

# Joint Statement on the Roadmap for New Dimensions to the Strategic and Global Partnership between Japan and India

1. The Prime Minister of Japan, H.E. Mr. Shinzo Abe, is currently paying an Official Visit to India from August 21 to 23, 2007 at the invitation of the Prime Minister of India, H.E. Dr. Manmohan Singh. He is accompanied by his spouse, Mrs. Akie Abe and a high-level official delegation, members of Business Leaders Forum as well as about 200 member Japanese Economic Mission.

2. Prime Minister Abe was accorded a ceremonial welcome on August 22. Prime Minister Abe paid a courtesy call to the President of India and addressed the Indian Parliament. He had extensive talks with Prime Minister Singh, who will also be hosting a Banquet in honour of the visiting dignitary. Prime Minister Abe attended the meeting for university collaboration which was held with the participation of vice chancellors/presidents of prominent universities of both countries. Indo-Japan friendship organisations hosted a reception, and Indian economic organisations hosted a luncheon for Prime Minister Abe. H.E. Mr. Pranab Mukherjee, Minister of External Affairs of India and H.E. Mr. L.K. Advani, Leader of the Opposition, Lok Sabha, called on the Prime Minister of Japan. Prime Minister Abe will visit Kolkata and will attend the Opening Ceremony of Japan-India Culture Centre.

## Roadmap for New Dimensions to the Strategic and Global Partnership

3. The two leaders shared the view that the visit of Prime Minister Singh to Japan as well as the decision to establish the Strategic and Global Partnership last December elevated the partnership between the two countries to a new level. Japan and India share universal values of democracy, open society, human rights, rule of law and market economy and share common interest in promoting peace, stability and prosperity in Asia and the world. Based on this recognition, the two leaders reaffirmed that the Japan-India partnership is a bilateral relationship with the largest potential for growth. The two leaders reiterated that a strong, prosperous and dynamic India is in the interest of Japan and a strong, prosperous and dynamic Japan is in the interest of India and recognised that Japan and India share a congruence of interests.

4. A new dynamism for growth is being generated in Asia as a result of economic development in India and in other countries as well as heightened efforts towards regional integration. Asia is in the process of rapidly developing synergies/interaction among the different economies, societies, civilisations and cultures of the region while respecting existing diversity and enhancing openness. Recognising the current dynamism in Asia, the two Prime Ministers expressed their firm belief that the 21st century should be the century for peace, progress and democracy, and that the partnership between Japan and India, the two major democracies in Asia, is an essential pillar for the future architecture of the entire region. They resolved to work

together to further promoting the new dynamism in Asia in a positive direction. Based on this recognition, they exchanged views on the future course of bilateral relations, and set-forth a Roadmap for New Dimensions to the Strategic and Global Partnership. They reaffirmed their willingness to build a strong and enduring partnership through the following Roadmap:

## **Political, Security and Defence Cooperation**

### **5. High Level Visits:**

Prime Minister Singh has renewed his invitation to Their Majesties the Emperor and Empress of Japan to pay a State Visit to India.

Prime Minister Abe extended an invitation to Prime Minister Singh to visit Japan in 2008. The Indian Prime Minister appreciated the invitation and expressed his willingness to visit Japan at a mutually convenient time in 2008. The two leaders welcomed more active high-level exchanges between the two countries. The two sides will enhance regular exchanges between members of their respective Cabinets.

### **6. Further Cooperation in the Security Field:**

The two leaders recognised that Japan and India share common interests in such fields as maintaining the safety and security of sea lanes in the Asia Pacific and the Indian Ocean regions, and fighting against transnational crimes, terrorism, piracy and proliferation of Weapons of Mass Destruction. The two leaders directed respective authorities to study future course of cooperation in the security field between the two countries and to report to them by the time of Indian Prime Minister's visit to Japan.

### **7. Deepening and Broadening Strategic Dialogue at Various Levels:**

The two sides recognised the importance of deepening and broadening strategic dialogue through various channels. The two leaders welcomed the launching of the annual Strategic Dialogue at the Foreign Minister level in March 2007. The Foreign Minister of Japan will visit India for the second Dialogue in 2008 before the Indian Prime Minister's visit to Japan. The two sides will continue to hold regular dialogues between the National Security Advisor of India and the Japanese counterpart. The two sides will commence bi-annual Foreign Secretary/Vice Minister level dialogue. The two sides will also launch an exchange programme of young diplomats in order to promote mutual understanding between the two Foreign Offices.

