

Strengthening the US Marine Transportation System: A National Maritime Strategy

By Darrell Conner and Nick Milonas

The US Marine Transportation System (“MTS”) is a key pillar of our national, economic, and homeland security. The MTS consists of ocean, coastal, and inland waterways, ports, intermodal connections, vessels, as well as commercial, military, and recreational users. According to the Maritime Administration (“MARAD”), the MTS includes 25,000 miles of navigable channels, over 3,700 marine terminals, 238 locks at 192 locations. The MTS also supports critical military operations, tens of thousands of commercial fishing vessels, and millions of recreational boaters.

Given those numbers, it is not surprising that 99 percent of the volume of overseas trade (62 percent by value) enters or leaves the US by ship – at a fraction of the costs associated with other modes of transportation. With so much riding on the viability of the MTS, there has been increased chatter in Washington, DC about a national strategy to strengthen the US Merchant Marine and explore additional opportunities to develop cargo and sealift capacity.

On October 28, MARAD announced plans to facilitate a public discussion among MTS stakeholders intended to develop a robust national maritime strategy. According to MARAD, the purpose of this public meeting, a National Maritime Strategy Symposium, is to gather ideas for improving the nation’s cargo opportunities and sealift capacity, while ensuring their future sustainability. The two-day symposium is scheduled to take place on January 14-16 at MARAD in Washington, DC.

MARAD has actively solicited from the public and interested stakeholders potential agenda items for the January symposium. Proposed agenda items may focus on any of the following topics: fostering and improving the US-flag fleet; improving transportation efficiency, speed, availability and

cost-effectiveness; methods to improve overall US economic competitiveness through MTS improvements; improving transportation efficiency through interoperability with existing infrastructure systems and other modes of transportation; reduction of marine transportation pollution and adverse environmental impact; expansion of the pool of skilled and available US mariners; developing strategically valuable capacity; increasing economical waterborne carriage for US businesses; improving US port operations and related businesses; improvement of global business and employment opportunities for the Nation; and fostering the construction and repair of vessels in US shipyards.

More than 50 suggestions for potential agenda items were submitted from trade associations, commercial operators, ports, research institutions, and concerned individuals, among others. The comments from these entities and individuals offer ideas to promote a technically skilled pool of US mariners; the construction and modernization of vessels in US shipyards, as supported by competitive grants and loan financing; the transport and use of natural gas as a marine fuel; the preservation of US laws that support the merchant marine base and create stability in the marketplace; ways to foster continued support for cargo preference requirements and the Maritime Security Program; and the importance of inland waterways and the Great Lakes; among other topics.

Acting Maritime Administrator, Paul Jaenichen, has been enthusiastically promoting the January symposium and laying the necessary groundwork for a successful meeting between private stakeholders and the government. Mr. Jaenichen stated earlier this year before the Maritime Trades Department of the AFL-CIO that “the nation needs a maritime policy. It needs a strategy [and] the Maritime Administration is going to take a leading role.” The National Maritime Strategy Symposium aims to put a

regime in place that will “reinvigorate the US Merchant Marine . . . [and] ensure that we create a process and develop a maritime strategy that actually works, is inclusive, is far-reaching and long-lasting.” Additionally, as part of his recent confirmation hearing before the Senate Commerce Committee, Mr. Jaenichen also stated, “we need a strategy that will result in a significantly higher portion of the US overseas trade being carried on US flag vessels.”

MARAD was finalizing its agenda for the January symposium in mid-December, and following participant registration, making decisions on speakers for the program at the January symposium.

The MTS supports millions of American jobs by facilitating the movement of people and goods, supports national security efforts by providing critical sealift capacity in times of war and emergency, and acts as the eyes and ears of our coastal and inland waterways. Through its National Maritime Strategy Symposium, MARAD is seeking to foster a public/private relationship and cooperation between interested stakeholders to ensure that the MTS and the US Merchant Marine continue to be a key pillar of our national identity. **PMM**

Darrell Conner, Government Affairs Counselor, is the co-chair of the Public Policy & Law Practice Group at the law and lobbying firm of K&L Gates, which for 40 years has represented maritime clients on legal, legislative, regulatory, and policy matters. Darrell can be reached at darrell.conner@klgates.com. Nikolas Milonas is an associate at K&L Gates whose practice focuses on transportation policy, with an emphasis on issues affecting the U.S. domestic maritime industry.

