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Seminar on Maritime Security Measures for Non-SOLAS Vessels
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It's a pleasure to be here today to discuss the United States' security strategy for non-SOLAS vessels and ports. This is an issue to which we, in the U.S., have given considerable attention, and from which we have gained valuable experience over the course of the last several years. I would like to thank the IMO Secretariat and the Japan International Transport Institute for hosting this very important session.

Although it may seem like it's been longer, the International Ship and Port Facility Security Code and the U.S. Maritime Transportation Security Act, *or* *MTSA*, are less than three years old and have been in force for less than a year. We have accomplished a great deal together in a very short time. The steps we have taken thus far are firm, positive steps that are enhancing global maritime security. And, our efforts are paying off. In the U.S. there has been a greater than 50 per cent drop in stowaways in the first six months following the July 2004 ISPS implementation date, as compared to the six months preceding implementation. This is but one indication that the ISPS Code, and our international security strategy, is work. Ideally, the number of stowaways would be zero if all vessel security plans were properly implemented with good access control as required by the ISPS Code. Stowaways who attempt to gain entry via containers are a separate matter which will need to be addressed as part of the global cargo supply chain.

Today, I will address four areas where the U.S. Coast Guard has implemented security measures for non-SOLAS vessels and ports:

- Security measures for U.S. domestic vessels and facilities;
- Security measures for foreign, non-SOLAS vessels arriving in U.S. ports;
- Security measures in non-SOLAS countries that trade with the U.S.; and finally,
- Our strategy to enhance maritime domain awareness through a greater knowledge of small craft operating in U.S. ports.

Before I do this, please allow me to provide a little background.

In the aftermath of September 11, 2001, the Commandant of the Coast Guard reaffirmed the maritime security mission to respond to threats posed by terrorist organizations, and our lead role in coordinating with other Federal, State, and local entities; owners and operators of vessels and marine facilities; and others with an interest in our Marine Transportation System. The Commandant came here, before the International Maritime Organization's General Assembly, and urged the consideration of an international security strategy. Ultimately, a series of intersessional maritime security work group meetings, held at the direction of the Maritime Safety Committee, developed the new ISPS Code as an amendment to SOLAS.

Before each intersessional meeting, the Coast Guard held public meetings in the U.S. and coordinated several outreach meetings with representatives from major U.S. and foreign associations for shipping, labor, and port authorities. We also discussed maritime security at each of our Federal Advisory Committee meetings and held meetings with other Federal agencies with security responsibilities. Throughout this process, the Coast Guard received comments calling for specific threat identification, analysis, and performance standards to respond to maritime threats. Additionally, the domestic and international maritime industry stressed the importance of uniformity in the application and enforcement of requirements, and the need to establish threat levels with a means to communicate threat information to a variety of interest groups.

Because of the vast amount of public outreach and international coordination that went into its development, the Coast Guard considers the ISPS Code to reflect a consensus position, *then and now*.

Security Measures for U.S. Domestic Vessels and Facilities

Now, I would like to turn to our domestic counterpart of the ISPS Code, found in U.S. regulations and standards, codified in Title 33 of the U.S. Code of Federal Regulations, Parts 101-104, better known as the Maritime Transportation Security Act (MTSA) regulations. From its inception, our regulations were written to be harmonized with the requirements of the ISPS Code. In aligning U.S. requirements with international requirements, the Coast Guard considered the best method of implementation would simply be to incorporate the ISPS Code provisions directly into our domestic regulations mandated by MTSA. And that's exactly what we did. Therefore, a vessel meeting the requirements of the U.S. regulations is deemed to be in compliance with the ISPS Code.

However, the MTSA has a much broader application than SOLAS that includes a significant number of domestic vessels and marine facilities and international vessels that are not covered by the ISPS Code.