### **8. Strengthening Defence Exchange:**

The two leaders recognised that common interests of the two countries in the defence and security fields require steady and qualitative upgradation of cooperation between the two sides, including inter alia the expansion of the annual calendar of cooperation and exchanges relating to defence and security, Vice Minister/Defence Secretary level regular Defence Policy Dialogue, cooperation in sharing of experience in international peace cooperation activities under the aegis of the United Nations and counter-terrorism, information sharing in important areas of mutual interest, technical

exchange, joint exercises and training, and talks between the services. The two leaders welcomed the participation of the Japanese Maritime Self Defense Force in the multilateral maritime exercise "Malabar" to be held in September 2007 in the Bay of Bengal. The two sides will enhance reciprocal visits of Defence Ministers and hold the second round of the Defence Policy Dialogue at an earliest convenient time.

### **9. Promotion of Cooperation between the Coast Guards:**

The two sides reaffirmed their intention to enhance cooperation in maritime safety, maritime security and protection of marine environment through combined exercises, regular meetings of heads of the two Coast Guards, and cooperation based on the Memorandum on Cooperation signed between the two Coast Guards.

## **Comprehensive Economic Partnership**

### **10. Expansion of Bilateral Trade:**

The two leaders expressed satisfaction in the recent trend of growth in trade between Japan and India. The total amount of trade between the two countries has been steadily rising, and could possibly reach approximately US\$ 10 billion in 2007. In order to further enhance bilateral comprehensive economic partnership, the two leaders agreed to work towards an annual trade volume of US \$20 billion by the year 2010.

### **11. Negotiations on EPA/CEPA:**

The two leaders reaffirmed the importance of delivering a high-quality and mutually beneficial EPA/CEPA that reflects the strategic importance of bilateral relations and fully harnesses the potential of their economic relationship. In this context, the two leaders directed their respective negotiators to actively pursue and complete the negotiations as soon as possible.

### **12. Economic Assistance:**

The two leaders noted with satisfaction the growing economic relations between the two countries. The Indian side appreciated the Japanese ODA for which India has remained the largest recipient for the fourth consecutive year. The Japanese assistance, including its continued support to the Delhi Metro Project which symbolises high quality economic assistance from Japan, has generated goodwill for Japan across all parts of India. The two leaders shared the view that Japanese ODA should continue to play an increasing role in areas including infrastructure development, cooperation on environment and energy, as well as poverty reduction and social sector development.

### **13. Promotion of Special Economic Partnership Initiative (SEPI):**

The two leaders noted with satisfaction the progress made in the implementation of the SEPI, which aims at promoting enhancement of investment from Japan to India

and helping development of India's infrastructure and manufacturing capacity. This comprehensive economic partnership will give an impetus to the Indian economy that will in turn also create new frontiers and opportunities for Japan's economy and continued prosperity. The two leaders appreciated the steady increase in the number of Japanese companies present in India as well as estimated increase in Japanese FDI to India. The two leaders appreciated the following developments under SEPI:

**Dedicated Multi-Modal High Axle Load Freight Corridors Project (Dedicated Freight Corridor (DFC) Project) :**

The two leaders reviewed the progress, and welcomed the fact that the Final Report of the JICA Feasibility Study would be ready by October 2007. They looked forward to continued cooperation towards realisation of the Project.

**Delhi-Mumbai Industrial Corridor (DMIC) Project:**

Both sides recognised the significance and mutual benefit of this Project, and welcomed the progress made since the Summit meeting last December, including preparation of a concept paper by the Task Force co-chaired by Secretary, DIPP of the Ministry of Commerce and Industry of India and Vice Minister for International Affairs of the Ministry of Economy, Trade and Industry of Japan. Both sides confirmed that they would work together closely for the establishment of the Project Development Fund for DMIC.

**JETRO Related Activities:**

The two leaders expressed their appreciation for the efforts by JETRO and Indian counterparts to promote trade and investment, especially in the DMIC region, such as (i) setting up of the second Business Support Centre in India in Mumbai, (ii) investment promotion activities in the DMIC related six states and (iii) facilitation of business interaction, including the setting up of the website, based on the MOU signed with the Confederation of Indian Industry.

