



National Association of Waterfront Employers

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Testimony

John Crowley, Executive Director, National Association of Waterfront Employers

before the

Committee on Transportation and Infrastructure

Subcommittee on Coast Guard and Maritime Transportation

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I am John Crowley, Executive Director of the National Association of Waterfront Employers, also known as NAWE. I appreciate the opportunity to testify today on behalf of NAWE’s members and associate members from across the country.

NAWE represents the interests of the marine terminal and stevedoring industry whose member companies are the entities that operate marine terminals in most major ports of this country. They are the port operators. We appreciate and encourage the interest of Congress in the safety and stewardship of the maritime transportation system and specifically, the American port sector where the members of my organization represent employment for over 30,000 men and women in good paying, skilled jobs. Total wages are over 2.5 billion dollars. Indirect and supporting jobs add even more. Ports are vital gateways for US commerce. We handle the goods and commodities that are essential to US manufacturing, the producing agriculture and mineral sectors, and consuming economies. In other words, they are essential elements of the freight supply chain and linchpins to a strong national economy.

As a critical part of the world's marine transportation system (MTS), the U.S. marine terminal operator (MTO) and stevedoring industry provides the critical link between ocean carriers and rail and/or motor carriers, as cargo and containers flow from point of origin to point of delivery. MTOs play an integral role in the import/export engine that drives the U.S. economy, creating jobs in America through trade.

Job ONE for our members is Safety – sending our committed workforce home to their families each day. There are many factors leading to safe and mishap free operations. Included are the container condition, its contents, and weight when it is put into commerce. Each of these factors becomes immediately relevant on a port terminal when it is lifted by container handling equipment (CHE). Is the condition including the

floor and corner castings able to support the designed strength of a container? What are the container contents and are they hazardous or have they leaked? Is the container weight within the handling limits of CHE?

Also important is productivity. The business of terminal operators and stevedores is more than in-gating or storing cargo or lifting cargo on and off container stacks or vessels. It is to smoothly, efficiently and effectively move cargo from landside transportation to water borne transportation or vice versa on an often busy and crowded terminal facility. Every added event in the cycle adds cost and time while reducing throughput. Productivity at the marine terminal is essential for productivity of the supply chain.

Our members are accustomed to immediate feedback in measuring safety and productivity. The condition, contents and weight of a container can create immediate unsafe conditions and delays. If these factors contribute to an unsafe condition the container is taken out of cycle adding time and cost while taking up valuable space in an already constrained system.

Because these containers are handled by global partners world wide, we advocate for consistent, global standards to prevent unsafe conditions and minimize impacts on productivity. We value standards for container construction, cargo carriage, and container weight. In this regard, NAWE supports the use of “verified gross mass” (VGM) as set forth in an Amendment to the Safety of Life at Sea Convention (SOLAS) and ratified under provisions of the International Maritime Organization (IMO). The International Maritime Organization is among those entities that contribute to the safety in maritime commerce as well as producing a level playing field among port and flag states. This contribution has been particularly important to those of us operating under U.S. standards.

The IMO has a distinguished tradition of establishing critical and consistent standards of safety, environmental protection and security across the global marine transportation system. IMO’s International Convention for Safe Containers, with recently implemented amendments, establishes key standards for construction and inspection of containers for safe use in shipping. Similarly, IMO and its Marine Safety Committee began a review of reports from the shipping industry of the mis-declaration of container weights in 2010. The issue was further assigned to the Sub-Committee on Dangerous Goods, Cargoes and Containers (DSC) in 2011. The International Cargo Handling Association (ICHCA) represented the interests of its industry in these discussions and included comments from U.S. marine terminal operators. As a result of this work IMO published its Amendment to SOLAS in 2014. NAWE published the resultant new rule in 2014 to its members and began discussions in 2015 on measures needed to accommodate this Amendment in order to enhance safety and maintain productivity. Individual operators began discussing this new regulation with their customers, i.e. the carriers and vessel operators. Our association began this year to develop best practices and share them

with a partner association representing our customers.

At this time our association members are working diligently to do their part to achieve a successful implementation of the VGM requirements in SOLAS. It has been and remains the stated expectation of our association members that Carriers will provide the VGM data received from their customers to terminal operators on a timely basis and using agreed formats and standards. To accommodate this exchange of information, our members have invested in coding and other information technology changes that will allow various Terminal Operating Systems (TOS) to ensure VGM information will be accurately received, used within the container yard, and used in the course of vessel planning and stowing. If our customers are unable to timely transmit those VGMs prior to the arrival of export containers at our association members' facilities (whether by road or rail), volumes could overwhelm marine terminals and bring ocean-borne container trade in the U.S. to a standstill. The marine terminal operators have been working to be ready to implement these new changes and expect the shippers and carriers to do their part by providing VGMs before the containers arrive at terminals for export. Understanding this ahead of time should keep confusion to a minimum for shippers and the land transportation modes that deliver containers to the port operator.

With the combination of adherence to these SOLAS Amendments and industry efforts NAWA is confident in continued safe and productive marine terminal operations.

Thank you for the opportunity to testify today on behalf of NAWA members, I look forward to answering your questions.