

Shared Perspectives between Indian and Japanese Business Communities

— Based on the India–Japan Private-Sector Dialogue on Economic Security —

May 11, 2026

India-Japan Private-Sector Dialogue on Economic Security

Co-Chair: Neerja Bhatia, Deputy Director General, Confederation of Indian Industry (CII)

Co-Chair: Ichiro Hara, Managing Director, Keidanren

On 26 March 2026, the India-Japan Private-Sector Dialogue on Economic Security (Private Sector Dialogue) was held in a virtual format, with the participation of member companies from the CII and Keidanren. This Private Sector Dialogue was established as a platform for the private sector to provide recommendations from a business perspective to the governmental India-Japan Dialogue on Economic Security, as well as to promote sharing of information and perspectives, and to strengthen cooperation between the business communities of both countries. Based on the discussions held, the shared perspectives of the Indian and Japanese business communities are set out below.

1. India and Japan have steadily strengthened their cooperation in the Indo-Pacific region, as reflected in India’s Indo-Pacific Oceans Initiative (IPOI) and Japan’s Free and Open Indo-Pacific (FOIP) vision.
2. The conclusion of the India-Japan Comprehensive Economic Partnership Agreement (IJCPEA) signaled the start of such cooperation. Furthermore, coordination and collaboration through the Japan-Australia-India-U.S. (Quad) and the India-Japan-Australia Supply Chain Resilience Initiative (SCRI) demonstrate a shared commitment to promoting a rules-based and stable order in the Indo-Pacific region.
3. India and Japan today stand at an important stage in their bilateral relationship, grounded in a Special Strategic and Global Partnership, and possess strong complementarities. At the same time, challenges remain to be addressed to fully leverage these complementarities, thereby further widening and deepening bilateral cooperation.
4. It is also important to recognize that the international environment surrounding both countries has become increasingly severe. Amid the increasing use of economic coercion, the risks associated with excessive dependence on specific countries or regions for the supply of critical goods essential to national livelihoods and industrial activities have increased significantly. In addition, as global competition for technological leadership intensifies, it has become essential to identify critical

foundational technologies with versatile applicability, as well as advanced emerging technologies, and to both prevent their leakage and promote their development.

5. Against these challenging circumstances, India and Japan should seize the current situation as an opportunity to advance their partnership to the next phase by strengthening economic resilience through ensuring economic security, thereby opening a “new and golden chapter” in their Special Strategic and Global Partnership. To this end, it is urgent to develop an enabling environment that allows both countries to fully leverage their complementarities.
6. At the Private Sector Dialogue, discussions were conducted on the direction of India-Japan cooperation and specific measures in the areas of semiconductors, Artificial Intelligence (AI), critical minerals, and clean energy. The outcomes are set out below.

[Semiconductors]

India is advancing the development of a semiconductor manufacturing ecosystem under government incentive schemes. It is desirable to establish a reliable semiconductor production base in India by leveraging the scale of the Indian market and strengthening India-Japan collaboration in areas where Japan has technological strengths. This will require intellectual property protection frameworks in India and their strict enforcement to facilitate technology transfer from Japan, as well as further improvements to incentive schemes and initiatives for human resource development and exchange aimed at bridging skills gaps.

[AI]

It is important to build a resilient and innovative AI ecosystem by combining India’s strengths in highly skilled software engineering talent across companies, universities, and research institutions with Japan’s strengths in quality control and related areas. This should be achieved through sharing complementary knowledge as well as human and financial resources. To support such cooperation, it is necessary to develop reliable information and communications infrastructure including submarine cables and digital public infrastructure and to ensure cybersecurity. In addition, it is necessary to advance cooperation on AI governance related to development and utilization between the public and private sectors of both countries, as well as to promote talent exchange in the AI field.

[Critical minerals]

Strengthening supply chains of critical minerals requires close cooperation between India and Japan to explore all possible avenues. This includes: first, strengthening international collaboration in exploration, mining, refining, and processing, including

engagement with third countries particularly in Africa and other resource-rich regions; second, reinforcing production bases in both countries as well as in trusted partner countries and regions, and their stable operation; and third, promoting recycling in order to enhance resource circularity within the region concerned.

[Clean energy]

India has significant potential for large-scale renewable energy deployment and growing demand for clean energy infrastructure. By combining this potential with Japan's strengths such as advanced technologies and energy management systems, it is expected that production and supply bases for clean energy and batteries can be developed. In order to realize this potential, it is necessary to create demand through coordinated public-private initiatives, including offtake support, to expand the scope of production-linked incentive (PLI) schemes to include Capital Expenditure (CAPEX), and to promote technology transfer through the enhancement and strict enforcement of intellectual property protection frameworks.

7. In order to promote cooperation as described above and ensure its effective implementation, it is necessary to establish a predictable business environment in which private companies can operate with confidence, and to promote market integration and development through the alignment of regulations and institutional frameworks.
8. In addition, the Japanese side referred, based on the Joint Statement of the 12th India-Japan Business Leaders Forum (BLF) held in August 2025, to the importance of maintaining and strengthening the free and open international order, in particular through reform of the World Trade Organization (WTO), as well as the expansion and deepening of Economic Partnership Agreements (EPA) and Free Trade Agreements (FTA), and exploring India's possible accession to the CPTPP in the future. The Japanese side also shared the recognition of the need to develop international rules incorporating elements of economic security. The Indian side, for its part, highlighted the importance of exploring cooperation not only in the sectors covered in this Private Sector Dialogue, but also in those not addressed.
9. Economic security can only be ensured through close coordination between the private sector, which is the principal actor in economic activity, and governments, which bear responsibility for national security. The governments of India and Japan are encouraged to take full account of this document, as well as the attached recommendations from both sides, in going into the Second India-Japan Dialogue on Economic Security.
