

U. S. Department of
Homeland Security

United States
Coast Guard



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**TESTIMONY OF
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**ON
PORT SECURITY**

**BEFORE THE
HOUSE COMMITTEE ON HOMELAND SECURITY**

OCTOBER 30, 2017

Introduction

Good morning, Chairman McCaul, Ranking Member Thompson, and distinguished members of the Committee. It is my pleasure to be here today to discuss the Coast Guard's role in port security.

The U.S. Coast Guard is the world's premier, multi-mission, maritime service responsible for the safety, security, and stewardship of the maritime domain. At all times a military service and branch of the U.S. Armed Forces, a federal law enforcement agency, a regulatory body, a first responder, and a member of the U.S. Intelligence Community, the Coast Guard operates on all seven continents and throughout the homeland, serving a nation whose economic prosperity and national security are inextricably linked to broad maritime interests.

America's economic prosperity is reliant on the safe, secure, and efficient flow of cargo through the Marine Transportation System (MTS). The Nation's waterways support \$4.5 trillion of economic activity each year, including over 250,000 American jobs.¹ U.S. economic stability, production, and consumption, enabled by the intermodal transportation of goods through the midstream economy, are critical to American prosperity and national security. This trade-driven economic prosperity serves as a wellspring for our power and serves as a leading source of our influence in the world. While we are mindful of the need to facilitate commerce, not impede it, the Coast Guard also recognizes the critical role we play with port partners to reduce risks to U.S. ports and maritime critical infrastructure.

¹ "Ports' Value to the U.S. Economy: Exports, Jobs & Economic Growth." American Association of Port Authorities, <http://www.aapa-ports.org/advocating/content.aspx?ItemNumber=21150>, Accessed April 17, 2017.

A Layered Approach

Securing our maritime borders and reducing risk to our ports and infrastructure requires a layered, multi-faceted approach. Because of our unique authorities, capabilities, competencies, and partnerships, the Coast Guard is well positioned to undertake such an approach and meet a broad range of maritime border security requirements. This layered approach allows the Coast Guard to detect, deter, and counter threats as early and as far from U.S. shores as possible.

For the past 227 years, Coast Guard men and women have patrolled the Nation's ports and waterways to prevent and respond to major threats and hazards. Since Congress established the Steamboat Inspection Service in 1852, Coast Guard prevention authorities have evolved alongside emerging threats and changing port infrastructure. The Coast Guard established Captains of the Port (COTPs) to execute these authorities and work with our partners to prepare our ports for natural disasters, accidents, and deliberate acts. At the same time, as transnational threats to the homeland have increased, so has our reach and overseas presence through foreign engagement and overseas security inspections.

International Port Assessments and Vessel Screening

The Coast Guard conducts foreign port assessments and leverages the International Maritime Organization's (IMO) International Ship and Port Facility Security (ISPS) Code to assess effectiveness of security and antiterrorism measures in foreign ports. Through the ISPS Program, the Coast Guard performs overseas port assessments to determine the effectiveness of security and antiterrorism measures exhibited by foreign trading partners.

Since the inception of ISPS in 2004, Coast Guard personnel have visited more than 150 countries and approximately 1,200 port facilities. These countries generally receive biennial assessments to verify compliance with the ISPS Code and U.S. maritime security regulations, as appropriate. Vessels arriving in foreign ports that are not compliant with ISPS Code standards are required to take additional security precautions while in those ports. They may also be boarded by the U.S. Coast Guard before being allowed entry to U.S. ports, and in some cases may be refused entry to the United States. In FY17, the ISPS Program assessed the effectiveness of anti-terrorism measures in nearly 150 port facilities of 52 of our maritime trading partners, as well as conducted 35 capacity building activities in 16 countries with marginal port security to prevent them from falling into non-compliance with the ISPS Code.

Area Maritime Security Committees

In U.S. ports, the COTP is designated as the Federal Maritime Security Coordinator (FMSC). In this role, COTPs lead the nation's 43 Area Maritime Security Committees (AMSCs) and oversee the development, regular review, and annual exercise of their respective Area Maritime Security Plans. AMSCs assist and advise the FMSC in the development, review, and implementation of a coordination and communication framework to identify risks and vulnerabilities in and around ports.

Additionally, AMSCs coordinate resources to prevent, protect against, respond to, and recover from Transportation Security Incidents. AMSCs have developed strong working partnerships between all levels of government and private industry stakeholders. The Coast Guard screens ships, crews, and passengers for all vessels required to submit an Advance Notice of Arrival (ANOVA) prior to entering a U.S. port.

Cyber Risks and the Marine Transportation System

The Coast Guard and the maritime industry continually cooperate to address the risks associated with new threats and technologies. Security threats have evolved from coastal piracy to complex smuggling operations, transnational organized crime, and terrorism. Safety risks have likewise evolved as merchant shipping progressed from sailing ships to ships driven by coal fired steam boilers, to diesel engines and most recently to liquefied natural gas. Waterfront operations evolved from break bulk cargo to containerization, with sophisticated systems now controlling the movement and tracking of containerized and liquid cargo. The maritime industry is a dynamic industry that includes many components. The maritime industry includes ships and mariners that sail our waters, the ports and facilities they call upon, the waterways upon which commerce moves, and water-borne access to maritime natural resources. Our maritime industry provides vital transportation along marine highways, enables the harvesting of marine and offshore natural resources, supports recreation, and facilitates interstate and international trade. By providing access to transportation, trade, and natural resources, the maritime industry supports our Nation's economic prosperity and is a key driver for our national economy.

The topic of cyber security within the maritime industry is as dynamic as any other sector of business. The industry's global reach, large volume of capital transactions, extensive use of commercial services, and reliance on information technology create significant opportunities for exploitation through the cyber domain – the June 2017 notPetya virus and the resulting impacts on APM's global operations, to include subsequent defensive measures, highlighted these risks for the world to see. As evidenced by the notPetya virus, the MTS will continue to experience Cyber impacts even though it may not be the intended target. Thus the Coast Guard broadly views cyber as one of many operational risks that must be managed. With the release of the Coast Guard's Cyber Strategy in June of 2015, the Coast Guard and their industry partners have engaged in comprehensive efforts to raise maritime cyber risk awareness, enhance preparedness and information sharing, and capitalize on the opportunity to learn from other sectors of the economy. As the Coast Guard transitions from enhancing cyber awareness to promoting improved cyber governance, lessons learned from collaborative efforts led through many of our AMSCs from COTP zones throughout the country, will help inform this important effort.

Conclusion

The Coast Guard offers truly unique and enduring value to our nation. The only branch of our Armed Forces within the U.S. Department of Homeland Security, the Coast Guard is positioned to help secure the border, protect the homeland, and safeguard America's national and economic security. Since 1790, the Coast Guard has helped advance American prosperity by mitigating risk to our Nation's ports and infrastructure to ensure that the MTS operates safely, predictably, and securely. While much has changed from the days of sail, our service has continuously drawn upon our core competencies of mitigating operational risk, and leveraging our crucial partnerships with state, local, tribal, and industry partners to advance security in U.S. ports.