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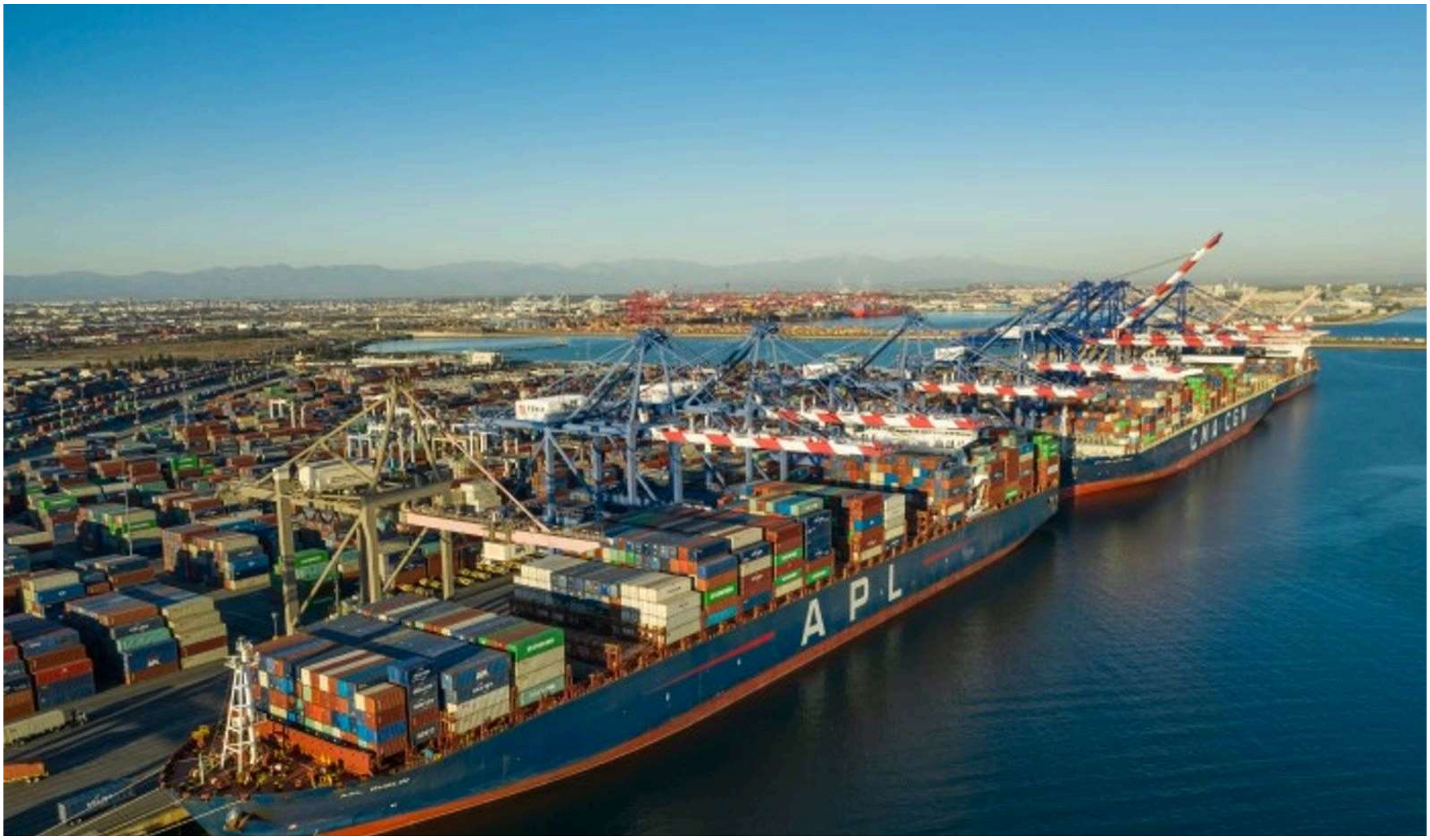
Chinese tonnage moving out of US container trade ahead of new fees: Xeneta



China's shipbuilding industry saw orders decline earlier this year, but it is poised to survive the new US port fees, according to a report from S&P Global Ratings. Photo credit: Port of Los Angeles.

