

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

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Group of Negotiations on Services

WORKING GROUP ON TRANSPORT SERVICES
(Maritime Transport Services)

Note on the Meeting of 24-25 September 1990

1. The Chairman welcomed delegations to the second meeting of the working group on maritime transport services (MTS) and drew their attention to the decision of the GNS regarding further work on sectoral annotations/annexes. He said that he intended to conduct the meeting following the guidelines contained in that decision, namely to examine whether an annex was necessary for the MTS sector and, if so, to identify the issues/provisions which would warrant specific annotations. After the introduction by the representative of the secretariat of document MTN.GNS/TRANS/W/3 entitled "Supplementary Information on Maritime Transport Services", he opened the floor for the presentation and discussion of submissions.

2. In introducing MTN.GNS/TRANS/W/1, the representative of Sweden, on behalf of the Nordic countries, said that it did not constitute a legal text but a general paper addressing some of the issues in MTS and suggesting a few possible annotations. The paper was based on a essential distinction between cabotage and international shipping and drew attention to the fact that international shipping transactions might involve three countries, the shipping country as an exporter of a transport service and two other countries at each end of a trade route. That fact had implications for the principles under the framework which should be somehow addressed through sectoral annotations.

3. The representative of Japan introduced an informal note on maritime transport services which stressed the need for the traditional principle of freedom of maritime shipping to be respected in the deliberations of the working group and reflected in the ultimate results of such deliberations. The phasing-out of existing restrictive measures applying to international shipping transactions was proposed alongside a recognition that the principle of increasing participation of developing countries should not serve as a basis for additional government intervention in the MTS sector. M.f.n./non-discrimination treatment should be applied immediately and unconditionally to international shipping. It was also suggested in the paper that dispute settlement procedures applying to the sector should be designed taking into account the special characteristics of the international shipping services industry. Regarding the coverage of international maritime transport services, his delegation was of the view that framework principles should not be applied to cabotage shipping which in practice was often reserved for national providers.

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4. Several delegations questioned whether all issues identified in both submissions warranted specific annotations or whether they could be addressed through framework provisions. The representatives of Argentina, Korea and Australia could not accept any a priori exclusions such as the one being proposed in the Japanese non-paper for cabotage. These delegations favoured the position taken by the Nordic countries that liberalization of cabotage trades should not be foreclosed though it might be expected that most countries would need to include restrictions on cross-border delivery for cabotage shipping in their respective national schedules. Conversely, the representatives of the United States and Turkey supported the exclusion of cabotage trades from the purview of the framework and/or an annex on maritime transport services.

5. As a result of his consultations with delegations, the Chairman presented an informal checklist of points which would serve as the basis for the drafting of his report to the GNS. He said that it had become clear from his consultations that there was a general view that an annex addressing the specificities of the maritime transport services sector would be necessary, though two countries still reserved their position regarding the coverage of MTS under the ambit of the framework agreement. He then closed the meeting.