



U.S. Port and Inland Waterways Modernization Strategy Options in the Post-Panamax Era

“Within the funds provided, the [USACE] Institute for Water Resources [IWR] is directed to submit to the Senate and House Committees on Appropriations, within 180 days of enactment of this Act, a report on how the Congress should address the critical need for additional port and inland waterway modernization to accommodate post-Panamax vessels. This study will not impede nor delay port or inland waterway projects already authorized by Congress. Factors for consideration should include costs associated with deepening and widening deep-draft harbors; the ability of the waterways and ports to enhance the nation's export initiatives benefitting the agricultural and manufacturing sectors; the current and projected population trends that distinguish regional ports and ports that are immediately adjacent to population centers; the availability of inland intermodal access; and environmental impacts resulting from the modernization of inland waterways and deep-draft ports.”

-- Conference Report on the Consolidated Appropriations Act of 2012 (H.R. 2055)

U.S. Port and Inland Waterways Modernization Strategy

Upon the enactment of the Consolidated Appropriations Act of 2012 on December 23rd 2011, HQUSACE began working with IWR on scoping the U.S. Port and Inland Waterways Modernization Strategy. The strategy will explore the impacts of the Panama Canal expansion to accommodate larger “post-Panamax” ships on future marine transportation system needs. The strategy development process will incorporate the perspectives of shippers, carriers, ports, environmental interests, state and Federal agencies, and other interested parties. Because of the six-month timeframe directed by Congress, the study will rely heavily on existing data, reports, studies, and leverage other ongoing assessment studies.

The study will survey existing conditions, review the drivers of and uncertainties surrounding the future demand for international trade; forecast the macro makeup of the future ocean fleet; evaluate the regional environmental footprints of navigation modernization, and address elements of benefits estimation and implication of modernization costs to the USACE Civil Works budget and for Federal investment more generally. The study will also review future options for financing and considerations of modernization within the context of the Nation’s overall intermodal transportation system. Although the strategy will articulate options for potential Congressional actions for modernization, its focus will remain at a strategic level and will not identify specific project priorities for ports or waterways.

Opportunities for Input

Because of the broad stakeholder interest in the strategy, IWR will be conducting the investigation and communicating the findings in a transparent and accessible manner. Due to the compressed timeframe of the strategy development process, USACE aims to leverage outreach activities already conducted and currently planned under the Department of Transportation’s ongoing Panama Canal Expansion Study. IWR is creating a strategy website where study updates, report outlines, and draft report sections will be posted. Peer-to-peer feedback is welcome – and the study team will be accepting information and feedback through April 15 for consideration in initial drafts of the document, followed by reviews of the work by the Executive Branch and, ultimately, transmittal to the Committees in June 2012.

Key Messages	Facts & Figures
<ul style="list-style-type: none"> • Completion of the Panama Canal expansion in 2014 will accommodate larger ships - significantly impacting global trade. • For example, the expansion will almost triple the size of container vessels able to transit the Panama Canal. • It is expected that U.S. imports and exports via containership trade, and the export of key U.S commodities such as agricultural products, will be affected by the Canal expansion. • There is a critical need to modernize U.S. ports & waterways to accommodate increased commerce & recapitalize aging facilities. 	<ul style="list-style-type: none"> • Impacts will be driven by the deployment of larger vessels to trade routes calling on U.S. East and Gulf coast ports. • Findings will focus on the strategic level and will not identify specific port or waterway projects or priorities. • The study process will be inclusive and transparent, and will rely heavily on existing data and other ongoing studies. • Stakeholder and industry input and feedback are welcome throughout the process. • For more information visit www.iwr.usace.army.mil/portandwaterways/