhancing cooperation between the two countries under the Asia Health and Wellbeing Initiative.

Railways

India and Japan have also agreed to collaborate in the railways sector. The countries agree that there is scope for infrastructural improvement in four sub groups- Civil works, Track Works, Electrical Works (including Signal & Telecom) and Rolling Stock. Recommendations have already been made by the relevant authorities, and the countries have agreed that six train sets will be done under PM Modi's flagship Make in India program out of a total twenty four train sets to be rehauled.

The GoI has also shifted its focus on ensuring and improving the safety of railways in India. In this regard, India has been cooperating with Japan to study Japan's renowned best practices in rail safety. As per the fact sheet released by the Ministry of External Affairs, 'under JICA technical cooperation, a team of safety experts from Japan had visited Indian Railways to investigate the status of rail welding execution and safety management. A Project for Capacity Development on Railway Safety will be taken under technical cooperation to develop the capacities of the Indian Railways and Dedicated Freight Corridor Corporation of India Limited with regard to safety of the railway network on track maintenance including rail welding techniques and rolling stock maintenance for improving safety.'47

Areas of Cooperation between India and Japan

- Cooperation in the sector of creating upgraded and technologically superior train sets.
- Improvement in the area of rail safety.

Digital and Information Technology Partnership

India and Japan are aiming to collaborate in their efforts to give a fillip to Japan's "Society 5.0" and India's flagship programmes like "Digital India", "Smart City" and "Start-up India" for promoting "Ease of Living". In this regard, the two countries are aiming to partner in areas of next generation technologies such as Artificial Intelligence and Internet of Things, etc.

Joint Working Group Meetings

In this regard, Ministry of Economy, Trade and Industry, Japan and Ministry of Electronics & Information Technology, India have held six rounds of Joint Working Group (JWG) meetings till 2018. Further, an MoU has been signed by the Ministry of Communications, India with the Ministry of Internal Affairs and Communications, Japan to promote cooperation in the information communications sector under the fifth meeting of India-Japan JWG in 2018. India and Japan have also signed an overarching Statement of Intent between NITI Aayog, India and METI, Japan on Artificial Intelligence, stating that the countries will look into possibilities for specific institutional cooperation such as between Artificial Intelligence Research Centre of National Institute of Advanced Industrial Science and Technology in Japan and IIT Hyderabad in India.

47 India Japan Fact Sheets, Ministry of external affairs, India accessed at https://www.mea.gov.in/outoging-visit-detail.htm?30544/IndiaJapan+Fact+Sheets



Digital Corporate Partnership

The two countries also plan to promote corporate and business linkages in the field of IT between India and Japan through initiatives such as matching events, dispatching business missions, etc. BSNL, a Public Sector Undertaking under the Ministry of Communications India and NTT-AT of Japan have recently signed an MoU on cooperation in Telecommunication. NASSCOM, India and the Prefecture Government of Hiroshima have also gone ahead to establish the first "IT Corridor" in Japan to "co-create for global markets leveraging Japanese ecosystem strengths on the hardware side and Indian ecosystem on the software side".[48]

Areas of Cooperation between India and Japan

- Developing IoT and AI solutions for societal benefits and exploring joint collaboration in emerging technologies for this purpose.
- Creating linkages for a digital corporate partnership between the two countries.

Food Processing

In the latest Annual Summit meeting PM Modi and Japanese PM Abe also discussed collaboration in relation to the agriculture, food processing, food safety, forestry, and fisheries sector. Food processing is a major area of cooperation as determined between the two leaders.

The two countries have a history of participation in food processing related summits and meetings. Japan participated in the World Food India, 2017 as a partner country and Mr. Taniai, State Minister for Agriculture, Forestry and Fisheries of Japan led the Japanese delegation. Approximately sixty Japanese companies participated in the event.

The Ministry of Food Processing Industries signed MoUs with certain Japanese companies, including ISE Foods on 13 March 2018, Kagome and Nissan Steel on 29 October 2018, etc. Japanese companies have also been reviewing the Indian food processing market in Japan. A Global Food Value Chain (GFVC) is being developed

The Japan India Food Business Council was launched in May 2018. PM Modi and Japanese PM Abe both welcomed the establishment of this council.

Areas of Cooperation between India and Japan

- Cooperating in the improvement of food processing infrastructure, including bringing Japanese best practices in this regard into India.

48 India Japan Fact Sheets, Ministry of external affairs, India accessed at https://www.mea.gov.in/outoging-visit-detail.htm?30544/IndiaJapan+Fact+Sheets

Healthcare

In the India Japan summit meeting for 2018, PM Modi and Japanese PM Abe also discussed collaboration in relation to the healthcare sector. As they strive to provide affordable healthcare to their people, including addressing the challenges such as aging population, both leaders welcomed the linking of Japan's Asia Health and Well-being Initiative (AHWIN) with India's healthcare initiatives such as Ayushman Bharat, by introducing affordable technology, skill development and best practices in healthcare through reciprocal and mutually beneficial approaches. The leaders also agreed to exchange more information and work towards cooperation in the domain of traditional medicine, including Ayurveda, which, along with Yoga, has a rich history of providing holistic alternative healthcare.

