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## France asks India to further liberalise services, auto sector

PTI

New Delhi, 14 February 2013: France today asked India to further open its market for foreign companies in sectors like services and automobile under the India-EU free trade agreement.

"We are negotiating an FTA but we are still facing problems...from our side we still have few questions on liberalisation of services sector on Indian part...some difficulties in automobile sector," French Minister for Foreign Trade Nicole Bricq said.

India and the 27-nation bloc European Union are negotiating the Bilateral Trade and Investment Agreement (BTIA) since June 2007 and have missed several deadlines to conclude the talks due to differences among the two sides on the level of opening up of the markets.

"...if we can rebalance our trade exchanges, it will be favourable (for the free trade agreement)," she said.

However, Bricq said that both the sides have increased the meeting at all levels including at the technical level to fast-track the talks.

A ministerial level talk is expected on the pact by end of this month, she added.

Speaking at the occasion, Commerce and Industry Minister Anand Sharma expressed hope that the negotiations would be finalised by this summer.

On visa issue, Bricq said that France is working to further liberalise visa regime for both businessmen and young research students. "...there are some issues on visa. I have discussed the issue with my home minister. We are working towards making it more liberal," she said adding there is also a need to remove all trade and non-trade barriers to boot two-way commerce.

The visiting French President Francois Hollande said that huge opportunities are present in both the countries to strengthen economic relationship between the countries.

"There is no sector that cannot be covered by both the countries. We have many areas where great deal of potential is there for cooperation like in energy, transport, audio-visual and retail," Hollande said.

Inviting investments from India, the President said that France would further open its market. "Our companies have technology advantage and we are ready to share that advantage with you...there is a need to establish personal links so that our companies can find room for expansion," he added. Trade between India and France was valued at USD 8.89 billion in 2011-12.

The French President said that small, medium and large companies should have access in each others market. "It is not easy to set up companies. But let us try to remove obstacles to enhance trade and investments," Hollande said.

The French Foreign Trade Minister said that there is a need to increase meetings between business community of both the countries as it would help MSMEs to consider India as a possible market for investment.

Bricq said that in the next G-20 meeting, which is expected in September in Russia, both the nations would oppose protectionist measures. Welcoming recent policy announcements by India, she said now French companies would explore business opportunities in retail.

France can also help India in urban development issues like water and waste management and creating other infrastructure. "We have excellent companies involved in this field," she added.

Further Sharma said that both the countries can increase cooperation in areas like energy, urbanisation, infrastructure, pharmaceuticals, food processing and life sciences.

He said that with the government liberalising FDI policy in civil aviation and retail and "now the French companies have freedom to come and work with Indian partners in multi-brand retail sector".

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