

Remarks by DCM ANDO Toshihide at the “Digital Conference & Exhibition on
India – Japan Business Partnership in the New World Order”

H.E. Mr. Sanjay Kumar Verma, Ambassador of India to Japan,
Mr. Chandrajit Banerjee, Director General, Confederation of Indian Industry
Distinguished Speakers and Guests,
Ladies and Gentlemen,

Good Morning to you all,

It is a great honor for me to participate in this conference today, and I would like to commend CII for this timely initiative.

Now, India and Japan have built a solid and strong political and economic relationship over the years, which has developed into the “Special Strategic and Global Partnership”. Our strong partnership is based on vigorous and close economic activities between Japan and India, in which the CII has played an important role. Furthermore, our two countries are partners sharing a vision of a free, open and inclusive Indo-Pacific, as Prime Minister Suga and Prime Minister Modi reaffirmed when they talked over the phone earlier this month. We are also working together in the format of QUAD to realize this vision, and I cannot overemphasize the significance of the first ever QUAD summit meeting on 12th March.

I would also like to point out that these positive developments are all happening even while we are navigating through difficult waters. One year has passed since the WHO declared a worldwide state of pandemic. COVID-19 has made a devastating impact on the global economy, and both Japan and India have had to go through a very tough year.

In response to the COVID-19 pandemic, we have seen the Indian government trying to strengthen its domestic manufacturing industry by advocating a "Self-Reliant India". I believe that Japan can assist in this endeavor in a meaningful way as a partner of the Indian manufacturing industry. Our two countries have already launched the "India-Japan Industrial Competitiveness Partnership" to work together to overcome challenges faced by India in such fields as steel and textiles through sharing Japan's experience on strengthening its industrial competitiveness.

I would also like to stress that Japanese businesses continue to exhibit high interest in

investing in and trading with India even amidst the COVID-19 challenges. Furthermore, it has become our common goal to ensure resilient supply chains, as we have become acutely aware of their vulnerabilities exposed by COVID-19. Against such a backdrop, and in order to promote further economic activities between our two countries, it is critical that the business environment in India become even more stable and predictable.

In this regard, I would like to draw your attention to the fact that some of the measures seem to have been introduced in a manner not conducive to our economic partnership. For example, restrictions have abruptly been imposed on the import of Japanese high-quality special steel necessary for the Indian manufacturing industry. Such measures could go against the larger goal of "Make in India", simply because without high-quality intermediary goods, companies may face difficulty in making quality products. While I acknowledge the rationale behind the policy of "Self-Reliant India" and, as I stated, Japan can be its staunchest partner, I believe considerations from a long-term perspective can benefit us all.

I would also like to stress the significance of literally "acting east" with ASEAN countries. There are a number of reasons to do so, but I would like to highlight a few. First, ASEAN continues to be a growth center of the world, where a number of Japanese companies are active. In order to accelerate India's dynamic economic recovery and growth, deepening relations with ASEAN is more important than ever. Second, by doing so, India can be better associated with the regional value chains. Today, there will be an important session on resilience of supply chains, which I believe cannot be complete without discussing the role of ASEAN. Third, ASEAN has been a forerunner in attracting Japan's investment and trade. We can learn from their best practices to further attract investment. This last point is particularly relevant to today's session on smart manufacturing.

On the part of the Governments, we are trying our best to move our economic partnership forward. Our flagship Mumbai Ahmedabad High Speed Rail project is on the right track, which will provide much needed economic stimulus through its construction. More importantly, the latest technology of high speed rail will be transferred to the hands of India, which will make this project a true joint effort. Japan-India cooperation is expanding in new fields too. The two governments signed the Memorandum of Cooperation in the field of ICT in January, which will promote comprehensive cooperation on 5G, AI, and cyber security. ICT presents a huge opportunity for both Japan

and India to utilize our respective comparative advantages in a complementary manner.

In order to broaden our ties, we are trying to further strengthen the people-to-people connections between Japan and India. In January, the two governments signed the Memorandum of Cooperation pertaining to “Specified Skilled Workers”. For the past years, under the existing Technical Intern Training Program (TITP), many bright Indian youngsters have already acquired skills in Japan. The new Specified Skilled Worker system provides further opportunities for talented Indian people to work in Japan, which will further enrich our web of economic activities.

Seminars like the one we are participating in today can give another impetus in charting the way forward for our economic relations. I am sure that interesting ideas will emerge out of today’s discussion. Let me stress that ideas are not for idea’s sake. It is important to put them into concrete action. We are committed to working with the Indian government to this end, and it is our sincere wish to continue working with all the stakeholders, including leading economic organizations like CII, to create a more resilient partnership and economic network between Japan and India.

Please allow me to close my remarks by offering my best wishes for the great success of this conference. Thank you very much.