



NMA REPORT #R-401-E

DATE: February 12, 2007

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MARINE SAFETY: Where the Coast Guard Went Wrong.

With the exception of this introductory page, this NMA report consists of a full reprint of an extraordinary paper prepared by former Coast Guard Vice Commandant James C. Card (USCG, Retired) dated 16 Nov. 2007 and titled **Coast Guard Marine Safety Analysis: An Independent Assessment and Suggestions for Improvement.**

Neither the National Mariners Association nor its predecessor GCMA ever was asked to contribute to this report in any way, shape, or form. Consequently, our mariners, although we make up the majority of all merchant mariners, are merely observers. This report shows just how far the Coast Guard strayed away from the Marine Safety agenda they followed up until the end of the 1990s ó essentially up until Admiral Card retired from the Coast Guard. While Admiral Card certainly had our respect and the respect of one of our predecessor organizations, the American Inland Mariners Association (AIM), since Admiral Card's retirement, the Coast Guard's credibility has gone downhill at an alarming rate.

Admiral Card, who in preparing his report met with many segments of the marine industry's management, shows how far the Coast Guard has fallen and what he believes the Coast Guard must do to regain the support of the marine industry that it lost since the beginning of the 21st century and especially since 9/11. While we, as observers to what has happened, agree with the vast majority of Admiral Card's observations, the fairy tale of Humpty-Dumpty comes to mind: "All the king's soldiers and all the king's men, cannot put Humpty-Dumpty together again."

While the National Mariners Association agrees that the Coast Guard must change its direction, we also believe that the Coast Guard alienated far too many of our mariners in too many ways to simply allow for a "course correction." For us, the "good old days" when the Coast Guard's Marine Safety System was in its heyday really represent the end of a period when our Association, with the support of four major maritime labor unions, tried to bring the deplorable conditions under which we worked to the Coast Guard's attention. GCMA Report #R-201, Mariners Speak Out on Violation of the 12-Hour Work Day, issued in June 2000 was sidetracked by Admiral Card's successors ó specifically RADM Paul Pluta. This report, and the way that the Coast Guard and the marine industry handled our mariners' complaints, marked the beginning of the end for Coast Guard credibility with our mariners.

Our Association finds it virtually impossible to work with today's Coast Guard. Consequently, when the Coast Guard fails to act on our legitimate complaints, as they have on numerous occasions, we have few choices other than approach Congress and at least inform them of the specifics of our grievances. We summarized this in GCMA Report #R-350, Rev. 3, Mariners Seek Help from Congress on Safety, Health, and work-Related Problems in our appearance before the House Coast Guard and Maritime Transportation Subcommittee on August 2, 2007. We believe that, at this stage, only Congress can straighten out the mess that Admiral Card accurately describes in his report that follows. Our mariners have tolerated enough abuse at the hands of the military organization that the Coast Guard apparently aspires to become.

–Richard A. Block, Secretary, NMA.

COAST GUARD

MARINE SAFETY ANALYSIS:

AN INDEPENDENT ASSESSMENT

AND SUGGESTIONS FOR IMPROVEMENT

VADM JAMES C. CARD (RETIRED)

16 NOVEMBER 2007

PREDECISIONAL – INTERIM COAST GUARD DOCUMENT

**COAST GUARD MARINE SAFETY ANALYSIS:
AN INDEPENDENT ASSESSMENT AND SUGGESTIONS FOR
IMPROVEMENT**

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EXECUTIVE SUMMARY

The Coast Guard has had a long and proud tradition of serving the country and marine industry through a robust and very professional Marine Safety program. U.S. safety standards, U.S. inspections, and the U.S. licensing system have been models for the rest of the world. Recently, Congress and the industry have criticized the Coast Guard because they believe Coast Guard Marine Safety performance and service have deteriorated. Many point to the Coast Guard's increased role in Maritime Security and its move to the Department of Homeland Security as primary reasons for the deterioration. Coast Guard Marine Safety professionals also have concerns about the Coast Guard's lack of focus on Marine Safety as an important mission. To get a better handle of issues facing the Marine Safety program, especially the concerns of the marine industry and from inside the Coast Guard, I was asked by the Commandant to conduct an overall analysis of the program. The process used was to conduct interviews with more than 170 people from the industry and the Coast Guard. Those interviewed were promised that the information they provided was anonymous and not for attribution. Thus many candid comments and suggestions were gathered.

The results gathered in this report show that concerns and suggestions fall into six major categories. Listed by priority they are: Strategy; Leadership; People; Policy; Customer Focus; and Organization.

The biggest concern expressed by all those interviewed was that the Coast Guard no longer considered Marine Safety an important mission for the Coast Guard and therefore let performance and service slide. The second biggest concern was the harsh treatment that the marine industry received from the Coast Guard during routine boardings, inspections, investigations, and mariner licensing evolutions. Many other concerns were raised and they are included in the report. Quotations are used because they provide context to the concerns expressed by the marine industry and Coast Guard personnel.

The marine industry has great respect for the Coast Guard and values the service the Coast Guard provides to the country. They have enjoyed a good working relationship in the past, which they believe results in improved safety and protection of the environment. Data shows that deaths, injuries, and oil spills are decreasing. The industry does not want the Coast Guard to lose Marine Safety responsibilities but they do want better service. Coast Guard people want the same.

The Coast Guard's current top leadership focus on Marine Safety offers a great opportunity to bring balance to the mission and provide the strategy, leadership, and resources necessary to get the job done right.

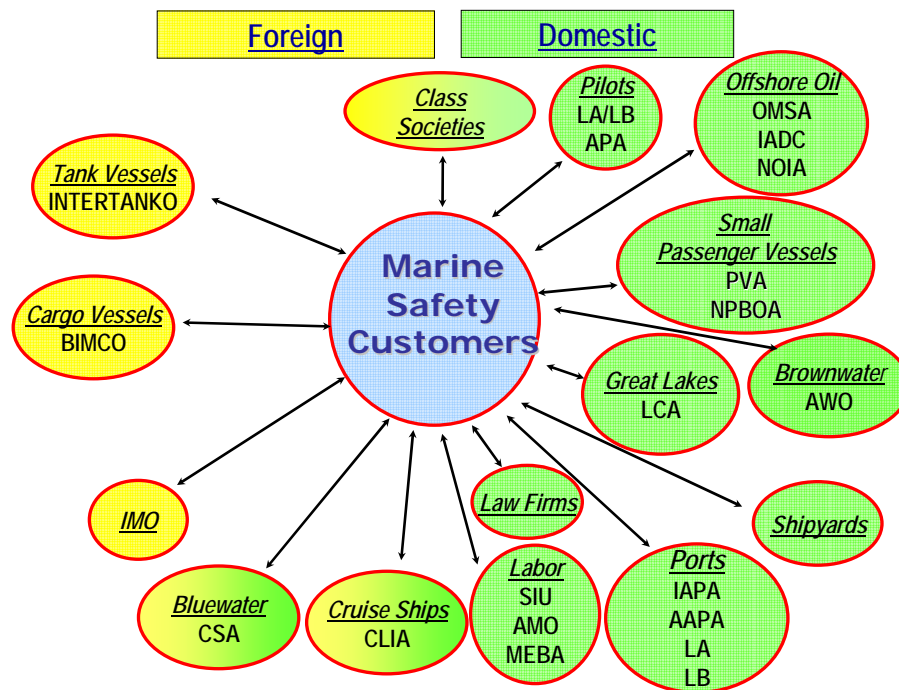
James C. Card
Vice Admiral, U.S. Coast Guard (retired)

1. INTRODUCTION/BACKGROUND

In May, Congressman Oberstar held a meeting with industry representatives in Washington D.C. where he posed the idea of moving Marine Safety functions from the Coast Guard to the Department of Transportation. He believed that the Coast Guard was not giving Marine Safety proper attention since 9/11 and the Coast Guard's move to the Department of Homeland Security. The Congressman believes that Marine Safety performance has deteriorated. Following that meeting, the Commandant asked me to conduct an analysis of the Marine Safety program to determine the "gaps." The method decided on for gathering data for the analysis was interviews with the industry and Coast Guard Marine Safety professionals.

The information for this report was gathered from July to November 2007 from candid interviews with more than 75 members of the Coast Guard and 95 representatives from industry. Figure 1 shows a summary of the industry segments interviewed. Each was promised anonymity and their comments are not for attribution. All the quotes in the report are as accurate as I was able to record during the interview process. Many are included because they are indicative of the concerns raised about the Coast Guard's Marine Safety Program¹. All the people I talked with were eager to discuss Coast Guard Marine Safety issues. As a result, many comments and suggestions for improvement were generated. In addition to gathering comments, my interviews offered industry a safe opportunity to vent their concerns; in effect, I acted as a lightning rod.

Figure 1



¹ The term Marine Safety used in this report means all programs related to inspections, investigations, and merchant mariner documentation (the old Commercial Vessel Safety Program.) While the report does not address the environmental response program, many expressed similar concerns regarding loss of experience, resources, knowledge, and focus.

