Europe India Chamber of Commerce

Newsletter

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It's official, Horasis Global India Business Meeting 2012 goes to Antwerp

The Flemish government on 23rd September 2011 announced that it will host the Global India Business Meeting 2012 in Antwerp, the city of diamonds. In a communication to the Horasis Chairman Dr. Frank Richter the high representative of the Flemish government said "*After consultations with the Office of it's Minister-President, I am pleased to let you know that Flemish government will be glad to host Horasis' India Business Meeting in Antwerp, June 2012. I look forward to a fruitful interaction and cooperation with Horasis during the process of preparing the India Business Meeting in months to come. I hope you have productive meetings and discussions during your visit to India next week. Evidently, this department would be glad to get debriefed about all your findings relevant to next year's India Business Meeting in Antwerp".* The date of the Meeting is being discussed and will be announced soon. In a message to the Flemish government Dr. Richter said *"This is excellent news indeed. We are most delighted to cooperating with the Flemish government to make this event a great success"*. The Chamber's Secretary General welcomed this decision of the Flemish government and said *"As we face unprecedented economic crisis and challenging times of the decade, we welcome the Global India Business Meeting in Antwerp, and we are proud to be able to bring the Horasis to Belgium"*. In addition to the more than 300 business owners and CEOs that will be attending the 2012 Summit, local business community leaders, and government officials will also be in attendance. As published in the July Newsletter, the EICC was a partnering organisation to the GIBM 2011 in Naples in June this year and will play a major role in the organisation of the event, from planning to execution of the Meeting. More than 350 business leaders from India and other parts of the world are expected to attend the Business Summit in Antwerp thus giving the city of Antwerp, the business and economic hub of Flanders region a major boost for economic cooperation between Indian and European business and also opening up of the hidden strength of economic opportunities in the Flanders. It is also learnt Antwerp Port Authority and diamond industry will be involved in the planning and organization of the global business meeting. EICC assures the Flemish government and its various agencies involved in the GIBM 2012 of its fullest cooperation. In the past the Global India Business Meetings have been held in Munich (2009), Madrid (2010) and Naples (2011).

Indian Minister Mr. Kamal Nath will address India-EU Business Forum in Brussels

India's Minister for Urban Development Mr. Kamal Nath will address the India EU Business Forum on 12 October 2011 in Brussels. The Forum is being organized by Indian Chamber of Commerce and supported by Eurochambers. The conference will be attended by a large business delegation from India including representatives from the State Governments of Manipur, Assam, Nagaland, Arunachal Pradesh and leading industry organisations of East & North East region and also from other parts of India. The Forum is designed to deliberate on topics to promote India as a major investment hub; showcase potential investment areas like infrastructure, minerals, tourism & agro & horticulture etc. showcasing the untapped areas of investment in these parts of India and formulating industry specific product & service strategy, are some of the highlights of the Conference. EICC Chairman Geoffrey Van Orden will also address the Conference and will speak on "Business Opportunities between Europe and India" EICC is collaborating in the organization of the event and supports the objectives of the Forum.

Indian investment overseas up 94% in Q1

Overseas investments by Indian firms jumped by 94 per cent to USD 5.5 billion in the April-June period of the current fiscal year, the Indian Parliament was informed on 6 September. In the corresponding period of 2010-11, outward investment totalled USD 2.8 billion, according to the latest figures given by Finance Minister Pranab Mukherjee in a written reply in the Rajya Sabha (Upper House). Mauritius (USD 548.54 million) was the top destination for Indian investors in the first quarter of 2011-12, followed by the US (USD 185 million) and Singapore (USD 157.31 million). Even for the inward foreign direct investment Mauritius with which India has a double taxation avoidance agreement (DTAA), is the preferred route. Interestingly, overseas investment by Indian firms was highest in agriculture sector (USD 1419 million) followed by community services (USD 1349 million) and Construction sector (USD 1336 million). As per data, investments by resident individuals abroad during April-June of current fiscal year stood at USD 63.9 million against USD 62 million in the previous year.

