Dear all,

On Thursday 20 March, the European Services Forum (ESF) Policy Committee meeting was held.

[Art. 4.1 b] gave an update on TTIP and [Art. 4.1 b] on TiSA to the ESF Policy Committee members. You can see the report below.

Best regards,

ESF Policy Committee, 20 March 2014.

Resume:
The main purpose of the ESF Policy Committee meeting was to go through the state of play of on-going trade in services negotiations. The discussion underlined a keen interest of ESF members to exchange views on the negotiations:

- [Out of scope]

- On TiSA, ESF members raised various questions about the present and future activities evolving around the negotiations by addressing specific sectors (e.g. e-commerce, Mode 4 etc.). Members underlined the importance of keeping the door open for other countries to join TiSA, especially China. ESF Members pointed out that a business delegation will be present in Geneva during the next round of negotiations and highlighted their interest in having a meeting with all the negotiators and the EU.

Details:

- The Policy Committee meeting was chaired by Mr Tilmann Kupfer from BT with broad participation from ESF committee members. [Art. 4.1 b] and [Art. 4.1 b] participated from DG Trade. The main purpose of the meeting was to go through the state of play of on-going trade in services negotiations.
COM briefed the current state of the negotiations. Last round was hosted by the EU and took place 17-24 February. The focus of the last round was on review of the offers in order to move to the negotiating text. There are 21 offers on the table out of 23 (Paraguay and Pakistan still have to send theirs). The offers are generally satisfactory, except for some countries (notably Turkey and Mexico) and some of the offers are not yet complete (for example Canada, Mexico on financial services and US on financial services and Mode 4). Good technical discussions took place on several topics (maritime, financial services, telecom and e-commerce, Mode 4, DR/transparency, professional services.

The next round is hosted by Australia and starts on 28 April. The round after that is in June. China and Uruguay have showed their interest in participating in the negotiations. Both should undertake at senior political level not to reopen issues already closed before they join in. COM also referred to the work done under Sustainable Impact Assessments and mentioned that a new civil society dialogue is still to come.

Members were interested to hear about the state of play in telecom sector's roaming proposal; energy services; empty containers; cross-border data flows and EU's aspiration in this field. ESF members also addressed if the architecture of the text is settled and if there was a proposal on aviation and air transport. ESF member encouraged the multimodal discussion under maritime and thanked the COM for the efforts made in the last round. The Mode 4 report seemed disappointing to the participants. On e-commerce a member asked if the offer is similar to the one made in EU – South Korea FTA and wished to have more transparency on this.
Further understanding was asked on EU’s proposal on combining the annex in financial services. Participants stated that it was unclear if US has put an offer on the table and if China is still interested to be a part of TiSA as it is important that China would join. They wondered if US stand on China regarding TiSA would change. As there are many on-going negotiations a question was raised if EU has a top priority negotiation.

ESF members reminded that a business delegation will be in Geneva during the next round of negotiations and appreciated the collective reception, but showed also interest in having a meeting with the negotiators as this is the main reason why they are present in Geneva in the end of April. ESF members underlined the importance of this meeting and made a proposal to have a meeting with the EU in Geneva on 28 April.

COM suggested the ESF members to discuss about the meeting with negotiators with Australia as they are hosting the next round. EU also took note of it. The separate meeting with the EU will still be further discussed. COM confirmed that the architecture of the text is settled. Regarding e-commerce COM stated that ambition on market access and rules are to be assessed separately. The negotiation did not reach so far yet to cover cross-border data flows and energy services. There are negotiations on Mode 4; certain aspects of aviation and air transport and on the roaming proposal and its possibilities. Empty containers are also under discussion. COM confirmed China’s interest in joining the negotiations. COM also stated that there is not a hierarchy in EU’s negotiations. TiSA allows having common set of ambition gains and the agreement has a systemic value, whereas TTIP could allow us to get into a deeper level of cooperation, such as on regulatory aspects of financial services.