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Jamieson Greer, US trade representative. Photo: Bloomberg

'Shock' or relief: Here's how Trump trade chief's port fees could impact shipping sectors

Car carrier operators expected to seek relaxation of sweeping surprise fees

23 April 2025 18:19 GMT *UPDATED 24 April 2025 7:20 GMT*

By **Eric Priante Martin** in **Miami**

Changes to port fees imposed by US President Donald Trump's top trade ambassador have sent shock waves through the car carrier sector, while other shipping segments, bracing for worse, have expressed relief.

The varying reactions to the decision by US trade representative Jamieson Greer come as trade lawyers hope a 19 May hearing may be an opportunity to push for changes before the fees enter force in October, even though it is meant to be focused on proposed tariffs for cargo-handling equipment.

As TradeWinds has reported, Greer imposed fees on Chinese-owned and operated vessels, those built in China and, in a surprise move, car carriers constructed anywhere in the world. The US trade chief also decided to place restrictions on LNG carriers built anywhere after three years.

Here is a sector-by-sector look at the market impact:

Meet the behind-the-scenes team shaping Trump's maritime strategy

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Car carriers: The car carrier fees of $150 per ceu may have the most market impact, with players in the sector quietly reacting with "shock" to what the World Shipping Council called an "arbitrary" move.

Wallenius Wilhelmsen's 9,000-ceu Hoegh Aurora (built 2024), which VesselsValue data shows is the largest car carrier to call at a US port in the last year, will pay $1.37m per port call at full capacity if the fees go unchanged.

Article continues below the advert

Shipbroker Clarksons estimates that the fees will impact 95% of US port calls by the sector — far more than any other shipping segment.

Sources with knowledge of the car carrier business said owners and operators of, say, South Korean or Japanese vehicle carriers had no way of knowing that they had anything to worry about.

Analyst sees US port fees presenting 'potential negative' for US container and vehicle imports

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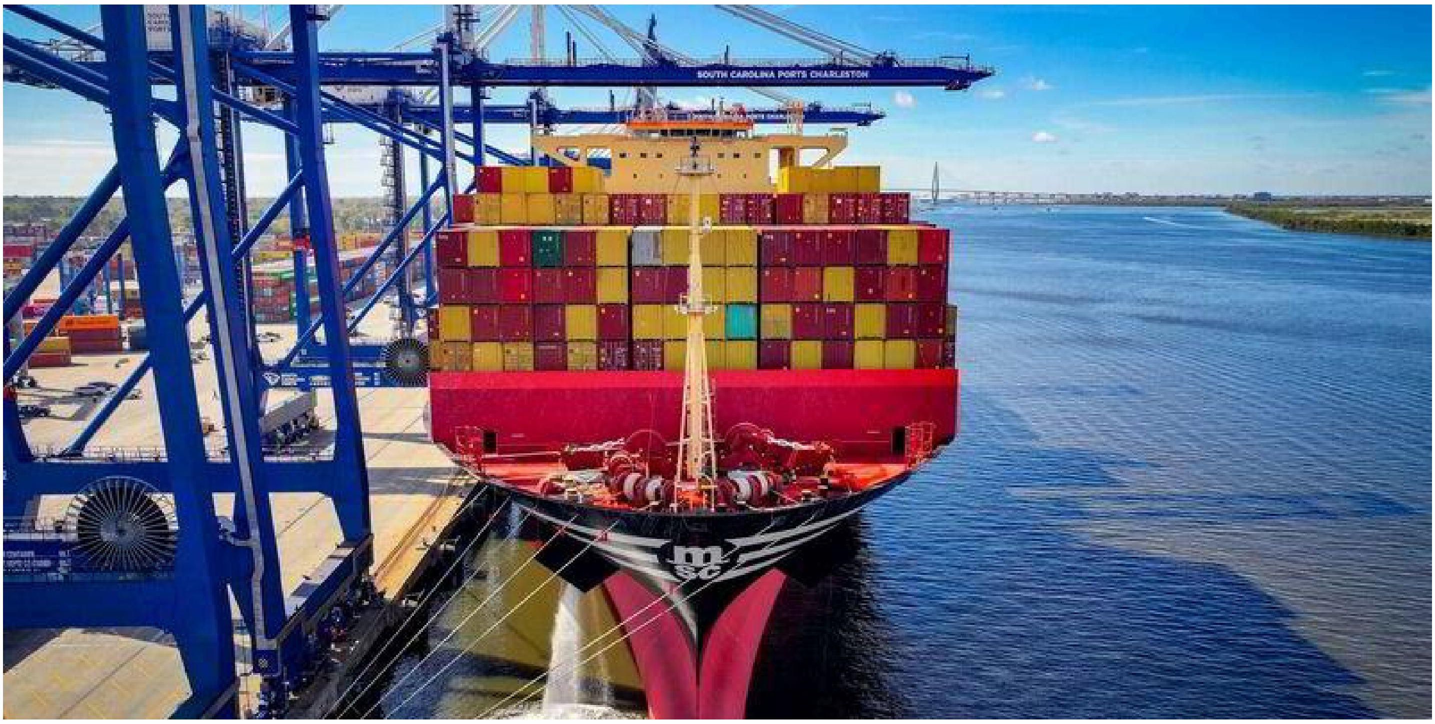
Even the 18 US-flagged ro-ro vessels in the Maritime Security Program, a subsidy scheme for militarily useful vessels, appear not to have received the same exemptions that Chinese-built ships in other sectors received.

