

## Suzhou Government keen to forge tie-up with Indian IT companies

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Indian entities that signed the MoU included Zaza Technologies, Bangalore Chamber of Industry and Commerce, Standard Chartered, Capgemini Group, Sunpa Sobha Software, Patni Computer, Logistic Solutions, Hero Mindmine and Excelerate Technology. The coming together of Bangalore, the IT Software Outsourcing hub of the world and Suzhou, the IT hardware manufacture outsourcing hub marks a major milestone in the annals of Information Technology sector of both the countries.

According to Zhou Weiquiang, vice-mayor, Suzhou Municipal People's Government 'China and India have comprehensively accelerated the pace of cooperation in the services outsourcing field and the visit of Suzhou delegation and the MoU's signed is the best proof. In a globalized economy there is indeed competition but more importantly the partnership forged also highlights the need for cooperation between the two giants to jointly surge ahead.'

Further he said, 'The cooperation in the services outsourcing field between China and India is not only necessary for the software / hardware enterprises from both the countries to face international competition but also indispensable for the development of the services outsourcing industry in China and India as well.'

Built around the Yangtze River delta, Suzhou has developed into one of the most important IT hub of China and the planners have consciously developed it as an 'offshore outsourcing' nerve centre. Further, Suzhou Municipal Government has listed the development of services outsourcing industry as the key point of the city's national economic development.

The services outsourcing industry of Suzhou (software alone) during 2007, clocked an output of USD \$3.5 billion (including embedded software) of which exports accounted for USD \$1.2 billion (including embedded software). The city so far has attracted over 400 software enterprises, among which more than 80 are involved in software outsourcing business. It is estimated that by the end of 2008, Suzhou would witness completion of construction of over 1 million square-meter services outsourcing carriers, wherein the Government would invest over USD \$140 million.

Further, Suzhou Industrial Park's operating plan and policies are designed to provide R&D centers, high technology companies and software firms with an environment that provides the benefits of a planned community with proximity to greater Shanghai's lively academic and cultural institutions. Last year, Suzhou Industrial Park was awarded the honor of the first 'Model Base of Services Outsourcing' of China jointly by the Ministry of Commerce, Ministry of Information Industry and the

Ministry of Science and Technology. It is also the only experiment zone of preferential financial and taxation policies for services outsourcing enterprises in China.

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**About Suzhou Municipal People's Government:**

With a history of over 2,500 the Suzhou City of China has developed into a hot land for investment. 122 out of the top Fortune 500 companies have invested in Suzhou. Now its focus is more on the development of services outsourcing industry. So far there are over 500 services outsourcing enterprises of various types. The main categories of services outsourcing includes software development, animation, third-party logistics, financial accounting, human resources, etc.

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