



# Safety Inspection Program for Containers and Facilities

Report to Congress  
*November 20, 2024*



U.S. Coast Guard

# Foreword

November 20, 2024

I am pleased to present the following report, “Safety Inspection Program for Containers and Facilities,” prepared by the U.S. Coast Guard.

The Don Young Coast Guard Authorization Act of 2022 directs the submission of a study on the safety inspection program for containers and designated waterfront facilities receiving containers.

Pursuant to Congressional requirements, this report is provided to the following members of Congress:

The Honorable Maria Cantwell  
Chair, Senate Committee on Commerce, Science, and Transportation

The Honorable Ted Cruz  
Ranking Member, Senate Committee on Commerce, Science, and Transportation

The Honorable Sam Graves  
Chairman, House Committee on Transportation and Infrastructure

The Honorable Rick Larsen  
Ranking Member, House Committee on Transportation and Infrastructure.

Should you require additional assistance, please do not hesitate to contact my Senate Liaison Office at (202) 224-2913 or House Liaison Office at (202) 225-4775.

Sincerely,



Linda L. Fagan  
Admiral, U.S. Coast Guard  
Commandant





# Safety Inspection Program for Containers and Facilities

## Table of Contents

I.	Legislative Language .....	1
II.	Report.....	2
	1. Safety Inspections Program for Containers and Designated Waterfront Facilities ....	2
	2. Container Metrics.....	4
	3. Training Overview .....	5
	4. Competencies Metrics.....	6
III.	Evaluation and Areas for Improvement.....	8
IV.	Conclusion .....	9
	Appendix A: Abbreviations .....	10
	Appendix B: Organizational Map .....	11

# I. Legislative Language

This report responds to the language set forth in Section 11263 of the Don Young Coast Guard Authorization Act of 2022 (Pub. L. No. 117-263), which reads:

## **SEC. 11263. STUDY ON SAFETY INSPECTION PROGRAM FOR CONTAINERS AND FACILITIES.**

(a) **IN GENERAL.**—Not later than 1 year after the date of enactment of this Act, the Commandant shall complete a study on the safety inspection program for containers (as such term is defined in section 80501 of title 46, United States Code) and designated waterfront facilities receiving containers.

(b) **ELEMENTS.**—The study required under subsection (a) shall include the following:

- (1) An evaluation and review of such safety inspection program.
- (2) A determination of—
  - (A) the number of container inspections conducted annually by the Coast Guard during the preceding 10-year period, as compared to the number of containers moved through United States ports annually during such period; and
  - (B) the number of qualified Coast Guard container and facility inspectors, and an assessment as to whether, during the preceding 10- year period, there have been a sufficient number of such inspectors to carry out the mission of the Coast Guard.
- (3) An evaluation of the training programs available to such inspectors and the adequacy of such training programs during the preceding 10-year period.
- (4) An identification of areas of improvement for such program in the interest of commerce and national security, and the costs associated with such improvements.

(c) **REPORT TO CONGRESS.**—Not later than 180 days after the completion of the study required under subsection (a), the Commandant shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the findings of the study required by subsection (a), including the personnel and resource requirements necessary for such program.

## II. Report

The Coast Guard's container inspection program is designed to prevent container transportation incidents, particularly those involving hazardous materials (HAZMAT). Such incidents pose a threat to the public, maritime community, and environment; and could also cause serious disruptions to the Marine Transportation System. Coast Guard personnel inspect containers and cargo within containers for compliance with the Federal Hazardous Materials Transportation Law, (codified in Title 49 of the Code of Federal Regulations (49 CFR), Parts 107-180), and the International Safe Container Act of 1977 (codified in 49 CFR Parts 450-453). The Coast Guard is also responsible for implementing the International Maritime Dangerous Goods Code, which provides the international standards for transporting dangerous goods, including containerized cargo, by sea.

### 1. Safety Inspections Program for Containers and Designated Waterfront Facilities

National Container Inspection Program (NCIP): The Coast Guard's NCIP is established through a Commandant Instruction<sup>1</sup> that provides overarching policy and guidance to Coast Guard container inspectors. It outlines responsibilities and activities for program management and execution at all levels of the Coast Guard. The Commandant Instruction is supported by additional guidance in the form of the NCIP Tactics, Techniques, and Procedures (TTP) publication<sup>2</sup>. The TTP provides detailed tasks and steps for targeting containers, conducting inspections, imposing operational controls, taking enforcement action, and coordinating outreach events.

