

REMARKS BY

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BEFORE

THE U.S. COMMISSION ON OCEAN POLICY

22 FEBRUARY 2002

Admiral Watkins, Members of the National Commission on Ocean Policy, Good Morning. I am Rear Admiral James Carmichael, the Commander of the Seventh Coast Guard District with headquarters in Miami, FL. Thank you for inviting me here today to speak to you on ocean and coastal issues within the Florida and Caribbean region. The Seventh District encompasses the Southeast United States, from the North Carolina/South Carolina border to the Florida Panhandle, and southward to the Venezuelan and Columbian coasts, including Puerto Rico and the US Virgin Islands. As arguably the busiest district in the Coast Guard, I will utilize some local examples to illustrate some of my points. However, many of these issues are typical throughout the Coast Guard.

The Seventh District Area of Responsibility encompasses a varied marine environment – from the marshy low country of South Carolina and Georgia coasts to the pristine waters and spectacular coral reefs of Florida Keys, Puerto Rico and the Virgin Islands. Within those environments, we face many demanding challenges. Some are natural – the protection of endangered Northern Right Whale and endangered sea turtle. While others, such as the prevention of illegal mass migration of people seeking a better life and illegal narcotics smuggling, and protection of commercial and recreational marine transportation, are man made.

My purpose today is to reflect on the impacts that growth in maritime activity is having on Coast Guard missions and through that, to offer related issues for your consideration. An

essential aspect of policy is its enforceability. The Coast Guard is the principal federal maritime law enforcement agency and frequently acts as an enforcement arm for other agencies that develop those policies. In addition, the Coast Guard is tasked with regulating portions of the maritime industry for safety, security, and environmental protection.

Marine Transportation System

The oceans are, and will remain, a key source of food, energy, transportation, trade, and communications. The nation's marine transportation system is invaluable to our national well-being and impacts on it must be considered when creating an effective ocean and coastal policy. The primary issue facing our marine transportation system remains an economic one. Approximately 95 percent of all cargo crossing our borders moves by ship. Our economy has come to rely on "just-in-time" delivery systems. I will discuss the security issues associated with MTS later in my remarks.

South Florida is widely considered the Gateway to South America. The 1999 Department of Transportation report to Congress, *An Assessment of The U.S. Marine Transportation System*, predicts that legal maritime trade will double by 2020. Leading that explosive growth will be the increasing use of containerized cargo. Each year, some 6 million shipping containers enter this country through our ports with less than 2 percent being inspected by the Coast Guard for hazardous cargoes in any meaningful way. In order to economically handle the anticipated explosive growth in such shipments, containerships continue to grow in size and number. These vessels necessitate that ports increase their infrastructure and deepen their channels in order to remain efficient and thus competitive.

And this growth will not be strictly limited to containers. As noted in the joint ONI/CG study, *Threats and Challenges to Maritime Security 2020*, oil tanker traffic is expected to increase significantly as petroleum imports rise from 46 percent of current consumption to 66 percent of future consumption. Cruise ship volume is also on a steady rise. Approximately 6.5 million North Americans boarded cruise ships operating in our waters. The last few years has

seen double-digit growth in passenger totals with industry experts predicting the total volume to exceed 10 million passengers annually within a few years. The Seventh District is home to five of the top ten cruise ship ports in the world. Currently, the industry is undergoing an unprecedented level of new vessel construction. By 2005, there will be approximately 50 new vessels operating in the Southeast. These vessels are as much as twice the size of the mega liners built just 5 years ago. The largest under construction, QUEEN MARY II, is expected to exceed 152,000 gross tons, almost a 10 percent increase over the largest vessel currently operating. These vessels carry in excess of 5,000 passengers and crew, making them like small floating cities with many of the challenges of real cities.

These statistics are merely waypoints in a trend toward increasing reliance on the oceans for our transportation of goods and people. In addition to increased demand on port infrastructure, increasing numbers of Americans will be exposed to our oceans. While we must protect the ocean environment, we must also protect the people going to sea. Prevention – the watchword of the future – will be founded on internationally harmonized regulatory regimes that level the safety playing field for international trade. Through IMO, the U.S. is a leader in international safety.

