

# GAO Highlights

Highlights of [GAO-24-106368](#), a report to congressional committees

## Why GAO Did This Study

The maritime shipping industry is vital to the global economy and accounted for \$2.3 trillion in U.S. trade in 2022. FMC is responsible for overseeing this industry, including protecting U.S. shippers from unfair or unjustly discriminatory practices related to securing vessel space.

The Ocean Shipping Reform Act of 2022 includes a provision for GAO to examine whether carriers disadvantaged shippers of hazmat during the pandemic through the systemic and unreasonable denial of vessel space or other means. This report examines, among other things: (1) shippers' experiences transporting hazmat during the pandemic; (2) how the amount of hazmat imports and exports changed from 2018 through 2022 (the most recent data available at the time of GAO's review); and (3) actions FMC has taken to collect, manage, and use its complaint data.

For these objectives, GAO reviewed pertinent FMC regulations and policies; analyzed trade data; visited two ports; and interviewed FMC officials as well as representatives of six shippers and five carriers. GAO selected these shippers and carriers based on a review of recent FMC rulemakings and on stakeholders' recommendations.

## What GAO Recommends

GAO is making four recommendations to FMC, including that it review the information it collects on certain complaints, update its procedures for managing complaint data, and develop a data strategy to guide future efforts. FMC neither agreed nor disagreed with GAO's recommendations, but identified actions it plans to take. GAO stands by its recommendations.

View [GAO-24-106368](#). For more information, contact Andrew Von Ah at (202) 512-2834 or [VonAhA@gao.gov](mailto:VonAhA@gao.gov).

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## FEDERAL MARITIME COMMISSION

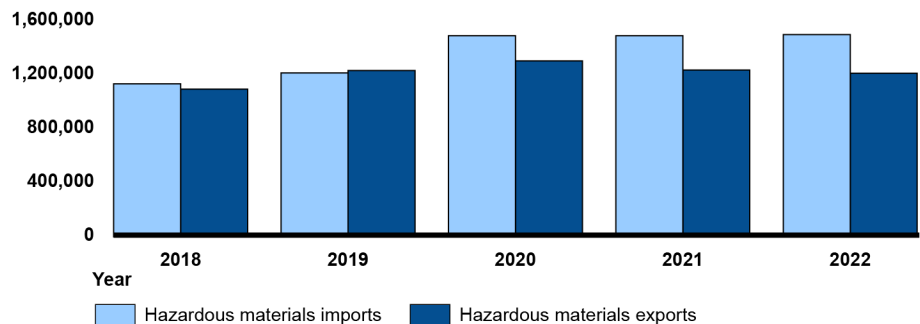
### Improved Use of Data on Shippers' Complaints Could Enhance Oversight

## What GAO Found

The COVID-19 pandemic disrupted the maritime shipping industry, causing congested ports, high demand for cargo space on ships, and volatile shipping rates. Selected shippers of hazardous materials (hazmat), which include chemicals and other types of cargo critical to the U.S. economy, told GAO they were particularly affected during the peak of the pandemic (2020 through 2022). All six hazmat shippers GAO interviewed said they had difficulty securing space on ships, and five said they experienced long delays. Shippers attributed these challenges to safety risks and additional requirements associated with hazmat, which made it less desirable for carriers to accommodate on their ships.

GAO found that while hazmat imports and exports increased from 2018 through 2020, hazmat imports stagnated and exports decreased from 2020 through 2022. Hazmat imports increased almost 32 percent from 2018 through 2020, but grew less than 1 percent afterward. Hazmat exports increased 19 percent from 2018 through 2020 and declined by 7 percent afterward. Conversely, non-hazmat imports and exports grew at a higher rate during the pandemic, which carriers attributed to non-hazmat shippers paying higher shipping rates.

**Hazardous Materials Imports and Exports Transported on Cargo Ships in Twenty-Foot Equivalent Units, 2018–2022**  
Twenty-foot equivalent units



Source: GAO presentation of S&P Global Market Intelligence's Port Import/Export Reporting Service (PIERS) trade data. | GAO-24-106368

The Federal Maritime Commission (FMC) is responsible for ensuring a competitive and reliable ocean transportation system for all U.S. shippers. Its oversight efforts include receiving complaints from shippers about carriers. FMC can use this information to respond to shippers' concerns and initiate investigations of carriers. However, GAO found several shortcomings in how FMC collects, manages, and uses complaint data: (1) FMC does not consistently capture certain details—such as type of cargo, whether cargo is hazmat, and incident location—which limits FMC's ability to analyze complaint trends; and (2) key FMC procedures for managing the data are out of date and incomplete. GAO also found that while FMC plans to modernize how it collects, manages, and uses information from complaints, it lacks a strategy to guide these efforts. Such a strategy could include key information on planned updates, such as goals, required investments, and expected outcomes. Taking steps to address these shortcomings and developing a data strategy could help FMC more effectively use data to oversee the maritime shipping industry.