Most of the people interviewed do not want Marine Safety functions moved out of the Coast Guard. However, all of the industry people I talked with have serious concerns with Coast Guard performance and want much better service from “their” Coast Guard. The industry wants Coast Guard leadership to understand that their concerns are real and not passing ones. The concerns have existed for some time and many weren’t sure Coast Guard leadership was interested in addressing them. Hence, there were elements of industry that were talking about moving some, if not all, of the Marine Safety functions out of the Coast Guard 2-3 years ago. The relationship between the Coast Guard and maritime industry is the most strained in my memory. The industry has lost trust and confidence in the Coast Guard and one way of viewing the Congressman Oberstar proposal is as a way of relieving the Coast Guard of Marine Safety responsibilities “for cause.” Because the industry has historically enjoyed a positive relationship with the Coast Guard, they are grieving the loss of a good partner.

During the course of this analysis, the Coast Guard has spent a great deal of time on the Marine Safety Program. Much useful program information was gathered for the August 2, 2007 Congressional hearing. Subsequent to the hearing, suggestions for improvement were developed into a plan submitted to Congress. While I was aware of the suggested improvements being prepared in response to Congress, my analysis was conducted independent of those suggestions. I understand some recommendations from the Draft Version of this report were used in the Coast Guard’s plan.

The report covers six areas of concern that arose in almost every interview I conducted. In order of priority they are:

- Strategy
- Leadership
- People
- Policy
- Customer Focus
- Organization

The report has two goals. The **first** is to provide Coast Guard leadership informed insight into the concerns of their customers in the marine industry, as well as those of Coast Guard Marine Safety professionals.

The **second**, and more important goal, is to present recommendations for improvement in an actionable way. Both industry and Coast Guard Marine Safety professionals worry that Coast Guard leadership will not take the steps necessary to improve the Coast Guard, industry relationship, and Marine Safety performance.

2. OVERVIEW/STATE OF THE INDUSTRY

Today's maritime industry is complex both in the technology of the vessels and systems and the nature of business operations. The shipping industry continues to grow, producing larger, faster, and much more complicated ships. Offshore systems are a marvel of technology and can cost more than a billion dollars. Like all businesses, the maritime industry faces tighter margins, more demanding customers, and myriad audits. In addition, since ships operate between national and/or state jurisdictions, they face multiple governing regimes.

Examples of current technical developments include:

- A cruise ship is under construction in Europe that will be the largest ever at more than 220,000 GT carrying over 6,000 passengers. Targeting the North American market in Sept 2009, this \$1 billion cruise ship is designed using the most advanced stability, structural, and fire protection technologies.
- There are 31 product tankers being built to new IACS structural standards under construction or on order at U.S. shipyards for the U.S. Jones Act market.
- Proposed amendments to the Short Sea Shipping Transportation Initiative include \$2 billion of loan guarantees to assist shippers with constructing a new class of cargo ship for short sea shipping.
- There is unprecedented growth in the LNG industry. There are currently six shore-side LNG terminals operating in the U.S. There are as many as 20 additional LNG terminals proposed for operation in the next 5-10 years. 250,000 cubic meter LNG ships are being constructed which are twice the size of existing LNG ships.
- Offshore oil and gas production platforms continue to increase in size and complexity, as potential oil fields get deeper and there is a need to extract more product from each well. Recent innovations include the use of temporary or short-term platforms that incorporate vessel-like characteristics, yet remain on scene for only 3-5 years before moving to a new location. The increased competition leads to more diverse regulatory compliance schemes, such as certification by foreign Administrations that cause Coast Guard inspectors to increase their breadth of safety standards.
- There are currently six Offshore Continental Shelf facilities under construction as well as three conceptual Floating Production Storage and Offloading (FPSO) units in design and development. The costs associated with these projects range from \$2.2 to \$4.4 billion. A typical FPSO has more than 500,000 bbl of storage capacity, and can produce 50 to 80 k bbl oil /day and 15 to 50 million cubic feet of gas /day.
- The largest container ship in operation, with a maximum carrying capacity of 11,000 twenty-foot containers, is the longest ship currently in service and is propelled by the largest diesel engine ever manufactured. The integrated computer system in the engine room, cargo control room, and bridge continuously monitors 8,000 separate data signals. This vessel entered operation in the fall of 2006 and is the first of seven vessels in this class.

All of these projects incorporate the latest technologies in advanced fire protection, structural design, naval architecture, and marine engineering. The systems associated with these vessels and facilities must operate with minimal error and incorporate the latest design concepts. Most novel designs far exceed the current scope of both Coast Guard Marine Safety regulatory and inspection schemes.

A West Coast barge operator cited an example of the dynamic business environment. They built a double-hull barge in 1997 that the principal says is a “horse and buggy” in comparison to the barges his company is building today. For example, the new barges have nitrogen-inerting systems as well as computerized equipment controls. The company also spends ten times more training a stable workforce than they did in 1997. Training cost increases of the same magnitude were reported by other operators.

The impact of the increased complexity in the maritime world makes the Coast Guard’s Marine Safety responsibilities more critical, and more difficult, than they were ten years ago. Most believe that Coast Guard Marine Safety capabilities are less than they were which results in an ever-increasing performance gap. The Coast Guard needs to recognize these changes and develop appropriate strategies and capability to conduct the Marine Safety mission while at the same time facilitating commerce.

3. STRATEGY

“Since 9/11 the Coast Guard is fundamentally a different organization. Relationships are not important and Marine Safety is not important.”

3.1 Discussion

This short discussion highlights the impact of Coast Guard Marine Safety performance on three of the Coast Guard’s six strategic priorities. Strengthening Regimes for the U.S. Maritime Domain; Achieving Maritime Domain Awareness; and Developing a National Capacity for Marine Transportation System (MTS) Recovery.

Marine Safety is not important to Coast Guard leaders

The most common concern expressed by the maritime industry and the Coast Guard personnel I interviewed was de-emphasis on Marine Safety as an important Coast Guard mission. Many believe that this is the result of necessary increased emphasis on security since 9/11, and the move to the Department of Homeland Security. However, most believe the Coast Guard focus has swung too far toward security and a more balanced emphasis on all Coast Guard missions, including Marine Safety, is needed.

The Coast Guard’s approach to Marine Safety is very harsh

The second most common concern is that the Coast Guard has changed its approach to Marine Safety from the longstanding one of working with the industry to solve problems, to a much more rigid “militaristic” or “law enforcement” approach.

“ There is much more of an enforcement approach rather than a working approach with the industry ...a fundamental shift resulting in the inability to get “M” to work with companies and the industry to solve a problem.”

Many of these comments came from highly responsible and respected members of the industry and high-performing Coast Guard Marine Safety professionals. Industry cited many examples such as one inspection/boarding team

telling the master and crew after an inspection/boarding, “Well, we didn’t find anything wrong this time but we’ll be back to catch you.”

The key issues are emphasis on the importance of Marine Safety and clarifying or restating the Coast Guard’s strategy and philosophy for conducting a successful national maritime safety regulatory program. If the Coast Guard decides to adopt an “OSHA approach” to enforcing Marine Safety laws and regulations -- officially citing many violations and levying high fines -- it will be a fundamental shift in the manner that the Coast Guard has traditionally taken. Both industry and Coast Guard professionals believe that the traditional approach has worked well and should be continued and appropriately updated.

Lack of Marine Safety in the Coast Guard Strategy

The industry understands the importance of Vision and Strategy to the Coast Guard; therefore, several are concerned by their perception of the lack of focus on Marine Safety in the publication “The U.S. Coast Guard Strategy for Maritime Safety, Security and Stewardship.” Since it is cited as “our compass,” the marine industry doesn’t want Marine Safety to be left out. Marine Safety is only mentioned on one page of the 54-page Strategy document. Both industry and Coast Guard personnel would like Marine Safety addressed more prominently in the Coast Guard Strategy. In addition to the Strategy, several were concerned that key Commandant speeches were lacking substance and vision for Marine Safety. They believe that there should be a strategic goal for the Coast Guard to be the world’s leader in Marine Safety. It follows that there must be a philosophy of regulation that supports this goal in the broadest sense.

The Marine Safety/Maritime Security nexus

Industry believes that there is a strong nexus between Marine Safety and Maritime Security. The success of Maritime Security in large part is founded upon the Coast Guard’s previous understanding of the maritime industry and the strong partnerships and relationships that developed. Degradation of Marine Safety performance hurts Maritime Security. In addition, poor treatment of marine companies and mariners hampers the goal of achieving Maritime Domain Awareness (MDA) because mariners are not inclined to offer information when treated badly and not respected.

“Since you don’t treat industry as partners the intelligence is drying up”

Facilitation of maritime commerce

Another aspect of Marine Safety strategy that seems to be neglected in the industry’s eyes is facilitation of commerce. The Coast Guard needs to be aware of the business impact of its actions on those it regulates. The industry appreciates the Coast Guard’s safety, security, and environmental responsibilities and authorities. They want the Coast Guard to understand and appreciate the impact of Coast Guard actions on their business.

“There is a total disregard for the effect of Coast Guard actions on the industry cost structure.”

