

# *Japan's initial proposal for Andhra Pradesh(AP) New Capital City development*



NIKKEN SEKKEI  
planners | architects | engineers

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PricewaterhouseCoopers Co., Ltd.  
Nikken Sekkei Ltd.

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# ***Exploring seamless value chains across the “Indo-Pacific Region”***

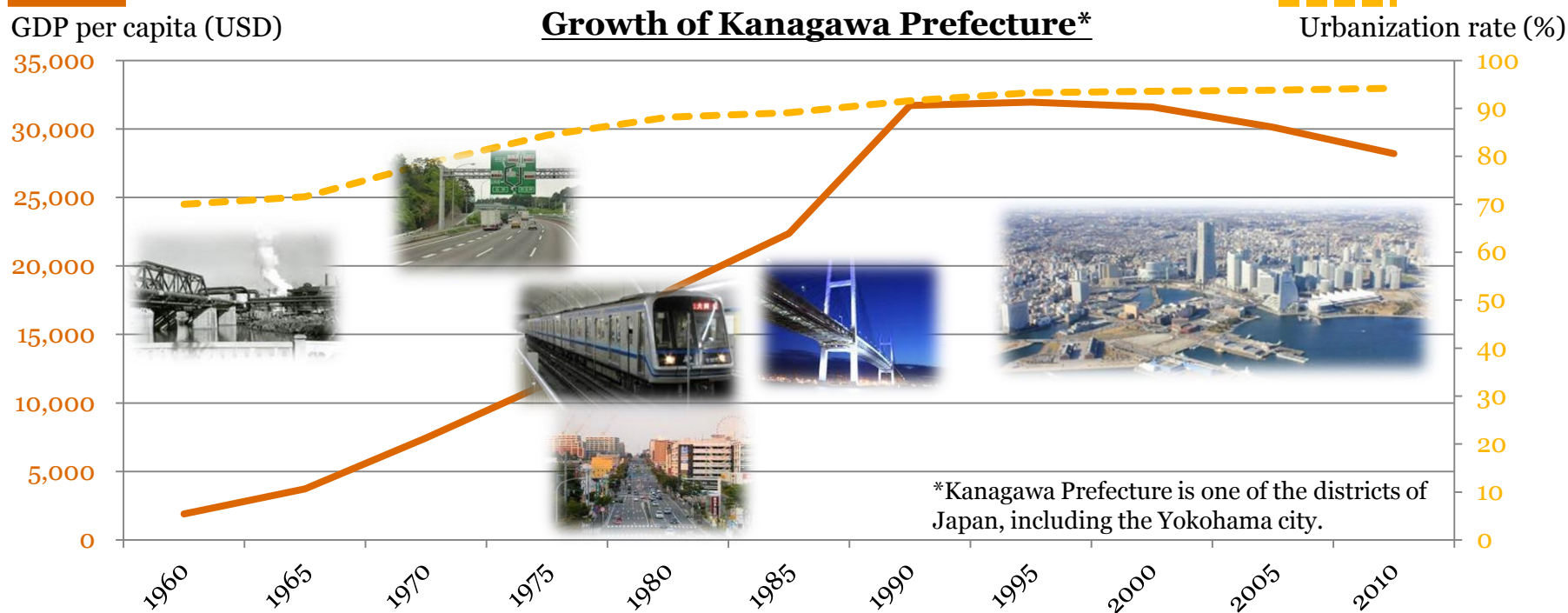


- 1. Japan and Andhra Pradesh can take the lead of economic integration in the inter-connected Indo-Pacific region.**
- 2. More enhanced connectivity in the Indo-Pacific region will be significantly contributing to the Indian Government’s policy goal of “Make in India” as well as development of international trade and investment of Japan, India and other Asian countries. It is crucially important to explore industrial and production networks, transport and logistics networks, and enhance value chains across the Indo-Pacific region.**
- 3. The strong partnership between the Japanese Government and the State Government of Andhra Pradesh will encourage Japanese companies in more investment and trade in Andhra Pradesh.**

- 
- **Why Japan as Partner**
  - **Japan's Proposal for the New Capital City**
  - **Goal and Next steps**

# Why Japan? – From burnt field to abundant society

*AP is in a very similar economic position as Japan 50 years back, namely there are unlimited opportunities and potential*



## Urban development history in Yokohama city



The 6 strategic projects planned in 1965

1. Highway
  2. Subway
  3. New residential town (Kohoku)
  4. New industrial & residential area (Kanazawa)
  5. Bay bridge
  6. Central Business District (Minato-Mirai 21)
- Waste (3R)
- Smart City

Current India's situation (2013)

GDP per capita : about 1,500 (USD)

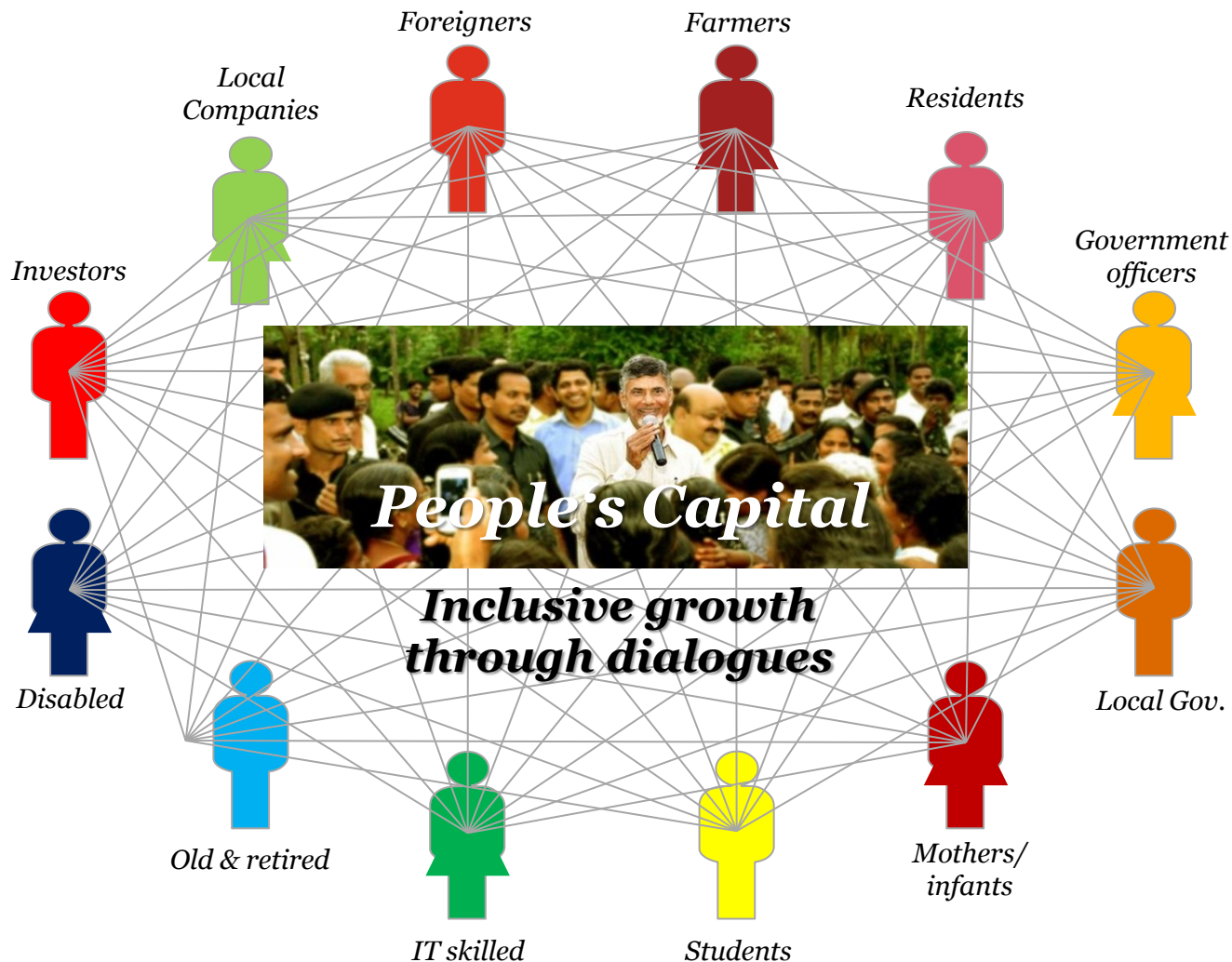
Urbanization rate : about 32%

Source: Yokohama City International Affair Bureau Home Page (<http://www.city.yokohama.lg.jp/kokusai/en/>)

