



## EUROPEAN COMMISSION

Directorate-General for Trade

Directorate B - Services and Investment, Intellectual Property and Public Procurement  
**Services**

Brussels, 27 June 2012

### MEETING REPORT

#### **Informal meeting of European Services Forum (ESF) and TPC Services & Investment, 21 June 2012**

##### **Summary**

The services plurilateral was the main topic of the informal meeting of the European Services Forum (ESF) and the TPC Services&Investment. Most business representatives are in favour of a plurilateral negotiation; they would prefer it to be "within the multilateral trading system" but if that was impossible and if it came to a point of parting among the Really Good Friends, they would not want to see the EU outside the initiative. Only the Eurocommerce (retail sector) representative spoke out strongly in favour of creating a docking mechanism instead of a competitor to the GATS.

##### **Details**

ESF policy committee chairman Bowles noted that ESF had not yet stated its position publicly in order not to limit the Commissions wriggle room but would have to speak up at the Washington Services Summit on 19 September. He summarised ESF members' views as being tired of no progress at the WTO, preferring a plurilateral within the WTO system, but as China and India would clearly not come on board soon, they would not want to see a negotiation take off without the EU. Jam today was better than caviar tomorrow and countries signing an agreement would be an encouragement in itself.

Businesseurope, however, has issued a joint statement with the US Chamber of Commerce recommending that *"interested countries should launch negotiations towards a comprehensive International Services Agreement before the end of 2012"*. This is remarkable because of the double hat of the Trade Advisor of Businesseurope,

ESF said that business was "very keen on launching a plurilateral initiative" and repeated the arguments of the US Coalition of Services Industries in favour of a "new model that would set the bar high". He recommended clarifying vis-à-vis US and Australian industry that the EU was more ambitious than the US, wanted new market access in BRICs so the door should be left open, and was not afraid of negative listing (could negative list be used for initial participants and positive list for countries joining later?). A plurilateral agreement could also bring "21<sup>st</sup> century rules", transparency for subsidies and freedom of data flows. He also repeated the US argument that the classification system used in GATS schedules was outdated and did not take account of new services.

The representative of CityUK (financial sector) requested more explanation about the Commission's concerns about risks for the system and appreciated the reply received. COM ([Art. 4.1 b]) explained that the GATS structure and approach to scheduling resulted from careful political balancing in Uruguay Round, it was important to respect this structure so that plurilateral can be docked to the system more easily when other countries want to join. He also noted that a plurilateral even among friends only would not be quick to negotiate and it was not clear what the US could actually deliver.

The representative of Eurocommerce (retail sector) confirmed fatigue with lack of progress in WTO negotiations, but said that a docking mechanism was what they wanted.

The Member States representatives taking the floor (PL, UK, NL, ES) confirmed the views expressed in the TPC, i.e. that a plurilateral initiative should respect GATS architecture, including positive listing.

**Other issues** raised by industry:

[Out of scope]

[Out of scope]

- Signed -

[Art. 4.1 b]

Cc. Demarty, Aguiar Machado, [Art. 4.1 b], Schlegelmilch,  
[Art. 4.1 b] [Art. 4.1 b] [Art. 4.1 b]  
[Art. 4.1 b] Unit B2 (DG Trade);

Levie (Cab. De Gucht);

[Art. 4.1 b] (Del. Geneva).