

Admiral Thomas H. Collins  
The Propeller Club  
19 November 2003

**Thank you for your kind welcome. It's a real pleasure for me to be among fellow maritime professionals ... and great friends of the USCG. From my perspective, the Coast Guard and the Propeller Club have enjoyed a solid history of cooperation and mutual interest in all matters involving maritime commerce, both domestically and internationally. I commit to working vigorously to continue this great relationship.**

**And I am delighted to be here today to reinforce our joint efforts to promote all aspects of marine safety, maritime security and environmental protection .... all while preserving the efficient flow of commerce. I will address the present state of our regulatory responsibilities, our security strategy, and the critical steps necessary to move forward in achieving greater marine safety.**

**No doubt about it .... we in the Coast Guard have concentrated a great deal of time and effort the last two years on improving Maritime Security. But we have not, and will**

**not, under invest in the other two legs of our three-legged stool, the Marine Safety and Environmental protection part of our business. All three are critically intertwined, supporting our goal to reduce all maritime risks. Success in all three areas is necessary if we are to ensure our nation's ability, and that of int'l partners, to use the seas safely, securely, fully, and wisely in pursuit of common objectives.**

**Our expectation is that the perceived need for a significantly enhanced security and safety culture within the global maritime industry WILL drive accountability, transparency and renewed partnership throughout the system. Implementation of new domestic and international vessel and port security regulations WILL provide the initial framework for this security transformation. Intergovernmental, public-private, regional and international partnerships WILL be absolutely essential to support that framework and sustain that security culture. Transforming the MTS through collaborative partnerships has been and will continue to be the key ingredient. I will share with you today how those themes describe my strategy to face the challenges of a bewildering variety of transnational threats that honor no national frontier.**

**This has been quite a demanding year ... I welcome all productive partnerships I can find to share the load! There have been a number of watershed events. First, the Homeland Security Act was passed last fall. Our subsequent move into DHS on 1 March is part of the largest re-organization of the federal government in 60 years. We expect additional organizational churn, both externally and internally driven, as the DHS evolves. Second, we awarded the two largest recapitalization contracts in CG history ... IDS and R21. Third, Last November, President Bush signed the Maritime Transportation Security Act of 2002. And within a month we were successful in achieving a companion international security protocol at IMO. As you know, enabling regulations were developed and issued on October 22 ... the biggest rulemaking the CG has undertaken since OPA 90.**

**In the context of these transformational events, we have worked hard to shape and refine an appropriate MHLSS. Since September 11, 2001, the United States, IMO, and the world have recognized how vulnerable our international systems of transportation and trade are to those who would do us harm. A terrorist incident against our marine**

**transportation system would have a serious and long-lasting negative impact on global shipping, international trade and the world economy. Our ports and waterways also have significant strategic military value, as well. Valuable and vulnerable...these factors make our marine transportation system a high priority in the U.S. maritime security strategy.**

**The Coast Guard's strategic approach to maritime security places a premium on identifying and intercepting threats well before they reach U.S. shores. We achieve this by....**

- (1) Building and administering an effective security regime – both domestically and internationally;**
- (2) Increasing our awareness of all activities and events in the maritime;**
- (3) Increasing military and civil operational presence in ports and coastal zones and beyond for a layered security posture; and**
- (4) Improving our response posture in the event a security incident does occur.**

**I'd like to spend some time talking about the first two elements of our strategy ... building a security regime and**

**creating what we call MDA. Terrorist activities and threats, coupled with our own acknowledged vulnerabilities, prompted unprecedented security activities over the past year. The United States, working in concert with our trading partners, adopted a landmark international maritime security regime working with the International Maritime Organization (IMO). This approach helped minimize the potential for a proliferation of differing national security requirements that could have impaired maritime commerce. This approach also ensured that meaningful security measures would be implemented on a global scale. The IMO adopted amendments to the International Convention for the Safety of Life at Sea (SOLAS) and an International Ship and Port Facility Security (ISPS) Code.**

