



A Roadmap to Expand our Collaboration with USA in Digital Sector

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During the ongoing landmark visit of our Hon'ble Prime Minister Shri Narendra Modi to the USA, outcomes will leapfrog the aspirations of the two Strategic partners to positively contribute toward a free, open, inclusive, and resilient Indo-Pacific. After the important decisions by the two leaders, it is important that stakeholders in the two countries should come forward and create a working level ecosystem to translate this into a reality. This is not only important for the future growth of the world's two largest democracies but for the whole global economy. We at Anand & Anand will try to address aspects concerning the "Digital Economy" only in the present piece.

In the changing dynamics both in terms of nature of Digital Trade, Resilience in Supply Chain and Security issues related to critical Telecom/ Digital Infrastructure, the following is suggested:

1. Digital transformation has created tremendous opportunities, helped diffuse ideas and technologies, and connected a greater number of businesses and consumers and thereby expanded Cross Border Trade between the two countries, which now stands at 130 Billion USD. To increase this further, India's strength on Digital Public Platforms, having created frugal low-cost innovations, frugal Digital Infrastructure at population scale, when combined with USA's strength of large proprietary platforms can bridge a long-standing challenge of the Digital Divide and thereby increase the size of global Digital Economy. The two governments should create mechanisms to foster mutual trust and cooperation to make this happen. A strong endorsement in the present G20 Presidency can be the first step in this direction.
2. Indian IT companies provide vital technology services to enterprises in USA, helping them innovate, compete and grow. Whereas, we have a substantial presence of our IT-ITES industry in USA but looking into the fact that growing opportunities in critical and emerging technologies such as Quantum Computing, AI, data-analytics, Blockchain, Machine-learning and cyber-security etc., to leapfrog in these critical sectors, India can establish a strategic partnership with USA through cross-border Industry collaboration on futuristic projects. The focus can be on USA's strength on creating base algorithms and solutions, with the Indian ecosystem creating innovative use-cases over that. We may take precedence from US – Japan relationship where IP sharing was one pillar for expanding the size of bilateral trade. Also, some large-ticket Strategic Projects with substantive Innovation can be undertaken involving the governments, academia, and private sector.
3. India has been a hub of more than 300 US companies through their Global Capability Centres (GCC). However, there is much more scope to have more GCC Centres for major US companies. Most of these GCC are creating cutting edge IPs using Indian talent but are mostly



being first protected in other geographies for fast tracking IP protection. A fast-track mechanism to file patents in India with US as a preferred partner needs urgent attention so that Indian IPR system matures to enable trade in cutting edge technologies.

4. The United States and India could establish a dialogue on their respective approaches to Data Security, Data Privacy, and cross-border flows with the aim of maximizing compatibility of legal standards and policy objectives, with focus on protecting national-security and ensuring that our respective data and cyber security policies enable deeper technological and economic cooperation.
5. The U.S. and India share a common goal of securing semiconductor supply chains, potentially through incentives for the development of new semiconductor fabrications plants (Fabs) within both the countries. Government of India has given thrust to Semiconductor Chip manufacturing and Electronics manufacturing through various policy measures to endeavour to establish a global trusted value-chain. India and US can explore strategic cooperation in the fields of Semiconductor FAB, Display Electronics, Electronic Components, E-mobility and High-end medical equipment and US Companies should be proactive in cooperating on all critical components and IPs both in terms of collaborating on Innovation & technology sharing and providing cutting edge manufacturing contracts.
6. A joint initiative under QUAD and bilateral engagements on furthering Innovation in telecom infrastructure specially on 5G and beyond need to be coordinated to fast track the discussions and thereby evolving a comprehensive cooperation framework.
7. A strategic partnership can also be established among relevant stakeholders such as NIST and TDSI to collaborate on Research & Development, Standards, Regulations, IP Protection, Digital Skilling & Ecosystem Development in the 5G space. In addition, best practices on telecom equipment including 5G/ 6G security, trusted supply chain, deployment & diversification, multi-vendors environment, testing & certification mechanisms, spectrum management, pricing and auction of spectrum, beyond 5G and among others.

The current technology space has the potential to create sustainable and inclusive future for all. India and USA, being the world's largest democracies, play the most critical role and their collaboration can also address the present geopolitical challenges. We strongly believe that to achieve this goal, concrete steps towards harnessing the collaborative benefits of innovation are the need of the hour.

