

REPUBLIC DAY OF INDIA

Exciting new times for India-Japan relations

By Deepa Gopalan Wadhwa
Ambassador of India

On the occasion of the 64th Republic Day of India, I extend my greetings to Their Majesties the Emperor and Empress of Japan, as well as to the government and the friendly people of Japan. I also felicitate my fellow citizens and persons of Indian origin living in Japan.



Deepa Gopalan Wadhwa

India-Japan relations have intensified rapidly over the last year as we celebrated 60 years of diplomatic ties, and segued into a qualitatively new phase. Growing strategic convergences, economic complementarities and shared democratic values provide a durable basis for these relations, which also enjoy strong public goodwill and bipartisan political support in both countries. There is a strong commitment from both sides to deepen the existing areas of cooperation and continue to seek new areas of converging interests.

The Global and Strategic Partnership established between our two countries provides the direction and framework for action, which is reinforced by annual summits of our leaders and a supporting structure of multiple, high-level dialogic mechanisms. Several of these bilateral dialogues were held last year, encompassing areas such as foreign affairs, economic relations, defense ties and energy security. This year we look forward to the meeting between Prime Minister Dr. Manmohan Singh and the newly elected Prime Minister of Japan, Mr. Shinzo Abe, to impart even greater salience to the relationship.

In this adverse global economic environment that has affected us both, there is self-evident, mutual benefit to intensifying our economic cooperation. India's dynamic economy, with a continuing relatively high rate of growth, youthful demographics, ample and skilled labour force and large market, combines well with Japan's technological, manufacturing and financial prowess. These are the complementarities we are trying to leverage through mega infrastructure projects such



Indian President Mr. Pranab Mukherjee

as the Western Dedicated Freight Corridor and the Delhi-Mumbai Industrial Corridor, which when completed would significantly transform the economic landscape of India. With the two governments working to create an enabling environment for the growth of entrepreneurship and markets, such projects will open unprecedented opportunities for the private sector, including both large corporations and SMEs, of both countries to grow bilateral trade and investment.

Japanese companies are beginning to realize that by setting up manufacturing hubs in India they can have access to not only the vast and rapidly growing domestic market, but can also reap benefits from India's geographical location and its traditional ties with the Middle East and Africa. As Japan's economy bounces back, India can play a vital role with its growing market, lower production costs and an expanding middle class. In return, India looks forward to Japan's technology and investment to help close technological gaps and an infrastructure deficit.

The emerging indicators are positive. There are now almost 1,000 Japanese companies that have established a presence in India, and there is a healthy monthly accretion to the existing numbers. Bilateral trade



Indian Prime Minister Dr. Manmohan Singh

has doubled over the past five years. The conclusion of the Comprehensive Economic Partnership Agreement (CEPA) that went into effect in August 2011, removing duties on 94 percent of products over the next 10 years, will ensure greater movement of goods, services, capital and people between the two countries. Already, the inaugural year has seen growth of more than 20 percent in bilateral trade in goods and services. Japan offers India a high spending, sophisticated market for textiles, seafood, IT services and pharmaceuticals. Japan, on the other hand, looks to India as an export market for its auto components, high-end technology and capital goods. Corporate Japan thus now regards India as an attractive and preferred long-term investment destination. From the Indian side, there is already a strong and growing presence of our IT majors and some pharma companies in Japan.

As globalization has also resulted in greater strategic interdependence, Japan and India have been working together in regional and global fora to promote common goals and interests. We are thus cooperating in promoting the Group of 20 and East Asia Summit as the primary venues for international economic cooperation and regional

Association marks 110th anniversary determined to strengthen ties further

By Yoshiro Mori
Chairman of the Japan-India Association

On the occasion of the 64th Republic Day of India, I am greatly honored to convey my heartfelt congratulations to the government and people of India as Chairman of the Japan-India Association.

It is a great pleasure for me to mention that last year Japan and India successfully celebrated the 60th anniversary of the establishment of diplomatic relations between the two countries after the signing of a peace treaty in 1952.

Many events and activities were organized in both nations, from photo exhibitions on the century-old history of our bilateral relations to fireworks at Indian Gate, to name a few, and they were all well appreciated by the people of Japan and India.

I am pleased to note that cordial relations between Japan and India have been strengthened and developed year after year thanks to the strenuous efforts of successive governments, as well as the good-inten-



Yoshiro Mori

tioned peoples of Japan and India.

The planned visit by H.E. Dr. Manmohan Singh, Prime Minister of India, who was scheduled to visit Japan in November last year, was postponed and I am very much looking forward to his forthcoming visit.

Among many bilateral cooperation efforts, I am happy to refer to on-going projects between our two countries, namely the construction of the Delhi-Mumbai Dedicated Freight Corridor and the Delhi-Mumbai Industrial Corridor, as well as the high-speed railway project between Chennai and Bengaluru. India continues to be the largest recipient of Japanese official development assistance and engages itself, in cooperation with Japan, in building infrastructure such as electricity and transportation systems, poverty alleviation, development of human resources, and environmental projects ranging from reforestation to water supply and sewerage. Using the very successful Delhi Metro project as a model, similar projects to construct urban metro-systems are being implemented in Bengaluru, Chennai and Kolkata with Japanese ODA financing.

Japanese direct investment has been rapidly growing. The number of Japanese companies in India was 926 as of October 2012. Some Indian businesses have ventured into the Marunouchi area, the business center of

Tokyo, in addition to other areas in Tokyo, Osaka-Kobe and Yokohama.

The Japan-India Association welcomes and continues to support the activities of Indian people in Japan, as well as those of Japanese people in India.

On the international front, our two countries are jointly contributing to the global community by cooperating on many international issues such as the nonproliferation of weapons of mass-destruction, prevention of climate change, fight against pandemics and reforming the U.N. Security Council.

I also take this opportunity to mention that this year will be a very important year for the Japan-India Association as it is the 110th anniversary of its inauguration in 1903. We are also very proud of the fact that the objectives of our founding fathers to promote this bilateral relationship have been greatly realized.

The Japan-India Association is determined to continue contributing to strengthening the important ties between Japan and India.

I would like, on this auspicious occasion, to pray from the bottom of my heart that the excellent Japan-India relationship that has been enjoyed by our two peoples will be reinforced in the coming years and that our two great nations will contribute to the peace and prosperity of the international community.

multilateralism, respectively. Both countries also share a commitment to the strengthening of the United Nations, which remains the most credible and representative body to discuss and find solutions to the global challenges of our times, ranging from development and poverty eradication to security challenges such as the scourge of terrorism, and subjects of perennial significance such as peace-building, peacekeeping, human rights and environmental degradation. India and Japan also work together on the important issue of U.N. reforms including the expansion of the Security Council to reflect

contemporary realities.

Insofar as India is concerned, remarkable and unprecedented transformations are underway. India's economy has grown at an average of 7.3 percent annually over the past decade. With high levels of entrepreneurship and cutting-edge technologies, Indian companies are rapidly increasing their presence in the globalized world economy. India is today infused with the optimism and exuberance of a youthful population confident of attaining its destiny. As India assumes its rightful place in the international arena, our people can take justifiable pride in their

achievements since independence, especially in sustaining their commitment to an inclusive democratic system which has space for each one's aspirations and is striving to provide the opportunities for each citizen to be able to realize their potential.

These are exciting times for India-Japan relations. I am confident that the coming year will see the further enhancement of the bonds of friendship between India and Japan. We believe the future is full of promise and accordingly dedicate this year's Republic Day celebrations to the steady blossoming of our relations.