

Key Issues Impacting Ports

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Alliance of the Ports of Canada, the Caribbean, Latin America and the United States

Seaports
Deliver
Prosperity

American Association of Port Authorities
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American Association of Port Authorities

Representing Seaports of the Western Hemisphere for 100 years!

- 130 members from throughout the **Western Hemisphere**
- AAPA provides a space for collaboration and exchange of best practices
- Fostering collaboration among members and allied groups. We do this through:
 - Education and Training, PPM
 - Networking and one on one interaction
 - Legislative and Policy support
 - Outreach



Seaport Industry Overview

Committed to Keeping Seaports Navigable/Secure/Sustainable

- For centuries seaports have been an economic lifeline connecting us to the rest of the world
- Seaports help build and grow international trade; strengthening local and international economies
- Seaports provide high paying jobs and increase standard of living



Ports: A Vibrant Part of our Economy

- Cities were built around seaports because the water provided an efficient method of moving goods.
- Over time these ports and their cities and surrounding communities became important economic drivers by facilitating trade and generating economic vitality.
- Today more than ever, seaports continue to be a critical link for access to the global marketplace.
- Seaports are at the center of trade and transportation.



The Role that Seaports Play to the Economy Cannot be Overstated

- Nearly everything we buy or consume – everything from the clothes we wear, to the foods we eat, to the coffee we start our day with – comes to us on a ship, through one of our seaports.
- In turn, nearly everything sold in the global marketplace makes its way there via seaports. This includes valuable domestic commodities like machinery, steel and building materials.



The Role of Seaports

- Today, as we confront a host of international challenges – a tenuous economy, more trading opportunities, the panama canal expansion, population growth, trade growth – there is a clear and critical role for our ports.
- Ports are dynamic, vibrant centers of trade and commerce, but what's most important to understand is that **seaports are partnerships**.
- Ports in the Western Hemisphere are investing billions of dollars every year to modernize and expand their infrastructure.
- Public sector/government investment is critical to maintaining/updating connecting infrastructure but these investments lag.
- Modern, navigable seaports are vital to international commerce, economic prosperity and must be a priority, even in these times of fiscal restraint and other challenges.

While Economic Growth has been a Challenge, There is a Bright Side...

- Ports in Western Hemisphere pushing ahead with capital expansion programs
- Expansion creates jobs and new business opportunities
- New demand for goods in China and other countries.
- New trade agreements with Colombia, Panama, and South Korea
- Panama making significant investments in the Canal Expansion
- Canada investing in infrastructure through the Gateways Initiatives



In the United States an Increase in Exports

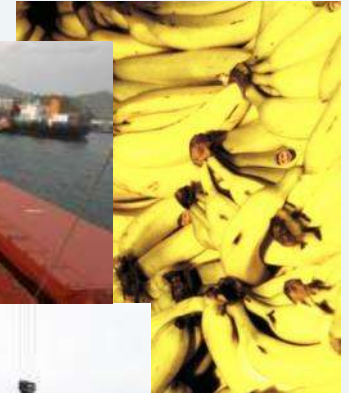
“We will double our exports over the next five years, an increase that will support two million jobs in America.”

— President Barack Obama

- Every \$1 billion in exports creates 15,000 jobs
- AAPA and the Department of Commerce signed a Memorandum of Intent titled “Partnership with America’s Seaports to Further the National Export Initiative”

Seaport Activity can be a Key Economic Driver in the U.S if Investments are Made

- Cargo moving through ports generates 13 million jobs
- Over one quarter of U.S. Gross Domestic Product accounted for by international trade
- 99% of overseas trade goes through America's seaports
- Port activity generates over \$200 billion in federal, state and local tax revenues



Challenges to Meeting Trade Demands

Existing transportation programs do not adequately address goods movement!

- AAPA policy focuses heavily on improving port infrastructure and connections through greater investment in:
 - ✓ Federal navigation channels and marine highways
 - ✓ Port, road and rail infrastructure
- Without these investments we cannot accommodate trade growth, population growth, increasing vessel size, etc.

Landside Access

- In the U.S. pending Surface Transportation Legislation overdue: Ports advocating for greater focus on freight transportation

Waterside Access

- Federal navigation channels not being maintained at authorized dimensions
- The federal government does not fully utilize the Harbor Maintenance Tax (HMT) for its intended purpose and critical dredging needs have been neglected. (only half the required dredging is done)
- **The Budget Resolution recognized dredging needs**

Navigation Channels Need Deepening



- **With ships getting increasingly larger, dredging deep-draft navigation channels is critical. Some ports are ready/ many are not.**
- **Need to increase navigation channel deepening & widening investments to help keep U.S. globally competitive**
- **Without deeper channels we cannot take advantage of new export opportunities**

What Can We Do?

We must emphasize the value of seaports...

- Need for big picture messages and more global understanding of seaports as vital part of the economy
- AAPA's "Seaports Deliver Prosperity" hemispheric campaign lends credibility, cachet to individual port efforts



We must educate....

- A better public understanding of seaports = more support = more infrastructure investment, trade and local collaboration
- Improvements to infrastructure in and connections to seaports are an essential/effective utilization of limited resources
- Landside and waterside access must be a higher priority as it pays dividends in terms of jobs, economic growth, international competitiveness and tax revenues