**As I noted earlier, the Maritime Transportation Security Act of 2002 (MTSA) was also passed. The clear intent of Congress was that it is in the best interests of the United States to implement the security system developed by IMO ... because it contains the essential global elements for enhancing maritime security. Both of these important instruments are major steps in addressing maritime security, and together they form the cornerstone of the nation's maritime homeland**

**security strategy. We all recognize the Best solution to security is an international one.**

**As the lead Federal agency for maritime security, the Coast Guard has developed regulations to implement the requirements of the MTSA, and we will be responsible for enforcing these new requirements. The regulations not only carry out the intent of the MTSA, but also closely reflect the new international requirements. The regulatory impact on the maritime industry will be significant, and the timeline for implementing the new security requirements is exceptionally short. Prepared security plans for domestic vessels and port facilities must be submitted to the Coast Guard for review by December 31st, 2003. The implementation date for approved security plans to be in place is July 1<sup>st</sup> 2004. The U.S. will, within the parameters in ISPS, fully exercise all available control measures including, detention, denial of entry, and expulsion from port.**

**Implementing the MTSA security requirements now, paves the way for additional improvements that will come about through subsequent initiatives to improve Mariner identification credentials, establish security-training programs,**

**and other cargo initiatives that improve the security of the system.**

**Being successful in our MHLSS is all about awareness and transparency. Our maritime security strategy places a premium on identifying and intercepting threats well before they reach our shores. It depends on timely information sharing, securing our borders, protecting vital infrastructure, partnering with others at home and abroad, building on current cooperative security efforts, and preparing to respond quickly to future events. Enhancing Maritime Domain Awareness is perhaps the central and most promising element of the strategy... it's the area in which I believe all nations, the maritime industry, and international organizations can make the most difference.**

**What do I mean by Maritime Domain Awareness?  
Simply put, it is possessing comprehensive awareness of our vulnerabilities, threats and targets of interest on the water.**

**It means having extensive knowledge of geography, weather, position of friendly and unfriendly forces, trends, key**

**indicators, anomalies, intent, and the activities of all vessels in an area of concern, including the innocent.**

**To give an example of MDA that I'm sure some of you are certainly aware of, the Coast Guard recently established the Inland River Vessel Movement Center (IRVMC) in St. Louis, Missouri, to gather information and track barges loaded with certain dangerous cargoes along the Western Rivers system of the United States. Additionally, increased patrols, vessel escorts and/or boardings by river marshals could be implemented based on the Department of Homeland Security Advisory System level and other factors. The IRVMC has been rapidly and effectively put in place because of the partnering efforts of the "brown" water fleet and the "non-regulatory" nature of this effort. It has allowed the Coast Guard to be able to improve maritime domain awareness and increase security on over 10,300 miles of inland waterways.**

**Above all, enhancing Maritime Domain Awareness has to do with having access to detailed knowledge about our adversaries, and sharing that information more effectively among federal agencies and our domestic and international partners in both the private and public sectors.**

**Crucial to attaining timely MDA is the outfitting of vessels with Automatic Identification System, or AIS equipment, and requiring Long Range Tracking gear for the international mariner. We have just sent a paper to IMO proposing the need for this equipment.**

**This critical MDA tool provides vessel identification, position, course, and speed. The U.S. Coast Guard supports the international efforts to implement long-range tracking for MDA purposes as called for in Resolution 10 of the 2002 IMO Diplomatic Conference on maritime security.**

**Because an effective long-range tracking program is best accomplished through harmonized national and international action, we recommend that governments take the necessary action to put into place the mandatory IMO requirements for long-range tracking of ships. We are recommending in the strongest way, that governments support the finalization of international regulations to implement long-range tracking as quickly as possible.**

