Shifting Flows in Ocean Shipping 2025 and Beyond

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Shifting Flows in
Ocean Transportation
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USTR 301 Ship Tariffs

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USTR 301 – Fees (increasing incrementally next 3 years)

Annex 1: Effective as of October 14, 2025, a fee in the amount of $50 per net ton *for an arriving vessel owned or operated by a Chinese entity*

Annex 2: Effective as of October 14, 2025, the higher of a fee in the amount of $18 per net ton, or $120 for each container discharged, *from an arriving Chinese-built vessel*

Annex 3: Effective as of October 14, 2025, a fee in the amount of $14 per net ton *for an arriving vessel classified as a vehicle carrier or roll-on/roll-off vessel.*

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USTR 301 – Annex 2 Guidelines

- $ 18 per net ton or $120 per container is based on whichever pays higher amount
- The fee is capped after 5 applications per fiscal year
- Containers are counted as those to be discharged in USA – as reported in ACE
- Net Tonnage determined by the vessel's International Tonnage Certificate (ITC)
- Exemptions include:
    - US Government Cargo
    - US-owned or US-Flagged vessels
    - Vessels arriving in ballast
    - Vessels below 4000 TEU, 55,000 DWT or 80,000 ton capacity

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USTR 301 – CPB Collection Process

- Vessel Operators are responsible for calculation
- Should be done 3 days in advance of arrival at first USA Port
- CBP Office of Finance will handle collections
- Remittance through Pay.gov – passing through to ACE
- ACE will pass to Vessel Entrance Clearance System (VECS)
    - CBP system verifies if payment is needed, when paid, or if exempted
    - CBP notifies vessel agent if there is problem with receipt
    - Vessel agent / operator may provide proof of payment or exemption
    - CBP clears or denies based on payment review process.

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USTR 301 – CBP Verification Process

- CBP will rely upon Form 1300 to establish Registry Origin
- CBP will crosscheck multiple databases to verify vessel's Net Tons:
  - Lease Agreements
  - International Maritime Organization (IMO) database
  - Lloyd's Registry

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USTR 301 – Other Categories

- LNG Vessels are exempt at this time
- Fess for Lighterage are yet to be determined
- Assessment of Cross Border cargo yet to be determined
- Tariffs on cargo handling equipment still being worked on

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What can NVOCCs do to Prepare?

- Make sure your rules tariff is up to date
- Add provision that allows for pass-through of charges at cost
- Add USTR 301 Tariffs to list of possible pass-through charges

USTR Section 301 – Chinese Build Ship Fees

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Purpose

- USTR investigation finds
  - China's policies and practices restrict US Commerce
  - China has anti-competitive and unfair non-market practices
  - Shipping is vital to the US economy with 80% of trade via sea
- Fees will disincentivize the use of Chinese shipping companies and Chinese-built ships

Fees

- On October 14, 2025 the following fees will go into effect (increased every April 17th)
  - Fees on vessel owners and operators of Chinese built ships based net tonnage at $50/NT and increasing by $30/NT per year over the next three years so by it will be $140/NT by 2028 (COSCO/OOCL/Hede Shipping)
  - Fees on operators of Chinese built ships based on net tonnage or containers at $18/NT or $120/Container and increasing by $5/NT per year over the next three years. Containers increase by the same proportion
  - Foreign built car carriers - $150 per Car Equivalent Unit

The Fine Print

- Fees are per voyage and and levied a maximum of 5x per year
- One fee per voyage
- For every US built vessel ordered, the fees are waived for 1 non-US built vessel of the same size for up to 3 years
- Exemptions: US Government cargo, China built vessels in US maritime programs (Maritime Security Program or Tanker Security Program), arriving empty of cargo, less than 2000NM from the US Port

The Math - 2025

- 13000 TEU Ship (Workhorse of the Trans-Pacific)
- 65,000NT x $50 for Chinese Shipping Lines x 5 voyages = $16.25 million per year per vessel
- 65,000 NT x $18 for other carriers x 5 = $5.85 million per year per vessel
- 7000 Containers x $120 per container x 5 = $4.2 million per year per vessel