

**MONTHLY REPORT for ICS**

**January 2024**

**NOTE TO THE READER:** Reference to the Federal Register may be found at <http://www.gpo.gov/fdsys/browse/collection.action?collectionCode=FR>. Please note the new address and format for Federal Register retrieval due to upgrade in US government website.

References to legislation may be found at <https://www.congress.gov> at the center of the page.

**Threats to Commercial Shipping in the Red Sea – Congressional Hearing**

The House Subcommittee on the Coast Guard and Marine Transportation (CG&MT) held a hearing in late January on the threats to commercial shipping in the Red Sea and its impacts on the global and US economies and supply chains. While the usual political bickering and posturing either supporting or opposing President Biden’s foreign policy was evident, some positive discussions occurred during the witness testimonies and the Members questions to the witnesses.

Chairman Webster (CG&MT), Ranking Member Carbajal (T&I) and Ranking Member Larsen (CG&MT) all commented on the potential impacts on the global supply chain and national economies these threats presented especially given the decision by many vessels to avoid the area and divert around South Africa. They also noted the increased insurance costs for those transiting the area, the increased operating costs for those choosing to divert and the potential impacts on the cost of goods due to the increased vessel operating costs. They also noted the lead role taken on by the US in Operation Prosperity Guardian and the few other nations that have publicly committed resources to ensuring the safety of commercial vessels in the area. They also highlighted the impacts of mariners serving on vessels and the critical role of mariners in ensuring the safe and efficient transport of goods globally.

Witnesses included Mr. Bud Darr (MSC Shipping Company), Dr. Ian Ralby (I.R. Consilium), Mr. Jonathan Gold (National Retail Federation) and Mr. David Heidel (Seafarers International Union). All witnesses were questioned extensively by Members after providing their testimony. A recording of the hearing and copies of the witness’ written testimony may be viewed at:

<https://transportation.house.gov/calendar/eventsingle.aspx?EventID=407162>

### **Threats to Commercial Shipping in the Red Sea – FMC Hearing**

The Federal Maritime Commission will hear from individuals representing shipper, carrier, and port interests at its informal hearing examining impacts on shipping and supply chains from current conditions in the Red Sea and Gulf of Aden regions.

The informal hearing will be held Wednesday, February 7, 2024, at 1000 EST in the Surface Transportation Board Hearing Room, 395 E Street, SW Washington, DC, 20423. Public attendance is welcomed but seating is limited and will be provided on a first come basis. The hearing will be live streamed on the [Commission's YouTube channel](#). Registration is not required to view the live stream. The hearing will feature comments by the FMC Chairman and Commissioners, and three panels populated by shippers, carriers/ports, and maritime security experts.

### **MARAD Mariner Work-Life Balance Seminar**

The US Maritime Administration and the US Committee on the Marine Transportation System will host a Mariner Work-Life Balance Symposium on April 16, 2024, at the US Department of Transportation Headquarters in Washington, DC. In-person and virtual attendance will be possible for the panel discussions, although the breakout sessions will only be available to in-person attendees. This seminar is part of MARAD's ongoing work to address the mariner shortage/recruitment/retention issue, a challenging problem both here in the US and globally. Industry leaders, academics, seasoned mariners, prospective new industry entrants and government agencies will join together to discuss issues related to mariner work-life balance and aim to produce recommendations, for improvements including career progression, training, mitigation of the early exodus of mariners from shipboard service, onboard lifestyle, and mariner mental health. The registration for this seminar will open on February 15, 2024. For more information including registration procedures, contact [c.stavropoulos@dot.gov](mailto:c.stavropoulos@dot.gov) or check the US Maritime Administration website after February 15, 2024.

### **Congressional Letter to President Biden on Reinvigoration of the US Maritime Industry**

A bi-partisan group of US Senators and Members of the House of Representatives has sent a letter to President Biden focusing on the needs of rebuilding the US maritime infrastructure including the US flag fleet trading internationally, workforce/mariners and the US shipbuilding capabilities (or lack thereof). The letter focuses on the urgent need to address the aging maritime infrastructure, the current decline in US flag vessels trading internationally and the shortage of competent US mariners and shipyard workers due in large part

to underinvesting the workforce development. The letter further notes that it is necessary, for national security and commercial purposes, to “de-risk\_ the maritime domain from US’s strategic competitors and requires a national focus to remedy the current deficiencies. Specifically, the letter requests the President to:

- 1) Establish an interagency maritime policy coordinator, reporting directly to the President, with the rank and authority to synchronize national maritime policy and influence industrial base resource decisions across military, civil, and commercial dimensions.
- 2) Issue a Presidential Determination that establishes commercial, civil and military shipbuilding and shipping industries, with their associated domestic infrastructure and workforces, as elements of the nation’s critical infrastructure sectors list and authorize the Department of Defense to utilize the Defense Production Act Title III to invest in the commercial shipbuilding and shipping industries and civilian infrastructure and workforces, in coordination with the Maritime Administration.
- 3) Develop a national strategy focused on “de-risking” the US maritime domain from the People’s Republic of China and other asymmetric or emerging maritime threats, recognizing that the US security and economic way of life relies on open and free sea lines of communication.

At this time, we have no intelligence on how this letter was received by the White House or what actions the White House may take based on the recommendations contained in the letter. At the very least, this is a start highlighting the current concerns with the US maritime industry and provides solid concrete recommendations on how to address these challenges.