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Controversial changes to federal grant awards on the way

Strong termination language could disincentivize port projects

The Delaware River port community is no stranger to the federal grant landscape. Various federal agencies, including the Department of Transportation, MARAD, and FEMA have funded beneficial port projects throughout the port complex, including those for the Maritime Exchange. But a proposed rule under federal review may change how the award and funding processes are handled.

On May 29, 2026, the Office of Management and Budget (OMB) proposed a rule that could change how federal agencies manage and award grants, giving them broader authority to deny or terminate awards. The proposed rule codifies several executive orders, particularly Executive Order 14332, "Improving Oversight of Federal Grantmaking," issued on August 7, 2025.

Among the many modifications, the proposed rule changes C.F.R. Part 200 from "guidance" to a binding OMB regulation. This is significant as participating agencies would be forced to adopt the OMB modifications rather than consider them as guidance for their own rulemakings. This equally applies to OMB grant regulation amendments going forward.

Next, and probably one of the more controversial changes, requires that senior political appointees must review all discretionary awards—competitive grants—to ensure they "demonstrably advance the President's policy priorities," and are not used for discriminatory or impermissible purposes. Until now, the award process has relied on peer review and subject matter review panels to assess the technical merit of proposed projects. While this will continue, the political appointee review excludes consultation with subject matter experts and could deny grant applications based on perceived deviation from the current administration's priorities.

For the port industry, one of the biggest hurdles in the new rule is the strong discretionary termination language. The rule would allow agencies to terminate any award at any time based on, among other things, changing policy priorities and national interest. It would also give agencies power to suspend awards for 90 days while termination deliberations are conducted.

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Port leaders congratulate CAPT Higgins-Bloom



Following the Sector Delaware Bay Change of Command Ceremony, port leaders from the Delaware River congratulated CAPT Kate Higgins-Bloom and wished her well before she reports to Coast Guard Headquarters to serve as the Force Design Implementation Team Leader. The Exchange thanks CAPT Higgins-Bloom for her service and knows she will do great things in her new role. Shown here are (l-r) Michael Cureton, Port Manager at Norton Lilly International; George McCarthy, President of the Maritime Exchange; John Reynolds, Chairman of Maritime Exchange; CAPT Higgins-Bloom, outgoing Commander, USCG Sector Delaware Bay, Captain David Cuff, President of the Pilots' Association for the Bay and River Delaware; and Captain Drew Hodgens, Vice President of the Pilots' Association for the Bay and River Delaware and Mariners' Advisory Committee Chairman.

Philaport named in the top 50 ports globally

The 2025 Container Port Productivity Index (CPPI), published by the World Bank and Standard & Poor's (S&P), named PhilaPort the most productive container port in the United States. Widely recognized as the premier global benchmark for container port efficiency, the CPPI evaluates ports based on operational performance metrics that measure how effectively cargo moves through terminals.

In 2025, container cargo activity through PhilaPort supported more than 8,000 direct, indirect, and induced jobs, generated more than \$905

million in labor income, and contributed nearly \$1.2 billion in economic output throughout Pennsylvania. The ranking marks the third consecutive year that PhilaPort has earned the top position among U.S. ports.

"Strategic investments by the Commonwealth of Pennsylvania in port facilities and transportation infrastructure continue to deliver results," said PhilaPort Board Chair Michael Pearson. "Shippers and ocean carriers depend on cargo moving safely, efficiently, and reliably. This recognition confirms that PhilaPort delivers that performance better than any other

port in the nation."

PhilaPort was the only U.S. port ranked among the CPPI's Global Top 50, ranking 48th worldwide and second overall in North America. The port was also the only U.S. port to place among the Top 20 for performance improvement between 2020 and 2025.

"The credit for this achievement belongs to our dedicated waterfront workforce, our terminal operators, and the entire PhilaPort team," said Richard Lazer, Executive Director and Chief Executive Officer of Phila-

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Interview with

Martina White

**PA State Representative
for the 170th District**



Rep. Martina White, a financial advisor and lifelong resident of Northeast Philadelphia, was first elected in 2015 in a special election to fill an open seat in the 170th District. She became the first new Republican elected in Philadelphia in 25 years. Martina has worked on various issues including being a consistent advocate for the Delaware River maritime industry. Martina was elected by her legislative peers to serve as the House Republican Caucus Chairman.

Q: The Commonwealth of Pennsylvania has an abundance of liquefied natural gas and the demand in the U.S. and abroad is growing for this commodity. What steps can the port community take and/or how do we position ourselves to take advantage of this emerging market?

A: Pennsylvania has tremendous natural-gas resources, but Southeast Pennsylvania has not fully shared in the economic growth that resource has created. Developing the infrastructure needed to move Pennsylvania energy to domestic and global markets could help change that.

We can work together to attract the private investment and infrastructure needed to connect Pennsylvania natural gas to markets around the world. That means having a competitive permitting and regulatory environment, strengthening the connection between our energy and maritime industries, and making clear that Pennsylvania is open for this investment.

If we get it right, energy development can support jobs and investment in the Philadelphia region while expanding market opportunities for Pennsylvania-produced natural gas.

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Lies, damned lies, and statistics

Samuel Langhorne Clemens (Mark Twain) did not actually coin the phrase “lies, damned lies, and statistics.” In his “My Autobiography” dictated in 1904, Twain wrote, “Figures often beguile me, particularly when I have the arranging of them myself, in which case the remark attributed to [United Kingdom Prime Minister Benjamin] Disraeli would often apply with justice and force: ‘There are three kinds of lies: lies, damned lies, and statistics.’”

Specific to the current times, it is becoming increasingly difficult to know the truths in the world of global trade and ocean shipping. The Strait of Hormuz is alternately open, closed, partially open, safe, two ships struck, you must pay a fee, fees are illegal, stay south, hug the north side, etc. Another area undergoing a daily battle of conflicting truths is the matter of Jones Act waivers. They are necessary, they

are ridiculous, they benefit everyone, they are costing maritime jobs, gas at the pump is made cheaper, gas prices have not changed. And of course, is today’s tariff tomorrow’s lawsuit? It can be hard to know anymore what is fact and what is fiction.

Changes occurring too rapidly can often chip away at our ability to believe in anything amidst the “fog of trade.” Any long-term planning is thus simply placed on hold.

These complications of the current global situation are only compounded by an ever-changing U.S. regulatory environment making it near impossible to feel confident with any thought of grants for new cranes, expanding terminals, investing in electric vehicles, etc. Two such examples of regulatory change detailed in this Beacon issue, are the proposed drastic changes to the Office of Management and Budget (OMB) Grants and the proposed U.S. Customs Enforcement changes.

Amidst all this churn, an unofficial motto frequently overheard in U.S. military circles during times of drastic change comes to mind. “Semper Gumby,” that one should try and remain “Always Flexible.” Perhaps that is the key to keeping one’s head on straight. (Google “Gumby” if you are lost with this one).

Regardless of the sweeping changes around us, for those of us who make our living from

the waters, one “statistic” continues to hold true: water transport (ships and barges) remain the cheapest mode of freight transportation, followed by rail, trucks, and air freight in that order. Shipping remains cheapest on a per ton-mile cost basis. Well, in truth, maybe the second cheapest....as pipelines are really the cheapest means of transport albeit a bit limited in their accepting only liquids.

The Delaware River and all of those who continue to support its maritime trade should remain very proud and confident of all that, together, we continue to achieve despite the current storms of confusion. This as clearly demonstrated by Philaport’s recently being once again, named one of the world’s top 50 ports (see enclosed article).

In closing out this particular Logbook entry, on a separate but somewhat related note, this author is reminded that Mark Twain referenced the above famous line while reflecting on how numbers misled his own perception of his writing productivity over time, which “statistically” was decreasing as he aged. We feel the same at the Exchange each time we undertake to productively draft up the next Beacon.

George E. McCarthy

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President directs sweeping Customs enforcement changes

The transportation industry is poised for significant changes to U.S. Customs and Border Protection trade enforcement. On June 3, 2026, President Trump issued an Executive Order to overhaul U.S. trade rules by targeting Importer of Record (IOR) eligibility, foreign entity restrictions, and penalty floors. The directive instructs the Department of Homeland Security and CBP to close compliance loopholes and prevent duty evasion.

Among the many directives, the order will further restrict and require additional compliance measures from IORs. CBP will mandate that IORs be designated for all formal entries, expect they maintain a minimum level of tangible domestic assets, bonding, or both, and report additional data and identification information, including anticipated import volumes, year organized, ownership and beneficial ownership disclosures, business affiliation and domestic asset disclosures, and any other data that CBP deems necessary.

Foreign IORs will be prohibited from filing informal entries—a simplified import process used for low-value goods, featuring fewer paperwork requirements and no surety bond. The order also prohibits foreign IORs from importing under a continuous bond unless it has demonstrated that the revenue would be fully protected, compliance would be assured, and the IOR is validated in CBP’s Customs Trade Partnership Against Terrorism (CTPAT) program. CBP will require all IORs to maintain “good standing” with the agency, based on history of compliance, payments, and other considerations.

The Order clearly defines the differences between U.S. and Foreign Imports of Record. A U.S. IOR is de-

fined as a U.S. citizen, a lawful permanent resident, or an entity organized under the laws of the U.S., it is located in the states, and has at all times controlling beneficial owner(s) who are U.S. citizens or lawful permanent residents.

As one of the more financially impactful measures, the President ordered CBP to revise penalty policies that limit mitigation thresholds to hold IORs to a minimum of 50% of an assessed penalty absent exceptional circumstances that materially impact national security, establish a minimum liquidated damages floor, and eliminate mitigation for repeat offenders.

This order could have significant financial implications for the business community, as it will limit CBP’s discretion to reduce or eliminate penalties. Given the minimum mandate, it is unclear what, if any, authority CBP will maintain to eliminate erroneously assessed penalties or to mitigate minor fines.

