Europe India Chamber of Commerce

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EICC General Body and Board of Directors will meet on 15 October 2013 in Brussels

Chamber's Board of Directors and General Body will meet in Brussels on 15 October 2013 on the eve of the EICC Trade, Investment and Partnership Summit on 16 October. The meeting will be held in the Hotel Sheraton. The meeting will be held in the HOTEL SHERATON TOWER, Place Rogier 1210 Brussels. The meeting will be held in Room PERMEKE.

In addition to the Secretary General's Report, the meeting will discuss how to make the Governing Board sustainable, effective and participatory. Special discussion will take place on the issue of membership, formation of committees, developing working relationship with bilateral chambers. As the Chamber's base increases, many new members of the Chamber will attend the meeting.

As at these meetings essential mechanisms for policy issues on trade, investment, economic cooperation and coordination between Indian and EU business are discussed it is important that all members attend the meeting and share their thoughts. The important topics to be discussed will cover areas of EU-India cooperation, general current issues, programme and future meetings and activities, in addition to other topics. The meeting will also

EICC invites Indian Minister Mr. Kamal Nath to address EICC Business Summit

Indian Cabinet Minister for Urban Infrastructure Mr. Kamal Nath has been invited to address the EICC Business Summit on 16 October in the European Parliament in Brussels. Chamber's Secretary General called on the Minister in New Delhi on 23rd July and invited him to speak in the Summit as Chief Guest. Mr. Nath had addressed EICC Conference in 2008 and for him EICC is no stranger. Important guest speakers to the TIPS include Minister-President of Flanders Mr. Kris Peeters, high representatives European Commission. , will address the Chamber's Trade and Investment Partnership Summit (TIPS) on 16 October in Brussels. The European Business Technology Centre, a programme funded by the European Commission and managed by the EUROCHAMBRES, as main collaborator, will be the main collaborator and both are working closely to see that the Summit meets its objectives. Titled as "***Dynamics of EU-India Relations in a Changing Europe: Challenges and Opportunities for Accelerating Trade and Investment"*** the theme of the Summit will also mark the 50 years of India's engagement with the EU. Indian Chamber of Commerce which is collaborating with the EICC will send a business delegation. TIPS will be the largest business event in the context of India and European business relations of 2013 in Europe and will provide the highest level platform for a concrete and constructive dialogue in the context of improving trade and investment between EU and India and will offer Indian and European companies to build their collaboration.

While the fire-brand Indian Parliamentarian Mr. Sitaram Yechury will speak on social and economic aspect of humanizing trade benefits, Dean of the Cornell University Dr. Soumitra Dutta will speak how Indian companies can make its global imprint through innovation. High representative of the OECD will also speak in the summit. The Summit will be held in the Parliament's Conference Room **A5E2** from 9am to 18.30pm. Chamber will host a Networking lunch for the participants and invited guests in the Parliament.

Over the past three months, the Chamber has been hard at work committed to building a sustainable relation, building a strong participatory framework and foundation for closer cooperation between European and Indian business and how together they can enhance EU-India trade. In the quest for meeting is mission objectives with larger participation of business, Chamber's efforts has been very successful. Business Houses, companies, organisations and agencies who have confirmed their participation include Dalmia Group of Companies (India), Foresight Limited (UK), The FifthVeda Entrepreneurs (India), KHS Machinery (India), Binani Group of Industries (India), Bajoria Group (India), Avantha Group (India), Tata Consultancy Services (India), Poddar Group (India), CMI Group (Belgium), Commonwealth Business Council (UK), FIT (Belgium), Deloitte, PwC, Andras House (N. Ireland), AWEX (Belgium), Captiveway (France), LOYENS & LOEFF (The Netherlands), GIANNI, ORIGONI, GRIPPO, CAPPELLI & PARTNERS (Italy), DLA Piper, Uflex Limited (India), McKinsey and Company, Ernst & Young, Adani Group, EADS (France), Alliance for Natural Health International (UK), BNP Paribas (France), Ransat Group (UK), Total (France), Brussels Invest, JBF-RAK (UAE), Meghmani Group (India) and AIA Group (Spain).

