Letter of Intent (LoI)

on Strengthening Cooperation in the Area of Quantum Science and Technology

between the Cabinet Office of Japan and the European Commission on behalf of the European Union

The Cabinet Office (hereinafter referred to as the 'CAO') of Japan, representing relevant Ministries, and the European Commission on behalf of the European Union (EU), promote cooperation in Quantum Science and Technology (hereinafter referred to as 'QST') between Japan and the EU. Together, the CAO and the European Commission on behalf of the European Union (hereinafter collectively referred to as the 'Sides') acknowledge the importance of the existing framework of cooperation in QST. This cooperation is guided by the 'Agreement between the Government of Japan and the European Community on Cooperation in Science and Technology¹ (hereinafter referred to as the 'S&T Agreement') and the 'Japan-EU Digital Partnership².'

In addition, the Sides recognise that science and technology cooperation, including quantum, is a key area within the broader framework of Japan-EU collaboration. This cooperation aligns with the 'Agreement between Japan and the EU for an Economic Partnership³,' the 'Strategic Partnership Agreement⁴ between Japan and the EU and its Member States,' and the 'Partnership on Sustainable Connectivity and Quality Infrastructure between Japan and the EU⁵,' highlighting quantum as a continuation of their partnership efforts.

I. PURPOSE

The Sides intend to enhance cooperation in QST, acknowledging that they are facing important global challenges such as climate change, seismic/tsunami, material science, cybersecurity, and energy sustainability, with the aim to produce real, practical results that support the broader digital transformation goals of Japan and the EU.

This Letter of Intent (hereinafter referred to as "this LoI") outlines areas of mutual interest and the general guidelines for interaction between the Sides. It is not intended to cover all areas of mutual interest in the field of QST.

II. PRINCIPLES

The CAO intends to implement the mechanisms outlined in this LoI through its Crossministerial Strategic Innovation $Program^6$ ('SIP'), and the European Commission intends to implement this LoI through its funding program for research and innovation ('Horizon Europe')⁷.

¹ OJ L 90, 6.4.2011, p. 1–1

² <u>https://www.consilium.europa.eu/media/56091/%E6%9C%80%E7%B5%82%E7%89%88-jp-eu-digital-partnership-clean-final-docx.pdf</u>

³ <u>https://trade.ec.europa.eu/access-to-markets/en/content/eu-japan-economic-partnership-agreement</u>

⁴ <u>https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=legissum:4359401</u>

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https://www.eeas.europa.eu/sites/default/files/the_partnership_on_sustainable_connectivity_and_quality_infrastructure_between_the_european_ union_and_japan.pdf

⁶ The <u>Cross-ministerial Strategic Innovation Promotion Program</u> (SIP) is a Japanese national program led by the Council for Science, Technology and Innovation (CSTI) of the Japanese Government with interdisciplinary management to realize scientific and technological innovation in Japan. The SIP has been promoting 11 themes since FY2014 and newly 12 themes since FY2018 that address the most important social problems facing Japan, as well as contribute to the resurgence of Japanese economy. Under the strong leadership of Program Directors (PD) for each subject, it promotes interdisciplinary research and development covering from fundamental study to industrial application with industry-academiagovernment cooperation.

¹ https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe_en

Activities under this LoI are in line with the availability of appropriated funds, and to the applicable laws and regulations, policies, and programs of the Sides.

The Sides also acknowledge the importance of sharing information about their domestic funding priorities and coordinating the development and support of research and innovation activities, research facilities, as well as science and engineering education in the field of QST, to solve common challenges. In this context, the Sides aim to disseminate the outcomes of QST cooperation trough relevant frameworks such as the Japan-EU Digital Partnership Council. This effort aligns with the policy initiatives of the Sides, including Japan's national quantum strategies as well as the CAO's SIP, Horizon Europe, and the EU Quantum Flagship.

1. Joint Calls

When issuing joint calls for collaborative proposals, the Sides intend to jointly identify the priority topics to be addressed in these calls. The starting point could be the priorities identified under the Japan-EU Digital Partnership, and the Sides may solicit opinions of experts for the identification of these topics.

The specific calls for proposals and collaborative activities between the Sides should be detailed in writing and should be appropriate to the nature of the activities and the Sides' expectations as detailed in a Partnership Plan possibly supported by expert insights for the identification of the topics. The CAO intends to allocate funds for the implementation of the calls through its SIP program. The European Commission intends to issue calls for proposals that reflect the jointly identified topics. The Sides intend to prepare together the description of the calls and jointly plan a timeline and the corresponding funding amounts for their implementation.

The Sides intend to implement these calls for proposals under their respective research and innovation funding programs in line with the applicable rules of those programs. The Sides intend to maximise the effort to synchronise their respective award procedures to allow simultaneous evaluation and selection of proposals.

