



US port fees on Chinese vessels: details emerge

With new bulletins and modifications announced in early October, US agencies have now clarified operators' responsibilities, fee calculations, and limited exemptions under the new Section 301 vessel fee regime.

Published Invalid Date Invalid Date NaN

The information provided in this article is intended for general information only. While every effort has been made to ensure the accuracy of the information at the time of publication, no warranty or representation is made regarding its completeness or timeliness. The content in this article does not constitute professional advice, and any reliance on such information is strictly at your own risk. Gard AS, including its affiliated companies, agents and employees, shall not be held liable for any loss, expense, or damage of any kind whatsoever arising from reliance on the information provided, irrespective of whether it is sourced from Gard AS, its shareholders, correspondents, or other contributors.

Since Gard's article <u>US port fees for Chinese vessels</u>: what they mean in practice, which was published on 29 April 2025, many of us had questions and were patiently awaiting the promised FAQs prior to the October 14 implementation date. The expected clarification did not arrive in an expected format, but the <u>USTR did</u> provide some additional information and modifications for consideration.

US agencies clarify operator responsibilities

On October 3, the US Customs and Border Protection issued a bulletin clarifying that it is the responsibility of the vessel operator to determine a vessel's liability for the Section 301 vessel fees and to assess the amount owed. Moreover, payment of the fees must be initiated three days prior to a vessel's arrival and paid directly to the Department of Treasury. Additional details may be found here: CSMS # 66427144 - Section 301 Vessel Fees , which contains further links to facilitate payment.

Key changes to fee calculations and exemptions

More recently, on October 10, the U.S. Trade Representative decided to modify existing trade actions in several key ways. First, the service fee applied under Annex III will shift from a Car Equivalent Unit (CEU) basis to net tons, with the fee set at USD 46 per net ton effective October 14, 2025, and limited to five charges per vessel annually. This change aims to prevent manipulation and align with standard U.S. government measurement practices.

Additionally, targeted coverage is provided for operators of Maritime Security Program vessels and U.S. Government vessels to encourage use of U.S.-flagged ships and maintain their availability for national security, with this provision expiring unless renewed on April 18, 2029.

The Trade Representative is also eliminating paragraph (j) of Annex IV, retroactive to April 17, 2025, to prevent disruptions in the LNG sector and support U.S. shipbuilding and LNG vessel production. Furthermore, new 100 percent duties will be imposed on STS cranes, certain intermodal chassis, and chassis parts from China to reduce reliance on Chinese imports and bolster U.S. supply chain security. However, no additional duties will be imposed on intermodal shipping containers at this time.

Clarifications on vessel routes and public consultation



Clarifications are provided regarding vessel entry requirements, specifically for transits through the Panama Canal and eligibility for targeted coverage under Annex II. Provided a vessel is merely transiting the Canal between two US ports, the transit will be considered coastwise trade even if the vessel takes bunkers or conducts a crew change. However, if the vessel exchanges cargo or passengers in the Panama Canal, it will be considered an intermediate foreign port.

An important clarification is that assessment will be based on the distance from the farthest port of call on a particular voyage, such that a vessel may not call a port in eg Canada or Mexico prior to entering the US in order fall within the "voyage of less than 2,000 nautical miles" exception.

Public comment is invited through 10 November on additional proposed modifications which include adding or removing targeted coverage for certain vessel types and imposing up to 150 percent tariffs on additional cargo handling equipment listed in a new Annex V.B, such as gantry cranes, reachstackers, terminal tractors, and their parts.

While owners and operators are already required to assess their liability and make payment under this fee scheme, the situation remains fluid as the US administration continues to tinker with the requirements, and it is difficult to predict the response to the newly implemented retaliatory Chinese Special Port Fees on US Owners and Operators. Watch this space.

The information provided in this article is intended for general information only. While every effort has been made to ensure the accuracy of the information at the time of publication, no warranty or representation is made regarding its completeness or timeliness. The content in this article does not constitute professional advice, and any reliance on such information is strictly at your own risk. Gard AS, including its affiliated companies, agents and employees, shall not be held liable for any loss, expense, or damage of any kind whatsoever arising from reliance on the information provided, irrespective of whether it is sourced from Gard AS, its shareholders, correspondents, or other contributors.