To determine the applicability of the U.S. regulations, a National Risk Assessment was undertaken to measure the relative risk posed by all commercial maritime operations. Through this process, it was determined that U.S. vessels on domestic routes were equally, if not more, at risk of being involved in a security incident as those vessels engaged on international voyages which are subject to SOLAS. To counteract this risk, U.S. regulations were written to apply to all vessels that may be involved in a Transportation Security Incident. A Transportation Security Incident is defined as a security incident resulting in a significant loss of life, environmental damage, transportation system disruption, or economic disruption in a particular area. At first glance, the applicability of U.S. regulations and the ISPS Code appear to be mutually exclusive. However, the Secretary of Homeland Security determined that SOLAS vessels could also be involved in Transportation Security Incidents while in U.S. territorial waters, and applied U.S. regulations to all SOLAS Vessels while operating in U.S. ports and in our navigable waters.

In addition to the applicability of U.S. regulations to all SOLAS vessels arriving in U.S. ports, our regulations also apply to a significant population of domestic vessels, including all non-SOLAS ships operating on the Great Lakes; and small cargo, tank, and offshore supply vessels that are greater than 100 gross register tons. Our regulations also apply to passenger vessels that carry more than 150 passengers; affecting literally thousands of harbor excursion and gaming boats. Finally, our regulations apply to all coastal and inland barges carrying oil and hazardous materials; and all towing vessels of greater than 8 meters in length that are engaged in towing oil and hazardous materials barges. The application of the security regulation to towing vessels represents the first time the U.S. has sought to conduct mandatory oversight compliance inspections for our domestic towing fleet. In total, our regulations apply to approximately 10,000 U.S. flagged vessels. Over 90% of these vessels are non-SOLAS vessels.

The broad application to domestic vessels resulted in the additional requirement for domestic-only facilities to comply with the regulations and submit security plans to the Coast Guard for approval. As a result, the U.S. now regulates approximately 3,000 facilities, many of which only handle domestic vessels.

Our comprehensive domestic implementation was considered essential to ensure the effective hardening of the entire U.S. Marine Transportation System.

Security Measures for Foreign Non-SOLAS Vessels Arriving in U.S. Ports

I'd now like to talk about foreign flagged non-SOLAS Vessels arriving in U.S. ports. When we drafted our national implementing regulations, we determined that smaller tonnage foreign flagged vessels also presented a risk of being involved in a Transportation Security Incident in U.S. waters. As a result, we included a provision that required all foreign cargo vessels greater than 100 gross register tons to comply with U.S. regulations and provide evidence of an approved Ship Security Plan as a condition of entry into the U.S. Compliance could be achieved by either submitting a Ship Security Plan to the Coast Guard for review and approval, or by providing evidence that the flag State had approved a ship security plan commensurate with the ISPS Code. Since the application of this requirement extended to ships flagged by non-Contracting Governments, as well non-SOLAS ships of Contracting Government, the Coast Guard provided an option where it would review and approve foreign flag Ship Security Plans if necessary. However, very few nations called upon the U.S. to do this. Of all of the non-SOLAS foreign vessels arriving in U.S. ports, less than 100 submitted its security plans to the U.S. for review and approval.

To assist non-SOLAS vessels with compliance, the Coast Guard developed a guidance document (Navigation and Vessel Inspection Circular 04-03) that describes the verification process for non-SOLAS vessels that are subject to MTSA. Additionally, because some foreign vessels are required to comply with U.S. regulations but not international conventions, the Coast Guard established a Non-Convention Vessel Security Compliance Examination checklist as an enclosure. For example, vessels subject to the Caribbean Cargo Ship Safety Code need to comply with regulations issued under MTSA, but not with SOLAS conventions and the ISPS Code. The Non-Convention Vessel Security Compliance Examination guidance describes what is necessary to comply with U.S. domestic security regulations. Non-SOLAS foreign

commercial vessels subject to MTSA will be examined for compliance with applicable maritime security requirements following the current Coast Guard guidance.

Security Measures in Non-SOLAS Countries That Trade With the U.S.

