



## Letter of Intent to Support the Development of Rail Transportation

Between

**the Ministry of Land, Infrastructure, Transport and Tourism of Japan and the California State Transportation Agency**

The Ministry of Land, Infrastructure, Transport and Tourism of Japan (hereinafter referred to as "MLIT") and the State of California, United States represented by the California State Transportation Agency (CalSTA) (hereinafter referred to collectively as the "Participants" and individually as a "Participant").

### **WHEREAS:**

The 2022 *Memorandum of Cooperation on Strengthening Efforts to Combat Climate Change and Economic and Trade Relations Between the Government of Japan and the State of California, the United States of America* renewed in 2022 (2022 Japan – California Climate Change and Trade MOC) memorializes intentions from both Japan and California to strengthen and coordinate collective and individual efforts to act on climate change through renewable energy, zero-emission vehicles, transportation and other means.

### **WHEREAS:**

The State of California recognizes the urgent need to reduce greenhouse gas emissions and recently passed Assembly Bill 1279 (AB 1279, Muratsuchi), codifying the goal to reach carbon neutrality by 2045, and to reduce anthropogenic greenhouse gas emissions 85% below 1990 levels by 2045.

### **WHEREAS:**

California Governor Gavin Newsom's climate-related Executive Order N-19-19 empowers CalSTA to leverage discretionary state transportation funds to help meet the state's climate goals, and Executive Order N-79-20 directs CalSTA to build towards an integrated, statewide rail and transit network, consistent with the California State Rail Plan, to provide seamless, affordable multimodal travel options for all.

*S.M. 2025*

**WHEREAS:**

To advance Executive Orders N-19-19 and N-79-20, CalSTA's Climate Action Plan for Transportation Infrastructure (CAPTI) provides a holistic framework for aligning California state transportation investments with the state's climate, health, and social equity goals through investment in sustainable modes of transportation - including transit and rail - as well as accelerating the transition to zero-emission vehicle technology.

**WHEREAS:**

The California High-Speed Rail Authority, which is part of CalSTA, is responsible for planning, designing, building and operating the first high-speed rail system in the United States. California high-speed rail will connect the mega-regions of the state, contribute to economic development and a cleaner environment, create jobs and preserve California's agricultural and protected lands. When it is completed, Phase I will run from San Francisco to the Los Angeles basin in under three hours at speeds capable of exceeding 200 miles per hour. High-Speed Rail is an integral part of the State's intercity transportation system, as documented in the California State Rail Plan, approved by the Secretary of Transportation.

**WHEREAS:**

California is making major investments and achieving significant progress in delivering the United States' first high-speed rail system. More than 400 miles of the full 500-mile system have cleared federal and state environmental review processes. Additionally, construction is well underway on the first 119-mile section in California's Central Valley region, which will initially serve as a test track for high-speed trains, and additional advanced design is proceeding on stations and the 52 miles of extensions into downtown Merced and downtown Bakersfield, California.

**WHEREAS:**

CalSTA's Transit and Intercity Rail Capital Program (TIRCP) provides grants from California's Greenhouse Gas Reduction Fund (GGRF) to fund transformative capital improvements that will modernize California's intercity, commuter, and urban rail systems, and bus and ferry transit systems, to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. To date, CalSTA has awarded \$9.8 billion in funding to 125 projects throughout California through its TIRCP program.

## AND WHEREAS:

The Government of Japan proclaimed in October 2020 that it would achieve carbon neutrality by 2050. Furthermore, a new policy was published in April 2021 to set a new greenhouse gas emission reduction target for fiscal year (FY) 2030, with the intention of reducing greenhouse gas emissions by 46% from FY 2013 levels while continuing strenuous efforts in its challenge to meet the lofty goal of cutting its emissions by 50 percent.

## WHEREAS:

The G7 Transport Ministerial Declaration, adopted in July 2023, recognized that railways are an environmentally friendly mode of transport. The Declaration recognized the importance of encouraging the adoption of railway technology that causes no direct emissions, and is energy-efficient, and the development of a performant railway system, including the enhancement of railway interoperability and efficiency, which contributes to improved environmental performance of the transport system.

## WHEREAS:

Based on this recognition, MLIT is seeking solutions to reduce the environmental impact and increase the use of rail, including:

- **Decarbonization** – In March 2022, MLIT formed the *Study Group on Accelerating Carbon Neutrality in the Railway Sector* to examine additional decarbonization toward carbon neutrality by 2050. The Study Group confirmed the importance of decarbonization of railways, decarbonization by railways, and increasing the use of rail for environmental reasons. Based on the Study Group's final report, MLIT advocates for the decarbonization of railways and railway-related industries.
- **High-Speed Rail Development**
  - **Planning and construction of high-speed rail** - Shinkansen systems have been constructed based on the *National Shinkansen Railway Development Act* (Act No. 71 of 1970), an act that has the purpose of contributing to the development of the national economy, the expansion of people's spheres of life, and regional development. The Shinkansen is an important high-speed transportation system in Japan that substantially affects local community development and economic revitalization by dramatically decreasing travel time between regions. Continued high-speed rail expansion will attract more passengers, significantly alter

Japan's national land use, and boost the country's international competitiveness.

