

**Embassy of India
Tokyo

**Remarks by Mr Sibi George, Ambassador of India to Japan at the
Webinar on “70 Years of India-Japan Relations: Taking Stock of
Economic Ties and Looking Ahead” Organized by Indian Council for
Research on International Economic Relations (ICRIER),
09 May 2023**

H.E. Mr Hiroshi Suzuki, Ambassador of Japan to India-Japan

**Mr Deepak Mishra, Director & Chief Executive of Indian Council for
Research on International Economic Relations (ICRIER)**

Distinguished Panelists,

Ladies and Gentlemen,

Good morning/Good afternoon.

It is my great pleasure to join you today at this event - 70 Years of India-Japan Relations: Taking Stock of Economic Ties and Looking Ahead. I would like to thank ICRIER for inviting me to speak today. Warm Greetings from Tokyo to all the participants.

2. Most of you present here today are connected with India - Japan relations. Many of you have contributed in building this relationship. Some of you have spent several years 'Connecting Himalayas with Mount Fuji'. Hence I do not wish to talk at length about the civilizational and cultural linkages between our two countries. Instead, I would like to focus on our topic - Taking Stock of Economic Ties and Looking Ahead.

3. Before that one observation. I am so happy to see Ambassador His Excellency Hiroshi Suzuki present at this event. Very rarely one sees two Ambassadors sharing a platform together.

Dear Friends,

4. It has been six months since I assumed charge in Japan. With the easing of restrictions on COVID 19 pandemic, I have been able to travel the length and breadth of Japan, covering almost all prefectures and major cities. After a gap of nearly two years of on-line activities, our Embassy launched an ambitious face to face interaction with a cross section of Japanese society including most business chambers and companies - big and small all across Japan.

5. What we have witnessed during these interactions is a real momentum, an overwhelming enthusiasm, towards India. I saw it in Tokyo, Yokohama, Osaka, Nagoya, Kobe, Kyoto, Niigata and I saw it in Sapporo and Fukuoka and in Yamanashi, and off course now in Hiroshima. In each of these cities, I came across a large number of companies, big, medium and small eager to look at India. Indeed, there is a real momentum. What we should be able to do is to convert this momentum to concrete outcome.

6. Today, in Japan one could see an overwhelming appreciation for India's economic growth story. India's emergence as the fifth largest economy overtaking the United Kingdom last year received a lot of local attention. Its march to become the fourth largest economy is watched with keen interest.

7. Similarly, India's emergence as the largest populated country overtaking China has been noted. The fact that over 60 percent of its population is less than 30 years of age and the contributions this talent pool can make for India's growth is well appreciated. India's continuing growth as the fastest growing large economy and the steady progress it makes in infrastructure, digital transformation, skill development, all have been welcomed.

8. India's effective handling of G 20 presidency with over 200 events spread across India, with its One Family, One Earth, One World message

indeed has an impact. Each one of Japanese friends who attended the G 20 meetings in India, whether it is G to G or B to B or T to T, they all returned with a great appreciation of India's growth story and its cultural diversity. Aatmanirbhar Bharat, Amrit Kaal, Make in India and Make for the World have all generated interest in Japan. Dear Friends, in a nutshell, there is a momentum for India in Japan.

9. This momentum is also reflective of the transformation that our relationship has witnessed in the last few years. In recent years, our relationship witnessed a complete transformation. It evolved from what significantly was a G to G relationship with ODA at the heart of it, into a very much a B to B relationship. The ODA part is still very important, G to G is indispensable, but it has become so very much broader signifying a sort of maturing of the relationship, with strategic and economic partnership very much at the heart of this relationship.

10. It gradually became a global partnership, a strategic partnership, a strategic and global partnership and in 2014 a Special Strategic and Global Partnership under PM Modi and PM Abe. In recent years, it was further reinforced under the leadership of PM Modi and PM Kishida, including in the latest visit in March this year.

Friends,

11. Taking stock of the economic ties, we see that from humble beginnings, our economic partnership has evolved into a robust collaboration with deep mutual interests. We have witnessed a consistent increase in trade and investments, facilitated by numerous high-level dialogues and bilateral agreements. Several major Japanese companies have made India their home, creating jobs and driving innovation in various sectors, including automotive, electronics and infrastructure.

12. Our cooperation in the field of infrastructure development is especially noteworthy. The Mumbai-Ahmedabad High-Speed Rail project is a symbol of the strong partnership between our nations. Once completed within the set target date, it will revolutionize the way people travel in India, fostering greater economic growth and regional connectivity.

13. Today, our leadership has given us a roadmap to take this relationship to new high horizon. Our leadership has set a target of 5 trillion yen or close to USD 40 billion of investment and public financing from Japan to India over the next five years. While we work towards achieving this target, looking ahead, we need to work towards realizing the huge potential that exists in our economic and business relationship. When Nagoya meets Noida it has the potential to transform Indo-Pacific. What we need to target is not an incremental progress, what we need is a quantum leap.

14. Looking ahead, let me make a few observations:

First: There are around 1500 Japanese companies in India today. These are 1500 success stories. These success stories need to reach every corner of Japan. These success stories should inspire 15000 Japanese companies to move to India. Our Embassy has set an ambitious target to reach out to 15000 companies in various prefectures of Japan to tell them the Japanese success story in India.

Second: I am told that a survey by JBIC has found India as the most favored destination in the medium term and long term engagement for Japanese companies. We should be able to take this message to every corner of Japan. We need to generate awareness about the Japan Industrial Townships in India. Here again we are engaged in an ambitious action plan working with JETRO to reach out to every prefecture in Japan, including to reach out to small and medium scale enterprises.

Third: You very rarely find any two countries with over sixty annual G to G dialogue mechanisms and scores of track 1.5, track 2 and business engagement mechanisms. We have an impressive framework with several MoUs and platforms in place, but it is time to avail the facilities offered under this framework to reduce trade barriers and promote greater market access. It is high time that we review India-Japan Comprehensive Economic Partnership Agreement (CEPA).

Forth: India's young talent pool, its skilled workers are an asset for Japan's economic growth. There is a huge demand for young high skilled and skilled workers in Japan, we need to generate awareness in India for the demand in Japan and be able to connect the dots.

Fifth: With stable macroeconomic fundamentals, and a visionary global outlook, India is focused on creating a sustainable, digitally driven, innovation centric economy. In coming years, India will witness the rise of a futuristic, prosperous, inclusive and developed society, distinguished by a human centric approach in its core. This new India offers a complementariness for Japanese economy, to partner in India's growth story. We must explore new areas of cooperation, and we are already working with Japan on some of these, such as green and sustainable technologies, including renewable energy, electric mobility, energy storage, semiconductors, defence technology etc. Looking ahead, this is what I see in our economic ties.

Dear Friends,

15. I can go on and on. But I will stop here. What we need is a last mile connectivity to convert the momentum into concrete outcome. Looking ahead I am confident that we will be able to achieve our set targets in coming months. Let me repeat, what we need is a quantum leap. Once again I thank ICRIER for its initiative in organizing this Webinar. I invite you all to visit Japan and when you are here, please do visit our Embassy.

Thank you and Good Morning.
