ALLIANCE FOR AUTOMOTIVE INNOVATION

October 30, 2026

Ms. Jennifer Thornton
General Counsel
Office of the United States Trade Representative
600 17th Street NW
Washington, D.C. 20508

RE: Request for Comment on Further Suspension of Section 301 Action: China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance

Dear Ms. Thornton:

Alliance for Automotive Innovation appreciates the opportunity to submit comments in response to the Request for Comment on Further Suspension of Section 301 Action on China's Targeting of the Maritime, Logistics, and Shipbuilding Sectors for Dominance.

Alliance for Automotive Innovation 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 11 million jobs, and driving $1.5 trillion in annual economic activity, the automotive industry is the nation's largest manufacturing sector.

We appreciate the Administration's continued engagement with China with the goal of obtaining the elimination of the acts, policies, and practices at issue in the shipbuilding investigation. In furtherance of this goal, we strongly support USTR's proposal to suspend the fees for an additional two months.

In fact, we support pausing the implementation of the fees beyond January 9, 2027. Should USTR ultimately reinstate the fees, we urge USTR to exempt vehicle carrier vessels or, alternatively, align the vehicle carrier vessel fees with the fees imposed on other vessels. In particular, vehicle carrier fees should be limited to Chinese-built, Chinese-owned, or Chinese-operated vehicle carriers. Given that the underlying Section 301 investigation specifically addresses China's efforts to dominate the maritime, logistics, and shipbuilding sectors, imposing fees on vehicle carriers built in other countries would unnecessarily burden the auto industry in the U.S. without directly targeting the Chinese shipbuilding practices at issue. In addition, the $46/net tonnage fee imposed on vehicle carriers under Annex III should be reduced to one that is comparable to the fees imposed on other vessels. For example, the highest net tonnage fee for Chinese-built vessels under Annex II is $33/net tonnage. This is roughly 30% lower than the fees imposed on vehicle carriers built outside of China under Annex III.

Alliance for Automotive Innovation appreciates USTR's consideration of the automotive industry's perspective and looks forward to continuing to work with you to address China's targeting of the maritime, logistics, and shipbuilding sectors and on policies that support the health and competitiveness of the auto industry in the U.S.

Sincerely,



Hilary M. Cain
Chief Policy & Strategy Officer