High-speed ferries are beginning to make inroads into the local transportation mix. South Florida is particularly attractive to new operators due to the close proximity of such destinations as the Bahamas and, in the event of a lifting of the trade embargo, Cuba. Even domestic routes show promise. Currently, there are vessels under construction with plans to run from Tampa to Key West. These vessels will operate at speeds approaching 70 or 80 miles per hour. We must maintain safety while improving transportation efficiency.

All of this change requires new approaches to management of the marine transportation system. Approaches that include the input of all stakeholders must be the norm. Decisions to increase port facility infrastructure should include vessel traffic implications. The impacts of these infrastructure decisions on the local environment are crucial – How deep should a port dredge its channels? Will that dredging affect waterway management issues? Does the Coast

Guard need to add additional aids to navigation? The ports of Charleston, SC and Savannah, GA are currently working through these issues as they look to expand their existing container terminals. Due to the Port of Charleston deepening its channel, the ranges used by the harbor pilots to navigate the vessel within the channel must be moved or built larger. In addition, our waterways management decisions must take into consideration the increasing numbers of recreational boaters competing for the same waterways. Finally, recognizing the need for increased port security in our “new normalcy”, Captains of the Port are restricting the use of these waterways through the implementation of security zones such as the Port Everglades Intra Coastal Waterway, Tampa one-way traffic, Naval Protective Zones, and manatee zones. This causes further recreational vessel/commercial vessel congestion and conflicts.

Living Marine Resources

The Coast Guard is, in some cases, the primary enforcement arm for other agencies when dealing with the marine environment and living marine resources. When surged to meet port security missions, the Coast Guard significantly reduced our enforcement of U.S. fisheries and related environmental laws. It also reduced our enforcement of federal water pollution control laws, where since the advent of the Oil Pollution Act of 1990, we have seen a dramatic reduction in oil spilled in U.S. waters.

Within the Seventh District, I see five main areas of concern: (1) continued enforcement of the ship reporting system for the endangered North Atlantic Right Whale calving grounds, (2) enforcement of fisheries management policies – including closed fishing areas, the Tortugas Ecological Preserve (where we have recently seen several seizures of shrimpers including one just last night) and the Florida Keys National Marine Sanctuary, (3) the protection of our fragile coral reefs, (4) the control of invasive species, and (5) reduction/elimination of illegal discharges of harmful pollutants.

Currently, the Coast Guard works with the National Oceanic and Atmospheric Administration (NOAA) to monitor and broadcast sightings of the endangered North Atlantic

Right Whale. The females of this species spend the winter months in the calving grounds off the coast of Northern Florida and Georgia. Frequently, these creatures can be seen close to shore and in busy shipping lanes. The Coast Guard monitors reports of sightings and provides those reports to vessels transiting in the vicinity. The goal is to minimize or eliminate the loss of these whales to ship strikes. Currently, ship strikes are the leading cause of death for a species that numbers approximately 350.

The National Marine Fisheries Service is responsible for overseeing the health of our national fisheries, through the use of various management techniques, including designating specific areas as closed fishing grounds. It is through these management techniques that NMFS works to maintain the viability of the various fisheries. The Coast Guard is an active participant in the Regional Fishery Management Councils established by the Magnusen Stevens Fisheries Conservation and Management Act and acts as the principle at sea offshore authority to ensure the enforceability and safety aspects of current rules and potential future policies. Coast Guard boarding teams routinely visit commercial fishing vessels to examine them for safety and to verify compliance with complex and numerous fisheries management regulations on the size, quantity, and take areas for each species. These regulations have been designed to manage species on a fishery-by-fishery basis and are difficult for the fishermen and our boarding teams to follow. We support a broader approach to managing the whole ecosystem, which will provide for better results and more effective enforcement. We need better scientific data to allocate enforcement efforts to achieve measurable results as well as balance the competing interests.

