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Japan's business mission to India is its biggest ever

250 business executives include Canon Inc Chairman

BLOOMBERG
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Japan's Prime Minister Shinzo Abe will lead about 250 business executives to India this month, eight weeks after agreeing to help fund \$90 billion worth of roads, ports and railways along a New Delhi-Mumbai freight corridor.

The mission to India, the biggest-ever from Japan to the South Asian nation, will take place from August 21 to August 23, according to a Japanese foreign affairs official, who declined to be identified. The business leaders include Fujio Mitarai, chairman of Canon Inc and Japan's biggest business lobby, and Toyota Motor Corp Chairman Fujio Cho.

The mission will also travel to Indonesia and Malaysia. Abe wants Japan to profit from a boom that is expected to drive growth of at least 7.6 per cent in the region this year, ac-



Japanese PM Shinzo Abe

ording to the Asian Development Bank. Economy and Trade Minister Akira Amari last month announced plans

The industrial corridor project could provide the catalyst for Japanese companies to advance into India, says senior economist at Nomura Securities Co Ltd

for partly funding India's \$90-billion plan to build infrastructure along a New Delhi-Mumbai freight railroad.

"Japanese companies, although aware of India's growth potential, have been reluctant to enter the Indian market because of the country's underdeveloped infrastructure,"

Tetsuji Sano, a senior economist at Nomura Securities Co Ltd, wrote in a report today. "The project could provide the catalyst for Japanese companies to advance into India," Seno said.

Sano estimates that the \$10 billion-a-year average spending over the life of the nine-year project is equivalent to about 1 per cent of India's nominal gross domestic product.

Prime Minister Manmohan Singh visited Japan in December and the two leaders agreed to reach an economic partnership agreement in two years.

Abe is expected to address India's Parliament, according to a foreign affairs official.

Japan's regional trade strategy includes signing more economic-partnership agreements, free-trade accords and agreeing to common investment rules, besides improving transport links.