

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Notice of Modification and Proposed Modification of Section 301 Action: China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance

AGENCY: Office of the United States Trade Representative (USTR).

ACTION: Notice of modification, proposed modification of action, and request for comments.

SUMMARY:

In notices published on April 23, 2025, and June 12, 2025, the U.S. Trade Representative proposed certain modifications to the actions being taken in this investigation. This notice announces a determination by the U.S. Trade Representative to modify the action by: altering the fee basis and rate for vehicle carrier vessels as provided in Annex III of the April 23 notice, and by exempting operators of vessels in the Maritime Security Program; eliminating paragraph (j) of Annex IV of the April 23 notice, which provided that USTR could direct the suspension of licensing for liquefied natural gas (LNG) shipments if the schedule of restrictions set forth in Annex IV was not met; and imposing additional duties of 100 percent on ship-to-shore (STS) cranes and duties of 100 percent on certain cargo handling equipment of China as described in Annex V.A of this notice. In addition, the U.S. Trade Representative is proposing further modifications to certain aspects of the responsive action. This notice announces the opening of a public comment docket for interested parties to comment on the proposed further modifications. This notice also sets forth ministerial clarifications to provide greater certainty on the operation of the action being taken in this investigation.

DATES:

April 17, 2025: The removal of Annex IV, paragraph (j), is effective as of this date.

October 10, 2025: Comment period opens regarding the proposed further modifications to the action, as provided in this notice. The service fee schedule modifications to Annex III of the April 23 notice, as provided in this Notice, are effective as of this date.

November 9, 2025: Additional duties on STS cranes and intermodal chassis and parts, as provided for in Annex V.A of this Notice, are effective as of this date.

November 10, 2025: To be assured of consideration, submit written comments regarding the proposed modifications to the action being taken in this investigation.

ADDRESSES: Submit documents in response to this notice, through USTR's electronic portal: <https://comments.ustr.gov/s/>. The docket number for written comments is USTR-2025-0017.

FOR FURTHER INFORMATION CONTACT: Philip Butler, Chair of the Section 301 Committee; Thomas Au, Associate General Counsel; or David Salkeld, Assistant General Counsel at (202) 395-5725.

SUPPLEMENTARY INFORMATION:**A. Background**

For background on the proceedings in this investigation, please see the prior notices issued in this investigation, including 89 FR 29424 (April 22, 2024), 90 FR 8089 (January 23, 2025), and 90 FR 10843 (February 27, 2025).

On April 17, 2025, pursuant to sections 301(b), 301(c), and 304(a) of the Trade Act of 1974, as amended (19 U.S.C. 2411(b), 2411(c), and 2414(a)), and following consideration of public comments, as well as consultations with advisory committees and

the Section 301 Committee, the U.S. Trade Representative determined to take action in this investigation. *See* 90 FR 17114 (April 23, 2025) (April 23 notice).

Through Executive Order 14269, *Restoring America's Maritime Dominance*, the President directed the U.S. Trade Representative to consider proposing the following actions in this investigation: “(i) tariffs on ship-to-shore cranes manufactured, assembled, or made using components of PRC origin, or manufactured anywhere in the world by a company owned, controlled, or substantially influenced by a PRC national; and (ii) tariffs on other cargo handling equipment.”

Consistent with the President’s direction in Executive Order 14269, the U.S. Trade Representative proposed additional duties on STS cranes and on an initial list of other cargo handling equipment. *See* 90 FR 17114, 17124–5. On May 19, 2025, USTR held a public hearing regarding the proposed additional duties and received testimony from seven witnesses.

On June 6, 2025, the U.S. Trade Representative proposed to modify the action in this investigation in several respects, including by eliminating paragraph (j) of Annex IV of the April 23 notice, retroactive to April 17, 2025. *See* 90 FR 24856–60 (June 12, 2025) (June 12 notice). Under that provision, USTR could direct the suspension of LNG export licenses until the terms of paragraph (f) of Annex IV were met. The June 12 notice also included a proposal to modify Annex III of the April 23 notice, by altering the basis of the fee in the annex to net tons and by providing for a targeted coverage provision to exempt operators of vessels in the Maritime Security Program.

B. Modification of Action

Section 307(a)(1) of the Trade Act authorizes the Trade Representative to modify any action being taken under Section 301, subject to the specific direction of the President, including if such action being taken under Section 301(b) is no longer appropriate. The term “appropriate” refers to Section 301(b), which requires the U.S. Trade Representative to “take all appropriate and feasible action authorized under [section 301(c)] to obtain the elimination of [the] act, policy, or practice.” The specific action that will obtain the elimination of an act, policy, or practice is a matter of predictive judgment, to be exercised by the U.S. Trade Representative, and subject to any specific direction of the President. Such appropriate action includes action to obtain a reversal of the investigated acts, policies, or practices.

In consideration of the public comments received in response to the April 23 notice and June 12 notice, advice from the Section 301 Committee, and consultations with petitioners and advisory committees, the U.S. Trade Representative has determined that certain aspects of the action are no longer appropriate, and that changes to the action are warranted to obtain a reversal of the investigated acts, policies, or practices, considering the potential to reduce dependence on China, and the specific direction of the President to consider imposing tariffs on other cargo handling equipment of China, which may significantly increase leverage on China to eliminate the investigated acts, policies, and practices.

The U.S. Trade Representative has determined that it is appropriate to modify the action by:

- altering the fee basis and service fee rate, and providing certain targeted coverage, for Annex III of the April 23 notice;
- eliminating paragraph (j) of Annex IV of the April 23 notice, retroactive to April 17, 2025; and
- imposing duties on STS cranes, intermodal chassis, and chassis parts of China, as described in Annex V.A of this Notice.

B. Responses to Significant Comments

Below, USTR responds to comments on the proposed modifications that raise significant issues.