Designated Waterfront Facilities: Designated waterfront facilities handling HAZMAT are regulated under 33 CFR Part 126. The regulations include requirements for fire extinguishing equipment, fire appliances, warning signs, lighting, material handling equipment, waste material, arrangement of the terminal yard, and other safety measures dependent upon the cargo they are handling. Facilities meeting regulatory requirements are authorized to operate a designated waterfront facility. Captains of the Port (COTP) conduct regular risk-based inspections of these facilities to verify compliance and can suspend or terminate authorization to operate based on their findings.

Performance Goal Calculator (PGC): The PGC establishes annual container inspection performance goals for Coast Guard field units. Every year, COTPs enter container throughput for their ports into the PGC and answer questions regarding coordination with the National Cargo Bureau (NCB), Customs and Border Protection (CBP), and the container shipping industry. The PGC then computes the COTP's performance goal for the year, which is reported to Coast Guard Headquarters. Beginning in fiscal year (FY) 2020, the Coast Guard set a performance goal of 70 percent of the PGC through its Strategic Planning Direction.

Container Selection Process: Coast Guard policy targets a 50 percent split between declared HAZMAT container inspections and general cargo container inspections. The HAZMAT container inspections are split into two Tiers of risk, determined by statistics on incidents, injuries, deaths, evacuations, marine pollutant status, and response costs. Of all declared

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<sup>1</sup> National Container Inspection Program, COMDTINST M16616.11D: [https://media.defense.gov/2019/Mar/15/2002101628/-1/-1/0/CIM\\_16616\\_11D.PDF](https://media.defense.gov/2019/Mar/15/2002101628/-1/-1/0/CIM_16616_11D.PDF)

<sup>2</sup> National Container Inspection Program Tactics, Techniques, and Procedures: [https://homeport-s.uscg.mil/Lists/Content/Attachments/1574/National%20Container%20Inspection%20Program%20\(NCIP\)%20Tactics,%20Techniques,%20and%20Procedures%20\(TTP\).pdf](https://homeport-s.uscg.mil/Lists/Content/Attachments/1574/National%20Container%20Inspection%20Program%20(NCIP)%20Tactics,%20Techniques,%20and%20Procedures%20(TTP).pdf)

HAZMAT containers to be inspected, 75 percent must be Tier 1 cargos and the remaining 25 percent from Tier 2 cargos, per the table below:

<b><i>Tier 1 Cargos – focus 75%</i></b>	<b><i>Tier 2 Cargos – focus 25%</i></b>
<i>Class 1 Explosives</i>	<i>Class 2.1 Flammable gases</i>
<i>Class 4.2 Spontaneously combustible materials</i>	<i>Class 2.2 Nonflammable gases</i>
<i>Class 4.3 Dangerous when wet materials</i>	<i>Class 2.3 Toxic gases</i>
<i>Class 5.2 Organic peroxides</i>	<i>Class 3 Flammable &amp; combustible materials</i>
<i>Class 6.1 Poisonous material</i>	<i>Class 4.1 Flammable solids</i>
<i>Class 6.2 Infectious substances</i>	<i>Class 5.1 Oxidizer</i>
<i>Class 7 Radioactive</i>	<i>Class 8 Corrosive materials</i>
	<i>Class 9 Miscellaneous dangerous goods.</i>

The Coast Guard inspects general cargo containers to primarily look for undeclared HAZMAT shipped as general cargo.

Container Inspection Process: During inspections, Coast Guard container inspectors verify compliance with the appropriate domestic or international HAZMAT transportation regulations. The inspections include safety approvals, structural integrity, shipping documentation, marking, labeling, placarding, packaging, stowage, and segregation. The Coast Guard’s Intermodal Container Inspection Report Form<sup>3</sup> provides a comprehensive list of the inspection items. If a container is found structurally deficient or if inspection uncovers deficiencies posing a safety or environmental risk, the Coast Guard will detain the container until the deficiencies are satisfactorily corrected.

