



Brussels, 11 April 2013

## **CALL FOR AN ENHANCED ENGAGEMENT WITH INDIA TOWARDS AN AMBITIOUS FREE TRADE AGREEMENT**

### **- JOINT STATEMENT BY EUROPEAN BUSINESS ORGANISATIONS -**

**The undersigned bodies of this statement remain strongly committed to an ambitious and comprehensive Free Trade Agreement (FTA), which would deliver significant economic benefits and contribute to the development of both the EU and India. The Ministerial meeting on 15 April in Brussels will be an important opportunity to further advance towards the conclusion of the negotiations.**

An ambitious and value adding FTA would include *inter alia* elimination of tariffs with no exceptions, technical barriers to trade including the removal of all export restrictions/export duties on raw materials, market access for goods and services, investment protection, public procurement including the removal of local content requirements, a meaningful intellectual property chapter, competition, as well as sustainable development. Renewed engagement by both parties in the coming months is essential in order to achieve an outcome that meets the expectations of the business community of both sides. This would create growth and employment, provide a level-playing field for all economic operators and serve the public interest.

In order to gain full benefit from an EU-India FTA, and for industry to be able to support its conclusion, the FTA must provide equal market participation opportunities for each party to the agreement and contain adequate commitments to internationally agreed IPR standards. Consequently, we call on Commissioner De Gucht and Minister Sharma to take all the necessary steps to ensure that European companies are able in the future to compete fairly for business in this critical market, just as Indian companies are in Europe.

The value of EU-India trade in goods and services grew from €28.6 billion in 2003 to €98 billion in 2011. EU investment in India more than tripled between 2003 and 2010; going from

€759 million in 2003 to €3 billion in 2010.<sup>1</sup> Whilst these figures show that the recent years have witnessed a substantial increase in trade and investment between the EU and India, the volumes remain modest. It is therefore clear that numerous trade and regulatory barriers still prevent a higher degree of investment and economic integration. Many studies show that the removal of the obstacles through a trade agreement would generate important gains for both parties.

Improving EU and India economic relations is therefore essential for European companies, whose business links with India extend beyond import and export to include alliances and partnerships in supply chains, joint research projects and significant direct investments. This Agreement should also act as a catalyser of important administrative and economic reforms that would improve the overall business environment for companies. Realising the full potential of bilateral trade is particularly important in crisis times.

The lowering of standards or suspending talks would represent a major step backwards. With this in mind, we urge Commissioner De Gucht and Minister Sharma to tackle the key open questions in order to achieve progress in the negotiation of an ambitious agreement. The undersigned bodies will follow closely the progress made ahead of this year EU-India Summit.

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<sup>1</sup> DG Trade: <http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/countries/india/>

**Signatories:**



Cefic, the European Chemical Industry Council, is the Brussels-based organisation representing the European chemical industry. It represents 29,000 companies that produce 20 per cent of the world's chemicals and employ 1.1 million people.



Cerame-Unie is an umbrella organisation representing the European ceramic industry structured in eight ceramic sectors. Cerame-Unie is the voice of the European ceramic industry. It creates and maintains a constructive dialogue with the EU institutions, international partners and the social and environmental stakeholders by providing expertise in such important fields as: environment and health & safety, climate change and energy, trade, construction, raw materials, standardisation.

The EU Ceramic industry is a traditional supporter of trade liberalisation. The industry has been contributing to the EU economy with a turnover of more than € 27 Billion. The EU ceramic industry provides more than 200,000 direct employment in the EU, with a high proportion of SME's creating local jobs (around 80% of SME's). Many companies headquartered in the EU are world leaders in ceramic product development, manufacturing and sales.



The Confederation of National Associations of Tanners and Dressers of the European Community (COTANCE) is the representative body of the European Leather Industry. It promotes European leather both in the European and international markets. With some 25% of the world's leather sales and one of the largest and most dynamic consumer markets for leather articles, Europe stands out as the leading force in international business circles in relation to leather and tanning. With a turnover of nearly €10 billion, over 3,000 companies and some 50,000 people directly employed in the sector, Europe's tanneries, mainly SMEs, demonstrate their competitiveness on the global market.



DIGITALEUROPE represents the digital technology industry in Europe. Our 100+ members include some of the world's largest IT, telecoms and consumer electronics companies and national associations from every part of Europe. DIGITALEUROPE wants European businesses and citizens to benefit from digital technologies and for Europe to grow, attract and sustain the world's best digital technology companies.