Proposed Modifications to Annex III of the April 23 Notice

Fee Basis and Rate

USTR requested comments on the potential impact of a fee on vessel operators of foreign-built vehicle carriers based on net tons, as well as the suggested amount of the fee, and the implications of a targeted coverage provision for the Maritime Security Program and suggested duration for such targeted coverage.

Several responsive comments supported modifying the basis for the service fee from Car Equivalent Units (CEU) to net tons, as a CEU basis could be manipulated and is assessed based on outdated vehicle measurements, whereas net tons are a measurement used by the United States Government. Some comments cautioned that a net-tons-based service fee could result in disproportionately higher fees on roll-on/roll-off vessels, as net tonnage is a measurement of interior volume, and roll-on/roll-off vessels have larger enclosed interiors proportionate to their overall size compared with other classes of vessels. Some comments suggested applying the fee on a “Car Unit” discharged basis.

Some comments raised concerns of potential increased costs and possible impact on exports arising from the service fee. A number of comments raised concerns that the proposed service fee rate of \$14 per net ton is too low, and calculated that the proposed rate of \$14 per net ton is less than the projected the Car Equivalent Unit basis fee imposed in Annex III of the April 23 notice. Two comments affirmatively supported the \$14 per net ton fee level.

In response to comments that argued that the service fee on vessel operators of foreign-built vehicle carriers was not subject to full public consultation, USTR disagrees. Regarding comments that argued that the Trade Representative's determination to apply a service fee on vessel operators of foreign-built vehicle carriers was not subject to full public consultation, these comments are outside the scope of proposed modifications on which USTR requested comments. However, the service fee on vessel operators of foreign-built vehicle carriers was a logical outgrowth of USTR's proposed service fee on maritime transport operators. *See* 90 FR 10843, 10844–5 (Feb. 27, 2025). Initially, USTR proposed a service fee on maritime transport operators, including potential fees on a nondiscriminatory basis, and provided a number of alternatives. USTR requested comments on the alternatives and specifically whether the proposed fees were appropriate and would be practicable or effective to obtain the elimination of China's acts, policies, and practices. *Id.* at 10845. Based on the comments received, the Trade Representative determined that a service fee on vessel operators of foreign-built vehicle carriers would be effective in obtaining the elimination of China's acts, policies, and practices.

Considering the public comments and the advice of the Section 301 Committee, the U.S. Trade Representative has determined to change the basis and rate of the service

fee on vessel operators of foreign-built vehicle carriers. The U.S. Trade Representative has determined to change the basis of the service fee from a Car Equivalent Unit standard to net tons. Regarding the fee rate, the Trade Representative has determined to set the service fee rate to \$46 per net ton as of October 14, 2025, and limiting the total collection of this service fee to five times per calendar year, per vessel. These modifications will address concerns regarding unfair manipulation of a Car Equivalent Unit and the establishment of a net ton rate that is too low, which would limit the effectiveness of the action, and will provide additional leverage to encourage China to eliminate the investigated acts, policies, and practices.

Targeted Coverage for Operators of Maritime Security Program Vessels and Operators of U.S. Government Vessels

USTR received comments both in support of and opposing providing targeted coverage exempting operators of Maritime Security Program vessels from the Annex III fee. Comments did not oppose targeted coverage as applied to operators of U.S. Government vessels. Some comments indicated that providing targeted coverage would reduce the effectiveness of the responsive action, provide a benefit to operators who have acquired Chinese-built vessels, and negatively impact the U.S. shipbuilding industrial base. One comment suggested that USTR should adopt an outright prohibition on the utilization of Chinese-built vessels by Maritime Security Program operators in order to qualify for targeted coverage under this annex. Other comments indicated that a lack of targeted coverage for operators of Maritime Security Program vessels would result in

operational changes that would reduce the overall size of the U.S.-flag commercial fleet and reduce the availability of such vessels to respond to national security needs.

Considering the public comments and the advice of the Section 301 Committee, the U.S. Trade Representative has determined that it is appropriate to provide targeted coverage to operators of Maritime Security Program vessels to maintain incentives for maximal use of the U.S. flag and to ensure availability of such vessels for national security purposes, as well as to operators of U.S. Government vessels. In consideration of the comments that the targeted coverage provision should not incentivize future use of Chinese and other non-U.S.-built vessels, this targeted coverage provision will expire, unless renewed, on April 18, 2029.

Proposed Modifications to Annex IV of the April 23 Notice

In the June 12 notice, the U.S. Trade Representative proposed to modify the action by eliminating paragraph (j) of Annex IV of the April 23 notice, which provided that USTR could direct the suspension of licensing for LNG shipments if the schedule of restrictions set forth in Annex IV was not met. USTR requested comments on the potential impact of this proposed modification.

Some comments supported the removal of paragraph (j) of Annex IV. Other comments argued for retaining this enforcement provision. Some comments suggested instead applying a service fee if the LNG maritime transport requirements are not met. One comment suggested a 60-day market testing period for the potential restrictions under paragraph (j).

Considering the public comments and the advice of the Section 301 Committee, the U.S. Trade Representative has determined to eliminate paragraph (j) of Annex IV,

retroactive to April 17, 2025. This modification will avoid potential short-term disruptions to the LNG sector while promoting investments in U.S. shipbuilding capacity and production of LNG vessels. USTR views LNG exports as an important contribution to the U.S. economy and U.S. economic security. USTR observes that significant domestic demand for new LNG vessels coupled with increased investment in U.S. shipbuilding capacity will result in the successful construction of LNG vessels in the United States in the coming years, ensuring that U.S. energy exports can be transported on U.S.-built vessels. Some industry assessments estimate that more than 240 LNG carriers are needed to carry U.S. LNG exports beyond those already on order, providing new opportunities to enhance American energy security.¹ USTR is closely monitoring the production and availability of U.S.-flagged, -operated, or -built vessels, and USTR will also continue to promote the competitiveness and resiliency of the U.S. LNG industry in a manner consistent with U.S. policy goals, including through additional measures designed to support the expansion of the U.S. shipbuilding sector.

