

International Freight Forwarders and Customs Brokers

NAVIS AG \cdot Postfach 10 48 48 \cdot 20033 Hamburg / Germany

Billhorner Kanalstrasse 69 20539 Hamburg / Germany

Telephone: +49 (40) 789 48 - 0

Extension: - 280

Telefax: +49 (40) 33 78 95 E-Mail: HB@navis-ag.com Internet: www.navis-ag.com

Important Notice for Exporters

Loading Containers to Overseas Countries!

Hamburg · Bremen · Hanover · Freiberg Rotterdam · Antwerp · Barcelona

Hamburg, 01 June 2016

SOLAS Regulation for Verification of Gross Weight of Export Containers Obligation by law starting from 1st of July 2016

Dear Ladies and Gentlemen,

Starting on the 1st of July 2016, the gross weight of all export-bound containers loaded with cargo will have to be determined by a <u>certified and approved method</u> right on time before being loaded onto any container vessel in the port. Moreover, the verified gross weight (official term: Verified Gross Mass or VGM) of each full container will also have to be submitted right on time to the shipping line and container terminal parties.

The legal foundation behind this regulation is in accordance with the International Maritime Organization's (IMO) **SOLAS Convention** (International Convention for the Safety of Life at Sea). This global law was implemented as a **national law** in each country around the world. Incorrect weight details of loaded containers have been the cause of ship accidents in the past. This new, obligatory regulation is meant to ensure the safety of people, transportation means, cargo and the environment. As of the 1st of July 2016, not a single export-bound, cargo-loaded container will be loaded on any container vessel without first determining the **Verified (confirmed) Gross Weight (VGM).**

It is the **responsibility** of the **Shipper** (**Exporter**) to submit the **documentation stating the Verified Gross Weight** of the cargo-loaded container. The Shipper will have to evidence appropriately that an actual weight verification procedure was performed. The VGM of the cargo-loaded container must either appear on an existing shipping document or a stand-alone document, both of which have to be signed by an authorized person designated by the Shipper. An electronic submission of the document is also permitted, in which case the name of the authorized person will suffice. In any case, the **Verified Gross Weight** of the container must be explicitly stated in the document. A non-binding form of a **VGM Declaration** can be downloaded on our website http://www.navis-ag.com/en/downloads/

There are **two methods to determine the Gross Weight of cargo-loaded containers** in conformity with the proof requirements:

Method 1: Weighing of the Cargo-Loaded and Sealed Containers:

This method 1 applies for **Weighing of the Cargo-Loaded and Sealed Containers.** Method 1 is **costly**, if you **do not** have a **calibrated** (certified and approved) **scale in your own premises. Costs arise** for double **weighing** the container at a **weighing station** and the truck before and after loading of the container at the premises of the shipper. Moreover, **multi-stop** (detours and time loss) charges will have to be taken into consideration as the truck will have to be driven to an approved weighing facility (ideally one located near the premises of the Shipper). However, Method 1 is the only option if commodities such as bulk materials or scrap are involved.

Please note that the <u>timely submission of the weighing certificates and the VGM Declaration</u> of the cargo-loaded container is <u>difficult</u> considering the long information chain: Weighing Facility \rightarrow Truck Driver \rightarrow Trucking Company \rightarrow Shipper \rightarrow Forwarding Agent \rightarrow Shipping Line \rightarrow Container Terminal. As a rule, the <u>posterior weighing</u> of the loaded container at the seaport container terminal <u>is too late</u> for the stowage plan of the vessel and is cost intensive.



Method 2: Calculating the Gross Weight of the Loaded and Sealed Container

The shipper must **weigh each package** meant to be stuffed in the container including the **packaging** and **securing material** with a **calibrated scale**. An estimated weight is not permitted. The shipper **must calculate the sum** of the weight of each package including the weight of the packaging and securing material and has to add the **tare weight** of the utilized empty container.

The sum of this calculation is the **Verified Gross Mass (VGM)** of the container:

VERIFIED WEIGHT OF ALL PACKAGES + VERIFIED WEIGHT OF PACKAGING & SECURING MATERIAL + WEIGHT OF EMPTY CONTAINER = VGM.

The **tare weight** (empty weight) **of the container** is printed on the outside door of the container. This information can be obtained from the loading personnel once the cargo loading procedure has taken place.

The advantage of Method 2 is that the Verified Gross Weight (VGM) can be documented on the VGM Declaration as soon as the container loading has been finished.

Current State of Implementation of the SOLAS Regulations by the National Authorities:

The utilization of Method 2 must be **certified and approved by the authorities** of the country where the loading and sealing procedures of the container were completed. Any weighing equipment used to weigh the contents of the container must meet the applicable accuracy standards and requirements of the country in which the equipment is being used. Please contact your respective **national authorities** for the exact national requirements to comply with the SOLAS regulation in your country.

In case you still require more information of the new SOLAS amendment, we would like to recommend the following useful websites:

http://www.worldshipping.org/industry-issues/safety/cargo-weight http://www.ttclub.com/loss-prevention/publications/container-weighing/

What Do You Have to Do before the 1st of July 2016 in Order to be Ready?

- Make the necessary preparations to be able to determine the Verified Gross Weight of cargo loaded, export-bound containers.
- Submit the VGM declaration along with your export documents (shipping order, commercial invoice copy, container packing list, export customs clearance document and MRN) to NAVIS as soon as the cargo has been loaded and the container unit has been sealed.

We'll make sure that the verified gross weight details of the cargo-loaded containers are sent via port data communication systems to the respective shipping lines and container terminals before the container units are loaded onto the vessels.

Please do not hesitate to contact us if you have any questions.

Best regards,

NAVIS

Schiffahrts- und Speditions-Aktiengesellschaft

i.V. i.V. Heino Beimaraben Nico Greve

Tel.: +49 (40) 789 48 - 280 Tel.: +49 (40) 789 48 - 440 E-Mail: HB@navis-ag.com E-Mail: NGR@navis-ag.com