Greer's press office did not respond to TradeWinds' request for comment on the concerns.

Container ships: Analysts believe the container shipping sector will also face a significant impact from the fees.

The blow is softer than had been feared since then-acting US trade representative Juan Millan first proposed the charges in February.

But the cost will still impact the sector.



The 15,300-teu MSC Kayley (built 2023) calls at the Port of Charleston. Photo: Mathew Peacock/SC Ports

Clarksons Securities, the investment banking arm of the eponymous shipbroker, said a 15,000-teu container ship with a net tonnage of 74,000 tonnes will pay $1.33m per US rotation.

But Greer's fees do more to penalise ships that are owned or operated by Chinese companies.

Clarksons Securities analysts, led by Frode Morkedal, wrote that a Chinese-operated vessel of 15,000 teu pays $3.7m per port call in the first year, which rises to $8.4m in 2028.

"This places Chinese operators such as Cosco at a notable competitive disadvantage," they wrote, referring to China Cosco Shipping.

Container ships below 4,000 teu were exempted.

Tankers: The biggest charge of all in the first year of the fee would be paid by a Chinese-controlled VLCC, according to Clarksons' estimates.

A VLCC owned or operated by a Chinese company will incur a $5.2m fee**,** which rises to $14.5m in 2028. A Chinese-built tanker of the same size is poised to pay $2m, rising to $3.6m.

And 15% of US VLCC port calls are impacted by the fees, the shipbroker estimated.

But the impact is blunted by the exemption for ships that arrive in ballast, meaning tankers calling in the US solely to export crude face no fees.

That exemption also helps other vessels carrying US energy exports, including VLGCs and MR tankers.

Bulkers: After the original port fee proposal raised concerns from the US farming sector, Chinese-built bulkers mostly escape the fees because of exemptions for vessels below 80,000 tonnes of cargo capacity and for those that arrive in ballast.

But that is not the case for bulkers owned and operated by Chinese companies, according to shipbroker Braemar. Those charges start at $50 per net tonne, rising to $140 per net tonne in 2028.

SCHEDULE OF FEES

Vessels in the fleet of Chinese operators

Fee: $50 per net tonne, rising to $140 per net tonne

Exemptions: Suspended fees with US order

Cap: Five US port rotations per year

Chinese-built vessels

Fee: $18 per net tonne or $120 per container, whichever is higher, rising to $33 per net tonne or $250 per container

Exemptions: Arriving empty, capacity below 4,000 teu or 55,000 dwt, bulk capacity below 80,000 dwt, voyages below 2,000 nautical miles, US-owned vessels, chemical tankers and lakers

