



FEDERAL MARITIME COMMISSION

FACT FINDING NO. 29

INTERNATIONAL OCEAN TRANSPORTATION SUPPLY CHAIN ENGAGEMENT

ORDER

Pursuant to the Shipping Act of 1984, 46 U.S.C. 40101 et seq. (Shipping Act), the Federal Maritime Commission (Commission) is charged with regulating the U.S. international ocean transportation system that supports the transportation of goods by water in the foreign commerce of the United States (“liner service”). The purposes of the Shipping Act include the requirements to “provide 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,” and also “to promote the growth and development of United States exports through competitive and efficient ocean transportation and by placing a greater reliance on the marketplace.” 46 U.S.C. § 40101.

Maintaining the effectiveness and reliability of the global freight delivery system is critically important to the Nation’s continued economic vitality. Unfortunately, congestion and bottlenecks at ports and other points in the Nation’s supply chain have become a serious risk to the growth of the U.S. economy, job growth, and to our Nation’s competitive position in the world.

In 2016, in response to challenges created by unresolved supply chain issues, the Commission convened teams of industry leaders to develop process innovations that would enhance supply chain reliability and resilience. Each of the teams was composed of members representative of the supply chain, including public port authorities, marine terminal operators, beneficial cargo owners, ocean transportation intermediaries, liner shipping companies, drayage trucking companies, longshore labor representatives, rail officials and chassis providers. The conclusions of these meetings were summarized and developed into a final report issued in December 2017.

Recent global events have only highlighted the economic urgency of responsive port and terminal operations to the effectiveness of the United States international freight delivery system.

Given the Commission's mandate to ensure an efficient and economic transportation system for ocean commerce, the Commission has a clear and compelling responsibility to actively respond to current challenges impacting the global supply chain and the American economy. Accordingly, the Commission has determined there is a compelling need to convene new supply chain innovation teams to address these challenges.

THEREFORE IT IS ORDERED, That, pursuant to 46 U.S.C. §§ 41302, 40302, 41101 to 41109, 41301 to 41309, and 40104, and 46 C.F.R. § 502.281 et seq., Commissioner Rebecca F. Dye engage supply chain stakeholders in public or non-public discussions to identify commercial solutions to certain unresolved supply chain issues that interfere with the smooth operation of the U.S. international supply chain;

IT IS FURTHER ORDERED, That, the Commissioner form one or more supply chain innovation teams, composed of leaders from all commercial sectors of the U.S. international supply chain, to develop commercial solutions to port congestion and related supply chain challenges;

IT IS FURTHER ORDERED, That, the Commissioner provide periodic updates to the Commission on the results of efforts undertaken by this Order;

IT IS FURTHER ORDERED, That, the Commissioner have full authority under 46 C.F.R. §§ 502.281 to 502.291, to perform such duties as may be necessary in accordance with U.S. law and Commission regulations. The Commissioner will be assisted by staff members as may be assigned by the Chairman;

IT IS FURTHER ORDERED, That, this Proceeding be discontinued as ordered by the Commission; and

IT IS FINALLY ORDERED, That, notice of this Order be published in the Federal Register.

By the Commission.

Rachel Dickon,
Secretary.
Billing Code: 6730-02