

Remarks by Ambassador Hiramatsu at “Global Investors Meet 2019”

on Wednesday, 23th January

1. Introduction

H. E. Mr. Edappadi K. Palaniswami, Honorable Chief Minister of Tamil Nadu,

H.E. Mrs. Nirmala Sitharaman, Honorable Union Minister of Defense

Distinguished Guests,

Ladies and Gentlemen,

Good Morning,

It gives me an immense pleasure to join business leaders across the world here at “Global Investors Meet 2019”. This is a great initiative, shedding a bright light for the future of Tamil Nadu to guide prospective investors. Japan is participating as a partner country for the second time in a row to further promote business activities in this beautiful southern State. More than 100 Japanese business people from 45 companies are participating in this investment event.

I would like to specially congratulate H.E. Mr. Palaniswami, Honorable Chief Minister of Tamil Nadu, for his contribution towards the prosperity of the state. Tamil Nadu is the sixth largest state of India by population, but its economy is the second largest. I am confident that, under his leadership, Tamil Nadu will make a further stride.

2. Attractive Tamil Nadu

Indeed, Tamil Nadu is thriving with manufacturing and other industries. Chennai is buzzing with the 4th largest population in India and has been a gateway of south India. As we gather here, I sense a huge untapped potential of this State and this City. A single stroke of new initiative can trigger a very positive change, sending vibes across south India.

That is why I am pleased to announce today that the Japanese airline company ANA (All Nippon Airways) will start 7-days-a-week direct flight services between Narita and Chennai from this October. I am confident this new connectivity will pave the way for new business and

investment opportunities for Japanese companies. This direct flight has been a dream for a long time for Japanese communities in south India. They are excited by this news and are committed to expand their business activities in the region. I am grateful to ANA for its forward-looking decision.

This new service will also provide enhanced convenience to passengers, including those travelling via Narita.

With its rich religious and cultural heritage, Tamil Nadu will become a closer destination for tourists. As more people visit Tamil Nadu and south India from Japan, local economies will gain and we will build further friendship. Soon we will start a full-fledged campaign to promote the tourist flows between Tamil Nadu and Japan with the help of the State Government.

Historically, commercial engagement between Japan and Tamil Nadu started with cotton. In 1889, governmental envoys from Japan visited Tamil Nadu to learn about the cotton industries here. Since then,

our economic ties have expanded and deepened considerably.

Now, Chennai serves as a hub of the automotive industry in India, where companies like Yamaha and Nissan are actively participating. Out of 1,441 Japanese companies operating in India, 201 are present in Tamil Nadu. What is more, they are diversifying from automobile sector to food processing and service sectors. And small and medium-sized enterprises (SMEs) are coming into the State as well.

Tamil Nadu has three industrial townships, developed by Japanese companies, namely OneHub Chennai, SOJITZ MOTHERSON, and Sumitomo-Mahindra Industrial Park. They are part of Japan Industrial Township initiatives. The Japanese Government is strongly supporting this initiative as these townships facilitate further investments from Japan. Already 5 companies are operating in OneHub Chennai and new companies are going to operate in the other two townships this year.

But physical investment alone is not enough to realize sustained economic activities. That is why Japan is also investing in people in Tamil

Nadu. Yamaha Motors India established the Yamaha Motor NTTF Training Centre (YNTC), the first Japan–India Institute for Manufacturing (JIM) in Chennai, in July 2017. They are teaching practical skills and disciplines in Japanese-style manufacturing to young people.

Furthermore, fifteen youths from Tamil Nadu have been receiving technical training in factories in Japan since last year, under the Technical Intern Training Program (TITP). Another twelve youths will visit Japan this year. Trainees from Tamil Nadu are known for their hard work and diligence. I am sure they will pioneer Japanese-style skills in Tamil Nadu in coming years.

3. Initiatives related to Chennai and beyond

Japan is also assisting Tamil Nadu enhance its profile as an attractive investment destination by helping in several development projects through ODA (Official Development Assistance). Japan supports smart city initiative of Chennai and is a major supporter of the Chennai Metro. During its Phase-1, Japan provided 183.5 billion yen (about 110

billion rupees) of ODA loans since 2008. It will be soon completed and open to the public in a full scale.

I am also pleased to inform you that Japan and India have recently signed the exchange of notes on ODA loan agreements for Chennai Metro Phase-2 amounting to 75.5 billion yen (about 48 billion rupees). This is the first project wherein a special ODA loan scheme with a generous interest rate is applied. Chennai Metro provides world-class services in terms of safety, reliability, comfort, and customer satisfaction. We hope these services will help relieve the stress of commuters and make it a more enjoyable experience.

Japan is also supporting the Tamil Nadu Investment Promotion Program by improving Ennore Port access road and developing an electrical substation in OneHub Chennai.

Looking at a broader picture, the Chennai-Bengaluru Industrial Corridor (CBIC) is unleashing the potential of the region. Japan has been supporting CBIC with its master-plan and construction of the Chennai

Peripheral Ring Road and Chennai Seawater Desalination Plant Project.

These ODA projects symbolize the friendship between Japan and Tamil Nadu. I hope we will contribute to the welfare of people.

4. Closing

There is so much potential for Japan and Tamil Nadu to advance together. A new gate of opportunity is opening as shown by new direct flight services by ANA. I hope this summit will further boost tangible outcomes, and I would like to offer my best wishes for its great success.

Thank you very much.