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ORGANIZATION

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Negotiating Group on Maritime Transport Services

NOTE ON THE MEETING OF 13 AND 16 FEBRUARY 1996

The Negotiating Group on Maritime Services held its ninth meeting on 13 and 16 February 1996. The Agenda of the meeting was contained in Airgram WTO/AIR/243 of 15 January 1996.

- 1. Under item A of the agenda, request for observer status, the Chairman noted that in the absence of any requests since the last meeting, the membership of the Group remained at 42 full participants, 16 observer governments and 3 observer organizations.
- Under item B, responses to the questionnaire on maritime transport services, the Chairman noted that since the last meeting of the Group, Iceland had submitted a response to the questionnaire (circulated as document S/NGMTS/W/2/Add.37). The total number of replies received was now 37 which included 35 from full participants and 2 from observer governments. The 7 full participants and 13 observers who had not yet submitted replies were encouraged by the Chairman to do so.
- 3. Under item C, draft schedule on maritime transport services, the Chairman said that there now existed, not only the necessary factual basis for the conclusion of the negotiations, but also a broadly agreed framework within which to negotiate commitments. In recent informal discussions, further progress had been made in dealing with outstanding scheduling issues, particularly the issue of multimodal transport services. Australia presented a discussion paper on "Scheduling Options for Multimodal Transport". The Australian delegation stated that they would welcome comments on their paper and would be willing to prepare a revised version.
- 4. Three new offers were submitted. Switzerland reinstated the offer which it withdrew in 1993, Korea offered improvements on its existing commitments and Chile submitted its first offer during the course of the meeting. Columbia and Mexico indicated that they were likely to submit offers soon and Panama submitted a statement (document S/NGMTS/W/10) regarding its intention to make an offer. Argentina indicated that it was actively considering making an offer. Members reported that a significant number of written requests had been presented and Members expressed satisfaction with the bilaterals conducted during the week. Poland emphasized that it normally had an open regime and had already made liberalizing commitments under various bilateral and multilateral agreements.
- The United States stated that it would not put forward either an offer or a request because it did not consider the existing offers satisfactory. It would reconsider its position if the situation changed. Nevertheless, the United States, like many other delegations, participated actively in bilaterals, which they described as useful and candid. Many Members expressed disappointment with the United States position and urged a more meaningful participation. The United States delegation said it would communicate other Members' concern and desire for a fuller participation to its authorities.

- Australia, Canada, Dominican Republic, European Communities, Japan, New Zealand and Norway were among those who welcomed the new offers, and the indications that others would be forthcoming. Many delegations warned that the deadline of the end of June was not far away, and emphasized the need to intensify the request-offer process, and to obtain a "critical mass" of offers. The Chairman urged Members not to allow themselves to be trapped in a situation where each waited for others to table their offers first. Several Members repeated that it was not only the quantity, but also the quality of offers which mattered. The European Communities remarked that the offers submitted did not fully reflect a trading reality which was quite open in maritime transport, and emphasized the need to consolidate the openness. Several Members, while acknowledging that the current negotiations were slow and difficult, expressed a determination to prevent the failure of the negotiations.
- 7. Under item D of the agenda, <u>matters relating to paragraph 7 of the Decision on Negotiations on Maritime Transport Services</u>, the European Communities and Japan expressed their concern over the recent enactment of the United States legislation which permitted the export of North Alaskan oil but reserved its transportation to United States-flag ships. The European Communities believed that the legislation was in conflict with the Ministerial Decision on Negotiations on Maritime Transport Services which called for a standstill during the negotiations and prohibited participating countries from taking measures which may improve their negotiating position. Japan felt it was necessary to examine the legal ramifications of the legislation. The United States said that the issue had been addressed in the past, and there was little value in repeating what it had already been stated.
- 8. Regarding dates of future meetings (item E), the group agreed to hold its next meeting on Tuesday, 26 March 1996 and Friday, 29 March 1996.