The changes are broad and sweeping and will obviously not happen overnight. CBP has 180 days from issuance of the Order to comply, and the Secretary of Homeland Security has 45 days to develop recommendations on legislation to strengthen customs enforcement.

Although some of the changes are expected to be implemented under existing CBP authority, others may necessitate a federal rulemaking process. Regardless, the enhanced enforcement posture dictated by the Administration will certainly have significant operational and financial implications for many in the supply chain.



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PhilaPort holds grand opening of Cruise Terminal

With passengers boarding “Norwegian Jewel” in the background, PhilaPort Executive Director and CEO Rich Lazer welcomed the port community to the official opening of the PhilaPort Cruise Terminal on August 27, 2026. Norwegian Cruise Line’s regular service to Bermuda, New England and Canada marks the return of the cruise business to Philadelphia since it ended in 2011.

Members of the port community were invited to witness the official

opening of the new facility at Hog Island adjacent to the Philadelphia International Airport while passengers boarded. Winter weather had delayed the terminal’s opening scheduled for earlier in the year, but PhilaPort and Norwegian Cruise Line were able to start the season in April, operating from a temporary site.

The “Norwegian Jewel,” which has a 2,300 guest capacity, is bound for Bermuda on a 9-night sailing

and served as the backckdrop for the ceremony. In September, the cruise line will begin service to New England and Canada with stops in Boston, Bar Harbor, Halifax, Saguenay, Charlottetown and Quebec City.

The new cruise service is expected to generate over 2,000 direct and indirect jobs and approximately \$300 million in annual economic output throughout the Commonwealth.



PhilaPort Executive Director and CEO Rich Lazer provided welcoming remarks to attendees of the cruise terminal’s grand opening.

Rep. White Honors Exchange at the state capitol



Pennsylvania State Representative and friend of the port Martina White presented a citation to Exchange President George McCarthy and CAO Michael Fink on the floor of the House at the Harrisburg State Capitol building on June 23, 2026. The citation celebrates the Exchange’s 150 years of service and acknowledges the service and economic value that the Exchange brings to Commonwealth of Pennsylvania. The Exchange Board of Directors and staff sincerely thank Rep. White and co-sponsor State Representative MaryLouise Isaacson for this honor and their continued support of the Delaware River maritime business community.

Mid-year vessel counts holding strong

Looking at the numbers, January and February both showed double-digit declines year over year, with freezing temperatures and ice buildup impacting operations throughout the region, prompting the shipping community to wonder if this would be the trend. Despite a rocky start, the mid-year review of commercial cargo vessels to the Delaware River exceeded last year for the same period. The total six-month vessel arrival count came in at 673, an 8% increase compared to 2025.

“This is the second highest mid-year count in the last ten years,” said Paul Myhre, Director of Operations at the Maritime Exchange.

While overall vessel counts increased, metric tons moving in and out of the region dropped from approximately 19 million to 18 million, while total value increased from \$77.1 million to \$101.2 million. “The disparity between the number of vessels

and tonnage is due in part to the start of the cruise service,” Myhre said. “Norwegian Cruise Lines is bringing weekly vessels into the region handling roughly between 17,000 and 19,000 passengers per month.”

In February, the U.S. Supreme Court struck down the Trump Administration’s tariffs, and regional operations followed broader national trends with U.S. container imports rebounding.

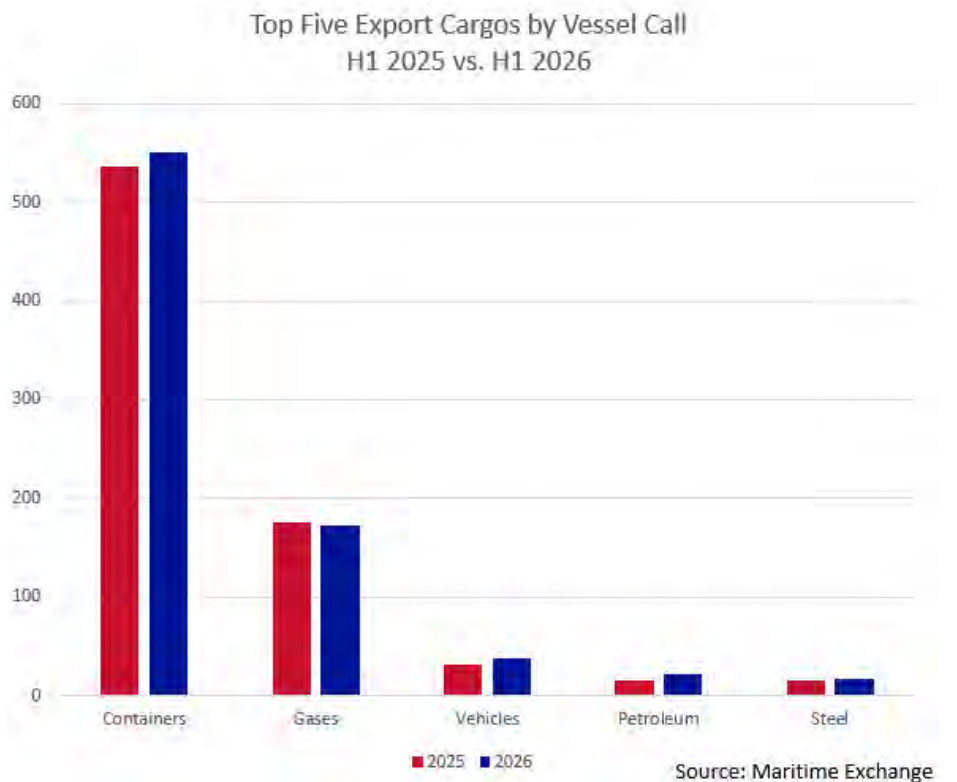
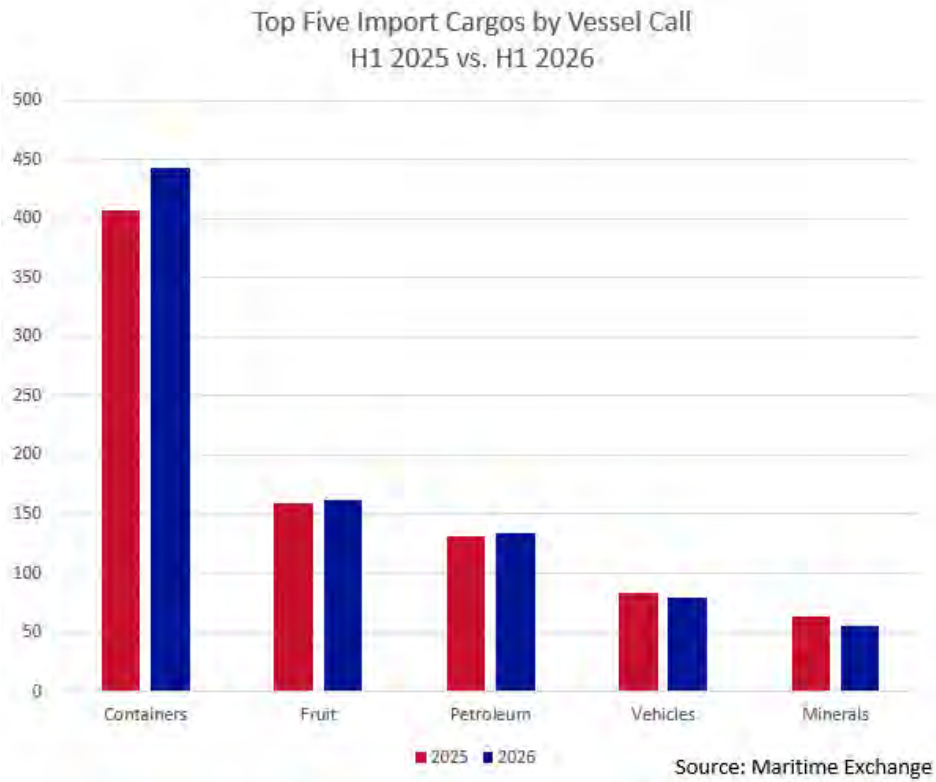
“The Delaware River port system delivered on its promises, with new services and a resolve to push through the geopolitical turmoil,” said Maritime Exchange President George McCarthy. “Maersk service increased, and the region handled its first cruise ship in fifteen years, at the PhilaPort Cruise Terminal.”

Import and export cargo realized gains year over year, with some reaching double-digit increases. Containerized imports closed strong with 443 arriv-

als, up 36 or a 9% increase over the previous year. Fruit imports increased by 3 or 2%, petroleum products by 3 or 3%, and paper goods by 10 or 59%. The total value of imported goods to the region was a little over \$92.6B, representing over 17.1M metric tons.

For exports, container vessels demonstrated the biggest increase again with 14 additional vessels, closing at 551. This was an increase of 3%. Vehicle exports increased by 6 or 19%, petroleum products up 6 or 38%, and steel products up by 1 or 6%. The total amount of exports for the region was over 776.5K tons, totaling just over \$8.6M in value.

“The markets remain somewhat in flux, with the administration working on new tariffs, the conflict with Iran still in play impacting the Strait of Hormuz, but we are optimistic the trend will continue for the remainder of the year as July surpassed last year’s arrival number as well,” McCarthy continued.





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Gearing up for the 2026-27 fruit season!



The Exchange joined Western Fumigation on a visit to Santiago, Chile to meet with trading partners in advance of the 2026-2027 grape season. While in the country, the group had a chance to visit with Frutas de Chile, the non-profit trade group representing over 270 Chilean companies, to discuss potential challenges for the upcoming season and ways to improve communication.

Shown here are (l-r) Dr. Shannon Sked, Orkin Technical at Rollins, Inc., Miguel Cea, Ag-Fume, Miguel Canala-Echeverria, Frutas de Chile, Todd Heches, Western Fumigation, Len Fodera, Western Fumigation, Michael Fink, Maritime Exchange, Christina Lista, Western Fumigation, Ivan Marambio, Frutas de Chile, Tony Fernandez, 721 Logistics, and Alvaro Aspee, Frutas de Chile.

