

April 24, 2014

Ambassador Michael Froman Office of the United States Trade Representative 600 17th Street, NW Washington, DC 20508

Dear Ambassador Froman:

As the United States Trade Representative (USTR) continues to negotiate the Transatlantic Trade and Investment Partnership (TTIP), we urge you to make clear to the European Commission (EC) that all maritime services, transport laws and policies – including any aspect of the Jones Act trade – be excluded from negotiations. TTD has previously submitted comments to the USTR and during the United States European Union High Level Dialogue process related to the TTIP; today's letter also reflects those previously stated positions.

Maritime services have historically been excluded from all multilateral, regional and bilateral free trade agreements (FTAs) because of their unique economic and national security benefits. In particular, Maritime cabotage laws – collectively known as the Jones Act – have served an important economic and national security role for our nation since 1920, including the sustainment of over 500,000 good-paying American jobs and the generation of \$100 billion in total annual economic output. By requiring that all ships engaged in domestic marine commerce are built in America and crewed by U.S. mariners, the Act ensures a pool of well-trained, loyal U.S.-citizen mariners capable of supporting our armed forces, trade objectives, foreign aid programs, and national security.

Despite the clear success and strategic utility of domestic maritime laws and policies, the EC continues to insist on including maritime services, in whole or in part, in the TTIP. Specifically, we know that the Commission would like to exempt ships that travel point-to-point in the U.S. but terminate overseas from Jones Act requirements. This would allow European ships and foreign crews who do not pay taxes to the U.S. treasury to operate with impunity on our waterways and along our coasts. Any such consideration should be categorically rejected. Moreover, we ask that the USTR build on its July 2013 commitment to remove the Jones Act from TTIP talks by clarifying this position to include all component parts of the Act as well as the removal of all maritime services from trade talks. A failure to act or to allow any liberalization of U.S. maritime transportation laws would harm American mariners, jeopardize jobs for America's workers, accelerate the decline of U.S.-flag operators and seriously damage our economic recovery and national security.

For over 30 years, USTR has recognized the strategic economic and national security role played by the U.S.-flag shipping industry and kept maritime services out of our trade deals. Nothing has changed to warrant amending the government's position and there is no evidence that inclusion of maritime services in the TTIP would benefit the country. As talks move forward with your European counterparts, we ask that USTR reaffirm its support for the Jones Act, including its constituent parts, and remove all other U.S. maritime services, laws and policies from the TTIP negotiations.

Sincerely,

Edward Wytkind

President