

MEMORANDUM

To: Docket Management Facility
U.S. Department of Transportation
Docket No. MARAD–2025–0400
OMB Control Number: 2133-0525

From: Shawn Danoff
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Subject: Docket No. MARAD–2025–0400; OMB Control No. 2133–0525 — Renewal of the Application for Participation in the Maritime Security Program

Hanwha Ocean USA is a wholly owned subsidiary of Hanwha Ocean, a global shipbuilder with decades of experience in constructing LNG carriers (LNGCs), very large crude oil carriers (VLCCs), container ships, floating LNG facilities (FLNG), floating production, storage and offloading units (FPSOs), floating production units (FPUs), submarines, surface combat vessels, and auxiliary ships. Hanwha Ocean is part of the Hanwha Group, a Fortune Global 500 conglomerate headquartered in South Korea. Hanwha Group operates across diverse industries including energy, chemicals, aerospace, defense, finance, shipping, and shipbuilding. The group employs more than 80,000 people worldwide and generates annual revenues exceeding \$60 billion. This diversified industrial foundation enables Hanwha to bring world-class engineering, capital investment, and supply chain integration capabilities to the U.S. market.

Hanwha appreciates the opportunity to comment on the Maritime Administration’s proposed renewal and revision of the *Application for Participation in the Maritime Security Program* (OMB Control Number 2133–0525). We commend MARAD’s initiative to modernize the MSP application process, including the shift toward electronic submission, updates to statutory citations, and refinement of information requests to align with contemporary maritime business practices.

As a U.S.-based subsidiary of Hanwha Ocean, we are committed to supporting U.S. sealift capability, revitalizing U.S. shipbuilding, and strengthening America’s maritime industrial base. In fact, Hanwha Ocean USA is working closely with its affiliate shipyard in the U.S. – Hanwha Philly Shipyard – in modernizing and expanding Philly Shipyard’s capacity by transferring Hanwha Ocean’s expertise. The Maritime Security Program is an essential tool for ensuring access to U.S.-flag, militarily useful commercial vessels in times of crisis, and for maintaining a pool of trained mariners.

Recommendations

Paperwork Reduction Act Review

Hanwha agrees that the Application for Participation in the Maritime Security Program remains necessary for determining both initial applicant qualifications and the continued eligibility of existing participants. We also agree with MARAD’s proposed changes to allow electronic submission, update statutory citations, remove outdated commercial references, and better reflect current maritime business practices.



We note that MARAD's estimate of 1–6 hours per application may understate the burden for applicants with complex ownership structures or advanced vessel types. Electronic submission may reduce administrative time but expanded reporting fields could increase overall preparation requirements.

Please include clear instructions for Confidential Business Information (CBI) treatment (FOIA Exemption 4), including how to submit public/redacted versions. Specify acceptable file formats (e.g., PDF, DOCX, XLSX), maximum upload sizes, and a help desk contact for the electronic portal.

We request MARAD confirm that the revised information collection does not expand statutory eligibility or impose new substantive obligations beyond application content.

We respectfully submit that additional refinements, as outlined below, will further improve the clarity, practical utility, and fairness of the application, while minimizing administrative burden on applicants and enhancing the strategic value of the information collected.

A. Application Process and Administrative Improvements

MARAD should ensure that updates to the application process reduce unnecessary paperwork burdens and avoid creating new regulatory obligations inconsistent with the Paperwork Reduction Act. Efficiency and clarity should remain the guiding principles.

1. **Maintain Flexible Submission Options** – Retain a hybrid electronic + physical filing option for cases involving technical issues, oversized attachments, or sensitive annexes.
2. **Clarify and Standardize Application Timelines** – Publish fixed annual MSP application and renewal windows with at least 90 days' notice.
3. **Enhance Digital Platform Functionality** – Enable large file uploads, secure confidential data sections, and automated timestamped receipts.
4. **Preserve Financial Reporting Flexibility** – Accommodate complex ownership structures (including U.S. citizens under 46 U.S.C. § 50501 with foreign affiliates) and standard corporate accounting formats.
5. **Accommodate Emerging Vessel Types** – Update MSP application categories to reflect emerging MSP-relevant vessel types—RO/RO, heavy-lift, and con-bulker/multipurpose—while maintaining the program's current scope.
6. **Allow Rolling Operational and Financial Updates** – Accept mid-year updates from participants rather than limiting changes to fixed review cycles.
7. **Integrate Data Across MARAD Programs** – Align MSP applications with TSP and VISA to eliminate redundant filings and coordinate MSP data standards with TSP and any future gas-carrier contingency authorities (outside the scope of this MSP information collection request).

B. National Security and Economic Security Enhancements

MSP should be explicitly recognized as not only a sealift readiness program but also as a driver of good-paying American jobs in shipbuilding, logistics, and the U.S. merchant marine. Strengthening MSP participation directly supports domestic employment and ensures that the benefits of federal investment flow to U.S. workers and communities.

8. **Recognize U.S. Shipyard Contributions** – Score applicants positively for domestic ship construction, repair, and conversion work.
9. **U.S. Supply Chain Mapping** – Collect data on U.S.-based suppliers and service providers to identify critical dependencies.