DIGITALEUROPE ensures industry participation in the development and implementation of EU policies. Together, DIGITALEUROPE's members represent more than 10,000 companies that employ two million citizens and generate €1 trillion in revenues. Our website provides further information on our activities: <http://www.digitaleurope.org>



The European Federation of Pharmaceutical Industries and Associations (EFPIA) represents the pharmaceutical industry operating in Europe. Through its direct membership of 33 national associations and 35 leading pharmaceutical companies, EFPIA is the voice on the EU scene of 1,900 companies committed to researching, developing and bringing to patients new medicines that will improve health and the quality of life around the world. EFPIA Members directly employ 660,000 people in Europe.



The European Apparel and Textile Confederation (EURATEX) is the political voice of the Textile and Clothing (T&C) industry in Europe. Our members are National Associations representing T&C Industry interests in Europe and also European Associations representing the interests of certain sub-sectors within our Industry (Cotton, Man-made Fibres, Linen, Non-Woven, Carpets, etc). We account for € 179 billion Turnover, 1,834 million workers and 146.000 companies.



The Association of European Chambers of Commerce and Industry represents over 20 million enterprises in Europe – 93% of which are SMEs – through members in 44 countries and a European network of 2000 regional and local Chambers.



EuroCommerce represents the retail, wholesale and international trade sectors in Europe. Its membership includes commerce federations and companies in 31 European countries. Commerce is a dynamic and labour-intensive sector, generating 11% of the EU's GDP. Over 95% of the 6 million companies in commerce are small and medium-sized enterprises. The sector is a major source of employment creation: 33 million Europeans work in commerce.



Eurometaux is the Brussels-based EU association of the non-ferrous metals industry, representing the main EU and international metals producers, EU and international metal commodity groups and national metal federations. The industry covers base metals (Al, Cu, Pb, Ni, Zn), precious metals (Au, Ag, PGM's) and technical metals (e.g. Co, W, Cr, Mo, Mn), manufactured from both virgin and recycling raw materials.

European  
Cultural  
and Creative  
Industries  
Alliance

The European Cultural and Creative Industries Alliance (ECCIA) is composed of the five major European luxury industry associations: Circulo Fortuny (Spain), Comité Colbert (France), Fondazione Altgamma (Italy), Meisterkreis (Germany) and Walpole British Luxury (UK). Its members together represent approximately 300 of Europe's leading luxury brands covering 14 different high-end product and service markets. This includes the high-end segment of European Watches & jewellery, Fashion, Perfumes & cosmetics, Accessories, Leather goods, Gastronomy, Furniture & furnishing, Design household equipment, Cars, Yachts, Wines & spirits, Hotels and leisure experience, Retail and Auction Houses, and Publishing.

The sector employs 1.5 million people (directly and indirectly), and contributes an output of 440 billion Euros to the European economy. The sector exports 70% of its production, representing 10% of all European exports.



The European Services Forum (ESF) is a private sector trade association that represents the interests of the European services industry in International Trade Negotiations in Services. It comprises major European service companies at the CEO level and European service sector federations covering service sectors such as financial services, tourism, telecommunications, maritime transport, business and professional services, distribution, postal and express delivery, IT services, environmental services and the audio-visual industry.



Founded in 1960, the Federation of the European Sporting Goods Industry (FESI) represents the interests of approximately 1,800 sporting goods manufacturers through its National Sporting Goods Industry Associations and its directly affiliated member companies. FESI's members directly and indirectly employ about 650,000 workers in the EU with an annual European turnover of over €66 billion. 70-75% of FESI's membership is made up of Small and Medium Enterprises. [www.fesi-sport.org](http://www.fesi-sport.org)



The mission of FoodDrinkEurope is to represent the food and drink industries of the EU– the largest manufacturing sector in the EU in terms of turnover, employment and value added. FoodDrinkEurope works with European and international institutions, in order to contribute to the development of a legislative and economic framework addressing the competitiveness of industry, food quality and safety, consumer protection and respect for the environment. FoodDrinkEurope's membership consists of 24 national federations, including 3 observers, 25 European sector associations and 18 major food and drink companies. For more information on FoodDrinkEurope and its activities, visit: please visit: [www.fooddrinkeurope.eu](http://www.fooddrinkeurope.eu)



The FTA represents retailers, importers and brand manufacturers worldwide in the political arena and in public to achieve free trade and supports their international business by providing information and practical solutions. Furthermore, FTA seeks to improve sustainability in the international supply chain. Over 1,100 member companies, including from India, employ 3 million people and generate a combined turnover of €600 billion.



IFPI (International Federation of the Phonographic Industry) represents the recording industry worldwide, with a membership comprising some 1400 record companies in 66 countries and affiliated industry associations in 56 countries including India. IFPI's mission is to promote the value of recorded music, safeguard the rights of record producers and expand the commercial uses of recorded music in all markets where its members operate. Our members include multinationals but also over a thousand small and independent music producers and national associations, across Europe and the world.