Marine Transportation System (MTS) recovery

It is important to the marine industry that the Coast Guard take action; provide leadership; and build a strategy for marine transportation system (MTS) recovery following major disruptions to the system. Engagement with the private sector is important to developing the strategy. More importantly, trust from the private sector will

be the key to successfully leading the recovery effort. Many have commented on the breakdown of trust between the industry and the Coast Guard. Trust must be earned, and rebuilding industry trust is key to achieving this and other strategic goals.

3.2 Suggestions for Improvement

Amend the Coast Guard Strategy for Maritime Safety, Security, and Stewardship

The Coast Guard should consider amending “The U.S. Coast Guard Strategy for Maritime Safety, Security, and Stewardship” so that it more accurately reflects the importance of Marine Safety to the nation and its support of the Coast Guard’s six cited strategies. The amendment should clearly state the goals of the nation’s Marine Safety program and the Coast Guard’s approach to achieving the goals. Alternatively, a companion document to the Strategy could be developed which helps explain the importance of Marine Safety to achieving the strategic priorities as well as outlining the Marine Safety program goals and approach. A draft of the document could be shared with selected members of industry in a working session to help gain “buy-in” and clarity. The Commandant should promulgate whichever document is chosen and Coast Guard leadership should personally explain it and the goals of the engagement process described under Leadership.

Emphasize the Marine Safety/Maritime Security nexus internally and externally

The relationships formed in the pursuit of Maritime Safety have enabled our Maritime Security successes. The Coast Guard must incorporate this idea into every facet of Coast Guard Strategy. This message should also be aggressively communicated both internally within the organization and externally to DHS, OMB, and to the industry.

Revitalize the Prevention Through People (PTP) approach

In addition to amending the Strategy, industry and Coast Guard Marine Safety professionals would like to see the strategic concept of partnering, including the principles in the Prevention Through People (PTP) approach, institutionalized. PTP was established to address the most prevalent cause of marine accidents and pollution incidents -- the human factor. People in any system are the key to successful performance. Extending the PTP concepts to Maritime Security makes sense because the most likely breakdown in a security system will be human error, and not failure of equipment or sensors. Instituting PTP would also help repair the relationships with maritime companies and the mariners, as discussed further in the Customer Focus Section.

Include industry leaders in developing the next generation of Coast Guard Strategy

Because the maritime industry is so dynamic and its development impacts Coast Guard missions, including maritime leaders in Coast Guard strategy development is good business.

Integrate Marine Safety Program into Commandant Intent Action Orders (CIAO)

The Coast Guard is engaged in a very intentional process of service-wide alignment and transformation. The CIAOs address those issues that the Commandant sees as necessary to “ready our Coast Guard for tomorrow.” Proper Marine Safety mission execution impacts four of the seven metrics cited in the CIAO construct: save mariners; eliminate collisions; eliminate oil spills; and reduce homeland security risk. It will be important for

the Coast Guard to incorporate Marine Safety program issues into several CIAOs (CIAO 2; CIAO 6; CIAO 7; CIAO 8; and CIAO 9)². The Commandant should also consider creating a CIAO focused on Marine Safety (or set the stage for including it in the top priorities for the next Commandant).

3.3 Challenges

Aggressive prosecution by DOJ

The atmosphere for the Coast Guard working collaboratively with the industry is much more difficult today than ten years ago partially because of the aggressive criminal prosecution by the Department of Justice for environmental violations. The industry views the Coast Guard and Justice as a team that is “out to get them.” The most recent example cited by the industry was the “harsh” penalty of ten million dollars given to IMC Shipping for the grounding of the M/V Selendang Ayu off Unalaska Island. The industry sees prosecution of a good company under 100-year-old laws never intended for the situation as unfair and excessive for an unfortunate accident.

4. LEADERSHIP

“The Coast Guard is abdicating its role as a leader in the maritime world. It is needed on the national level as well as at the Captain of the Port level.”

4.1 Discussion

Industry leadership

Leadership is highly valued by Coast Guard members individually and as an organization. Lots of time, money, and consideration are appropriately devoted to developing Coast Guard leaders. This emphasis naturally carries into all mission areas, including Marine Safety. As these leaders gain seniority and greater positions of responsibility in ports around the nation, the public -- including the marine industry -- counts on Coast Guard leadership to guide them through port emergencies as well as difficult port issues. The marine industry wants the Coast Guard to be the honest broker both locally and nationally. However, many believe the Coast Guard has abdicated their natural leadership role and has remained silent on important safety and environmental issues.

Because the industry would like “one-stop shopping” at the Coast Guard for their safety, environmental, and security issues, they would like stronger Coast Guard leadership inside the “beltway” to keep other agencies like the Environmental Protection Agency (EPA) and the Occupational Safety and Health Administration (OSHA) from dealing with ship-related environmental and safety issues. In addition, the industry has often pushed members of Congress and local state legislators to abandon separate regulation and inspection schemes because the Coast Guard has had the expertise to handle the issue. They now say the Coast Guard reputation as Marine Safety professionals who are willing to take the lead in safety issues is tarnished. Another concern is the belief that only a few Coast Guard officers understand their industry or care about it, therefore no one is speaking up for them during difficult Washington D.C. safety and security policy

² Commandant’s Intent Action Orders 2 (HQ transition to numbered staffs); 6 (Evergreen Strategy Cycle); 7 (Command and Control); 8 (Human Resources); 9 (Reserve Component)

debates. They want Coast Guard leadership to include their legitimate concerns. More importantly, they want Coast Guard leadership to help them improve their safety performance by partnering with them to develop creative Marine Safety solutions.

International Marine Safety leadership

“No one is looking out for us.”

Several in the industry believe that the Coast Guard as head of the U.S. Delegation has lost the leadership position at the International Maritime Organization (IMO). They cite fewer senior “M” professionals with IMO experience and loss of continuity on the U.S. delegations. When an experienced IMO hand was queried about a recent Coast Guard IMO leading delegate he said, “xyz was a bloody disaster.” At IMO, personal relationships built on working together over the years are very important. Recent Coast Guard churn in top leadership positions that represent the U.S. at IMO presents a challenge. It is important for the new Assistant Commandant for Marine Safety to quickly establish a personal relationship with the Secretary General and other key delegation heads. The environment at IMO is much tougher for the tarnished U.S. than in previous years because of the emergence of the European Union and because of the U.S. reputation for unilateral action on environmental issues (ballast water and air pollution are current examples). Some also remember prior U.S. Coast Guard leadership in Washington, D.C. working to get IMO Conventions ratified. They wish that the Coast Guard would provide similarly aggressive leadership today, particularly on environmental issues. The Coast Guard’s performance in meeting IMO safety and environmental responsibilities will be tested soon when the U.S. undergoes the Voluntary IMO Member State Audit. The audit will evaluate how well the U.S. is meeting its various convention obligations, which will include the training and capability of Coast Guard marine inspectors and investigators. Obviously a favorable outcome will strengthen U.S. leadership in the eyes of the world.

Coast Guard Leadership

Coast Guard Marine Safety professionals believe their leaders don’t value the Marine Safety program as much as other missions. They also believe that many top leaders don’t understand the Marine Safety program. They cite many examples including the recent reorganization efforts, which, they believe, buried the “M” organization in the Districts, Areas, and at Headquarters.

“The “O” guys won the “M” guys lost. There is no future.”

In the field, they believe that commanders can let safety functions slide as long as the security functions are handled. The concern for lack of focus and support for Marine Safety functions in the Coast Guard is not new. In 1980, Coast Guard Headquarters (MMT) staff developed a long-range plan for the Commercial Vessel Safety (CVS) program. The plan had many elements, which have been accomplished. A key element, which is valid today, was to “Get the Commandant, the Department, and the White House to accept, adopt, and support the CVS program.” Today, this would be stated, “Get the Commandant, the Secretary of Homeland Security, the President, and Congress to adopt and support the Coast Guard’s Marine Safety program.”

Another concern of Marine Safety professionals is that they believe they are not valued because of the specialty they chose. Many cite the “five bottle bag” stories and “pitch fork or shrimp fork” jokes as not funny and suggest that these barbs fall into the same category as ethnic jokes.

“The 40 coded personnel are not valued and are leaving the Coast Guard.”

Junior officers at Sectors believe they need to get their ticket punched to get promoted. Hence, they believe specialization is not good for their careers. The source of this perception is unclear; however, the perception is very real.

Coast Guard decision making

Almost all in industry cite a lack of common sense in Coast Guard safety-related decision making as a major concern. Many felt Coast Guard leadership at the local level is afraid to take risks. Small inspection issues, which historically were resolved with the marine inspector, either with an informal work list or CG-835, are now cited as violations with an immediate civil penalty. Furthermore, in the case of a disagreement with the marine inspector, industry gets no response from the local Sector leadership to resolve the issues.

“No one is listening with a common sense perspective.”

One result of these concerns is many more Marine Safety issues are being handled for the industry by Washington D.C. law firms because the industry hasn’t been able to get timely answers from the Coast Guard.

“The appeal process doesn’t work.”