The Summit will bring together leaders from various fields to discuss challenges, opportunities and commitment required by companies to enhance business collaboration. TIPS will seek to bridge trade and economic divide between the two countries will bring policy makers, industrialists, business leaders, and high representatives of the European Commission and heads of trade bodies. The summit will attempt to build better and innovative relationship by exploring the dynamics of changing Europe through discussion and exchange of ideas among high profile business leaders, experts from wide range of discipline from Europe and India. The sessions will focus on some of the leading innovative companies sharting their experience, expertise and concerns on the issue of trade and investment between EU and India. The event will also discuss the broader side of the trade related issues such as regulatory and legal framework, taxation policies and other incentives in India and Europe. The TIPS will make comprehensive overview of India-EU relations in content and context and will suggests ways to give it a strategic dimension. The summit will serve as a key platform offering an unparalleled access to a full spectrum of more than 150 industry leaders, business executives, policy makers, representatives of the European Commission to share their views on issues related to trade and investment. The summit will provide an opportunity for the delegates to access important presentations to engage in discussions and network with specialists across a range of topical issues and suggests ways to give it a strategic dimension. Industrial sectors that will be discussed in depth for bilateral cooperation include Pharmaceuticals, Renewable Energy, Infrastructure and Retail.

India owes more to overseas entities now

India's international investment position (IIP) saw significant deterioration in the year-ended March 31, 2013. The country's net liabilities to other countries rose by $57.8 billion to $307.8 billion over the course of the year. This caused the net IIP to worsen from a negative 14 per cent of GDP to a negative 16.7 per cent.

The International Investment Position compares what India owes to entities located overseas (liabilities) relative to what it is owed by foreign entities (assets). In recent years, India's liabilities have been expanding while assets have stagnated.

Worsening global position (proportion of GDP in per cent)

Period	Mar-11	Mar-12	Mar-13
Net IIP (Assets - Liabilities)	-11.9	-14	-16.7
Assets	25.3	24.5	24.3
Liabilities	37.2	38.5	41

Liabilities have soared on the back of exporters taking more short term credit, and loans and deposits flowing in from overseas. A break-up of the country's international liabilities indicates that overseas trade credit, loans and deposits extended to India, grew by 13.8 per cent in 2012-13 from 2011-12 levels. This amounted to 18.4 per cent of GDP in March 2013, up from 16.8 per cent in 2012-13.

This was a weak year for inbound foreign direct investments, which grew only by 5.1 per cent. Portfolio investment expanded by 10.4 per cent during the year. This was mainly in the form of equity inflows.

In contrast, Indian companies remained rather cautious about investing across the border. International assets — which capture investments in foreign currency — stagnated at 24.3 per cent of GDP compared to 24.5 per cent a year ago. This was driven by the 0.8 per cent decline in the foreign exchange reserves.

Portfolio investments by Indian companies fell by 6.6 per cent, but direct investments overseas rose by 6.3 per cent. This depicts the value of the country's direct investment abroad, portfolio investments, equity and debt security investments, trade credits, loans and reserve assets, among others, as a proportion of its cumulative economic output in a given year.

The ratio of net foreign liabilities to GDP is regarded as an indicator of default risk. This indicates that the country's liabilities to external parties have been rising as a proportion of its economic output

India Inc on a borrowing binge

India Inc borrowed at a faster pace than the rate at which it managed to raise shareholder funds in 2012-13.

The debt-equity ratio (total debt divided by shareholders' funds) of over 500 companies deteriorated to 1.8 times by end-March 2013, compared with 1.2 in end-March 2012. A debt-equity ratio beyond 2 is considered uncomfortably high by lenders and investors. Total borrowings for the 510 companies for which latest balance-sheets are available rose 17 per cent by end-March 2013 compared with a year ago.

However, there is a silver lining: The worsening debt situation was driven by companies taking on more long-term loans (meant to be repaid after a year or later). These saw a 20 per cent jump over last year. Equity and reserves increased only by 9 per cent.

The net debt-equity ratio, which is a measure of what companies owe lenders after using up all their surplus cash, also rose to 1.6 in 2012-13 compared with 1.2 the previous year. Cash balances barely changed, even as borrowings rose.

