



FEDERAL MARITIME COMMISSION
WASHINGTON, D.C. 20573

GENERAL COUNSEL

August 26, 2005

RE: *United States' Case Study Proposal – TPT WG 27th Meeting, March, 2006*

The United States proposes to offer a presentation by the Federal Maritime Commission of the deregulatory efforts of the United States in the regulation of international common carriage services in the U.S. foreign maritime trades. In 1998, the Ocean Shipping Reform Act (OSRA) was signed into law, amending the Shipping Act of 1984. After taking effect in early 1999, the OSRA amendments had several deregulatory effects:

- Freight rates in negotiated service contracts were no longer required to be made public;
- Private, internet-based tariff publication in lieu of filing with the Federal Maritime Commission was required;
- All carrier agreements, not just conferences, were permitted to offer service contracts;
- Agreements were prohibited from restricting members' rights to independently negotiate service contracts; and
- Greater discretion was given to the Federal Maritime Commission to deregulate by administrative rulemaking.


Subsequent deregulatory measures taken by the Federal Maritime Commission include:

- Allowing service contract filing to be accomplished via the internet; and
- Exempting NVOCCs from certain tariff publication requirements on condition that the service arrangements they conclude are filed with the agency ("NSA Rule").

In a 2001 study, the Federal Maritime Commission found that "OSRA ha[d] thus far accommodated the ongoing process of industry transformation" and further stated its goal of "encourage[ing] a free-market environment which enhances the ability of the shipping industry to operate as efficiently and effectively as possible." Federal Maritime Commission, *The Impact of the Ocean Shipping Reform Act*, September, 2001 at page 49.

The Federal Maritime Commission looks forward to working with the Asia Pacific Economic Cooperation (APEC) Transportation Working Group on this matter.

Respectfully submitted,


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