

【KAUTILYA ECONOMIC CONCLAVE 2026】 Speech by Mr. SHUKURI

(October 4, 2026)

Distinguished guests, Namaskar. Good afternoon. I am Masafumi Shukuri, Chairman of the Japan Transport and Tourism Research Institute, JTTRI and the Japan Maritime Center, JMC. I would like to extend my sincere appreciation to Mr. N.K. Singh, President, Institute of Economic Growth, and Chairman of the 15th Finance Commission, for granting me the distinct honor of speaking at the Kautilya Economic Conclave 2026 this year as well.

JTTRI was established in 1968 under the auspices of the former Ministry of Transport, which is today the Ministry of Land, Infrastructure, Transport and Tourism. As a dedicated think tank, we conduct extensive research and formulate policy recommendations across the fields of transport, logistics, and tourism.

Today's session focuses on economic security—a pressing policy issue in our highly volatile international landscape. Geopolitical risks are intensifying, and national security is rapidly expanding into the economic domain. Securing critical supply chains for essential industries and accelerating the development of cutting-edge technologies have become even more important. In response, the Japanese government is mobilizing both the public and private sectors to safeguard our nation through robust economic security measures.

The transport and tourism sectors are vital to this security, as they underpin the global movement of goods and people. Our institute has focused heavily on delivering research and policy guidance in the areas of transport and tourism.

In the maritime sector specifically, we have recently witnessed a wide range of risks—from geopolitical tensions to natural disasters. These crises directly threaten energy, food and other essential supplies, making stable maritime transport more critical than ever.

Since time is limited today, I will focus on recent initiatives of JTTRI, in the maritime sector. Besides fostering close ties with US government agencies, and hosting international symposiums regularly, at JTTRI, we established a comprehensive committee in October 2024 comprising representatives from industry, academia, and government. In light of growing geopolitical disruptions, this committee focused on strengthening international maritime transport networks. Our discussions centered on securing alternative shipping routes and ports of call, reinforcing port infrastructure, and fostering cooperation with like-minded partner nations.

In July of this year, we proudly presented these recommendations to the Minister of Land, Infrastructure, Transport and Tourism. The Minister responded with a strong commitment, stating that the government will proactively strengthen Japan's

international maritime networks based on our proposals. Furthermore, in order to enhance the competitiveness and economic security of the entire maritime industry, special focus is being laid on shipping and shipbuilding.

Allow me to share some of JTTRI's key research findings regarding the strategic security of international maritime transport networks. For both India and Japan, these networks constitute a "critical public infrastructure". India relies on maritime transport for 95% of its import and export cargo, while Japan relies on it for an astounding 99.5%. Maritime lanes literally sustain our industrial activities, the daily lives of our citizens, our economic security, and our future growth. However, as we have seen, these networks are becoming increasingly vulnerable due to rising geopolitical friction at critical chokepoints.

One of the key pillars of our proposal, is to deepen cooperation with Indo-Pacific partners—starting with India—to build a resilient and sustainable international maritime network. This is essential to realize a "Free and Open Indo-Pacific", FOIP.

Other than the US, we have been actively advancing our presence in critical regions, like our office in Bangkok (AIRO), for South and South East Asia, and most importantly our proposed office in New Delhi.

Moving forward, these offices will actively build networks and foster local collaborations with governments, research institutions, and the private sector across both regions.

In my opening remarks, I mentioned that I am chairman of the Japan Maritime Center - JMC. The JMC presented its recommendations to the Minister of Land, Infrastructure, Transport and Tourism in March of this year. The key recommendation was to enhance the competitiveness and economic security of the entire maritime industry, and, as I mentioned - with special focus on shipping and shipbuilding.

To illustrate how these strategic goals translate into concrete action, let us look at Japan's initiatives in the shipbuilding sector, which align closely with the recommendations made by the Japan Maritime Center. The maritime industry, particularly shipbuilding, operates in a highly integrated global market. Japan's shipbuilding industry rose to the global top spot in 1956, and by 1973, it accounted for approximately 50% of the world's shipbuilding volume.

After that, however, due to subsequent shipping recessions, the appreciation of the yen, and the rise of international competitors backed by heavy government support in South Korea and China, Japan's global market share eventually declined to the low 10% range. Recognizing this as a vital issue for economic security, the Japanese government has recently designated shipbuilding as a priority strategic

sector.

To revitalize Japan's shipbuilding industry and ensure that "Japanese ships are built in Japan," action is already underway with two ambitious goals:

First, the government has set a target to double annual shipbuilding capacity to 18 million gross tonnages by 2035.

Second, it has established the "Shipbuilding Industry Revitalization Fund," aiming to mobilize 1 trillion yen in public-private investments over the next ten years to support capital investments by shipbuilding companies.

I firmly believe that it is crucial to support the entire maritime ecosystem by utilizing a full range of policy tools, including subsidies, tax incentives, and legislative frameworks.

Furthermore, regarding the workforce that sustains this industry, we must look beyond simply hosting foreign personnel. We need to promote genuine, two-way talent exchanges and build sustainable, mutually beneficial partnerships with key partner nations, most notably India.

On the research front, JTTRI has been actively strengthening its institutional ties with India. We signed the MOUs for research exchanges with Gati Shakti Vishwavidyalaya, GSV in 2024, the National Maritime Foundation, NMF in 2025, and both the Indian Ports Association, IPA and the Centre for Maritime Economy and Connectivity, CMEC in May of this year.

Driven by our shared focus on economic security, we are currently discussing specific joint research themes, including the reinforcement of global supply chains. In this rapidly shifting landscape, I believe it is absolutely essential for Japan and India to build a unified, comprehensive framework for cooperation across both transportation and tourism.

Before I hand the mike back to the moderator, I would once again like to share with all of you, that JTTRI has already applied to the Reserve Bank of India for permission to establish our New Delhi office, and we are working toward a swift opening.

We are fully committed to promoting deeper cooperation between Japan and India—not only in the maritime sector but across the entire spectrum of transport and tourism.

With this new office serving as a dynamic hub, we look forward to contributing to the economic growth and enhanced economic security of both of our great nations.

Dhanyawaad. Thank you very much for your kind attention.