

WORLD TRADE ORGANIZATION

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Negotiating Group on Maritime Transport Services

NOTE ON THE MEETING OF 17 JUNE 1996

The fourteenth meeting of the Negotiating Group on Maritime Transport Services took place on 17 June 1996. The agenda of the meeting was contained in Airgram WTO/AIR/360 of 12 June 1996.

The representative of the United States stated that the package submitted by 24 participants in the previous meeting was inadequate, and his delegation would not submit an offer before the end of June. He said that the United States was reluctant to accept MFN-based obligations because this would rule out measures which it occasionally used to address foreign trade restrictions. While reaffirming that maritime transport services would be negotiated again with all other sectors in the new round, the United States favoured concluding the current negotiations at the end of June. Many other participants expressed deep disappointment at the United States decision not to submit an offer. Hong Kong and Norway were among those who disagreed with the United States public statement that current offers merely locked in place restrictive, anti-competitive measures.

Australia, the Dominican Republic, Japan and the Republic of Korea were in favour of an extension of the current negotiations to continue efforts to persuade the United States to participate and to maintain the current negotiating momentum. Nigeria urged participants to continue efforts to find a solution to the current impasse. In Canada's view, a short term extension would serve little purpose since there was little likelihood of a change in the United States position in the near future. Romania was also opposed to an overly ambitious short-term extension, and argued for the suspension of the negotiations for a time, possibly until the new round.

The European Communities, Switzerland and Turkey were opposed to concluding negotiations at the end of June, but said that it would be best to continue to negotiate after a pause. The European Communities said that it was not in a position to consolidate its offer at this stage but believed that it may be possible to harvest some of the ongoing liberalization efforts before the next round. The Republic of Korea was opposed to an agreement of the kind reached in financial services, which it believed could cause an imbalance between sectors. Brazil stated that it would be premature to think of an agreement without the United States and was open to the idea of an extension or suspension.

Colombia, Egypt, New Zealand, India, Hong Kong, New Zealand and Norway were in favour of concluding negotiations at the end of June 1996. Hong Kong, New Zealand and Norway said that a multilateral agreement could not depend on any one country, and recommended a binding of offers when the NGMTS mandate expired at the end of June. India said it would make an effort to participate in a harvesting of offers. Romania spoke of the need for preserving the existing offers in a frozen form. The Chairman noted that many delegations attached importance to prevent the efforts of many years being wasted and were in favour of harvesting benefits even though the United States was not in a position to participate.

Hong Kong, New Zealand and Norway said that, in their view, an MFN exemption could not be used as a basis for retaliation, and it would be possible to challenge any such actions through the dispute settlement mechanisms of the WTO.

Thailand and Turkey submitted conditional offers.

The Chairman said that the NGMTS would meet next in the week of 24 June 1996.