Foreign MNCs pill proving too bitter and expensive for India

The acquisition of six well-established domestic pharma firms by foreign MNCs in the last four years has set alarm bells ringing for the Indian generic drug industry, and as such an “extremely apprehensive” Health Ministry has now sought a revision of FDI regulations. Calling for stricter takeover norms, the Health Ministry has asked the Commerce Ministry to change foreign direct investment (FDI) rules and route it through the Foreign Investment Promotion Board (FIPB). Currently, 100 per cent FDI is allowed in pharmaceuticals through the automatic route, as per a 2001 decision. The FIPB route would involve the Health Ministry each time such a proposal is made. “We are extremely apprehensive that takeover of Indian pharma companies by MNCs would result in the latter’s gaining market supremacy. Essential medicines are bound to become costlier as firms producing cheaper generic versions would be owned by the MNCs, which may increase their costs,” the Health Ministry said in a recent letter to the Department of Industrial Policy & Promotion (DIPP), nodal agency responsible for FDI-related matters under the Commerce Ministry. “The Ministry has no problem with MNCs setting up greenfield projects as it entails transfer of technology and employment,” said a senior health official. He maintained that an FDI cap at this stage wouldn’t be possible and hence, greater scrutiny and safeguards are needed where brownfield projects (existing firms) are proposed to be acquired. The concerns are not without reasons. In the last five years alone, foreign MNCs have cornered 25 per cent (up from 15 per cent) of Indian market share. Companies like Dabur Pharma, Ranbaxy, Orchid Chem and Piramal have already been acquired by foreign companies. The Ministry fears that if the trend continues, India may soon lose its edge over its long-held strong generic industry providing less-priced but of equivalent quality, efficacy and safe life-saving drugs. India is a major exporter of generic drugs to developing countries. MNCs’ local shopping spree also hinges on the fact that as many as 61 drugs worth over $80 billion are reportedly going off-patent the US patent and trademark office between 2011 and 2013. “Fearing this would give an edge to pharma companies in India to produce cheaper versions of off-patent drug, MNCs are rushing to consolidate their position by acquiring Indian firms. The MNCs would have monopoly in generic market in developed nations like the US as well,” said a source in the Health Ministry. The issue of acquisition and its possible impact on prices of generic drugs is being looked into by a panel set up in June and headed by a member of the Planning Commission. It is holding inter-departmental consultations with the Health, Finance and Commerce Ministries, besides other stakeholders. The Health Ministry has made its opposition to the current FDI norms known to the panel. As things stand, Piramal’s generics business attracted a whopping valuation of $3.72 billion last year as against Daiichi Sankyo’s $4.2-billion takeover of India’s Ranbaxy Laboratories in 2008. The Japanese company benefitted from Ranbaxy’s low-cost manufacturing infrastructure and its strong supply chain. Officials blamed introduction of pharma product patents in India in 2005 as the reason behind adverse repressions now starting to be felt. This is because there is a time lag between the grant of a patent and the moment the drug actually enters the market, mainly due to market regulation procedures. “Changes in price due to the introduction of patent protection would be experienced in 2011. This is because the first set of drugs under patent protection enters the market only now,” said an official. “Moreover, the price control system of drugs and medicines is very poor and ineffective, given that only 74 bulk drugs and medicines are under it and out of these, many are outdated drugs which do not need any control because of their low demand,” said the editor of a medical journal. “The Government’s response should not just limit to acquisition, but also ensure enabling environment for domestic generic industry. Otherwise, the days are not far when domestic major Cipla, from the traditional list of Indian drugmakers, falls to the tempting business of takeover,” opined the legal advisor of National Group on Patent Law.