- **Seismic safety measures** - Japanese rail operators are making efforts to increase the earthquake resilience of the Shinkansen based on lessons from prior earthquake damage. Three measures are being implemented: earthquake protection measures for structures, the enhancement of earthquake early warning systems, and measures to avoid derailments and diversions from the tracks.
- **Urban rail development** - The urban railway network in Japan has been significantly developed, particularly in metropolitan areas, and there are more than 200 private railway and tramway operators in Japan. Based on the *Urban Railway Promotion Act* (Act No. 41 of 2005) and other initiatives, the Government of Japan is expanding the urban railway network and will continue to push for efforts to realize urban railways that contribute to the growth of the economy and the enrichment of people's lives.

**RESOLVED:**

1. In furtherance of the 2022 *Japan – California Climate Change and Trade MOC*, MLIT and CalSTA affirm their cooperative relationship in developing and advancing:

- Zero-emissions rail technologies and energy-efficient, interoperable railway systems through sharing information, best practices, and regulatory approaches, with the goal of reducing environmental impacts and increasing the use of rail.
- High-speed rail (HSR) and other passenger rail services, through exchanges of information and best practices on planning, construction, and safety of high-speed rail and urban railway development.

2. In addition to conducting regular working-level technical dialogues and engagement, the Participants decide to organize regular high-level meetings to take stock of the ongoing cooperation described in this Letter of Intent and to make recommendations for further cooperation where deemed valuable and necessary.

3. If the Participants deem it helpful or convenient, then by the common decision of the Participants, they may invite individuals or representatives of entities from the academic, research, private, public, and other sectors, as well

as from other levels of government within Japan and the United States to support the cooperative activities described herein.

**No Legal Obligations, Rights, or Remedies.** This Letter of Intent is a voluntary initiative. It does not create any legally binding rights or obligations and creates no legally cognizable or enforceable rights or remedies, legal or equitable, in any forum whatsoever. In addition, the pledges in this Letter of Intent are not conditioned upon reciprocal actions by other Participants; each Participant retains full discretion over implementation of its pledges in light of the Participant's individual circumstances, laws, and policies; and each Participant is free to withdraw from the Letter of Intent.

**Availability of Personnel and Resources.** This Letter of Intent does not involve the exchange of funds, nor does it represent any obligation of funds by either Participant. All costs that may arise from activities covered by, mentioned in, or pursuant to this Letter of Intent will be assumed by the Participant that incurs them, unless otherwise expressly concurred in a future written arrangement in accordance with applicable laws. All activities implemented pursuant to this Letter of Intent are subject to the availability of funds, personnel and other resources of each Participant.

The personnel designated by a Participant for the execution of this Letter of Intent will work under the orders and responsibility of that Participant and any other organization or institution to which the personnel already belongs, at all times maintaining any preexisting employment relationship only with that Participant and organization or institution, and not with any other Participant.

**Compliance with Applicable Laws.** This Letter of Intent will be construed consistent with all applicable laws, and activities implemented in connection with this Letter of Intent will be subject to, and will be implemented in a manner consistent with, all otherwise-applicable laws.

**Interpretation and Application.** Any difference that may arise in relation to the interpretation or application of this Letter of Intent will be resolved through consultations between the Participants, which will endeavor in good faith to resolve such differences.

**Final Items.** This Letter of Intent commences on the date of its signature, for a two-year period, unless renewed or extended by the Participants in the same manner that the Participants may otherwise modify this Letter of Intent.

This Letter of Intent may be modified at any time by mutual consent of the Participants. Any modification will be made in writing and specify the date on which such modification is to be implemented.

Any of the Participants may, at any time, withdraw from this Letter of Intent by providing a written notice to the other Participant. A Participant that intends to withdraw from this Letter of Intent should endeavor to provide notice of such withdrawal to other Participants 30 days in advance.

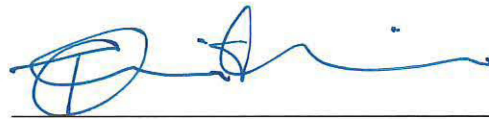
The termination of this Letter of Intent will not affect when activities initiated while this Letter of Intent is in effect will discontinue, unless a Participant expressly states otherwise. A Participant that intends to terminate a previously initiated activity will endeavor to reach a consensus with the other Participant concerning such termination.

Signed in Tokyo, Japan on 6/10/2024, and Sacramento, California on 6/18/2024, in two original copies in English.

村田 茂樹

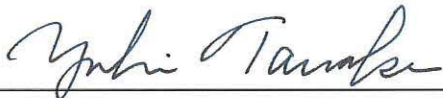
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MURATA Shigeki, Director-General  
Railway Bureau  
Ministry of Land, Infrastructure,  
Transport and Tourism



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Toks Omishakin, Secretary  
California State Transportation Agency



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TANAKA Yuki, Director-General  
for International Affairs  
Ministry of Land, Infrastructure,  
Transport and Tourism