

# **SUMMARY OF THE MARITIME ACTION PLAN**

**Prepared by the American Shipbuilding Suppliers Associations**

## **INTRODUCTION TO AMERICA'S MARITIME ACTION PLAN**

The United States aims to revitalize its maritime industry through strategic investments and reforms to enhance shipbuilding capacity and national security.

- The plan is driven by President Trump's vision for a Maritime Golden Age.
- The U.S. currently builds less than 1% of new commercial ships globally.
- The Maritime Industrial Base (MIB) has weakened due to underinvestment and regulatory burdens.
- Executive Order 14269 initiated the development of the Maritime Action Plan (MAP) to rejuvenate the MIB.
- The MAP involves multiple federal agencies and aims to modernize procurement processes and streamline regulations.

## **REBUILDING US SHIPBUILDING CAPACITY AND CAPABILITIES**

The U.S. seeks to restore its shipbuilding capacity to ensure national security and economic self-sufficiency.

- The U.S. has only eight shipyards capable of building vessels over 400 feet.
- There is a need for coordinated action across procurement policy, capital investment, and workforce development.
- The shipbuilding industry faces skilled labor shortages and supply chain vulnerabilities.
- Recommended actions include increasing domestic shipbuilding capacity, incentivizing investment, and modernizing shipyard infrastructure.

## **INCREASING DOMESTIC SHIPBUILDING CAPACITY**

Enhancing domestic shipbuilding capacity is essential for national security and economic resilience.

- The U.S. shipbuilding industry is limited, with only eight shipyards for large vessels.
- High initial capital costs deter new shipyards, and existing ones lack incentives for innovation.
- Skilled labor shortages and procurement inefficiencies hinder growth.
- Recommended actions include investing in shipyard upgrades, leveraging federal resources, and improving planning and design efforts.

## **INCENTIVIZING INVESTMENT IN US SHIPYARDS**

New actions are necessary to strengthen U.S. maritime infrastructure and attract investment.

- The establishment of a Shipbuilding Financial Incentives Program is proposed to stimulate private investment.
- Bilateral and multilateral public-private partnerships (PPPs) can enhance economic development.
- Recommended actions include modernizing the Federal Ship Financing Program and creating a Maritime Incentives Coalition.

## **ESTABLISHING MARITIME PROSPERITY ZONES**

Maritime Prosperity Zones (MPZs) will catalyze investment and workforce growth in the maritime sector.

- MPZs will leverage domestic and allied investment in maritime industries.
- The Secretary of Commerce will oversee the selection of MPZs, with a goal of designating 100 zones.
- Recommended actions include ensuring geographic diversity and extending MPZ eligibility to maritime supply chain entities.

## **ADDRESSING SUPPLY AND DEMAND ISSUES**

The U.S. maritime industry faces significant supply and demand gaps that need to be addressed.

- Decades of decline have eroded shipbuilding capacity and the U.S.-flagged fleet.
- Existing federal programs can be utilized more effectively to support the maritime industry.
- Recommended actions include increasing federal financing, stimulating U.S.-flag fleet growth, and delivering regulatory relief.

## **LEVERAGING INTERNATIONAL AND INDUSTRY PARTNERSHIPS**

International partnerships are crucial for strengthening the U.S. maritime sector and enhancing investment.

- Close coordination with allies will align trade policies to support U.S. shipbuilding.
- The U.S. Trade Representative is engaged in securing commitments related to shipping and shipbuilding.
- Recommended actions include leveraging economic diplomacy and encouraging bilateral agreements to enhance investment.

## **REFORMING WORKFORCE EDUCATION AND TRAINING**

A robust maritime workforce is essential for expanding the U.S. flagged fleet and meeting national security needs.

- Expansion of mariner training and education is necessary to address workforce challenges.
- The U.S. Merchant Marine Academy requires modernization to support training efforts.
- Recommended actions include improving credentialing processes, increasing stakeholder coordination, and establishing a Mariner Incentive Program.

## **EXPANDING MARITIME WORKFORCE CAPACITIES**

The U.S. aims to enhance its maritime workforce through various educational and training initiatives.