**Visionary Leaders for Manufacturing Programme (VLFM):**

The two leaders noted with satisfaction that the first VLFM programme has been launched under Japanese Technical Cooperation Programme to facilitate establishing an advanced and innovative management education system in India.

**Indian Institute of Information and Technology, Design & Manufacturing, Jabalpur (IIITDM-J):**

The two leaders welcomed the recent progress in Japanese collaboration for development of IIITDM-J, including the launching of a Japanese Consortium composed of government agencies, academics and industries, and directed relevant authorities to continue specific discussions to upgrade collaborative efforts.

**14. Business Leaders Forum:**

The two leaders welcomed the report prepared by the Business Leaders Forum. They instructed their respective authorities to examine the report and to implement the relevant recommendations.

## **15. High Technology Trade:**

The two leaders took note of the commencement of dialogue in this important area, and expressed their readiness to continue bilateral talks through the Consultation Mechanism for High Technology Trade, in order to make further progress in facilitating two-way high technology trade and addressing matters relating to respective export control systems.

## **16. Japanese Depository Receipt (JDR):**

Both sides resolved to explore JDR as a potential source of financing for private sector development in India, including DMIC.

## **17. Currency Swap Arrangement:**

The two leaders welcomed the agreement-in-principle on the bilateral currency swap arrangement which aims at addressing short-term liquidity difficulties and supplementing the existing international financial arrangements. The two leaders hoped that the bilateral currency swap arrangement would promote the financial cooperation between Japan and India.

## **18. Cooperation in the Field of Urban Development:**

The two leaders welcomed the useful exchange of views concerning water environment, urban development and urban transport during the first Japan-India Joint Working Group on Urban Development held in Japan. They reaffirmed their intention to regularly hold Working Group meetings in order to identify potential areas of collaboration.

## **19. ICT (Information and Communication Technology):**

The two leaders welcomed progress in the Japan-India ICT Forum, including the successful result of field trials on wide-band wireless technology. They also expressed expectations that cooperation in new areas such as Next Generation Network, and mobile communication systems, would be undertaken in the ICT Forum. The Japanese side will continue consultation on the proposal for assistance in setting up the National Gigabit Backbone Network by India to facilitate information flow and e-government support through data, voice and video conferencing facilities.

## **Science and Technology**

**20.** The two leaders welcomed the commencement of the bilateral project based on the MOU between Japan Science and Technology Agency (JST) and the Department of Science and Technology of India (DST) in the area of ICT. The two leaders noted with satisfaction the adoption of new research subjects in Nano Technology and Life Science which are to be funded by the Ministry of Education, Culture, Sports, Science and Technology of Japan (MEXT). The two leaders confirmed that MEXT, the Japan Aerospace Exploration Agency (JAXA) and the Indian Space Research Organisation (ISRO) would co-host APRSAF-14 in November, 2007 in Bangalore. They appreciated

the recent signature of the Agreement between JAXA and ISRO concerning cooperation in space X-ray observations.

**21.** The two leaders welcomed the signing of the Letter of Intent on Scientific and Technological Cooperation between the Department of Science and Technology of India (DST), and the High Energy Accelerator Research Organization of Japan (KEK), on 24th July 2007 recalling the discussions in the Japan-India Science Council co-hosted by DST and the Japan Society for the Promotion of Science (JSPS).

## **Strategic Dialogue on Economic Issues**

**22.** The two leaders appreciated the progress made in the first Japan-India Strategic Dialogue on Economic Issues, and directed this forum to follow up on the economic issues mentioned in this Joint Statement through the next dialogue and report to them by the time of the next Summit meeting.

## **People-to-People Exchange, Academic Exchange, Cultural Exchange**

### **23. University Exchange/Indian Institute of Technology (IIT):**

The two leaders welcomed the convening of the first-ever Japan-India Dialogue of Vice-chancellor/President on Academic Exchange among leading higher educational institutions of both countries, which was held during Prime Minister Abe's visit in New Delhi, as a forum for comprehensive exchange of views and relevant information for the furtherance of academic exchange. The two leaders shared the conviction that more active and enhanced academic exchange between higher educational institutions of both countries should be the key for consolidating a foundation for long-lasting friendship between Japan and India. With this belief in mind, both sides will initiate a working group to study and explore possible collaboration in setting up a new IIT. The working group will report progress of their study to the two leaders by the time of the next Summit meeting.

