



By: The Editorial Board

India and Japan intensify maritime cooperation as a counterweight to China in the Indo-Pacific



Maritime cooperation between India and Japan in the Indo-Pacific region entered a new phase of intensification at meetings in early June.

The **meetings** between India's Minister of Ports, Shipping and Waterways, Sarbananda Sonowal, and the Japanese Vice Minister for International Affairs, Terada Yoshimichi, marked the beginning of a strategically significant new phase in bilateral relations.

In April, the seventh **dialogue** on maritime issues took place in Tokyo, where the representatives of both countries confirmed the need for even more intensive cooperation in the development of the important port in the Andaman and Nicobar Islands.

This strategic archipelago lies on important trade routes connecting East and South Asia via the Strait of Malacca.

It was already clear at this meeting that both sides want to end their over-reliance on Chinese ports and logistics centres, which are expanding throughout the region.

Concrete economic initiatives

At this meeting it was agreed that the most important priorities should be reduced to three areas.

The first is the expansion and modernisation of ports on India's eastern coast, including Kamalapur and Paradip, so that they can accommodate larger cargo ships from Japan.

The second is to strengthen the logistics network for land and sea transport between the major maritime hubs of Tokyo and New Delhi.

The third is to arrange regular joint naval exercises to ensure freedom of navigation and protect trade routes from threats.

Discussions revealed that India is willing to make room for Japanese investment in the harbours of the Andaman archipelago, which guard the approaches to the Strait of Malacca.

This archipelago is of key importance as it provides access to the Arabian Sea and the Indian Ocean, affecting the flow of oil and goods from the Middle East to East Asia.

In recent years, Japan has shown interest in investing in the nearby Sabang Port in Indonesia and now wants to apply a similar model on the territory of India.

It was previously stated in Tokyo that Japanese capital could help not only in terms of infrastructure but also technology in the area of port management, which would create alternatives to Chinese terminals in the South China Sea.

Concrete investments from Japan in India's infrastructure network will reach a value of around five billion dollars by the end of 2026

It has been pointed out that concrete investments from Japan in India's infrastructure network in the coming period will reach a value of around five billion dollars by the end of 2026.

In 2024, Japan was one of the largest investors in India, and it is estimated that the energy and transport sectors could achieve annual investment growth of ten to fifteen per cent.

With India aiming to increase its total sea exports by around 30 per cent by 2030, a partnership with Japan is a welcome option for the rapid development of reliable infrastructure.

When it comes to navigational safety, the three **exercises** under the auspices of the four-member QUAD alliance, in which the USA, Australia, India and Japan are participating, are becoming increasingly numerous and complex.

Exercises that previously focused only on tactical coordination now also include elements of command-and-control architecture as well as the exchange of information.

The new plans envisage the joint formation of a network of unmanned surface vessels to patrol near the Spratly Islands in the South China Sea. These units would be used for the early detection of military activities by other powers and thus enable a response within 48 hours of a threat being detected.

The strategic importance of the region and economic cooperation

The strategic importance of the region stems from the fact that a third of world trade passes through the South China Sea, and hundreds of billions of dollars' worth of oil tankers and merchant ships use these sea routes every day.

Over the past decade, China has built artificial islands and deployed mobile missile defence systems at several locations, threatening freedom of navigation and attempting to assert disputed claims regarding territorial waters.

India and Japan want to show that they understand the key role of maritime trade routes in the international economy and that they will not allow anyone to dictate their trade.

By the end of 2026, at least twenty per cent of new ships in India's fleet will have a hybrid propulsion system designed with Japanese technical support

Parallel to the military aspect, India and Japan are also developing the economic dimension of their cooperation.

The Japanese government has announced that it will grant subsidised loans to India's state-owned shipping companies to modernise their ageing fleets and reduce emissions.

The subsidy programme also includes joint research projects at universities in Tokyo and

New Delhi, focusing on hybrid propulsion technologies for ships that would enable customers around the world to reduce transportation costs.

It is expected that by the end of 2026, at least twenty per cent of new ships in India's fleet will have a hybrid propulsion system designed with Japanese technical support.

As much as the focus is on collaboration, some analyses point to potential challenges.

India's tidal stream research platforms in the Andaman and Nicobar archipelagos are not yet at the required level of precision, and Japan would need to invest additional resources to develop technologies adapted to local conditions.

There is also a risk that China will respond with diplomatic pressure on India to thwart projects on the islands due to their proximity to strategic straits.

Analysts believe that China is likely to try to pull neighbouring countries, such as Myanmar and Thailand, into its orbit by promising them financial support for alternative wastewater treatment projects and port modernisation.

Joint projects

On the other hand, Japan must maintain its own economic stability under conditions of increased competition.

Before the COVID-19 pandemic, Japan's GDP growth was around 1%; in 2024 it was only 0.1%, while India's GDP grew by 6.5% in the same year, with a strong growth of 7.4% in the last quarter.

Maritime investment efforts are expected to attract additional investment that would bring more jobs and technology to Japan.

However, the pressure on Japanese taxpayers must not be too great, as this would lead to political tensions within the parliament in Tokyo. At the same time, Japan recognises that

geopolitical stability in Asia is more important than short-term economic benefits.

Network of unmanned surface vessels patrolling from nearby sea routes to choke points in the South China Sea by March 2026

India and Japan expect to gradually increase the number of joint projects over the next five years.

A plan is to establish an initial network of unmanned surface vessels patrolling from nearby sea routes to choke points in the South China Sea by March 2026.

Such a network would also include sensors that send information to American and Australian partners as QUAD jointly seeks to strengthen early warning systems.

By the end of 2027, the Andaman Port is expected to have storage facilities for liquefied natural gas sourced from the Middle East, which would provide an additional source of energy for military and civilian vessels.

A new framework for sustainable development

On the other hand, economic analysts predict that the value of India-Japan regional trade will rise from around eighteen billion dollars at present to over thirty billion by 2028.

This will create room for further diversification of supply chains from North America and Europe to Asia and significantly reduce the cost of transporting automotive electronics and pharmaceutical products.



India could become a central logistics hub for Japanese products intended for countries in Southeast Asia and Africa - Andaman Islands

In this respect, India could become a central logistics hub for Japanese products intended for countries in Southeast Asia and Africa.

If taken into account that global politics is increasingly focusing on the possibility of conflict in the Indo-Pacific, India-Japan cooperation is one of the few stable segments that functions on the principle of mutual benefit.

In doing so, both countries are showing that they are willing to act within the framework of international law to prevent the prolongation of tensions that could develop into open conflict.

This process has the potential to become a model for other countries facing similar challenges.

For example, Indonesia, Malaysia and the Philippines are already considering the possibility of joining some initiatives and participating in an economic and security network in the long run.

Until then, India and Japan are leading by example and could draw the attention of other countries to the need for co-operation rather than supporting competing interests.

In a situation where the world's economies are seeking stable maritime arteries and efforts are being made to reduce dependence on

individual countries, this co-operation creates a new framework for sustainable development.

In doing so, these two nations are setting a standard that could reach far beyond the borders of the Indo-Pacific.