

PRESS RELEASEBrussels, 31st May 2005**European Services Industry Leaders insist that substantial services liberalisation is essential to a successful Doha Round**

A high level delegation of leaders of European services companies, led by Lord Vallance of Tummel, Chairman of the European Services Forum (ESF), met the EU Commissioner for Trade, Peter Mandelson today. The end of May is the deadline fixed last August by all WTO Members for tabling new initial offers and revised offers in the GATS (General Agreement on Trade in Services). To date, not enough countries have been participating actively in the exercise; thus, there is serious concern about the lack of progress in the WTO Services negotiations.

Europe stands to benefit from open markets for services via a successful Doha Round. Services are key for employment in Europe. During the past five years, nearly 8 million jobs have been created in the services sector, while about 1.5 million were lost in industry and agriculture from 1999-2003. Services exports are also important for the EU: in the fourth quarter of 2004, the EU 25 recorded a surplus of 7.0 billion euros on external trade in services. Europe's greatest competitive advantage is in services.

Leaders of major European Services firms told the Commissioner that Europe has no more important offensive interest in the Doha Round than services. The EU negotiating position on the Round as a whole, including agriculture, should reflect that.

ESF believes that if the Doha Round is to yield substantial results in services by the end of 2006, high quality initial offers from bigger developing countries which have not yet made such offers (South Africa, Philippines, Venezuela and Morocco) have to be tabled in the coming weeks.

The major problem remains the **very poor quality of the initial offers**. ESF wants countries which have made initial offers to submit revised offers which go beyond binding existing practice, and open new trading possibilities. It is not enough just to maintain existing levels of market access; and most current offers even fall short of that. To succeed, the Round should provide real new liberalisation and new business opportunities in the services sectors. Developing countries also need access to modern services if their economies are to grow and their exports are to compete in world markets. The EU should insist on services being liberalised, just as trade in agriculture and industrial goods should be liberalised.

For Europe, services must be right at the top of the priorities in the Doha Round. For the WTO, just as it is clear that no progress can be made without movement on agriculture, it is now time to realise that a successful Doha Round cannot be achieved without substantial progress in services.

(See reverse for list of participants and ESF short Description)

ESF Leaders Group Delegation to Commissioner Mandelson – 31/05/2005

1. Lord Vallance of Tummel, **ESF Chairman**,
2. Mr. António Robalo de Almeida, Chief Regulatory Officer, **Portugal Telecom Group**
3. Mr. Willem Bröcker, Global Managing Partner, **PricewaterhouseCoopers**
4. Mr. Philippe de Buck, Secretary General, **UNICE**
5. Mr. Hans Ulrich Maerki, Chairman and CEO of **IBM Europe**
6. Mr. Karel van Miert, International Advisor, **Goldman Sachs International**
7. Mr. Robin Pauley, Member of the Board, President European Affairs, **BT**¹
8. Mr. Fritz Pleitgen, **ARD**², Director General of WDR³
9. Mr. Riccardo Perissich, Director Public and Economic Affairs, **Telecom Italia**
10. Mr. Chris Perrin, Executive Partner, **Clifford Chance**
11. Mr. Max Taylor, Chairman of **BIPAR**⁴ & Deputy Chairman of **Aon Ltd**
12. Mrs. Monika Wulf-Mathies, Managing Director Corporate Public Policy and Sustainability,
Deutsche Post World Net
13. Mr. Christopher Roberts, Chairman of ESF Policy Committee,
Chairman of LOTIS Committee of **IFSL**⁵
14. Mr. Pascal Kerneis, Managing Director of ESF.

The European Services Forum (ESF) 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 WTO Services Negotiations. It comprises more than 40 major European service companies at the CEO level and more than 35 European service sector federations covering service sectors like financial services, tourism, telecommunications, air and maritime transport, business and professional services, distribution, postal and express delivery, IT services, energy services and the audio-visual industry (see list of members and position papers in the web-site: www.esf.be).

Lord Vallance of Tummel, Chairman of ESF, is a member of the British House of Lords and a former President of the CBI in the UK.

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¹ BT : British Telecom

² ARD : Arbeitsgemeinschaft der öffentlich-rechtlichen Rundfunkanstalten der Bundesrepublik Deutschland, i.e. First Public Broadcasting in Germany

³ WDR : West Deutsche Rundfunk – West German Broadcasting

⁴ BIPAR: Bureau International des Producteurs d'Assurances et de Réassurances, i.e. European Federation of Insurance Intermediaries

⁵ IFSL : International Financial Services, London