4.2 Suggestions for Improvement

Focus top Coast Guard leaders on Marine Safety concerns

Marine Safety concerns/issues should be addressed at the Leadership Council, and Flag Conferences as well as Sector Commanders’ Conferences. This report and the response to Congress can be used as background documents. Industry leaders would be pleased to address both groups and to help Coast Guard leaders understand the issues. The Flags and Senior Executive Service (SES) members should be challenged to develop additional solutions to the issues raised in this report, including the Engagement Strategy discussed below.

Establish a visible Coast Guard Marine Safety leader

As a matter of priority, establish the new Assistant Commandant for Marine Safety, Security, and Stewardship. This officer should immediately launch, implement, and establish accountability for the renewed Marine Safety strategy recommended earlier.

Develop an Industry Engagement Strategy

During the fall of 2007, Coast Guard Senior Leadership needs to actively engage the marine industry at the National, Area, District, and Sector level. The engagement strategy needs to identify key leaders in each locale and set meetings as a high priority. The agenda for the meetings should include careful listening to industry concerns about safety performance. The meetings should not be delegated to staff or junior commanders. A key goal would be to reestablish partnerships for the safety and security of U.S.

maritime commerce. The Commandant should consider engaging national maritime leaders such as Presidents and CEOs from the oil transportation companies, cruise lines, seafarer's unions, offshore companies, the Great Lakes and small passenger vessels. The Marine Board of the National Academy of Sciences has presented another opportunity for engagement. They have proposed a series of Coast Guard-Industry workshops with open discussion of issues facing the industry and proposed Coast Guard solutions. The workshops would be held around the country on the East Coast, Gulf Coast, West Coast and Great Lakes. The Coast Guard should take advantage of this opportunity.

Define “partnership”

The Marine Safety definition of partnership may differ from other Coast Guard communities' definition. For example, Marine Safety partnership has historically focused on industry, while the Operational community may have more experience partnering with law enforcement or defense components. A doctrinal definition of partnership should be developed to assist Marine Safety leadership in achieving their goals.

Effective use of Industry Advisory Committees

Legislatively mandated industry advisory committees provide an easy channel for communicating with and gaining information from the maritime community. At the **next** regularly scheduled meeting of each committee, the Admiral (not a substitute) who sponsors the committee should start the meeting by outlining the Coast Guard's desire to understand industry concerns and suggestions and then open the floor to the committee. These should be designed as very good listening sessions/opportunities.

Develop a model for local industry leadership

The newly established Assistant Commandant for Marine Safety, Security, and Stewardship should be assigned the responsibility of developing a model of industry leadership for Sector Commanders. They should gather together a few of the most seasoned Sector Commanders with extensive Marine Safety experience to develop the model and then offer the model as a segment of the Sector Commanders course.

Reestablish International Marine Safety leadership

IMO work is complex both technically and politically. The Coast Guard needs an experienced team to advance important U.S. goals. The vacant Director of International Affairs SES position is a high visibility gap. The new Assistant Commandant for Marine Safety, the Director of Commercial Regulations and Standards, the new Director of Prevention, and the new Director of International Affairs should develop a plan for recapturing leadership at IMO.

4.3 Challenges

The Coast Guard seems reluctant to embrace the concept of industry partnerships. Some Coast Guard leaders do not see working collaboratively with the industry toward common safety and security goals as important.

The industry senses that many Coast Guard field leaders are not interested in or not comfortable with their business, so changing “the Coast Guard’s Admiral’s approach will be a difficult cultural challenge.”

The Department of Homeland Security has no responsibility for transportation safety so getting them to embrace the Marine Safety program could be a heavy lift.

5. PEOPLE

“When the Sector was created, we lost 20% of our Marine Inspectors billets to planning and the Command Center.”

5.1 Discussion

There are many people issues such as numbers, resources, capability, professionalism, training and qualifications, civilian/military mix, tour length, and rotations. The industry understands the Coast Guard’s resource challenge and is sympathetic with it but they also believe the lack of a dedicated Marine Safety strategy and weak leadership focus on Marine Safety has exacerbated the problem. The cadre of experienced marine inspectors has greatly diminished either because they have left the Coast Guard or because they have sought what they considered to be more “career-enhancing” assignments. Many Coast Guard officers believe inspectors are retiring because they are frustrated with spending more time on weapons qualifications, harbor patrols, and security zone enforcement than inspections. In effect they believe safety is sacrificed for security. In a recent survey of one major Sector, only 40% of a marine inspector’s time was spent conducting inspections. Marine Inspection is the backbone of the marine safety program and is instructive for all safety, security and environmental protection activities. Marine inspection is where Coast Guard officers learn about commercial ships, shipping and offshore companies and the people who sail the ships and run the companies. **Viable marine safety and security programs require a robust cadre of marine inspectors!!**

Numbers/Resources

Every Marine Safety professional I talked to in the Coast Guard, both at Headquarters and in the field, said they didn’t have enough people to do the job. The marine industry also cites shortages of qualified Coast Guard people to meet their needs. The reasons varied from increased Marine Safety workload to the increased pace of business since 9/11, with the emphasis on security and not safety. There were many examples of billets designated for marine inspection or marine investigation that were taken for Maritime Security or Sector command duty positions. I was told that the Sectors were created with a zero-growth dictate so any new jobs needed to be filled from within. Some stories were alarming.

“Marine Investigations was not staffed since it was considered a collateral duty by the command.”

The result of the shortage of people and redirected priorities is that inspections and investigations are not being conducted. This lends credence to the industry concern that Marine Safety is not important to the Coast

“When I call to schedule an inspection I get a recording and it takes a week to hear back from the Coast Guard, and forget about weekends.”

Guard. Many in industry cited long delays in getting marine inspectors to conduct scheduled inspections.

“There are almost no new inspection, investigation, or REC billets in the last 6 years. Nothing new has come in and people have been shifted from the positions that were there.”

I tried to determine how many Marine Safety billets have been added to the program in the past 6 years. I also tried to get a handle on the Marine Safety workload for the same period. Good data was difficult but it seems that few if any billets have been added to conduct Marine Safety work. I have also heard that the old HQ “M” staff will be cut by 10% in the new reorganization. As a Commander in charge of a large MMT branch in 1978-1982, I could plan on devoting about 70% of my team’s time to planned work -- leaving 30% for emergent issues. In effect we spent most of our time in what Covey calls quadrant 2 -- “important but not urgent.” Today I understand that in a similar staff element, only 20% of time can be planned with the remainder taken up by unplanned work.

“Where do all the trained inspectors go? I transferred out 11 qualified inspectors, and the 11 replacements I received are not aualified.”

The complexity of the industry, the increase in commerce, the new projects being planned (i.e. LNG), and the press of regulatory projects all speak to more workload for Marine Safety. Not only has the Coast Guard not been able to provide more resources for the increased Marine Safety workload, but decisions have been made by Coast Guard leadership at all levels to reduce the Marine Safety resources historically assigned. The Coast Guard knows how to resource operations correctly. The aviation community has a well-proven model. The type and number of aircraft determine the numbers and qualifications of personnel assigned to an air station. The community also knows how many slots are needed for training. In the small boat community, Project Kimball recently helped determine the number and qualifications of personnel needed. I understand 900 billets were added at small boat stations.

Qualifications/Training

I received many comments from the industry about the lack of experience of Coast Guard marine inspectors. Cargo ships, offshore systems, and passenger vessels are complex. Understanding ship design and construction as well as marine operations is key to being a good inspector. Of course the inspectors also need to understand both the content and the intent of the regulations. If the inspector is constantly referring to the regulations when conducting an inspection, the customer doesn’t have much confidence in the quality of the Coast Guard inspection. I understand that the Coast Guard has sent unqualified personnel or marginally qualified personnel to conduct inspections and investigations. The Coast Guard wouldn’t launch a helicopter with unqualified pilots, or get a ship underway with unqualified deck watch officers. Why does the Coast Guard accept a lesser standard for Marine Safety operations? A new marine inspector training program has been developed which has promise to improve the introductory course, but it takes more than a five-week course to develop a qualified marine inspector.

Career Path/Professionalism

Many Coast Guard Marine Safety professionals are concerned that their career choice is not one that will be successful. They believe that if they stay in an area too long, such as marine inspection or technical plan review, that they won’t be competitive for promotion. Most junior officers think they need to get as many qualifications as possible during their first tour. In effect they are looking to get their ticket punched. There is a general perception that a narrow, however technically complex, background will prevent future promotion and limit opportunities for Sector Command positions.

“If we get one person to stay in the job for over one year, we are lucky.”

Rotation

Rotation of Coast Guard military Marine Safety personnel has always been an issue for the Marine Safety program and the marine industry. The newly implemented standard of three-year assignment of officers seems short by civilian industry standards. However, rotating people inside the command so that many vessels and facilities don't see the same people from year to year has exacerbated the concern. The other concern is where marine inspectors and investigators go once they are qualified and get reassigned.

“I have never had the same job for more than one year and I have been in Marine Safety related programs for 10 years.”

Assignments

Many in industry and the Coast Guard have heartburn with Coast Guard leaders in positions of authority, like Sector Commanders, who have no background or understanding of the marine business. They are skeptical of the Sector concept. They would like a Captain of the Port (COTP) who is experienced in Marine Safety matters. Consistency of assignments has also been a Coast Guard concern.