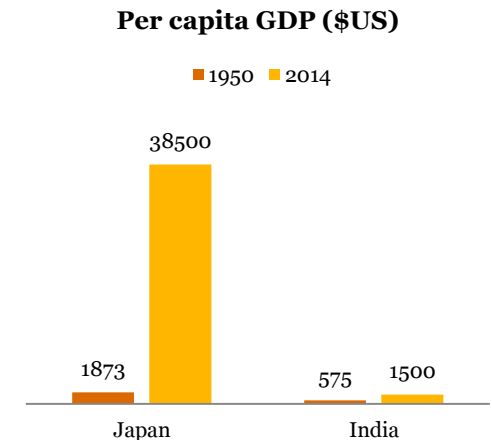
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# Why Japan? – People's capital

*New capital development can be a model for inclusive development as “People's Capital” ; Japan is a right partner*

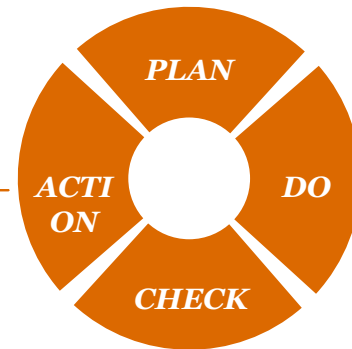
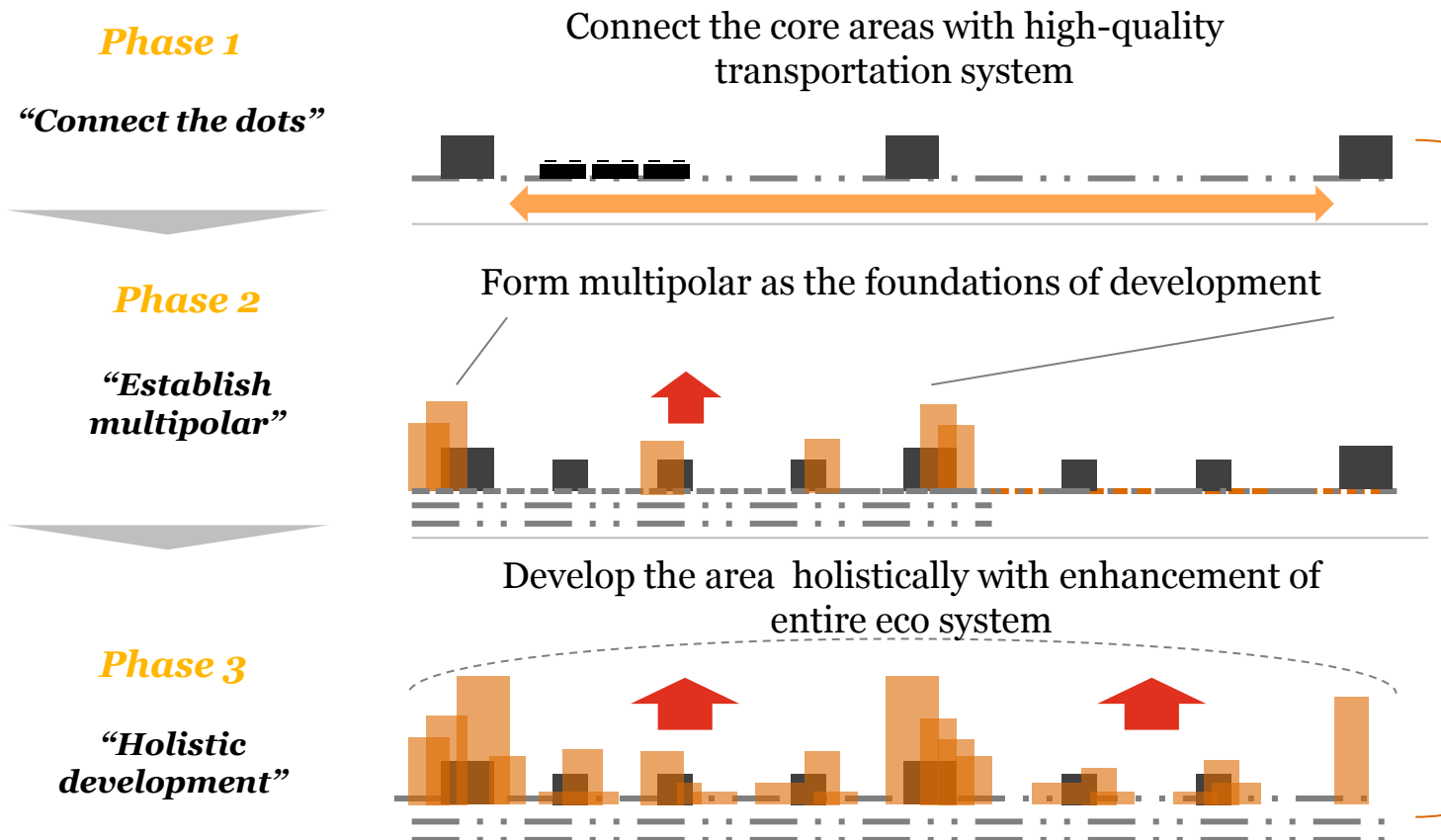


**Japan is a world leader in promoting inclusive growth by using and developing technology**



# Why Japan? – People's capital

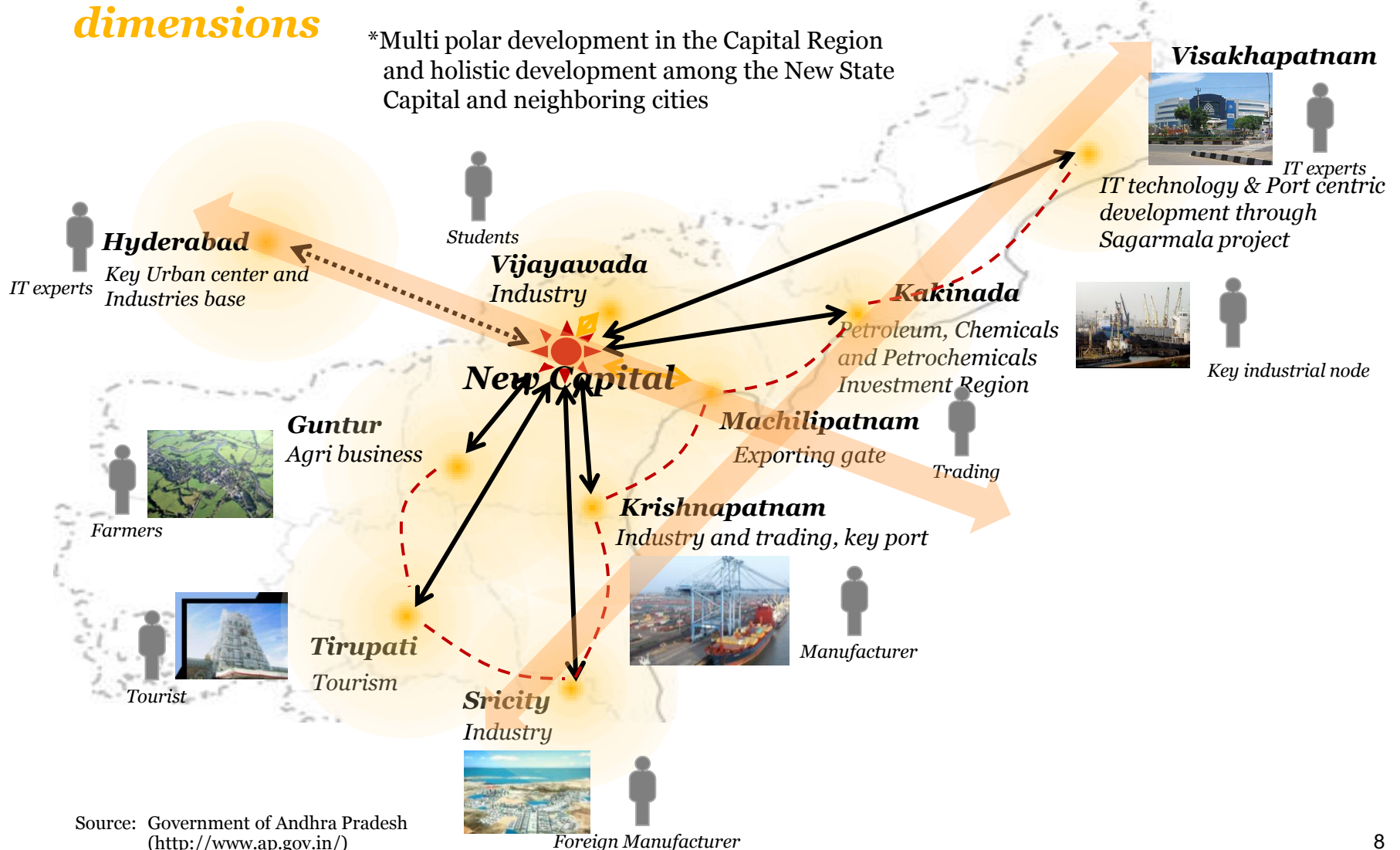
*Japanese cities have developed a unique approach of “Multipolar and holistic development” to achieve sustainable and resilient cities*