The Sides intend to define together Partnership Plans setting out the procedures for the evaluation and selection of proposals, to be coordinated on the EU side by European the Commission following the criteria for evaluation and selection of proposals of Horizon Europe and SIP. For the proposals that are selected, each Side is expected to fund their respective investigators / participating organisations.

The Sides intend to manage the collaborative projects in line with the guidelines and procedures of their respective research and innovation funding programs. The Sides intend to outline together ways to coordinate project reports and reporting cycles. The reports should include collaborative results as well as details of the collaborative activities. The Sides intend to outline together procedures for the assessment of projects' progress and outcomes.

The Sides intend to include mechanisms to jointly monitor the results and success of this LoI. This will ensure effective evaluation and continued alignment of their collaborative efforts.

Outcomes of the collaboration under this LoI may be reported at the Japan-EU Digital Partnership Council⁸ and at the Joint Committee Meetings on Scientific and Technological Cooperation⁹.

2. Further Opportunities for QST Collaboration

The Sides intend to explore the possibility of reciprocal forms of collaboration to promote QST cooperation between Japan and the EU, aiming at facilitating the participation of their QST communities in each other's respective QST programs and initiatives.

The R&D activities in this case will be conducted based on the following principles:

⁸ https://digital-strategy.ec.europa.eu/en/library/joint-statement-second-meeting-european-union-japan-digital-partnership-council

 $^{^9 \} https://research-and-innovation.ec.europa.eu/news/all-research-and-innovation-news/7th-eu-japan-joint-scientific-and-technological-cooperation-committee-jstcc-meeting-2023-12-18_en$

- (a) Mutual benefit based on an overall balance of advantages.
- (b) Substantially reciprocal opportunities to engage in activities of the respective public R&D programs.
- (c) Equitable and fair treatment of the participants in the respective funding programs.

III. GENERAL RULES

1. Confidentiality of Information

The Sides are expected to use information and documents exchanged under this LoI only for the purposes mentioned herein or as otherwise required by applicable domestic law of the Sides. The Sides recognise that confidential information received in connection with activities under this LoI is not intended to be disclosed to any third party unless required by applicable domestic law of the Sides and after permitted in writing by the participant that provided the information to the other participant or Sides.

The Sides are expected to protect information exchanged pursuant to this LoI from unauthorised disclosure through administrative, technical, and physical safeguards tailored to the sensitivity of the information in accordance with their applicable domestic law.

2. Treatment of Intellectual Property

Protection of intellectual property developed by each Side should be in line with the provisions of applicable funding program. This LoI does not otherwise alter or prejudice the IP rules between a Side and its nationals, which should be determined by that Side's laws and practices. As an example, for activities funded under Horizon Europe, the rules on intellectual property enshrined in Regulation (EU) 2021/695[1] and in Article 16 and Annex V of the Horizon Europe Model Grant Agreement including Articles 38-42, apply.

3. Resolution of Divergence of Opinion

Should divergence of opinions arise under this LoI that cannot be resolved by consultations between the Sides, the area(s) of divergence should be expressed in writing by each Side and presented to the other Side at the Deputy Director General or equivalent level for consideration. The Sides do not intend to refer any divergence of opinion about the interpretation or application of this LoI to any national or international tribunal or third party for resolution.

4. Nature of This LoI

This LoI is not intended to create any rights and obligations under international or domestic laws and has no financial implications.

This LoI in no way restricts the CAO nor the European Commission from participating in similar activities or frameworks with other entities.

This LoI is signed strictly for internal management purposes for each of the Sides. It is not intended to be legally binding nor to create rights or obligations under domestic or international law. The Sides recognize this LoI as not providing a private right or cause of action for or by a person or entity.

This LoI is neither a fiscal nor a funds obligation document. Nothing in this LoI authorises or is intended to create obligations of the Sides to expend, exchange, or reimburse funds, services, or supplies, or transfer or receive anything of value. Nothing in this LoI may be construed to create obligations for the CAO or the European Commission concerning current or future expenditure of resources in advance of the availability of budget appropriations. Nor does this LoI create obligations for the CAO or the European Commission to spend funds on any particular project or purpose, even if funds are available.

IV. DURATION AND TERMINATION

This LoI is expected to be operational for collaborative activities from the date of the receipt of the notification of the last signature on this LoI. Collaborative activities within the scope of this LoI may continue until the Sides decide that the objectives of this LoI have been achieved or until one participant informs other participants of the discontinuation of its participation in this LoI, without prejudice to other collaborative activities within the scope of the S&T Agreement.

Collaborative activities already being conducted pursuant to this LoI can be discontinued with the Sides endeavouring to provide 90 days advance written notification of discontinuation, or earlier by mutual written decision of both Sides.

Signed on 13 May 2025, at Tokyo in two (2) originals.

For the Cabinet Office of Japan

For the European Union

KIUCHI Minoru

Minister of State for Science and Technology Policy Henna Virkkunen

Executive Vice-President

for Tech Sovereignty, Security and Democracy