



In Support of World Trade and a Rules Based Multilateral Trading System

Shipping is indispensable to the world

The global shipping sector transports about 90% of world trade, making it an essential driver for sustainable development. The sector also embraces the United Nations Sustainable Development Goals as a guideline for responsible business practice, including in particular: SDG 8 'Decent Work and Economic Growth'; SDG 13 'Climate Action'; and SDG 14 'Life Below Water'.

The efficiency of the shipping sector, as the servant and key facilitator of global trade, is dependent on a rules based global trading system. This requires the negotiation of, and strict adherence to, multilateral trade agreements under the auspices of the World Trade Organization (WTO), utilising the mechanisms for monitoring and dispute resolution which have been successfully overseen by WTO and its predecessors for the past 70 years.



WTO Headquarters, Geneva

The WTO multilateral trading system

In recent months, the WTO and its rules based multilateral trading regime have been subjected to criticism from certain governments, potentially undermining its role as the regulator of international trade between nations. The WTO can only play this role effectively if it has the full support of all governments worldwide.

The global shipping sector therefore calls on the global community and WTO Member States to continue to support the WTO and its various functions, which help to govern and maintain the efficient operation of global trade in the best interests of all nations.

It is recognised that the WTO and the current multilateral trading system are in need of enhancement and reform to fully reflect the current and future needs of trade. To achieve meaningful and mutually beneficial improvements, which the shipping sector supports, all WTO Member States should co-operate and participate constructively in any such reform process.

In this context, the global shipping sector wishes to make the following observations:

1. The sector strongly supports any initiatives by the WTO and its Member States to resume full negotiations on trade in services including maritime transport services, as well as resuming multilateral negotiations as a whole.
2. Maritime transport services were not concluded at the end of the Uruguay Round in the 1990s, and the commitments so far made by governments with regard to maritime transport services under the Doha Round are not definitive and therefore lack legal certainty. The shipping sector particularly wishes to see progress being made under the General Agreement on Trade in Services (GATS), including bringing legal certainty to maritime transport services.
3. Bilateral and regional trade agreements, including those which cover maritime transport services, are an important complement to multilateral agreements concluded under the auspices of the WTO. In the longer term and at the global level, however, particularly in the event of a serious economic downturn, WTO agreements will provide a greater degree of legal certainty and security against the danger of new protectionist and trade-restrictive measures being adopted by individual nations around the world.
4. WTO Member States are encouraged to ensure that bilateral agreements, regional agreements, as well as national and regional trade regulations and policies – including those which relate to maritime transport services – do not deviate from or conflict with their current national schedules of commitments, as agreed within the framework of the WTO.
5. The shipping sector is supportive of other worldwide plurilateral trade negotiations, including the WTO e-commerce negotiations, which also aim to maintain and develop a well-functioning rules based trading system. Participation in such negotiations should be open to all WTO Member States that wish to be involved, and the goal should be to ensure that the product of such negotiations is incorporated into the WTO framework.
6. ICS, ASA and ECSCA encourage initiatives by the WTO and its Member States to engage with and take advantage of the experience and expertise which resides within the international business community, including the global shipping sector.
7. The global shipping sector is fully supportive of the WTO as the principal forum for resolving trade related issues between nations. The dispute settlement process of the WTO, in particular, should continue to play its role as the world's leading international trade dispute settlement mechanism.

About ICS, ASA and ECSA



International Chamber of Shipping

Shaping the Future of Shipping

The **International Chamber of Shipping (ICS)** is the global trade association for merchant shipowners and operators, representing all sectors and trades. ICS membership comprises the world's national shipowner associations.



The **Asian Shipowners' Association** is the regional trade association for merchant shipowners and operators, whose membership comprises national shipowner associations in Asia.



ECSA

European Community Shipowners' Associations

The **European Community Shipowners' Associations (ECSA)** is the regional trade association for merchant shipowners and operators, whose membership comprises national shipowner associations in Europe.