“I'm not a fan of the Sector Concept. Internal rumblings within Coast Guard indicate that the “O” folks see this as the ultimate “victory” in the old “M” vs. “O” struggle. I know it probably will not reverse itself, but at a minimum USCG must ensure they are cognizant of this point and ensure “M” folks are placed in prominent ports around the country.”

Military/civilian mix

Many in industry want more stability in their local inspectors and believe they would be better served if there were more civilians assigned to marine inspection and investigation positions. However, not all agree with adding more civilian inspectors/investigators. Some have been influenced by very poor service from civilian marine licensing and seaman's documentation specialists. Others have had poor experience with civilian inspectors who have been overly officious and bureaucratic so that they would like more civilians if they were the right civilians — that is, customer focused and technically knowledgeable. The industry knows if a civilian doesn't work out, it is more difficult to hold the person accountable. They believe a military person can be held accountable and is more easily reassigned if problems with performance arise.

5.2 Suggestions for Improvement

Understand and balance the workload – get more people!!

The Coast Guard must determine the Marine Safety workload as well as the number and skill set of Marine Safety people needed to meet the requirements. I understand that a standard staffing model is being developed which is intended for this purpose. This work should receive highest priority so that appropriate resources can be evaluated and more requested if necessary.

It appears that the balance of current resources against mission requirements does not favor Marine Safety missions. There should be standard method for measuring the

shortfalls for all Sector assigned missions and guidance provided on how to share limited resources.

Provide appropriate robust training for marine safety professionals

Marine inspection, technical plan review, marine investigation and marine licensing all require training and experience to become proficient. As stated earlier, marine inspection is the core competence for all the specialties. Therefore, it is imperative the inspection-training program is done correctly. The complexity of the inspection skill set dictates a thorough and high-level review of the Coast Guard's approach to training. Integral to the training is on-the-job experience. The Coast Guard needs to understand the inspector qualification process takes time. As a benchmark, Classification societies consider it takes five years to develop a fully qualified surveyor. As a part of establishing a robust training program the Coast Guard should **consider reestablishing training ports**. Providing marine inspection training early in an officer's career provides the best opportunity to produce a well-rounded informed Marine Safety professional.

Expand Coast Guard-Marine Industry Training/Awareness Program

The maritime industry is willing to help Coast Guard personnel understand the industry through industry awareness and training. They offer programs for as little as a day to the standard yearly industry-training programs. The industry also offers opportunities for Coast Guard officers to get seagoing experience, which has been difficult because of the lack of seagoing billets for some graduating from the Academy and OCS. Many thought the standard marine-industry training program was cancelled so they are not aware of its existence. In addition, the Coast Guard annually sends officers to Transportation Management advanced education programs. These officers could be placed in policy positions throughout the Marine Safety program to help understand the impacts of Coast Guard policy on the U.S. economy.

"The Coast Guard does not care about economics. This is just the cost of doing business."

Ship-shore rotation opportunities for marine inspectors

The Coast Guard is a seagoing outfit. Seagoing experience is very valuable to Marine Safety professionals. Entry into the old CVS program required a seagoing tour on a Coast Guard ship or experience from the merchant marine. Sectors now provide an excellent opportunity for sailors to rotate between seagoing jobs and marine inspection. This personnel policy should be pursued.

Institute a scorecard system for Marine Safety readiness and mission execution

Institute a scorecard system similar to that used for tracking Operation Neptune Shield. This system would increase awareness of Marine Safety shortfalls and send a strong message to the field that Marine Safety should be given equal priority as Maritime Security. This tracking method would include readiness factors such as inspector/investigator qualifications and skill-to-job assignments, as well as data on Marine Safety outreach and mission execution.

Leaders must communicate the value of specialists

Leaders need to explain the Coast Guard's need for officers who are technically skilled in plan review and marine inspection. Professional Marine Safety experts are valuable to Coast Guard mission performance so they should be encouraged to specialize until they

reach the grade of O-5. Coast Guard Personnel policies need to support this through assignment and career counseling.

Create Stable Marine Safety Program Leadership

The industry, as well as the Coast Guard, looks to the program leader for guidance and direction. Every Chief of “M” from 1964 until Rear Admiral Pluta had at least a three-year assignment as the Office Chief/Asst Commandant. Stability in that Flag assignment is very important. It should be a three-year tour.

Provide greater geographic stability for Marine Safety specialists

Modify the precept to promotion boards to recognize that officers should not be penalized for staying in one area of the country to achieve regional industry expertise. This will provide the continuity, capacity, and consistency that industry and Coast Guard personnel desire.

Create specialized deployable inspection and investigation groups

Grow the traveling inspector team. Junior officers should aspire to be promoted to this special team. These teams may be centered at Headquarters or regionally. Use the expanded team to both assist with difficult inspections as well as train inspectors/investigators.

Enhance engineering technical capability

Additional capacity is needed for standards development and vessel construction. Performance-based design requires the Coast Guard to grow and maintain more robust technical programs in the fields of Fire Protection Engineering, Chemical Engineering, Naval Architecture, Risk Analysis, Mechanical Engineering, and other technical specialties.

Increase Civilian Marine Safety field specialists

Consider doubling the number of civilian marine inspector and investigator positions. Currently there are 46 field civilian marine inspection positions and 7 civilian marine investigator positions. Make sure the personnel chosen have technical competence and are customer-focused.

5.3 Challenges

Obtaining new resources through the budget process takes time and is always a struggle. Getting Department of Homeland Security support for additional Marine Safety resources will hinge on how closely the safety mission is linked to Maritime Security. Many Marine Safety professionals have left the Coast Guard so the talent pool is smaller than ideal. For the Coast Guard to balance missions, they will need a cultural balance shift, as “prevention” is never as exciting as “response.”

6. POLICY

6.1 Discussion

Regulation Development

Policy development, both nationally and internationally, is too slow, not responsive and many times leads to poor regulation. The industry is particularly frustrated by the time it takes to complete a regulatory project. Many also feel their comments haven't been heard or their legitimate concerns have been disregarded. Coast Guard Marine Safety specialists are overwhelmed by the volume of regulatory projects and the increasingly complex administrative process to complete regulations that must be followed. A new OMB requirement for more robust economic analysis adds to the delays. I understand that at least 50% of a regulation's life is out of Coast Guard control. Others express concern that the Coast Guard doesn't understand the impact of government policy determinations on their business. They are particularly concerned when policy intended for "blue-water" ships is applied to unique operations like offshore services and drilling or oil production.

Regulation Interpretation and program policy development

Marine Safety regulations are complex so they need constant explanation and interpretation. "What does this rule mean?" "If I design it this way will it meet the regulations?" "Can I carry xyz cargo in this tank?" The Coast Guard needs to answer these questions as well as determine how to apply safety standards to new concepts. Coast Guard personnel responsible for answering these questions need policy from the appropriate CGHQ staff element. Many Coast Guard field units believe that their policy questions go into a black hole and answers are not forthcoming. The result is that they can't answer the affected industry. In addition to not getting answers to their questions, many in industry cite frustration of not knowing whom to call and are fed up with answering machines and no returned calls.

"In decisions, overall common sense is missing. There is no adequate risk assessment."

Getting reasonable answers to inspection questions/issues

Lack of understanding of Coast Guard regulations and policies by inspectors hampers good decision making by the inspectors as well as many more senior leaders in the Sectors. Many cited lack of common sense by the Coast Guard that has caused undue vessel delays or unneeded cost. Because timely answers to questions are important to business success, many have hired D.C. law firms to help get answers to simple questions that used to be answered by a simple call or drop-in visit to the local Chief of Inspections.

Consistency

The industry wants the same answers and the same policies as they travel from port to port. This issue is not new to the Marine Safety program but seems more vexing with less expertise in the field and lack of responsiveness. One example of the importance of consistency is maritime boardings. The Coast Guard conducts several types of maritime boardings which result in widely different treatment of the same customer. Policies across all Coast

"Consistency is our biggest concern. What is fine in one place is not the same in the next port. We thrive on consistency. When we don't know what to expect we do a terrible job for our customers."

Guard mission sets should be examined and updated to ensure consistency and appropriate posture across our activities.

Appeals

The appeals process is constructed to allow industry to get another perspective on a Coast Guard decision. The system was designed to make sure the Coast Guard makes the best decision by having more experienced Marine Safety professionals review the inspector's decision. Historically, appeals were encouraged so that the industry believed they were given fair treatment and not subject to one person's interpretation. Many say they don't appeal legitimate cases because they are concerned about retribution or can't afford to wait for a Coast Guard response.

6.2 Suggestions for Improvement

Improve the regulatory process

The regulatory process needs help!! More resources, either full time or through contractors, is part of the answer. However, the process itself needs examination. It seems the safeguards put in to protect the affected public are causing the delays. Perhaps the Coast Guard could offer to pilot new strategies in several key regulation projects, thus streamlining the effort.