# Why Japan? – Multipolar and holistic development

**“Multipolar and holistic development model”\* is critical for the new capital; Japan has experience and expertise on many key dimensions**

\*Multi polar development in the Capital Region and holistic development among the New State Capital and neighboring cities

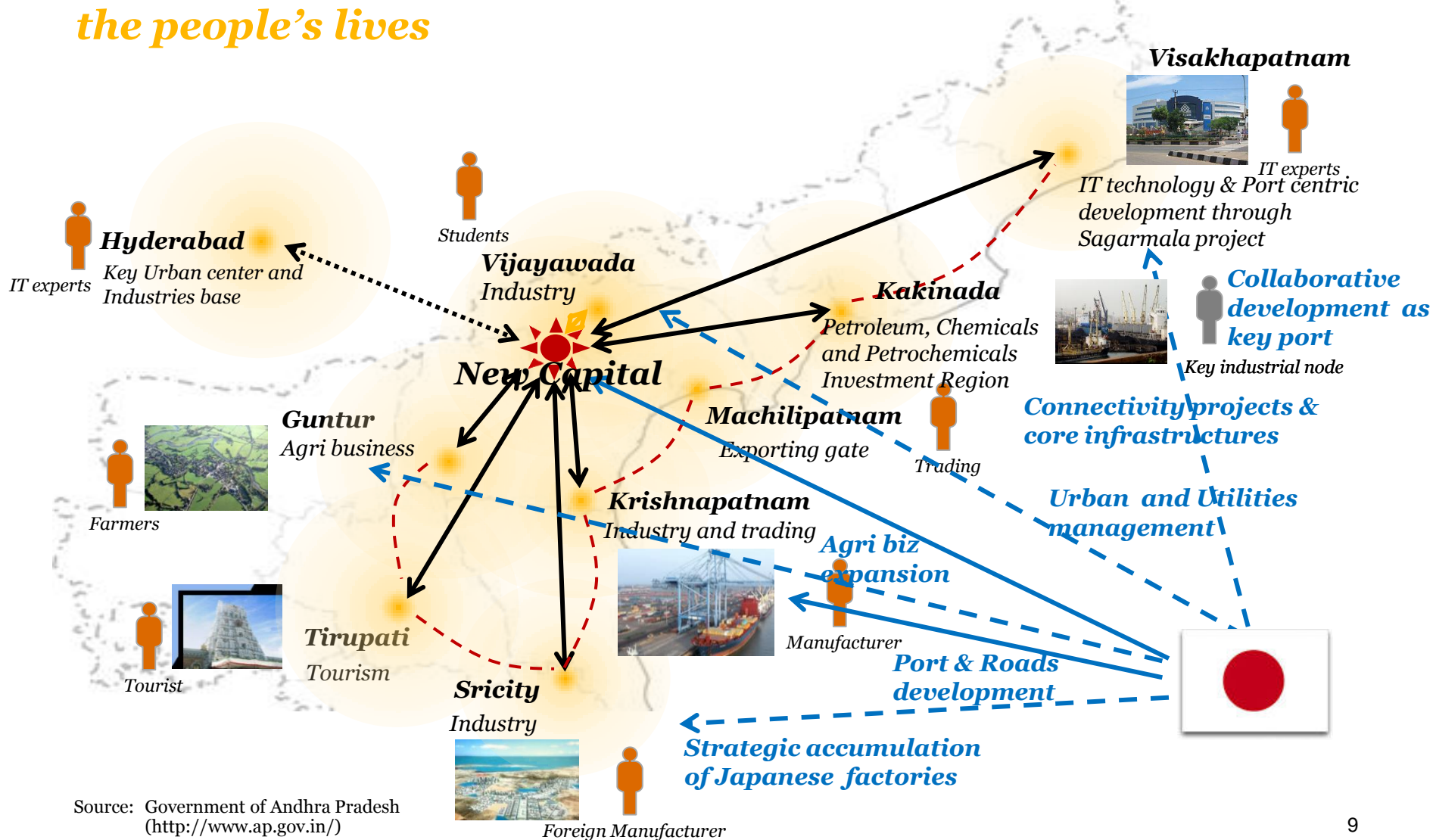


Source: Government of Andhra Pradesh  
(<http://www.ap.gov.in/>)



# Why Japan? – Multipolar and holistic development

*Japan will partner with AP for the multipolar and holistic development of the AP state, leading to the improvement of all the people's lives*



Source: Government of Andhra Pradesh  
(<http://www.ap.gov.in/>)

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# Why Japan? – Experience in “Development from zero”

*Kashima's experience in developing the coastal area from a small fishing village to a large industrial zone can provide a model for comprehensive development*

## *From small fishing village*



- Yomigaeru Daichi
- Kashima Paradise

## *Hosting the FIFA World Cup*



*Icon of Japanese development*

Present

1960  
Master Plan  
for 40 km sq area

1969  
Kashima  
Port

1970  
Kashima  
Rail

1973  
Opening of the  
industrial zone

1991  
Professional  
soccer team

2002  
FIFA  
World Cup

**160** companies  
**22,000** jobs

Port



*Transportation  
infrastructures*



Railway



*To the Largest industrial zone in Ibaraki*

# Why Japan? – Experience in “Cultural Creative City”

Also the Kyoto experience of “Cultural Creative City” can be a model to maximize the great value of cultural asset of the new capital region

## Tradition & Culture



Regulations to preserve the landscape



## The Soul of Japan

# of World heritage : 17  
# of temples & shrines : 2493  
# of tourists : 51 mil people/year  
Tourism industry: 700 bil yen/year



Source: Kyoto City Home Page  
(<http://www.city.kyoto.lg.jp/>)  
PwC / Nikken



- Historical Heritage
- Advanced facilities

## Master plan of Kyoto City (2001-2010)

### Peaceful life

- Human right promotion with sustainable life
- Resilient city building
- City promotion with transportation

### Prosperous city

- Beautiful city promotion with waste reduction
- Promote collaboration b/t culture and technology
- Incentive to key players in advanced industry

### Aiming to build relationships of deep trust with citizens

- Re construct the key infra for more efficiency
- Promote citizen participation into the city planning
- Enhance public service system through IT

## Innovation & Technology

Kyoto Research Park  
340 ventures



Kyoto University  
- 9 Nobel prize winner related to the univ.



