

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.

The momentum of bilateral ties, however, was not quite sustained in the following decades. 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.

The beginning of the 21st century witnessed a dramatic transformation in bilateral ties. 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 Prime Minister 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 Prime Minister Shinzo 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.

Prime Minister Shinzo Abe visited India for the 10th Annual Summit with Prime Minister Shri Narendra 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.

Prime Minister Shri Narendra 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.

Ministerial visits in 2016 included Minister (IC) for Power, Coal, New and Renewable Energy Mr. Piyush Goyal, (12-15 January); Minister of State (Home) Mr Kiren Rijiju (19-21 January); Union Health and Family Welfare Minister Mr. Jagat Prakash Nadda to

attend the Asian Health Ministers' Meeting on Anti-Microbial Resistance(15-17 April); Minister of Education, Culture, Sports, Science and Technology Mr. Minister Hiroshi Hase (6 May); Union Finance Minister Mr. Arun Jaitley (29 May-4 June); Defense Minister Gen Nakatani for the Annual Defense Minister consultations (14 July).

Ministerial visits in 2017 include METI Minister Mr. Hiroshige Seko (9-10 January); Minister for Food Processing Industries Ms. Harsimrat Kaur Badal (1-4 March); and Minister of State (IC) for Commerce and Industry Ms. Nirmala Sitharaman (13-15 April); Minister for Finance, Defense and Corporate Affairs Mr. Arun Jaitley (6-8 May); Dr. Arvind Panagariya, Vice Chairman, NITI Aayog (13-14 June); METI State Minister Mr. Yosuke Takagi (12 -14 July).

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. 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 the Financial Year (FY) 2016-17, India-Japan trade reached US\$ 13.61 billion, showing a decrease of 6.21% over FR 2015-16, when the total bilateral trade was

US\$ 14.51 billion. India's export to Japan for 2016-17 was US\$ 3.86 billion; whereas India's Import from Japan for 2016-17 was US\$ 9.76 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.

Japanese FDI in India in fiscal year 2016-17 was US \$ 4.7 billion, an increase of 80% over the last year. Japan is the third largest foreign investor in India. The amount of Japan's cumulative investment in India since 2000 is US \$ 25.7 billion. Japanese FDI into India has mainly been in automobile, electrical equipment, telecommunications, chemical and pharmaceutical sectors. In 2015-16, ODA disbursed by Japan to India was JPY 390 billion out of a committed amount of JPY 400 billion, the highest in last few years.

The presence of Japanese companies in India has been increasing steadily. As of October 2016, there were 1,305 Japanese companies that are registered in India, an increase of 76 companies (6% growth) as compared to 1,229 in October 2015.

Science & Technology and Cultural Cooperation

The bilateral Science & Technology Cooperation Agreement signed in 1985 underpins the bilateral S&T cooperation. The India-Japan Science Council (IJSC) was established in the year 1993 and so far has organised 19 annual 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, Department of Science and Technology (DST) initiated a value based partnership working 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 (Ministry of Education, Culture, Sports, Science and Technology). 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, outer space etc. have been signed between the science agencies of both countries. Since May 2015, about 600 students have visited Japan under the annual "Japan-Asia Youth Exchange Program in Science" also known as the "SAKURA Exchange Program" implemented by DST and JST.

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. The Embassy and the Consulate General in association with a number of partners organised various events marking the celebrations of 3rd International Day of Yoga on 18 June 2017. 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. 2017 has been designated as the India-Japan Year of Friendly Exchanges by the two countries.

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 27,000 Indians live in Japan.

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