TCS appointed the official technology partner to the Amsterdam Marathon

Tata Consultancy Services (TCS), a leading IT services, consulting and business solutions firm, was recently appointed as the official technology partner to the Amsterdam Marathon and has taken up the title sponsorship of the event for the five-year period 2011-2015. Conceived in 1975, this event is one of Europe's leading marathons and is expected to have 33.000 participants from 80 countries at the 36th edition, which will take place on October 16, 2011. It is renowned for being one of the flattest and fastest marathon courses worldwide. “The city of Amsterdam is proud that a prestigious international company like Tata Consultancy Services has chosen to sponsor this marathon. This sponsorship will further strengthen the relationship between the city and TCS; therefore, we look forward to the new TCS Amsterdam Marathon,” said Eberhard van der Laan, Mayor of the city of Amsterdam. “The TCS Amsterdam Marathon (as it will now be known) has grown from being an intimate event in earlier years to a global one, which is now a must on the itinerary of most serious runners. We are pleased to have Tata Consultancy Services as our strategic partner as we look to expand the event and also deepen our use of technology," said Simone Richardson, Director of Stichting Sportevenementen Le Champion, the entity that organizes the event. This announcement marks another step in TCS’ strategy to engage with global sports sponsorships in order to promote wellness and community development through sports. TCS’ significant portfolio of sports partnerships includes tie-ups with Formula 1 racing team Ferrari, pro-cycling team Garmin-Cervélo and several marathons in major cities in the world including Bangalore, Boston, Chicago, Mumbai and New York. In addition to the title sponsorship, TCS will support the marathon by providing technology services and has set up a special purpose team to look at enhancing the performance and experience of the sport. “Given our significant and growing presence in major markets such as the US, UK and Europe, we always look at ways to engage with and give back to the communities we work in. An inclusive sport such as running, which has no entry barriers and can be taken up anyone, provides tremendous opportunity to widely engage the local community and promote wellness. The Netherlands has always been a key center of operations for us and we are pleased to support the Amsterdam Marathon as part of our larger commitment to the community,” said Surya Kant, President of TCS North America, UK & Europe. TCS has been operating in the Netherlands since 1992 and the unit is currently one of its largest country operations worldwide. The company operates a head office in Amsterdam, a global delivery center in Eindhoven and has over 2000 experts catering to leading companies such as KLM, ABN AMRO, Rabobank and the ING Group. It was recognized in 2010 as a Top Employer in the Netherlands by the CRF institute and collaborates significantly with several chambers of commerce, academic institutes and charity organizations on a variety of community initiatives in the country. TCS is Corporate Member of the EICC and serves in the Advisory Board of the chamber.

India's role in the global economy is “Work in Progress”

While there may be significant worries around its state of governance, India clearly has a lot to gain from the economic woes of the developed world, the Chairman and Founder of Horasis Dr. Frank-Jürgen Richter observed this in an article recently published in the Forbes. On the current economic crisis gripping Europe he says “the mood in Europe and North America is deeply sombre, as business leaders, economists and policymakers alike expect the economic climate to get worse before it gets better. The divide between developing countries like India - with large trade surpluses and low debt - and developed countries with large trade deficits and high debt remains a major theme”. Taking a cue from the observations made by business leaders who attended the Global India Business Meeting in Naples in June, Horasis Chairman says “since 2009, the annual Global India Business Meeting which gathers the CEOs of leading Indian and global firms to set the agenda for India and the world. We questioned not only the world's financial fragility, including the possibility of US and Greek default, but also how the Japanese tsunami and associated nuclear disaster might affect the global trade matters, and how the changes in the Arab world might impact the Indian economy. Other questions were floated - will the dramatic cuts in public sector spending in much of the developed world derail global recovery? Could the disruption of financial flows unsettle emerging markets, including in India? Will perturbations in global growth adversely impact India’s growth perspectives? And importantly, what are the challenges and opportunities facing Indian corporations and investors”? Dr. Richter adds “Parts of India have enviable GDP measures, their outlook is bright and reflects in the overall hope for the future. This is especially true in term of its demographic profile: there are many younger, reasonably well educated young people. Contrast that with China, where their one-time unlimited work-force may have about one generation left before they suffer a rapid decline in working population. Indian hopes thus run high and they know that they must streamline their democratic institutions, create far better systems of governance both for the benefit of their workers, and their people in general, but also to allow closer-knit trade with global partners, who will learn to trust the managers of the new Indian firms”. Full article can be viewed on http://business.in.com/article/web-special/why-indias-role-in-the-global-economy-is-still-work-in-progress/28602/1