The Delaware River contingent also met with several other trading partners while in the country, took time for a port tour in Valparaiso, and attended the Global Grape Conference, an annual convention that brings together growers, exporters, importers, retailers, and experts to discuss market trends.

Power, water, and data... oh my

A look beneath the surface at what it takes to power the world’s fastest-growing industry.

With each passing day, AI impacts our lives in new ways. While these advances are often impressive, they do not come without costs. By now, most people have heard discussions about AI’s growing resource demands, particularly those associated with data centers and large language models (LLMs). As AI adoption accelerates, it is increasingly constrained by three critical factors: electricity, water, and network infrastructure.

LLMs such as ChatGPT, Google Gemini, and Grok are estimated to consume roughly ten times more electricity than a traditional internet query, such as a Google search. Some projections suggest that data centers could account for more than 9% of total U.S. electricity consumption by 2030. To meet this growing demand, energy producers have expanded traditional generation methods, while technology companies have seen corresponding increases in their emissions footprints. Google, for example, reported that its greenhouse gas emissions increased by nearly 50% between 2019 and 2023, driven in part by the energy requirements of AI and data center expansion.

To address these challenges, major technology firms are partnering with energy producers to develop alternative energy sources, including geothermal and nuclear power. Google has collaborated with ener-

gy producer Fervo Energy to launch and operate geothermal facilities in Nevada, while Constellation Energy is investing an estimated \$1.6 billion to restart operations at Three Mile Island’s Unit 1 reactor in Pennsylvania as part of a 20-year agreement to supply power to Microsoft’s data centers.

Data centers, the physical backbone of AI systems, rely on a variety of cooling methods. Among the most effective is liquid cooling, which often depends on large volumes of clean water. Although estimates of water consumption vary widely, researchers at the University of California, Riverside, estimate that generating a 100-word response from a service such as ChatGPT can indirectly consume more than a standard bottle of water, or approximately 17.5 ounces.

As demand for AI services grows, so does the need for water to cool the infrastructure that powers them. According to a United Nations study, AI-related water consumption could approach the annual usage equivalent of 1.3 billion people by 2030. Beyond normal operating requirements, data centers require significantly more cooling during periods of extreme heat. Large facilities can already consume more than one million gallons of water on hot summer days. Over the next several years, some estimates suggest that data centers

may require as much as 1.45 billion gallons of additional peak water capacity per day, roughly equivalent to New York City’s average daily water supply. Depending on the pace of AI growth, infrastructure investments needed to support this demand could range from \$10 billion to \$58 billion.

Beyond energy and water concerns, the rapid growth of AI is also drawing renewed attention to network infrastructure and internet service policy. In the United States, internet service providers (ISPs) have long been permitted to offer consumers different connection-speed tiers, such as 300 Mbps, 500 Mbps, or 1 Gbps plans. However, paid prioritization, allowing content providers to purchase preferential treatment for their traffic, was generally prohibited under federal net neutrality rules until the Sixth Circuit Court of Appeals struck down the FCC’s *Safeguarding and Securing the Open Internet Order* in early 2025.

Prior to that decision, content providers were largely prohibited from paying ISPs for “fast-lane” access, with only limited exceptions.

Today, no federal restrictions on paid prioritization remain, and only a handful of states maintain their own rules governing the practice. The issue remains highly controversial and has been central to the U.S. net neutrality debate since the late 1990s. As AI-driven traffic continues to increase and network congestion becomes a greater concern, future policy decisions in this area could have far-reaching implications for businesses and consumers alike.

AI has already transformed many aspects of modern life, and its influence continues to grow. As the digital landscape evolves, the consequences of AI expansion will extend far beyond the screens through which most people experience it. From power grids and water systems to the networks that move data around the globe, the infrastructure supporting AI will shape communities, economies, and public policy for years to come. Whether you use AI intentionally, unintentionally, or not at all, these often-overlooked dimensions of AI growth will have lasting consequences.

Happy Birthday Coast Guard!



The Exchange joined colleagues at the Union League of Philadelphia to celebrate the U.S. Coast Guard’s 236th birthday. Following tradition, Rear Adm. John “Jay” Vann, Deputy Commander, Atlantic Area and keynote speaker cut the birthday cake with the most junior enlisted person present. Shown here at the celebration are (l-r) CAPT Roberto Rivera, Commander of Coast Guard Sector Delaware Bay, Exchange Chairman John Reynolds, Adm. Vann, Exchange President CAPT George E. McCarthy, USN (Ret.), and Pilots’ Association for the Bay & River Delaware President Capt. David Cuff.

Happy Birthday, Coast Guard and thank you for your service!

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From the Archives

Looking back at the bicentennial

In the summer of 1976, to commemorate the 200th anniversary of the founding of the United States of America, President Gerald R. Ford gave a speech outside of Independence Hall, just a few short blocks from the offices of the Maritime Exchange. Ford himself was by all rights a member of the Delaware River maritime community, having served in the U.S. Navy aboard the “USS Monterey” during World War II which was built in Camden, New Jersey and departed for the Pacific theater from Philadelphia. President Ford’s words from fifty years ago resonate strongly as the United States once again finds itself at the center of the global stage, watched by the whole world. Below is an excerpt from that speech:

“...It is fitting that we ask ourselves hard questions even on a glorious day like today. Are the institutions under which we live working the way they

should? Are the foundations laid in 1776 and 1789 still strong enough and sound enough to resist the tremors of our times? Are our God-given rights

secure, our hard-won liberties protected? The very fact that we can ask these questions, that we can freely examine and criticize our society, is cause for confidence itself. Many of the voices raised in doubt 200 years ago served to strengthen and improve the decisions finally made. The American adventure is a continuing process. As one milestone is passed, another is sighted. As we achieve one goal -- a longer lifespan, a literate population, a leadership in world affairs -- we raise our sights.

As we begin our third century, there is still so much to be done. We must increase the independence of the individual and the opportunity of all Americans to attain their full potential. We must ensure each citizen’s right to privacy. We must create a more beautiful America, making human works conform to the harmony of nature. We must develop a safer society, so ordered that happiness may be pursued without fear of crime or manmade hazards. We must build a more stable international order, politically, economically, and legally. We must match the great breakthroughs of the past century by improving health and conquering disease. We must continue to unlock the secrets of the universe beyond our planet as well as within ourselves. We must work to enrich the quality of American life at work, at play, and in our homes.

It is right that Americans are always improving. It is not only right, it is necessary. From need comes action, as it did here in Independence Hall. Those fierce political rivals -- John Adams and Thomas Jefferson -- in their later years carried out a warm correspondence. Both died on the Fourth of July of 1826, having lived to see the handiwork of their finest hour endure a full 50 years. They had seen the Declaration’s clear call for human liberty and equality arouse the hopes of all mankind. Jefferson wrote to Adams that ‘even should the cloud of barbarism and despotism again obscure the science and libraries of Europe, this country remains to preserve and restore life [light] and liberty to them.’ Over a century later, in 1936, Jefferson’s dire prophesy seemed about to come true. President Franklin D. Roosevelt, speaking for a mighty nation, reinforced by millions and millions of immigrants who had joined the American adventure, was able to warn the new despotisms: ‘We too, born to freedom, and believing in freedom, are willing to fight to maintain freedom. We, and all others who believe as deeply as we do, would rather die on our feet than live on our knees.’ The world knows where we stand. The world is ever conscious of what Americans are doing for better or for worse, because the United States today remains the most successful realization of humanity’s universal hope. The world may or may not follow, but we lead because our whole history says we must. Liberty is for all men and women as a matter of equal and unalienable right. The establishment of justice and peace abroad will in large measure depend upon the peace and justice we create here in our own country, where we still show the way...”



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Thank you to our entire port community for helping Philadelphia lead the way once again.



PhilaPort

*According to the 2024 Container Port Performance Index (CPPI) released by the World Bank Group and S&P Global Market Intelligence.



Navigating trade volatility: how Delaware River ports plan beyond policy shifts

By: Maria Lehman, Executive Advisor for U.S. Infrastructure GHD

The numbers tell a story Delaware River port operators know intimately. In the first five months of 2025, Delaware Currents reports a roughly 5 percent decline in the weight of imported goods through Philadelphia, Wilmington, and Chester, based on U.S. Trade Census Bureau figures. Vessel traffic declined 2.5 percent from January to June, dropping from 1,537 to 1,498 vessels, according to the Maritime Exchange for the Delaware River and Bay.¹ For a region that has been the economic engine of tri-state commerce since 1875, these shifts signal a broader challenge: Trade policy volatility has become a permanent planning condition.

The tariff landscape is complex. Approximately 75 percent of Delaware ports’ imports by weight faced a baseline 10 percent tariff, according to Delaware Currents.² Major trading partners including Australia, Chile, Colombia, Costa Rica, New Zealand, and Peru have all felt the impact.³ At Port Wilmington, imported vehicles from Mexico, a critical cargo category, face effective tariff rates ranging between 15 and 25 percent depending on United States-Mexico-Canada Agreement compliance and U.S. content certification.⁴

Import volume declines reflect broader strategic decisions by shippers trying to forecast policy changes and

adjust supply chains. For port operators, this uncertainty creates planning challenges traditional infrastructure strategies don’t address. How do you invest in capacity when demand is volatile? How do you allocate berth space when shipping patterns shift? How do you justify long-term contracts when policy could change quarterly?

State leadership recognizes the broader impact. Pennsylvania Gov. Josh Shapiro has highlighted how tariff volatility affects not just ports, but entire communities, with national estimates showing tariffs cost U.S. households approximately \$1,700 per year.⁵ State officials understand that tariff volatility affects not just cargo volumes, but also regulatory environments, workforce planning, and capital investment decisions that shape port competitiveness. Recent permitting milestones, including the reissued permits to build a new container port in Edgemoor, demonstrate continued commitment to port infrastructure development despite ongoing legal and policy uncertainty.

