

THOUGHT LEADERSHIP

LEGAL UPDATES

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FMC to Examine Vessel Flagging Laws and Practices

The Federal Maritime Commission (FMC) recently announced it was launching a non-adjudicatory investigation into whether foreign vessel flagging laws and practices create unfavorable shipping conditions for the U.S. trade. The deadline for submission of comments is **August 20, 2025**.

Pursuant to the commission's statutory authority under 46 U.S.C. 42101, to monitor and evaluate conditions that affect shipping in the foreign trade of the United States, the FMC intends to examine whether the laws, regulations, and practices of foreign governments, or the competitive methods employed by owners, operators, agents, or masters of foreign-flagged vessels, might violate statutes administered by the commission. If the commission determines that unfavorable shipping conditions exist in foreign trade, it may limit voyages or cargo, suspend tariffs or service contracts, restrict carriers' operational agreements, impose fees, or take any other necessary actions to address the situation.

What this means to you

At this initial stage, the commission is only seeking input from the public, but if the commission chooses to act, it possesses significant statutory power to address the situation, and, as described above, its actions could have dramatic effects on the U.S. trade. If you would like to submit comments, they must be submitted by **August 20, 2025**. In particular, the commission seeks examples of problematic flagging laws that affect the ocean shipping supply chain and commenters may suggest actions to reduce costs and compliance burdens without lowering standards. Those with expertise in vessel operations, international trade, international law, and national security are particularly encouraged to submit comments.

Contact us

If you have questions regarding vessel flagging laws and practices, please contact Julie Maurer, Benjamin Nashed, or your Husch Blackwell attorney.