



**Comments by the
National Milk Producers Federation and the U.S. Dairy Export Council**

Suspending Section 301 Action for One Year: China's Targeting of the
Maritime, Logistics, and Shipbuilding Sectors for Dominance

Docket Number USTR-2025-0274

November 7, 2025

Our organizations submit the following comments in response to the Request for Comments on Suspending Section 301 Action for One Year: China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance (USTR-2025-0274). The National Milk Producers Federation (NMPF) and the U.S. Dairy Export Council (USDEC) appreciate the opportunity to present their views on this important issue.

NMPF develops and carries out policies that advance the well-being of dairy producers and the cooperatives they own. The members of NMPF's cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of dairy producers on Capitol Hill and with government agencies. NMPF provides a forum through which dairy farmers and their cooperatives formulate policy on national issues that affect milk production and marketing. NMPF's contribution to this policy is aimed at improving the economic interests of dairy farmers, thus assuring the nation's consumers an adequate supply of pure, wholesome, and nutritious milk and dairy products.

USDEC is a non-profit, independent membership organization representing the global trade interests of U.S. dairy farmers, dairy processors and cooperatives, dairy ingredient suppliers and export trading companies. Its mission is to enhance U.S. global competitiveness and assist the U.S. industry to increase its global dairy ingredient sales and exports of U.S. dairy products. USDEC and its 100-plus member companies are supported by staff in the United States and overseas in Mexico, South America, Asia, Middle East and Europe.

USDEC and NMPF commend the Trump Administration for the decision to suspend the imposition of duties on Chinese-built, -owned and -operated oceangoing vessels for one year. With 17% of milk produced in the United States end up as exports in the form of cheese, milk powders, whey products and other dairy ingredients, reliable shipping lanes and predictable pricing are of paramount importance to the U.S. dairy industry. USDEC and NMPF recognize the strategic value of a robust U.S. shipbuilding industry and support the Administration's initiatives to grow the U.S. commercial fleet. However, the introduction of new fees on Chinese oceangoing vessels could have several unintentional negative consequences for dairy exporters who ship product via intermodal containers.

U.S. dairy exporters had been concerned about the risk of additional fees imposed on Chinese -built, -owned or -operated vessels being passed along to shippers, increasing the cost burden for exporters already operating on thin profit margins. Higher shipping costs could drive international buyers toward

alternative suppliers that are not subject to these fees. Exacerbating the challenges could have been the likely rerouting of vessels to avoid Chinese-built vessels from servicing U.S. ports, limiting shipping options and raising the risk of introducing bottlenecks reminiscent of supply chain challenges that arose from the covid-19 pandemic.

The decision to pause implementation of fees is a welcome development and we hope this decision is maintained looking forward. To that end, USDEC and NMPF encourage USTR to consider full elimination of the fees that could be passed along to U.S. exporters and pursue a balanced approach that strengthens the U.S. commercial fleet while safeguarding dairy and agricultural exporters. We appreciate the opportunity to provide our comments and welcome continued dialogue with USTR and other relevant agencies to address these critical trade and shipping concerns.

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