Proposed Duties on STS Cranes and Other Cargo Handling Equipment in the April 23 Notice

Consistent with the President’s direction in Executive Order 14269, USTR requested comments on “[a]dditional duties of up to 100 percent on STS cranes manufactured, assembled, or made using components of Chinese origin, or manufactured anywhere in the world by a company owned, controlled, or substantially influenced by a Chinese national, as described in Annex V [of the April 23 notice],” and [a]dditional duties of up to 100 percent on certain cargo handling equipment of China, as specified in

¹ See, e.g., BRS Group Annual Review 2025, available at <https://brsshipbrokers.com/publications>.

Annex V [of the April 23 notice].” The action with respect to STS cranes was proposed to be imposed on a nondiscriminatory basis. *See* 90 FR 17114, 17121; 19 U.S.C.

2411(c)(3)(A).

STS Cranes

Several comments were generally supportive of additional tariffs on STS cranes. Some comments suggested adjustments, such as a 3-year delay in tariffs, allowing a modified duty drawback provision, or adding a “grandfather” provision for STS cranes that have already been contracted. Some comments recommended against imposing tariffs on STS cranes. Other comments suggested a number of adjustments to the proposed tariff on STS cranes, such as delaying implementation, differentiating the tariff between STS cranes with or without Chinese information technology equipment, or excluding the value of U.S.-origin content. One comment suggested expanding the scope of the proposed tariff to cover embedded sensors and software. Some comments raised concerns about the potential harm to the U.S. economy and global supply chains should STS cranes be subject to additional tariffs.

Considering the specific direction of President, the public comments, and the advice of the Section 301 Committee, the U.S. Trade Representative has determined to impose additional duties of 100 percent on STS cranes as described in Annex V.A to this notice. Increasing Section 301 duties on STS cranes will reduce exposure to and dependence on Chinese sources, strengthen U.S. supply chain resilience and economic security, and provide additional leverage with China to eliminate the investigated acts, policies, and practices. In response to comments suggesting a delayed implementation, USTR notes that the report in this investigation assesses that there are national and

economic security risks arising from dependence on China in the maritime, shipbuilding, and logistics sectors, including for STS cranes. In light of these concerns, the U.S. Trade Representative has determined it is not appropriate to defer higher tariffs on STS cranes, nor to differentiate Chinese information technology from unfairly priced steel superstructure or other STS crane components. In response to comments expressing concern regarding STS cranes ordered in advance of the proposed action, the U.S. Trade Representative has determined not to impose the additional duties of 100 percent on STS cranes that fulfill contracts executed prior to April 17, 2025, and that enter the United States prior to April 18, 2027.

Intermodal Shipping Containers

Some comments indicated that tariffs on intermodal shipping containers may negatively impact domestic carriers as containers are largely imported for consumption by domestic carriers for domestic intermodal shipping while containers used for international maritime transport are not imported. One comment asserted that Chinese entities sell containers below the cost of the steel used to produce containers. Other comments raised concerns that tariffs on intermodal shipping containers could reduce U.S. competitiveness as well as limit the use of such containers for military applications or disaster relief efforts.

Considering the specific direction of the President, the public comments, and the advice of the Section 301 Committee, the U.S. Trade Representative has determined not to impose additional duties on intermodal shipping containers at this time in light of the potential impact on domestic carriers for domestic intermodal shipping and considering

that action may, at present, provide limited additional leverage with China to eliminate the investigated acts, policies, and practices.

Intermodal Chassis and Parts

One comment argued that the proposed tariffs will not have significant impact on building a U.S.-based supply chain and raised economic impact concerns. One comment argued that the imposition of tariffs would be superfluous as the imposition of anti-dumping and countervailing duties on chassis from China has had a major impact on the market share of these products in the United States. Despite these duties, one comment noted that imports of chassis from China continue to represent 17.8 percent of chassis imports. Some comments have raised concerns that Chinese entities are seeking to evade existing duties and advocated for extending tariff coverage to chassis and chassis components where the importer fails to attest that the intermodal chassis or parts were not manufactured by a company owned or controlled by a Chinese person.

Considering the specific direction of the President, public comments, and the advice of the Section 301 Committee, the U.S. Trade Representative has determined to impose duties of 100 percent on certain intermodal chassis and parts thereof. U.S. companies import a significant percentage of chassis from China despite additional duties imposed through other trade remedies, indicating a continued dependence on China. Increasing Section 301 duties on certain intermodal chassis and parts will reduce exposure to and dependence on Chinese sources, strengthen U.S. supply chain resilience

and economic security, and provide additional leverage with China to eliminate the investigated acts, policies and practices.

C. Ministerial Clarifications

In order to clarify the operation of the actions in this investigation, the following ministerial clarifications are provided:

Clarifications Applicable to Annexes I, II, and III

For greater certainty, the term “string” as used in Annex I, II, or III means a “string of port calls”.

For greater certainty, if a vessel is excepted from entry under 19 U.S.C. 1441, or otherwise exempt from entry, then it is not subject to the fees in Annexes I, II, or III.

For greater certainty and for purposes of application of the Section 301 service fees under this responsive action, a vessel that is only transiting the Panama Canal (including receiving bunkers or facilitating a crew change) is not subject to the requirements for entry from a foreign port and would be considered coastwise for entry and clearance requirements. Exchanging cargo or passengers for hire in the Panama Canal would subject the vessel to entry from a foreign port. Any arrival after a stop in an intermediate foreign port to load or unload cargo or passengers for hire would subject the vessel to entry from a foreign port.

Clarifications Applicable to Annex II

For greater certainty, the Annex II, Targeted Coverage, paragraph (ii) term “vessels arriving empty or in ballast” applies when the vessel does not have any cargo or passengers on board.

