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China flexes maritime power in response to coming US port fee



Starting Oct. 14, US customs officials will begin collecting special taxes on vessels calling US ports that are operated by China-based companies or were built in China. Port of Long Beach pictured.

Photo credit: Mario Tama / Getty Images.

Mark Szakonyi | Sep 29, 2025, 4:13 PM EDT

China has amended its maritime regulations to allow it to penalize and restrict vessels of countries accused of targeting its shipping operations, flexing its power and raising the stakes just two weeks before a US tax on Chinese operators and shipbuilding takes effect.

China Premier Li Qiang has signed into law an amendment that took effect Sunday, laying the groundwork for China to block not just vessels, but also data, information and other maritime services of other countries it wishes to target, according to an order from China's State Council seen by the *Journal of Commerce*. The amendment keeps the door open for conciliation through treaties and agreements, which comes as the Trump administration seeks to negotiate a larger trade deal with China.

The move by Beijing comes ahead of the Oct. 14 date when US Customs and Border Protection will begin collecting special taxes on ships calling US ports that are operated by China-based companies or were built in China. The US has accused China of unfairly subsidizing its shipbuilding industry to establish global maritime dominance and is leveling the sharpest taxes on Cosco Shipping and its OOCL subsidiary.

Container lines not based in China <u>have shifted China-built ships out of US services</u> and replaced them with vessels from South Korea and elsewhere to avoid the new fees. Major carriers including <u>Maersk and Mediterranean Shipping Co.</u> have said in recent weeks they won't need to levy a surcharge to recoup costs from the new fee.

Cosco and OOCL, which together handle the largest share of US imports from Asia, have signaled they will continue to operate in the US trades. The port fees, <u>estimated</u> by investment bank HSBC to cost the two Chinese carriers at least \$2 billion in the <u>first year</u>, will rise incrementally over the next four years.

The US Trade Representative (USTR) is expected in the coming week to release an FAQ regarding the so-called Section 301 investigation into China's maritime activities and respond to requests for clarifications and changes on the US new tax, according to one person close to the matter. The investigation targets Chinese-built chassis, container equipment and cranes, some of which are being received by US ports this month before the Oct. 14 deadline.

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