

ADVISORY COMMITTEE ON SUPPLY CHAIN COMPETITIVENESS EXPEDITING POST-DISASTER DREDGING AT AMERICA'S SEAPORTS TO RESTORE U.S. SUPPLY CHAINS, TRADE FLOW, AND COMPETITIVENESS

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Introduction

America's port channels and harbors are vital vectors for our shippers, our supply chains, our economic vitality, and, ultimately, our national security. U.S. shippers and supply chains require the ports, channels, and harbors they use to be quickly restored after major disruptive events, such as hurricanes.

Expediting the emergency maintenance of affected channels and harbors to pre-disaster operating levels is crucial to U.S. supply chains, so that they can recover and quickly resume shipments of the critical commodities and goods on which both the affected region and national economy depend. However, seaports and shippers report that their resilience and recovery from such events has been challenged by the inability to quickly dredge affected channels and harbors back to the depths they need to restore their operations.

As a current case in point, the massive silting of the Gulf Coast following Hurricane Harvey reduced operating depths in some channel areas by as much as ten feet. The Army Corps of Engineers' inability to quickly re-dredge to pre-hurricane depths disrupted supply chains for months. Not only did this affect the movement of American exports, it delayed the huge investments in new manufacturing plants planned in the region, as well as the jobs they create. These plants turn oil and gas from the U.S. shale fields into essential input materials used in everyday goods from tires and pipes to beverage containers and diapers. The effect was to deprive the U.S. factories that make these goods of the low cost domestic inputs they rely on for competitive advantage. In short, the consequences cascaded through U.S. supply chains to the detriment of investments, jobs, and household budgets.

Recommendation

As supply chain stakeholders, the Committee recommends that the following steps be taken in order to improve the resilience and competitiveness of America's supply chains and seaports relative to major disasters and disruptive events.

- The Corps should prioritize and target historically affected harbors, channels, and waterways for expedited maintenance at their Congressionally authorized depths, and for emergency restoration to those depths following the event.
- A specific, stable, additional fund for expedited post-event maintenance dredging must be established by Congress, and kept separate and firewalled from both the Harbor Maintenance Trust Fund and the Corps' annual appropriations.
- An expedited permitting process needs to be established that would permit maintenance dredging of harbors, channels, and waterways to pre-event levels within 60 days of the event.