Tata Steel to invest $1.1-bn in the Netherlands

Tata Steel, the world's seventh-largest steel maker, will invest $1.1 billion (€800 million) over a five-year period and cut about 1,000 jobs over the next four years at its Ijmuiden steel works as part of a restructuring of its Netherlands operations. The investment at Ijmuiden facility will increase its liquid steel making capacity by 0.5 million tonnes (MT) to 7.7 MT and enhance product quality over the next five years. Tata Steel Europe said, "The improvement programme will focus on three goals: further enhancing product quality, improving plant reliability and reducing costs. The programme is balanced in its structure so as to achieve both cost reductions and growth through investment." Tata Steel Europe will reduce 1,000 full time jobs and as far as possible there should be no compulsory redundancies, it said in a statement. "These and other objectives are to further enhance product quality, and energy efficiency. Tata Europe will also invest in staff training and development. All these changes will establish a platform for continuity and long-term growth at IJmuiden and meet the demands of the current complex market situation," the statement added. Karl-Ulrich Köhler, MD & CEO of Tata Steel in Europe, said, "The IJmuiden works enjoys the great advantages of an ideal location – with its own port for bringing in raw materials and close proximity to the market – excellent lay-out, an ability to be flexible in the use of raw materials, and a high level of technology and craftsmanship. Today's improvement programme aims at significantly strengthening IJmuiden's position in the steel industry, helping it realise its potential as a world-class steel plant." Last month, Tata Steel Europe said it would invest €3 million in setting up a new steel tubes manufacturing and processing facility at its Zwijndrecht plant in the Netherlands with an eye on the automotive sector. The new plant will come into operation by July next year and creat new jobs. Steel used at the facility will come from Tata Steel's plants in IJmuiden and Port Talbot in the UK. The Zwijndrecht investment will make Tata Steel a fully integrated tubes supplier for the automotive sector, controlling the complete chain from the production of steel to the production, normalising, cutting and packing of tubes. Tata Europe's Scunthorpe steel mill in the UK yesterday bagged a prestigious €80-million order to supply 84,000 tonnes of high quality rail lines for the South-Europe-Atlantique rail project, a new high-speed track that runs between the French cities of Bordeaux and Tours. The South-Europe-Atlantique project will connect south-western France with high-speed rail services from northern Europe, including London, Paris, Brussels and Amsterdam. The steel for this rail project will be manufactured in Scunthorpe steel mill and then rolled into rail at Tata Steel's mill in Hayange, north-east France, where Tata Steel had recently upgraded the facility at a cost of €35 million.With the new up-gradation, Tata Steel can now produce 108-metre rail at its facilities in France and the UK.

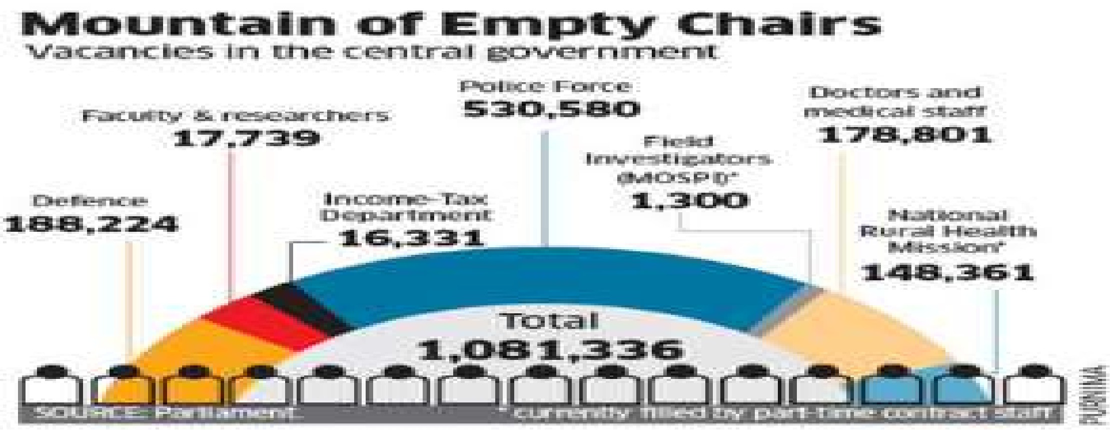
Jaguar Land Rover (JLR), the British luxury automaker owned by Tata Motors, is planning to build an engine plant in the UK at a cost of £400 million (Rs.3,000 crore), The Sunday Telegraph newspaper on 19 September reported, citing a source with knowledge of the company's plans. The plant would be built at the enterprise zone i54 business park in Wolverhampton, central England, which would potentially create up to 2,000 jobs. It added Britain's coalition government had offered around £10 million of support for the plant. ($1 = 0.633 British Pounds)

