



September 2025

US PORT FEES ON CHINESE SHIPPING TO TAKE EFFECT IN OCTOBER

With the US port fees on Chinese shipping becoming effective in about one month from now, we'd like to remind everyone what has been proposed, as from 14 October 2025:

CHINESE-OWNED OR CHINESE-OPERATED VESSELS

Applicable Fees

- + US\$50/net ton for a Chinese-owned or operated vessel arriving at a US port.
- + This increases by US\$30 annually, every 17 April, to a maximum of US\$140 per net ton as of 17 April 2028.

Fee Chargeability and Payment

- + This fee is chargeable up to five times per year; per vessel. If a vessel makes multiple US entries before transiting to a foreign destination, the fee is assessed per rotation or string of calls.
- + The vessel operator is responsible for calculating the applicable fee and its payment.

Exemptions

- + None.

VESSELS BUILT IN THE PEOPLE'S REPUBLIC OF CHINA (BUT NOT CHINESE-OWNED / OPERATED)

Applicable Fees

The applicable fees will be the higher of:

- + Either US\$18 per net ton for a Chinese-built vessel arriving at a US port, rising by US\$5 annually, every 17 April, to a maximum of US\$33 per net ton as of 17 April 2028;
- + Or US\$120 per container discharged, rising by uneven increments annually, every 17 April, to a maximum of US\$250 for each container discharged as of 17 April 2028.

Fee Chargeability and Payment

- + This fee is also chargeable up to five times per year; per vessel.
- + The vessel owner is responsible for payment of these fees.

Exemptions

Unlike Chinese-owned/Chinese-operated vessels, there are various exemptions available.

Some, among others, are:

- (a) vessels arriving empty or in ballast;
- (b) vessels that are US-owned;



- (c) vessels with a capacity of equal to or less than 4,000 twenty-foot equivalent units; 55,000 deadweight tons or an individual bulk capacity of 80,000 deadweight tons;
- (d) vessels entering a US port in the continental United States from a voyage of less than 2,000 nautical miles from a foreign port or point; or
- (e) the vessel owner orders and takes delivery of a US-built vessel of equivalent or greater net tonnage, in which case the fees will be suspended as regards a particular Chinese-built vessel of equal or less net tonnage for up to three years. If the US-built vessel is not delivered within three years, the suspended fees will become due and payable immediately.

Where a vessel is Chinese-owned/operated and Chinese built, only the fees applicable to Chinese-owned/operated will apply.

VEHICLE CARRIERS

A final, separate fee category is for **foreign-built (non-US) vehicle carriers**.

Applicable Fees

In this case, the vessel is subject to a US\$150 charge per Car Equivalent Unit (CEU) capacity upon entry into a US port¹. This is a flat rate, with effect from 14 October 2025, and not subject to annual increase.

Fee Chargeability and Payment

The vessel operator is responsible for calculating and paying this fee.

Exemptions

As with Chinese-built vessels, there is a fee suspension for a particular vessel where the owner orders and takes delivery of a US-built vessel of equivalent or greater CEU within three years.

VESSELS DESIGNED SPECIFICALLY FOR INTERNATIONAL MARITIME TRANSPORTATION OF LNG FALL INTO AN ENTIRELY SEPARATE CATEGORY, WHICH DOES NOT BECOME EFFECTIVE UNTIL 2028

Licensing

In this case, no US port fee is applied to vessels carrying LNG for export. Rather, a vessel exporting LNG from the United States must be licensed.

As from 17 April 2028, a certain percentage of LNG exported annually from the US by a vessel owner must be onboard US-built, flagged and operated vessels. This percentile amount increases periodically, reaching a peak of 15% on 17 April 2047.

If this requirement is not met, the LNG export license will be revoked².

Exemptions

As with Chinese-built vessels, a vessel can be exempted where the owner orders and takes delivery of a US-built vessel of equivalent or greater LNG capacity, measured in cubic feet, within three years.

WHAT DOES "CHINESE" MEAN?

In terms of assessing what amounts to a Chinese owner or operator, the definition is remarkably broad. It means any entity/person:

- (i) whose country of citizenship is the People's Republic of China (including the Hong Kong SAR or Macau SAR) (**PRC, Hong Kong, Macau** respectively);
- (ii) whose headquarters, or parent entity's headquarters or parent entity's principal place of business is the PRC, Hong Kong or Macau;
- (iii) that is owned by, or controlled by, a citizen or citizens of the PRC, Hong Kong or Macau;
- (iv) that is owned by, controlled by, or subject to the jurisdiction or direction of the PRC, Hong Kong or Macau;

¹ Please note that the US authorities are contemplating changing this to a fee based on net tonnage.

² Please also note that the US authorities are currently reconsidering this penalty. It remains to be seen what may replace it.



An entity is owned by, controlled by or subject to the jurisdiction or direction of the PRC, Hong Kong or Macau where:

- (a) it is national or resident in the PRC, Hong Kong or Macau;
- (b) it is organised under the laws of, or has its principal place of business in, the PRC, Hong Kong or Macau;
- (c) 25% or more of its outstanding voting interest, board seats or equity interest is held directly or indirectly by any combination of the governments of the PRC, Hong Kong or Macau;
- (d) 25% or more of its outstanding voting interest, board seats or equity interest is held directly or indirectly by any combination of the persons in (a), (b) or (c) above.
- (v) it is owned by, or controlled by, an entity listed as a Chinese Military Company pursuant to Section 1260H of the William M. ("Mac") Thornberry National Defence Authorisation Act for Fiscal Year 2021; or
- (vi) it is an ocean common carrier, as defined in 46 USC 40102(7) that is, or whose operating assets are, directly or indirectly, owned or controlled by the government of the PRC or any of its political subdivisions, with ownership or control by a government being deemed to exist for a carrier if:
 - (a) a majority of the interest in the carrier is owned or controlled in any manner by the government of the PRC, an agency of the government of the PRC, or a public or private person controlled by the government of the PRC; or
 - (b) the government of the PRC or any of its political subdivisions has the right to appoint or disapprove the appointment of a majority of the directors, the chief operating officer or the chief executive officer of the carrier.

COMMENTARY

It is important to understand that while China-related shipping is a major target of these measures, and this has received the most media coverage, the actions as regards vehicle carriers and LNG are not particularly focused on China and apply against all non-US built vessels (even those that may be US-owned).

As regards those measures that are specifically focused on China-related shipping, it is readily apparent that the fees on Chinese-owned/operated vessels are notably higher than those for Chinese-built ships, while the latter also has far more flexibility in terms of the exemptions available.

A related point of concern is that the definition of "Chinese" is remarkably broad it would capture, for example, a ship-owning corporation that has no connection with China other than having a single Chinese shareholder with a 25% interest, or a single board seat connected with the government of China on a 4 person Board of Directors. Unless there is sufficient awareness, understanding and examination of these measures, many organisations may endure punishing fees from US port calls.

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