

Prime Minister's speech at 'India-ROK Business Symposium' during his visit to Republic of Korea

February 21, 2019

Your Excellency,

Yunmo Sung, Minister of Trade, Industry and Energy,

Distinguished Business Leaders,

Friends,

A very good afternoon. I am delighted to meet you all today in Seoul. This is my third interaction with the Korean business leaders in the span of just 12 months. This intensity is intentional. I wish to see more and more Korean businesses turning their attention to India. Even when I was the Chief Minister of the state of Gujarat, I traveled to Korea. Korea was, and still remains, a role-model of economic growth for me.

Friends,

India today, a country of 1.25 billion people, is going through a great transition.

It is changing from:

An agriculture dominated economy to an economy led by industry and services;

An economy that is closed to one that is globally inter-linked;

An economy that is known for its red tape, to one known for its red carpet.

India has emerged as a land of opportunities. While we work for realizing the 'Indian Dream', we seek like-minded partners. And, among them, we see South Korea is truly natural partner. India-Korea Business relations have come a long way in the past decade, and especially closer in the last few years. India is among top 10 trade partners of Korea and India is the 6th largest export destination for Korean goods. Our trade volume has reached 21.5 billion Dollars for the calendar year 2018. The negotiations to upgrade Comprehensive Economic Partnership Agreement have been fast-tracked to achieve the bilateral trade target of 50 billion Dollars by 2030. Not just trade, in investment terms also we are seeing

a positive turn. And, Korean investments into India have reached a cumulative figure of almost 6 billion Dollars.

Friends,

After my visit to Korea in 2015, we launched a Korea specific facilitation cell "Korea Plus" under 'Invest India' to guide, assist and handhold investors during the entire life-cycle of the business. Hyundai, Samsung, LG electronics have become trustworthy brands in India. And, Kia is soon to join this club. Over 600 Korean companies have invested in India. And, we aspire to welcome many more. And, to ease your path, Visa on Arrival for Korean nationals has been put in place since October last year. We encourage the presence of Korean Trade Offices in India. And, I am glad that we recently had the sixth office of KOTRA opened in Ahmedabad. Let me tell you a little more about what is happening in India now. The fundamentals of our economy are sound. We are well set to become a 5 trillion dollar economy in the near future. No other large economy in the world is growing at over 7% year after year. Hard policy decisions such as the introduction of Goods and Services Tax have been taken. In the last four years, we have jumped 65 places in the World Bank's Ease of Doing Business ranking, to 77th. And, we are determined to move into the top 50 next year. We are one of the most open countries for Foreign Direct Investment today. More than 90 percent of our sectors are now on automatic route for approval. As a result of this and the confidence in India, we have received FDI worth over 250 billion Dollars over the past four years.

Friends,

In India, we are also focused on making our growth inclusive. It is for this reason that we have taken strong initiatives for financial inclusion. In the course of the past three years, we have opened over 300 million bank accounts for those who never had a bank account. Now, 99 percent of Indian house-holds have a bank account and more than 12 billion Dollars have been deposited in these accounts. They now have access to affordable pensions and insurance. Under the Mudra scheme, we have extended micro credit worth more than 90 billion dollars to 128 million persons over the past three years. 74 percent of these loans have gone to women. We have leveraged the power of a biometric identity system, bank accounts and mobile phones, to deliver subsidies and services to the previously unbanked. Government benefits worth more than 50 billion Dollars are now transferred directly to the beneficiaries, thus eliminating leakages. We have taken huge strides in rural electrification. India is now recognised by the International Energy Agency as one of the greatest success stories in bringing about rural access to energy in 2018. In renewable energy, we have become the sixth largest producer in the world. This, and our initiative of the International Solar Alliance, will enable India to be a pioneer in moving towards a green Global economy. That is our commitment to a green and sustainable future. Through these steps, the way of life of our people in all corners of the country is being transformed. This, in turn, is transforming governance and public service.

Friends,

Economic progress is closely tied to world-class infrastructure. Be it Transport, Power, Ports, Shipbuilding, Housing and Urban Infrastructure, there is huge demand in India while there are strong technological capabilities and capacities in Korea. We estimate the investment requirements in Infrastructure at over 700 billion Dollars by 2022. Under the Sagarmala Project, Port projects involving Investment of over 10 billion Dollars have been identified for award in the upcoming five years. It is essential to guide the growth of urban utilities and create smart cities which ensure sustainable and clean future for all. More than 500 million of India population will be urban by 2025 and this opens the scope for cooperation in building smart solutions in India. Recognizing the importance of supporting India's infrastructure development, India and South Korea have identified 10 billion Dollars under Korea's Economic Development Cooperation Fund and Export Credit, to finance such projects. While aiming for fast economic growth, India is also rooted in the principles of ensuring sustainable economic growth. For example in Automobile sector, The National electric mobility mission aims for affordable and efficient Electric Vehicles. South Korea being a leading manufacturer of Electric Vehicles has a huge opportunity in this sector in India.

Friends,

Research and innovation would be the driving force in 4th industrial revolution era. And, we do understand that the role of government is to provide the support system. In this regard, we have introduced flagship program Start-up India with 1.4 billion Dollars fund for four years to create a startup ecosystem in India. Under the able leadership of President Moon, South Korea has also unveiled a program to spend 9.4 billion Dollars by 2020 in a bid to increase capital supply for startups and venture-friendly environment. This synergy in policy regimes is a reflection of areas of common interest for both India and Korea. Our vision of an India-Korea Startup Centre – will provide a hub for Korean startups and Indian talent to freely communicate. South Korean National IT Industry promotion Agency has already opened their Indian office in Bengaluru to facilitate Korean startups to India. In the field of innovation, both countries have decided to establish 'India-Korea Future Strategy Group' and 'India-Korea Centre for research and Innovation Cooperation' to provide an institutional framework for future-oriented cooperation based on research, innovation and entrepreneurship.

Friends,

It is our earnest desire to work with Republic of Korea more closely to realize the dream of our citizens. Efforts by the Governments will not be realized unless business leaders like you share the same dreams. I would like to conclude here with Korean expression:

Hunja Khamyeon Palli Khajimaan

Hamkke Khamyeon Molli Khamnida

I entirely agree with its meaning, that, "you would go fast if you go alone, but you would go far if you go together".

Thank you.

Thank you very much.

Seoul

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