### **24. Youth Exchange:**

The two leaders shared the view that it is important to significantly enhance people-to-people contacts between the two countries. In this regard, the two leaders welcomed the progress in the Aso Programme, and Prime Minister Abe's decision to invite about 500 youths annually, including 100 outstanding Japanese language students and young Japanese language teachers from India in the next 5 years under the framework of Japan-East Asia Network of Exchange for Students and Youths (JENESYS) Programme announced during the second East Asia Summit. Prime Minister Singh appreciated the proposal. Both sides will continue consultations on the possibility of utilising Japanese ODA loans to increase the number of Indian students to Japan.

### **25. Japanese Language Education in India:**

Taking note of the fact that Japanese language learners in India have almost doubled in the last 3 years, the two leaders confirmed their will to cooperate towards realising the target of 30,000 Japanese language learners in India by the year 2010. The Indian side proposed to establish a Training Centre for Japanese Language Teachers in India. The Japanese side welcomed the plan and expressed that it would consider supporting India's effort by dispatching young Japanese language teachers to India under the JENESYS Programme.

## **26. Japan-India Friendship Year:**

The two leaders noted with satisfaction the success of on-going Japan-India Friendship Year Programmes both in Japan and India. The two sides will promote mutual exchange, attaching high priority to further enhancement of exchanges in such areas as youth, sports, films, popular culture and fashion. Each side will hold film festivals in the other country in the year 2008. They also decided to enhance the recent development of exchanges between the local governments of both countries.

## **27. Tourism Promotion:**

The two leaders expressed satisfaction in the success of the Japan-India Tourism Exchange Year both in Japan and in India, and reaffirmed their willingness to promote bilateral tourism initiatives, including the target of increasing the number of visitors between the two countries to 300,000 by the year 2010 and to 500,000 by the year 2015.

# **Issues of Common Interests**

## **28. East Asia Summit (EAS):**

The two leaders confirmed the importance of the EAS in the enhancement and progressive realisation of an East Asian community and agreed to work jointly and with other countries of the region to promote this objective. They reiterated that the EAS can substantially contribute in the process of community building based on universally recognised values and in enhancing the role of the region at the global level. The two leaders expressed their will to promote cooperation in such areas as energy security, youth exchange, the study on Comprehensive Economic Partnership in East Asia (CEPEA), the establishment of the Economic Research Institute for ASEAN and East Asia (ERIA), and to work together to specify other areas of cooperation under the framework of the EAS.

## **29. Dialogue among Cultures, Societies and Religions in East Asia:**

With a view to establishing an East Asian community in the future, the two leaders recognised the importance of promoting dialogue among various cultures, societies and religions in East Asia. Prime Minister Abe welcomed India's initiative to revive the Nalanda University, which once used to be the centre of academic research in Asia, as a centre of learning in Asia. The Japanese side will take part in the multilateral discussions to realise this initiative, after taking into consideration the deliberations of Mentors' Group.

### **30. Cooperation towards Stable Development of South Asia:**

The two leaders recognised the importance to promote regional cooperation in South Asia. Prime Minister Abe highly commended the success of the 14th Summit Meeting of South Asian Association for Regional Cooperation (SAARC) under the chairmanship of the Government of India. Japan's continued cooperation with SAARC countries under the Japan-SAARC Special Fund as well as Japan's intention to further cooperate in such fields as improving connectivity were welcomed.

### **31. Promotion of Multi-layered Frameworks for Regional Cooperation:**

The two leaders reaffirmed that Japan and India should actively cooperate to promote multi-layered frameworks and dialogues for regional cooperation in Asia, including the EAS, SAARC and the ASEAN Regional Forum (ARF). They shared the view on the usefulness of having dialogue among Japan, India and other like-minded countries in the Asia-Pacific region on themes of mutual interest.

