

India - Japan Relations

The friendship between India and Japan has a long history rooted in spiritual affinity and strong cultural and civilizational ties. India's earliest documented direct contact with Japan was with the Todaiji Temple in Nara, where the consecration or eye-opening of the towering statue of Lord Buddha was performed by an Indian monk, Bodhisena, in 752 AD. In contemporary times, among prominent Indians associated with Japan were Swami Vivekananda, Gurudev Rabindranath Tagore, JRD Tata, Netaji Subhash Chandra Bose and Judge Radha Binod Pal. The Japan-India Association was set up in 1903, and is today the oldest international friendship body in Japan.

Throughout the various phases of history since contacts between India and Japan began some 1400 years ago, the two countries have never been adversaries. Bilateral ties have been singularly free of any kind of dispute – ideological, cultural or territorial. Post the Second World War, India did not attend the San Francisco Conference, but decided to conclude a separate peace treaty with Japan in 1952 after its sovereignty was fully restored. The sole dissenting voice of Judge Radha Binod Pal at the War Crimes Tribunal struck a deep chord among the Japanese public that continues to reverberate to this day.

The modern nation States have carried on the positive legacy of the old association which has been strengthened by shared values of belief in democracy, individual freedom and the rule of law. Over the years, the two countries have built upon these values and created a partnership based on both principle and pragmatism. Today, India is the largest democracy in Asia and Japan the most prosperous.

Political Relations

In the first decade after diplomatic ties were established, several high level exchanges took place, including Japanese Prime Minister Nobusuke Kishi's visit to India in 1957, Prime Minister Nehru's return visit to Tokyo the same year (with a gift of two elephants) and President Rajendra Prasad's visit in 1958. The visit of their Highnesses, the then Japanese Crown Prince Akihito and Crown Princess Michiko in 1960 took the relations to a new level. After Prime Minister Hayato Ikeda's visit to India in 1961, the next Prime Ministerial visit from Japan was by Yasuhiro Nakasone in 1984. Prime Ministerial visits from India included Smt. Indira Gandhi (1969 & 1982), Shri Rajiv Gandhi (1985 & 1987) and Shri P. V. Narasimha Rao (1992).

A transformational development in the economic history of India was Suzuki Motor Corporation's path breaking investment in India in the early 1980s that revolutionized the automobile sector, bringing in advanced technology and management ethics to India. A test of the reliability of Japan as a friend was witnessed in 1991, when Japan was among the few countries that unconditionally bailed India out of the balance of payment crisis.

During Prime Minister Mori's path-breaking visit to India in 2000, the Japan-India Global Partnership in the 21st century was launched. The Joint Statement signed by Prime Ministers Manmohan Singh and Shinzo Abe in 2006, factored in the new challenges, and the relationship was upgraded to a Global and Strategic Partnership with the provision of annual Prime Ministerial Summits. A Comprehensive Economic Partnership Agreement (CEPA) between Japan and India was concluded in 2011.

Their Majesties Emperor Akihito and Empress Michiko visited India from 30 November-6 December 2013. Their Majesties visited Delhi and Chennai.

PM Abe paid an official visit to India for the 8th Annual Summit with PM Dr. Manmohan Singh from 25-27 January 2014 and was the Chief Guest at the Republic Day parade in New Delhi.

Prime Minister Shri Narendra Modi visited Japan from 30 August – September 3, 2014 for the 9th Annual Summit Meeting with PM Abe. During the visit, the two sides upgraded the relationship to a 'Special Strategic and Global Partnership'. Both sides also agreed to establish the 'India-Japan Investment Promotion Partnership'. PM Abe pledged to realize public and private investments worth JPY 3.5 trillion and doubling of the number of Japanese companies in India over the next five years.

PM Abe visited India for the 10th Annual Summit with PM Modi from 11-13 December 2015. 16 Agreements/MoUs/ MoCs/ Lols were signed/exchanged during the visit. In a special gesture, India also announced "visa on arrival" scheme for all Japanese travelers, including for business purposes, from March 1, 2016. PM Abe, accompanied by PM Modi also visited the city of Varanasi, which signed a partnership agreement with the city of Kyoto in August 2014. A 'Japan-India Make in India Special Finance Facility' of JPY 1.3 trillion was also established.

