



MARAD FACT SHEET
**Reflagging Ships to U.S. Flag/
 Vessel Transfer Program**



America's Advocate for the Maritime Industry



Since MSP implementation in 1996, 27 modern commercial liner vessels have utilized the expedited process.

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Eighteen ships currently in MSP utilized the expedited reflagging process.

Strategic Objective: National Security: Assure that sufficient sealift capability and intermodal transportation infrastructure exists to support vital homeland and national security interests.

Vessels Reflagged Utilizing the U.S. Coast Guard's MSP Reflagging Procedure

MARAD and the U.S. Coast Guard have established expedited MSP vessel reflagging procedures to encourage reflagging of modern, efficient vessels into the U.S. fleet. In FY 2002, MARAD and the U.S. Coast Guard agreed to expand the process to include tankers that the U.S. Transportation Command had determined to be militarily useful. The MAERSK RHODE ISLAND was the first product tanker to receive an MSP eligibility determination and subsequent reflagging to the U.S. registry.



Four other U.S.-flag vessels received expedited approvals based on MARAD's determination that the vessels are eligible for MSP.

Five other vessels that had received expedited Coast Guard approvals to reflag to the U.S. registry are no longer under the U.S. flag. Four of these vessels have been replaced in the past year by larger, more modern vessels using the U.S. Coast Guard's expedited procedures.

Vessels Reflagged Utilizing the U.S. Coast Guard's MSP Reflagging Procedure

Currently Receiving MSP Payments

1. APL KOREA
2. APL PHILIPPINES
3. APL SINGAPORE
4. APL THAILAND
5. APL CHINA
6. GREEN COVE
7. GREEN POINT
8. GREEN LAKE
9. TANABATA
10. ENDEAVOR
11. ENDURANCE
12. ENTERPRISE
13. MAERSK CAROLINA
14. MAERSK GEORGIA
15. MAERSK MISSOURI
16. MAERSK VIRGINIA
17. GREEN DALE
18. LYKES MOTIVATOR

MSP Eligible But Not Receiving MSP Payments

1. INDUSTRIAL CHALLENGER
2. PRESIDENT GRANT
3. PRESIDENT WILSON
4. MAERSK RHODE ISLAND

Reflagged to U.S. Registry But Now Foreign-Flag Vessel

1. APL TOPAZ (ex-AMERICA, ex-PRESIDENT HOOVER)
2. TASINGE MAERSK (ex-MAERSK CALIFORNIA)
3. TROENSE MAERSK (ex-MAERSK COLORADO)
4. THOMAS MAERSK (ex-MAERSK TENNESSEE)
5. TINGLEV MAERSK (ex-MAERSK TEXAS)

Vessel Transfer Program

Section 9 of the Shipping Act, 1916, as amended, requires that the Maritime Administration approve the transfer of all U.S.-flag vessels 1,000 gross tons and over to foreign ownership, foreign registry, or to be scrapped overseas.

For the transfer of vessels 3,000 gross tons and over to foreign ownership or registry, MARAD's approval is subject to terms and conditions of 46 CFR Part 221. Any foreign transfer of these vessels is conditioned upon (1) MARAD approval of any subsequent transfer of ownership and/or registry, and (2) the requirement that these vessels remain available for U.S. Government requisition, if needed.

MARAD Approved Foreign Transfers – FY 2002

1,000 gross tons or over:

22 ships transferred to foreign ownership and/or foreign registry

21 ships sold for scrapping abroad

3,000 gross tons or over:

162 vessels subject to terms and conditions of 46 CFR Part 221

29 approved for subsequent transfer of ownership and/or foreign register in FY 2002