

WORLD TRADE ORGANIZATION

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Negotiating Group on Maritime Transport Services

REPORT OF THE NEGOTIATING GROUP ON MARITIME TRANSPORT SERVICES

1. This report is made in accordance with the Ministerial Decision on Negotiations on Maritime Transport Services.

Background

2. Ministers agreed at the Marrakesh meeting that negotiations on commitments in maritime transport services should be continued after the WTO Agreement came into force. The Ministerial Decision on Negotiations on Maritime Transport Services and the Annex on Negotiations on Maritime Transport Services provided a mandate for Members to negotiate, over an extended period, commitments relating to maritime transport services leading to the elimination of restrictions within a fixed time scale. At the end of such negotiations, Members would inscribe those commitments in the Schedules annexed to the General Agreement on Trade in Services and finalize their positions relating to MFN exemptions in this sector. Under the terms of the Annex on Negotiations on Maritime Transport Services, Article II and the Annex on Article II Exemptions, including the requirement to list in that Annex any measure inconsistent with most-favoured-nation treatment, were suspended until the date of the implementation of the results of the negotiations.

3. The Decision established the Negotiating Group on Maritime Transport Services to carry out the negotiations. The Negotiating Group has held 16 meetings since its inception in April 1994 and has reported periodically on its progress to the Council on Trade in Services. The Decision specified that participation in the negotiations would be entered into on a voluntary basis. At the time of suspension of the negotiations, 56 governments (including the European Communities and their Member States) had elected to participate fully in the negotiations. Another 16 governments were participating in the process as observers.

Activities of the Negotiating Group

4. In October 1994, the Negotiating Group issued a Questionnaire on Maritime Transport Services covering market structure and regulatory issues. The Group reviewed participants' responses to the questionnaire. In all, 35 of the full participants and two observer governments submitted questionnaire responses. Another activity of the Group was to examine outstanding technical and conceptual issues. Among issues discussed were technical matters relating to the scheduling of commitments on international shipping, auxiliary services, access to and use of port facilities and multimodal transport services. In relation to the issue of multimodal services, modifications of the draft schedule, including a number of alternative approaches which would enable participants to schedule commitments in this area, were considered. At the end of June 1995, participants began submitting draft offers of commitments on maritime transport services to serve as the basis for bilateral request/offer negotiations. At the time of suspension of the negotiations, 24 conditional offers had been submitted. During the negotiations, participants made it clear that their offers were conditional upon the quality and extent of the

commitments made by others. Frequent rounds of bilateral negotiations were held among participants, the results of which were reported to the Group.

Conclusions

5. At its meeting on 28 June 1996, the Negotiating Group agreed to forward to the Council for Trade in Services this Report and the attached draft Decision on Maritime Transport Services. The Group agreed that participants intending to make specific commitments as a result of these negotiations should if possible make their decisions known, by notifying the Secretariat for the information of other Members, before the expiry of the 30 day period referred to in paragraph 2 of the Decision.