PM Modi visited Japan for the 11th Annual Summit from 10-12 November 2016. Following their meeting, the two Prime Ministers issued a Joint Statement and a Fact Sheet. 10 Agreements/MoUs/ MoCs were signed/exchanged in a wide range of areas, including cooperation in the peaceful uses of nuclear energy, manufacturing skill transfer programme, outer space, marine, earth and atmospheric science and technology, agriculture and food related industry, transport and urban development, textiles, cultural exchange and sports. PM Modi travelled on the *shinkansen*, accompanied by PM Abe to Kobe, where an MoU between the state of Gujarat and Hyogo Prefecture was signed.

PM Abe visited India (Ahmedabad) for the 12th Annual Summit from 13-14 September 2017. During the visit, the two Prime Ministers oversaw the groundbreaking ceremony for the Mumbai Ahmedabad High Speed Rail Project. India and Japan concluded 15 MoUs or agreements in panoply of areas ranging from connectivity, investments, civil aviation, Japanese language training, disaster risk management, science and technology, and sports.

PM Modi visited Japan for the 13th Annual Summit from 28-29 October 2018. 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 32 MoUs/Agreements signed during the Annual Summit. PM also visited Yamanashi prefecture and FANUC Corporation during his visit to Japan. In a special gesture, Prime Minister Narendra Modi was hosted by Prime Minister Shinzo Abe for a private dinner at his ancestral home in Yamanashi, the first such reception to be extended to a foreign leader.

Other high level visits in 2018

External Affairs Minister Smt. Sushma Swaraj, visited Japan for the 9th Strategic Dialogue in March 2018; Vice Chairman, NITI Aayog, Dr. Rajiv Kumar visited Japan in April 2018 for the 7th JCM on MAHSR. From Japanese side, METI Minister Mr. Hiroshige Seko visited India in May 2018 for 9th Energy Dialogue and inaugurated India Japan Startup Hub in Bengaluru. The then Japanese Defence Minister Itsunori Onodera visited India for the Annual Defence Ministers Meeting in India in August 2018. Parliamentary Vice-Minister of Land, Infrastructure, Transport & Tourism Mr. Masatoshi Akimoto visited India from 03-05 May 2018 from the perspective of MAHSR Project; Mr Tadahiko Ito, State Minister of Environment, visited India from 30 September to 2 October to attend the Mahatma Gandhi International Sanitation Convention (MGISC).

The two countries have several institutional dialogue mechanisms, which are held regularly, at senior official and functional levels to exchange views on bilateral issues as well as regional and international cooperation. There is Foreign Office Consultation at the level of Foreign Secretary / Vice Foreign Minister as well as a 2+2 Dialogue at the level of Foreign and Defense Secretaries. During the Prime Minister Narendra Modi visit to Japan in 2018, a ministerial level 2+2 Dialogue mechanism was also announced. Similarly, there are dialogue mechanisms in diverse fields such as economy, commercial, financial services, health, road transport, shipping, education etc. to name a few sectors.

Economic and Commercial Cooperation

Economic relations between India and Japan have vast potential for growth, given the complementarities that exist between the two Asian economies. Japan's interest in India is increasing due to a variety of reasons including India's large and growing market and its resources, especially the human resources. The India-Japan Comprehensive Economic Partnership Agreement (CEPA) that came into force in August 2011 is the most comprehensive of all such agreements concluded by India and covers not only trade in goods but also Services, Movement of Natural Persons, Investments, Intellectual Property Rights, Custom Procedures and other trade related issues. The CEPA envisages abolition of tariffs over 94% of items traded between India and Japan over a period of 10 years.

Japan has been extending bilateral loan and grant assistance to India since 1958, and is the largest bilateral donor for India. Japanese ODA supports India's efforts for accelerated economic development particularly in priority areas like power, transportation, environmental projects and projects related to basic human needs. The Ahmedabad-Mumbai High Speed Rail, the Western Dedicated Freight Corridor (DFC), the Delhi-Mumbai Industrial Corridor with twelve new industrial townships, the Chennai-Bengaluru Industrial Corridor (CBIC) are all mega projects on the anvil which will transform India in the next decade. Delhi Metro Project has also been realized with Japanese assistance. In 2017-18, ODA disbursed was JPY 246.32 billion out of a committed amount of JPY 384.13 billion.

