OCEMA Recommended Best Practice for the Acceptance and Transmission of Verified Gross Mass for U.S. Export Cargoes

Amendments to Regulation VI/2 of the International Convention for the Safety of Life at Sea ("SOLAS"), to which the U.S. is a signatory, will go into effect globally on July 1, 2016. In general, the amendments require shippers to provide the Verified Gross Mass ("VGM") of containers carrying cargo before those containers can be loaded aboard a vessel. The amendments also prohibit the vessel operator from loading a packed container without a VGM.

In the United States for U.S. export cargoes, in addition to the terms of the SOLAS VGM amendment, the U.S. Coast Guard, in Maritime Safety Information Bulletin ("MSIB") 009/16, has issued an equivalency determination that existing U.S. laws and regulations for providing verified container weights are equivalent to the requirements in SOLAS Regulation VI/2. The MSIB further states that, for the purposes of determining the VGM of a container, any weighing equipment currently being used to comply with U.S. federal or state laws (such as the Intermodal Safe Container Transportation Act and the container weight requirements in 29 CFR 1918.85(b)) is acceptable for the purpose of complying with SOLAS.

OCEMA recognizes that all members of the shipping community will be affected by this regulation. In an effort to facilitate and simplify compliance, and taking into consideration both the SOLAS VGM requirement and the U.S. Coast Guard MSIB, OCEMA has developed a best practice for the receipt and forwarding of VGM for U.S. export cargoes. A key objective of the best practice is to develop common processes that will have as small an impact as possible on all participants. The following describes the Best Practice as it applies to the:

- **Shipper** (The cargo owner, exporter, NVO, freight forwarder or agent that is making arrangements to stuff and/or transport the container.)
- **Ocean Carrier** (The steamship line with which the Shipper is contracting to transport the container.)
- **Marine Terminal Operator** (The operator of the facility where the container will be loaded aboard the vessel.)
- **Vessel Operator** (The steamship line whose vessel is actually transporting the container. This may be the same as the Ocean Carrier or, in the case of a move conducted under a vessel sharing agreement or space charter, it could be a different steamship line.)

The Best Practice, as described below, is further illustrated in the attached Process Map.

NOTE: This is a recommended best practice for general SOLAS VGM compliance for U.S. export cargoes. OCEMA members recognize that a particular move may not fit within a standard process. Accordingly, Shippers and Carriers are encouraged to work together in such cases to facilitate the timely availability of VGM. OCEMA also welcomes inquiries and comment from the shipping public. Comments and questions can be submitted through the OCEMA website, www.OCEMA.org.

Shipper Responsibilities under SOLAS Regulation VI/2

Under SOLAS Regulation VI/2, as amended, the Shipper is generally required to provide VGM or to arrange for VGM to be provided on its behalf. In the first instance, because the Shipper is uniquely situated to know and report the weight of the container, the Shipper determines the VGM for the loaded container using one of the two methods provided under SOLAS regulations.

(a) Pursuant to the SOLAS regulations, the Shipper may calculate VGM by one of the following methods:

1. weighing the packed container using calibrated and certified equipment; or

2. weighing all packages and cargo items, including the mass of pallets, dunnage and other securing material to be packed in the container and adding the tare mass of the container to the sum of the single masses, using a certified method approved by the competent authority of the State in which packing of the container was completed.

In accordance with SOLAS guidelines, if using Method 2, Shippers may use the container tare weight marked on the container. OCEMA's position on tare weights is consistent with that of the IMO in that a Shipper may rely on the tare weight printed on the container when using Method 2 to determine VGM.

To facilitate Shipper operations, some ocean carriers have indicated that they may provide a database of tare weights on their websites. However the tare weight is provided, it is acceptable for Shippers to rely upon the tare weight being made available by the Ocean Carrier. The Shipper would not be certifying the accuracy of the container tare weight printed on the container.

(b) If using Method 1 or Method 2, a person duly authorized by the Shipper must certify the VGM by signing the shipping document and providing it to the Ocean Carrier by the VGM cut-off time or by providing VGM in electronic form with an electronic signature by the VGM cut-off time.

Terminal Weighing Approach

In light of the equivalency declaration in the MSIB and recognizing that many marine terminals operate scales suitable for obtaining VGM pursuant to the MSIB, OCEMA members will accept, as a VGM process equivalent to Method 1, gross container weights obtained by Marine Terminal Operators having equipment that meets USCG equivalency requirements. VGM so obtained will be forwarded by the MTO directly to the Ocean Carrier and/or Vessel Operator. Shippers availing themselves of this option will not be required to provide a signature to the Ocean Carrier, but acknowledge and verify that such use of on-terminal scaling provides a Verified Gross Mass obtained on Shipper's behalf, as provided for in the MSIB.

