



India-Japan Summit

 drishtias.com/printpdf/india-japan-summit

Recently Prime Minister of India visited Japan to attend the 13th India-Japan annual summit.

The Annual India-Japan Summit was instituted in 2006.

Outcomes of Summit

- **Indo-Pacific**

- India and Japan pledged to work together for the benefit of the Indo-Pacific region and the world at large.
- India and Japan have decided to cooperate for peace, stability, and prosperity in Indo-Pacific.
- The two nations share their vision for the Indo-Pacific is based on a rules-based order that respects the sovereignty and territorial integrity of nations ensures freedom of navigation and overflight.

- **Partnership for Global Prosperity**

India and Japan have decided to cooperate on the development of connectivity via quality infrastructure in the Indo-Pacific region, including in Sri Lanka, Myanmar and Bangladesh as well as in Africa.

- **Development of India's North-East**

India-Japan Act East Forum will identify and implement projects for enhancing connectivity, sustainable forest and ecological management, disaster risk reduction and people-to-people exchanges in India's North-East.

- **Infrastructure Project in Rest of India**

Japan has committed to invest in India's key infrastructure projects and in the capacity building like India's Bullet Train (Mumbai-Ahmedabad High-Speed Rail project) and metro rail projects in various cities.

- **Skill Development India**

India and Japan have signed agreements on cooperation in skill development by increasing the number of Japan-India Institutes for Manufacturing (JIMS) as well as the Japanese Endowed Courses (JEC) in various Indian states.

- **IT Sector**

- India and Japan have launched a comprehensive India-Japan Digital Partnership with the vision to develop IoT (Internet of Thing) and AI (Artificial Intelligence) solutions by utilizing the "Japan-India Start-Up Hub" in Bengaluru and NASSCOM's IT corridor project in Hiroshima Prefecture.
- This will bring convergence between India's flagship programmes such as "Digital India", "Start-Up India" and "Smart City" with Japan's "Society 5.0" to promote societal benefits.

- **Health Care**

A memorandum was signed linking Japan's Asia Health and Well-being Initiative (AHWIN) with India's Ayushman Bharat and to introduce affordable technology, skill development and best practices in healthcare.

- **Partnership for Peace**

- In order to deepen bilateral security and defense cooperation, **India and Japan have instituted Foreign and Defence Ministerial Dialogue (2+2 Dialogue).**
- The two countries affirmed their commitment to the total elimination of nuclear weapons and called for early conclusion of negotiations Fissile Material Cut-off Treaty (FMCT).

- **Environment**

Both countries have signed the agreement to strengthen cooperation on sustainable and clean forms of energy. Japan joined and ratified the International Solar Alliance (ISA).

- **Currency Swap Agreement**

India and Japan have signed a currency swap agreement worth \$75 billion. It is expected to help stabilize fluctuations in the value of the rupee vis-a-vis the dollar, and bring down the cost of capital for Indian companies while accessing Japanese capital markets.

- **Other Areas**

India and Japan have signed agreements covering a number of areas like in agriculture, food processing, forestry, space cooperation, counter-terrorism, support on UNSC Reforms, disaster risk reduction, make in India.

History of India-Japan Relations

- India's earliest documented direct contact with Japan was with the Todaiji Temple in Nara, where the eye-opening of the statue of Lord Buddha was performed by an Indian monk, Bodhisena, in 752 AD.

- The Japan-India Association was set up in 1903 and is one of the oldest international friendship bodies in Japan.
- Japan and India signed a peace treaty and established diplomatic relations on 28th April 1952.
- This treaty was one of the first peace treaties Japan signed after World War II.
- India has been one of the most important recipients of Japan's Official Development Assistance (ODA) since the inception of Yen's Loan Assistance in 1958. India was also the first beneficiary of this program.
- In September 2014, Japan-India relationship was upgraded to **“Special Strategic and Global Partnership.”**

India-Japan Relation Significance

- **Economic and Commercial Significance**
 - India has been the largest recipient of Japan's ODA.
 - 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, the Chennai-Bengaluru Industrial Corridor (CBIC), Delhi Metro Project have been realized with Japanese assistance.
 - The India-Japan Comprehensive Economic Partnership Agreement (CEPA) 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 Persons, Investments, Intellectual Property Rights and other trade-related issues.
 - In the Financial Year (FY) 2016-17, India-Japan trade reached US\$ 13.61 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.
 - Japan is the fourth largest foreign investor in India. The amount of Japan's cumulative investment in India from April 2000 to September 2016 is US\$ 23.76 billion, which is nearly 8% of India's overall FDI during this period.
- **Defense Cooperation**
 - Japan lifted its 50-year ban on arms export and signed a Defence Framework Agreements concerning the Transfer of Defence Equipment and Technology to India.
 - India and Japan defense forces organize a series of bilateral and multilateral exercises namely, MALABAR, JIMEX.
 - India and Japan have also been cooperating with other regional powers and have formed Quadrilateral grouping which includes US, Australia, Japan, and India.

- **Strategic Relations**

- India and Japan have a shared concern over the rise of China.
- For Japan, this includes Chinese claim over the Senkaku or Diaoyu Islands in the East China Sea and for India, it is Chinese claim on the Northeastern state of Arunachal Pradesh.
- India and Japan have also been advocating for the reforms in United Nations Security Council through G-4 Grouping. Japan has also supported India's bid at the membership of Nuclear-Supplier Group.
- India and Japan have also proposed to partner in the development of Africa through **Asia-Africa Growth Corridor (AAGC)** which has been considered as a counter to the Chinese Belt and Road initiative.

Society 5.0

- Society 5.0 is a human-centered society that balances economic advancement with the solution of social problems by a system that highly integrates cyberspace and physical space.
- Society 1.0 is the hunter-gatherer age.
- Society 2.0 is the age of agriculture.
- Society 3.0 is the age of industries.
- Society 4.0 is the information age.

Currency Swap

Currency swap agreement involves trade in local currencies, where countries pay for imports and exports at pre-determined rates of exchange without the involvement of a third country currency like the US dollar.