# A NEW REGULATION FOR A SAFER SUPPLY CHAIN

### VERIFIED GROSS MASS EFFECTIVE FROM 1ST JULY 2016

In November 2014, the International Maritime Organization adopted an amendment to the Safety of Life at Sea convention (SOLAS) regarding mandatory container weight verification. The amendment applies to all member states who will, in turn, adopt it into their own national law. Each country will provide its own guidelines for the implementation.



### 1. The Situation

Today, weight declarations of loaded containers are not always accurate. This leads to an increased risk of accidents throughout the supply chain.



## 2. The Challenge

From July 1st 2016, Shippers will be required to provide the Verified Gross Mass (VGM) of each shipment to their ocean carrier and the terminal operator. It remains the shippers' responsibility to obtain and provide the VGM in accordance with local government guidelines and before the carrier's cut off.



### 3. The Implication

SOLAS rules state that if a Shipper fails to provide a VGM to the ocean carrier and the terminal operator, the container cannot be loaded on-board the vessel. In this case, the Shipper is accountable for any additional charges. Shippers may authorise a third party to provide the VGM, however, shippers remain responsible for the process.



# 4. Weight Definition

VGM is determined by using the following methods:

<u>Method 1</u>: Weighing the packed container once all cargo has been loaded & sealed into the container.

<u>Method 2</u>: by calculating the weight of the cargo (including packaging), dunnage and the container tare.

MSC recommend that shippers keep a record of VGM's for requests by authorities.



# Empty container weight (container tare weight)

The container tare weight can be checked in two ways:

- a) The tare weight is physically printed on the outside of the container doors
- b) In the case of method 2, the container tare weight lookup on <a href="mailto:myMSC.com">myMSC.com</a>



### 6. Worldwide Procedures

Procedures will vary by country, please see attached document with the relevant information.



# A NEW REGULATION FOR A SAFER SUPPLY CHAIN (USA & PUERTO RICO)

VERIFIED GROSS MASS EFFECTIVE FROM 1ST JULY 2016

## 7. Terminal Receiving Policies

The US Coast Guard has announced that OSHA compliant weighing equipment at Terminals satisfies SOLAS requirements for certification purposes. US Ports currently have mixed policies regarding "No VGM – No GATE" practices and regular cargo receipt, for latest and most updated receiving policy at US Terminals please visit: www.msc.com/usa/country-guides/usa

# 8. What to include in your VGM instructions

The following items are mandatory and must be on all VGM instructions:

Booking or Bill of Lading number
Container number
VGM+ weight measurement unit (lbs. or kgs.)
Responsible Party Name
Digital Signature of the authorized signatory in all
CAPITALLETTERS.

# 9. How to submit your VGM instructions

myMSC.com
EDI (via INTTRA; GT NEXUS; Cargo Smart)
Manually (via INTTRA; GT NEXUS; Cargo Smart)
Fax: 908-605-2619; e-Mail: vgmusa@msc.com

# 10. Deadlines for sending your VGM instructions

Standard practice will dictate that the VGM cutoff will be 12 pm NOON EST the day of the cargo cut-off except for terminal that are "NO VGM - No GATE".

As standard practice, the documentation cut off will remain at 4 pm EST the day before the general cargo cut-off.

### 11. Admin Fees and costs

Manual VGM Submission Fee (applies to email, fax, and inclusion on standard shipping instructions): \$25 per container
Late VGM Submission Fee: \$25 per container
VGM Mis-declaration Fee: \$300 per mis declaration, per container.

#### 12. Recommendations

Shippers should be familiar with container return at "No VGM – No GATE" ports in the US, MSC requires the VGM be submitted at least 2 hours' prior the intended return or appointment time, 5pm EST time latest on business days for West Coast terminals.

Most terminals are only accepting VGM messages via EDI from Ocean Carriers, therefore it is preferred and often mandatory that the SHIPPER of RECORD on the OCEAN CARRIERS Bill of Lading send their VGM to MSC within the VGM cut off dates for ALL MSC (USA) booking scenarios.

Vessels subject to VGM compliance will begin receiving at some rail ramps as early as week 24. Shippers should be actively monitoring their bookings and be ready to execute their VGM compliance plan when appropriate.

### 13. Contact information

SOLAS VGM Customer Service: 1-800-222-3367