MARINE ENGINEERS' BENEFICIAL ASSOCIATION (AFL-CIO)



"On Watch in Peace and War since 1875" **M.E.B.A. TELEX TIMES** The Official Union Newsletter – "The Word to the Wise" Number 9 – February 29, 2024



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WSF ENGINE CREWS HONORED

Washington State Ferries honored engineers responsible for four WSF vessels that achieved the "highest level of fleet reliability" last year.

The engine crews of the SUQUAMISH were singled out for the 2023 Fleet Achievement Award for scoring highest in five performance categories: Trip cancellations, assigned days, trip count, sailing hours and nautical miles sailed.

A ferry reaching 100-percent mechanical reliability in a calendar year, which is no lost trips due to mechanical failure, receives a Vessel Reliability Award. In 2023, four boats achieved this goal: KENNEWICK, PUYALLUP, SUQUAMISH and WENATCHEE.

WSF noted, "Congratulations to all the engine crews and the employees at our Eagle Harbor Maintenance Facility for contributing immensely to the reliability of these vessels! It takes a lot of hard work to keep a ferry system running, especially when more than half our fleet is more than 40 years old."

MARAD UPDATES ADVISORY ON CHINESE THREAT TO PORT EQUIPMENT

The Maritime Administration has issued an updated Maritime Security Communication with Industry (MSCI - No. 2024-002) to alert stakeholders about potential vulnerabilities to maritime port equipment, networks, operating systems, software, and infrastructure. The MSCI discusses potential threats to maritime infrastructure by a Chinese-supported logistics management platform called LOGINK.

MarAd advises that it is within the realm of possibility that potential vulnerabilities in maritime port equipment, networks, operating systems, software, and infrastructure could endanger ports that utilize the People's Republic of China's (PRC's) state-supported National Public Information Platform for Transportation and Logistics (LOGINK), Nuctech scanners, and automated ship-toshore cranes worldwide.

EXECUTIVE ORDER LOOKS TO SAFEGUARD CRITICAL MARITIME INFRASTRUCTURE

The President signed an Executive Order last week that updates federal regulations to protect U.S. vessels, ports and waterfront facilities from cyber-security threats. The Order further empowers the Coast Guard to more effectively guard against perceived threats presented by Chinese port cargo handling equipment.

Among other things, the updated regs provide a Captain of the Port with authority to: Respond to malicious cyber activity by establishing security zones; Control the movement of vessels that present a known or suspected cyber threat to U.S. maritime infrastructure; Inspect and search vessels and waterfront facilities – including cyber systems and networks as consistent with law; and Require facilities to correct unsatisfactory cyber conditions that may endanger the safety of a vessel, facility, or harbor.

The updated regulations also empower the Coast Guard Commandant to prescribe conditions and restrictions for the safety of waterfront facilities and vessels in port, including measures to prevent, detect, assess, and remediate an actual or threatened cyber incident.

The American Association of Port Authorities (AAPA) applauded the Order and noted that the "maritime industry is ready and willing to incentivize domestic manufacturing to build port equipment in the U.S." AAPA says they have drafted a legislative proposal called the Crane Reshoring and National Enforcement of Supply Chain Security (CRANES) Act, to incentivize domestic manufacturing of cranes, similar to Congress' CHIPS Act. They called on Congress to introduce and pass the bill.

LAUNCH OF \$3 BILLION CLEAN PORTS PROGRAM

The U.S. Environmental Protection Agency announced the launch of the \$3 billion Clean Ports Program to fund zero-emission port equipment and infrastructure to address climate concerns and improve air quality at U.S. ports.

The funding opportunities were created under the Inflation Reduction Act. It aims to reduce diesel pollution from U.S. ports in surrounding communities, while creating good-paying jobs. The Clean Ports Program is designed to help ports across the country transition to fully zero-emissions operations.

To achieve this, EPA is releasing two separate Notice of Funding Opportunities (NOFOs) as part of the \$3 billion. The nearly \$2.8 billion Zero-Emission Technology Deployment Competition will directly fund zero-emission port equipment and infrastructure to reduce mobile source emissions at U.S. ports. Eligible uses of funding include human-operated and maintained zero-emission cargo handling equipment, harbor craft and other vessels, electric charging and hydrogen fueling infrastructure, and a number of other technology investments. Applications under this competition will be evaluated under multiple tiers in order to ensure that funds are distributed across ports of different sizes and types, and to ensure funding for ports serving Tribal communities.

The approximately \$150 million *Climate and Air Quality Planning Competition* will fund climate and air quality planning activities at U.S. ports — including emissions inventories, strategy analysis, community engagement, and resiliency measure identification.

The funding for the two grant competitions is available to port authorities; state, regional, local, or Tribal agencies that have jurisdiction over a port authority or port; air pollution control agencies; and private entities that apply in partnership with an eligible entity above, and that own, operate or use facilities, cargo-handling equipment, transportation equipment, or related technology of a port. The funding can be used for projects at water ports (coastal and inland) as well as projects at facilities where goods are transferred between rail cars and trucks (dry ports).

UNCTAD: SHIPPING DISRUPTIONS RAISE RISKS TO GLOBAL TRADE

The United Nations Conference on Trade and Development (UNCTAD) warned that key shipping routes in the Red Sea, Black Sea and Panama Canal that are simultaneously under threat, have far-reaching implications for inflation and food and energy security.