Indian companies reported 86 M&A deals worth $2.1 billion in August, reports Grant Thornton

Indian companies announced 86 mergers and acquisitions (M&A), worth Rs9,672.6 crore ($2.1 billion), in August, taking the total value of M&As in the country in 2011 till date to over Rs140,483 crore ($30.5 billion), according to data released by accounting and consulting firm Grant Thornton India. There were 49 M&A deals worth $2,181 million last month compared to 42 deals worth $401 million in the same month last year, according to Grant Thornton's latest Dealtracker report. Of all outbound deals, wherein Indian companies made overseas acquisitions, 11 M&A deals, worth $0.89 billion, were made in August, as against 29 deals worth $ 0.29 billion the same month last year. One of the largest outbound deals was Vedanta Group firm Sesa Goa's acquisition of a 51 per cent stake in Western Cluster Ltd, a Liberian iron ore mining company, for $90 million (Rs400 crore) in cash. Inbound deals in August, wherein foreign companies merged with or acquired Indian companies, accounted, for $ 0.47 billion by way of 11 deals, as compared to seven deals worth $ 0.02 billion in 2010. The biggest inbound deal was Zürich, Switzerland-based power and automation technology group ABB's acquisition of Pune-based Baldor Electric India for about Rs35.7 crore. There were 27 domestic deals in August, worth $ 0.82 billion, compared to 19 deals worth $ 0.09 billion in the corresponding month of 2010. A sector-wise analysis shows that telecom sector accounted for the largest deal value, with Piramal Healthcare buying a 5.5-per cent stake in Vodafone Essar for Rs2,900 crore ($640 million). (See: Piramal Healthcare acquires 5.5-%

Vodafone Essar stake for $640 million). Other big- ticket deals in August were GMR Energy, the power unit of the Bangalore-headquartered GMR Infrastructure, acquiring 30 per cent in Indonesia's T Golden Energy Mines for $550 million in cash, (See: GMR Energy buys 30 % of Indonesian coal miner GEMS) and French food giant Group Danone's acquisition of Wockhardt Group's Nutrition business for Rs1,576 crore ($356 million). (See: Danone to buy Wockhardt's nutrition business for Rs1,576 crore). Hyderabad-based firms Ybrant Digital Ltd, a privately held digital marketing solutions company, and BSE-listed IT outsourcing service provider LGS Global Ltd agreed to merge in an all-stock transaction into a proposed entity called Ybrant Digital Ltd, in a deal valued at around Rs2,475 crore ($550 million), Grant Thornton said that the top five deals alone made up for 84 per cent of the total M&A deal value in August. There were 29 deals made by private equity firms worth $ 0.36 billion last month, compared to 19 deals worth $ 0.09 billion in the same month last year.

Million vacant government posts due to skill shortage to hurt India's growth



Critics of reform gripe that five years of scorching growth failed to create as many jobs as it should have, but behind India's 'jobless growth' story there's a far more intriguing tale. There are over a million vacancies for the country's most coveted jobs - employment in the Central government - and they're just not getting filled. These include the police and defence forces, which together have nearly 700,000 vacant posts, valued for the security of tenure and reliable, inflation-linked pay and pension schemes that they offer. But there are also several vacancies for skilled professionals such as doctors, scientists, statisticians and economists. These, if left vacant, could dent India's growth prospects in the near future. The latest NSSO survey shows India's workforce grew by only 2 million between 2004-05 and 2009-10, inviting the charge that growth has bypassed the job market. The numbers would have looked 50% better if the government had filled those 1 million vacancies. One reason for the failure to find the right people for the right job is a skill shortage. The lack of employable people is pushing the government, India's largest employer, towards an impending human resource crisis. "Most ministries and departments are understaffed and despite efforts at hiring the rate of filling vacancies is not adequate. People with specialised knowledge are few and there are many other lucrative offers from the private sector," said a finance ministry official. "We've focused on hiring people from the private sector on contract, but that too is difficult," he added. India's higher education system is choking, unable to keep up with the numbers of aspirants. The quality of teaching is also falling. Meanwhile, the government sets unnecessarily high eligibility criteria for jobs that don't need very high skills, hierarchies are rigid and compared to the private sector, sarkari recruitment rules are a tangle of red tape. And unlike the 1970s and 1980s, there's a vast private sector - and a global job market - more than willing to compete with the government to attract talent. Health Minister Ghulam Nabi Azad and Defence Minister A K Antony, quizzed recently in Parliament about the government's failure to fill vacancies, have trotted out most of these reasons. The Director General of the Institute of Applied Manpower Research under the Planning Commission, feels the lack of skilled and employable people has developed into a national crisis. "The availability of adequately qualified people has become a crisis of national proportion." "From low-end jobs to high-end jobs in sectors such as health, education and other services, there is a need for people and there are fundamental flaws in the way recruitment is done," the official added. For ministries and departments that require personnel with high technical and specialised skills, the problem extends to causes deeper than competition from the private sector. "We see fewer people opting for statistics or mathematics for graduation. This leaves a limited pool for us to select from," said an official in the ministry of statistics and programme implementation, which has around 1,200 vacancies for statistical investigators and collators.

