General SOLAS/VGM Information

What is "VGM"?

"VGM" is a new amendment to the International Maritime Organization (IMO) Safety of Life at Sea (SOLAS) regulations governing global ocean vessels requiring Carriers to have a Verified Gross Mass (VGM) submitted to them by shippers before a container may be loaded onto the vessel.

Please refer to the below webpage for more details on the IMO and VGM. http://www.imo.org/en/OurWork/Safety/Cargoes/Containers/Pages/Verification-of-the-gross-mass.aspx

When will the requirement enter into force?

The new regulation goes into enffect on July 1, 2016 in all countries that are signatories of the IMO SOLAS regulations (over 170 countries worldwide). As of July 1, 2016, all containers must have a VGM declaration on file with the carrier in order to be loaded onto a vessel.

Is it mandatory or voluntary for shipper to submit a VGM?

To meet the new regulation, carriers have declared a "no VGM no load" policy as the shipper must submit a VGM for every container shipped prior to stowage planning. In many ports around the world, terminals have also declared a "no VGM no gate-in" policy – requiring the VGM to be submitted for a container before that container is allowed into the terminal yard.

What methods can be used to determine the VGM?

- **Method 1:** Weighing the packed container with all cargo, packaging and container together
- Method 2: (Calculated) Weighing all packages and cargo items, including the mass of pallets, dunnage and other securing material to be packed in the container and adding that to the tare weight of the container (typically found on the door of the container)

What is the difference between the two methods?

When using method 1, you must physically weigh the loaded container on scales that meet local certification requirements for accuracy. In this case you would have to find a weighing station that provides this service and has the required equipment and certifications, or use equipment your company may own or purchase. This method must be used with bulk items such as scrap metal or waste paper.

With method 2, you may use the weights as printed on the packages that will go into the container, and add those together with the packaging and tare weight of the container to arrive at a calculated, rather than measured, VGM result. This method would typically be used with manufactured goods that have highly repeatable weights, with consistent packaging as an example. The tare weight of the container should always be taken from the rear door of the container. Some countries require shippers to have a certificate to use Method 2. Check the local country regulations for the country of export.

General SOLAS/VGM Information

Which containers have to be weighed?

All of the containers that are being processed for vessel on-boarding have to be VGM certified using one of the two allowed methods for weighing. Many countries have published specific procedures for how the weighing should be done and those procedures should be followed for the country of port of origin.

Where can I find the latest regional or country specific regulation information for SOLAS VGM?

The World Shipping Council is maintaining a central website where they are posting country specific information. Please refer to the below website for more information. <u>http://www.worldshipping.org/industry-issues/safety/global-container-weight-verification-rule-effective-july-1-2016</u>

What are the consequences of not providing VGM? Are there penalties?

As the container without VGM may not be allowed to gate in at the terminal, delays or even extra charges might occur if the container is refused entry to the terminal yard. These charges might involve repacking cost, administration fees, demurrage charges etc. Some countries may also levy fines or other penalties for failure to provide an accurate VGM that is within prescribed tolerances. Check the regulations of the country of port of original load for specifics. Finally, carriers by regulation must have a VGM for each container to be approved for loading onto a vessel.

If the VGM is not present and cannot be supplied in time by the terminal or another party for stowage planning, the container – and potentially other containers on the same shipping instruction or booking – may be held and not loaded by the carrier. This also may result in additional delays or charges for the containers effected.



Additional Links and Resources:

National legislations: <u>World Shipping Council</u>

History of SOLAS VGM: IMO

SOLAS VGM REGULATION & INTTRA eVGM Service Frequently Asked Questions (FAQ)

Responsible Party (Named Shipper on Bill of

Document and/or Process Change Considerations

What mandatory information must be included in VGM?

Mandatory fields may include (but are not limited to):

- Booking Number
- Container Number
- Verified Weight
- Laiding)

 Authorized Person for VGM Weight
- Unit of Measurement

An electronic signature may consist of the individual's name in all capital letters. Some countries may also require information about weighing method or certifications. Please check your carriers' SOLAS regulation customer notification/communications for any additional information they may need to process your VGM submission.

Where can I weigh my cargo or container?

Many Companies are emerging in several countries offering weighing services for shippers. Also, some terminals have stated they will offer weighing services. Many freight forwarders are offering to handle the weighing on their customers behalf. INTTRA plans to offer lists of the weighing companies partnered with INTTRA as they offer their services.

