



For immediate release

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PRESS RELEASE

EUROPEAN SERVICES INDUSTRY CALLS EU AND INDIA LEADERS TO BOOST EU-INDIA FREE TRADE AGREEMENT

On the eve of the EU-India Summit in Brussels on 10 December, the European Services Forum calls on the leaders of both sides to give a strong signal to the Free Trade Agreement negotiators demonstrating emphatically that their objective is market-openness and that their goal is an ambitious agreement that will deliver material opportunities to the economies and citizens of both parties. The resultant FTA would spur an advantageous expansion in global trade when it is vitally necessary to so do. It would give European businesses access to a huge potential market with a strong and steady growth rate.

In terms of services, trade between the EU and India is still in its infancy, amounting only to a total of only €16 billion of transactions in 2009. India is EU's 12th largest trading partner in services, with only 1.6 % share of EU's trade in services. Even if the trend shows considerable increase of the bilateral trade in services between EU and India in the last years, there is clearly significant potential to increased trade flows from a Free Trade Agreement.

The movement of services providers on temporary basis is absolutely essential for services companies to properly serve their customers. Our companies need to be able to send to India their personnel to India for temporary periods on a specific contract basis. In addition, there is also a substantial interest at European services providers to allow access for qualified Indian personnel to the EU to a sufficient degree. Thus, the EU services sector urges the European Union to open up more in this respect.

The FTA negotiations on services with India, in addition of aiming at improving the traditional pre-establishment commitments, should also put the stress on post-establishment measures, as the problem of most EU companies is now that of being granted a fair and equitable treatment compared to Indian companies. We urge therefore the European Union to negotiate investment access and protection in India.

With its huge population and an important increase of urbanization, India will face important challenges in providing relevant infrastructure for its citizens. The FTA negotiations with India are the right instrument towards this endeavour and ESF strongly supports better access to India public procurements for relevant services sectors.

ESF has provided the negotiators with in-depth analysis of its priorities in the various services sectors, sector by sector (see www.esf.be).

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The European Services Forum is a network of high-level representatives from the European Services Sector committed to promoting the interests of European services and the liberalisation of services markets throughout the world through international trade in services negotiations. It comprises major European service companies at the CEO level and a large number of European service sector federations covering service sectors like financial services, tourism, telecommunications, maritime transport, business and professional services, distribution, express delivery and IT services. (www.esf.be).