Switzerland tops, India, US slide in competitiveness

The annual Global Competitiveness Report (GCR) of the World Economic Forum (WEF) continues to slot Switzerland as the most competitive country globally, with the United States falling to the 5th position. The GCR finds Asia has become globally more competitive, as a result of its rise to economic prominence. The report states that over the past five years several countries in the Asian Pacific regions, including China, Indonesia, Vietnam and Sri Lanka, have made important strides in the GCI rankings. Singapore is the 2nd most competitive country. India's performance is however disappointing and it has fallen 5 notches since last year from 51 to 56 out of 142 economies. India's gap with China has widened and China is ranked 26th, improving its score and rank since 2005. The WEF states that the score difference between India and China has increased six fold between 2006 and today, the gap expanding from less than 0.1 to 0.6 points. The GCR puts it down to India's "mediocre accomplishments" in areas which are considered to be the basic factors underpinning competitiveness. India's supply of transport, ICT, and energy infrastructure remains largely insufficient and ill adapted to the needs of business (89th). India Inc. continuously cites India's infrastructure as the biggest hindrance to doing business in the country. WEF notes that though there has been a slow improvement since 2006 it does not translate into a higher ranking because other countries have been improving faster. The report paints a similar picture in India's health and basic education (which is 101st) pillar. It finds that despite improvements over the past years the quality of public health and basic education are a prime cause of worry. It also states that though there are some encouraging trends in education quality and public health, the same cannot be said of the country's institutions and macroeconomic environments, which are the other two dimensions comprising the basic requirements component of the GCI (Global Competitiveness Index). The business community has become discontented about India's lack of reforms. The apparent inability of the government to provide a more conducive environment for business has been growing. This discontent is fuelled by corruption (India is listed as 99th) and its burdensome regulations. India has dropped from rank 37 to rank 69 in the Institution pillar. It lost 11 places since the previous year. India's macroeconomic environment is rated low down at 105, for its continued large and repeated public deficit and high debt-to-GDP ratio. High inflation hovering around 10% is undermining the macroeconomic environment. However, the reports state that the positive strengths of India are in its more advanced and complex drivers of competitiveness. It is a country that boasts of a vast domestic market that allows for economies of scale and attracts investors. It can rely on a well-developed and sophisticated financial market (21st) that can channel financial resources to good use, and it boasts of reasonably sophisticated (43rd) and innovative (38th) businesses. China’s macroeconomic situation is very favourable at position 10 despite high inflation. It is one of the world's least indebted countries and boasts of a savings rate of 53% of GDP, running only a moderate deficit. It has relatively high standards in terms of health and basic education (32nd). It has nearly universal access to good primary education. It ranks high in business sophistication (37th) and innovation (29th). However according to the business community it has become less safe over the past three years which entail greater costs for protection against crime and violence.