Interagency Cooperation and Port Partnership: The Coast Guard engages a variety of entities with overlapping goals to collaborate and address conditions in the maritime environment. This allows for successful planning and efficient mission execution, as well as the opportunity to leverage resources, increase awareness, highlight trends, and share relevant information pertaining to the shipment of HAZMAT. Key agency partnerships for the container inspection program include CBP, Pipeline and Hazardous Materials Safety Administration (PHMSA), Transportation Security Administration (TSA), and local port authorities. The Coast Guard also maintains a close relationship with the NCB, a not-for-profit organization that shipping companies can voluntarily hire to perform container inspections and verify regulatory compliance outside of government inspections.

Multi Agency Strike Force Operations (MASFOs): MASFOs are a surge of enforcement activity involving multiple agencies with varying jurisdictions, authorities and resources that promote interagency cooperation and boosts the number of containers inspected. MASFOs involve federal, state, and local agencies with authority to enforce requirements for facilities, containers, and cargoes, as well as requirements for the equipment and people transporting HAZMAT commercially. COTPs with container shipments exceeding 50,000 containers per year must lead at least one MASFO activity per fiscal year, though additional MASFOs are encouraged. Smaller ports should also consider conducting MASFOs depending on the availability of Coast Guard and partner-agency resources.

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<sup>3</sup> Coast Guard Intermodal Container Inspection Report, Form CG-5577; [CG5577.PDF \(defense.gov\)](#).



## 2. Container Metrics

Container Traffic Inspected: The U.S. Army Corps of Engineers' (USACE) Waterborne Commerce Statistics Center (WCSC)<sup>4</sup> uses nationally consistent capacity and throughput performance measures for determining container traffic volumes within the United States by port and waterway. Traffic throughput volumes are measured in 20-foot equivalent units (TEU) of containerized cargo. This data is normally published within twelve months of the end of the reporting year. 2023 data were not published at the time of this report's preparation.

Coast Guard container inspection data comes from the Marine Information for Safety and Law Enforcement (MISLE) database and captures container inspections by the number of containers inspected and not by TEUs inspected. The TEUs in the Inspected column below were calculated with the understanding that "containers that measure 40 feet in length dominate international trade and account for approximately 90 percent of waterborne containers."<sup>5</sup>

The following table displays the annual change of container traffic that has occurred for the past 10 years. Container traffic has been increasing by an average of 3.4 percent annually while Coast Guard inspections have trended at 0.12 percent of total container throughput.

### Container Traffic Inspected

(Measured in TEUs)

Year	Traffic	Traffic Change	Inspected
2013	35.7M	-	49,897
2014	37.2M	1.5M	44,739
2015	37.0M	-0.2M	45,952
2016	37.9M	0.9M	47,059
2017	39.5M	1.6M	46,702
2018	41.5M	2.0M	52,444
2019	41.6M	0.1M	57,709
2020	42.7M	1.1M	43,081
2021	47.6M	4.9M	60,983
2022	47.3M	-0.3M	57,794
AVG	40.8M	1.49M	50,636

The below comparison table is organized with the following columns:

- **Goal:** Container inspection performance goal calculated by the PGC as detailed in the NCIP.
- **Inspections:** Number of container inspections for that year without TEU conversion.
- **Gap:** Difference between the PGC and Container Inspections columns, which can result in a collective gap (i.e., a negative number for the Coast Guard but not necessarily for every COTP zone) or collective surplus (i.e., a positive number for the Coast Guard but not necessarily for every COTP zone).
- **Deficiencies:** Documented violations requiring correction.
- **Percent Deficiencies:** Percentage of inspections with deficiencies.

<sup>4</sup> U.S. Army Corps of Engineers Digital Library | Waterborne Container Traffic (<https://usace.contentdm.oclc.org/digital/collection/p16021coll2/id/1430>)

<sup>5</sup> 2023 Port Performance Freight Statistics Program: Annual Report to Congress ([https://rosap.ntl.bts.gov/view/dot/65990/dot\\_65990\\_DS1.pdf](https://rosap.ntl.bts.gov/view/dot/65990/dot_65990_DS1.pdf))

### **Performance Goal Versus Container Inspections**

<b>Year</b>	<b>Goal</b>	<b>Inspections</b>	<b>Gap</b>	<b>Deficiencies</b>	<b>Percent Deficiencies</b>
<b>2017</b>	35,233	23,797	-11,436	2,268	9.5%
<b>2018</b>	34,641	26,723	-7,918	1,615	6.0%
<b>2019</b>	33,978	29,406	-4,572	1,528	5.2%
<b>2020*</b>	19,617	21,952	+2,335	1,164	5.3%
<b>2021*</b>	23,964	31,074	+7,110	1,150	3.7%
<b>2022*</b>	25,628	29,449	+3,821	1,161	3.9%

\* The goals for 2020-2022 factor in the guidance in the Coast Guard's Strategic Planning Direction that COTPs should target 70 percent of the PGC.