Cap: Five US port rotations per year

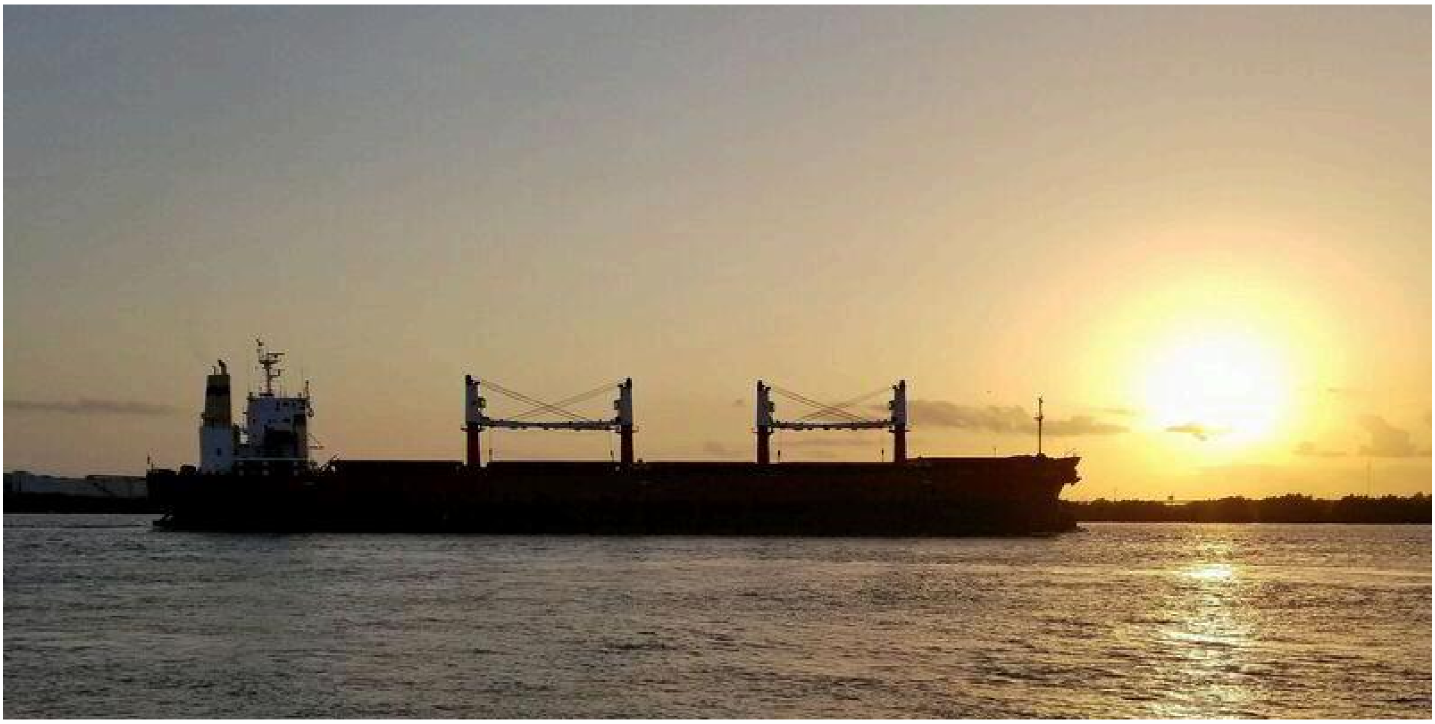
Foreign-built car carriers

Fee: $150 per ceu

Exemptions: Order of US-built vessel

Cap: None

Source: Federal Register, Winston & Strawn



A bulker transits the Mississippi River at New Orleans. Photo: Eric Priante Martin

"Vessels meeting this criteria would be at a very large commercial disadvantage when shipping dry bulk cargoes either to or from the US," Braemar said.

US ports group opposes car carrier fees imposed by Trump's trade representative

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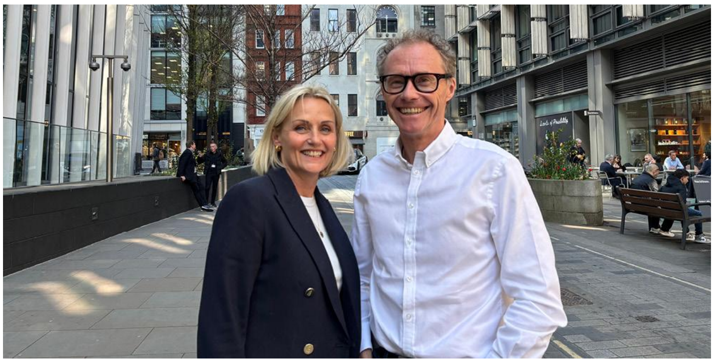
LNG carriers: The good news for LNG carrier owners is that they have dodged the port fees.

But they face a different measure after three years, with rapidly growing restrictions that require a portion of US LNG exports to move on American-made vessels. The quota starts at 1% in 2028, rising to 13% by 2045.

Clarksons Securities' analysts said the requirement will pose a cost challenge for LNG exporters, because of the substantially higher cost of US-built vessels. (Copyright)

Tankers Containers Bulkers Gas Insight Jamieson Greer US



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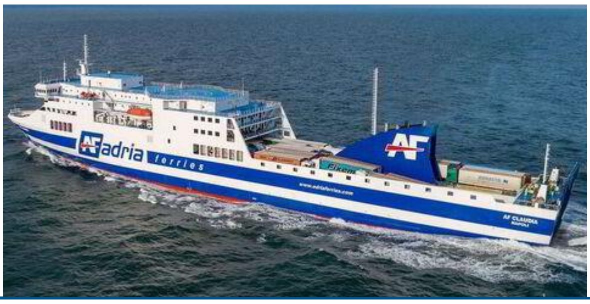

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