Of the 510 companies, 237 saw their debt-equity ratio worsen. The companies with rising leverage belonged to different sectors. Metal equipment maker Electrotherm (India), automotive glass manufacturer Asahi India Glass and cement-manufacturer Binani Industries were hard hit by a deteriorating debt-equity ratio. For instance, the debt-equity ratio of Electrotherm India worsened from three times to a whopping 160 times. Cases such as these were the result of companies seeing erosion in their net worth due to unprecedented losses. In the case of Asahi Glass, a sharp jump in short-term borrowings, in addition to a decline in profits, saw its leverage spiking.

Power major Lanco Infratech saw its debt-equity ratio worsen from 6 to 8.5, as payment delays and lack of fuel for power projects, forced it to roll over long-term debt. Infrastructure and construction companies such as Hindustan Construction, Gammon India and JMC Projects saw considerable increase in leverage, too. A smaller number, roughly one in every five companies, however, did manage to reduce their leverage.

Network18 Media, Vardhaman Polytex, India Glycols and Ceat figure prominently in the list of companies that have managed to de-leverage their balance-sheet by repaying borrowings. Narrowing losses at Network18 Media, coupled with reduction in short-term borrowings, helped the company improve its debt-equity ratio.

Similarly, for India Glycols, higher profits, coupled with retirement of debt, helped the company reduce its leverage. Rating agency Crisil noted in a recent report that the number of companies in its rating universe facing downgrades (at 616 companies) outnumbered those with upgrades (379) in the second half of 2012-13.

Leveraged

Borrowings rise more than equity	Debt - equity ratio	
Company	Mar-13	Mar-12
India Inc *	1.8	1.2
Electrotherm (India) Ltd	159.8	3.1
Asahi India Glass	34.8	9.8
K S L & Industries	22.5	3.3
Visa Steel	18.0	5.3
Binani Industries	20.0	9.2
Hindustan Construction	18.0	9.6
Jindal Photo	13.7	7.4
Pokarna	16.2	10.7
Gammon India	8.6	3.9
Jindal Stainless	8.6	4.8

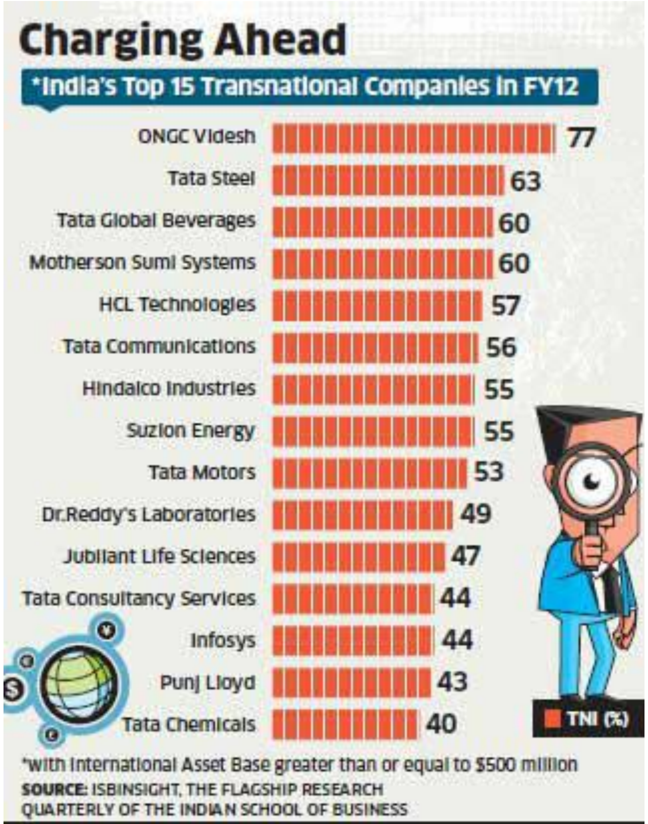
* Average of 510 listed companies

Indian Multi-national companies continue global march: ISB Study

Top Indian transnational companies (TNC) continued their aggressive globalisation march by showing double-digit growth in international revenue, assets and employees despite the general dip in aggregate overseas FDI in 2012, according to a study conducted by the Indian School of Business (ISB).