For greater certainty, the Annex II, Targeted Coverage, paragraph (iii) term applies in the following manner:

- Any vessel subject to Annex II that is principally identified as a fully cellular container vessel (such as a vessel properly identified under International Classification of Ships by Type (ICST) code 310) with a capacity of 4,000 Twenty-Foot Equivalent Units or less may be eligible for the targeted coverage provision of Annex II, Targeted Coverage, paragraph (iii).
- Any vessel subject to Annex II that is principally identified as a bulk carrier (such as vessels properly identified under ICST code 229) with an individual bulk capacity of 80,000 deadweight tons or less may be eligible for the targeted coverage provision of Annex II, Targeted Coverage, paragraph (iii).
- Any other vessel subject to Annex II with a capacity of 55,000 deadweight tons or less (as properly identified on the vessels' register) may be eligible for the targeted coverage provision of Annex II, Targeted Coverage, paragraph (iii).

For greater certainty, the Annex II, Targeted Coverage, paragraph (iv) provision (referring to vessels entering a U.S. port in the continental United States from a voyage of less than 2,000 nautical miles from a foreign port or point) is assessed based on the distance actually traveled from furthest foreign port call. For illustrative purposes:

A 6,000 TEU fully-cellular Chinese-built container vessel subject to Annex II operates on a regular rotation making calls on the following route: Port of Singapore, SG; Lázaro Cárdenas, MX; Long Beach, CA, US; Oakland, CA, US; before returning to the Port of Singapore, SG. The vessel exchanges cargo at each of these calls. The voyage or rotation is assessed based on the farthest foreign port call: Port of Singapore, SG. This

illustrative vessel would be subject to the Annex II fee upon arrival at a U.S. port or point from outside the customs territory of the United States on a particular string, that is, upon arrival at Long Beach, CA, US. The Annex II, Targeted Coverage, paragraph (iv) provision does not apply in this hypothetical circumstance.

For greater certainty, the Annex II, Targeted Coverage, paragraph (iii) term “vessels with . . . an individual bulk capacity of 80,000 deadweight tons” may apply to both liquid bulk and dry bulk vessels, *e.g.*, ICST Codes 210 (Other Bulk/Oil Carrier), 211 (Ore/Bulk/Oil), 212 (Oil/Ore), 213 (Bulk/Oil), 220 (Other Bulk Carrier), 221 (Ore Carrier), 222 (Bulk/Container Carrier), 229 (Other Bulk Carrier), and 323 (Irradiated Fuel Carrier).

For greater certainty, the Annex II, Targeted Coverage, paragraph (vi) term “specialized or special purpose-built vessels for the transport of chemical substances in bulk liquid forms” may apply in circumstances when the vessel is principally identified as ICST Code 120 (Chemical Tanker).

Clarifications Applicable to Annex III

Annex III, paragraph (d), defines a subject “Vehicle carrier” as “A vessel principally identified as a ‘Vehicle Carrier’ on CBP Form 1300, or its electronic equivalent. For information only, a vessel is normally principally identified as a vehicle carrier when the vessel is designed for wheeled or tracked cargo that can load itself on-board. Cargo generally drives onto the vessel through decks via ramps, rather than being lifted through hatches.” For greater certainty, a “Vehicle carrier” may include vessels under ICST codes 325 (Vehicle Carrier), 332 (Ro-Ro Passenger), 333 (Other Ro-Ro Cargo), or 338 (Ro-Ro Container).

E. Further Proposed Modifications

Section 307 of the Trade Act provides that “[t]he Trade Representative may modify or terminate any action, subject to the specific direction, if any, of the President with respect to such action, that is being taken under [Section 301] if . . . such action is being taken under section 301(b) of this title and is no longer appropriate.” Under Section 301(b), actions may no longer be appropriate if they may result in impairments to other key U.S. interests; may not adequately reduce dependencies on China in the maritime, logistics, and shipbuilding sectors; or may present administrability concerns. For Annex I, USTR proposes a new targeted coverage provision in order to allay concerns about the Annex’s impact on specialized vessels carrying ethane and other natural gas liquids. For Annex II, USTR proposes an adjustment to the targeted coverage provision applicable to “Lakers” vessels. For Annex III, USTR proposes to add a targeted coverage provision addressing smaller vessels which support certain short-sea U.S. exports. In order to further implement the President’s direction in Executive Order 14269, and in order to make effective the additional duties imposed in the Notice, USTR proposes additional potential tariff lines of cargo handling equipment.

The U.S. Trade Representative has determined to propose that it is appropriate to modify the action in this investigation as follows:

- *Annex I:* Add a targeted coverage provision for certain ethane and liquefied petroleum gas (LPG) carriers;
- *Annex II:* Remove targeted coverage for certain maritime transport by Chinese-built “Lakers” vessels;

- *Annex III:* Add a targeted coverage provision for vessels of up to 10,000 DWT.

The targeted coverage provision would expire, unless renewed, on April 18, 2029; and,

- *Annex V.B:* Add a new Annex V.B and impose additional tariffs of up to 150 percent on other cargo handling equipment, including: rubber tire gantry cranes, rail mounted gantry cranes, automatic staking cranes, reachstackers, straddle carriers, terminal tractors, top handlers (which may also be referred to as top loaders), and parts of these machines.

F. Request for Public Comments

In accordance with Section 307(a)(2)(b) of the Trade Act (19 U.S.C. 2414(b)), and consistent with specific direction of the President, USTR invites comments from interested persons with respect to the proposed modifications as described in Section E above and as provided in the appendix to this Notice.

USTR requests comments with respect to the following considerations in relation to proposed modifications:

- *For Annex I:* the potential implications of adding a targeted coverage provision for certain ethane and LPG carriers;
- *For Annex II:* the potential implications of removing targeted coverage for certain maritime transport by Chinese-built “Lakers” vessels;
- *For Annex III:* the potential implications of adding a targeted coverage provision for vessels of up to 10,000 DWT, the vessel tonnage for which targeted coverage should be provided, and duration for such coverage; and,
- *For Annex V.B:*

- The specific products to be subject to increased duties, including whether the tariff subheadings and product descriptions listed in Annex V, Item I, should be retained or removed, or whether tariff subheadings not currently on the list should be added;
- The level of the increase, if any, in the rates of duty;
- The time period in which increased duties should take effect, such as in 180 days or over a phase-in period of 6 to 24 months.