Michael Angell | Sep 16, 2025, 4:36 PM EDT

Major container lines will have removed nearly half of the China-built ship capacity from US service by October, according to Xeneta, allowing the industry to better weather the Trump administration's new fee on US port calls by using non-Chinese vessels.

And despite Washington's attempt to break China's dominance of the maritime industry with the fees, that country's shipbuilders also appear poised to survive.

Xeneta data shows that eight of the largest ocean carriers had approximately a combined 566,000 TEUs of Chinese-built ship capacity in regular rotation to the US this year. But Peter Sand, Xeneta's chief analyst, told the *Journal of Commerce* half of that capacity could be replaced by non-Chinese vessels by October when the US Trade Representative (USTR) plans to start collecting the new fees.

"It's been a tall order for the carriers to shuffle ships around due to 'place-of-build' restrictions in the USTR legislation and adopting a profile for the services that's no longer operationally optimal," Sand said.

The number of Chinese-built container ships calling the US won't drop to zero because of Cosco Shipping and Hong Kong-headquartered affiliate OOCL, which account for 296,000 TEUs of Chinese-built capacity. Because they will be subject to the fees based on their ownership, Sand said Cosco and OOCL don't have any levers to pull for avoiding the fees.

"OOCL and Cosco will likely have the most difficulty as Chinese carriers, regardless of how they shuffle ships around," he said. Despite this, Cosco does not plan to introduce fee-related surcharges to its US shippers, according to sources familiar with the matter.

After Cosco, its Ocean Alliance partner CMA CGM had the most Chinese-built capacity deployed to the US this year at 107,000 TEUs, Xeneta data shows. But the French carrier is in the process of swapping out 42,000 TEUs of the capacity, Sand said, primarily by shifting larger Chinese-built ships from US rotations to European and South American trades.

CMA CGM recently announced that it does not plan a surcharge on US imports due to the new port call fee.

Evergreen Marine, the fourth carrier in Ocean Alliance, is likely to avoid paying the port fee because it only has four Chinese ships in its entire global fleet, Sand said. He added that capacity from CMA CGM and Evergreen could fill in for Cosco and OOCL on some US trades.

"The CMA CGM and Evergreen fleets will be powerful tools for the Ocean Alliance in navigating these hurdles and minimizing associated costs," Sand said.

Other container lines and alliances are readying to avoid the fee altogether. Deployment data shows that Maersk and Hapag-Lloyd are swapping out some 60,000 TEUs of Chinese-built ships from the Gemini Cooperation's US trans-Pacific services, with most of those swaps occurring over August and October.

Maersk and Hapag-Lloyd have "made concerted efforts to remove Chinese-built vessel capacity on the trans-Pacific," Sand said, adding the two carriers "are wellsuited to navigating this disruption without passing surcharges off to shippers and forwarders."

Mediterranean Shipping Co., which also told shippers it's prepared for the new US port fees, dropped some 19,000 TEUs of Chinese-built vessels from its US rotations, Sand said.

Ocean Network Express (ONE), which had nearly one-third of its post Panamax ship fleet built in China, now has only one small Chinese-built ship deployed to the US, while its Premier Alliance partners Yang Ming and HMM have negligible exposure to Chinese ships.

Chinese shipbuilders on the mend

The potential that any type of Chinese-built ship calling a US port would face a fee was a factor in a downturn of orders at Chinese shipbuilders, according to an August report on the industry from S&P Global Ratings, a sister company of the *Journal of Commerce* within S&P Global.

The report said newbuild orders at Chinese shipyards in the first half of 2025 were set to drop 54% from a year earlier, noting that the release of the USTR's fee proposal earlier this year prompted carriers to shift to "non-Chinese shipyards to avoid port call fees in the US."

"The [USTR fees] have disrupted shipbuilding orders, prompting shipowners to rethink order volumes," the report said. "The impact was most pronounced in the first quarter when the original port fee proposal was announced."

However, newbuild orders at Chinese shipyards have since risen as the impact of the fees on the broader shipping industry may be limited, the report said, adding that only about 9% of total US port calls in 2024 would likely be affected by the fees. S&P Global Ratings said China's lead in shipbuilding appears safe despite the new fees.

While the new port fees may swing some orders to South Korea and Japan, "their market share expansion will be constrained by limited production capacity and labor scarcity," the report said. "We expect China will maintain its dominance in the global shipbuilding market over the next two to three years."

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