Intermodal Cargo Received via On-Dock Rail at Marine Terminal

It is acknowledged that certain U.S. marine terminals receiving containers via on-dock rail may not have scales suitable for weighing such containers. In light of the equivalency determination in the MSIB, for containers arriving by on-dock rail, carrier will accept actual gross cargo weights, as defined in the Intermodal Safe Container Transportation Act (weight of the cargo, packaging materials, pallets, and dunnage), and as certified by shipper or its agent. Carrier will arrange for the container tare weight to be added to the actual gross cargo weight and will forward, on behalf of Shipper, the total gross container weight to the marine terminal operator for stowage planning.

Shippers wishing to forego this option, will need to submit VGM information to Carrier using SOLAS Method 1 or Method 2 as described in paragraphs (a) and (b) above. The methods and procedures for submission of VGM will be made available to shipper by carrier.

HOW to provide VGM to the Ocean Carrier?

In order to facilitate the provision of VGM under Methods 1 and 2, and provide flexibility to the trade community, there are several ways to submit VGM to Carriers. However, electronic provision is *preferred and will expedite transmission of data.* (Note: some Carriers may only accept VGM in electronic form. Please check with Carrier).

- EDI message (VERMAS, or for example a 304 message)
- Portal Service (INTTRA, GT Nexus, CargoSmart, other)
- Through the Ocean Carrier's web portal specifically designed to accept VGM
- Alternative methods to be determined by the Ocean Carrier

Under the Terminal Weighing Approach, it is anticipated that the gross weight of the container will be provided directly to the Ocean Carrier and/or Vessel Operator by the Marine Terminal Operator.

WHEN must VGM be received by Ocean Carrier ("VGM Cutoff")?

- For VGM submitted electronically under Methods 1 and 2: As a general practice, when the receiving cutoff time is determined to be at the close of the business day, VGM Cutoff will be at noon of that day. Regardless of the receiving cutoff time, Carrier will advise the Shipper of VGM Cutoff at time of booking.
- For VGM submitted through alternative methods, VGM Cutoff will be determined by the Ocean Carrier, but will typically be earlier than for electronic submissions to allow time for processing.
- VGM obtained through on-terminal weighing will be provided directly to the Vessel Operator and should be available shortly after the container arrives at the terminal. As long as the container arrives by the receiving cutoff time, VGM will have been timely provided.
- Similar to the concept of "No Docs/No Load" that is already in place, if the Ocean Carrier does not receive VGM prior to the VGM Cutoff time, the

container cannot be loaded aboard the vessel. Instead, it will be sidelined until the next available sailing by which time the Shipper must have made arrangements for the provision of VGM. The treatment of any costs or other circumstances arising out of a Shipper's failure to timely provide VGM will be a matter for individual Ocean Carriers to determine in accordance with their applicable tariffs and service contracts.

Once the Ocean Carrier receives the VGM, either directly from the Shipper (under Methods 1 or 2) or from the Marine Terminal Operator (under the Terminal Weighing Approach), the Shipper's responsibilities are complete.

Ocean Carriers

Once VGM has been received from a Shipper using Method 1 or 2, the Ocean Carrier will forward the VGM to the Marine Terminal Operator (MTO) and/or the Vessel Operator.

The Ocean Carrier will provide VGM to the MTO in electronic format. Provision of VGM to the MTO in any format other than electronic will only be done on a case-by-case basis with the agreement of the MTO. There is no need to provide the actual signature certification to the MTO or Vessel Operator. Provision of a VGM by the Ocean Carrier indicates that it has been certified by the Shipper.

As a practical matter, VGM obtained at terminal scales under the Terminal Weighing Approach will not need to be provided to the Marine Terminal Operator. Rather, the Marine Terminal Operator will provide the gross container weight so derived to the Ocean Carrier and/or Vessel Operator.

HOW to provide VGM to MTO?

- EDI Standard 301, 315, COPRAR or VERMAS message set

WHEN must VGM be sent to the MTO?

- VGM must be provide to the MTO in time to develop the Load List

Marine Terminal Operator

Once the MTO receives VGM from the Ocean Carrier or weighs the container using on-terminal scales, the MTO will provide the VGM to the Vessel Operator through a standard BAPLIE message.

HOW to provide VGM to Vessel Operator?

- MTO to send VGM via Standard EDI BAPLIE

IF VGM IS NOT RECEIVED THE CONTAINER CANNOT BE LOADED ON TO THE VESSEL.

Vessel Operator

The Vessel Operator reviews and executes the Stow Plan as it normally would and retains the VGM for vessel transit and use at destination.

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OCEMA is an association of 19 major U.S. and foreign flag international ocean common carriers that provides a forum for its members to discuss and cooperate on operational, safety, and related matters pertaining to the transportation of international ocean freight within the U.S. OCEMA operates pursuant to authority set forth in an agreement filed with the Federal Maritime Commission. The foregoing is an OCEMA recommended best practice. Individual ocean carriers may deviate from this practice as they may deem appropriate to meet operational or other business requirements.