Our policy not only extends the ISPS requirements to non-SOLAS vessels, but it also extends the requirements to non-SOLAS signatory countries. In the months leading to the July 1, 2004, implementation date, the U.S. reached out to the non-SOLAS signatory countries engaged in trade with the U.S. and informed them that they would have to implement security measures comparable to the relevant portions of the ISPS Code related to port facility security. To formalize this outreach, the U.S. State Department forwarded a letter from the Commandant of the Coast Guard to our non-SOLAS trading partners formally transmitting our expectations. In the letter, we asked that they communicate either to the IMO or to the Coast Guard what they were doing with regard to maritime security. In response, several countries did communicate directly with us and we provided them advice on a one-on-one basis. In addition, some of the Embassies in the affected countries also contacted us, and again, we provided information. Well prior to July 1st, it was clear that our non SOLAS trading partners were taking ISPS implementation very seriously and working to meet the SOLAS/MTSA implementation date of July 1, 2004.

Of the 16 non-signatory countries that we originally identified as trading partners, 13 have voluntarily complied with the port facility security measured outlined in the ISPS Code.

Our ISPS compliance boarding matrix, which targets vessels according to a risk-based matrix, requires mandatory selection of vessels that have called at non-SOLAS signatory countries who have not properly implemented the ISPS Code. By voluntarily complying with the Port Facility provisions of the ISPS Code, ships arriving in U.S. ports from these non-signatory nations have avoided mandatory boarding prior to entry.

U.S. Strategy to Enhance Maritime Domain Awareness through a Greater Knowledge of Small Craft Operating in U.S. ports

Last, I will talk about the U.S. strategy to gain greater knowledge of small craft operating in U.S. waters. The Coast Guard's notice of arrival (NOA) regulation requires vessels intending to enter a U.S. port or place to provide specific crew, passenger, vessel, and certain dangerous cargo information 96 hours prior to entry.

However, we currently only require Advance Notice of Arrival reports from commercial vessels greater than 300 gross tons and vessels carrying certain dangerous cargoes. Therefore, we have limited Maritime Domain Awareness (MDA) on vessels smaller than 300 gross tons.

In order to enhance our MDA, we are considering the expansion of the Notice of Arrival regulation to, vessels less than 300 gross tons to include:

- All foreign commercial vessels;
- All foreign recreational vessels; and

- All U.S. commercial and recreational vessels arriving in the U.S. after visiting a foreign port.

We believe that a natural synergy exists between Notice of Arrival information and Automatic Identification System (AIS) vessel tracks. Therefore, we propose tying the expanded Notice of Arrival reporting to a parallel requirement for AIS for the same group of vessels. Although AIS cannot be used as a means for Notice Of Arrival reporting, leveraging AIS tracks with Notice Of Arrival information will ensure that we not only have the information on vessels intending to enter a U.S. port, but we also have the capability to align Notice of Arrival data with vessel tracks to enhance our awareness., Lastly, the Coast Guard will propose to mandate electronic submission of Notice of Arrivals. Mandating the use of a standard electronic format for submission of crew, passenger, vessel, and certain dangerous cargo information will lead to improved information sharing between Federal, State, and local law enforcement agencies and a decreased burden on the maritime industry. The use of a standardized electronic submission will also assist in the identification of security and safety risks posed by vessels, people, and cargo entering U.S. ports.

We firmly believe the steps we have taken so far, and those we propose, as positive steps that will enhance maritime security. As I mentioned at the beginning of my statement, we have seen a more than 50 per cent drop in stowaways in the first six months after implementation of the ISPS Code. This is a real indication that all of our hard work is paying off. But we must continue to strive to improve. We must ensure that our implemented security measures are effective; that our ports and ships are hardened; and, that our supply chain is safe from all threats posed by terrorist organizations. We must find effective ways to enhance the level of our awareness and our ability to share information for all vessels both large and small, and foreign and domestic. The electronic submission of information and the tracking of vessels through AIS and Long-Range Tracking will certainly aid in these goals. It will ensure the availability of real time information necessary to assess threats in a timely manner while keeping our ships on their intended schedules. The efforts I have mentioned will not only improve the transparency of vessel operations; it will improve our global safety, security, and environmental protection.