

**BLOG** 



#### NOVEMBER 3, 2025

On November 1, 2025, President Trump announced the suspension, starting on November 10, 2025, for one year of the fees imposed by the U.S. Trade Representative stemming from the USTR's China maritime investigation. The U.S. announcement also indicated that the Chinese government had agreed to remove measures it had taken against U.S.-flag vessels and other interests it had taken in retaliation for the USTR-imposed fees.

Section 301 of the Trade Act of 1974 grants the USTR authority to impose, among other things, "duties or other import restrictions" when it concludes that a country has taken actions which "unjustifiable" and "burden or restrict United States commerce." In response to a petition filed in March 2024 by five labor unions, the USTR concluded on January 16, 2025, that China's targeting of the maritime, logistics, and shipbuilding sectors met the section 301 standard. On April 17, 2025, the USTR first imposed fees on Chinese-connected vessels making U.S. port calls and foreign-built vehicle carriers. Those fees, after modification, went into effect on October 14, 2025.

On that same day, the Chinese General Office of the Ministry of Transport imposed retaliatory fees on "US vessels" making Chinese port calls as set forth in a notice. "US vessels" included vessels registered in the United States as well as vessels "owned" or "operated" by certain U.S. persons regardless of where the vessel was registered. The Chinese government also sanctioned certain S. Korean companies it alleged assisted with the section 301 process.

The White House November 1 "Fact Sheet" indicates that the USTR will suspend all "responsive actions taken pursuant to the Section 301" China maritime investigation. Presumably, that includes the section 301 fees on foreign-built vehicle carriers not built in China. The "Fact Sheet" also indicates that the "United States will negotiate with China pursuant to Section 301 while continuing its historic cooperation with the Republic of Korea and Japan on revitalizing American shipbuilding." The "Fact Sheet" does not indicate the basis for a negotiation, given Chinese dominance of international shipbuilding and the lack of U.S. shipbuilding for international trade.

The "Fact Sheet" further provides that China "will remove" section 301 maritime retaliatory measures and "remove sanctions imposed on various shipping entities." The "Fact Sheet" did not indicate the exact timing of such actions by the Chinese government.

Finally, the "Fact Sheet" does not indicate what part of section 301 is being invoked to support the suspension of the section 301 fees. Section 301 limits the discretion of the Administration when U.S. trade rights are being violated, which USTR concluded in January.

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