"We anticipate that the extent of globalisation will only increase further as India becomes more integrated with the rest of the global economy and as Indian companies gain more confidence by acquiring experience in overseas markets," says Professor Raveendra Chittoor, who conducted the study along with Deepak Jena.

The recent years have seen the rapid emergence of a number of firms from developing countries as significant players in global markets. The study that ranks India's TNCs based on their international asset size shows that the majority of the companies on the list are affiliated to business groups, a phenomenon unique to emerging economies, with companies from the Tata group dominating the list.



This is the second year of the survey and ranking by ISB. The ranking methodology is based on the framework (TNI) developed by the United Nations Conference on Trade and Development (UNCTAD). The UNCTAD index uses a combination of three measures to determine the degree of internationalisation of companies — percentage of international assets, percentage of international revenues and percentage of foreign employees.

The study shows that India's top TNCs have a balanced presence in developed and developing markets. It shows emerging market MNCs do not necessarily have a preference for expanding into culturally closer and low technology markets of developing countries, but tend to look beyond for growth.

The study also shows that India's top TNCs follow unconventional internationalisation paths, sometimes preferring to expand first into developed markets rather than into other developing economies. They display risk-taking behaviour and make large investments and resource commitments even in the initial phases of their international expansion.

While the proportion of international assets and revenues of top Indian TNCs is somewhat comparable to that of top global TNCs, Indian companies lag when it comes to employing a global workforce.

The top 15 TNCs with assets of $500 million or more earned 75% of their total revenues from global operations, held 57% of their total assets overseas, and employed 20% of their total workforce abroad.

India second largest investor in London

India has emerged as the second largest investor in the city of London with Indian companies led by software major Infosys wooed by the investment fervour generated by the 2012 Olympic Games in the British capital.

Software services firm Infosys leads the charge of inward foreign direct investment (FDI) made by a total of 28 Indian companies, which generated 429 additional jobs for the British economy in the last year alone, according to latest Government figures released here on Friday to mark a year since London hosted one of the world's biggest sporting events. "India is a very important market for us and these are fantastic results. The Olympics provided the perfect opportunity for Indians to come and experience London and resulted in more Indian companies setting up here," Gordon Innes, the CEO of London and Partners (L&P) and the Mayor of London's business and promotional organisation, told the news agency.

"I had taken the mayor Boris Johnson, to India last year where we held some very important discussions at the national and city level. India has seen phenomenal growth and there are a large number of areas of common interest, such as transport and city planning, where we can work together," he said in reference to the future plans of L&P. L&P is a not-for-profit public private partnership set up to unlock London to overseas investment.

India brought in a large chunk of the 2.5 billion-pound additional foreign investment into the UK since the Games and Indian FDI projects in 2012-13 are estimated to generate 24 million pounds in gross value added for London’s economy over the next three years. Information and communications technology (ICT) was the key sector in terms of Indian FDI into London, followed by financial services and retail.

“The fact that the Olympics were held here generated a lot of positive imagery globally. Our clients employ us because we are at the cutting edge of innovation. We need to be talking to the right people and London & Partners does a good job at helping us with that,” Bangalore-headquartered Infosys said in a statement. In the financial services sector, Axis Bank stood out for setting up its global operations in London as a direct result of discussions during the mayoral visit to India last November.

Cyril Anand, chief executive of Axis Bank UK said, “London has the right mix of potential wholesale and retail business to make it the ideal location for our first international subsidiary. It provides us with a robust regulatory environment which will allow Axis to build on its strong corporate franchise internationally. We look forward to establishing a significant presence in the city.”Among some of the other Indian firms to use London astheir global expansion point include Gurgaon-headquartered Indiabulls Group offering asset management and realty products, Indian portal for restaurant information Zomato, export house Vijay Enterprises and Delhi-based tech firm Kayako Infotech Limited.