**An additional aspect of the knowledge we need is “Transparency” which is absolutely crucial to improving our MDA and enhancing maritime safety, security and protection of the marine environment with the major objective of removing substandard shipping from the world's oceans.**

**The purpose of transparency is to ensure as much open exchange of information about all aspects of shipping. This would include the flag state, the classification society, the ship owner/operator, the charterer, the condition of a ship and the ship's operating history.**

**From the U.S. perspective, we have established a risk based port state control matrix that identifies high-risk flag states, class societies and ship owners/operators. We are currently tracking the performance of charterers and will soon finalize our plan to add charterers to our targeting matrix as another element in our quest to eliminate substandard ships. We will continue to use a risk-based matrix as the model for implementing the security element into our existing port state control program. The port state control program for safety, which includes the contributions of our partners in other like-**

**mind ed port states, has led to the reduction of substandard vessels by over 50% arriving in the U.S. ports.**

**We will screen all vessels for security and safety risks and will board those that pose an unacceptable level of risk. Intelligence information is an overlay and will also drive boarding determinations. The pre-arrival screening results for a safety and security risk allows for the best use of our available resources.**

**Security risk points will be assessed in six areas including:**

- **Owner**
- **Flag**
- **Recognized Security Organization**
- **Security history and,**
- **Intelligence**

**In addition, the previous 5 port calls will be evaluated, effectively linking foreign port assessments with arriving vessels.**

**As leaders in the international maritime community, it is incumbent upon us to fully implement, oversee and**

**aggressively enforce relevant provisions of internationally agreed upon instruments. After the vessel owner, the Flag state holds the greatest responsibility for ensuring that vessels flying their flag meet the standards established internationally. Substandard ships, whether from a safety or security perspective, have no place in today's world. Our strongly held view is that Flag states must take these responsibilities seriously .... and that the international community must hold Flag States that fail to meet their responsibilities accountable. The International Maritime Organization's flag State Self Assessment Form was developed to ensure the effective implementation of IMO instruments globally and assist States who are encountering any difficulties with implementation.**

**Currently at IMO there are two inter-related initiatives that will improve not only flag Administration accountability, but also how port States and coastal States are fulfilling their mandatory obligations. The IMO is presently developing a Model Audit Scheme and a mandatory Instruments Implementation Code. The Model Audit Scheme, along with the Implementation Code, is aimed at enhancing flag states, port states and coastal states in meeting their obligations under the international IMO treaties. At the upcoming IMO**

**Assembly meeting starting next week, the Assembly will be adopting a resolution agreeing to proceed with a voluntary audit scheme. We intend to push the envelope and request the Assembly commit to a two-phase approach, starting out as a voluntary scheme, but agreeing to make the scheme mandatory as soon as possible. A Model Audit scheme that assesses flag Administrations in how they fulfil their mandatory obligations under the international instruments is a key element of accountability, and we seek the support of all states in this effort. These are important next steps in our security strategy ... we are confident that we will make progress on them.**

**While working diligently on security issues, we have not lost our focus on safety and environmental protection priorities. For example, our efforts to prevent the introduction of Aquatic Nuisance Species has led to a scheduled international conference to adopt a convention on ballast water management, planned for February 2004. Main elements of the proposed convention include: mandatory ballast water exchange, management plans, performance standards, and the provisions to allow the installation of promising treatment technologies. Some of the outstanding issues that remain for the conference to decide include:**

- **The specific values of the ballast water performance standard,**
- **To what extent existing ships will be subject to the standard,**
- **Route exceptions,**
- **Designating ballast water exchange areas, and**
- **Conditions of port entry.**

**There are numerous other safety and environmental issues ahead of us, such as:**

- **The Phase out of Single Hull Tankers at IMO**
- **Marine Fire Fighting and Salvage Regulations**

