



## Preparing for SOLAS – Verified Gross Mass (VGM) Regulation for July 1, 2016

### How will DRTN implement the SOLAS Verified Gross Mass Regulation?

The **IMO** SOLAS amendment on Container Weight Verification will become effective on July 1, 2016. The main requirement of this amendment is for shippers to provide the full container's verified gross mass prior to loading of the container.

As your freight forwarder, Day & Ross Trade Networks (DRTN) has been working with the key stakeholders to develop the most clear and easy way to help customers to understand and implement, to comply with the rule.

### Verified Gross Mass (VGM)

*Verified Gross Mass* means the total gross weight of a packed container including cargo weight, packaging weight, any material used to secure, and the container tare weight. This is different from the current practice of providing gross weight of cargo which is stated on the BLs.

### Two acceptable methods to obtain VGM

#### Method 1-Weighing of a packed container

- 1) The shipper may weigh the container after it has been packed.
- 2) This would require a commercial truck scale and obtaining a weight ticket. VGM = Total Weight LESS Truck, Fuel and chassis tare weights.
- 3) This method may be used on all types of cargoes, especially for cargoes where individual weighing is not possible, e.g. bulk product.

#### Method 2-Calculating VGM

- 1) The shipper may calculate VGM by aggregating the items below
  - a) Cargo weight
  - b) Packing and securing material to be loaded in the container
  - c) The container tare weight
- 2) Method 2 is subject to the use of weighing equipment or systems calibrated and certified for the purpose of trade.

### How to obtain container tare weight?

- 1) The shipper may obtain the container tare weight by referring to the tare weight printed on the outside of the container.

- 2) For convenience, some Ocean liners are developing a tool enabling shippers to access tare weight information via the carrier's website. This is not available as of yet but we will be monitoring and will pass along information as available.

### Content of VGM submission

The essential contents to be submitted

- 1) Booking & Container number
- 2) VGM ( kilograms or pounds )
- 3) Responsible party (Shipper on B/L)
- 4) The name of the Authorized person in capital letters
- 5) Verification date

### Who is responsible to submit VGM to the carriers ?

- 1) The regulation states that the shipper is responsible to **obtain and verify** VGM with an authorized signature, using method 1 or method 2.
- 2) Shipper will send VGM to DRTN, likely through a field in the Shippers Instructions (SI) either through manual form, or via email, or EDI
- 3) DRTN will submit the VGM to the carrier on behalf of the Shipper.
- 4) The carrier will submit VGM to the terminal.

### How will DRTN send VGM?

DRTN has partnered with INTTRA, a leader in ocean logistics technology, and will use the INTTRA digital eVGM.

- 1) eVGM can be used for INTTRA or NON INTTRA carriers

### VGM cut-off time

- 1) As VGM cut-off time will vary from country, terminal, lane, vessel and other factors, a consistent time across the ocean liners is not possible.
- 2) Ocean liners will provide the VGM cut off time information with the booking confirmation and DRTN will provide to the customer on booking confirmation

### Failing to Submit VGM

- 1) If VGM is not provided to the carrier in time, the container will not be loaded onto the ship.
- 2) If the port terminal has implemented "No VGM, no gate-in" policy, a container

arriving at the terminal without VGM will not be allowed to gate-in.

- 3) Additional detention/demurrage cost may be accumulated and passed on to the customer
- 4) Penalties may be assessed by the national law

### Concerns and watch outs:

- 1) Shippers who use trans-loading or third party facilities or do not load cargo themselves will need to develop documentation policies with the third party so the Shipper can verify and submit the VGM.
- 2) If using Method 2, the Shipper will need to use the container's tare weight stencilled on the container. Shippers are concerned about the variance between the stencilled tare weight and the actual tare weight.
- 3) Many terminals, carriers and Shippers are concerned about potential backlogs and congestion at ports on July 1 given the lack of clarity surrounding the rule.

### How will DRTN help me as a shipper to meet this new requirement?

- 1) **Beginning this week 25, we have already begun submitting VGM on behalf of our customers.**
- 2) **Customers have commenced to confirm their VGM details on their BL instructions or via our manual form in time for the document cut off.**
- 3) **Your dedicated Customer Service Representative will submit the VGM's critical data elements to ocean carriers via Intra eVGM site or the carrier's direct online portals.**
- 4) **Once we receive a confirmation of the VGM transmittal, we will provide to you for a final confirmation.**

If you require any additional information, please contact your Day & Ross Trade Networks representative, or email your question to Contact Day & Ross Trade Networks at 1-888-298-7755 or via email [info@dayandrossinc.ca](mailto:info@dayandrossinc.ca)