## Core economic zone in Japan

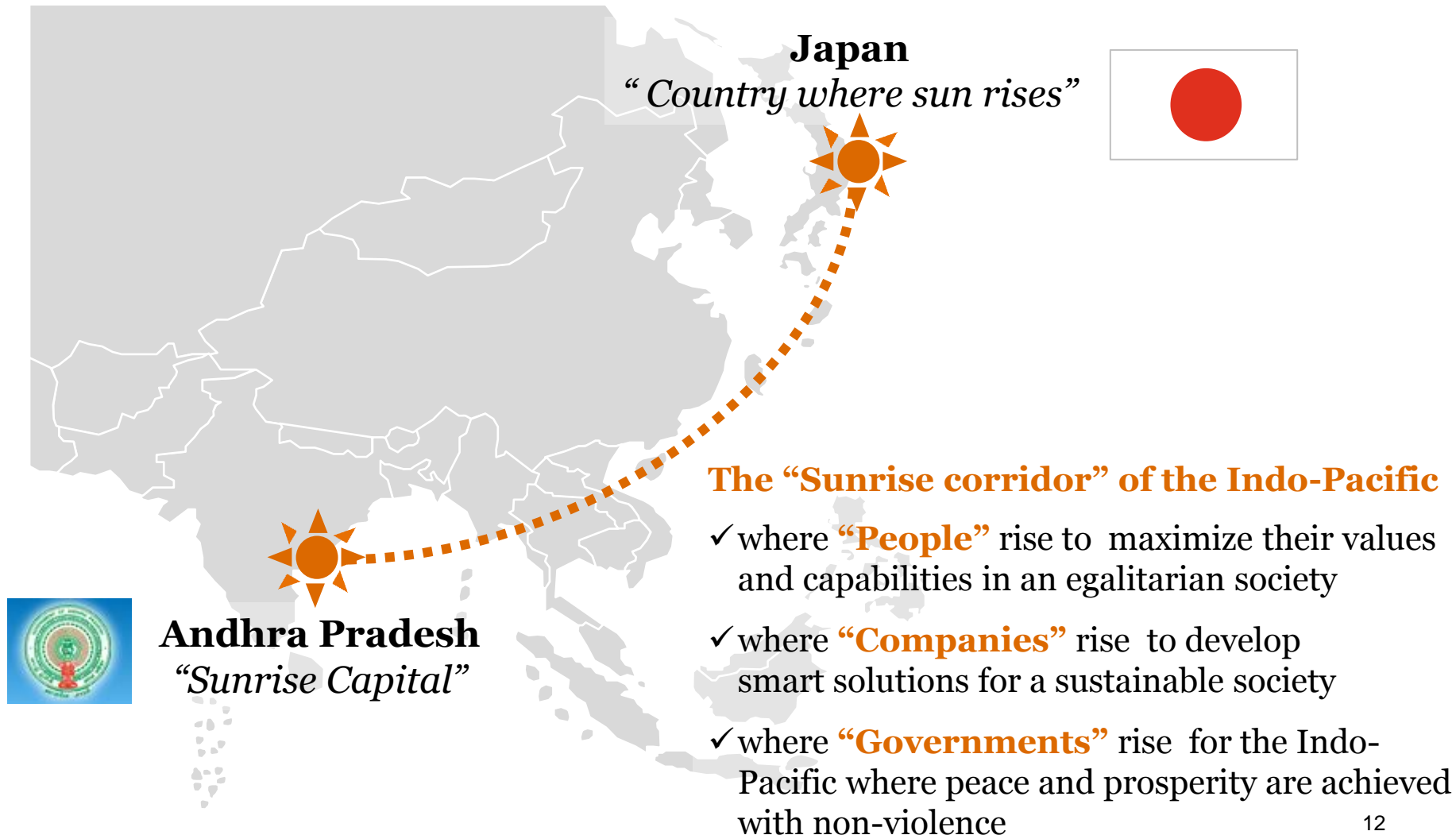
Population : 1.5 million (6<sup>th</sup> in Japan)  
GDP : 6.3 trillion yen (6<sup>th</sup> in Japan)  
Manufacturing : 2.4 trillion yen (10<sup>th</sup> in Japan)

- Nintendo
- OMRON
- KYOCERA
- ROHM
- GS Yuasa etc.



# Japan as a Partner

*Japan will position AP as a core partner of the political & economic corridor – “the Sunrise corridor” – to achieve the sustainable growth and eco-system in the Indo-Pacific*



- 
- **Why Japan as Partner**
  - **Japan's Proposal for the New Capital City**
  - **Goal and Next steps**

# Japan's Proposal for the New Capital City

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*Japan can provide the “out of the box” approach and create synergy with Master Plan in a state-wide & inclusive way*

## Key areas for synergy

How to “**synergize the developments**” of core and surrounding area in the capital region

How to “**stimulate the development**” by networking & connecting within/outside the capital region

How to “**leverage smart solutions**” to expand the existing business in the capital region

How to “**provide opportunity to grow**” to various types of existing and new residents in the area

How to “**prepare the fund**” to finance the various projects

How to “**attract global industries**” to provide employment opportunities

How to “**partner**” local people, companies and Japan to achieve common goals

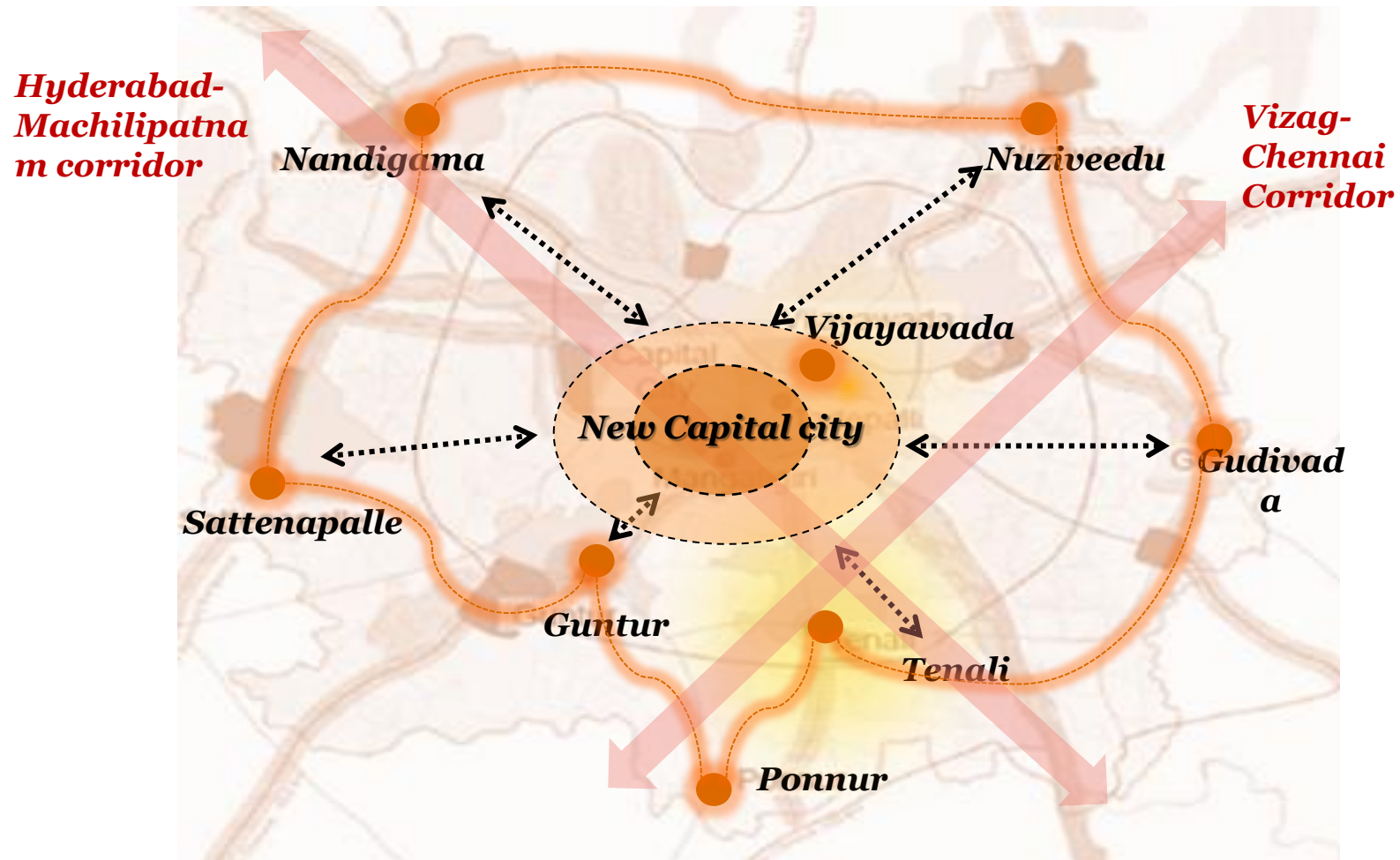
## Proposals

- 1. **Multipolar and holistic planning**
- 2. **Connectivity and smart infrastructure**
- 3. **Integrate Old & New**
- 4. **Inclusive growth**
- 5. **Multiple sources of funding**
- 6. **“Make in AP, Supported by JP”**
- 7. **AP/JP joint development and capability sharing**

# Japan's Proposal for the New Capital City

## *Proposal 1. Multipolar and holistic planning*

*Planning with surrounding cities is crucial to synergize the development in the entire capital region*



# Japan's Proposal for the New Capital City

**Proposal 2. Connectivity & smart infra**  
*Connectivity to the other existing cities will enhance the smooth flow of people, then energizing the business*

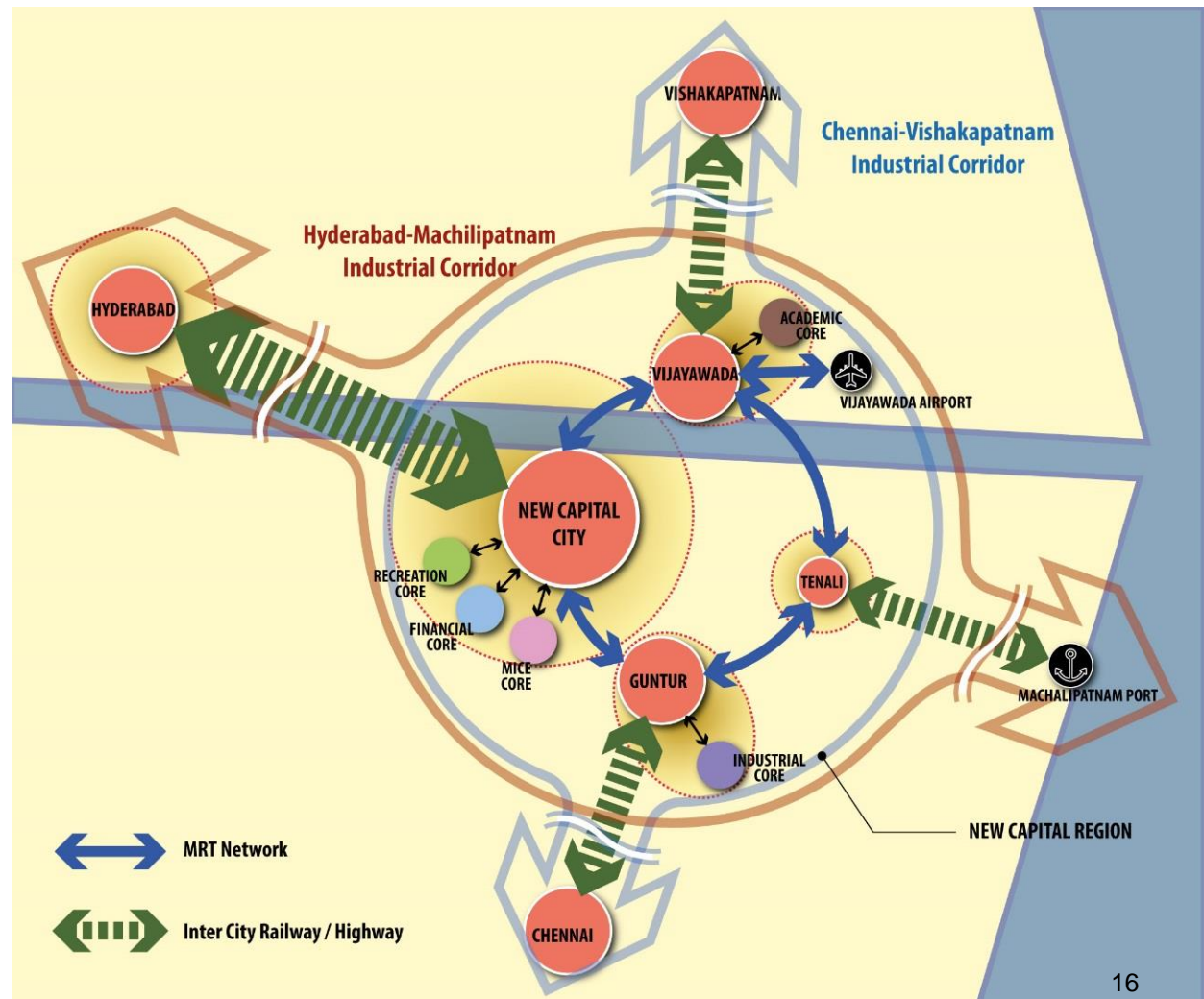
MRT connectivity with existing cities

Connectivity with new port Machilipatnam

Connectivity with other Metropolitan areas



Smooth flow of people within and with outside the capital region promotes holistic business development





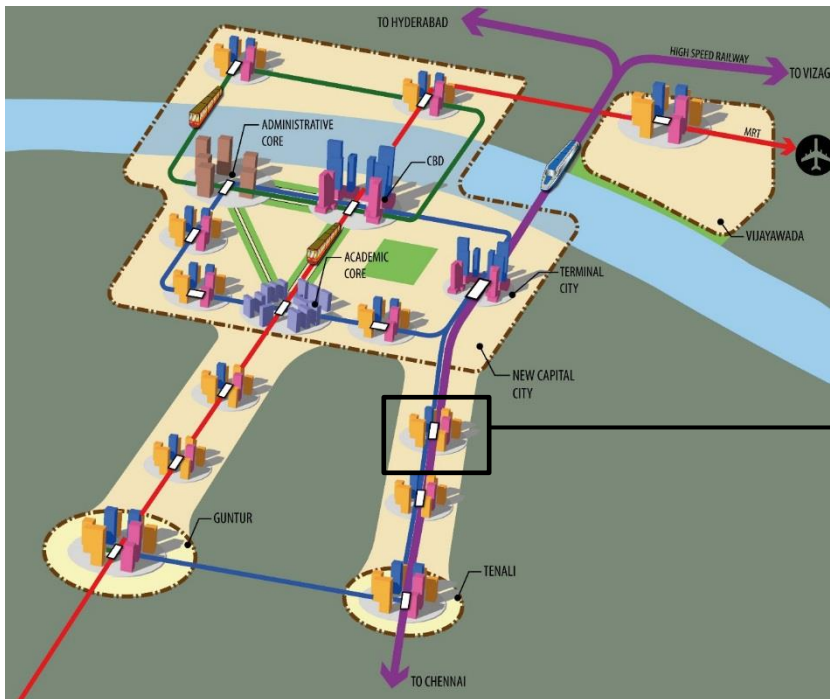
# Japan's Proposal for the New Capital City