10. **Optional Surge Capacity Declaration** – Allow applicants to note additional sealift capacity available in emergencies.
11. **High-Readiness Commitment Tier** – Permit applicants to commit voluntarily to faster activation timelines for future program consideration.
12. **Multi-Mission Vessel Capabilities** – Capture secondary mission capabilities such as humanitarian relief or troop support.
13. **Cybersecurity Readiness Disclosure** – Ask applicants to state compliance with maritime cyber standards.
14. **Resilience and Hardening Measures** – Record vessel features for extreme weather, EMP, GPS spoofing, and contested environment operations.
15. **Critical Sustainment Cargo Categories** – Identify capacity to carry priority DOD sustainment cargoes (e.g., vehicles, outsized equipment, containerized munitions-compliant loads).
16. **Domestic Jobs Scoring** – Award points where U.S.-flag operations include U.S. shipyard maintenance/conversions, U.S. spare-parts vendors, and training partnerships with U.S. academies and unions.

C. Strategic Policy and Future-Proofing Measures

17. **Sustainment Cargo Alignment** – capture capabilities relevant to DOD sustainment (e.g., RO/RO throughput, container operations, heavy-lift).
18. **Commitment to U.S. Mariner Workforce Development** – Require applicants to describe recruitment and training programs that expand the pool of qualified U.S. citizen mariners, ensuring national readiness and creating good-paying American jobs.
19. **Intermodal Connectivity Disclosure** – Identify integration with rail, barge, and truck networks for rapid deployment.
20. **Rapid Deployment Technology Capability** – Capture vessel features that support faster load/discharge and modular handling.
21. **Port Access, Shipyard, and Infrastructure Compatibility** – List the domestic and allied ports and shipyards the vessel can access, including any constraints.
22. **Annual Capability Index (MARAD-derived)** – MARAD may derive a confidential fleet readiness index from existing application data; no additional applicant reporting burden.
23. **Lifecycle Planning Information** – Request projected retirement dates and replacement plans for enrolled vessels.
24. **Industrial Surge Activation Pathways** – Allow operators to describe capacity to accelerate U.S. yard work in crises.
25. **Dual-Use Technology and Equipment** – Capture any equipment with both military and civilian applications.
26. **Commercial Sealift Network Participation** – Identify participation in commercial alliances that could support defense transport.

D. Hanwha-Specific and Allied-Aligned Provisions

28. **Country-of-Build and Allied Sourcing Disclosure** – Add a field capturing the vessel's country of build and whether it is allied-built; any policy preference for U.S. built over non-U.S. built and for allied built over non-allied built especially for vessel types of national significance, if contemplated, would occur outside this ICR.
29. **U.S.-Build Transition Commitment** – If the vessel is not U.S.-built, allow applicants to commit to transitioning to U.S.-built MSP vessels within a set timeframe, with such commitments considered in competitive scoring. This commitment supports U.S. industrial base growth while enabling near-term MSP participation with allied-built vessels during the transition.

30. **Industrial Base Partnership Disclosure (optional)** – Applicants may describe active U.S. industrial base partnerships (e.g., U.S. shipyard newbuilding/maintenance/conversion, vendor sourcing, workforce training programs) for MARAD’s internal analysis; this does not create a new scoring rule in this ICR.
31. **Enhanced Allied Interoperability Capability** – Capture vessel compatibility with U.S. Navy, MSC, and allied defense fleet standards, including NATO and ROK interoperability including secure communications, STANAG compatibility, and cargo gear/handling interfaces used by the U.S. Navy and MSC. (as applicable and unclassified)
32. **Technology Transfer and Industrial Sovereignty Commitment** – Include an optional commitment for applicants to bring advanced shipbuilding technologies to the United States under U.S. control, with scoring preference for strengthening American technological leadership.
33. **Citizenship & Governance Compliance Pathway** – Acknowledge corporate-governance structures designed to meet 46 U.S.C. § 50501 requirements (as applicable) and to ensure operational control, security, and decision-making consistent with U.S. national security interests—meriting administrative clarity and predictable review timelines.

Conclusion

Hanwha supports MARAD’s commitment to modernizing the MSP application process. By adopting these recommendations, MARAD can:

- Improve process efficiency and applicant accessibility.
- Strengthen the U.S. maritime industrial base and allied cooperation.
- Expand sealift surge and multi-mission capabilities.
- Increase operational resilience, cybersecurity, and cargo diversity.
- Align MSP capacity with strategic sustainment and allied interoperability needs.
- Encourage domestic shipbuilding while leveraging allied capabilities in the near term.

We believe these enhancements will ensure the MSP continues to serve as the backbone of U.S. strategic sealift while adapting to energy security, industrial base, and allied interoperability priorities. These refinements also reduce U.S. reliance on non-allied shipbuilding and logistics dependencies.

We appreciate MARAD’s consideration of these comments and look forward to continued collaboration to ensure the MSP remains a cornerstone of U.S. maritime and national security strategy.

Respectfully submitted,

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