Areas of Cooperation between India and Japan

- Introducing affordable technology, skill development and best practices in healthcare.
- Cooperation in the area of alternative medicine, with a focus on Ayurveda and yoga.

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Formation of India-Japan Friendship Forum









India and Japan relationship has witnessed one of the most significant progress in the recent times with the strong efforts of Government from both sides. Economic partnership forms one of the most important cornerstone of our engagements which has resulted in Japan being the 4th largest investment partner to India.

While, business to business certainly assumes the centre stage here, people to people connect has been the focus of both the leaders at all the recent visits and has gained tremendous momentum, augmenting our strategic partnership and making it more vibrant and dynamic.

In this direction, FICCI and the Embassy of Japan in India established the 'India-Japan Friendship Forum' (IJFF). The Forum is chaired by Ms Deepa Gopalan Wadhwa, Former Indian Ambassador to Japan; Mr Kenji Hiramatsu, Ambassador of Japan to India serves as the Chief Patron (Ex-officio) and FICCI is the official secretariat managing the forum.

The launch of this Forum took place on 8th January 2019 at The Lalit, New Delhi from 1830-2030 hrs in the presence of **H.E. Mr. Taro Kono, Minister of Foreign Affairs of Japan** and **Shri Suresh Prabhu, Minister of Commerce and Industry and Civil Aviation.**

Messages from Industry Leaders

INDO-JAPAN RELATIONS

By Manish Sharma, President & CEO, Panasonic India & SA

Each time I visit Japan, the country's rich culture, economic advancement and social framework amaze me. With each trip, I am ever more convinced about the innumerable ways in which the two countries can foster a mutually beneficial partnership, rooted in shared geo-political, geo-economic and cultural values.

As major powerhouses of Asia, the opportunities for shared growth and success are immense for these two nations. It is, therefore, only fitting for India and Japan to strengthen their strategic partnerships across a range of mutually beneficial areas to bolster the two economies. Beyond the strategic partnership between India and Japan, the ASEAN region also stands to benefit with the strengthened alliance of these two nations including, but not limited to, increased business and commercial exchanges, thriving start-up ecosystem and ingenious technological solutions and systems, expertise in existing and emerging technologies as well as vast pool of professionals and skilled workforce.

With the increasing focus on deepening synergies, Japan's Government has expressed keen interest in aligning with the Indian Government's growth visions. Considering a majority of India's population is under 35 years of age, Skill India is a crucial spoke in the wheel. The availability of a large labour workforce is an attractive opportunity for global companies looking to invest in India, with several Japanese companies already accelerating their plans for setting up or expanding their business in India. Moreover, beyond its manifold impact on India's economic growth, countries like Japan can benefit greatly by leveraging the full potential of India's professionals and skilled



workforce to meet their economic requirements and strengthen their growth trajectory.

Another important area that paves way for multiple opportunities is Make in India. Building the necessary framework for its realization holds great promise for not only India's success but also for other countries and global companies. Make in India vision offers several schemes and incentives to foreign companies to not only aid local manufacturing but also benefit these companies by proving to be a strategic investment for their global profitability. The bullet train project is a fine example of this mutually beneficial collaboration where Japan's advanced technological expertise for this project will commercially benefit Japanese companies involved in the project, while spelling boom for manufacturing and employment in India.

As India steadily climbs the ease of doing business index, India has the commitment, the skill and talent, to make India not only a manufacturing hub for industries across domains but also an export hub for several global companies. This will be crucial not only to become an integral part of the global ecosystem, but truly prove advantageous for foreign companies investing in India through increased efficiencies and profitability. Several companies, including Panasonic, have heightened their investments and focus in strengthening their research and development efforts for products and services, while building large manufacturing facilities to cater to both domestic and foreign demand of their offerings.

The advent of the fourth industrial revolution has important connotations for the manufacturing sector, and I firmly believe India has the potential to become the world's digital factory by being at the forefront of change and adoption of the global digital revolution. With technology as the kernel of the Indian Government's growth visions, Japan's technological prowess offers potential for India to not only adopt hi-tech machineries and technical know-how, but also the opportunity to exchange this knowledge to bolster both the countries' indigenous skills in the area, while boosting the burgeoning start-up ecosystem here. Deepening the synergies is the focus on Start-up India. As the third largest start-up ecosystem in the world, India continues to strengthen its global position to scale greater heights globally. Identifying start-ups and solutions for both Indian and Japanese markets and for potential investors is a strong area for mutual growth and sharing the fruits of labour, capital and technology exchanges.

