



Commissioner Carl Bentzel– Keynote Remarks ECOSYSTEM OF THE AMERICAN MARITIME INDUSTRY

February 25th, 2022 – Washington, DC





About the Federal Maritime Commission

Independent Regulatory Agency Est. 1961

5 Commissioners

- Nominated by President; Confirmed by Senate
- Staggered 5 year terms
- No more than 3 of President's party

Authorized 128 Full Time Employees in 7 locations:

- Washington DC (HQ)
- New York
- Miami
- New Orleans
- Houston
- LA/Long Beach
- Seattle



Federal Maritime Commission

Mission

Ensure a competitive and reliable international ocean transportation supply system that supports the U.S. economy and protects the public from unfair and deceptive practices.

Key Functions

- Regulate ocean borne transportation in the foreign commerce.
- Oversee limited Antitrust regime.
- Investigate and rule on complaints.
- Help resolve disputes.
- International Trade Authority to combat unfair shipping practices of foreign nations.



Bureau of Enforcement

- (BOE) is the prosecutorial arm of the Commission
- Work closely with the Commission's Area Representatives in investigations of potential violations of the Shipping Act and Commission regulations.
- Negotiate settlements and informal compromises of civil penalties, and may act as investigative offices in formal fact-finding investigations initiated under the Shipping Act or the Foreign Shipping Practices Act (FSPA).
- Monitors all other formal proceedings, including relevant court proceedings, in order to identify major regulatory issues, and advises the Commission of evolving competitive practices in international oceanborne commerce



Area Representative (AR)

Located in field offices located in

- New York
- South Florida (Miami)
- New Orleans
- Houston
- Southern California (LA/Long Beach)
- Seattle

Three main duties:

- Conducts investigations into violations of the Shipping Act
- Provides education, training and outreach to the shipping public, regulated entities, and other government agencies
- Give speeches, presentations, and seminars to promote higher awareness of statutory and regulatory requirements
- Facilitates open communication to help resolve complaints and disputes



Record Profits, Continuing Surges

- 4th Q <u>Net Profits</u> for Carriers not complete, 5 companies have reported roughly <u>\$48.1</u> billion
- 2022 profits could be as high as \$240B
- Spot rate increases/component shipping and manufacturing challenges/essential cargos
- Record profits and record demands; Last month there were 150 ships in U.S. Harbors



U.S. Flag Contrasted with Foreign Carriers

- U.S. Carriers providing exceptional Service
- Consistent Rates
- Management of Maritime Equipment
- Coordination with Landside Activities



FMC Focused on Enforcement and Monitoring

- FMC implements a carrier audit program
- FMC Moves Forward on NPRM on Detention & Demurrage
- FMC Shipping Advisory Committee
- LA/LB \$100 Container Charge



The Maritime Transportation Data Initiative -Motivation and Goals Launched December 2021

Role of FMC

- 46 U.S.C § 40101, the FMC is tasked with, "provid[ing] an efficient and economic transportation system in the ocean commerce of the United States that is, insofar as possible, in harmony with, and responsive to, international shipping practices."
- 46 U.S.C. § 41102, "A <u>common carrier</u>, <u>marine terminal operator</u>, or <u>ocean</u> <u>transportation intermediary</u> may not fail to establish, observe, and enforce just and reasonable regulations and practices relating to or connected with receiving, handling, storing, or delivering property."

Outputs

- Comprehensive and well-documented data dictionary
- Recommended data structures/standards



Data creation, transformation, and transmission through the supply chain

BoL VOCC CBP MTO LMC/RR BCO

Goals

- Efficient
- Transparent
- Accessible
- Complete



MTDI Project Plan

- Step 1: Cataloging the Status Quo in Maritime Data, storage, and access across the supply chain
 - Identify data added at each step
 - Identify data storage and transmission
 - Identify critical elements used by each supply chain party
- Step 2: Identification of Key Gaps in Data
- Step 3: Definitions/Classification
 - Inconsistent taxonomy and lexicon
- Step 4: Develop Recommendations for Common Data Standards



Stakeholder Engagement

1. Initial meetings with key supply chain participants to catalog data

2. Follow up on initial findings to ensure completeness

3. Maritime Data Summit

Timeline:

Step 1: December 2021-April 2022 Step 2: April-May 2022 Maritime Data Summit: June 2022



Questions? Commissioner Bentzel <u>Cbentzel@fmc.gov</u> John Young, Counsel jyoung@fmc.gov