### **32. UN Reform:**

The two leaders reaffirmed their commitment to a comprehensive reform of the United Nations, including the expansion of the UN Security Council in both the permanent and non-permanent categories, which is central to the reform process. Both sides will continue their close cooperation towards early realisation of the Security Council reform so that it reflects contemporary realities and can effectively cope with newly emerging threats and challenges. In this context, they appreciated the leading role played by the Group of Four (G-4): Brazil, Germany, India and Japan.

### **33. WTO:**

The two leaders reaffirmed the importance of achieving a successful conclusion of the WTO Doha Round negotiations this year. They expressed their resolve to cooperate closely to achieve a balanced and comprehensive agreement.

### **34. Energy, Environment and Climate Change:**

The two leaders decided to sign a separate joint statement on enhancement of energy security and environmental protection.

### **35. Civil Nuclear Energy Cooperation:**

The two leaders shared the view that nuclear energy can play an important role as a safe, sustainable and non-polluting source of energy in meeting the rising global demand for energy. They looked forward to constructive deliberations at the relevant international fora with respect to the international civil nuclear cooperation framework under appropriate IAEA safeguards with India.

### **36. Disarmament and Non-proliferation:**



The two leaders, reiterating their commitment to disarmament and greatly concerned over the proliferation of Weapons of Mass Destruction and their means of delivery, confirmed their will to continue to cooperate on disarmament and to work as partners against proliferation.

### **37. DPRK:**

The two leaders welcomed the recent progress made in the Six Party Talks including the shutdown of the Yongbyon nuclear facility and commencement of IAEA's activities in the DPRK. They agreed that the DPRK should continue to take steps to implement the decisions taken in the Six Party Talks in order to realise the denuclearisation of the Korean Peninsula. They also welcomed the measures taken by other concerned parties to facilitate this process. They emphasised the importance of implementing United Nations Security Council Resolution 1718. The Indian side expressed its willingness to work with the international community to resolve the abduction issue at the earliest as a humanitarian concern.

### **38. Human Security:**

The two leaders stressed the need to cooperate in developing a common understanding of human security, with due respect to the evolving, multidimensional and comprehensive nature of the concept, with a view to tackling global challenges including the achievement of the Millennium Development Goals.

### **39. Counter Terrorism:**

The two leaders reaffirmed that terrorism constitutes one of the most serious threats to international peace and security, and commended the efforts undertaken by both governments to fight against terrorism. They strongly condemned terrorism in all its forms and manifestations and stressed that there can be no justification, whatsoever, for any acts of terrorism. They decided to strengthen bilateral cooperation in combating it including the Joint Working Group on Counter-Terrorism. They underlined their commitment to the full implementation of the UN Global Counter Terrorism Strategy and called for expeditious conclusion of the ongoing negotiations of a comprehensive convention on international terrorism. They instructed the concerned authorities of both governments to hold consultations on counter terrorism at the earliest.

New Delhi, August 22, 2007

Shinzo Abe

Prime Minister of Japan

Manmohan Singh

Prime Minister of the Republic of  
India

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# Joint Statement by Japan and the Republic of India on the Enhancement of Cooperation on Environmental Protection and Energy Security

1. Prime Minister of Japan, H.E. Mr. Shinzo Abe, and Prime Minister of India, H.E. Dr. Manmohan Singh reached common recognition today that the issues of energy security and the environment are important priorities that require sustained and effective action by the international community. They acknowledged the importance of ensuring stable and affordable energy supplies that are essential for the two economies. They also recognized the urgent need to address the issues of global warming and climate change. The two Prime Ministers decided to work together to address these issues in the context of the ["Japan-India Strategic and Global Partnership"](#).
2. The two leaders arrived at a common recognition that meaningful progress in the areas of energy security and the environment should be made through individual and collective efforts in a manner that does not foreclose the possibilities of accelerated economic and social development. The two leaders also shared the recognition that India and Japan can work together to find pragmatic and practical solutions which will contribute to regional and global efforts in these areas.
3. The two leaders confirmed their intention to work constructively with each other and with other countries in multilateral fora such as United Nations Framework Convention on Climate Change (UNFCCC), East Asia Summit (EAS), EAS Energy Ministers Meeting, the Asia-Pacific Partnership on Clean Development and Climate and the Five-Party Energy Ministers Meeting.
4. Based on the above recognition, the two leaders are determined to enhance and strengthen dialogue and cooperation in the following areas:

## A. Climate Change

Prime Minister Mr. Shinzo Abe elaborated upon the "three proposals and three principles" that constitute the main pillars of his proposal ["Cool Earth 50"](#) presented in May 2007 to address climate change. Prime Minister Dr. Manmohan Singh appreciated his proposal as a contribution to the global debate to address climate change.