Successful port operators are not retreating from growth plans, they’re building flexibility. A practical response among Delaware River ports includes three strategies: diversification, infrastructure investment, and operational efficiency.

Diversifying cargo types. Delaware River ports maintain diverse portfolios that include fruit, food products, cocoa, meat, steel, automobiles and containerized cargo. By reducing dependence on any single commodity or trade lane, ports can offset declines in one market if tariffs affect a particular commodity or trading partner.

Investing in infrastructure despite uncertainty. The Delaware River region is continuing long-term capital projects because shipping cycles and trade policies change over time. Recent investments include larger ship accommodations, refrigerated cargo infrastructure, cold storage facilities, terminal capacity improvements, and crane enhancements. These investments position ports to handle whichever trade patterns emerge once tariff policies stabilize.

Building operational flexibility. Port operators are structuring operations to adapt quickly, adjusting berth allocation, diversifying cargo mix and improving efficiency so they can respond to shifting demand patterns without requiring major redesign.

The stakes are high for the Delaware River region. The Port of Philadelphia alone handles millions of metric tons of cargo annually. Port Wilmington and the regional port complex support thousands of jobs and contribute substantially to regional economic

activity. When tariff policies create volume declines, ripple effects extend through terminal operators, warehousing, trucking and the broader supply chain.

For the Maritime Exchange membership and the broader Delaware River business community, the message is clear: planning built on stable tariff assumptions is a recipe for being caught off guard. Strategic agility, the ability to shift operations and services as policy changes, is becoming as important as physical infrastructure itself.

Port authorities, terminal operators and maritime businesses along the Delaware River have weathered disruptions throughout their histories. The current environment demands the same resilience, applied to a new challenge: building strategic flexibility to thrive across multiple possible futures rather than betting on one policy regime persisting indefinitely.

Sources:

1. Maritime Exchange for the Delaware River and Bay vessel traffic data, 2025
2. Delaware Currents article: “Delaware shipping sector warily watches for impact of Trump’s tariffs” (August 2025)
3. U.S. Trade Census figures, Delaware Currents (August 2025)
4. White House Fact Sheet: President Donald J. Trump Adjusts Imports of Automobiles and Automobile Parts into the United States, March 26, 2025
5. Poynter: Trump says tariffs help America. Estimates suggest they cost families about \$1,700, February 26, 2026

Mariners’ Advisory Committee honors Capt. Rick Iuliucci for his extensive years of service



On June 11, 2026, the Mariners’ Advisory Committee for the Bay and River Delaware honored Captain Rick Iuliucci for his leadership and dedication to the Delaware River as he retires from his role of Vice President, Operations at Vane Line Bunkering. The Exchange wishes Captain Iuliucci the best in the coming years. Shown here are (l-r) Captain, David Cuff, President of the Pilots’ Association for the Bay and River Delaware; Captain Rick Iuliucci; and Captain Drew Hodgens, Mariners’ Advisory Committee Chairman



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USCG Aids to Navigation Team Philadelphia restores Delaware River Waterway reliability and introduces next generation range light technology

By: LTJG Sara Prendergast, USCG Sector Delaware Bay

Coast Guard Aids to Navigation Team (ANT) Philadelphia has been working diligently to restore critical navigation infrastructure throughout the Delaware River following significant damage caused by the deep freeze during the 2025-2026 winter season. Severe ice conditions impacted multiple fixed aids to navigation, requiring extensive repairs and reconstruction efforts to restore the reliability of the Marine Transportation System (MTS).

Coordinated efforts between the Coast Guard Cutter (CGC) SLEDGE and ANT Philadelphia ensured that damaged navigation structures were rebuilt and returned to service. The CGC SLEDGE completed major restoration efforts on the Edgewater Upper rear range in Bristol, Pennsylvania, including removal of damaged wreckage and reconstruction of the range structure. The crew also rebuilt both the Frankford Upper Rear Range near Tacony, Pennsylvania and rebuilt the Tacony Front Range near Palmyra, New Jersey, restoring an important navigational reference

for vessels transiting the area. Additional restoration efforts included rebuilding the Horseshoe Bend Directional Light near Gloucester City, New Jersey, and four destroyed aids to navigation in the Salem River including the Salem River Entrance Channel Directional Light.

While major reconstruction efforts were underway, ANT Philadelphia repaired numerous aids to navigation damaged by winter ice and modernized several critical range lights with new LED lighting. Upgrades included the Torresdale Lower Front Range Light, Torresdale Upper Front Range Light, and the Mud Island Upper Front Range Light, improving reliability while reducing long term maintenance requirements and costs. The team also restored the Beverly Upper Front Range Light to full operational status after it sustained damage during the winter freeze.

Through these combined efforts, 100 percent of the fixed aids to navigation damaged during the winter freeze have been rebuilt, restoring the navigational reliability expected

by the Delaware River maritime community. These repairs ensure commercial operators, pilots, tug operators, recreational boaters, and other waterway users have dependable visual references when navigating the river.

While restoring damaged infrastructure, ANT Philadelphia is also implementing new technology designed to improve the future of navigation on the Delaware River. A next generation range light system, known as a Port Entry Light (PEL), has been installed at the Fisher Range as part of the Coast Guard's ongoing efforts to modernize the nation's aids to navigation network. This installation is the first PEL within Sector Delaware Bay and only the fourth throughout Coast Guard District East.

PEL technology combines the functions of traditional range lights into a single, more advanced system. Instead of relying on two separate structures, the PEL uses a central white light to indicate when a vessel is aligned with the intended channel path. As the vessel begins to deviate from the channel centerline, the PEL provides directional information using flashing red or green lights to indicate the direction of the deviation and assist the mariner in making appropriate corrections.

The new system provides several advantages, including reduced maintenance requirements, improved reliability, increased operational flexibility, and enhanced visibility. By consolidating range functions into a single structure, the Coast Guard can more efficiently maintain the system and respond more quickly to future maintenance needs or improvements. The increased reliability of these systems supports safer navigation and helps minimize disruptions to maritime commerce on the Delaware River.

As with new navigation technology, the mariner feedback is essential. Coast Guard Sector Delaware Bay welcomes input from pilots, vessel operators, and members of the maritime community as PEL systems are introduced and evaluated. Mariners are encouraged to share their observations and experiences to ensure the new technology continues to meet the needs of those who rely on the Delaware River every day.

Through continued modernization and partnership with the maritime community, ANT Philadelphia remains committed to maintaining a safe, efficient, and resilient waterways system that supports the movement of commerce throughout the Delaware Bay region.

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DBRC christens flagship vessel “OSRV Delaware Responder”



The Delaware Bay and River Cooperative christened their flagship vessel the “OSRV Delaware Responder” at their facility in Lewes, Delaware. The vessel was purpose-built to provide rapid response capabilities for oil spills in the Delaware Bay region. The ship was christened by Marjory Gaudiosi and family in honor of DBRC’s late President Rich Gaudiosi.

PhilaPort among the top 50 ports

continued from page 1

Port. “This recognition reflects years of investment by the Commonwealth, our terminal operators, and our port partners to strengthen infrastructure, improve operations, and enhance cargo flow throughout the port. We are also grateful for the leadership of former CEO Jeff Theobald, whose efforts to modernize infrastructure and expand terminal capacity helped position PhilaPort for continued success.”

Now in its fifth year, the CPPI evaluates 403 container ports worldwide using data that measures key performance indicators, including vessel turnaround times and overall port efficiency. The index relies primarily on AIS-based vessel call records and port and terminal operating data.

“With the additional land that we have acquired, as well as a new intermodal rail facility and our infrastructure improvements, we are confident that we can grow productivity even

further,” Pearson added.

Significant investments by Holt Logistics, operator of Packer Avenue Marine Terminal, have also helped to drive this success, including new cargo-handling equipment, technology upgrades, refrigerated container infrastructure, and on-dock inspection facilities.

The benefits of a highly productive port extend far beyond terminal gates. Efficient cargo movement helps lower transportation costs, strengthen supply chains, attract additional shipping services, and support thousands of family-sustaining jobs throughout Pennsylvania and the Delaware Valley.

Lazer concluded, “We have the best labor force and excellent facilities. With continued Commonwealth investments, we can further improve our global standing, grow container volumes, and attract additional ocean carrier services. Global shippers and ocean carriers look closely at productivity rankings when making routing decisions, and our performance helps position Pennsylvania for long-term economic growth.”



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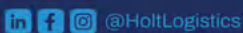
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Hanwha Philly Shipyard christens “Lone Star State”



TOTE Services, LLC, Hanwha Philly Shipyard, Texas A&M Maritime Academy and the U.S. Maritime Administration christened the fourth of five National Security Multi-Mission vessels (NSMVs), “Lone Star State.” These five vessels comprise a fleet of training vessels built for Maritime Academies which will prepare cadets each year for careers in the U.S. Merchant Marine while ensuring they are ready to support federal humanitarian assistance and disaster relief missions when called upon.

The vessel will serve as Texas A&M Maritime Academy’s primary training ship, preparing cadets for careers in the U.S. Merchant Marine and supporting federal humanitarian and disaster response missions, addressing a critical

shortage of qualified officers necessary to crew government- and commercial-owned sealift ships.

In addition to being a state-of-the-art training and educational platform, each training ship will feature modern hospital facilities, a helicopter pad, and the ability to accommodate up to 1,000 people in times of humanitarian need. Adding to the NSMV’s capability, it will provide needed roll-on/roll-off and container storage capacity for use during disaster relief missions.

U.S. Secretary of Transportation Sean Duffy, Pennsylvania Representative Mary Gay Scanlon, and Hanwha Philly Shipyard CEO David Kim were among the speakers at the ship’s christening.

