The Critical Role of Seaports

How Seaports are Keeping the Economy Moving
Overview

• AAPA
• Port Basics, Governance and Operations
• Ports as Economic Generators
• Goods Movement
• Infrastructure
• Trade
• Environment
American Association of Port Authorities

AAPA was established in 1912

- Since that time AAPA has been providing a space for collaboration and exchange of best practices among members
- Voice of the Port Industry
  - Advocacy & Outreach
    influence policies that shape our future
- Fostering partnerships with allied groups
What is the Purpose of a Port?

Ports deliver vital goods and services to consumers, ship exports, create jobs and support local and national economic growth. Seaports are a critical link in global transportation infrastructure, whose leaders share a commitment to sustainability, clean energy, and the health of coastal ecosystems.
Ports are Economic Generators

- Port cargo activities supports nearly 31 million American jobs and generate $378.1 billion in federal, state and local tax revenue each year.
- The annual economic value related to all this cargo and passenger activity is $5.4 trillion, representing over one quarter of the U.S. economy.
- In 2015, America’s seaports moved 1.4 billion metric tons of overseas cargo, worth nearly $1.75 trillion, and handled over 900 million metric tons of domestic cargo, worth over $400 billion. That’s about $6 billion worth of goods every day.
- Seaports are vital freight gateways to the global marketplace.
“If you have seen one port, you have seen one port...”
How are Seaports Governed?

- Vary in structure from country to country
- Serve the public interest
Port Operating Styles: Landlord, Operating or Mixed
The International Supply Chain Network is Vast and Complicated...

It’s a long way from point A to point B.
Seaports are a Critical Link to the Supply Chain
ILLUSTRATIVE EXAMPLES OF PORT-RELATED INVESTMENT NEEDS

LEGEND: INFRASTRUCTURE PROJECTS BY TYPE

- BRIDGE
- RAIL
- ROAD
- TUNNEL
- MULTIMODAL
- WATERSIDE DEEPENING
- MODERNIZATION

- $10.1 BILLION
  Port of Los Angeles
  I-710 Gateway

- $445 MILLION
  Port of Baltimore
  Howard Street Tunnel

- $100 MILLION
  Port of Fort Arthur
  Regional On-Dock Rail Project

- UP TO $11 BILLION
  Port of New York/New Jersey
  Cross Harbor Rail Tunnel

- $1.5 BILLION
  Alabama State Port Authority
  Mobile River Bridge

- $54 MILLION
  Port of Pascagoula
  Mississippi Rail Relocation / Marine Terminal Project

- $60 MILLION
  Port of Corpus Christi
  Repair Bridges and Tracks

- $36.5 MILLION
  Port of Everett
  41st Street/Rucker Avenue
  Freight Corridor

- UNDER CONSTRUCTION
  $973 MILLION
  Port of Savannah

- AUTHORIZED
  $311 MILLION
  Port of Boston

- UNDER STUDY
  $53 MILLION
  Port of Seattle

THE UNIFIED VOICE OF AMERICA’S SEAPORTS
WE DELIVER PROSPERITY

www.aapa-ports.org
Ports and Private Sector Partners Making Significant Investments

- $31 Billion investments annually
- Investment gap = $43 Billion by 2040
Lots of Talk About an Infrastructure Package

$66 Billion in Needs
$32.08 BILLION FOR INVESTMENTS TO:

BUILD VITAL ROAD AND RAIL CONNECTORS TO PORTS
$29.8 Billion Needed
• Provide robust funding for federal programs to modernize landside port connectors

IMPROVE PORT FACILITY INFRASTRUCTURE
$3.13 Billion Needed
• New $293 million port infrastructure grant program for FY 2019
• Provide $1.25 billion annually to the U.S. DOT BUILD program, with 25% dedicated to port related infrastructure
• Fully fund FEMA’s Port Security Grant Program, which provides funds for transportation infrastructure security activities at American ports.
Waterside Needs...

WATERSIDE
$33.8 BILLION FOR INVESTMENTS TO:

MAINTAIN DEEP-DRAFT NAVIGATION CHANNELS
$27.6 BILLION NEEDED
- $18.6 billion for full use of annual Harbor Maintenance Tax (HMT) revenues, including increasing donor equity
- $9 billion to use the HMT surplus to address the chronic maintenance backlog
- Restore tax fairness to the HMT

MODERNIZE DEEP-DRAFT NAVIGATION CHANNELS
$6.2 BILLION NEEDED
- $3.1 billion for federal share of 15 current congressionally authorized construction channel improvements
- $3.1 billion for federal share of projects undergoing feasibility studies
Future Proofing Ports

Ports are taking the necessary steps to develop resources and solutions that are adaptable. Technology is an integral part of these solutions:

- Connectivity – Digitization of Data
- Resiliency – Port Operations/Energy/Telecommunications
- Cyber Security – Internet of Things
The Global Marketplace

With today’s global supply chain, manufacturers, farmers and businesses rely on ports & connecting infrastructure more than ever to handle the raw materials and semi-finished components needed for production, and to be able to export their products and enhance their international competitiveness.
PORTS on TRADE

- Support efforts to emphasize the importance of trade to the economy
- Support continued U.S. participation in negotiations to expand trade on a fair & equitable basis
- Strengthen ability to expand exports rather than new import restrictions
- Encourage consideration of economic/job impacts on seaport communities prior to imposing any sanctions on imports
PORTS AND SECURITY

• Port are international borders and must be secure
• Security is a huge priority for our ports and our partners such as DHS and Coast Guard
• Critical to secure both cargo and passengers
• Securing against terrorism and cybersecurity attacks
Ports are Stewards of the Coastal Environment
THANK YOU!