Prime Minister Mr. Shinzo Abe particularly emphasized the need to set a long-term target to cut global emission by half from the current level by 2050 in order to stabilize atmospheric concentrations of greenhouse gases (GHG).

Prime Minister Dr. Manmohan Singh underscored that the determination of any particular stabilization goal and the time-frame in which it should be achieved needs to be made at the United Nations Framework Convention on Climate Change. This should be preceded by a scientific consensus on impacts at different levels of GHG going beyond the current IPCC findings, which still document many uncertainties. Prime Minister Shinzo Abe's proposal should also receive serious consideration in this context.

The two leaders recognized the importance of invigorating discussion on these issues at various fora. They expressed their determination for a flexible, fair and effective global framework and concerted

international action beyond 2012 in which all countries participate to address climate change in line with the principles of the UNFCCC.

The two leaders recognized the importance of ensuring synergy between economic growth and environmental protection through mitigation and adaptation strategies including utilization of energy conservation and other technology. They also shared the view that any stabilization goals and the time-frames to achieve the same should be determined under the UNFCCC, and should be preceded by a scientific consensus.

Prime Minister Dr. Manmohan Singh welcomed the efforts by Japan to meet green house gas emission targets set under the Kyoto Protocol including launching of national campaigns. The two leaders decided to continue cooperation to promote the use of the Clean Development Mechanism (CDM).

The two Prime Ministers confirmed their intention to take pragmatic steps to address climate change in their respective countries in accordance with the principle of common but differentiated responsibilities and respective capabilities as also national circumstances.

Prime Minister Dr. Manmohan Singh also appreciated Prime Minister Mr. Shinzo Abe's willingness to create a new financial mechanism with substantial size of funds for relatively long term, to assist developing countries with high aspirations, instead of diverting the existing financial assistance, and to call on other industrialized countries and international organizations to respond and take part in international cooperation. Both Prime Ministers recognized the importance of providing adequate resources for adaptation strategies.

## B. Energy Security

The two leaders shared the view that cooperation between India and Japan in the area of energy at both the government and industry levels will be mutually beneficial to promote both countries' efforts for enhancement of energy security. They also noted with satisfaction the steps being taken by both countries to develop specific cooperation projects in the energy sector, including cooperation in energy efficiency and conservation and in clean energy, as well as through the participation of Japanese companies in the power sector in India.

The two leaders welcomed the outcomes of the Second Japan-India Ministerial-level Energy Dialogue held in New Delhi in July 2007 to promote comprehensive cooperation in the energy sector. They reached the conclusion that this Dialogue should be held annually and that its scope could be broadened through mutual consensus to cover other aspects of cooperation and collaboration in the energy sector.

The two leaders reaffirmed the importance of promoting energy efficiency and conservation as a means of ensuring energy security and addressing climate change by among others implementing voluntary goals and action plans based on the "Cebu Declaration on East Asian Energy Security" issued during the Second East Asian Summit held in January 2007. The two leaders also confirmed the importance of usage of clean technology as part of a global response. Prime Minister Mr. Shinzo Abe acknowledged the importance of accessibility for clean technology in cost effective manner to developing countries. Prime Minister Dr. Manmohan Singh acknowledged Japan's expertise in clean energy technologies and welcomed Prime Minister Mr. Shinzo Abe's willingness to cooperate to share Japan's expertise and technology in this important field with India. Prime Minister Dr. Manmohan Singh confirmed that India will accelerate the implementation of a range of energy efficiency policies and measures for improving energy efficiency in all possible sectors and Prime Minister Mr. Shinzo Abe welcomed India's efforts. The two Prime Ministers noted the importance of cooperation through such activities as training-of-trainers in India, introduction of top-runner programme, capacity building of professionals involved in energy efficiency and information dissemination and demonstration of new

energy-efficient technologies and processes. Both leaders directed the Japan-India Energy Dialogue to explore possibilities of implementing such proposals through the regional energy efficiency centers that Government of India plans to establish in the five geographical regions of India. Both leaders also directed the Japan-India Energy Dialogue to explore the possibilities of cooperation to enhance energy efficiency of power generation in India in such a way that Japanese relevant organizations and NTPC cooperate by sharing the industries' knowledge and technologies.

