

Dear Sir,

I am pleased to introduce myself on this occasion and
To work with you in developing our cooperation.

My name is Yoichi IIDA, a director in the Japanese
Ministry of Internal Affairs and Communications.

We are regularly in cooperation with your Authority
And my counterpart is Mr. Parameswaran for our
Bilateral cooperation.

Today I would like to transfer an unofficial
letter by two of our officials addressed to you
in regard with the above mentioned paper.

Please find attached the PDF copy of the letter
From Mr. Yokota, DG of our ministry and
Mr. Tomita, DDG of the Japanese Ministry of
Economy, Trade and Industry.

We humbly submit this letter as unofficial comments
Only for the purpose of our further discussion.

As expressed in the letter, we respect policy
Development of your Authority and we are ready to
Cooperate through our experiences and expertise.

I would be very happy if you could kindly pay
Proper attention to these comments and would
Take them into consideration when your Authority
Examines this matter in the near future.

If you have any question or comments on this
Letter or whatever, please feel free to contact
With me at the address or number below.

Sincerely yours,

Yoichi IIDA

Director for international policy coordination
Ministry of Internal Affairs and Communications

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Comments on the Consultation Paper on
Encouraging Telecom Equipment Manufacturing in India (No.17/2010)

January 21, 2011

Dear Sir/Madame,

We are pleased to extend our respect for the efforts of the Government of India toward development of its economy and society, as well as our gratitude for the close cooperation and friendship we enjoy between our two governments. We firmly believe that we share the sincere hope for the steady development of our own countries and for global prosperity as well.

Taking into account our bilateral friendship and the growing importance of India in the global market, we would like to advise your Authority of our concern of the following points regarding the above-noted document, and cordially request your high consideration in the further examination of this matter.

1 Providing preferred market access to telecom products developed through Indian R&D and IPR or created in India could be incompatible with national treatment under GATT.

2 Likewise, it runs counter to the intent of GATT to apply internal quantitative regulations or special internal taxes on imported equipment, reduce rates or make exemptions for domestic products, and give favorable treatment for use of domestic products.

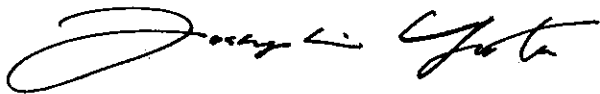
3 Concerning the favorable treatment noted above, it could also be incompatible with national treatment under GATS in cases where this treatment restricts the activities of foreign service providers.

4 In cases where the Indian government provides grants for the use of telecom products created in India, these could be seen as prohibited subsidies as set out in the Agreement on Subsidies and Countervailing Measures.

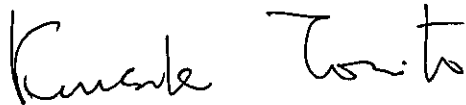
We are strongly confident that India's policy on encouraging its manufacturing capacity of telecom equipment could better achieve its successful goals when the policy is implemented in a manner compatible with international agreements and best practices. We are ready to work together to pave such a path for Indian industry.

We would greatly appreciate your kind attention and consideration of the foregoing matter.

Yours sincerely,



Toshiyuki YOKOTA
Director General for International Affairs
Ministry of Internal Affairs and Communications



Kensuke TOMITA
Director General for International Affairs
Commerce and Information Policy Bureau
Minister of Economy, Trade and Industry