- Collaborate with State Maritime Academies (SMAs) to increase enrollment in maritime majors with officer endorsements.
- Increase funding for the Center of Excellence for Domestic Maritime Workforce Training and Education.
- Maximize military training credits for transitioning service members to obtain Merchant Mariner Credentials (MMCs).
- Streamline regulatory processes to simplify mariner credentialing and training requirements.

## **MODERNIZING THE U.S. MERCHANT MARINE ACADEMY**

The U.S. Merchant Marine Academy (USMMA) requires urgent modernization to maintain its training capabilities.

- Address significant deferred maintenance issues on the Kings Point campus.
- Implement a long-term Master Facility Plan for critical repairs and upgrades.
- Enhance facilities to accommodate a projected 20% increase in student enrollment and a 30% increase in faculty positions.

## **SUPPORTING STATE MARITIME ACADEMIES**

State Maritime Academies (SMAs) play a crucial role in maritime education and require adequate support.

- Review existing federal and state support for SMAs, including financial assistance and training vessel access.
- Evaluate the sufficiency of funding for programs that ensure a steady supply of merchant mariners.

## **ENHANCING TRAINING CAPABILITIES IN MARITIME INDUSTRY**

The U.S. maritime industry faces labor shortages that necessitate improved training capabilities.

- Inventory existing training programs and workforce initiatives to identify gaps.
- Scale proven accelerated training models to increase throughput and expand training opportunities.
- Grow Additive Manufacturing Centers of Excellence to enhance regional training hubs.

## **PROTECTING THE MARITIME INDUSTRIAL BASE**

Strengthening the Maritime Industrial Base (MIB) is essential for national security and economic resilience.

- Implement a new United States Maritime Preference Requirement to increase the use of U.S.-flagged vessels.
- Establish a Land Port Maintenance Tax to level the playing field between land and maritime ports.
- Streamline government procurement processes to enhance efficiency and reduce costs.

## **NATIONAL SECURITY AND ECONOMIC RESILIENCE**

A robust maritime industry is vital for U.S. national security and economic stability.

- Increase the fleet of U.S.-flagged commercial vessels to ensure military logistics and supply chain sustainability.
- Establish a Maritime Security Trust Fund for consistent investment in shipbuilding and workforce development.
- Prioritize the recapitalization of government-owned sealift vessels to maintain readiness.

## **LEGISLATIVE PROPOSALS FOR MARITIME STRENGTH**

Comprehensive legislative efforts are needed to restore America's maritime dominance.

- Propose the Shipbuilding and Harbor Infrastructure for Prosperity and Security Act to address vulnerabilities in the maritime sector.
- Create a Maritime Security Trust Fund to support maritime programs.
- Establish national maritime scholarships to enhance training opportunities for students in maritime fields.

## **PROTECTING THE U.S. SHIPBUILDING SUPPLIER BASE**

The document outlines several measures to protect and strengthen the U.S. shipbuilding supplier base. Key actions include:

### **1. Increase Domestic Capacity for Critical Components:**

- Develop domestic capacity for critical components such as large marine engines, reduction gears, propulsion shafts, propellers, forgings and castings, high-strength steels, and advanced electronics.
- Reduce sole-source dependencies and foreign reliance by creating secondary suppliers and shortening lead times.
- Invest in domestic raw-material processing for strategic alloys and critical minerals.

### **2. Supplier Development Investments:**

- Support vendor qualification programs and vendor-activation grants to create secondary suppliers and reduce production lead times.
- Pair supplier investments with procurement commitments and qualification roadmaps to ensure a viable business case for private investment.

### **3. Improve Supply Chain Resilience:**

- Diversify the supply chain to lower the impact of single supplier or regional disruptions.
- Encourage original equipment manufacturers (OEMs) to outsource to other domestic shipyards when they exceed their own capacity.

#### **4. Enforce Domestic Content Price Incentives:**

- Enforce proper Product and Service Codes (PSC) for Federal procurement to incentivize domestic producers over foreign Trade Agreement Act (TAA) producers for items included in the maritime industrial base.

These actions aim to reduce vulnerabilities, enhance resilience, and ensure the U.S. shipbuilding supplier base can support national defense and economic security.