Who is responsible for submitting VGM? Can the shipper authorize a third party to submit the VGM declaration?

- According to SOLAS VGM requirements, the shipper, identified on shipping documentation, or a party
 authorized to submit on their behalf, is responsible for providing the carrier with the verified gross mass for
 a loaded container.
- A third party authorized by the shipper can submit VGMs; this authorization is to be defined in business/ commercial relationships between the shipper and the authorized party (e.g., through a power of attorney or similar legal arrangement).

Document and/or Process Change Considerations

Who is responsible for the VGM if submitted by a third party?

Even if an authorized party provides the VGM, the shipper remains responsible for the information provided to the carrier.

Who can the shipper authorize to be a submitter? Are there some specific rules? For example, a terminal, or freight forwarder?

Any party may be authorized by the shipper to submit on their behalf, including terminals, freight forwarders, weighing companies, trucking companies, consolidators, etc.

Does cargo have to be re-weighed if there is a change of vessel?

No, VGM is only required at the time of original load from July 1, 2016 forward. If the shipment is being transferred to another vessel, initial VGM will be used at the transshipment port (this process will be managed between carriers). There may be containers that were loaded prior to July 1, 2016, and are transshipping at a port after July 1, 2016, that require a VGM be available for loading to occur in the transshipment ports. You should check with your carrier as to the policy on these transshipments.

How will the information be submitted to the carrier?

The shipping community is advocating the use of electronic VGM submission as the most timely and flexible method for shippers to help them meet potentially earlier cut-off times and multiple submission use cases. INTTRA provides an eVGM solution for electronic submission of VGM declarations. While manual VGM documentation is acceptable, it is slow and introduces significant additional work and potential delays for the carrier, and may also incur manual documentation charges.

How will VGM cut off date/times be known?

Since VGM information is used to plan stowage of the vessel, it must be submitted in advance to allow carriers to create the stowage plan. VGM cut off times may vary by carrier and/or port and should be checked at the time of shipment planning. Carriers are notifying customers of their VGM cut-off time policy and most will also communicate this in the booking confirmation process.



Additional Links and Resources: INTTRA SOLAS eVGM:

http://www.inttra.com/solas-vgm

INTTRA eVGM SOLUTION

What integration solution is INTTRA offering to support the SOLAS regulation?

INTTRA is supporting the industry with highly flexible, standards based eVGM solutions designed to meet a wide range of use cases and supporting a broad range of channels.

- For the submitter (FF, NVOCC, Shipper etc.): We are providing integration options for sending VGM via VERMAS (VGM only) and via Shipping Instruction (IFTMIN + VGM).
- For Carriers: we are providing a VERMAS (VGM Only) integration option for receiving VGMs.

Where can I find your implementation guides?

Please refer to the following web page: <u>http://www.inttra.com/solas-vgm</u> and look under the Resources area to find links to all available EDI implementation guides.

Can I send my VGMs without integrating to INTTRA?

Yes, for submitters who do not wish to integrate via EDI or web service, VGM submission will be enabled through our online INTTRA web portal, integrated into INTTRA's latest web user interface that is consistent across schedules, booking requests, eVGM and shipping instructions.

Is INTTRA modifying the IFTMBC booking confirmation message to support VGM Cut-off time?

Yes, please visit the following web page for the implementation guide: <u>http://www.inttra.com/solas-vgm</u>. When booking processed via INTTRA, VGM cut off dates will be provided to the booking party if they are provided by the carrier in the confirmation message.

How will INTTRA convey my VGM submission to Carriers who are not integrated via EDI for VGM?

For carriers who are not integrated via EDI or web service, INTTRA will email a PDF version of the VGM declaration to an email address provided by the shipper or centrally designated by the carrier (exact method may vary by carrier).

Is the INTTRA eVGM solution free to the submitter like your booking and SI services?

The INTTRA eVGM solution is a fee-based service at a nominal cost per container, available on a per container basis or annual subscription basis (depending on volumes). Please contact your INTTRA sales team or INTTRA service for more information. Many INTTRA alliance partners that provide TMS or ERP systems also offer the service integrated with their applications. INTTRA also has several alliance weighing station partners that also can submit VGMs through INTTRA on your behalf. Keep visiting http://www.inttra.com/solas-vgm for additional information as the eVGM Alliance Partner network grows.