## *Proposal 2. Connectivity & smart infra*

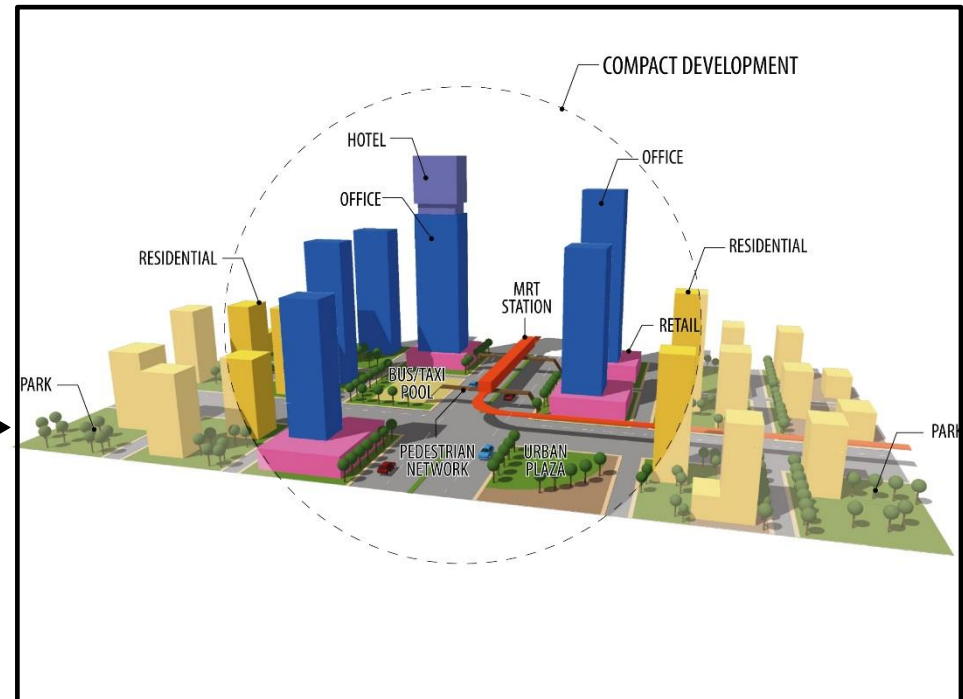
### *– Transit Oriented Development(TOD)*

*Urban structure with connectivity & linkage, and High-density compact development will enable the holistic development*

#### Urban structure with connectivity & linkage



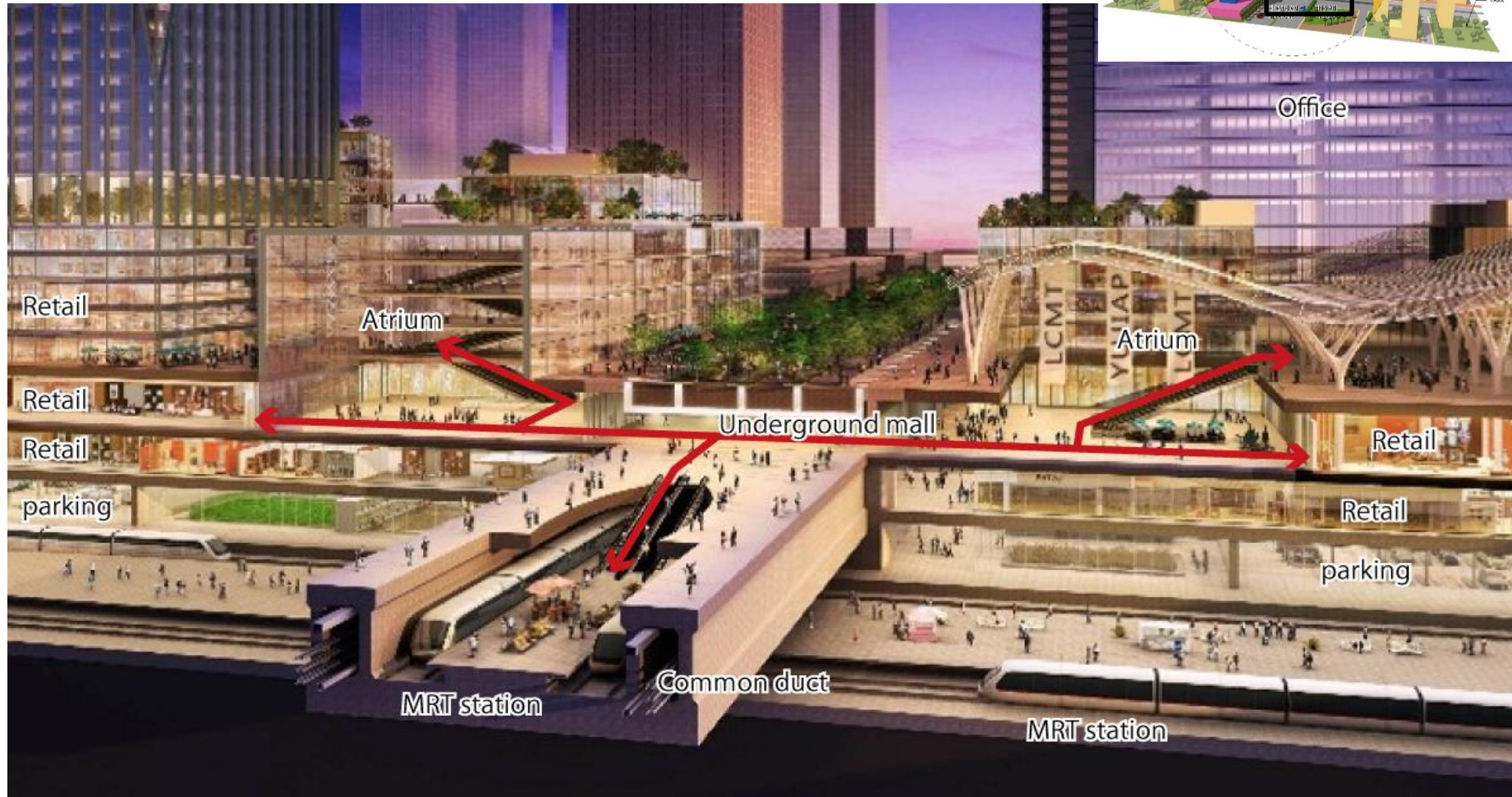
#### High-density compact development around stations



# Japan's Proposal for the New Capital City

## Proposal 2. Connectivity & smart infra – TOD example

*The integrated station city development will further enhance the value of the city*





# Japan's Proposal for the New Capital City

**Proposal 2. Connectivity & smart infra – Smart infra example1**  
**To make the life more efficient and comfortable, Japanese companies can provide various solutions (1/3)**

## Transport

**High quality  
HSR(High Speed  
Railways) and Metro**



Hitachi, Ltd.  
Nikken Sekkei Ltd  
Toyota Motor Corporation

## Energy

**Renewable energy &  
smart grid solution**



FUJI ELECTRIC CO., LTD.  
Hitachi, Ltd.  
ITOCHU Corporation  
THE KANSAI ELECTRIC POWER CO., INC.  
Mitsubishi Heavy Industries, Ltd.

MITSUI & CO., LTD.  
NGK INSULATORS, LTD.  
NTT Communications Corporation  
Sumitomo Electric Industries, Ltd.  
THE Power Grid Solution Ltd.  
TOSHIBA CORPORATION

Note: The companies shown are attendees of NEDO Site tour of March/5-6 2015

Source: New Energy and Industrial Technology Development Organization Seminar: "Expanding Technology Cooperation for Smart Community in Andhra Pradesh, India" ([http://www.nedo.go.jp/english/event\\_20150304-06.html](http://www.nedo.go.jp/english/event_20150304-06.html))

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# ***Japan's Proposal for the New Capital City***

***Proposal 2. Connectivity & smart infra – Smart infra example2  
To make the life more efficient and comfortable, Japanese  
companies can provide various solutions (2/3)***

## **Water**

### ***Intelligent water management***



Hitachi, Ltd.  
Hitachi Zosen Corporation  
JFE Engineering Corporation  
TOSHIBA CORPORATION

## **Waste**

### ***Waste to Energy solution***



Hitachi Zosen Corporation  
JFE Engineering Corporation

Note: The companies shown are attendees of NEDO Site tour of March/5-6 2015

Source: New Energy and Industrial Technology Development Organization Seminar: "Expanding Technology Cooperation for Smart Community in Andhra Pradesh, India" ([http://www.nedo.go.jp/english/event\\_20150304-06.html](http://www.nedo.go.jp/english/event_20150304-06.html))

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# Japan's Proposal for the New Capital City

**Proposal 2. Connectivity & smart infra – Smart infra example<sup>3</sup>**  
**To make the life more efficient and comfortable, Japanese companies can provide various solutions (3/3)**

## Logistics

**Safe & speedy  
logistics services**



Marubeni Corporation  
Konoike Transport Co., Ltd.

