

**Agreed Minutes of**  
**the 6<sup>th</sup> Republic of Korea – United States**  
**Maritime Bilateral Meeting**  
**August 29, 2022**

Delegations from The Ministry of Oceans and Fisheries of the Republic of Korea (ROK) and the Maritime Administration of the United States of America (U.S.) held the 2022 bilateral maritime consultation at the U.S. Maritime Administration in Washington, DC, on August 29, 2022. The ROK Delegation was led by Director General of the Shipping and Logistics Bureau Hyunsoo Yoon and the U.S delegation was led by the Maritime Administrator, Ann Phillips, Rear Admiral, U.S. Navy (Ret.).

The Korean delegation included representatives from the Ministry of Ocean and Fisheries (MOF), Republic of Korea Embassy, Korea Shipping Association (KSA), Asia-Pacific Economic Cooperation Seafarer's Network (APEC SEN), and the Korean maritime industry. The U.S. delegation included representatives from the Maritime Administration (MARAD), Federal Maritime Administration (FMC), U.S Department of State (DOS), and U.S. Department of Energy (DOE). Both Delegations shared discussion about various important topics including National Maritime Strategy, Bipartisan Infrastructure Law (BIL), Port Congestion, as well as areas of future cooperation.

The first agenda item was a discussion about the shipping policies between both countries. The Republic of Korea led off this discussion. The ROK delegation reported their policies on shipping and ports. With regard to green shipping policy, ROK is supporting the development of core technology to create eco-friendly ships. Special Act on Port Air Quality Improvement, Emission Control Area, and Vessel Speed Reduction programs were also introduced.

Plans for expanding port infrastructure were also noted. ROK plans to gradually expand container terminals at Busan New Port by investing approximately \$11 billion USD by 2040. ROK also plans to foster Incheon Port as a logistics hub, Gwangyang Port as a port industry cluster, and Ulsan Port as an energy hub.

The U.S delegation outlined the Administration Priorities and the Department of Transportation Strategic Plan. The Strategic Plan includes actions to improve infrastructure at coastal ports, inland ports, and waterways to strengthen our national supply chain. The main priorities of the Strategic Plan are:

- 1) Safety – America will repair, rebuild, and modernize our transportation system, with a particular focus on climate change mitigation, resilience, equity, and safety for all users;
- 2) Climate and Sustainability – America will substantially reduce greenhouse gas emissions and build more resilient and sustainable transportation systems to benefit and protect communities;
- 3) Economic Strength and Global Competitiveness - America will invest in our transportation system to provide American workers and businesses reliable and efficient access to resources, markets, and good-paying jobs;
- 4) Transformation – Equity - investing in purpose-driven research and innovation to meet the challenges of the present, modernize a transportation system of the future, and reduce inequities; and
- 5) Organizational Excellence – Continuing to foster an inclusive and innovative culture.

The DOT Strategic Plan will help modernize America’s infrastructure to deliver a safer, cleaner, and more equitable transportation system in the United States.

The U.S also spoke about the Port & Waterways funding under the Bipartisan Infrastructure Law (BIL), that President Biden signed in November 2021. The BIL delivers a once-in-a-generation \$1.2 trillion investment in our nation’s infrastructure and competitiveness. The BIL also designates \$25 million this year to the America’s Marine Highways Program (AMHP).

The U.S delegation also noted that President Biden, in February 2021, signed an Executive Order on Supply Chains to strengthen the resilience of America’s supply chains. An assessment was conducted that identified 5 areas where the U.S. government must help ensure long-term sustainment of America’s supply chains. Infrastructure Investment, Planning and Technical Assistance, Research and Data, Rules and Regulations, and Coordination and Partnerships.

U.S. Current Issues was the next topic of the conversation led by U.S. Federal Maritime Commission (FMC). After providing a brief history and background on the FMC, the FMC summarized its authorities to ensure a competitive and reliable international ocean transportation supply system that supports the U.S. economy and protects the public from unfair and deceptive practices. Specifically, the Commission detailed its authority to evaluate and monitor the use of various carrier and marine terminal agreements for anticompetitive effects. In addition, the FMC reported that it investigates and hears complaints brought by

shippers alleging potential violations of the Shipping Act of 1984, as amended, such as unjust or unreasonable demurrage or detention charges against import and export shippers.

The U.S. delegation reported that President Biden, in June 2022, signed the Ocean Shipping Reform Act of 2022, to level the playing field for American exporters and importers and provided the FMC with more authorities to conduct oversight of international ocean carriers, eliminate unfair charges, prevent unreasonable denial of American exports, and address other unfair practices harming American businesses and consumers. The FMC communicated its commitment to transparency and public participation as it moves to meet the requirements of the new law. In addition, the FMC summarized its Maritime Transportation Data Initiative, which seeks to identify key gaps in data definitions and classifications and its plan to issue recommendations for common data standards and access policies.

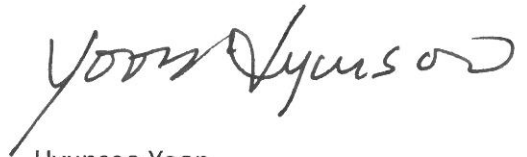
The ROK and the U.S both shared that they are experiencing difficulties within their ports. The U.S noted that the International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) released a statement on June 14, 2022, that they were continuing to negotiate and that both sides remained committed to reaching a new agreement. It was also noted that despite the expiration of the old agreement on July 1<sup>st</sup>, 2022, negotiations continued and there have been no reported labor stoppages since the contract expired.

The next agenda item was Possible Areas of Cooperation. The U.S. and ROK both agreed that women's empowerment is a key component in the future. U.S. talked about EMBARC - Every Mariner Builds A Respectful Culture and how the U.S. and ROK are both currently dealing with assault, harassment and bullying in the industry that has put a priority on culture change. The U.S and ROK also both agreed mariner training is a priority and it has become clear that the challenges at various ports, some of which have existed for years, require dedicated focus by experienced, senior leadership to drive toward outcomes that will reduce congestion and improve operations.

The United States and ROK discussed the importance of urgent action to reduce greenhouse gas emissions from the international shipping sector. In that regard, the United States and ROK agreed on the need for the International Maritime Organization (IMO) to adopt a goal of zero greenhouse gas emissions for the sector by 2050 in the context of the revision of the Initial IMO Greenhouse Gas Strategy. The two countries also agreed to explore the establishment of “green shipping corridors” – defined as maritime routes that showcase low- and zero-emission lifecycle fuels and technologies with the ambition to achieve zero greenhouse gas emissions across all aspects of the corridor in support of sector-wide decarbonization no later than 2050 - between ports located in the United States and ROK. The U.S. also expressed its gratitude for ROK’s support of the Green Shipping Challenge, which will be launched at COP-27 in Sharm el-Sheikh, Egypt.



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