Fortune 500 company: Denmark is a perfect market

A high level of knowledge and expertise makes Denmark a goldmine for industry manufacturers, says the CEO of SPX Corp, a multi-industry manufacturing leader and one of America’s 500 largest companies. Denmark has some of the world’s best engineers, talents and ideas. Those are the reasons why SPX Corp, a Fortune 500 multi-industry manufacturing leader, has chosen to invest in Denmark, said CEO Christopher Kearney in a recent interview with the Danish daily Jyllands-Posten. Based in Charlotte, North Carolina, SPX Corp took its first step into Denmark in 2007 by making an acquisition of the company APV, and later in 2010 acquisitions of two additional companies, Gerstenberg Schröder and Anhydro. By making acquisitions of three very strong companies, Denmark has proven to be the perfect market for us to enter, said Christopher Kearney. Denmark has some of the best engineers in the world. Christopher Kearney was in Denmark to visit the company’s latest investment in the country, a new innovation and test center in Søborg just outside Copenhagen. Denmark has some of the best engineers in the world, and you will find many of the best ideas here. The talent pool in Denmark was very attractive, and we felt that by making acquisitions of the three companies, we were able to create a global platform allowing the pool of talent to unfold. And in very short time this has proven correct, said Christoher Kearney. SPX is still looking for ways to further expand its business in Denmark, said Stephen Kearney. We have experienced a consistently positive development here, which is why our presence will also grow in the future. Denmark has become the center, not only for our European markets, but also globally, said SPX. SPX Corp has nearly US$ 5 billion in annual revenue, operates in more than 35 countries and is on Fortune 500, a list of the 500 largest companies in America. The company's highly-specialized, engineered products and technologies serve customers in three primary strategic growth markets: infrastructure, process equipment and diagnostic tools.

Global mobile connections to reach 5.6 billion in 2011

Worldwide mobile connections will reach 5.6 billion in 2011, up 11 per cent from 5 billion connections in 2010, while mobile data services revenue will increase 22.5 per cent increase from 2010. The mobile data services revenue will increase 22.5 per cent to $314.7 billion in 2011, compared with revenue of $257 billion posted in 2010, according to global information technology research and advisory firm Gartner Inc. "Mobile data traffic will increase significantly as more people will have access to mobile data networks, there is a migration toward smartphones and an increase in sales of media tablets," said the principal research analyst at Gartner. "Mobile data volumes will continue to grow as mobile data networks become faster and more ubiquitous, while at the same time the number of data users and data usage per user is expected to grow," Gartner added. "Data revenue will continue to grow but at a much slower rate. This is causing a decoupling between revenue and data traffic, and it is also creating an increase in network costs for carriers as they try to sustain growing data traffic," it said. Worldwide mobile connections will experience steady growth through 2015 when mobile connections are forecast to reach 7.4 billion, and mobile data revenue will reach $552 billion. In calculating its forecast, Gartner assumed there are four major mobile data traffic drivers: growth in the number of mobile connections, increasing availability of higher-speed data-centric mobile networks, smartphones, and data-consuming content and applications. A growing number of mobile connections will lead to higher demands on communication service providers' (CSPs) data networks as more people access the networks to use mobile data and to send text messages.In addition to the total number of connections growing, Gartner also expects that mobile data usage per connection to increase throughout the forecast period and that there will be a shift in mobile users' perception of mobile data around the world, as data plans go from being seen as a luxury, to being considered a nice-to-have service, to finally being perceived as potentially essential. Gartner expects CSPs to increasingly start moving toward offering more flexible and more personalized data plans, which should help capture a larger mobile data user base. CSPs have also upgraded their networks by offering faster download and upload speeds to consumers, which have helped improve the general perception of data quality and thus led to increased data uptake. "What carriers currently need are innovative ways to increase data revenue while finding smart solutions to manage a growing demand in data," said the research director at Gartner. "Ultimately, it will be the consumer who chooses the content he or she wants to use, and carriers need to ensure that the quality of experience is good. A sub-standard user experience may lead to higher churn." Gartner analysts said carriers should investigate the pros and the cons of more customized pricing plans, such as tiered pricing, a la carte and usage-based plans, carefully weighing additional costs and future benefits. Additionally, CSPs should look to offer increased flexibility in pricing and introduce add-on pricing models, in which users are able to add data access when they want to. These add-on pricing models could include paying for additional usage and additional speed, and charging a fee for voice over Internet Protocol (VoIP) or for gaming. "Carriers should focus on increasing the level of clarity and the transparency of their mobile data contracts in order to make the majority of customers feel more at ease in using data services. This is particularly important when it comes to data roaming," Ekholm said. "Offering clients various ways of being able to track and monitor their data usage would help carriers receive a larger amount of revenue from more profitable lower-usage, medium-pay users."