The two Prime Ministers recognized that new and renewable sources of energy, including bio-fuels, are already an important aspect of their respective national energy policies and instructed the Japan-India Energy Dialogue to explore ways and means to further cooperate in this field. They agreed to commence early discussions on a model project of bagasse ethanol production with the New Energy and Industrial Technology Development Organization (NEDO) in this important field as a symbol of their shared intention to promote the use of new and renewable sources of energy.

The two leaders recognized the positive contribution of initiatives taken in various sectors for the development, deployment and transfer of cleaner and more efficient technologies under the Asia-Pacific Partnership on Clean Development and Climate (APP). They decided to promote public-private cooperation under this partnership between the two countries. They also welcomed the initiatives taken by the two countries for cooperation in the area of clean coal technologies during the Ministerial level energy Dialogue in New Delhi in July 2007. Prime Minister Mr. Shinzo Abe welcomed India's offer to host the next APP Ministerial Meeting, and the two leaders confirmed their intention to strengthen their contribution toward further development of APP.

The two leaders recognized the importance of expanding the energy infrastructures in India, such as power plants and power transmission and distribution networks, so as to meet India's rapidly increasing electricity demands, and to improve energy access. Prime Minister Shinzo Abe expressed his willingness to continue to provide assistance to India, taking into account India's socio-economic situation and development needs. Both sides welcomed the possibilities of participation by Japanese companies in ultra mega power generation projects which are being developed by India through tariff based competitive bidding. Both sides in addition welcomed the possibilities of participation by Japanese companies in various areas of the power sector including generation, equipment manufacturing, transmission and distribution. Both leaders also welcomed the establishment of private sector joint ventures by Japanese and Indian companies for the manufacture of high efficiency power generating machinery and stressed the desire to promote similar cooperation to other energy intensive equipment used on both the supply and demand side.

Prime Minister Dr. Manmohan Singh expressed his willingness to build India's strategic petroleum storage system in cooperation with the International Energy Agency (IEA). Prime Minister Mr. Shinzo Abe affirmed his willingness to support this initiative.

The two leaders welcomed the decision by The Energy and Resources Institute (TERI) of India and NEDO of Japan to hold the Japan-India Second Energy Forum in Delhi this coming November.

## C. Environment

The two leaders recognized the global scale of environmental issues and decided to continue and enhance dialogue between Japan and India under bilateral as well as multilateral frameworks, in order to tackle these issues in a comprehensive manner that supports sustainable development. The two leaders also confirmed their intention to facilitate bilateral cooperation in various fields including local and global environmental concerns.

The two leaders are of the common view that an effective system of environmental laws and regulations is essential to promote environmental protection. The two leaders reaffirmed the respective rights and obligations of the two countries under multilateral environmental agreements.

The two leaders recognized the importance of bio-diversity conservation in the context of sustainable socio-economic development, and decided to promote further cooperation in this area through mutual consultation.

The two leaders shared the view on the importance of improving access to safe potable water and adequate sanitary facilities for realizing sustainable development, and have decided to enhance bilateral and multilateral cooperation in order to realize this objective.

The two leaders reached common recognition that promoting sustainable forest management is important from the viewpoint of addressing climate change and conserving biodiversity, and confirmed their intention to make efforts to facilitate forestation and reforestation, combat illegal logging and conserve biodiversity, through bilateral and multilateral cooperation such as those under the International Tropical Timber Organization (ITTO).

The two leaders shared the view that it is important to raise public awareness about environmental issues through education and other public relations activities. Prime Minister Dr. Manmohan Singh appreciated Japan's efforts such as "Dialogue on Environmental Education" which Japan promotes under the Asia Cooperation Dialogue (ACD). Prime Minister Mr. Shinzo Abe welcomed India's hosting of the Fourth International Conference on Environment Education in November 2007. The leaders confirmed their intention to continue the cooperation in this area.

New Delhi, August 22, 2007

Shinzo Abe  
Prime Minister of Japan

Manmohan Singh  
Prime Minister of the Republic of India