A recently released UNCTAD report states that Houthi disruption of commercial shipping in the Red Sea compounded by disruptions in the Black Sea due to the war in Ukraine, is altering oil and grain trade routes. In addition, the Panama Canal is facing challenges due to dwindling water levels, raising concerns about global supply chain resilience. Transits passing through the Suez Canal have decreased by 42%, leading to significant declines in container ship transits and carrying capacity. Total transits through the Panama Canal have plummeted by 49% compared to peak levels.

The report points out economic and environmental repercussions arising from the rerouting of vessels around the Cape of Good Hope. Average container shipping spot rates have surged, leading to higher trade costs and insurance premiums. With longer cargo travel distances, ships are sometimes traveling at higher speeds to compensate for detours – with the result of higher fuel consumption and increased greenhouse gas emissions.

The UNCTAD report notes that prolonged disruptions in container shipping threaten global supply chains, causing delays, higher costs, and inflation. The crisis impacts energy supplies and prices, particularly for liquefied natural gas, and could affect global food prices. Disruptions to grain shipments pose risks to global food security, affecting consumers and producers.

They say developing countries are particularly vulnerable to these disruptions, highlighting the need for swift adaptations and international cooperation. The report states that the challenges underscore the exposure of global trade to geopolitical tensions and climate-related challenges, necessitating collective efforts for sustainable solutions.

ALASKA SEAFOOD COMPANIES SETTLE JONES ACT VIOLATIONS

Two companies in the Alaska seafood shipping industry recently settled a lawsuit challenging penalties and fines levied by U.S. Customs and Border Protection (CBP) for violating the Jones Act.

An exception to the U.S.-flag vessel requirement allows seafood from Alaska to be transported to the U.S. mainland if it travels via Canadian rail. The companies challenged the penalties and fines in

the U.S. District Court of Alaska, saying they did not violate the Jones Act while transporting seafood from Alaska to the U.S. mainland because it was "transported" by Canadian rail.

According to court documents, Kloosterboer International Forwarding LLC (KIF) and Alaska Reefer Management LLC (ARM) arranged transportation and related services to move frozen seafood from Alaska to the East Coast via maritime shipping. For over a decade, the companies moved seafood from Dutch Harbor, Alaska, to a port in New Brunswick, Canada, on foreign-flag vessels. Once in Canada, KIF arranged for the seafood to be offloaded from the vessel onto trucks in the port. The trucks were then driven onto a flatbed rail car on the Bayside Canadian Railway (BCR), a roughly 100-foot length of railroad track located entirely within the Port of Bayside, where they rode the length of the rail and back before being driven off the train cars and proceeding directly to a border crossing in Maine for final transport to the U.S. mainland. The BCR was specifically built and exclusively used to move the seafood in this manner so the companies could claim they met the Canadian rail exception to the Jones Act.

A settlement agreement finalized for the violations was reached last month requiring KIF and ARM to pay \$9.5 million to the U.S. The companies also stopped using the BCR to transport seafood to the U.S.

CBP noted, "The resolution of this case sends a clear signal that CBP will use its law enforcement powers to detect and deter schemes that are designed to circumvent laws – such as the Jones Act -- which are intended to protect U.S. industries."

UNION PLUS STUDENT SWEEPSTAKES

Union Plus has launched its "Student Success Sweepstakes" which will result in prizes for three lucky winners. The contest began this week and concludes on March 11.

The Grand Prize is a "Student Success Kit" that includes a laptop, wireless earbuds, and a gift card of an unspecified amount. First Prize is a \$500 gift card. Second Prize is a \$250 gift card.

To enter the Union Plus Student Success Sweepstakes, you must be:

- A union member or retired union member in good standing of a union that participates in the <u>Union Plus College Program</u> (M.E.B.A. participates).
- A family member (spouse, child, grandchild, financial dependent, sibling or parent) of the above.

You can enter at unionplus.org/studentsuccess

OPEN SLOTS IN UPCOMING INSTRUMENTATION COURSE

There is still space available in the March 4-15 Instrumentation class at the Calhoon M.E.B.A. Engineering School.

Applications should be submitted as normal and should be sent via the CMES website (mebaschool.org), faxed to (410) 822-7220, or emailed to <u>applications@mebaschool.org</u>

NEXT MONTHLY MEMBERSHIP MEETINGS (All times are local)

Monday, March 4 – Boston@1200; Seattle (Fife)@1300. <u>Tuesday, March 5</u> – CMES@1430; Charleston@1400; Houston@1315; Oakland@1230. Wednesday, March 6 – Jacksonville@1300; New Orleans@1315; Online HQ "Town Hall" Meeting@1300 (No Voting) – Register by emailing mebahq@mebaunion.org <u>Thursday, March 7</u> – L.A. (San Pedro)@1230; NY/NJ@1300; Norfolk@1300; Tampa@1300. <u>Friday, March 8</u> – Honolulu@1100

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M.E.B.A. does not tolerate assault, or harassment of any kind. If you see something, say something – The M.E.B.A. Emergency Hotline can be reached at 1-888-519-0018.

The M.E.B.A. is the nation's oldest maritime labor union, established in 1875. M.E.B.A.'s expertise and demonstrated track record of readiness, safety, and loyalty in answering America's call to action in times of both peace and war is unrivaled in the world. M.E.B.A. HQ – Phone: (202) 638-5355; mebahq@mebaunion.org. For publication and related inquiries (and to send photos & hot news tips) contact Marco Cannistraro, M.E.B.A. Special Projects & Communications – marco@mebaunion.org Visit us on Facebook, follow us on Twitter and check us out on Instagram.