In commenting on the proposed modifications, USTR requests that commenters specifically address whether the action would be practicable or effective to obtain the elimination of China’s acts, policies, and practices. USTR also requests any economic, quantitative, or other analysis that may further USTR’s evaluation of the proposed modifications in this notice. Commenters may provide views regarding “effects of the modification . . . and whether any modification . . . of the action is appropriate.” 19 U.S.C. 2417(a)(2).

To be assured of consideration, you must submit written comments on the proposed modifications by November 10, 2025.

G. Procedure for Written Submissions

You must submit written comments and rebuttal comments using docket number USTR-2025-0017 on the electronic portal at <https://comments.ustr.gov/s/>. To submit written comments, use the docket on the portal entitled “Request for Comments Concerning Further Proposed Modifications of Action in the Section 301 Investigation of China’s Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance”.

You do not need to establish an account to submit comments. The first screen of each docket allows you to enter identification and contact information. Third-party organizations such as law firms, trade associations, or customs brokers, should identify the full legal name of the organization they represent, and identify the primary point of contact for the submission. Information fields are optional; however, your comment or request may not be considered if insufficient information is provided.

Fields with a gray Business Confidential Information (BCI) notation are for BCI information which will not be made publicly available. Fields with a green (Public) notation will be viewable by the public.

After entering the identification and contact information, you can complete the remainder of the comment, or any portion of it by clicking “Next.” You may upload documents at the end of the form and indicate whether USTR should treat the documents as business confidential or public information.

Any page containing BCI must be clearly marked ‘BUSINESS CONFIDENTIAL’ on the top of that page and the submission should clearly indicate, via brackets, highlighting, or other means, the specific information that is BCI. If you request business confidential treatment, you must certify in writing that disclosure of the information would endanger trade secrets or profitability, and that the information would not customarily be released to the public.

Parties uploading attachments containing BCI also must submit a public version of their comments. If these procedures are not sufficient to protect BCI or otherwise protect business interests, please contact the USTR Section 301 support line at (202) 395-5725 to discuss whether alternative arrangements are possible.

USTR will post attachments uploaded to the docket for public inspection, except for properly designated BCI. You can view submissions on USTR’s electronic portal at <https://comments.ustr.gov/s/> by entering docket number USTR-2025-0017 in the search field on the home page.

H. Deferred Service Fees Payment for Certain Subject Operators Under Annex I or Annex III

Vessels principally identified under ICST codes 130 (Other Liquified Gas Carrier), 131 (LPG Carrier), 139 (Other Liquefied Gas Carrier), 325 (Vehicle Carrier), 332 (Ro-Ro Passenger), 333 (Other Ro-Ro Cargo), and 338 (Ro-Ro Container) that may be subject to fee modifications proposed in this notice for either Annex I or Annex III of the April 23 notice may defer payment of Annex I or Annex III service fees from October 14, 2025, through December 10, 2025.

I. Ongoing Monitoring

The U.S. Trade Representative will continue to monitor the appropriateness of the actions being taken in the investigation, the effects of the such action, and the effectiveness of the actions in obtaining the elimination of the investigated acts, policies, and practices, including to end or reverse the investigated conduct. Any decision to further modify the actions in this investigation may be based on a range of considerations including vessel availability, economic impacts, international impacts, and economic security, among others.

In considering possible modifications, the U.S. Trade Representative will also consider the progress of policies under Executive Order 14269, “Restoring America’s Maritime Dominance,” as relevant to this investigation, including coordination with allies and partners regarding the actions taken in this investigation and efforts to reduce

dependencies on adversaries through capital investments in U.S. shipbuilding and the establishment of a reliable funding source for programs under the Maritime Action Plan.

If modification to the action may be appropriate, the U.S. Trade Representative may consider the comments received in response to previously proposed responsive actions, as appropriate.

Jennifer Thornton

General Counsel,

Office of the United States Trade Representative.

Annex III of the April 23 notice is modified as follows:

“Collections, supplemental payments, and refunds –

(h) ***Time and place of liability.*** Subject to the coverage and special rules of this Annex, on or before the entry of a non-U.S. built Vehicle Carrier-vessel at the first U.S. port or place from outside the customs territory on a particular string, the vessel operator must pay:

Effective as of April 17, 2025, a fee of \$0 per net ton on the entering non-U.S. built Vehicle Carrier-vessel.

Effective as of October 14, 2025, a fee in the amount of \$150 per Car Equivalent Unit (CEU)-capacity of \$46 per net ton on the entering non-U.S. built vessel Vehicle Carrier.

The fee will be charged up to five times per calendar year, per vessel.”

* * *

[Editorial note: the following is inserted after paragraph (k) of Annex III of the April 23 notice]

“Targeted Coverage

The service fees imposed in this Annex do not apply to the following vessels subject to this Annex:

(i) U.S.-owned or U.S.-flagged vessels enrolled in the Maritime Security Program. This provision will expire, unless renewed, on April 18, 2029.

(ii) U.S. Government vessels. A government vessel means a vessel owned by the U.S. Government and operated directly by the Government or for the Government by an agent or contractor, including a privately owned U.S.-flag vessel under bareboat charter to the Government.”

Annex IV of the April 23 notice is modified as follows:

~~“(j) ***Suspension of Export Licenses.*** If the terms of paragraph (f) of this Annex are not met, then USTR may direct the suspension of LNG export licenses until the terms of paragraph (f) of this Annex are met.”~~

Annex IV of the April 23 notice, paragraph (k), is re-numbered paragraph (j).