**The Salvage and Marine Firefighting Regulations are an important part of our regulatory agenda. When these regulations were first proposed, the intent was to address oil carrying tank vessel's emergency response capabilities for marine casualties and oil spills, up to and including a worst-case scenario. In light of our new reality, it is even more important to our national security that these regulations be finalized and that we begin the process of improving the nation's salvage and marine firefighting resources. In my mind, a robust and well-developed salvage capability is a critical component of our national security and an essential**

**asset in the event of an attack on our waterways infrastructure. Our goal is that after implementation of this regulation, all segments of waterborne commerce, both vessels and ports, will have better, more effective Salvage and Marine Firefighting resources close at hand. We are currently reviewing all input received during the comment period on this regulation. We take these comments very seriously and will ensure that they are all considered as we proceed forward with the rulemaking process.**

**We are also planning to reorganize the Mariner Licensing and Documentation Program. Reorganization of credentialing functions assigned to National Maritime Center and the Regional Examination Centers will provide more timely, consistent and secure service to mariners as well as an appropriate level of national oversight and control. Phased centralization of core Regional Examination Center functions such as mariner application evaluation, user fee handling, mariner record management and credential issuance at the National Maritime Center will result in consistent policy application, enhanced program security, and faster application processing. It will also provide for positive application tracking and records control. Local field commanders will be**

**relieved of Regional Examination Center supervisory duties, which should improve their ability to focus on new operational security challenges. Local Regional Examination Centers will remain open for examination administration, course oversight, and direct mariner interactions such as identity verification, fingerprinting and application assistance.**

**Before I close, I would like to comment on one initiative that has not progress as rapidly as we would have liked ... and quite frankly, has momentarily taken a back seat to our security imperatives ... that is our collective efforts to create a framework to facilitate the investment in and improvement of the Nation's Marine Transportation System -- or MTS. The issues involved are complex ... the MTS is not only a web of roads, waterways, and terminals, but also a multitude of oversight entities: federal, state, local, and private.**

**However, although much more needs to be done, there have been number of innovative changes in many ports that will continue to pay dividends well into the future. Our Harbor Safety Committee initiative has paved the way for many systemic improvements and the only cost was the effort it took to get organized and focused on the MTS as a system.**

**This Harbor Safety Committee organization has already provided the nucleus for discussions on improvements to our Nation's port infrastructure.**

**We are working with other federal agencies and with our local and private-sector partners to consider a series of federal actions and investments on the MTS. These concepts, called SEA-21, are being considered by a federal Interagency Committee on the MTS, consisting of the numerous federal agencies with marine transportation responsibilities – Corps of Engineers, NOAA, Coast Guard, TSA, EPA, the Departments of Transportation and Agriculture, among others.**

**Working together, we have identified a number of key issues for further analysis and possible initiatives. These issues range from better federal interagency coordination to better use of trust funds and the inclusion of marine options in the transportation planning process. In the year ahead I hope to be able to report on substantial progress regarding MTS.**

**Collectively, all our safety, security, and environmental protection efforts, both international and domestic, are vital to the well being of our economic and security systems. Each are**

**intertwined in our commitment to the peaceful and sustainable use of the world's oceans and their resources. You can be assured the Coast Guard will use our authorities, capabilities, capacity ... and pursue partnerships .... to aggressively minimize risks to the safety and security of our maritime environment. Because of the issues at stake, Maritime security will remain a priority, but I assure you, we will not be distracted from marine safety and environmental protection responsibilities. We will not waiver in our responsibility to aggressively enforce both security regimes and safety requirements.**

**From our perspective it is essential to the MTS and to our security and economy that we succeed in all three of these very important mission areas and I know I can count on the membership of the Propeller Club for its assistance and support and critical advise as we push forward. And you can depend on us to ensure a practical, common sense, collaborative approach is always at the forefront. .... with true partnership with the maritime industry as the essential ingredient to success.**

**We will do our utmost to work with you to keep goods moving within a safe, secure, and efficient marine transportation system.**

**I'd be happy to answer any questions you may have for me. Thank you.**