### **3. Training Overview**

Coast Guard facility and container inspectors receive formal classroom training from multiple sources depending on their overall career path. In addition to formal classroom training, the Coast Guard employs a performance-based training process to qualify its facility and container inspectors. This process uses a Performance and Qualification Standard (PQS) that ensures members acquire the required experience and successfully complete job specific tasks. The qualification process is finished once the trainee completes the PQS, displays sufficient proficiency in front of a qualified inspector while leading inspections, and passing an oral board that tests the person's knowledge, experience, and overall aptitude.

Marine Science Technician (MST) A-School: Junior enlisted personnel on a path to become MSTs are sent to a dedicated school at Coast Guard Training Center in Yorktown, Virginia, to learn the basics of MST work. This training lasts 55 days, with 22 days dedicated to facilities and container focused training material. A maximum of 192 students are processed through this training annually, with a maximum of 24 students per class in eight sessions per year. Mandated curriculum reviews are completed every three years and occupational analysis reviews are conducted every four years. A curriculum review and occupational analysis is in progress in 2024. Those who complete the school are not required to attend the Facility Inspector Course but will attend the Container Inspector Course when training in that competency.

Facility Inspector Course: This course provides training to facility inspectors in leadership positions with a target audience of junior to mid-grade officers and civilians engaged in regulating waterfront facilities. The training lasts eight days and is focused on waterfront facility inspections. This class is held twice a year with a maximum of 20 students per session, for a total of 40 members trained annually. Coast Guard Training Center Yorktown ensures course material stays relevant through triennial curriculum reviews. The Facility Inspector Course underwent its last three-year audit in May 2021 and started a comprehensive, front-end analysis in 2024.

Container Inspector Course: This five-day course trains individuals assigned to a position that requires oversight or inspection of intermodal containers and containerized cargos for safety, security, and compliance with regulatory standards. This course is held nine times a year with a maximum of 20 students per class which allows for 180 members to be trained annually.



Curriculum reviews, Job Task Analysis (JTA), and course observation follow the same timeline as the Facility Inspector Course. The Container Inspector Course will undergo its JTA in 2024 and underwent its last three-year audit in June 2023.

Container Inspections Training and Assist Team (CITAT): The Coast Guard’s Container Inspections Training and Assist Team (CITAT) is made up of experienced container inspectors that teach the Container Inspector Course and serve as the Coast Guard’s container inspection experts. They can also assist COTPs with MASFOs, provide deployable teams to the Department of Defense to ensure the safe transport of HAZMAT by vessels, and support all levels of the Coast Guard on complex container inspection policy or operational issues.

#### 4. Competencies Metrics

The following tables illustrate assigned Facility inspector billets labeled as *Facility Inspector Management* and *Facility Inspector* positions. There are no assigned billets specific to container inspections. Instead, if a person is assigned to a *Facility Inspector Management* position or a *Facility Inspector* position, they are expected to conduct container inspections if they are in a container port. This is managed at the COTP level. Most container inspections are completed by enlisted personnel within the MST specialty. In some instances, junior officers (O-1 to O-4 ranks) may take part in container inspections, but this is usually done as part of their professional development and doesn’t amount to a significant portion of the container inspections workforce.

*Facility Inspector Management* positions are typically filled by a senior MST or a junior officer. *Facility Inspector* positions are filled by MSTs of various ranks.

The following tables use these column labels:

- **Assigned:** Specific billet or position that requires either a facility or container competency, according to the appropriate table.
- **Certified:** Certification of the person filling the assigned billet to competently carry out facility or container inspections, according to the appropriate table.
- **Percentage Certified:** Current standing of certifications in accordance with the assigned positions. Ideally this number would be 100 percent, however, due to personnel transfers and wide array of responsibilities each Coast Guard member must balance, this is usually not feasible.