European Commission sets goal of training 700,000 legal professionals in EU law by 2020

The European Commission has set a clear target for increasing the numbers of judges, prosecutors, lawyers and other legal practitioners trained in European law. In a policy paper agreed recently, the

European Commission aims to ensure that half of all legal practitioners in the European Union – around 700,000 – participate in some form of European judicial training by 2020. The aim is to equip legal practitioners to apply European law – which is part of their role as judges and lawyers at national level. It will also help to build mutual trust between Europe's different legal systems and improve the implementation of European legislation. This will benefit people and businesses in Europe, who will be able to rely on swift decisions and proper respect for the rules. "An independent, well-trained and efficient judiciary is essential for a functioning judicial area and single market in Europe. It caters for good and prompt judicial decisions strengthening predictability and legal certainty. As European law is part of everyday life, citizens and businesses want to know that they can count on a knowledgeable and well-trained judiciary across the Union enabling them to exercise their rights and get justice.

There are around 1.4 million legal practitioners in the EU, including judges, prosecutors, lawyers, notaries, bailiffs and court staff. The Commission wants to enable at least half of these legal practitioners to participate in European judicial training at local, national or European level by 2020. It has set an additional target of ensuring that all legal practitioners benefit from at least one week's training in EU law during their career. To achieve this, it has called on national governments, councils for the judiciary, professional bodies and judicial training institutions both at EU and national level to commit to integrating EU law into their training programmes and to increasing the volume of courses and participants. The Commission itself intends to facilitate access to EU funding to support high-quality training projects, including e-learning. Under the EU's new multi-annual financial framework, the Commission has proposed to make European judicial training a major priority, with the aim of training more than 20,000 legal practitioners a year by 2020.

European Parliament adopts Commission proposal for stronger EU border management agency

The European Parliament on 13 September 2011 adopted the European Commission's proposal to strengthen the European Union's border management agency (Frontex). Frontex will have more equipment and personnel from Member States at its disposal, thus enabling it to better coordinate the border patrol operations of EU Member States. "Travel flows are increasing and security threats need to be addressed in the most effective manner. The EU needs to commit to continuous improvements and be ready to adapt to new challenges and an ever changing reality, while fully respecting the rights of people fleeing war and persecution and looking to Europe for protection," said Cecilia Malmström, European Commissioner responsible for Home Affairs. "Against this backdrop, the amended Regulation contains important changes that will strengthen safeguards so as to guarantee the full respect of fundamental rights and improve the ability of Frontex to support Member States more efficiently and more independently. The Commission therefore welcomes the European Parliament's support for a stronger and more efficient Frontex." Even though Frontex proved to be very useful in providing a framework for Member States to cooperate with each other when faced with particular pressures on their external borders, operational cooperation could still be improved. Thanks to these new powers, Frontex will be deploying European Border Guard Teams in the near future. These teams will consist of national border guards assigned or seconded by Member States. More technical resources will be at the Agency's disposal, and it will now have the ability to acquire or lease its own technical equipment such as vessels or helicopters for border surveillance. Frontex will also be able to strengthen its cooperation with third countries and will have the possibility to provide them with technical assistance. The respect of fundamental rights and obligations under various international law instruments received specific attention in the proposal. A Fundamental Rights Officer will, for instance, assist in matters having implications for fundamental rights and a Consultative Forum on Fundamental Rights will be created also involving relevant international organisations and NGOs. With these changes the Frontex agency will be better prepared to face the challenges at the external borders of the Union together with Member States. Frontex which was established to coordinate and facilitate the management of the external borders of the Union became fully operational on 3 October 2005 and is based in Warsaw (Poland). Its primary responsibility is to coordinate operational cooperation between Member States (joint border operations and pilot projects) and to maintain a centralised record of technical equipment that Member States are ready to place at the disposal of other Member States.