In FY 2017-2018 India-Japan bilateral trade reached US\$ 15.71 billion . Exports from Japan to India during this period were US\$ 10.97 billion and imports were US\$ 4.74 billion. India's primary exports to Japan have been petroleum products, chemicals, elements, compounds, non-metallic mineral ware, fish & fish preparations, metalliferous ores & scrap, clothing & accessories, iron & steel products, textile yarn, fabrics and machinery etc. India's primary imports from Japan are machinery, transport equipment, iron and steel, electronic goods, organic chemicals, machine tools, etc.

India has been ranked as the one of the most attractive investment destination in the latest survey (2018) of Japanese manufacturing companies, conducted by the Japan Bank for International Cooperation (JBIC). From Financial Year (FY) 2015-16 to FY 2016-17, Japanese FDI into India increased from US\$ 2.61 billion to US\$ 4.7 billion. However, for FY 2017-18 it was US\$ 1.6 billion. Cumulatively, since 2000 the investments to India have been around US\$ 27.28billion (Japan ranks third now among the major investors), which is also highest as a single country investment source.

Japanese FDI into India has mainly been in automobile, electrical equipment, telecommunications, chemical and pharmaceutical sectors.

The number of Japanese affiliated companies in India has grown significantly in recent years. As of October 2017, there were 1,369 Japanese companies that are registered in India, an increase of 64 companies (5%) compared to 2016. Similarly, number of Indian companies working in Japan is also increasing with number now crossing more than 100.

India-Japan Digital Partnership (IJDP) and Start-up Hub

A "India-Japan Digital Partnership" (I-JDP) was launched during the visit of PM Modi to Japan in October 2018, furthering existing areas of cooperation as well as new initiatives within the scope of cooperation in S&T/ICT, focusing more on "Digital ICT Technologies". This also incorporates setting up "Start-up Hub" between India and Japan. MeitY will be nodal agency to implement it from Indian side with Ministry of Communications (MoC), DIP, NITI Aayog other stakeholders and METI from Japanese side with MEXT and MIC other stakeholders from Japanese sides.

As part of that, during Minister Seko's visit to India in May 2018, a Joint Statement on Japan-India Startup Initiative was signed. Under this, first Startup Hub was established in Bangalore by JETRO to identify selected Indian start-ups for Japanese market and for potential Japanese investors. Thereafter, Startup-India (under Invest India) and Japan Innovation Network (JIN) have signed a MoU on innovation collaboration with a focus on SDGs (Sustainable Development Goals) connecting two start-up eco-systems in June 2018. Invest India also launched on-line portal for the Start-up hub.

Cooperation in Skill Development

8 Japan India Institutes of Manufacturing' (JIM) to train future shop floor leaders in Japanese style manufacturing processes and 2 Japanese Endowed Courses' (JEC) in selected engineering colleges for training middle management engineers in the manufacturing sector, have started in India in 2017-2018. India and Japan signed a MoC on TITP (Technical Intern Training Program) in October 2017 with National Skill Development Corporation (NSDC) as the implementing body for TITP. As on date, MSDE and NSDC have empanelled, 23 Indian Organisations to operate as Sending Organisations for TITP from India. Following this, the first batch of Indian TITP interns had arrived in Japan (trained by CII) in July 2018. The 2nd TITP Seminar was organized in September 2018 in Nagoya, in cooperation with MSDE, NSDC and JITCO etc, with participation of all 23 sending organizations from India and around 35 Supervising organizations from Japan side.

Cooperation in Railway Sector

Mumbai-Ahmedabad High Speed Railway (MAHSR) is another very important area of cooperation between India and Japan in Railway Sector. National High Speed Rail Cooperation Limited (NHSRCL) is implementing the project. 8th Joint Committee Meeting for the MAHSR project, co-chaired by Vice Chairman NITI Aayog and Special Advisor to Japanese PM was held in September 2018 in New Delhi. As part of the cooperation in HSR (High Speed Railway) technology, JICA is providing training to Indian Railway officers. The Government of Japan has also offered 20 seats per year for master degree course from the universities of Japan, for serving Indian Railways officials. A new High-Speed Rail Training Institute is being built at the National Academy of Indian Railways (NAIR) campus in Vadodara.