Tariffs on STS Cranes and Other Cargo Handling Equipment

Note: The product descriptions that are contained in this section are provided for informational purposes only, and are not intended to delimit in any way the scope of the action. In all cases, the formal language in Annex V.A governs the tariff treatment of

products covered by the action. Any questions regarding the scope of particular HTS subheadings should be referred to U.S. Customs and Border Protection.

HTSUS Subheading or statistical reporting number	Product Description	Rate	Timing
9903.91.14 (8426.19.00) – duties assessed 9903.91.15 – duties not assessed * 9903.91.16 (grandfathered)	STS cranes manufactured, assembled, or made using components of Chinese origin, or manufactured anywhere in the world by a company owned, controlled, or substantially influenced by a Chinese national;* * Except for such cranes provided for in subheading 8426.19.00, that are fulfilling in whole or in part an executed contract for sale dated prior to April 17, 2025, for goods that are entered for consumption, or withdrawn from warehouse for consumption, in the United States prior to April 17, 2027.‡	100%	November 9, 2025
9903.91.12 (8716.39.0090)	Intermodal Chassis: Trailers and semi-trailers; other vehicles, not mechanically propelled; and parts thereof; other.†	100%	November 9, 2025
9903.91.12 (8716.90.30)	Intermodal Chassis Parts: Trailers and semi-trailers; other vehicles, not mechanically propelled; and parts thereof, castors, other than those of heading 8302.†	100%	November 9, 2025
9903.91.12 (8716.90.50)	Intermodal Chassis Parts: Trailers and semi-trailers; other vehicles, not mechanically propelled; and parts thereof, other parts.†	100%	November 9, 2025

‡We note that by claiming entry under the subheadings provided in Annex V.A., the importer of record attests that the imported cranes satisfy the criteria for that subheading.

† Scope includes chassis and subassemblies thereof for carriage of containers, or other payloads (including self-supporting payloads) for road, marine, and/or rail transport. Scope excludes dry van trailers, refrigerated van trailers, and flatbed trailers.

Annex V.A: Tariffs on STS Cranes and Other Cargo Handling Equipment

TO MODIFY CHAPTER 99 OF THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES

Effective with respect to goods of China entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on November 9, 2025:

1. Subchapter III of chapter 99 of the HTSUS is modified by inserting the following new headings 9903.91.12 through 9903.91.16 in numerical sequence, with the material in the new headings and subheadings inserted in the columns of the HTSUS labeled “Heading/Subheading”, “Article Description”, “Rates of Duty 1-General”, “Rates of Duty 1-Special” and “Rates of Duty 2”, respectively:

Heading/ Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
“9903.91.12	Effective with respect to entries, on or after November 9, 2025, of intermodal chassis, subassemblies thereof, and parts thereof (provided for in statistical reporting number 8716.39.0090, or in subheadings 8716.90.30 or 8716.90.50), articles the product of China, as provided for in subdivision (k)(i) of U.S. note 31 to this subchapter, except as provided in heading 9903.91.13	The duty provided in subheadings 8716.39.00, 8716.90.30 or 8716.90.50 + 100%		
9903.91.13	Effective with respect to entries, on or after November 9, 2025, of articles the product of China, as provided for in subdivision (k)(ii) of U.S. note 31 to this subchapter (provided for in statistical reporting number 8716.39.0090, or subheadings 8716.90.30 or 8716.90.50), except as provided in heading 9903.91.12	The duty provided in the applicable subheading		

9903.91.14	Effective with respect to entries, on or after November 9, 2025, of ship-to-shore gantry cranes, configured as a high- or low-profile steel superstructure and designed to unload intermodal containers from vessels with coupling devices for containers, including spreaders or twist-locks (provided for in subheading 8426.19.00), as provided for in subdivision (l) of U.S. note 31 to this subchapter, except as provided in headings 9903.91.09, 9903.91.15 or 9903.91.16	The duty provided in the applicable subheading + 100%		
9903.91.15	Notwithstanding heading 9903.91.14, effective with respect to entries, on or after November 9, 2025, of ship-to-shore gantry cranes, configured as a high- or low-profile steel superstructure and designed to unload intermodal containers from vessels with coupling devices for containers, including spreaders or twist-locks (provided for in subheading 8426.19.00), attested by the importer that the ship-to-shore gantry cranes: (1) are not products of China; (2) are not manufactured, assembled, or made using components, assemblies or subassemblies that are products of China, as specified in subdivision (l)(ii) of note 31 to this subchapter; and (3) are not manufactured by a company or other entity that is owned or controlled by a Chinese person or legal entity, as specified by subdivision (l)(v) of note 31 to this subchapter	The duty provided in the applicable subheading		
9903.91.16	Notwithstanding heading 9903.91.14, effective with respect to entries, on or after November 9, 2025, of ship-to-shore gantry cranes, configured as a high- or low-profile steel superstructure and designed to unload intermodal containers from vessels with coupling devices for containers, including spreaders or twist-locks (provided for in subheading 8426.19.00), that:			

	(1) are products of China; (2) that are manufactured, assembled or made using components, assemblies or subassemblies that are products of China; or (3) that are manufactured by a company or other entity that is owned or controlled by a Chinese person or legal entity, as specified by subdivision (l) of U.S. note 31 to this subchapter, that are attested by the importer as fulfilling in whole or in part an executed contract for sale dated prior to April 17, 2025 for goods that are entered for consumption, or withdrawn from warehouse for consumption, in the United States prior to April 18, 2027	The duty provided in the applicable subheading” .		
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2. Subdivision (a) of U.S. note 31 to subchapter III of chapter 99 of the HTSUS is modified by deleting “and 9903.91.11” wherever it appears and inserting “, 9903.91.11, 9903.91.12 and 9903.91.14” in lieu thereof.
3. U.S. note 31 to subchapter III of chapter 99 of the HTSUS is modified by inserting the following new subdivision (k) in alphabetical order:

“(k)(i) Heading 9903.91.12 applies to intermodal chassis, subassemblies thereof, and parts thereof, of China, provided for in statistical reporting number 8716.39.0090 or in subheadings 8716.90.30 or 8716.90.50. For purposes of heading 9903.91.12, intermodal chassis, subassemblies thereof, and parts thereof are described as follows:

“The articles consist of chassis and subassemblies thereof, whether finished or unfinished, whether assembled or unassembled, whether coated or uncoated, regardless of the number of axles, for carriage of containers, or other payloads (including self-supporting payloads) for road, marine and/or rail transport. Chassis are typically, but are not limited to, rectangular framed trailers with a suspension and axle system, wheels and tires, brakes, a lighting and electrical system, a coupling for towing behind a truck tractor, and a locking system or systems to secure the shipping container or containers to the chassis using twist-locks, slide pins or similar attachment devices to engage the corner fittings on the container or other payload.

