

General Studies-2; Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests

India - Japan Relations

1) Introduction

- The India-Japan relationship is rapidly gathering momentum, taking shape faster than any of New Delhi's current strategic partnerships.
- Indo-Japanese bilateral cooperation is carried out under the framework of a "special strategic and global partnership".

2) Growing Relations

- Japan offered Rs. 88,000-crore 50-year loan at 0.1-per cent interest rate for Bullet train project.
- Bullet train project is a significant success for Japan's Expanded Partnership for Quality Infrastructure (EPQI) initiative.
- In 2016-17, Japan gave loans worth Rs. 22,000 crore at the same super-cheap rates for seven infrastructure projects.
- Japan was the lone country to come out openly in support during the Doklam standoff.
- India and Japan are also talking about joint military exercises in 2018 in addition to the India-US-Japan Malabar naval exercises.
- Economic cooperation agreement between both countries - Asia-Africa Growth Corridor is a counter to China's Belt and Road Initiative.
- MoU was signed to setup India Japan Act East Forum with an aim to coordinate Japan's Free and Open Indo-Pacific Strategy with India's Act East Policy.
- The forum will enhance connectivity and promote developmental projects in India's Northeast region in an efficient and effective manner.
- Japan has a historic connection to the Northeast and is among the few countries that India has allowed a presence in the Northeast.
- The nuclear deal—Japan's first with a non-signatory to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT)
- The numbers on Japanese foreign direct investment (FDI) and overseas development assistance (ODA) to India have been climbing.

3) Why both countries see each other for cooperation?

- Tokyo can be a suitable partner in India's journey towards an economically sound, energy-rich future
- Japan is looking for new partners. The US withdrawal from the TPP has provided a renewed impetus for Japan's line of thinking.
- India's strong naval power
- India is trustworthy.
- Strong India—strong Japan will not only enrich two nations. It will also be a stabilising factor in Asia and the world.
- India is envisioned as a critical strategic anchor in Japan's latest 'Free and Open Indo-Pacific Strategy'.
- The rise of China and questions about America's commitment in Asia.

4) 12th India-Japan Annual Summit

- 12th India-Japan Annual Summit was held in Gandhinagar, Gujarat.
- The summit has expanded the horizon of the bilateral relationship
- The two countries vowed to increase mutual cooperation in the areas of manufacturing, civil aviation, science & technology, connectivity and skill development.
- Both the leaders condemned the growing menace of terrorism and violent extremism in the strongest terms.

5) Concerns / Challenges

- Trade have been sliding from \$18 billion in 2012-13 to \$13 billion in 2016-17
- India struggling to penetrate the Japanese market as a result of language barriers, high quality and service standards
- Negotiations to purchase amphibious US-2 planes have dragged on for years with no headway on price.

6) Way Forward

- Both India and Japan stand to gain by working together to contain China
- India and Japan will need to make much greater contributions towards Asia's stable balances and multipolarity.
- Both countries need to work together for open and prosperous Indo-Pacific region where sovereignty and international law are respected.
- Enhance defence and security cooperation.
- The two countries should work on boosting bilateral trade and strengthening security cooperation.
- There is a great potential for people-to-people and cultural exchanges between Japan and the Northeast.
- Japan and India can work together to build a common narrative in UNSC reforms and UN peacekeeping. Currently, they are on the opposite sides.
- The bureaucracy on both sides will have to work effectively to implement and realize the initiatives laid out in recent time.
- For securing the global commons and realizing a stable Indo-Pacific, India and Japan have to work individually, bilaterally and at a regional level