



Commercial Feature

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Prime  
Shinzo

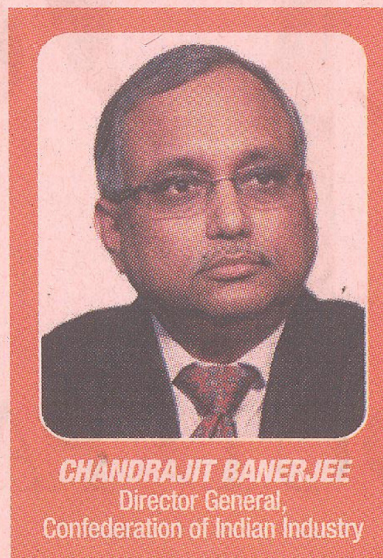
# IMPLEMENTING THE 'NEW ERA IN INDIA-JAPAN RELATIONS'

**T**he India-Japan economic relationship, representing the convergence of the second and third largest economies of Asia, is central to the overall prosperity of the continent. Carefully nurtured and exponentially expanded in the last few years through regular meetings between Prime Ministers Shinzo Abe and Narendra Modi, this is likely to gain further momentum with the visit of the Japanese Prime Minister this week.

Indian industry, which has learned much from the presence of top Japanese firms in its ecosystem, welcomes the systematic elevation of the economic ties of the two countries to a Special Strategic and Global Partnership. While bilateral trade in recent years has

suffered from the global trade slowdown, Japan's participation in India's development has gained intensity. Its partnership for iconic development projects such as high-speed rail, metro systems, and dedicated freight corridor has helped India build vital infrastructure, and it has emerged as the third largest investor in the country with \$25 billion cumulative inflows.

Private sectors of both countries have engaged in the India-Japan Business Leaders Forum since 2007, adding inputs for strengthening outcomes. The tenth meeting of the Forum is to be held in conjunction with the summit in Ahmedabad. Over the decade, this dialogue has helped in bringing in the bilateral social security agreement, eased the process of issuing busi-



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ness visas on both sides, and ensured the progress of the bilateral sub-committee on improvement of the business environment.

We strongly believe that bilateral economic cooperation has much further potential. The Japanese Prime Minister has introduced the 'Future Investment Strategy 2017 – Reforms for the Realization of Society 5.0'. In India, Prime Minister Modi's transformational initiatives of Make in India, Digital India, Smart Cities, and others are driving a new wave of development. The two-way flow of funds, goods and services can be accelerated with better business environment in India. Mutual recognition agreements for services professionals, boosting sectors of interest such as pharmaceuticals, and reduction of certain taxes such as withholding tax in Japan will also help.

The private sectors can be more closely involved in defence man-

ufacturing cooperation and technology transfer. A wide ambit of clean energy, information and communications technology, biotechnology, pharmaceuticals, and so on further strengthens the partnership. Japan is also playing a vital role in India's capacity building. The Champions for Societal Manufacturing project, led by CII with support from Japan International Cooperation Agency (JICA), has enhanced managerial competencies for manufacturing in India. The Technical Intern Training Program too will train 1500 youth over two years.

With strong support from our Prime Ministers, the 'new era in India-Japan relations' is rapidly emerging to bring mutual benefits to both sides.