“The articles include, but are not limited to, the following subassemblies:

- a. Chassis frames, or sections of chassis frames, including kingpin assemblies, bolsters consisting of transverse beams with locking or

support mechanisms, goosenecks, drop assemblies, extension mechanisms and/ or rear impact guards;

b. Running gear assemblies or axle assemblies for connection to the chassis frame, whether fixed in nature or capable of sliding fore and aft or lifting up and lowering down, which may or may not include suspension(s) (mechanical or pneumatic), wheel end components, slack adjusters, axles, brake chambers, locking pins, and tires and wheels;

c. Landing gear assemblies, for connection to the chassis frame, capable of supporting the chassis when it is not engaged to a tractor; and

d. Assemblies that connect to the chassis frame or a section of the chassis frame, such as, but not limited to, pintle hooks or B-trains (which include a fifth wheel), which are capable of connecting a chassis to a converter dolly or another chassis. Importation of any of these subassemblies, whether assembled or unassembled, constitutes an unfinished chassis for purposes of this note.

“The articles also include chassis, whether finished or unfinished, entered with or for further assembly with components such as, but not limited to: Hub and drum assemblies, brake assemblies (either drum or disc), axles, brake chambers, suspensions and suspension components, wheel end components, landing gear legs, spoke or disc wheels, tires, brake control systems, electrical harnesses and lighting systems.”

“(ii) Heading 9903.91.13 applies to articles of China provided for in statistical reporting number 8716.39.0090, or subheadings 8716.90.30 or 8716.90.50, other than intermodal chassis, subassemblies thereof, and parts thereof, of China, provided for in statistical reporting number 8716.39.0090 or in subheadings 8716.90.30 or 8716.90.50, which are subject to the additional duties provided for in heading 9903.91.12.”

4. U.S. note 31 to subchapter III of chapter 99 of the HTSUS is modified by inserting the following new subdivision (l) in alphabetical order:

“(l)(i) Heading 9903.91.14 applies to ship-to-shore gantry cranes, configured as a high- or low-profile steel superstructure and designed to unload intermodal containers from vessels with coupling devices for containers, including spreaders or twist-locks, provided for in subheading 8426.19.00, that are: (1) products of China; (2) products of countries other than China that contain components, assemblies or subassemblies, of China, as specified in subdivision (l)(ii) of this note; or (3) products that are manufactured by a company or other entity that is owned or controlled by a Chinese person or legal entity.

“Heading 9903.91.14 shall not apply to entries under headings 9903.91.09 (as long as it is operative), 9903.91.15 or 9903.91.16. Notwithstanding U.S. note 1 to this subchapter, products of China that are subject to the additional duties imposed

by heading 9903.91.14 shall also be subject to the additional duties imposed by heading 9903.92.10.”

“(ii) A ship-to-shore gantry crane of a country other than China that contains one or more of the following components, assemblies or subassemblies that are products of China shall be considered to be a ship-to-shore gantry crane of China for purposes of heading 9903.91.14:

- a. the boom;
- b. the trolley;
- c. the spreader;
- d. the cabin;
- e. the legs;
- f. the cable reel;
- g. the power supply;
- h. the bogie set and wheels; and
- i. any information technology equipment used to operate or control the crane.”

“(iii) A ship-to-shore gantry crane that is manufactured by a company or other entity that is owned or controlled by a Chinese person or legal entity shall be considered to be a ship-to-shore gantry crane of China for purposes of heading 9903.91.14.”

“(iv) For purposes of heading 9903.91.15, by claiming this heading, the importer attests that the ship-to-shore gantry cranes: (1) are not products of China; (2) are not manufactured, assembled, or made using components, assemblies or subassemblies that are products of China, as defined in subdivision (1)(ii) of this note; and (3) are not manufactured by a company or other entity that is owned or controlled by a Chinese person or legal entity, as defined in subdivision (1)(v) of this note.

“(v) For purposes of headings 9903.91.14 and 9903.91.15:

- a. A “company or other entity that is owned or controlled by a Chinese person or legal entity” means:

- “1. an entity or instrument of the People’s Republic of China, (including The Government of the People’s Republic of China);
- 2. A natural person who is a citizen of the People’s Republic of China;
- 3. A partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in the People’s Republic of China;
- 4. An entity organized under the laws of the United States or any other jurisdiction that is subject to the ownership, control, or direction of another entity that qualifies under subdivisions (v)(a)(1)-(3).

5. An entity is “subject to the ownership, control, or direction of” another entity if:

(A) 25 percent or more of the entity’s board seats, voting rights, or equity interest are cumulatively held by that other entity, whether directly or indirectly via one or more intermediate entities; or

(B) the entity has entered into a licensing arrangement or other contract with another entity (a contractor) that entitles that other entity to exercise effective control over the manufacturing or assembly (collectively, “production”) of a ship-to-shore gantry crane, its components, assemblies, subassemblies, or other materials that would be attributed to the entity.”