South Jersey Ports receive important funding for rail and security

South Jersey Ports secures rail grant to complete Balzano Terminal modernization

South Jersey Ports has been awarded \$3,888,747.90 through the Rail Freight Assistance Program to advance Phase 4 of the rail-modernization project at the Joseph A. Balzano Marine Terminal. This final effort,” said Dave Mayer, Executive Director & CEO of South Jersey Ports. “Completing Phase 4 ensures our rail infrastructure meets modern demands and positions the port for continued growth, improved safety,



South Jersey Ports Executive Director & CEO David Mayer (center) and U.S. Representative Donald Norcross (his immediate right), along with members of the South Jersey Port team take a moment from a port tour for Rep. Norcross’s presentation of Community Project Funding.

phase will replace 1,920 linear feet of outdated 115-lb rail with modern 136-lb rail and steel ties, completing a multi-year effort to upgrade the terminal’s internal rail network for safer, more reliable, and more efficient freight movement.

The project includes 1,220 linear feet of embedded track along Berths 3 and 4 Extension and 700 linear feet at the Clinton Street entrance, along with installation of a modern tangential switch, spur bumper, pavement restoration, and drainage improvements. Once complete, the rail system at Balzano will be fully modernized and aligned with current industry standards.

This award supports South Jersey Ports’ broader rail-expansion strategy, which includes multiple RFAP grants and ongoing infrastructure upgrades designed to strengthen multimodal freight capacity, improve operational efficiency, and support long-term growth across the port system.

“This grant brings us to the finish line of a major rail-modernization

and greater efficiency for our customers.”

Phase 4 marks a significant milestone in South Jersey Ports’ commitment to upgrading critical infrastructure and enhancing the region’s freight-movement capabilities.

South Jersey Ports also received additional support to improve safety and security measures. It welcomed Congressman Donald Norcross to its Camden facilities for an update on cargo activity, operational growth, and ongoing capital-infrastructure investments. The visit included a tour of Camden Yard Steel, where Congressman Norcross met members of the port’s team and viewed current operations.

The visit concluded with Congressman Norcross presenting \$250,000 in Community Project Funding to South Jersey Ports for a new high-mast light tower at the Balzano Marine Terminal. This investment will enhance access, visibility, and safety for our workforce, customers, and partners operating on the terminal.

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CAPT Roberto Rivera assumes command of Sector Delaware Bay

Coast Guard Sector Delaware Bay bid farewell to CAPT Kate Higgins-Bloom and welcomed CAPT Roberto Rivera as the new sector commander during a change of command ceremony held at the Independence Seaport Museum in Philadelphia.

Rear Adm. Zeita Merchant, commander of the Coast Guard East District, presided over the ceremony, a time-honored military tradition that represents the formal transfer of authority, responsibility, and accountability from one commanding officer to another.

Rivera assumed command after serving as the deputy commander of Sector Delaware Bay. Prior to that assignment, he served as the chief of the Industry Preparedness and Incident Coordination Division at Coast Guard Headquarters, where he oversaw national-level preparedness and incident coordination initiatives.

Higgins-Bloom served as the commander of Sector Delaware Bay since June 2023. During her tenure, she led the sector through numerous maritime safety, security, environmental protection, and search and rescue operations while strengthening partnerships with federal, state, local, and industry stakeholders throughout the Delaware Bay region.

Sector Delaware Bay includes more than 815 active-duty, reserve, and civilian personnel, approximately 2,100 Coast Guard Auxiliary volunteers, and 11 Coast Guard field units. The sector is responsible for all Coast Guard missions across much of Pennsylvania, New Jersey, and all of Delaware, extending 200 miles offshore.



The sector safeguards a marine transportation system that contributes more than \$141 billion annually to the regional economy while executing missions including search and rescue, marine safety, maritime security, environmental protection, and law enforcement. Working alongside federal, state, local, tribal, and industry partners, Sector Delaware Bay remains committed to ensuring the safety, security, and resilience of one of the nation’s busiest maritime regions.

Coast Guard Waterways Management recognized by Mariners’ Advisory Committee for the Bay and River Delaware



On June 11, 2026, Coast Guard Sector Delaware Bay Waterways Management staff were recognized by the Mariners’ Advisory Committee for their service to the Delaware River maritime community prior to their transitions out of Sector Delaware Bay.

Top photo (l-r), Capt. David Cuff, President of the Pilots’ Association for the Bay and River Delaware; MST1 Dylan Caikowski, Waterways staff; and Captain Drew Dodgens, Mariners’ Advisory Committee Chairman.

Bottom Photo (l-r), Capt. Cuff; LTCR Owen Mims, Sector Delaware Bay Waterways Management Chief; and Capt. Drew Hodgens.



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Investing in people: community colleges are building the workforce behind America’s maritime revival

By: Dr. Karen Kozachyn, Vice President, Workforce & Economic Development, Delaware County Community College Business Development Team, Collegiate Consortium for Workforce & Economic Development

Revitalizing America’s shipbuilding industry requires infrastructure, technology, and national security. While these investments are essential, they all depend on one critical resource: a skilled workforce. The U.S. Department of Labor has recognized that reality. It recently awarded Delaware County Community College (DCCC), in partnership with the Collegiate Consortium for Workforce and Economic Development (CCWED), and Hanwha Philly Shipyard, an \$8 million, multi-year grant focused on growing America’s shipbuilding workforce. The project supports the nation’s goal of rebuilding domestic shipbuilding capacity while creating career opportunities for the next generation of skilled trades professionals, providing good, family-sustaining wage employment.

The Department of Labor grant represents more than funding, it is an investment in a proven partnership. Working collaboratively with Hanwha Philly Shipyard, CCWED, the College’s Workforce

Development Boards, and industry partners, the project will expand pre-apprenticeship and apprenticeship opportunities, strengthen technical training, and create new pathways beginning in high school and middle school into careers that are essential to our nation’s economic and national security.

But shipbuilding is only one part of the maritime workforce equation.

For decades, DCCC has worked alongside employers throughout the Delaware River region to prepare workers for careers in manufacturing, transportation, logistics, and the maritime industry. As a U.S. Maritime Administration (MARAD) Center of Excellence for Domestic Maritime Workforce Training and Education, the College understands that workforce development is most successful when education and industry work together.

The Delaware River port depends on thousands of skilled professionals who keep cargo moving safely and efficiently every day.

Whether working aboard vessels, operating terminals, maintaining equipment, or handling cargo, these employees require specialized technical skills that evolve alongside the industry.

That is why DCCC and the partner colleges of the Collegiate Consortium respond quickly to emerging workforce needs across the maritime sector.

Recently, when PhilaPort expanded its operations to include Norwegian Cruise Line service, the new cruise terminal created an immediate need for qualified personnel trained in vessel mooring operations. Working closely with the International Longshoremen’s Association Local 1566 and industry partners, DCCC developed and delivered instructor-led mooring training to ensure longshore workers were prepared to safely support cruise vessel operations. The training not only strengthened worker safety but also helped ensure the workforce was ready to meet the demands of this important economic development opportunity.

This type of responsive workforce development is becoming increasingly important as maritime employers face retirements, chang-

ing technologies, and growing demand for skilled labor. Community colleges cannot solve these challenges alone, nor can employers. Success depends on strong partnerships that align education with real workforce needs and deliver training when and where industry requires it.

The Delaware River maritime community has long demonstrated that collaboration works. Employers, labor organizations, educational institutions, workforce boards, and government agencies have consistently come together to solve workforce challenges and support regional economic growth.

The recent Department of Labor investment reinforces what many in our industry have known for years: that building America’s maritime future begins with investing in its people.

As the U.S. works to strengthen domestic shipbuilding and expand its maritime capabilities, the Delaware River region is well positioned to help lead that effort, not only by building ships and moving cargo, but by developing the skilled workforce that makes both possible.





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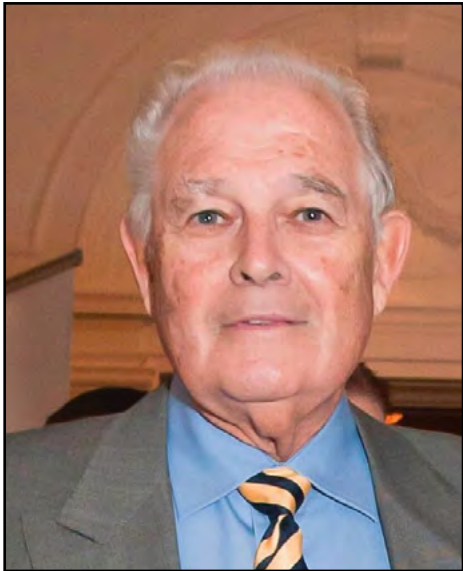
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In Memoriam



Peter Kopke, Sr.

The Exchange is sad to announce the passing of Peter Kopke, Sr., at the age of 89. Having begun a career in the fruit trade at the age of 14, Peter spent more than 70 years pioneering the American international fruit trade.

The Chilean-American Chamber of Commerce recognized him with the Friend of Chile Award in 2011 when he received a Lifetime Achievement Award for more than five decades of building the Chilean grape trade in the U.S. His father, William H. Kopke, Jr., was honored with the first Friend of Chile Award in 1998, and his son, Peter Kopke, Jr., received the Award in 2024.

The Exchange and the entire Delaware River maritime community extend its condolences to the family, friends, and workers who knew, loved and admired Peter, Sr. He left an indelible mark on the region’s trade and on the world.

SCI hosts NAMMA Conference 2026 in Philadelphia



The North American Maritime Ministry Association (NAMMA) held its 2026 conference here in Philadelphia August 4-6, 2026. Robert Herb, Director of Vessel Agency at John S. Connor, Inc., President of the Seamen’s Church Institute of Philadelphia & South Jersey (SCI), and Exchange Board member welcomed attendees to the conference.