Science & Technology and Cultural Cooperation

India-Japan S&T cooperation was formalized through an Inter-Governmental Agreement signed in 1985. Bilateral S&T cooperation began in 1993 with the establishment of the India-Japan Science Council (IJSC), which has till date organised 19 meetings, supported 250 joint projects, 1600 exchange visits of scientists, 65 joint seminars/workshops and 9 Asian Academic seminars and 10 Raman-Mizushima lectures. In 2006, DST initiated a value-based partnership on the principles of 'reciprocity and co-funding with the Japan Society for the Promotion of Science (JSPS) and Japan Science and Technology Agency (JST) through MEXT. Since then several Institutional Agreements/ MoUs in the areas of

Life Sciences, Material Sciences, High Energy physics, ICT, Biotechnology, Healthcare, Methane Hydrate, Robotics, Alternative Sources of Energy, Earth Sciences, Peaceful uses of Outer Space have been signed between the Science Agencies of both countries.

Recent initiatives include establishment of three India-Japan Joint Laboratories in the area of Information and Communication Technology (“Internet of Thing, Artificial Intelligence and Big Data Analytics”); Initiation of DST-JSPS Fellowship Programme for the young researchers; Setting up the DBT-AIST Advanced International Laboratory for Advanced Biomedicine (DAILAB) at Tsukuba, Japan and Six SISTERS (Satellite International Institutes for Special Training Education and Research) for drug development and therapeutic diseases in India.

A cultural agreement was signed between India and Japan on 29 October 1956, which came into effect on 24 May 1957. In 1951, India established a scholarship system for young Japanese scholars to study in India. Prime Minister Rajiv Gandhi attended the April 1988 opening ceremony of the Festival of India. The Vivekananda Cultural Centre in Tokyo opened in September 2009. The Centre offers classes on Yoga, Tabla, Bharatanatyam, Odissi, Sambalpuri, Bollywood dances and Hindi and Bengali languages. The ICCR has set up two Chairs on India studies at Ryukoku University, Kyoto and in Reitaku University, Chiba. A year-long Festival of India in Japan 2014-15 was held from October 2014 to September 2015.

In pursuance of the MoU signed in 2015 between Yoga Organisation of Japan and the Quality Council of India for the promotion of Scheme for Voluntary Certification of Yoga, the first QCI examination outside India, was held in Japan at the Vivekananda Cultural Centre on 23 April, 2016. The first ever Parliamentary League for the Promotion of Yoga was launched in Japan in April 2017. The two Prime Ministers have declared 2017 as the Year of Friendly Exchanges. A series of events were organized to commemorate the year. In June, 2018, as a significant gesture, the 4th International Yoga Day was celebrated at the Japanese Diet with a commemorative Yoga session for the Japanese Parliamentarians.

During PM Abe’s visit to India in September 2017, India and Japan signed a MoC for the expansion of Japanese Language Education in India. The MoC, in the 5 years after its signing, aims to double the number of teachers and expand the number of students in Japanese language degree courses in universities and institutions to encourage introduction of Japanese language education in India.

Indian Community

The arrival of Indians in Japan for business and commercial interests began in the 1870s at the two major open ports of Yokohama and Kobe. More Indians entered Japan during World War I when Japanese products were sought to fill gaps in demand that war-torn Europe could not meet. Following the great Kanto Earthquake in 1923, most of the Indians in Yokohama relocated to the Kansai region (Osaka-Kobe) and the city hosted the largest migrant Indian population in Japan. Yokohama authorities offered special incentives to the Indian community

after World War II to revive their old base in Kanto. The old Indian community in Japan focused on trading in textiles, commodities and electronics. With close linkages to India as well as connections in Hong Kong and Shanghai, they became major players in trading activities across Asia. A newer segment of the community is engaged in gems and jewelry.

In recent years, there has been a change in the composition of the Indian community with the arrival of a large number of professionals, including IT professionals and engineers working for Indian and Japanese firms as well as professionals in management, finance, education, and S&T research. The Nishikasai area in Tokyo is emerging as a “mini-India”. Their growing numbers had prompted the opening of three Indian schools in Tokyo and Yokohama. The community is actively engaged in events organized by the Embassy. The Indian community lives harmoniously with the neighbours and has developed relations with local governments to become valuable members of the Japanese community. Approximately 34,348 Indians live in Japan.

Twining Program

There are growing links between Indian states and Japanese prefectures. As of now 7 Indian states and 3 sister cities/regions have partnered with Japanese prefectures and cities through MoUs to cooperate under diverse sectors.

December 2018

Useful Resources

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