## Security

**Physical and logical  
security solutions**



NEC Corporation  
OMRON Corporation

## BCP

**Resilient infra &  
buildings**



JGC CORPORATION  
Kajima Corporation  
SHIMIZU CORPORATION

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# Japan's Proposal for the New Capital City

## Proposal 3. Integrate Old & New - Advanced tourism

*Advanced tourism can be a new business opportunity for the New Capital Region*

----- Sample route of the bus tour



**Push advertising based on the GPS information**



**Various applications to support**

**App**

- Augmented Reality
- Projection mapping
- Multi language guidance



**Tour coordination support from Japan experts**



# Japan's Proposal for the New Capital City

## *Proposal 4. Inclusive growth – Agricultural innovation* *Japanese companies can also contribute to development of agri-business with Japan original unique know-how*

### *Expertise for better products*



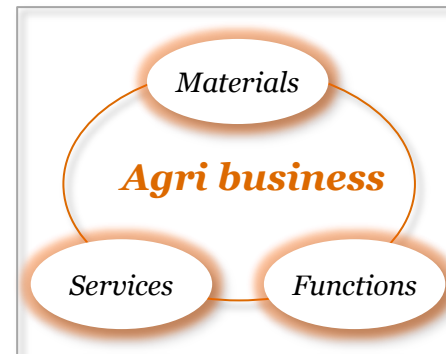
- Ajinomoto
- Kagome (KMB Investment Singapore)
- Kikkoman
- Yakult etc.

### *Technology for better productivity*



- Komatsu
- Kubota
- Mitsubishi Agricultural Machinery
- Yanmar
- Iseki etc.

### *Enhancement of process/logistics*



- JFE engineering
- Mayekawa MFG
- Sumitomo corp. etc.

Note: Companies shown are cited from JETRO report (Japanese company operating in India in 2013)

Source: Japan External Trade Organization "List of Japanese companies in India" ([http://www.in.emb-japan.go.jp/Japanese/J\\_cos\\_list\\_j\\_2013\\_10.pdf](http://www.in.emb-japan.go.jp/Japanese/J_cos_list_j_2013_10.pdf))

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# Japan's Proposal for the New Capital City

## *Proposal 4. Inclusive growth – Agricultural capacity building Japan can set out leadership program to boost agriculture business in the new capital region*

### *Interactive leadership program in Agriculture (example from South America)*

#### *Local activity*

- **Conduct seminar at local to share the knowledge/ experience of Japan**



- **Send experts to conducts hands-on training to the locals**



#### *Interactive training*

- **Invite the leader candidate to Japan for experiencing and learning the essence of Japan agriculture business**

#### *Marketing seminar*



#### *Sales operation*



#### *Quality check*



Source: Ministry of Agriculture, Forestry, and Fisheries "Report on collaborative program for South America"  
([http://www.maff.go.jp/j/kokusai/kokkyo/nousui\\_bunya/pdf/latin25.pdf](http://www.maff.go.jp/j/kokusai/kokkyo/nousui_bunya/pdf/latin25.pdf))



# Japan's Proposal for the New Capital City

**Proposal 4. Inclusive growth – Developing cold chain**  
**Advanced technology, plant factory and cold chain, can enable the high-value agriculture business**



Source: Ministry of Agriculture, Forestry, and Fisheries Home Page (<http://www.maff.go.jp/>)  
Ministry of Agriculture, Forestry, and Fisheries "Certified case of recycling business plan based on the Food Recycling Law" (<http://www.maff.go.jp/j/shokusan/recycle/syokuhin/>)

# Japan's Proposal for the New Capital City

**Proposal 4. Inclusive growth – Education programs(on-demand)**  
**With leveraging the private sector's know-how, Japan can support building the low cost/high quality online program**

## Stable online network

**Elementary**  
**Basic writing/reading program**



**Secondary**  
**Diversified study program**



New  
Capital



**Vocational**  
**Collaborative course with private sector**



**Tertiary/Univ.**  
**Free course by India/JP top schools**



# Japan's Proposal for the New Capital City

## Proposal 5. Multiple sources of funding

Japan has a wide variety of funding experience for India

**10 billion USD JICA loan**  
within 5 years (2009 – 2013)

**Delhi** Mass Rapid Transport  
System Project Phase 3 (II)



14,000 (crore yen)



Transport



**Agra** Water Supply Project (II)



1,628 (crore yen)



Water



Campus Development Project of  
Indian Institute of Technology,  
**Hyderabad**  
(Phase 1&2)



2,304 (crore yen)



Education



Supercritical Coal-fired Power  
Generation Project , **Rajpura**



630 (crore yen)



Infrastructures  
Environment



India's National Thermal  
Power Company , **Kudgi**



3,100 (crore yen)



Machinery and  
Equipment



Building Factory for  
Automobiles and Motor  
Scooters , **Bangalore**



unknown



Manufacturing  
and Services

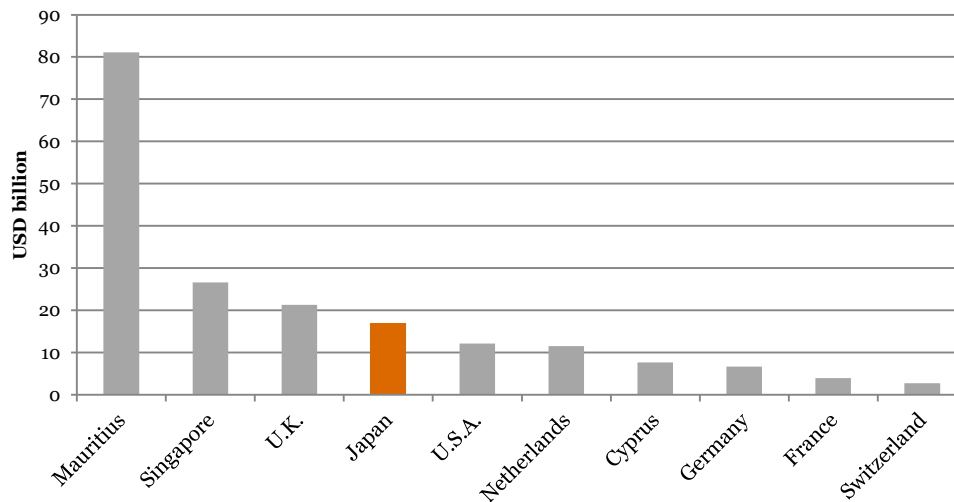
Source: JICA, JBIC Home Page ([http://www2.jica.go.jp/ja/yen\\_loan/index.php](http://www2.jica.go.jp/ja/yen_loan/index.php))

# Japan's Proposal for the New Capital City

## Proposal 6. “Make in AP, Supported by JP”

*Japanese manufacturing industries can jointly pursue to promote job creation*

Trend of country wise total FDI of key contributors  
(during April 2000- June 2014)



Japan accounts for **7.46%** of total FDI equity inflows into India.