“b. “The Government of the People’s Republic of China” means:

“1. A national or subnational government of the People’s Republic of China;

2. An agency or instrumentality of a national or subnational government of the People’s Republic of China;

3. A dominant or ruling political party (e.g., Chinese Communist Party (CCP)) of the People’s Republic of China; or

4. A current or former senior foreign political figure of the People’s Republic of China.”

“c. “Senior foreign political figure” means:

1. a senior official, either in the executive, legislative, administrative, military, or judicial branches of the People’s Republic of China (whether elected or not);

2. a senior official of a dominant or ruling foreign political party (e.g., CCP); or

3. an immediate family member (spouse, parent, sibling, child, or a spouse's parent and sibling) of any individual described in (v)(c)(1) or (v)(c)(2).

“In order to be considered “senior,” an official should be or have been in a position of substantial authority over policy, operations, or the use of government-owned resources.”

“d. For purposes of determining whether an entity indirectly holds board seats, voting rights, or equity interest in a tiered ownership structure:

“1. If a “parent” entity that qualifies under subdivisions (v)(a)(1)-(3) directly holds 50 percent or more of a “subsidiary” entity's board seats, voting rights, or equity interest, then the parent and subsidiary are treated as equivalent in the evaluation of control, as if the subsidiary were an extension of the parent. As such, any holdings of the subsidiary are fully attributed to the parent.

2. If a “parent” entity that qualifies under subdivisions (v)(a)(1)-(3) directly holds less than 50 percent of a “subsidiary” entity's board seats, voting rights, or equity interest, then indirect ownership is attributed proportionately.”

“e. For purposes of determining whether an entity has effective control, an entity that qualifies under subdivisions (v)(a)(1)-(3) that has a contractual relationship to determine the quantity or timing of production; to determine which entities may purchase or use the output of production; to restrict access to the site of production to the contractor's own personnel; or the exclusive right to maintain, repair, or operate equipment that is critical to production, is deemed to have effective control over an entity.”

Proposed Modifications to Annex I

* * *

Targeted Coverage

The following targeted coverage provision applicable to Annex I is provided:

As of October 14, 2025, an LPG carrier (ICST Code 131) or Other Liquified Gas Carrier (ICST 130) that is ordered before April 17, 2025, and is in service and entered into a long-term time charter agreement (that is, 20 years or more) prior to December 31, 2027, will be considered owned and operated by the charterer in the time charter contract.

Proposed Modifications to Annex II

Targeted Coverage

* * *

The fees imposed in this Annex do not apply to the following Chinese-built vessels:

* * *

~~(vii) vessels principally identified as “Lakers Vessels” on CBP Form 1300, or its electronic equivalent.~~

(vii) Vessels calling at a U.S. Great Lakes port: targeted coverage provisions (ii), (iii), and (iv) do not apply unless the vessel is loading cargo destined for a port outside of the United States, Canada, or Mexico, or offloading cargo that was loaded at a port outside of the United States, Canada, or Mexico.

Proposed Modifications to Annex III

* * *

Targeted Coverage

The service fees imposed in this Annex do not apply to the following vessels subject to this Annex:

* * *

(iii) U.S.-flag vessels of up to 10,000 DWT. The targeted coverage provision will apply as of October 14, 2025, and expire, unless renewed, on April 18, 2029.

Annex V.B: Proposed Tariffs on Certain Additional Maritime Cargo Handling Equipment of China

The Trade Representative proposes to assess additional duties on the following products of China at the proposed levels indicated below:

Item	HTSUS	Proposed Rate
<u>Rubber Tire Gantry Cranes</u> These gantry cranes are tire-mounted cranes for high-volume container handling, and are often suitable for both port and intermodal operations.	HTSUS 8426.19.00	Up to 150%
<u>Rail Mounted Gantry Cranes</u> These gantry cranes are rail-mounted cranes used for high-volume container handling, and are suitable for both port and intermodal operations. These cranes move along rails fixed to the ground.	HTSUS 8426.19.00	Up to 150%
<u>Automatic Stacking Crane (ASC)</u> These cranes are rail-mounted cranes for yard stacking and in-stack transportation of containers. ASCs deposit and lift containers from dedicated interchange areas located at both ends of the stack. These cranes move along rails fixed to the ground.	HTSUS 8426.19.00	Up to 150%
<u>Reachstackers</u> (such as a contstacker, railstacker and transtacker) These are mobile self-propelled machines used to load and unload shipping containers in dockyards,	HTSUS 8426.41.00 HTSUS 8426.49.00	Up to 150%

and similar transportation terminals, as well as to stack the shipping containers one on top of the other.		
<u>Straddle carriers</u> Straddle carriers, consist of a chassis of the “straddle” type, generally with vertical telescopic members for adjusting the height. This chassis is normally mounted on four or more wheels which usually serve both as driving and steering wheels. Often used in marine environments to lift containers.	HTSUS 8426.12.00	Up to 150%
<u>Terminal Tractors and Parts thereof</u> Terminal tractors typically fall under Heading 8709 unless they come equipped with lifting/handling equipment installed, including a fifth wheel, in which case the terminal tractor falls under 8701.95.50.	HTSUS 8709.11.00 HTSUS 8709.19.00 HTSUS 8709.90.00 HTSUS 8701.95.50	Up to 150%
<u>Top Handlers/Top Loaders</u> Top handlers, also known as top loaders, are heavy-duty vehicles used in ports and terminals to move and stack loaded shipping containers. They lift containers from the top, making them ideal for loading and unloading trucks, trains, and stacking containers within terminals. Top handlers can lift containers weighing up to 100,000 pounds and stack them three or five high.	HTSUS 8427.20.80 HTSUS 8429.51.10 HTSUS 8429.51.50	Up to 150%
<u>Components</u> of these cranes, stackers, carriers, tractors, handlers, and loaders (not more specifically described in another heading).	HTSUS 8431.20.00 HTSUS 8431.41.00 HTSUS 8431.49.10	Up to 150%

USTR proposes to assess these additional duties in addition to duties assessed under other authorities, including related to national security, national emergency, Column 1 of the HTSUS, or anti-dumping or countervailing duties (AD/CVD).