The 2012-2013 figures build upon India’s historical prominence as an investor into London and the UK at large. The country has consistently ranked in the city’s top four investors and created as many as 830 jobs in 2011-12 for the economy. The latest figures were released as part of an overall estimate of the economic impact of the Olympic Games on London’s economy. British Government research indicated that the UK economy has seen a 9.9 billion-pound boost in trade and investment from hosting the Games.“We are harnessing the Olympic momentum and delivering the lasting business legacy of the Games that will help make Britain a winner in the global race,” Prime Minister David Cameron said in a statement. The report attributes new contracts, additional sales and foreign investment in the last year to the Games, generating an estimated 4,136 jobs.The US remains the biggest investor into London, bringing in 1,694 jobs, with China coming in third with 365 jobs.

India ready to negotiate bilateral investment treaty with US: Sharma

India has offered to start negotiations with the US on a bilateral investment treaty (BIT) even as it diluted a policy on preferential market access for local venders.

Commerce and industry minister Mr. Anand Sharma, who was on a four-day visit to the US last month, made the offer in a bid to reinvigorate trade ties between the two countries.

''We have said that 'yes, we are ready for it (bilateral investment treaty). We are in favour of a bilateral investment agreement,'' Sharma told reporters in Washington.

''We clearly recognise that the economic engagement in both trade and investment, though robust, is well below the potential, given the opportunities that a growing economy like India offers and the opportunities that exists in the largest economy of the United States of America,'' he said.

However, no date has yet been set in this regard, he said.

The offer comes in the backdrop of senior US leaders raising the issue of problems US businesses face in investing in India.

While the new wave of reforms seems to have brightened the prospects of US businesses investing in India, the ground realities are much different, senior American leaders have pointed out.

However, a Congressional committee, which in the recent past had been highly critical of India's policies on trade-related issues, has welcomed the country's decision to put on hold the preferential market access, a policy that smacks of protectionism.

India, however, counters the arguments against preferential market access with the US immigration bill that puts restrictions on the flow of Indian professionals to the US.

Sharma said both himself and finance minister Chidambaram have raised India's concerns over the Immigration Bill during their meetings with their counterparts, and also at the India-US CEOs Forum.

Meanwhile, US trade representative Mike Froman and Honeywell Inc chairman and CEO David Cote said India needed to address concerns of American businesses on a host of policy issues.

They also pointed to the low bilateral trade with India, which was way below that with China.

Bilateral trade between India and the US currently stands at about $106 billion, of which services trade has a major share. With services trade in India's favour bilateral trade with the US is more or less balanced, Sharma pointed out.

"As of now, trade in merchandise and services put together is about $106 billion and fairly balanced and it has the potential to multiply at least four-fold," the minister said, adding that this could be raised to $500 billion by 2020.

"If we make real effort in five years, we can definitely by 2020 reach there," he said.

Indian professionals work harder on vacation than global peers

Indian professionals are more hardworking than their peers globally with many of them dedicating at least one to three hours for work even during holidays, says a survey.

The findings, based on a survey of more than 26,000 executives worldwide by provider of flexible workplaces, Regus, revealed that about 49 per cent of Indian professional spends more time on work, much higher than the global average of 41 per cent.

As per the survey, the top reasons making professionals to work on vacations are the urge to check mails, the boredom of being so free on a holiday, obsession with files, clients and meetings and insecurity about jobs or the uneasiness of leaving behind the workstations. Individually, 50 per cent of Indian men surveyed prefer to work for around one-three hours every day even when on a holiday as compared to 38 per cent women respondent in the country.

"The dedication men worldwide and especially in India are showing towards their jobs is admirable with a huge percentage of business professionals taking their work away with them," Regus Regional Vice President (South Asia) Madhusudan Thakur said.

"However, this can also be interpreted as an indication that they feel overstretched or insecure in their jobs and are unable to properly switch off. The effects of work place stress are well documented so it is important that workers carve out some personal time," he added.

The survey, conducted among 90 nations, said American professionals (56 per cent) are the highest percentage of professionals who are willing to lose 1-3 hours each day during holidays followed by Japan (53 per cent), India (49 per cent), Australia (44 per cent) and the UK (35 per cent). The survey showed that in the last year, many companies especially the multi-nationals have adopted the policies of flexible working, work from home options among others thereby giving stress free holidays to their employees.