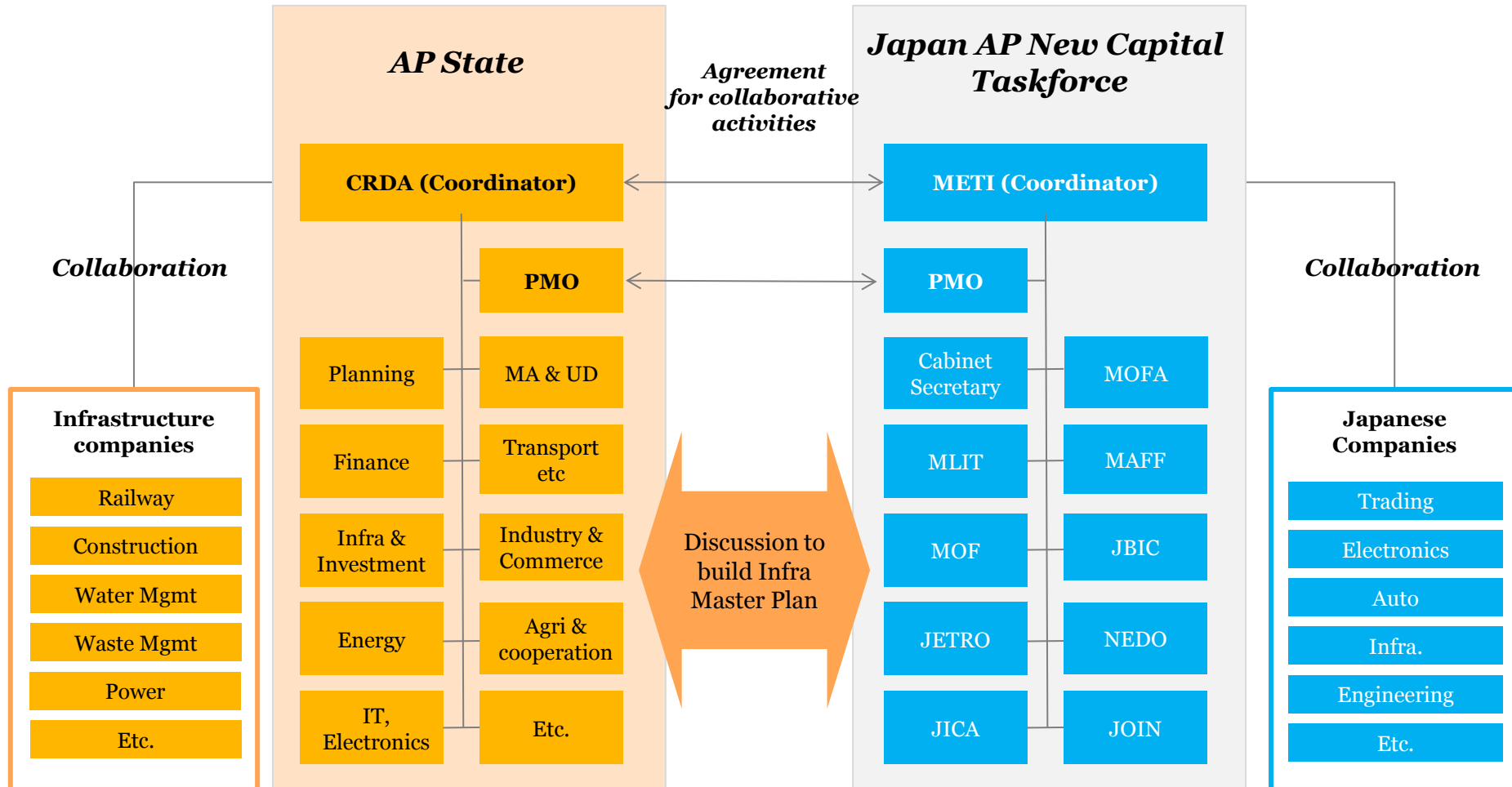
**Japan is the 4<sup>th</sup> largest FDI contributor to India, with major interests in pharmaceuticals, automobiles and services sectors**

- *India is an attractive investment destination for Japanese companies, with 1,072 Japanese companies having 2,542 business bases in India*
- *Around 60 fortune 500 firms are from Japan...huge potential to tap from Japan*
- *GoAP though METI, JETRO and other organizations can jointly pursue private sector companies in Japan through proactive business events, B2G events and continuous dialogue*



# Japan's Proposal for the New Capital City

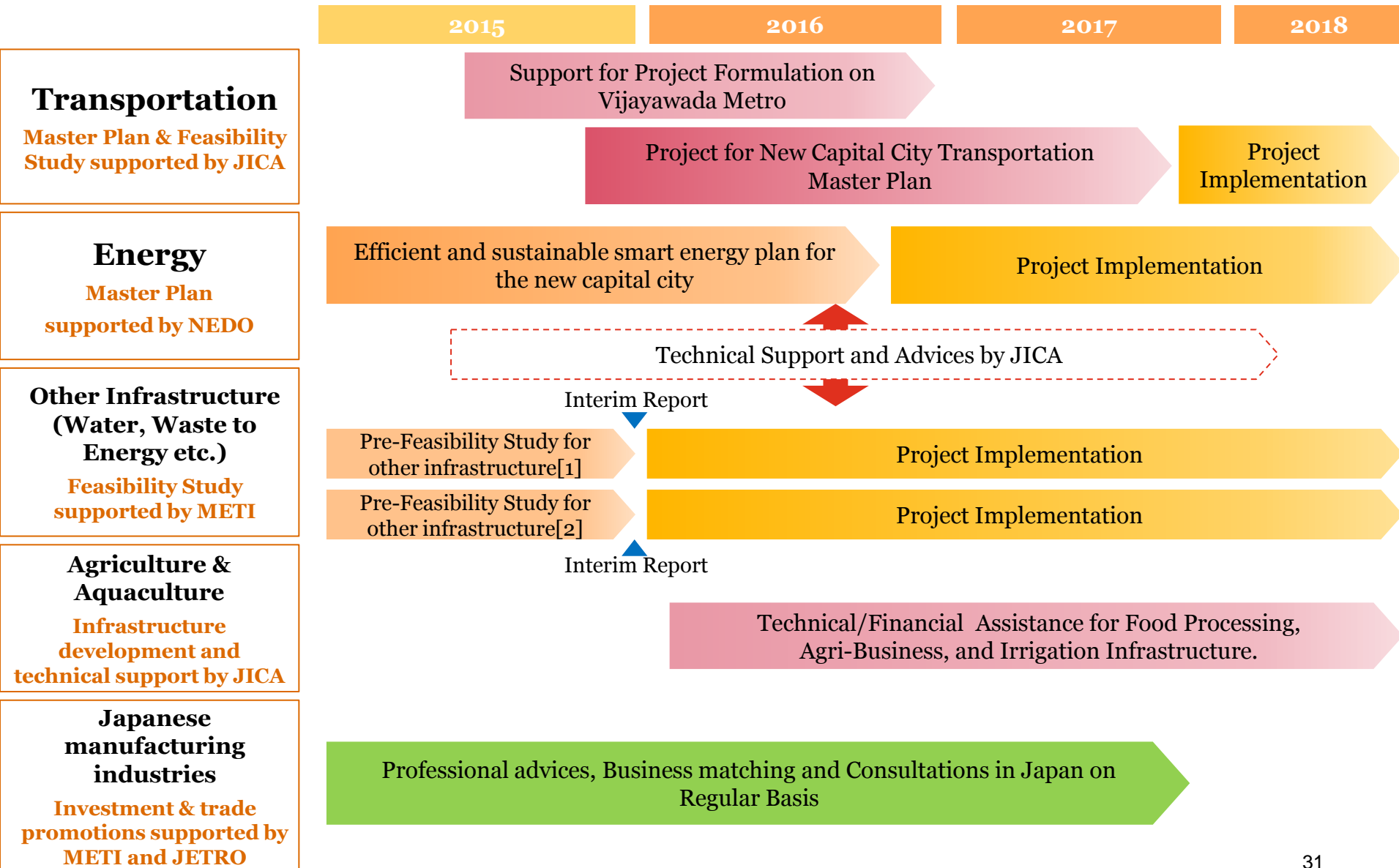
**Proposal 7. AP/JP Joint Development and capability sharing**  
**PMO will coordinate the entire projects till the org is formally established. Will also share Japanese expertise in key sectors**



- 
- **Why Japan as Partner**
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# Goal and Next steps – Goals and Japan Supports

## 5 Quick Wins and GoJ's support to realize them



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