Entitled “Windows to the World”, it brought together more than 100 delegates from seafarer’s welfare organization across the globe to discuss current issues affecting seafarers and how best to support them

The conference was locally sponsored by SCI. Many thanks to Rob for inviting the Exchange to attend!



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Revitalizing Philadelphia Navy Yard's historic Pier 1

By: *Peter Brennan, PE, LEED AP*
Vice President, Ports and Waterways Practice Leader
Urban Engineers, Inc.

Located at the Philadelphia Navy Yard, Pier 1, formerly known as Broad Street Pier, has long been a cornerstone of the region's illustrious maritime history. As the first pier built at the Navy Yard, Pier 1 is a vital piece of the site's history. Following decades of service, however, the structure fell into a desperate state of disrepair. In 2025, Pier 1 was reimagined and restored into an exciting modern waterfront destination that honors its history while supporting today's operations.

Built in 1891, the pier was designed by Robert E. Peary, then a Lieutenant in the Navy's Civil Engineering Corps, who later became known as Admiral Robert E. Peary, the world-famous Arctic explorer. For more than a century, Pier 1 supported the operations of the Philadelphia Navy Yard through berthing naval vessels and facilitating the movement of personnel, equipment, and supplies. It also served as a shipbuilding, repair, and logistics facility during the First and Second World Wars. After military activity

that supports Moran's maritime operations. It also created Pier 1 Park, turning a former industrial waterfront into a vibrant public destination where people can enjoy serene river views and learn about its history.

Engineering

The challenge was to restore and upgrade the maritime asset while preserving its historic character, maintaining operational continuity, and upholding environmental responsibility.

Overall, the project restored the pier, created tugboat docking, a 4,000-square-yard parking lot on top of the pier, and added a new park. A completely new storm, sanitary, and water system was also installed.

Rather than conducting a full demolition, the project team—led by Urban Engineers for design and Commerce Construction for construction—implemented a targeted rehabilitation approach that preserved the pier's footprint, includ-



the low deck to fill voids. This innovative design stabilized the deck surface against future sinkholes without requiring removal or repair of the existing timber low deck. On the outshore face, where an existing timber crib structure was found to be in adequate condition for reuse, a new cantilever king-pile bulkhead was installed to preserve the integrity of the crib structure.

First, excavation was taken down to the existing low deck. This work involved fighting the tide daily, but once backfilled, it provided a solid foundation for the finished product.

A new low-rise building was also designed on the outshore timber crib to house offices and a maintenance shop. The building's piled foundations were designed to resist flood loads while elevating occupied spaces above the floodplain. The building is currently under consideration for future construction. The project also included stormwater improvements, shore power connections for the tug, new lighting for the pier, and the creation of the public park at the pier entrance.

Outcomes

The rehabilitation extended the service life of Pier 1 and provided Moran with a facility better suited

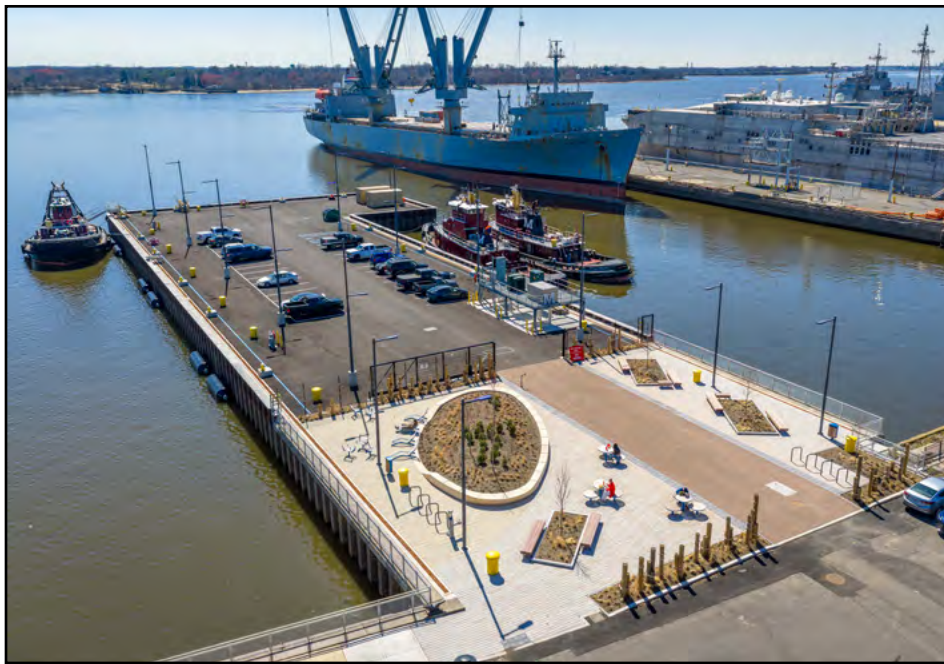
to its current operational needs. Improvements to the pier, utilities, and supporting infrastructure enhanced the site's functionality while preserving an important piece of Philadelphia Navy Yard's history.

The project also created Pier 1 Park, converting part of the former industrial waterfront into a publicly accessible space. Here, the community can gather for recreational events and visual enjoyment. Together, these improvements show how historic waterfront infrastructure can be rehabilitated to support ongoing maritime operations and create new opportunities for public use and community engagement.

Project team

Several organizations were involved:

- ◆ Owner/Client: Moran Towing Corporation
- ◆ Engineer: Urban Engineers
- ◆ General contractor: Commerce Construction Corporation
- ◆ Site excavation: Louis A. Ben-cardino Excavating
- ◆ Landscape design: Ground Re-considered



declined at the Navy Yard, the pier continued to serve maritime operations until its deteriorating condition made it unusable.

When Moran Towing took over the lease in 2019, the pier's deterioration was substantial. The timber-supported low deck had experienced significant subsidence, creating voids and sinkholes that threatened the pier's long-term viability. Moran decided to invest in the rehabilitation and revitalization of the pier, bringing it to current standards and making it the permanent home for the firm's local fleet of tugboats.

The \$19 million project restored the pier into a resilient, reliable, and environmentally friendly facility

ing existing structural and historical value while improving its performance.

After reviewing underwater condition inspection reports and record drawings, Urban mobilized drillers to take exploratory borings to map the voids below the low deck. Armed with this data, Urban designed a variety of alternatives for Moran to consider, including a new high deck system and a new bulkhead wrapped around the pier. Moran ultimately elected to proceed with a solution that preserved the integrity of the existing pier as much as possible: a sheet-pile bulkhead with internal ties, and new flowable fill pumped under

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It's time for the PPMS Crab Feast. Let the festivities begin!



Ports of Philadelphia Maritime Society board of directors at the 2025 Crab Feast.

The annual Ports of Philadelphia Maritime Society Crab Feast is an event few miss. The 57th such event is once again returning to historic Fort Mifflin in Philadelphia on September 11, 2026, unofficially ending the summer; a wonderful opportunity to enjoy some festive times with fellow Delaware River industry friends and coworkers.

Golf begins at 8:00 a.m. with a shotgun start at the Springfield Country Club, 400 West Sproul Road in Springfield, Pennsylvania, which includes a light breakfast buffet.

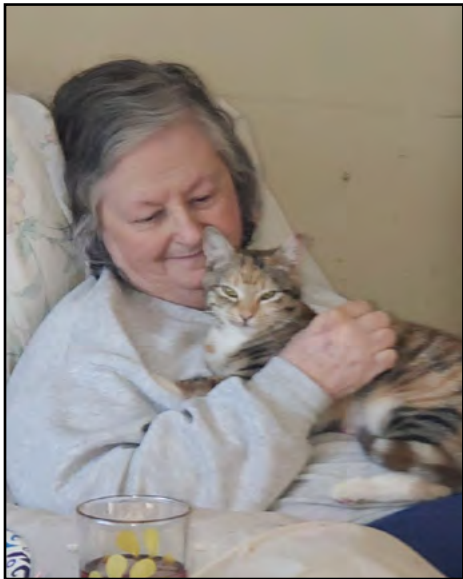
Fort Mifflin is located at 6400 Hog Island Road, near Philadelphia International Airport. Gates to the Crab Feast open at noon. Reservations are due by September 4 as

tickets will not be sold at the door.

“We are looking forward to another momentous event at historical Fort Mifflin to celebrate the country’s 250th birthday. While also remembering the victims, survivors, and first responders on the 25th anniversary of 9/11,” said Society President Lynn Cointot.

Please visit portsofphilamaritimesociety.org to register for the events or contact the Society at info@portsofphilamaritimesociety.com for sponsorship opportunities. Contact Mike Scott, michael.s.scott@wsp.com or Theresa Penot, theresapl@verizon.net for golf outing reservations and Emily Roberts at info@portofphiladelphiamaritimesociety.org for tickets to the crab feast.

In Memoriam



The Exchange is sad to announce the death of Betty Browne, 81, long-time employee of Terminal Shipping, who passed away after a long health battle on July 28, 2026, surrounded by her family.

Born in DuBois, Pennsylvania, Betty lived in Philadelphia for many years before settling in Turnersville, New Jersey. Betty was head of documentation and AMS filing in the Philadelphia Office of Terminal Shipping for over 35 years before retiring.

Betty will be sorely missed by all who knew her.

She had a talent for crocheting, quilting, and enjoyed watching TV, especially her game shows.

Beloved wife of the late Daniel J. Browne. Devoted mother of Nancy Buck (Dave), Kathleen Covatta, and Daniel Browne (Jody). Loving grandmother of Darlene Buck, Amber Buck, Emma Browne, Molly Browne, Sophie Browne, DJ Covatta, and Angie Covatta. Dear sister of Richard Dixon (Lona) and the late Tom Dixon.

Cards or sympathy can be sent to the family at: The Browne Family, 104 Bells Lake Road, Turnersville, New Jersey 08012.

