

# PM invites Japanese businesses to invest in India

Continued from page 1

Japanese Premier Abe received representatives of the Indian business delegation who accompanied the Prime Minister.

Underlining the common value systems that bind the two vibrant democracies, Abe admitted that till very recently the Japanese had "little knowledge of India", but were now waking up to the potential of the country.

The Joint Statement issued after talks between Manmohan Singh and Abe noted the decision of the two leaders to launch a "Japan-India Special Economic Partnership Initiative" to promote enhancement of investment from Japan to India and help develop India's infrastructure and manufacturing capacity.

The key elements of the new economic partnership include promotion of a Delhi-Mumbai industrial corridor, supported by a freight corridor along the same route, cooperation in setting up a multi-product Special Economic Zone (SEZ) in India, a "One Village, One Product" programme, and the development of small and medium enterprises through a Business Support Centre.

Bilateral cooperation in the energy sector also received a tremendous boost with Japan agreeing to help in developing power projects in India.

Specific projects identified for cooperation in the area included the 4,000 MW Coastal Ultra Mega Power Project at Chayyur in Tamil Nadu and the 3,000 MW Lohit Hydroelectric Project in Arunachal Pradesh.



Prime Minister Manmohan Singh inaugurating the Festival of India in Japan in Tokyo on December 14, 2006. Japanese Prime Minister Shinzo Abe is also seen.

Earlier, Manmohan Singh had told leading Japanese business leaders to "breathe a new life" into the traditional ties between the two countries.

"Japan must regain its historic status as India's most important business partner in Asia. In the years ahead, we wish to focus on building a much deeper and wider relationship with Japan's business and industry," the Prime Minister said at a lunch hosted by the Japanese apex business chamber in association with its Indian counterpart.

"I have been surprised to see Japan lose

ground in India during the 1990s to other East Asian and Southeast Asian economies, both in terms of foreign investment flows and trade flows," Manmohan Singh said hours ahead of his meeting with his Japanese counterpart Abe.

Underlining the new opportunities in "a youthful, confident and dynamic India", Manmohan Singh stressed that the "profit prospect of Japanese manufacturing companies was the best in India as compared to other Association of South East Asian Nations countries". ■

## India will not lose its nuclear independence: PM

Continued from page 2

The U.S. president said, "After 30 years outside the system, India will now operate its civilian nuclear energy programme under internationally accepted guidelines and the world is going to be safer as a result."

Bush said the law would make it possible for India, the world's fifth-largest consumer of energy, to reduce emissions and improve its environment. India, whose demand for electricity is expected to double by 2015, currently produces nearly 70 percent of its electricity by burning coal, which produces air pollution and greenhouse gases.

The deal also could be a boon for American companies that have been barred from selling reactors and material to India where the economy has more than doubled in size since 1991.

Now, with the law on the India-US civil nuclear accord in place, Washington hopes to win the agreement of the Nuclear Suppliers Group (NSG) including China and get the deal going in six months.

"The major hurdle was the agreement between India and the United States, number one, and the votes in the Congress," Nicholas Burns, Under Secretary of State for Political Affairs, told reporters shortly before President George Bush signed the nuclear bill into law.

In the next few months the two countries have to conclude the 123 civil nuclear agreement, essentially codifying their negotiations of the last 18 months. India will also have to negotiate an IAEA (International Atomic Energy Agency) safeguards agreement. And then hopefully the NSG will fol-

low the lead given by U.S. and lift their restrictions on India as well, he said.

"If we're in fifth gear and move real fast at the beginning of 2007, I would hope we could do all that in six months. And this will represent a major sea change in the way the world works, in India's acceptance in the world," Burns said.

"It also, I think, in many ways speaks to the emergence of India as a global power, and the acceptance of India by the United States and the other powers in the world," he added.

Describing the India-U.S. civilian nuclear deal as "a unique deal for a unique state", Burns said United States has no plans whatsoever to provide this kind of legislation for any other country, including Pakistan. ■