#### Facility Competency by Position

Facility Inspector Competency	Facility Inspector Management Position			Facility Inspector Position		
	Assigned	Certified	Percent Certified	Assigned	Certified	Percent Certified
Active Duty	46	44	96%	251	245	98%
Reservists	16	9	56%	148	124	84%
Total	62	53	85%	399	369	92%

On the **Container Competency by Position** table below, the numbers for *Facility Inspector Management Position* and *Facility Inspector Position* are not in addition to the positions of the same name from the table above. They are a subgroup within the total numbers provided on the previous table that focuses on those that have a Container Inspections component to their work in addition to the Designated Waterfront Facilities inspections aspect.

**Container Inspector Competency by Position**

Container Inspector Competency	Facility Inspector Management Position			Facility Inspector Position		
	Assigned	Certified	Percent Certified	Assigned	Certified	Percent Certified
<b>Active Duty</b>	27	25	93%	130	111	85%
<b>Reservists</b>	9	5	56%	94	65	69%
<b>Total</b>	36	30	83%	224	176	79%

### III. Evaluation and Areas for Improvement

The Coast Guard continuously reviews personnel and funding needs to ensure the ability to meet changing demands and strengthen the program. Beyond resources, the Service also seeks to improve processes to further enhance the container and facility inspection program. Looking forward, the Coast Guard has identified several areas for improvement:

1. Determine the feasibility of a risk-based container inspection targeting system.

Container throughput in U.S. ports has steadily increased over the last decade without a corresponding growth in the container inspections workforce. To maximize the effectiveness of these limited inspector resources, the Coast Guard is exploring a risk-based container targeting system. This new targeting approach may use historical inspection data to evaluate risk factors and identify containers that are most likely to be non-compliant with the regulations and pose the greatest risk to the Marine Transportation System. Risk factors could include specific cargo label terms that are typically associated with undeclared HAZMAT, the violation history of shipping companies, the originating port or country of the shipment. This initiative may automate portions of the container selection process, and the Coast Guard is pursuing an FY 2025 Research and Development project to develop courses of action for this project.

2. Transition any container inspection performance goal guidance from the Coast Guard's Strategic Planning Direction to the PGC.

The Coast Guard historically used the PGC as the sole source for information on performance goals for the COTPs. Since FY 2020, there has been a footnote in the Strategic Planning Direction authorizing COTPs to target 70 percent of the PGC. Rather than having two separate documents providing guidance, the Coast Guard could centralize its container inspection performance goals in the PGC.

3. Review and update PQS for container inspections.

A JTA for container inspections is scheduled to start in late 2024 as part of its regular evaluation cycle. The JTA will validate current tasks or identify new ones that container inspectors perform in the field along with the most effective means for developing competency with the tasks. These tasks will also form the basis for an update to the Container Inspector PQS used to qualify new inspections in the field.

## IV. Conclusion

The Coast Guard has a comprehensive program for inspecting containerized cargo and waterfront facilities for compliance with domestic and international requirements. Similarly, the Coast Guard has a systematic training program to prepare inspectors for compliance inspections and enforcement actions. Continued assessment and coordination with Congress, interagency and industry stakeholders will be essential to build upon relevant goals and sustained performance highlighted in this report.

## Appendix A: Abbreviations

Abbreviations	Definition
CBP	Customs and Border Protection
CFR	Code of Federal Regulations
CGBI	Coast Guard Business Intelligence
CITAT	Container Inspections Training and Assist Team
COTP	Captain of the Port
HAZMAT	Hazardous Materials
JTA	Job Task Analysis
MASFO	Multi Agency Strike Force Operation
MISLE	Marine Information for Safety and Law Enforcement
MST	Marine Science Technician
NCB	National Container Bureau
NCIP	National Container Inspection Program
PGC	Performance Goal Calculator
PHMSA	Pipeline and Hazardous Materials Safety Administration
PQS	Performance Qualification Standard
TTP	Tactics, Techniques, and Procedures
TEU	Twenty-foot Equivalent Unit
TSA	Transportation Security Administration
USACE	U.S. Army Corp of Engineers
WCSC	Waterborne Commerce Statistics Center

## Appendix B: Organizational Map