Take M.E. out to the ball game



The Maritime Exchange and the Pilot’s Association for the Bay and River Delaware hosted a day out at a Phillies game against the Pittsburgh Pirates. The Phillies, in turn, were kind enough to completely shut out the Pirates 8 to 0.

Go Phillies!



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When every gift matters: the changing face of charitable giving

Join us on September 8 in Wilmington to help reverse the trend

By: Kathryn Bradley, Executive Director
Seamen’s Center of Wilmington

In what is very encouraging news for the Seamen’s Center of Wilmington and other nonprofits, it seems Americans remain extraordinarily generous. According to Giving USA, charitable giving in the United States reached an estimated \$617.2 billion in 2025, passing the \$600 billion mark for the first time.

But behind that headline is a more complicated story — particularly for small, community-based nonprofits such as the Seamen’s Center of Wilmington.

While the overall amount being donated has increased, fewer people are participating in charitable giving. Recent research from the Fundraising Effectiveness Project has repeatedly identified the same trend: more charitable dollars are increasingly coming from a smaller pool of donors, with particularly noticeable declines among smaller-dollar contributors.

For organizations like ours, that matters enormously.

The Seamen’s Center operates on a modest annual budget. We do not have dedicated fundraising staff or funds to spend on advertising. We rely upon individuals, churches, maritime businesses, corporate partners and volunteers who believe that the men and women arriving aboard ships at the Delaware Ports deserve a warm welcome and a helping hand.

And sometimes that helping hand is remarkably simple.

It might be a volunteer driving a seafarer to Walmart to purchase essentials. It might be providing free Wi-Fi so someone thousands of miles from home can talk to their family. It could be accepting a package on behalf of a crew member, providing a comfortable place to relax away from the ship, or handing a seafarer a Christmas gift during the holidays.

None of these things is extravagant. But together, they make an enormous difference.

The Importance of the Smaller Donor

One concerning development in philanthropy is the decline of the everyday donor.

The Fundraising Effectiveness Project reported that in the first quarter of 2025, total dollars raised increased by 3.6 percent, while the number of donors fell by 1.3 percent. Most strikingly, the number of donors giving between \$1 and \$100 declined by 11.1 percent.

For large organizations, losing a number of \$25 or \$50 donations may not immediately threaten operations. For a small nonprofit, those gifts collectively can pay for fuel, utilities, supplies, building maintenance or services that directly support the people we serve.

More importantly, small donations often represent something larger than their monetary value: **participation.**

A healthy nonprofit needs a broad community of people who feel connected to its mission.

That connection may begin with \$25. It might begin with volunteering for an afternoon, donating gently used clothing, attending an event or introducing the organization to an employer.

Over time, those relationships become the foundation upon which nonprofits survive.

Giving Is More Than Writing a Check

Perhaps we also need to broaden our definition of philanthropy.

Not everyone can make a significant financial contribution, particularly when households are managing higher costs of food, housing, insurance and other everyday expenses.

But there are many ways to support a nonprofit.

At the Seamen’s Center, people donate clothing and supplies. Churches collect items for our Christmas at Sea program. Volunteers give their time driving seafarers or welcoming them into the Center. Companies provide sponsorships, services and in-kind support.

Others simply help by telling our story.

All of it matters.

For nonprofits, our responsibility is equally clear. We must demonstrate where donations go, com-

municate the impact they create and make supporters feel that they are genuinely part of the mission.

People want to know that their contribution — whatever its size — makes a difference.

At the Seamen’s Center, we can show them that it does.

An Invitation to the Maritime Community

On **Tuesday, September 8, 2026**, the Seamen’s Center will hold its annual fundraiser, the **Last Bash of Summer**, from **4:30–7:30 p.m. at Docklands Riverfront in Wilmington**, with valet parking available.

It will be an opportunity for members of Delaware’s maritime community, businesses, friends and supporters to come together for an enjoyable evening — but its purpose goes well beyond the event itself.

This is our biggest fundraiser of the year and a critical source of income we need to maintain operations. Funds raised help keep our

vans on the road. They help keep the doors of the Center open. They support our Christmas at Sea program and allow our volunteers to continue meeting ships and assisting crews throughout the year.

Most importantly, they help us remind visiting seafarers that when their ships reach Delaware, somebody is waiting for them.

Equally essential, it allows us to carry on with our efforts to do something that sounds very simple. You might be surprised to know that:

- ◆ Supporting seafarers does not always require a grand gesture.
- ◆ Sometimes it is a ride into town. Sometimes it is a cup of coffee and a conversation.
- ◆ Sometimes it is a \$25 donation.
- ◆ And sometimes it is simply showing up.

This September 8th, we hope our maritime community will do exactly that.

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In Memoriam



Ronald Bown

The Exchange regrets to announce the passing of Ronald Bown Fernández, former President of Frutas de Chile and the Chilean Fruit Exporters Association. He took over as Executive Director of ASOEX in 1986 and later became its President in 1990, a role he held for 35 years, until 2022.

The Chilean & American Chamber of Commerce honored him in 2013 with its Visionary Award as a testament to the deep respect and admiration he inspired throughout his remarkable career.

Ronald, a true friend of the port, tirelessly facilitated the success of the ongoing partnership between Chile and Delaware River ports. The Exchange extends its deepest condolences to his family and friends, and thanks him for his many years of service.

Federal grant changes

continued from page 1

For terminations based on non-compliance, existing appeal rights would be preserved. However, for other bases for termination, including discretionary terminations, the proposed rule would not require agencies to allow for objections, hearings, or appeals. The rule only requires agencies to provide written notice with “a brief summary of the reason or reasons” for the termination.

Unfortunately, strong discretionary termination language in any contract, with vague and potentially shifting definitions of “public interest” or the “national interest,” can act as a disincentive due to increased financial risk for stakeholders. Grant programs for which ports and other maritime entities apply may span three years or more. As such, multi-year awarded projects that are initially deemed to support current priorities may overlap changing administrations or may not completely align with perceived changing priorities within a single administration.

The expanded discretionary termination authority, with little to no recourse for grantees, could decrease port investments as stakeholders are forced to accommodate the potential

risk that the federal share may be rescinded due to potentially changing national priorities.

The proposed rule includes numerous other changes such as requiring all recipients and subrecipients participate in DHS’s E-Verify program to confirm employment eligibility of all employees and contractors, prohibiting the use of federal funds to collaborate with covered foreign countries or affiliated entities, potentially denying an applicant based on its affiliations with organizations engaged in activities that undermine public safety or national security, and giving preference to companies that negotiated lower indirect cost rates.

It generally would no longer allow publication, conference attendance, advertising, and public relations costs and would encourage agencies to design grant opportunities as multi-year awards. Agencies could also exempt public notice of a grant opportunity when doing so would pose a risk to the national interest.

The comment period for the proposed rule ended on July 13, 2026 and OMB is currently reviewing comments. The rule does include a proposed effective date of October 1, 2026, so it is unclear what if any changes to the original rule may be implemented before then.



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Did you know?



Did you know that in addition to its goal and extensive programming to open doors between Philadelphia and the world, the World Affairs Council of Philadelphia organizes cultural-driven trips to all parts of the globe? Exchange CAO Michael Fink found out and joined the Council’s trip to the Cotswolds in England for a personal vacation.

Members of the Council from the Delaware River, New

Mexico, Utah and other regions took advantage of the organization's extensive travel program. Among the many educational tours, including trips to Oxford, Stratford-upon-Avon, Sudeley Castle, and other destinations, the group enjoyed a personal tour from the owner of Chavenage House, an historic Elizabethan manor house in Tetbury, England.

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Editorial

Semper Paratus, funding to follow

A leisurely outing on the family boat for friends and family, too often with little forethought as to the basics of seamanship, when mid-outing the weather seems to suddenly change for the worse.

The U.S. Coast Guard’s domestic operating area comprises more than 95,000 miles of U.S. shoreline (including outer coasts, offshore islands, sounds, bays, rivers, and creeks up to the head of tidewater), 25,000 miles of navigable rivers, and 4.5 million square miles of Exclusive Economic Zone. Alaska alone has more shoreline than all 49 other states combined.

A Coast Guard-gifted coffee mug sitting on this author’s desk states that by 2017, the Coast Guard had saved more than one million lives over the course of its history; a history which traces back to its predecessors like the U.S. Life-Saving Service and predates its formal establishment in 1915. Today’s Coast Guard annually saves between 3,500 to 5,000+ lives through its search-and-response operations. In 2025 alone, the Coast guard answered the call to 6,705 boats in distress, and saved 5,202 lives.

Alongside rescuing our fellow humans, in 2025 the Coast Guard helped facilitate \$5.4 trillion in maritime commercial commerce, saved over \$974 million worth of maritime property, serviced over 50,000 aids to navigation, and stopped 231 narco-terrorists including interdicting over 231 metric tons of illegal drugs bound for the United States.

The Coast Guard achieved all the above while also conducting ice-breaking operations, annual U.S. vessel inspections, commercial container inspections, facility safety and marine pollution related inspections, boardings of high interest vessels, cargo transfer monitoring, immigration interdictions, marine casualties investigations, fisheries conservation boardings, recreational vessel boardings, foreign vessel crew and passenger screenings, TWIC card verifications, and supporting overseas military missions.

Eleven major statutory missions are handled by a workforce of approximately 43,000 active-duty personnel, 7,500 Reservists, 8,300 civilians, and several are only possible with the addition of more than 30,000 volunteer Auxiliarists.

Coast Guard’s achievements as enumerated above make it clearly one of this maritime nation’s best investments. However, unlike the other U.S. military forces, the Coast Guard’s funding comes under the Department of Homeland Security thus competing with other DHS agencies and often getting shorted to fund other DHS interests (CBP, ICE, etc.).