As a Japanese behemoth operating in India for over a decade, Panasonic has a long standing commitment to India and continues to remain bullish about the potential of the market. Over the years, our investments have been aligned toward contributing to the national priorities and making India future-ready. We have made significant investments in developing local infrastructure while boosting our research and development efforts. These are aimed at not only supporting the domestic demands for our products but also making India an export hub for some of our products. Our vision of a 'Better life. Better world' has been the guiding light for our efforts in India to provide solutions that are made in India, and integrated strongly with our Japanese heritage and technological prowess.

With the continually growing economic and commercial synergies between India and Japan, the collaboration opportunities for both nations and businesses are bound to contribute meaningfully in shaping Indo-Japan's success story. This will serve to not only accelerate India's growth trajectory but also increase commercial gains for companies in Japan, while giving fillip to Japan's spending due to increased credit. As Japan's Prime Minister Shinzo Abe had said - "A strong India benefits Japan, and a strong Japan benefits India."

The Defining Relationship of this Century

By Bharat R Joshi, Director of Joshi Group (ACTL, Joshi-Konoike Transport and Infrastructure), and President of the Centre for Strategic Dialogue.

The India-Japan relationship is widely recognized as the defining relationship of this century.

India's Act East Policy and Japan's effort toward a Free and Open Indo-Pacific have again been reiterated as complementing each other. Consequently, we could well expect both sides to partner in regional connectivity projects, and broader cooperation (trilateral partnerships, for instance).

Connectivity has also been articulated as a key area in the Vision Statement of our two Prime Ministers in October 2018.

The Vision Statement also mentions a 'India-Japan Business Platform' to enhance exchanges between businesses to develop industrial corridors and network in the Indo-Pacific region, including Africa. JETRO is already working actively on this platform.

Hence, private companies could be the enablers of this future India-Japan alliance that extends beyond the two countries.

Energized by an unprecedented rise in the World Bank's Ease of Doing Business Rankings, we seek to invite greater Japanese participation- number of companies and scale of investments- in the Indian economy. Equally, we hope Japanese companies will involve India more prominently in their global value chains.

Several Japanese companies have successfully used India as a launch pad to the vast African market, and there is potential for other companies to repeat this example. Another compelling opportunity is India's North East region, which offers connectivity to neighbouring countries like Bhutan, Bangladesh, and Myanmar.

The former concerns of Japanese companies like infrastructure bottlenecks, inefficient logistics and slow approvals, have also been largely resolved. Infrastructure is being built at a blistering pace, while most approvals are now obtained online. Some of the best known Japanese logistics players offer seamless logistics solutions- in India- to Japanese, as well as Indian and international companies as per world class standards.

I hope this will be another landmark year for India Japan friendship and India Japan economic relations!

About FICCI

Established 91 years ago, FICCI is the largest and oldest apex business organization in India. Its history is closely interwoven with India's struggle for independence, its industrialization, and its emergence as one of the most rapidly growing global economies.

A non-government, not-for-profit organization, FICCI is the voice of India's business and industry. From influencing policy to encouraging debate, engaging with policy makers and civil society, FICCI articulates the views and concerns of industry, reaching out to over 2,50,000 companies. FICCI serves its members from large (domestic and global companies) and MSME sectors as well as the public sector, drawing its strength from diverse regional chambers of commerce and industry.

The Chamber with its presence in 16 states and 10 countries provides a platform for networking and consensus-building within and across sectors and is the first port of call for Indian industry, policy makers and the international business community.

About SAM & Co

Shardul Amarchand Mangaldas, founded on a century of legal achievement, is one of India's leading full service law firms. Our mission is to enable business by providing solutions as trusted advisors through excellence, responsiveness, innovation, and collaboration.

We are one of India's most well recognised firms, and are known globally for our integrated approach. With more than 520 lawyers including over 100 partners, we provide exceptional services across practice areas which include General Corporate, Merger & Acquisition, Private Equity, Banking & Finance, Insolvency & Bankruptcy, Competition Law, Dispute Resolution, Projects & Project Finance, Capital Markets, Tax, Intellectual Property and Venture Capital. We are at the forefront of global and Indian M&A and private equity transactions, cutting edge high risk litigation and advice on strategically important matters across a spectrum of practices and industries for our multi-jurisdictional clients.

We have a pan India presence, with offices in seven cities across India - New Delhi, Mumbai, Gurugram, Bengaluru, Chennai, Ahmedabad and Kolkata.



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For any clarifications, please contact

Gajendra Badgujar
Head - East Asia
FICCI
Email: gajendra.badgujar@ficci.com
Mobile: +91 97178 64455
Location: New Delhi

Rudra Kumar Pandey
Partner (Japan Desk)
Shardul Amarchand Mangaldas & Co
Email: rudra.pandey@AMSShardul.com
Mobile: +91 98717 92734
Location: New Delhi

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