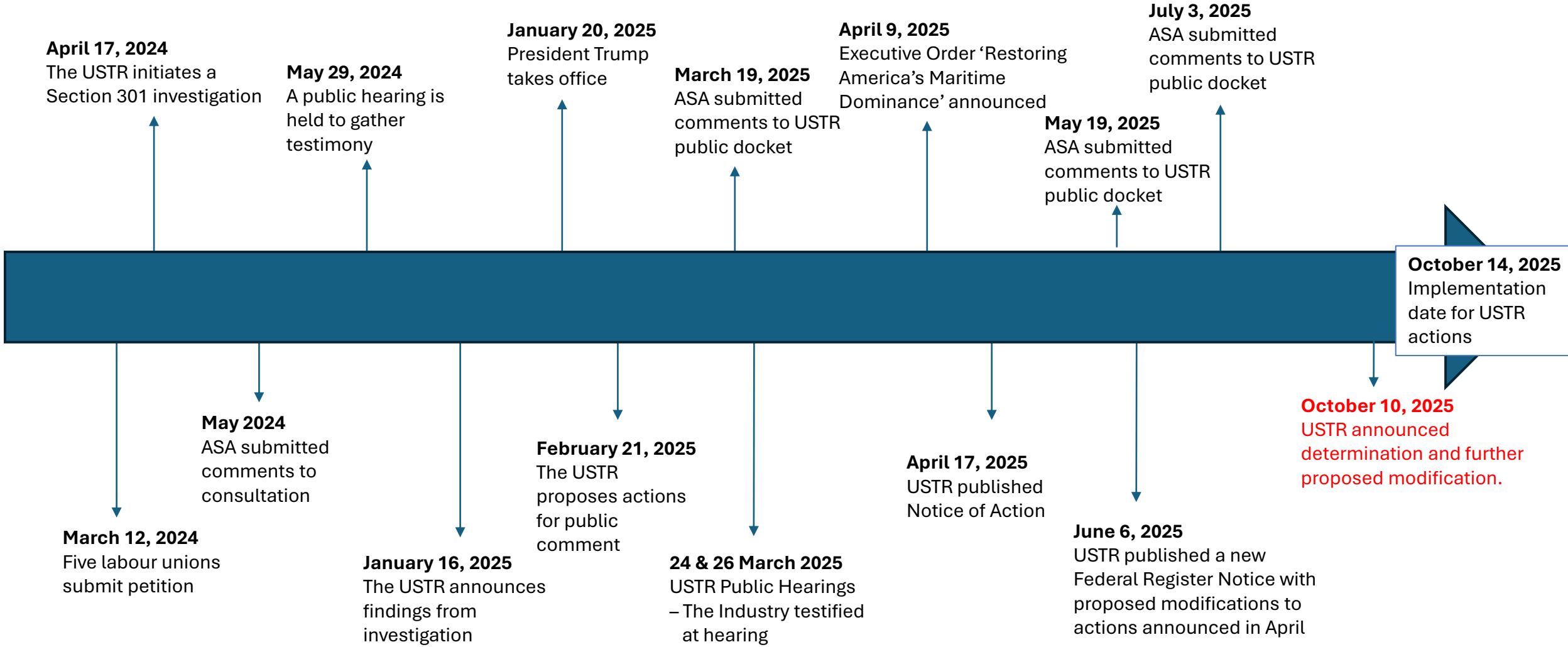


An aerial view of a container ship's deck, showing a dense arrangement of colorful shipping containers (blue, red, white, and yellow) stacked in rows. The ship's bow is visible at the top of the frame, and the dark blue water of the sea is visible on the right side.

Update on U.S. Maritime Policy Developments

Asian Shipowners' Association (ASA)

USTR Section 301 Investigation & Actions – Timeline



Latest Fee Structure - key features



- Vessel Operators and Vessel Owners of China
 - Sets fees on a per ton basis starting at \$50 per ton on 14 October, increasing every year to \$140 per ton by 2028
- Vessel Operators of Chinese-Built Vessels
 - Start at US\$18.00 per net tonnage or US\$120.00 per container on 14 October 2025 and increasing annually every April to US\$33.00 per net tonnage or US\$250.00 per container by April 2028.
- Vessel Operators of Foreign-Built Vehicle Carriers
 - Set fees of \$46 per net ton on 14 October, sharp increase from \$14 announced in June 2025
- Others
 - U.S. LNG export restrictions on non-US built or operated vessels without penalty
 - Impose 100% to 150% tariffs on Chinese port cranes, truck chassis

Key concerns

- Significant financial burden due to phased increases in port service fees
- Challenges in ensuring timely and cost-effective shipbuilding in the U.S.
- Difficulty in securing sufficient qualified U.S. seafarers
- ASA's key comments:
 - Annexes III (Vehicle Carrier) and IV (LNG) fall outside the statutory remit of Section 301.
 - Annexes I and II should be re-evaluated to mitigate uncertainty for operators with long-term contracts
- *China and US agreed to suspend port fees for one year following a meeting between the countries' leaders held in South Korea on 30 October.*
- *The industry continues to urge USTR to remove the port fees for smooth flow of global trade .*

U.S. FMC Investigation – Global Maritime Chokepoints



- On 17th March 2025, the U.S. Federal Maritime Commission (FMC) launched an investigation into transit constraints at global maritime chokepoints.
- The scope of the investigation covers transits through the English Channel, the Malacca Strait, the Northern Sea Passage, the Singapore Strait, the Panama Canal, the Strait of Gibraltar, and the Suez Canal.
- Concern about potential action mentioned in FRN regarding restricting entry of certain flagged vessels into U.S. ports.
- ASA submitted comments to public docket in May. Key messages:
 - Importance of aligning any actions with international law – UNCLOS, IMO conventions.
 - Constraints at the Straits of Malacca and Singapore can be effectively addressed among littoral States, with the active participation of stakeholders and financial contributions from individual States

U.S. FMC Investigation – ‘Flags of convenience’



- On 22 May 2025, the FMC launched a non-adjudicatory investigation into so-called "flags of convenience" and unfavourable flagging practices, to assess whether the vessel flagging laws, regulations, or practices of foreign countries, or competitive methods, are creating unfavourable shipping conditions in the foreign trade of the United States.
- ICS submitted comments to the investigation in August. Key messages:
 - The term “flag of convenience” is outdated and pejorative; not recognised by the industry nor by the UN, IMO or ILO. The internationally accepted term is “open registers”.
 - ICS Flag State Performance confirms that many of the largest open registers all consistently demonstrate high levels of compliance with international safety, environmental and labour standards
 - ICS shares concern about fraudulent registrations and the ‘dark/shadow fleet’; encouraged FMC to engage with the work of the IMO Legal Committee.



ASA

Asian Shipowners' Association

THANK YOU