"With growing competition, the companies, these days, are much more concerned about the well being of their staff not only to reduce the attrition rate but to provide best facilities, thereby making the best use of their employees," it added.

IT outsourcing market to reach 288bn in 2013

The IT outsourcing industry is set to be worth $288 billion (£188 billion) in 2013, according to new research by Gartner. Worldwide transactions in the sector are set for a 2.8 per cent increase from 2012 levels because of an increase in demand as managers realise how important it is to get IT support right - especially as high profile cases of leaks and hacks continue to make the headlines.

Gartner's forecast also includes a slight upward revision for custom application outsourcing and infrastructure utility services from 2014 to 2017. Bryan Britz, research vice president at the insight organisation, said: "Enterprise buyers pursuing hybrid IT strategies and small and mid-size business buyers adopting infrastructure as a service are key drivers in cloud and data center service segment growth rates." Outsourcing is also on the rise in the developing world, with Asian, Chinese and Latin American markets forecast for a 13 per cent rise in moves from in-house to specialists.

Indian government eases FDI norms across board, allows 100% in telecom

Pushed to the wall by a weakening currency and a high current account deficit, the government on 16 July decided to raise the FDI (Foreign Direct Investment) caps for a host of sectors and shift some from the FIPB approval route to the automatic approval route. Sectors where caps were raised include defence production and telecom and insurance while the automatic approval route will now be available for petroleum refineries, power, stock and commodity exchanges although the sector limits remains unchanged at 49%.

Higher cap

Sector	Cap	Route
Asset reconstruction companies	Up to 49% 49% to 100%	Automatic FIPB
Credit information companies	74%	Automatic
Single-brand retail trading	Up to 49% 49% to 100%	Automatic FIPB
Basic and cellular services, etc	Up to 49% 49% to 100%	Automatic FIPB
Courier services	100%	Automatic
Defence production	CCS may approve on a case-to-case basis proposals beyond 26% which are likely to result in access to modern and state-of-the-art technology in the country.	

The cap for insurance was hiked from the current 26% under the automatic route to 49% but the proposal will require legislative sanction. Foreign players can also now hold 100% in asset reconstruction companies. As for single-brand retail, where 100% FDI is permitted, foreign investors can now invest up to 49% via the automatic route. The decisions were taken on the basis of the recommendations of the Mayaram Committee at a high-level meeting chaired by the Prime Minister which lasted more than 90 minutes. No decisions were taken for the pharmaceuticals sector and the civil aviation sector.

FDI in the defence space will now be permitted up to 49%, albeit with caveats, the earlier limit was 26%; the move will be welcomed by conglomerates like the Mahindras and Tatas For the telecom sector, the cap has been raised to 100%; the move will benefit the UK-based Vodafone Plc and the Norway-based Telenor, both of whom have been wanting to set up 100% entities in India. Foreign carriers will be disappointed that the government has left the FDI limit at 49%; this will leave them with minority stakes.

While the move will be viewed as investment-friendly by foreign corporations, the government will need to ensure that the fine print is not intimidating, as has been the case with multi-brand retail; moreover, it would also need to hand out clearances expeditiously, especially those for land and environment. The decisions need not be ratified by Parliament.

EIB to reinforce support for renewable and energy efficiency investment across Europe

The European Investment Bank has adopted new guidelines to reinforce support for investment in renewable energy, energy efficiency and energy grids.

Over the last 10 months the EU Bank has undertaken a comprehensive review to ensure that its energy lending criteria reflect EU energy and climate policy, as well as current investment trends. The new proposals were discussed by the Bank's Board on Tuesday 23rd July, who approved them with additional clarifications on proposed exemptions to the Emissions Performance Standard.

Following the review the European Investment Bank will focus on financing energy efficiency, renewable energy, energy networks, as well as related research and innovation. These sectors are expected to require the most significant investment in coming years. This will be complemented with technical assistance to help develop projects in these key sectors. The new energy lending criteria includes streamlined guidelines for lending for energy efficiency projects to enhance co-financing of national energy efficiency programmes and enable increased support for near-zero energy buildings.