As you have heard, within the Seventh District exists some of the nations most pristine and fragile coral reefs. These natural wonders face a significant threat. The Coast Guard is an active participant in the Coral Reef Task Force. Recently, the protected reefs of the Dry Tortugas National Park were threatened by a potential oil spill of over 5,000 gallons of diesel fuel. This threat resulted from the grounding of two commercial fishing vessels, with one subsequently breaking up and sinking. Groundings similar to these, and the SERGO ZAKARIADZE at the entrance to San Juan Harbor in November 1999, can cause significant damage to particularly sensitive coral ecosystems through physical destruction of habitats,

releases of oils and toxic chemicals and the dispersion of fishing gear and other vessel debris. This damage can be minimized through the quick and careful removal of the vessel(s). Unfortunately, many times the vessel owners lack the financial assets, training, or insurance to remove a wreck. They end up leaving their vessel to break apart and scatter the wreckage. Currently, the only funding available to remove these vessels is the Oil Spill Liability Trust Fund. If a vessel has no oil on board, the fund is inaccessible. An additional fund would be necessary to fill this void.

Invasive species are currently impacting many communities nationwide. The zebra mussels have particularly impacted the Great Lakes. This invasive species was brought to the Great Lakes region in the ballast water of commercial ships and discharged into an environment where it had no natural controls. That lack of control has allowed the zebra mussel to reproduce exponentially causing significant damage and loss in the region. Within the last few years other invasive species have been identified around the country, including the green mussel here in Tampa Bay. The Coast Guard is working to reduce the potential for additional species to be brought into our ocean environment through our ballast water management program. Specific types of vessels are required to conduct mid-ocean ballast water replacement or are required to maintain all ballast water on board the vessel while inside U.S. waters. Coast Guard boarding teams periodically check the vessels to verify their compliance. R&D efforts are ongoing to ID an effective way to sterilize ballast water to avoid safety risks attendant to mid-ocean exchange.

The illegal discharge of oil and other toxic pollutants has a significant impact on the Seventh District. Our local economies rely heavily upon the tourism industry. Within the last 3 years, local Captains of the Port have dealt with a number of high visibility oil pollution cases. In Fort Lauderdale, approximately 120 tons of oiled debris was collected during clean up of three different mystery spills off Southeast Florida over an 8 month period. The local Captain of the Port tracked approximately 30 vessels that transited the area and coordinated boardings to obtain oil samples in an attempt to identify the source. Unfortunately, no source was identified. The Captain of the Port in Charleston, SC had better results during their response to hundreds of oiled birds washing up on the shore of Cape Romaine in 1999. They were able to identify the foreign

flagged vessel involved and the owners are being prosecuted under the Migratory Species Act. Improved surveillance, detection, tracking capability is needed to police unlawful discharges of pollutants into our oceans.

Maritime Security

Due to our close proximity to many island nations, the Seventh District continues to be the hub for illegal smuggling activity, be it narcotics, people, or weapons. As security measures at our land borders are increased to levels never before imagined we expect a greater threat level of smuggling to be attempted via the maritime environment. We face the daunting task of safeguarding thousands of miles of coast line from adversaries who can be better equipped and financed than we are. They utilize a multitude of means to move their illegal cargo, from “go-fast” boats capable of 60 miles per hour speeds, to concealment in containers otherwise filled with innocent cargo. The Coast Guard is actively working with Federal, State and local law enforcement agencies to devise a better intelligence network to enable us to more effectively target these inter-modal shipments. Our enhanced level of reciprocal cognizance is already making a difference at the deck plate level.

The Seventh District is also coordinating the Coast Guard’s new armed helicopter program, known as Operation New Frontier. Although the smuggler’s go-fast can outrun our cutters, they have proven to be no match for an armed helicopter. HITRON utilizes non-deadly technology to stop suspected smugglers. We’ve already made 3 significant seizures using the HITRON tactics and intend to expand their role in future operations.

Of particular interest to the South Florida region is the on-going threat of illegal migration from Cuba and/or Haiti. The economic and security threats posed by a mass migration such as was seen in 1994 are real. Our limited forces and multi-mission tasking does not allow us the luxury of prepositioning personnel and assets in South Florida to respond to a mass migration. Instead, we maintain an awareness of migration trends and utilize our resources and

personnel to deter migrants from undertaking these risky journeys by projecting a visible presence in the migration routes. As evidenced during the 1994 Cuban and Haitian mass migrations, we were able to meet the demand of the mass migration, but were unable to maintain a significant presence in any of our other important mission areas. If deterrence fails, the answer to this problem lies in our ability to create a cohesive task force of Coast Guard, DOD, and other Federal Agencies.