Streamline the appeal process

The appeals process also needs to be streamlined. The Coast Guard should explain to the industry that appeals are a natural part of conducting a national marine regulatory program. Those appealing have every right to do so and will be treated with proper respect and will not be punished. In many cases, appeals highlight poor regulations and are helpful to improving the system.

Improve internal and external responsiveness

The industry and the Coast Guard need answers. Consistent answers. The Coast Guard should consider establishing a help desk where inspection and investigation questions can be answered. The help desk would funnel the questions to the identified policy expert who would answer the question and place the answer on a Frequently Asked Questions (FAQ) site on the CG Web. The FAQ would become the CG policy on the subject.

6.3 Challenges

It appears that authority to develop and deliver policy is spread among many offices in CGHQ, resulting in confusion of who has the responsibility. In the old days, the Captain who was in charge of the Merchant Vessel Inspection Division had the authority to settle inspection appeals and develop inspection policy. The buck stopped with him. That same clean authority does not appear to exist today.

7. CUSTOMER FOCUS

“When the Coast Guard comes onboard, we are treated as criminals and not professional mariners.....the principle of “Honor the Mariner” is dead.”

7.1 Discussion

The Coast Guard’s core values of Honor, Respect and Devotion to Duty are similar to most company’s values. So when the Coast Guard doesn’t treat their customers with honor and respect, the public is confused and angry. They expect better treatment from their public servants. I have heard many stories about bad service ranging from boarding officers to Regional Exam Centers (RECs). Everyone has cited the Coast Guard attitude as having changed significantly since 9/11 from “partners in safety to police officers looking to book someone.” Industry has lost confidence in the Coast Guard. People have called in oil spills that were not theirs only to be given a citation. They have stopped calling as a result. A new Sector Commander/ COTP and his boarding officers have clearly said, “There is a new sheriff in town, so watch your step.”

“Mariners are considered guilty until proven innocent.”

I sense that junior Coast Guard people don’t understand the impact of their actions on professional mariners. I sense that many senior Coast Guard people don’t care about the impact of their actions on professional mariners. I’ve heard that senior people say this is the new way of doing business and that “the industry needs to get onboard with the Coast Guard.”

Trust

The trust relationship between the industry and the Coast Guard has been damaged. I sense that the industry doesn’t trust the Coast Guard and the Coast Guard doesn’t trust the industry.

“No one is looking out for us. We raised the gangway not to protect us from the terrorist, but from the Coast Guard.”

Understanding the industry

Key to successful completion of the Marine Safety mission is understanding the affected industry. To be most effective, the Coast Guard must understand the basic business model of the various segments of the industry and the nature of the jobs of the people who run the business. More importantly, they need to understand the chain of command onboard a merchant ship and the value the company places on the master and chief engineer and other key officers. There were many comments about junior Coast Guard people treating professional shipmasters in unprofessional ways.

Absent trust, effective communication can never be established. A silent mariner leaves the Coast Guard without input from an important ally needed to resolve the many novel safety and security issues of the future.

“People are not candid with you because they are afraid of you.”

Responsiveness

Industry knows there is a shortage of inspectors because they are told bluntly that inspections will have to wait due to security priorities. Some have waited several weeks for an inspection that used to be done the same day.

Industry calls the Coast Guard but receives no response. Emails are not answered. Not answered late, just simply not answered. Industry standard is to return all calls or emails the same day but no later than the next day.

7.2 Suggestions for Improvement

Customer relations training

Provide Coast Guard personnel training in how to deal with industry customers. There should be a customer focus course/segment at every Coast Guard school that teaches about boarding/inspecting commercial vessels. The course should include who the customers are, and insight into their business. The course should emphasize that respectful treatment of mariners is consistent with Coast Guard core values and will be helpful in conducting a successful boarding/inspection. Alexander Hamilton's guidance will be helpful during this training "...keep in mind that your countrymen are freemen, and, as such, are impatient of everything that bears the least mark of a domineering spirit."

Create Coast Guard-wide metrics or indicators to track responsiveness to industry

The Coast Guard should know at a glance the numbers and status of unanswered questions/requests from the industry. They should know the extent of their "backlog." My sense is that less is known than in earlier years. All those in the Coast Guard who deal with maritime industry customers should be required to engage industry and track their performance.

Answer phone calls and e-mails!!!

As a public servant, the Coast Guard must respond to public requests. Industry tries to answer phone calls and e-mails the same day they are made or sent. The Coast Guard should adopt the same standard. Being unresponsive is very frustrating to customers.

Reinstate the entire PTP program

As cited earlier in the report, instituting the PTP program would revitalize the principle of "Honoring the Mariner," resulting in improved customer focus and relations.

7.3 Challenges

In order to treat people like customers, the Coast Guard needs to consider the mariners and maritime companies as customers. I'm not sure all in leadership do, or are comfortable with the concept.

8. ORGANIZATION

“The Coast Guard has been under re-organization since before Admiral Allen took over and they have been re-organizing since, we do not know who to call. They are in a constant state of flux.”

8.1 Discussion

Reorganization chaos

Internally and externally, people are genuinely confused by the many Coast Guard reorganizations. The Headquarters organization is difficult for the people inside the building to understand and is almost impossible for industry to decipher. Those in industry do not grasp an organization of “numbered” staff elements. They would like descriptive titles for the various organization elements. As a result of the 2006 Headquarters reorganization (“M” to “P” and “O” to “R”), the current reorganization, and the recent shifting of the Headquarters building to a new phone system, industry has no idea who or where to call to get answers. Both industry and Coast Guard personnel feel abandoned because they do not have an “M” admiral. One industry leader said he considered the “M” job as the most important and influential two-star position in the Coast Guard, and now it doesn’t exist.

Sector leadership

Industry also still looks to the Captain of the Port as the port leader. The Sectors are starting to settle down, but many inside the Coast Guard rue the lack of command positions. Many cited the lack of a future as a reason for retirement or leaving early.

“The Coast Guard concept that if you are a manager, you can manage anything is not true; if you cannot talk to a mariner with credibility, then you cannot lead.”

As cited earlier there is also concern about the assignment of non-“M” qualified officers as Sector Commanders. Most agree that the new person is a “nice guy” but they look to experienced leadership as the COTP.

“The most prevalent misconception is that any talented leader can act as Sector Commander and be the complete decision maker. However, Sector Commanders are focusing on Coast Guard personnel and operational assets. Sector Commanders need to understand they will be evaluated by their effectiveness with the maritime community.”

“Sector Commander is a Coast Guard title.”

8.2 Suggestions for Improvement

Settle the organization

Settle the organization as soon as possible. That being said, there may be opportunities to create subordinate Marine Safety Units (MSUs) in select Sectors. Doing so could appropriately spread some Marine Safety work as well as provide more attractive junior commands.

Provide clear names for each new organization office

Provide titles for each element of the numbered organization at Districts, Areas, and Headquarters, which accurately describe the function of that element in easily understandable terms. As a test, vet the names with selected field personnel and members of the industry and public to ensure that the titles plainly describe the function of the organization.

Create a website to help customers find the right person in the new organization

Coast Guard Headquarters should post on the Coast Guard website a document that links maritime subjects to the old organizational component, the new organizational component, and the person in charge. The site should show description of the duties and responsibilities of the new office. This site could be linked to the subject matter expert site described earlier. I understand that many Coast Guard websites are woefully out of date because they haven't been able to keep up with the recent series of reorganizations.

Provide appropriate training for new non-“M” Sector Commanders

Sector Commanders without Marine Safety experience should be provided with sufficient training/background to be credible leaders in their ports. The small marine industry segment in the current Sector Commanders' course is not sufficient to accomplish this suggestion.

8.3 Challenges

The Coast Guard is undergoing significant organizational change. Most of the key decisions have been made but it appears that the changes will not be fully accomplished for at least one more year. In addition to the benefits of organizational change, there are sunk costs that can't be recovered. Expecting mission performance to be unaffected by the change without special focus is not realistic. Perhaps benchmarking the best industry transformations could help reduce the costs.

9. CONCLUSION AND WAY FORWARD

In summary, after review of 170+ industry and CG internal comments, it is clear that there is consistency among concerned parties. The Marine Safety Program faces challenges in six major areas: Strategy, Leadership, Policy, People, Customer Focus, and Organization. The concerns expressed by the industry and those in the Coast Guard are real, deeply rooted and need immediate attention. By focusing on these concerns the Coast Guard has a great opportunity to improve marine safety performance. Doing so is in the national interest for marine safety and stewardship as well as maritime security. The industry wants the Coast Guard to succeed in making these improvements and is not interested in marine safety responsibility moving to another Federal Government organization.

