

**From:** [Art. 4(1)(b)] (TRADE)  
**Sent:** 15 June 2018 08:57  
**To:** [Art. 4(1)(b)] (TRADE)  
**Subject:** FW: Report: ESF Policy Committee and informal meeting with TPC SI, 12 June 2018  
**Attachments:** Out of scope

Bonjour [Art. 4(1)(b)]

Could you please register the report in Ares and EMT?

Many thanks,

[Art. 4(1)(b)]

---

**From:** [Art. 4(1)(b)] (TRADE)  
**Sent:** Friday, June 15, 2018 8:57 AM  
**To:** TRADE LIST B1  
**Subject:** Report: ESF Policy Committee and informal meeting with TPC SI, 12 June 2018

The ESF Policy Committee meeting took place on 12 June, followed by the bi-annual informal meeting between ESF and TPC SI members.

Participants:

- TRADE/B1: [Art. 4(1)(b)]
- MS: AT, BG, CZ, CY, DE, DK, EL, FR, HU, IT, LT, MT, NL, RO, SE, SI, UK
- ESF: Architects' Council of Europe, BT Group, BusinessEurope, CityUK, Confederation of Danish Industries, Danish Shipping association, DigitalEurope, Ericsson, EuroCommerce, European Community Shipowners' Association, IBM, Irish Business and Employers Confederation, Law Societies of England and Wales, Microsoft, Orange, UPS

#### *Policy Committee Meeting*

[Art. 4(1)(b)] gave an update on the state of play on WTO (ecommerce and Domestic Regulation).

Questions raised concerned:

- DR: whether the outcome will be on a MFN basis, whether the DR text will be similar to the TiSA one, whether achieving a critical mass is a pre-requisite for achieving an outcome
- E-commerce: whether source code and encryption are included, what is the interplay between the different fora discussing e-commerce (e.g. OECD, UNCTAD) and their impact on the WTO plurilateral discussions, whether an ESF position paper and lobbying in GVA would be useful.

#### *Informal ESF-TPC SI meeting*

[Art. 4(1)(b)] provided a brief update on the ongoing FTA negotiations.

- ESF presented their recent activities, including their participation to a roadshow in CA regarding the implementation of CETA, to the 4th global exhibition on services in India and to the International Fair for trade in services in CN. ESF advocated for similar events to take place in the EU and informed of a possible big event in 2019 for the 20th

anniversary of ESF. ESF informed that it has also established a taskforce on data flows and one the future relations with the UK.

- ESF informed that it will be sending a letter to the EU and UK Chief Negotiators stressing:
  - the importance of trade in services
  - the dependency of trade in goods on services
  - the importance of a smooth and flexible transition period
- ESF presented their revised position paper on data flows (signed by all its members but two). It:
  - welcomes the Commission proposal
  - supports the provisions proposed in Article A; however, the text should not be limited to the four listed localisation methods but also cover any other potential restrictions
  - raises concerns about the second sentence of Article B paragraph 2 which would allow a Party to potentially misuse a data protection regulation for protectionist purposes
  - calls upon the European Institutions to ensure that EU trade agreements include provisions that would enable data transfers both ways and provide legal certainty and predictability
- The DK Industry Confederation and Eriksson gave the attached presentations demonstrating the importance of data flows for EU industry. IBM provided examples of barriers in third countries (e.g. new VT law on cyber security, IDN Regulation on electronic transactions and BR and CL laws on data protection).
- NL and SE took the floor to encourage business to come forward with their position on data flows and provide examples while they shared the view for ambitious provisions.