Maritime Homeland Security is an evolving doctrine in conjunction with the Office of Homeland Security, USN, federal, state, local and private entities and is an all hands evolution. We used our flexibility and relationships at the operational level to make short-term improvements. Still, we must build our Maritime Domain Awareness through a combination of technology and increased international and interagency cooperation and information sharing to give us a clearer picture and detailed information on vessels, people, and cargo approaching our coasts. We must control movement of hi-interest vessels, enhance presence and response capabilities and force protection, protect critical infrastructure and conduct domestic and international outreach.

Recommendations:

As I see it, the key to creating a safe and secure maritime environment is to exploit all available information to discern potential threats. This notion is referred to as maritime domain awareness (MDA). MDA is the effective knowledge of all activities and elements in the maritime domain that could present threats to the safety, security, or environment of the United States or its citizens. Achieving maritime domain awareness is beyond the capability of any single governmental agency. It is far too complicated. What is required is a mix of cooperation and technology. The Port Security Committees, so very active following September 11th, are representative of concerted efforts by all the applicable entities to foster and support the open exchange of information and to coordinate security activities into a comprehensive port security plan akin to the Oil Spill Area Contingency Plans emanating from OPA. I'm pleased to report that the Coast Guard has taken the lead in that endeavor.

What I, as the tactical operational commander, need is timely access to detailed information within three overlapping Maritime Domains: The international approaches, the coastal and harbor waterways, and the port infrastructure. We need a layered strategy of defense in depth enforcement – we must push out our borders to address threats at ports of origin or in transit before arriving at our ports. We learn a lot of the international approaches by information on vessels, cargoes, passengers, crews, and historical vessel and cargo itineraries. I would also like information on what other agencies are doing that may effect my efforts, such as baggage screening on cruise ships, or container inspections. To ensure proper deployment of my limited resources, I need all available information on any vessels that enter, transit, or depart waters where the federal jurisdiction of the Coast Guard pertains. With the globalization of trade and trans-national security threats, the challenges we face cross over international boundaries, which will necessitate the implementation of new laws and regulations.

One of the main thoughts I would like to leave with the commission is the need to accede to the Law of the Sea Convention and join the 138 nations of the world that have already ratified, acceded, or succeeded to the convention. We in the Coast Guard rely on provisions in the convention every day, from boarding unidentified vessels so we may ascertain their nationality, to boarding vessels suspected of smuggling migrants further from our shores, to addressing foreign flagged vessels spilling oil in our EEZ. As a maritime nation, we must recognize that the codification of customary international law provided in the convention will enhance U.S. national security by preserving freedom of navigation and over flight. It balances coastal and flag state interest, and codifies oceans governance jurisdictional regime. It provides an umbrella that encompasses our ability to effectively engage with other nations on issues such as illegal trafficking. Acceding to the convention preserves our rights and ensures reciprocity among the nations of the world. The Coast Guard strongly supports accession to the convention.

Domestically, the Coast Guard supports national policy and the legal regulatory regimes established by the President in conjunction with the Congress. Enforcement of these regimes depends on clear regional, as well as national, goals. Regional collaborative bodies such as Port

Safety Committees or Regional Fishery Management Councils are valuable in resolving issues related to where our limited effort might be placed. The Coast Guard is a leader in performance-based management; the 1999 Interagency Task Force on Coast Guard Roles and Missions recommended that supported Federal agencies establish clear and objective requirements for the Coast Guard to address.

Conclusion:

Admiral Watkins, just last week, as I looked at my radar screen of activities I saw:

- Arrest of 13 migrants in Puerto Rico
- Pollution response to an oil spill in St. Croix
- A container with eight 55-gallon drums of corrosive on hold due to improper stowage
- 20 migrants located on a beach in the U.S. Virgin Islands
- Pollution Response Exercise with Florida Power & Light and over 100 participants from federal, state, and local agencies
- Positioning of a Coast Guard helicopter in Key West to provide airborne support for fisheries enforcement
- Constant stream of SAR
- Increased efforts for Maritime Homeland Security.

Allocating limited resources in our efforts as lifesavers, guardians, environmental stewards, requires constant risk based decisions made in the context of National Strategy. As I noted previously, the oceans are a key source of food, energy, transportation, trade, and communications. It will be a continual challenge to ensure the oceans remain a safe and stable source of these needs. We look forward to the results of your Commission and offer any assistance we can provide.

Thank you. I will answer any questions you may have.