MEMORANDUM OF COOPERATION

BETWEEN

MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY,

GOVERNMENT OF INDIA

AND

MINISTRY OF ECONOMY, TRADE AND INDUSTRY OF JAPAN,

ON

INDIA-JAPAN DIGITAL PARTNERSHIP

This Memorandum of Cooperation is made on 29th October, 2018 between Ministry of Electronics and Information Technology (MeitY), Government of India and Ministry of Economy, Trade and Industry of Japan (METI), along with common understandings by relevant Ministries from both sides such as Ministry of Communication (MoC); Department of Industrial Policy and Promotion (DIPP, Ministry of Commerce & Industry) and NITI Aayog from India side and Ministry of Internal Affairs and Communications (MIC), Ministry of Education, Culture, Sports, Science and Technology (MEXT) from Japan side, in order to promote wide-ranging collaborations in digital area to develop India-Japan economic relationship.

General Overview

Towards the next generation technologies era, when integration of hardware and software will be increasingly required to develop IoT and AI solutions for societal benefits and to explore joint collaboration in emerging technologies, India and Japan would be able to build a distinguished partnership by leveraging advantages of each other. India-Japan economic relationship is being strengthened in terms of investment, but there also remains areas for expansion so that Japanese companies regard India not just as a "Big Market" but as a "Strategic Development Center for Global Market".

Both sides, taking into account the strengths and advantages of each side intend to further support and coordinate efforts in mutually beneficial fields, such as startup and corporate partnership, electronics ecosystem, digital talents, R&D cooperation, security for future network;

To diversify cooperative activities and expand the sphere of collaborations, "India-Japan Digital Partnership" is launched by both sides.

Scope of Collaboration

1. Japan India Startup Initiative

"Japan-India Startup Initiative" was agreed between METI, GoJ and Ministry of Commerce and Industry, GoI on May 1st, 2018, which includes establishment of Japan-India Startup Hub in Bengaluru, as mentioned in the Summit meeting between two Prime Ministers in September 2017.

- Establish Japan-India Startup Hub in Bengaluru
- Japan side will consider holding a Startup competition in Bengaluru and will subsequently invite 5 startup winners to Japan and support their business plan making.
- Japan side will consider inviting approximately 10 selected startups for CEATEC exhibition in Japan and provide pitching and business matchmaking opportunities with Japanese companies
- India side will consider establishing and managing an online platform for Japan-India Startup Hub, which could function as information board on related policies, organizing events, registration and matchmaking
- Both sides will consider sending missions consisting of respective companies, startups, investors and venture capitals to the other side.
- Japan side will consider supporting Indian startups.
- India side will consider supporting Japanese startups.
- Both sides will encourage and support the creation of funds to invest in startups in India with participation by Japanese players.

2. Digital Corporate Partnership

- Both sides will hold matchmaking events between Japanese and Indian firms. The first matchmaking event was held in Japan in October 2018.
- Both sides will make all possible efforts to promote B2B cooperation and curate "Cocreate" culture in their respective ecosystems - leveraging respective strengths in hardware and software in the new Digital era.
- Both sides will strive to create / support platforms, fora and anchor points that will promote B2B match-making to co-develop innovative products and solutions for the global markets.

- Both sides will explore possibilities of collaborating in emerging technologies by way of R&D networking. In this connection, Japan side will leverage and encourage their companies to the Indian initiatives of opening Centre of Excellences (COE's) for IoT, AI and Data Sciences and explore possibility of opening joint COE with mutual consent.
- India side will support Japanese investment in Electronics and IT sectors to India with supporting measures including incentive schemes. JETRO will provide support for Japanese IT sector companies and electronic manufacturing companies considering investment in India.
- Japan will support Indian investment to Japan. JETRO will provide services through the India Desk, which is dedicated to one-to-one support to qualified Indian firms investing in Japan.

3. Electronics Ecosystem

- Both sides will establish partnership mechanism between both sides on Electronics Manufacturing.
- Indian & Japanese companies will collaborate in Electronics System Design, related Software technologies and electronics manufacturing for long tail market.

4. Digital talent

- Both sides decide to expand the provision of JEC (Japanese Endowed Courses) to IT and electronics firms.
- Japan side will hold Job Fairs (Japan Career Fairs) to recruit Indian students for Japanese firms.
- Japan side will hold Job Fairs in India to recruit Indian excellent IT talent for Japanese firms including startups. To start with, Job Fair will be held in Indian Institute of Technology Hyderabad (IIT-H) in 2018 and in Pune in early next year.
- Both sides will facilitate and promote internship program to send Indian students to work at Japanese firms as interns.
- Japan side will seek the possibilities of sending missions consisting of Japanese startups which have interests in recruiting Indian excellent IT talent.
- Japan will invite high school students from India to study in Japan for more than six months over the next five years under their program of inviting 1,000 high school students in Asia.

- India side will explore to launch a web portal for exchange of talents and jobs in Japan.
- Japan side will issue Japanese "Green Card" and Highly Skilled Professional VISA for highly skilled Indian professionals.

5. <u>R&D cooperation</u>

- Both sides are willing to share expertise and experiences in various synergies between the priorities of Japan's idea of Society 5.0' and India's efforts to enable AI and emerging technology ecosystem for societal benefits.
- METI and NITI Aayog will sign a Statement of Intent (SoI) to support collaboration between the two countries in the area of AI and work under this Memorandum of Cooperation.
- To promote collaboration in the AI area under this Memorandum of Cooperation, the Indian institutions such as IIT Hyderabad will sign a MoU with the AI Research Center of National Institute of Advanced Industrial Science and Technology of Japan.

6. Security for future network

- Both sides will cooperate in framework for cyber security, security for digital infrastructure for future network, capacity building and training in cyber-security.
- Both sides welcome the construction of the submarine cable connecting Chennai and the Andaman Islands which will be conducted by Japanese firms and will further cooperate in the development of submarine cable projects in view of the strategic importance of submarine cables.

Implementation:

The MeitY and METI will be nodal agencies to coordinate the implementation of Memorandum of Cooperation through appropriate mechanism

To intensify the exchange, both sides intend to hold regular consultations on "Digital Partnership" by physical meetings and video conferences.

The organizations under this Memorandum of Cooperation will interact and coordinate, as appropriate, with other commitments between entities in Japan and India.

Funding:

The conduct of cooperative activities as set out in this Memorandum of Cooperation is subject to the availability of funding, personnel and other resources. Each side is expected to cover the costs incurred in participating in cooperative activities under this Memorandum of Cooperation, unless otherwise agreed in writing by both Sides.

Duration and Termination:

- 1. This Memorandum of Cooperation will commence from the date of its signing by both sides and will continue for the period of three (3) years.
- 2. The Memorandum of Cooperation may be renewed by mutual written consent from both sides.
- 3. Either side may terminate this Memorandum of Cooperation by giving a written notice of its intention to terminate to the other side thirty (30) days in advance.
- 4. The Memorandum of Cooperation may be modified at any time by mutual written consent from both sides. Such modifications will commence on the date determined by both sides.
- 5. Any dispute arising out of the interpretation or implementation of this Memorandum of Cooperation will be settled amicably through consultation and negotiations between both sides.

This Memorandum of Cooperation does not create any legal obligations or rights.

IN WITNESS WHEREOF, the undersigned, duly authorized thereto by the representative sides, have signed this Memorandum of Cooperation

Sugar V. Ly

Hiroshige Seko

Hiroshige Seko,

Sujan R. Chinoy, Ambassador of India to Japan

Minister of Economy, Trade and Industry, Government of Japan

Signed on the 29th day of October 2018 in two originals in English.