Congress, for its part, did allocate nearly \$25 billion for the service in 2025, the largest single funding commitment in Coast Guard history, and another \$13.5 billion for 2026. However, given Washington’s unreliability when it comes to actual appropriations, this editorial asks a longer-term question: What happens when, yet again, the Coast Guard’s complex multiyear acquisition accounts become a financial donor source for DHS leadership as they decide to internally reallocate funds to cover shortfalls elsewhere in the department? Already, the U.S. Government Accountability Office has begun picking away at the Coast Guard, questioning its ability to manage such fund levels.

Considering that every Coast Guard asset (hardware and people) comes into play during war or even just for “other than war” military missions or threats to the Nation, the fate of the Coast Guard’s annual budget, both operating and acquisition portions, should at no point be tied directly to the political battles that invariably surround other DHS agencies. Polar icebreakers and new national security cutters are defense assets and should be funded as such, regardless of the department to which the Coast Guard reports. Case in point, to have allowed the Coasties to work without regular pay when their military brethren were not called to do so is nothing short of a crime. All are called to serve in a military capacity. Congress knows better and should do better.

In the interim, private citizens can take a moment to check out what else your U.S. Coast Guard is up to on a regular day at <https://www.uscg.mil/>. You will find that this maritime nation’s homeland would be at its most vulnerable without the U.S. Coast Guard.

Thank you for your service



The Maritime Exchange board of directors and staff extends its most sincere appreciation to the men and women of the U.S. Coast Guard Sector Delaware Bay for their unwavering service to keep our port safe.



Photos Welcome

The Maritime Exchange encourages cub photographers in the port to send us their pictures. The Exchange maintains a large library of port photos and welcomes contributions from you, our readers, to expand our collection. Who knows, it might just make the next issue of *The Beacon*.

The Beacon is the official newsletter of the Maritime Exchange for the Delaware River and Bay. The Exchange encourages its readers to submit letters to the editor at any time in response to articles that appear in *The Beacon* or to address other topics of interest to the port community.

Please direct any correspondence, comments, or inquiries regarding

the contents of this newsletter to:

exchange@maritimedelriv.com

Maritime Exchange, Attn: Beacon Editor
240 Cherry Street, Philadelphia, PA 19106



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Decarbonization in the maritime sector

Legal Ease

By: **A. Robert Degen, Esq.**
Law Office of A. Robert Degen

The maritime industry is responsible for transporting approximately 80–90% of global trade by volume and accordingly plays a crucial role in the world economy. It is also a significant contributor of greenhouse gas (GHG) emissions, estimated to be 2–3% of global emissions. Although there may be debate in some quarters about whether climate change exists and if so the cause, the international community has recognized the role that greenhouse gases play in climate change. Accordingly, decarbonization of the maritime sector is currently a significant goal.

Concern over greenhouse gas (GHC) emissions from the maritime sector however is not of recent origin. Although evidence existed in the 60s and 70s that the concentration of carbon dioxide in the atmosphere was increasing, the international community did not act until 1988 with the formation by the UN of the Intergovernmental Panel on Climate Change. In 1990, the Panel issued a report concluding that global warming was real. As a result, the United Nations Framework Convention on Climate Change (UN-FCCC) was formed. While this treaty only encouraged countries to reduce GHG emissions the Kyoto Protocol which was signed in 1997 included provisions mandating reductions of GHG emissions in the airline and shipping industry through legally binding targets overseen by the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO). The Kyoto Protocol went into effect in 2005 although the U.S. has not ratified it.

In 1997, as a result of the Protocol the International Convention for the Prevention of Pollution from Ships, (MARPOL) was amended to include GHG emissions from ships as a pollutant. Concurrently IMO began a series of studies on GHG emissions from ships which resulted in the 2023 formulation of the IMO’s Strategy for Reduction of GHG Emissions from Ships.

In April 2025, the Marine Environment Protection Committee (MEPC) of the IMO approved a draft of the IMO’s 2023 strategy known as the Net Zero Framework (NZF). In October 2025 the MEPC was set to formally adopt the Net Zero Framework, however, the meeting was adjourned for 12 months without any decision.

The Net Zero Framework seeks to set the shipping industry on a path toward net zero emissions of GHG by 2050 through a system of sticks and carrots consisting of:

- ♦ A series of technical and economic measures including a global fuel standard that set GHG reductions annually through 2035 and penalties for failing to meet the reductions.
- ♦ A pricing system with set prices on GHG,s that ships emit to encourage industry to lower their emissions.
- ♦ A system of credits whereby more fuel-efficient ships can sell credits to less efficient ships. Ships emitting GHG more than the established thresholds will be required to pay into a Net Zero Fund established to assist in a just and equitable transition to less carbon-based fuels.
- ♦ Ships with zero or near zero emissions will be eligible to receive payments from the fund.

In addition to making payments to zero or near zero emission ships the Net Zero Fund will support innovation, research and infrastructure in developing countries; fund training, technology transfer, and capacity building to support the IMO GHG Strategy; and mitigate negative impacts on vulnerable States, such as Small Island Developing States and Least Developed Countries.

If adopted, the provisions will take effect 16 months from adoption and would apply to all ocean-going ships over 5,000 GT. Covered ships will use a standard metric to calculate how much GHG is emitted.

“If” may be the controlling word for Net Zero in its present form. Prior to the October 2025 meeting of the IMO’s MEPC the U.S. administration issued a joint statement from four cabinet secretaries declaring U.S. opposition to a new global framework to cut greenhouse gas emissions from the shipping industry. The statement called Net Zero a “global carbon tax on Americans levied by an unaccountable UN organization.” It stated further that “Our fellow IMO members should be on notice that we will look for their support against this action and not hesitate to retaliate or explore remedies for our citizens should this endeavor fail” with retaliation taking the form of sanctions on shipping companies and diplomats, visa restrictions for foreign seaman, port levies and tariffs.

As a result of the United States opposition to the Net Zero Framework the October 2025 meeting to consider it was continued for 12 months to allow further consideration. The meeting of IMO’s MEPC will now reconvene November 30 to December 4, 2026, to again consider amending MARPOL Annex VI by creating a new Chapter 5 to include the Net Zero Framework. In the intervening time, the U.S. submitted a position paper to the MEPC calling to end the IMO’s consideration of the Net Zero Framework and instead, pursue a policy that:

- ♦ Includes no financial penalty, carbon tax, levy, or multilateral fund.
- ♦ Eliminates penalties on LNG, recognizes biofuels as viable marine fuels, and supports industry-led advances in alternative fuels and other technologies.
- ♦ Requires member states to terminate regional schemes to avoid duplicative systems, and
- ♦ Requires an explicit acceptance procedure for entry into force rather than the tacit acceptance procedure.

The U.S. is not alone in opposing the current Net Zero framework. It is joined by a coalition of petro-states, shipping hubs and flag states includ-



A. Robert Degen, Esq.

ing Liberia, Greece, and Panama and developing and regional states including Argentina, Venezuela, and Malaysia. There is still considerable support for the Net Zero framework from more than 60 countries including the EU, India, Brazil, and China as well as small island developing states. According to industry experts it seems unlikely that the Net Zero Framework will be abandoned, rather it will undergo additional modifications to respond to U.S. and other objections particularly the global pricing mechanism. Stay tuned!

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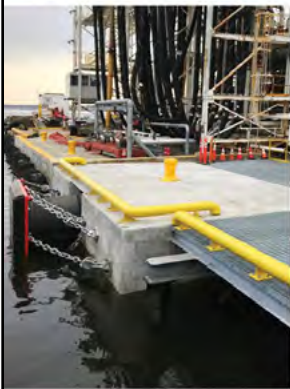
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Calendar of Events

- 09/02 World Affairs Council Panel Discussion, Greater Philadelphia's Place in the World: Labor, Business, and Global Connections
5:30 p.m. – 7:15 p.m., Saint Joseph's University Erivan K. Haub School of Business, 5600 City Ave., Philadelphia, PA 19131
[Register](#)
- 09/09 Maritime Exchange Board Meeting, 11:30 a.m.
- 09/11 Ports of Philadelphia Maritime Society Annual Russ Larsen Memorial Golf Outing, 8:00 a.m. - Noon, Springfield Country Club
400 West Sproul Road, Springfield, PA
[Register](#)
- Ports of Philadelphia Maritime Society Annual Crab Feast
Noon – 6:00 p.m., Ft. Mifflin, 6400 Hog Island Road, Philadelphia, PA
[Register](#)
- 09/16 Maritime Exchange Government Affairs Committee Meeting
Contact: Yair Farkas
- 10/14 Maritime Exchange Executive Committee Meeting, 11:00 a.m.
- Traffic Club of Philadelphia Mega Supply Chain Meeting
4:45 p.m. - 8:45 p.m., William Penn Inn, Gwynedd PA
[Register](#)
- 10/19 Traffic Club of Philadelphia Annual Golf Outing
10:00 a.m. – 5:00 p.m., White Manor Country Club
831 Providence Rd, Malvern, PA 19355
[Register](#)
- 10/21 Area Maritime Security Committee General Meeting
9:30 a.m. – 12:15 p.m., USCG Sector Delaware Bay
1 Washington Avenue, Philadelphia, PA 19147
Contact: Glenna Tredinnick
- 10/29 World Trade Center Greater Philadelphia World Trade Centers Day 2026, 6:00 p.m. – 9:00 p.m., Arts Ballroom
1324 Locust Street, Philadelphia, PA 19107
[Register](#)
- 11/12 Maritime Exchange Board Meeting, 11:30 a.m.
- 12/09 Maritime Exchange Executive Committee Meeting, 11:00 a.m.

For a complete schedule and event details, visit www.maritimedelriv.com.

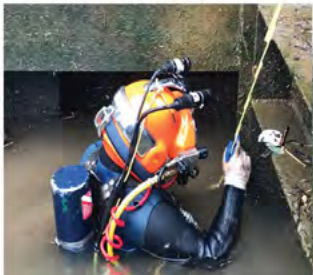
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