

# WORLD TRADE ORGANIZATION

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S/NGMTS/W/5

17 July 1995

(95-2031)

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Negotiating Group on Maritime Transport Services

Original: English

## COMMUNICATION FROM THE EUROPEAN COMMUNITIES AND THEIR MEMBER STATES

The following communication is circulated at the request of the European Communities and their Member States to members of the Negotiating Group on Maritime Transport Services.

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1. In conformity with paragraph 8 of the Decision on Negotiations on Maritime Transport Services, the European Communities and their Member States wish to bring to the attention of the NGMTS legislation about to be enacted in the United States which the European Communities and their Member States consider to be in breach of paragraph 7 of the Decision.
  2. For some time, legislation has been in preparation in the United States to permit the export of Alaska North Slope Oil. The European Communities and their Member States and other States party to the Ministerial Decision have made clear their concerns to the United States Government. However, the United States Government has publicly declared its support for this legislation, on the basis of a unilateral cargo reservation. The legislation is now very close to final approval.
  3. The European Communities and their Member States consider that, in the light of the United States Government's publicly declared position as well as the fact that contracts for bulk oil shipments are concluded in advance, this legislation would clearly constitute a unilateral measure affecting trade in Maritime Transport Services, by reserving exports of certain crude oil to US-flagged vessels.
  4. In taking such a measure, the United States would, in the view of the European Communities and their Member States, be acting in breach of its undertaking under paragraph 7 of the Decision which would also undermine the objectives of the Negotiating Group on Maritime Transport Services set up under that Decision. There is no justification for this measure based on the need to respond to measures applied by other countries, with a view to maintaining or improving the freedom of provision of maritime transport services. It would furthermore constitute the introduction of a new element of cargo reservation and, as such, improve the United States' negotiating position and leverage in the NGMTS.
  5. The European Communities and their Member States request the Chairman of the NGMTS to place this issue on the agenda of an early meeting of the Group.