

# Congress of the United States

Washington, DC 20515

January 29, 2024

The Honorable Lloyd J. Austin III  
Secretary  
U.S. Department of Defense  
1000 Defense Pentagon  
Washington, D.C. 20301

The Honorable Antony Blinken  
Secretary  
U.S. Department of State  
2201 C Street, N.W.  
Washington, D.C. 20520

The Honorable Pete Buttigieg  
Secretary  
U.S. Department of Transportation  
1200 New Jersey Avenue, S.E.  
Washington, D.C. 20590

Dear Secretaries:

We write to share our concern with the ongoing Houthi attacks in the Red Sea that are disrupting global shipping routes and threatening supply chains.

The world has witnessed how detrimental disruptions to the global shipping market can be on supply chains. The COVID pandemic bottlenecks resulted in record shipping container backlogs and wait times at ports. Further, repeat blockages of the Suez Canal showed how vital the Red Sea passage is for international trade and functioning supply chains.

In recent weeks, attacks by Houthi rebels on commercial ships have resulted in major ocean carriers diverting routes through the Red Sea and instead sailing around the Cape of Good Hope. These attacks, conducted by pirates and supported by the Iranian powerhouse, are out of revenge for Western support for Israel. We cannot allow these bad actors to punish our nation and cripple our supply chain without swift recourse.

While the Biden Administration has taken action to confront these attacks, violence and disruption persists.

Approximately 20 percent of all container shipping passes through the Red Sea and Suez Canal, making any disruptions in that region of particular concern to shippers and customers alike.<sup>1</sup> Rerouting ships also results in lengthier shipping times – 10 days of travel time on average – further exacerbating delays.<sup>2</sup>

Cost escalation is a major concern. Avoiding the Red Sea can cost an additional \$1 million in fuel per round trip, while insurance premiums have spiked for ships traveling through the

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<sup>1</sup> <https://www.atlanticcouncil.org/blogs/econographics/the-long-shadow-of-the-red-sea-shipping-disruption/#:~:text=The%20Red%20Sea%20is%20one, and%208%20percent%20of%20LNG.>

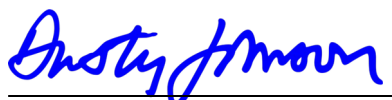
<sup>2</sup> <https://www.theguardian.com/world/2024/jan/03/what-is-the-red-sea-crisis-and-what-does-it-mean-for-global-trade>

conflict zone.<sup>3</sup> This has begun to affect shippers as rates from Asia to Europe have nearly doubled, while freight rates for US-bound cargo spiked in recent weeks.<sup>4</sup>

The Federal Maritime Commission has the authority to accept Special Permission requests, allowing common carriers to expedite shipping rate increases through surcharges and additional fees. We urge the Commission to ensure any rate increases are reasonable, targeted, and transparent to all affected parties. The Commission should use their oversight authority to prohibit bad actors from taking advantage of the current situation to unnecessarily inflate rates. We look forward to the Commission's February 7<sup>th</sup> hearing to continue this discussion.

As Members who focus on supply chain resiliency and efficiency, we ask for your continued efforts and oversight to secure the Red Sea shipping lanes and restore the safe passage of trade in the region.

Sincerely,



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Dusty Johnson  
Member of Congress



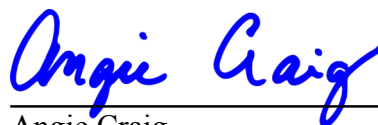
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David Rouzer  
Member of Congress



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Colin Z. Allred  
Member of Congress



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Angie Craig  
Member of Congress

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<sup>3</sup> <https://www.reuters.com/markets/commodities/london-marine-insurers-widen-high-risk-zone-red-sea-attacks-surge-2023-12-18/>

<sup>4</sup> <https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry>