

March 24, 2025

VIA USTR COMMENT PORTAL

The Honorable Jamieson Greer
U.S. Trade Representative
600 17th Street NW
Washington, D.C. 20508

RE: Proposed Action in Section 301 Investigation of China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance [[USTR-2025-0002](#)]

Dear Ambassador Greer:

Alliance for Automotive Innovation (“Auto Innovators”) submits these comments in response to the Request for Comment on Proposed Action in Section 301 Investigation of China’s Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance issued by the United States Trade Representative (USTR). We appreciate the opportunity to provide the auto industry’s perspective on potential trade action in this area.

Auto Innovators represents the full auto industry, including the manufacturers producing most vehicles sold in the U.S., equipment suppliers, battery producers, semiconductor makers, technology companies, and autonomous vehicle developers. Our mission is to work with policymakers to realize a cleaner, safer, and smarter transportation future and to ensure a healthy and competitive auto industry that supports U.S. economic and national security. Representing approximately 5 percent of the country’s GDP, responsible for supporting nearly 10 million jobs, and driving \$1 trillion in annual economic activity, the automotive industry is the nation’s largest manufacturing sector.”

We recognize the importance of preserving and maintaining domestic shipping capability in the U.S. and reducing U.S. reliance on Chinese maritime, logistics, and shipbuilding sectors. For that reason, we support targeted efforts to counter unfair Chinese practices in the shipping sector and to foster U.S.-built and U.S.-operated alternatives. However, any protective trade action should be implemented in a strategic and focused way that minimizes disruption to the industry and the U.S. economy. It should also be complemented by equally strategic and focused efforts to promote a robust domestic shipping industry that can accommodate U.S. demand.

As you likely know, the automotive supply chain is one of the world’s largest and most complex. According to our recent [Data Driven](#) report, U.S. ports handled more than \$557 billion in motor vehicles and parts trade in 2023. In fact, the automotive industry exported nearly \$42 billion more in vehicles and parts in 2023 than it did in 2008. These automotive-related shipments support U.S.-based manufacturing, U.S. jobs, and U.S. consumers. Options identified by USTR in the Request for Comment would impact almost all container lines and car carriers serving automakers in the U.S.

Some of the options would increase costs on automakers in the U.S. at the same time that they are facing unprecedented geopolitical and economic pressures on vehicle manufacturing and innovation from China. They would also increase the cost of vehicles for consumers at a time where vehicle affordability is already a significant problem.

If USTR moves forward with action in this area, we recommend that USTR apply service fees on Chinese maritime transport operators. At this time, we discourage USTR from applying fees on maritime transport operators with fleets comprised of Chinese-built vessels or maritime transport operators with prospective orders for Chinese vessels. It may be appropriate at some point in the future for the USTR to apply fees to Chinese-built vessels, but such action should be implemented after efforts to promote a robust domestic shipping industry have been in place for a sufficient time and have resulted in sufficient non-Chinese vessel capacity to meet the auto industry's needs.

With respect to potential restrictions on services to promote the transport of U.S. goods on U.S. vessels, it may also be appropriate in the future for USTR to implement a minimum percentage of goods that must be exported on U.S.-flagged vessels by U.S. operators. Establishing a minimum in the near-term may result in unnecessary disruption to automotive exports from the U.S. since there are not currently sufficient U.S.-flagged vessels by U.S. operators to meet the industry's needs. As a result, if USTR implements any such restrictions, we encourage USTR to begin implementation of any such restrictions no sooner than 7 years to provide sufficient time for the capacity of U.S.-flagged and U.S.-built vessels to grow to a level where it can meet industry demand.

We are supportive of efforts by USTR to reduce exposure to and risks from China's promotion of the National Transportation and Logistics Public Information Platform (LOGINK) or other similar platforms. We believe it is appropriate for U.S. agencies to investigate alleged anticompetitive practices from Chinese shipping companies, to consider restricting LOGINK access to U.S. shipping data, or to ban U.S. ports from using LOGINK software.

Finally, international coordination and collaboration on this issue will be important. We support USTR entering into negotiations with allies and partners in order to counteract China's acts, policies, and practices and to reduce global dependencies on China in the maritime, logistics, and shipbuilding sectors.

Auto Innovators welcomes the opportunity to provide the automotive industry's perspective on this important matter. We look forward to working with USTR and other government agencies to address China's targeting of the maritime, logistics, and shipbuilding sectors for dominance.

Sincerely,



Hilary Cain
Senior Vice President, Policy