Recommended actions include:

- Strategy: Include Marine Safety in CG Strategy, bring in industry leaders to assist; emphasize Marine Safety/ Maritime Security nexus; develop strategy to address human factors like PTP, integrate Marine Safety into CIAOs.
- Leadership: Refocus senior leadership on Marine Safety; establish Marine Safety Flag Officer; develop engagement strategy at national and local level; define partnership; reestablish international maritime leadership.
- People: Balance the workload and get more people; provide a robust training program for marine safety professionals, create stable Marine Safety program leadership; encourage geographic stability; encourage specialists; revisit training ports; establish ship-shore rotation for marine inspectors; implement deployable MI/IO groups.
- Policy: Improve the regulatory process; streamline the appeal process; track outreach/responsiveness-create a web site; enhance oversight to improve consistency.
- Customer Focus: Create CG wide metric for responding to customers; reinstate Prevention Through People.
- Organization: Settle the organization; provide clear names for each office; create a web site to help customers with the new organization; provide appropriate training for non- "M" Sector Commanders

Way Forward:

- Coast Guard Leadership MUST engage with DHS to emphasize the importance of safety to security; imbue safety priorities into DHS Vision/Strategy
- Coast Guard must engage the industry soon!!
- Implement a scorecard system for Marine Safety mission similar to ONS
 - Hold Sectors accountable for Marine Safety readiness and mission execution (including industry outreach/responsiveness)
- Create an implementation team comprised of skilled mid-grade officers from all communities to oversee revitalization of the Marine Safety Program. Team must interface with:
 - Industry
 - Internal Coast Guard
 - Congress

10. ANNEX I: INDUSTRY COMMENTS/CONCERNS/SUGGESTIONS

Industry Concerns/Comments

Strategy

“Too often in recent years, the Coast Guard's performance and its legacy Marine Safety function have fallen short. A telling symptom is the recently issued document entitled ‘U.S. Coast Guard Strategy for Maritime Safety, Security and Stewardship.’ Its discussion of the legacy Marine Safety program is disappointing in its brevity, characterization and direction. Only a single page of the 54 charter is devoted to Marine Safety. This, in a nutshell, unwittingly illustrates that Marine Safety functions have been shouldered to the side by security emphasis.”

“The Coast Guard is not as approachable as it used to be.”

“Competing priorities: At a minimum, within the Coast Guard, homeland security issues are the priority and less resources and attention are given to Marine Safety. At a maximum, this is very much the case.”

“The Marine Safety program has clearly taken a back seat to Homeland Security.”

“At the heart of my comments, you will see that I am concerned about the depth and breadth of the feeling I’ve discovered with key players in the offshore marine business, that the relationship between the Coast Guard and the industry is seriously and quickly deteriorating.”

“For drills and exercises, it is often difficult to attract appropriate Coast Guard personnel to participate in a drill. We have heard of a number of instances where the Coast Guard representative at a company drill was a LTJG with limited-to-no exposure to Marine Safety issues.”

“Safety and Security are totally synergistic and can’t be split.”

“Industry Training is an example of a program that benefited both the Coast Guard and industry. This used to be a highly coveted and very competitive position. Now, it is very difficult to get the Coast Guard to participate in Industry Training because the Coast Guard is spread so thin. Additionally, Industry Training is now viewed as providing little value to career advancement among Coast Guard personnel.”

“While there continues to be recognition for the Coast Guard’s role and responsibility in development of the Benkert Award, it appears to be a lesser or lower priority. The fact that so little emphasis is given, even at the Flag level to the Coast Guard’s own award for Marine Safety is indicative of declining priority of the issue.”

“XXX believes that our producing facilities in the U.S. Gulf of Mexico are much more secure today than they were before the USCG received its Congressional mandate to ensure Maritime Security on the U.S. Outer Continental Shelf. “XXX” believes the

USCG has struggled to simultaneously accomplish its traditional Marine Safety and prevention mission with the additional recently mandated Maritime Security mission.”

“There was a time when marine inspection was an important part of the Coast Guard ...doesn’t seem so now.”

“Overall, we think that the USCG has suffered the same development pains as most maritime safety administrations. It has to come to terms with the competence it needs and identify its core focus areas and then execute very well.”

“ In effect they say they want to see this “partnership” of U.S. marine interests and the U.S. Coast Guard as a reality, and not empty puffery”

Leadership

“The Coast Guard is not as approachable as it used to be.”

“The Coast Guard needs to have a velvet hammer, so they can be an honest broker.”

“There is much more of an enforcement attitude in working with the industry. There is an inability of the Coast Guard to work with industry to solve a problem.”

“For years, our Partnership Action Team worked hand in hand with our Coast Guard Admiral to form creative and safe solutions. Our partnership has eroded. Where did the Admiral go?”

“There is very clear consensus in the Maritime Industry that the current focus of the Coast Guard on security is at the expense of safety.”

“Communication: Key to success or failure. If industry does not feel it has an audience, it will find one.”

“The USCG has not effectively managed its oversight role. We are concerned over the blurring of oversight responsibilities with the XXX in the Gulf, and the farm out of certifications to XXX.”

“The influx of new human resources into the program leadership vacuum has left the people in the field including first and second line managers without peers and superiors seasoned in commercial vessel safety culture or the skills to deal with the private sector.”

“Many US States have attempted to exert State control over traditional Federal government activities, which generally broadly apply for international trade and commerce. Examples are MARPOL in California, pollution regulations and varying liability requirements from state to state, ballast water, etc. Clearly, the failure of the USCG to exert a clear voice in setting maritime regulations has led to confusion for the USCG, States, and owners, varying requirements from State to State and inefficiencies, as well as distraction from the main maritime safety issues.”

People

“Much less staff in Coast Guard with Marine Safety experience.”

“The Coast Guard’s most valuable asset is its people. We are seeing fewer and fewer Coast Guard individuals with Marine Safety qualifications and experience.”

“The Coast Guard is too thin, not enough inspectors.”

“The young Coast Guard guys don’t have an interest in inspection because they see security as a better way.”

“The problem seems to be two fold: 1) Marine staff officers leaving for other Coast Guard opportunities that have greater potential for advancement and 2) Marine Safety officers leaving the Coast Guard altogether. Not only does this result in a rapidly declining base of these issues, both long and short-term relationships fail to be made and communication between Coast Guard and industry breaks down.”

“XXX believes it is important for the USCG to adequately staff and resource their offices with the expertise and technical skills necessary for the variety of maritime issues - particularly in the GOM. XXX supports federal action to supply the USCG with the personnel and resources for this.”

“XXX is concerned that the USCG can't grow appreciably because the skills it seeks -- technical design, floating systems and technical assurance -- are in high demand within the oil industry. In this environment, the USCG is not likely to be able to compete. It takes several years for an inspector to develop the skills needed for oversight of marine systems and design.”

“We have spent lots and lots of time because of Coast Guard inexperience. The inspectors don’t have the breadth of experience necessary.”

Policy

“Consistency of regulations across the states – lack of Coast Guard leadership/presence opens doors for state-specific efforts such as provisions in Cantwell Bill, industry advisory committees, etc.”

“There is an apparent lack of Coast Guard presence and leadership in inter-agency review process when issues overlap between Marine Safety and other issues, such as environmental (one example being MARPOL Annex VI positioning).”

“XXX understands that the Congressional mandate in the Maritime Transportation Security Act of 2002 has required the USCG to place a priority on the Maritime Security mission. XXX notes that the USCG has been very responsive to us regarding matters of Maritime Security; however, it has been increasingly difficult to get the necessary attention regarding matters of Marine Safety and accident prevention. In general, the USCG resources seem to be spread thin on most matters.”

“XXX notes that in several years following its Congressionally mandated Maritime Security mission, there have been several major hurricanes in the U.S. Gulf of Mexico that have strained the resources of the USCG as it responded to immediate response needs resulting from those hurricanes.”

“Similarly, given the global security threat conditions, our company is concerned that the USCG will not have the resources and personnel to adequately project a U.S. Maritime Security presence in the remote areas of the U.S. Gulf of Mexico (GOM), nor adequately respond to security situations affecting critical oil and gas infrastructure.”

“In the GOM, the USCG has not kept pace with the growth and technology of the businesses operating there. For example, it was noted that the number of marine inspectors have remained consistent for more than a decade, while the number of floating platforms has increased appreciably over that time. The strain on inspectors will likely grow worse as the industry begins the deployment of FPSOs in the region. The USCG should evaluate the staffing needs of its MSOs in the GOM to meet the region's growing energy importance.”

“XXX is concerned that recent XXX actions on marine air emissions will expand the USCG's role in this area and become another 'mission' for the agency to balance.”

Customer Focus

“People are much more careful with the Coast Guard because of the enforcement perspective.”

“There is substantial fear of retribution from the Coast Guard.”

“The inspectors are more Catholic than the Pope.”

“The Coast Guard came aboard with side arms and an attitude. It was Rambo in a float vest.”

“After 9-11 the Coast Guard culture has changed so much it's frightening. They come aboard with pants tucked into combat boots with an attitude “you will comply.”

“ It seems like there are commandos coming out to do the inspection.”

“Communication between Coast Guard and industry historically has been very good and has led to many successful government-private partnerships. (e.g. “Prevention Through People,” Industry Training Programs, Quality Charter Teams, SONS, etc.). Now, communication is still valued, but much lower on the list of priorities and there is less resources to do so.”

“Valuable niche industry meetings and professional gatherings are receiving consistently less attention and attendance. In aggregate, this sends a message that communication and therefore collaboration with industry is a lower priority.”