"Adoption of the new lending criteria represents an important step forward in the European Investment Bank's commitment to energy investment that supports EU policy and reflects the urgent investment challenges currently facing the energy sector. Prioritising lending to energy efficiency, renewable energy, energy networks and energy RDI projects will help EU to meet its energy and climate objectives and create local employment across Europe. The new Emissions Performance Standard will ensure that outside these sectors the Bank's energy lending makes a sustainable and positive contribution to economic growth." said Mihai Tanasescu, European Investment Bank Vice President responsible for energy lending.

"Significant long-term investment across Europe is essential to achieve our energy and climate targets and maintain a technological lead. The European Investment Bank plays a valuable role in financing public and private sector investment in energy infrastructure and supporting projects that contribute to achieving EU energy policy goals. The new guidelines provide a framework for continuing this contribution over the years ahead." said Günther Oettinger, European Commissioner for Energy.

The EIB will introduce a new Emissions Performance Standard to be applied to all fossil fuel generation projects to screen out investments whose carbon emissions exceed a threshold level. This threshold reflects existing EU and national commitments to limit carbon emissions. The board agreed that the Emissions Performance Standard would be kept under review and that more restrictive commitments could be considered in the future.

Gas is expected to remain a transition fuel to a low carbon energy system, and the Emissions Performance Standard will ensure that lending is restricted to projects that make a positive contribution to EU economic growth and are consistent with EU climate policy. Over the last five years EIB lending to power generation projects using fossil fuels declined significantly and during this period lending to coal and lignite power stations represented less than 1.5% of overall energy lending.

The public consultation process launched in October 2012 enabled the detailed contribution of a broad range of over 80 stakeholders, including shareholders, industry associations, civil society and the private sector to be taken into account. This was the first energy sector review since 2007 and feedback received reflected both economic challenges facing the energy sector and concerns about emissions.

The European Investment Bank is one of the world's largest energy lenders and over the last 5 years has provided more than EUR 70 billion for long-term energy investment. EIB energy lending follows both EU energy and climate change policy and national energy strategies to support investment in sustainable, secure and competitive energy across Europe.

Mobilisation of European long-term investors to foster EU growth

The Presidents and top officials of 16 European long-term financial institutions, meeting in Paris on 5 July, have launched the European Association of Long-Term Investors (ELTI), joining forces to foster more sustainable, smart and inclusive European growth, notably for the youth.

In line with the European Union agenda, ELTI has been created following the European Council meeting on 27-28 June, which reviewed the implementation of the *Growth and Jobs Pact* adopted a year ago by the Heads of State and Government. The initiative is being launched at a time when the European Commission is analysing the results of its consultation on the Green Paper on the long-term financing of the European economy.

As an international non-profit association, ELTI will be officially listed in the transparency registers of the European institutions and thereby clearly identified as a key player in the European debate on long-term investment. In close association, ELTI will develop at EU level the same agenda as the global Club of Long Term Investors' (LTIC), which includes some of the same large members.

With a combined balance sheet of €1.5 trillion, ELTI's goal is to promote long-term investment in close alignment with the objectives and initiatives developed by the European Union to foster sustainable and smart growth and job creation. Its tasks will include representing the shared interests of its members vis-à-vis the EU institutions, exchanging experiences and information, developing business synergies among themselves and promoting academic research.

While respecting their separate freedom of expression, ELTI also intends to play the role of spokesperson for its members in dealings with EU institutions and bodies, particularly as regards the implementation in the next Multiannual Financial Framework (2014-2020) of the new financial instruments designed to channel capital into investment in infrastructure, SMEs, innovation and energy projects.

ELTI aims to include at least one member per EU Member State and is open to association with all financial institutions in EU or Candidate Countries providing long-term finance which fulfils the terms and conditions of it Statutes. The Association's headquarters are in Brussels at 37 Square de Meeûs.

Werner Hoyer, EIB President commented: *"The launch of the "European Association of Long Term Investors, ELTI" is an important milestone following the European Council. It crystallises the willingness of EIB and our peer institutions to strengthen cooperation and financial instruments in support of EU policy goals. What we bring is a European platform for a joint effort at the level of EU policy driven banks to support long term quality investment in the real economy. This is our way to look at "banking": to serve people and invest for future generations."*