“Often, when events or functions are attended, it is not the invited individual, but the third or fourth (lower-ranking) alternate. (Note: this does not mean that the alternate is not appreciated nor adds value, but it does send a message that the issue of Marine Safety is no longer important enough for higher flag level staff.”

“Communication is much more difficult due to restructuring.”

“It has been noted throughout XXX’s operational centers that there is difficulty in getting senior level representation at spill drills. Recent drills have been completed with little significant or senior level USCG presence.”

“The Coast Guard used to be a 24-hour operation that has changed since 9-11.”

Organization

“The Coast Guard had been reorganizing since 9/11 and has not stopped. I can’t tell whom I should call. It is clear from the organization set up, that Marine Safety is not a priority.”

“Working with local CG is OK, but there is a mind warp inside the Beltway, and industry cannot get any action from Headquarters.”

“Restructuring of Coast Guard: System seems more involved/complicated.”

“Under previous organizational structure, there was a single voice for Marine Safety (MS) for the Oil and Gas Sector in former G-MOR. This staff traditionally had MS response professionals who were able to aptly address a wide variety of industry response issues. Under the new structure, there are at a minimum 3 separate Flag Officers and 4 Captains with varying support staffs in both Response and Prevention. This issue persists in HQ and in the field as well making communication more difficult in both locations.”

“Then, communication between Coast Guard and industry was more direct, streamlined and frequent because of dedicated responsibility to Marine Safety (one-stop shop), which was a priority.”

“Now, with responsibility spread over more individuals, communication is much more difficult.”

“The Coast Guard is very responsive about finding the right individual but that individual now has multiple issues that are competing for attention.”

“There is much less regular, direct communication. It is often difficult to get decisions out of an individual because she or he has limited decision-making authority/responsibility.”

“In the past, Marine Safety and Operational career paths were largely understood and accepted as different regarding how they dealt with the industry and private sector overall.”

“Now, that paradigm shift no longer exists and the lines have become blurred. “Operators” from the Cutter fleet, Ashore, and Aviation force communities have a very different way of viewing and interacting with the private sector.”

“Steep learning curves exist and training is required when there are staffing changes, not only for issues, but also for soft skills. Competency is difficult to maintain on a three-to-four-year cycle.”

Industry Suggestions for Improvement

Reform Coast Guard strategy to strike a balance between safety and security.

Bring back PTP.

Establish the old “M” position at Headquarters.

There has to be a return to visible leadership and strong practical direction applied from the top within the Coast Guard, before even more of that partnership bond that once existed is lost.

The Commandant, and the Admirals and other officers who serve in positions that interact in their line of duty with the offshore industry, and who are responsible for promulgating, interpreting and implementing rules and regulations applicable to that industry, must somehow be persuaded that they must take a different, new look at the offshore marine services industry and its growing role, domestically and internationally.

Return phone calls and emails.

Assure Sectors with heavy marine safety activity like Houston and New Orleans have Commanders with strong marine safety experience.

Increase civilian inspectors (though some disagree due to problems with the RECs)

Extend tour lengths.

Improve training and qualifications. Take advantage of the many industry- training programs offered.

“The USCG should consider a new business model for the way it regulates Marine Safety. XXX has experienced considerable frustration and delays in getting approval for operating systems (polyester moorings, and inspections for fixed hull and shipshape vessels were discussed). It was noted that CG policy is that District commanders can only enforce rules, they cannot create them. Approvals for nonstandard items must come from the Marine Safety Center in Washington, D.C. There was some acknowledgement that XXX may receive additional scrutiny for new systems based on the lingering impact of the XXX incident.”

11. ANNEX II: INTERNAL COAST GUARD COMMENTS/ CONCERNS/ RECOMMENDATIONS

Strategy

“All Coast Guard strategy since 9/11 has necessarily focused greater attention on security. All performance metrics drive our enforcement posture as the central focus for Sector Commands. We are not measuring our stewardship or balance of issues to facilitate safe solutions to maintain commerce.”

“There is tremendous growth in the maritime industry (LNG, towing, oil & gas exploration, cruise industry). The Coast Guard isn’t and won’t keep up with it.”

“Our support and focus on the Marine Safety program has completely eroded.”

“Leadership needs to decide if we want to keep Marine Safety as a core mission of the Coast Guard. Our actions need to back our words.”

Leadership

“Our support and focus on the Marine Safety program has completely eroded.”

“One size does not fit all. The desire for more lock-step uniformity brought about some good command-and-control information-flow improvements. However, we have gone too far. COTPs need discretion.”

“In my entire 20-year career with Marine Safety and Security there have been two very consistent program biases. (1) Investigation qualifications get “lost” in the inspector discussions – the proper IO should be an inspector first, then an IO; this concept has never been sustained or enabled by either our training programs or the assignment process and; (2) personnel working in the Marine Safety and Security Program have been expected to understand the entire suite of Coast Guard missions and requirements yet those working in the other mission areas have successfully portioned themselves off from learning the M program. In this second statement, I am encompassing the majority of COTP authorities for port operations, the OCMI and FOOSC authorities and also the FMSC authorities.”

People

“Elimination of training ports caused loss of high-quality training for small portion of the workforce. While the through-put was not high (approx. 20 a year) the candidates did get broad, standardized understanding of the Marine Safety and Security craft.”

“There is simply not enough time, and not enough people for all of our LE and Marine Safety operations, notwithstanding the time to qualify personnel for these operations.”

“Slow-to-no updates to the PQS standards to keep up with the drastic changes to international and national requirements. Without dedicated development, the training program has lagged to the point of being ineffective on most fronts.”

“Sector Commanders and Deputy Commanders get little or no training on the authorities they wield or the work requirements for the inspections and investigation missions.”

Policy

“O3s and O4’s are not carrying bags anymore. If they do, they do not get promoted. If they don’t, how do they make good decisions in the future?”

“The nature of shipping has changed. All vessels are optimized, employing new performance designs and advanced novel systems that far exceed the current scope of Coast Guard technical capacity. We can farm some of our oversight responsibility to 3rd parties, but we must maintain a robust capability to truth these remarkable designs.”

Customer Focus

“The heart of the problem is we are ignoring PTP guiding principle #1 Honor the Mariner. We now have a significant portion of the CG that has entered since 9-11, and they lack the proper experience, focus, and demeanor to effectively engage and solve problems with industry.”

“I have never had the same job for more then one year and I have been in Marine Safety related programs for 10 years.”

Organization

“The Headquarters organizational structure is confusing. Half of us are numbers, have are letters, and there are some with both. I do not know who is responsible for what. Good luck finding a current Org Chart.”

“I can’t help industry or clarify my problems because I do not know who to call.”

“We are going down the highway and changing our tires at the same time.”

Internal Coast Guard Suggestions for Improvement

Leadership needs to reform our maritime strategy to make Marine Safety more prominent and create programs for the maritime industry to become our partners again.

Bring back Prevention Through People (PTP) as a guiding strategic principle.

Seek additional resources. We need to double our Marine Safety capacity.

Provide dedicated new training billets to Sectors to focus on Command Center general knowledge and incorporate Prevention as well as Response into fundamental skill requirements for senior watch standers.

Restore “M” visibility at Headquarters, Districts, and Areas.

Restore appropriate skill sets for COTPs.

Reinstitute training ports.

Revamp the PQS system, ground truth it for what a Sector Commander needs/expects in a Prevention expert and then build a viable program to ensure they get implemented as intended/updated appropriately timely.

Reinstitute a MARGRAD direct commission program to bring diversity to the workforce and screen OCS candidates-actively recruit candidates with port operations or transportation degrees.

Place Stewardship as a marking category on all OERs.

Modify the precept for all promotion boards to allow for the promotion of high performing technical experts and those who strike a balance between the needs of facilitating safe commerce and maintaining our nation's security. Ensure a commensurate number of Marine Safety specialists are promoted.

Update and publish the Officers Career Guidebook with clear guidance and spotlight Marine Safety career path.

Promote training and qualification at all levels. Encourage technical acumen to be tracked and proven with unit metrics/dashboard indicators.

Expand existing ship-rider programs.

Post on Coast Guard website a linkage-type document which allows viewers to type in an office descriptor which will then provide current office descriptor, description of office duties and responsibilities and current contact information.

Create centers of excellence and share best practices.

Implement a qualification system based on an apprentice, journeymen, and expert continuum.

Incorporate Limited Duty Officers into the Marine Safety program.

Structure career paths to maximize field experience early in career. Promote specialization.

Send CGA graduate to sea during first tour. This sea experience is essential to all future officer positions

Increase Marine Safety focus at the CGA. Educate cadets on the importance of the field, and increase focus of technical courses (i.e. Naval Architecture) to commercial vessels vice military vessels.

Tighten billet qualification to position matches and hold Sectors accountable for the work that position was assigned to perform.

Allow IO quals to count toward CWO to LT promotion, not just MI quals. Even though MI quals are technically required to be an IO, this does not happen in the field due to needs of the Sector, and competent IO CWOs are being punished.

Provide incentives for Coast Guard personnel to enter into and stay in the Marine Safety community.

Develop meaningful measures that are not global but rather truly reflect the value of preventing groundings, for example, vs. responding to the people put in peril.