



Question		Key topic	Answer
1	At a basic level, what is the new requirement put on shippers?	Basic Rule	Under the new SOLAS VGM (verified gross mass) requirement, the shipper named on the ocean bill of lading is the party responsible for providing the container carrier and the terminal operator with the verified gross mass of a packed container. The carrier and the terminal operator must not load a packed container aboard a ship unless they have the verified gross mass for that container. The "shipper" according to MSC 1 / Circ. 1475 (the IMO's guidance on VGM), is "a legal entity or person named on the bill of lading or sea waybill or equivalent multimodal transport document as shipper, and/or who (or in whose name or on whose behalf) a contract of carriage has been concluded with a shipping company." This responsibility shipper doesn't go away if a shipper uses a forwarder to pack and weigh a container, forward it to the port and even make the booking with the carrier. If the forwarder is acting purely on the instructions of the shipper to undertake that work on his behalf, and the shipper's name is still what appears on the bill of lading, it's the shipper that is responsible for verifying the gross mass weight. The shipper will have to ensure that it's satisfied with the integrity of the forwarders' weighing process if it's relying on the forwarder's measurement.
2	How will the rule be enforced, and what are the risks for shippers?	Basic Rule	Certain basic facts are known. The rule will be officially enforced by the maritime authorities of individual nations, whose implementing regulations will vary depending on country and region. As a practical matter the real-world "enforcement" that will affect shippers most directly seems most likely to be carried out directly by the container lines and terminal operators, who are both required not to load a container without the certified VGM document accompanying it and to use the VGM for stowage planning. Enforcement agencies may implement measures to satisfy themselves that compliance is achieved, which could include documentation checks, auditing or random weight checks. The carriers and terminals are expected to be disciplined in their unwillingness to accept containers tendered to them without the required VGM documentation in order to avoid costs and penalties such as delayed sailings, to avoid costs for the storage and handling of affected containers which could congest terminals and which might be difficult to recover from the shipper, and especially to avoid liability in the event of a casualty whether at the dock or at sea. Hapag-Lloyd in a brochure on the issue said "A packed container, for which a verified gross mass has not been obtained, will not be loaded on the vessel." Thus, "the risk is your container won't get shipped. It would be turned away from the terminal,". Some, though not all, terminal operators are considering introducing weighing services as a revenue stream and to assist non-compliant containers to be loaded. At the same time, some are speculating that since many shippers are telling carriers that they won't be ready for implementation of the rule on July 1, there may need to be some kind of an initial soft launch, similar to how U.S. container security measures were implemented, following by a hard launch when penalties would take effect. Or if confusion continues to grow some may seek a delay in implementation. But that is mere speculation at this point. In fact, an IMO source said in late January, 2016 that no efforts were currently under way to delay the ruling.



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3	Will legislation be required by each country to make the convention law at their ports?	Basic Rule	No. The rule is law in each of the 162 countries that are signatories to SOLAS. The reason is that SOLAS has international legal status so there need not be any further implementing legislation for states that are party to it. There has been no precedent for non-implementation or delay in the implementation of a SOLAS regulation, so there is no reason to expect any delay in implementation beyond July 1, 2016,. As an United Nations agency, the IMO leaves it to each of the individual countries to implement the ruling, which means that the exact system of penalties and procedures is left to each government and managed by the agency representing IMO in the respective country, for example the Coast Guard in the U.S., or the Maritime & Coastguard Agency in the U.K. The exact timing of regulations being promulgated and enforced will inevitably vary country by country. That said, it is understood that several countries' agencies are currently investigating how to prevent the loading of container without the VGM submitted
4	When sourcing from contract manufacturers at origin countries, will retailers, consumer product firms and others rely on their manufacturers to conduct the weighing at the origin?	Basic Rule	Most shippers use third-party logistics companies (3PLs) to pack and transport containers to ports. Therefore, it is fair to expect that contracts for contract logistics and freight forwarding services will be amended to reflect the VGM requirement. Shippers can expect 3PLs to try to assess an incremental fee to weigh containers. It is unrealistic to expect the shipper themselves to perform this work themselves in most cases since they lack resources, space and staff able to undertake the actual weighing of cargo or loaded containers. Therefore all 3PLs and freight forwarders will have to offer such services in some form, but in order to minimize supply chain disruption as the implementation date approaches in 2016, a customer should inquire early to be certain that the requirement can be met. In situations where the manufacturer loads the container, the shipper - who is the responsible party under the rule - will have to leverage vendor-compliance tools and processes to ensure that the weight the manufacturer states for the bill of lading is the real weight that will hold up in an inspection. But this opens the door to risk; "what goes on the paper might not be what is in the box, and that will leave us with a serious problem. We will have to enforce the rule at all our vendors." According to some sources, China factories will be reluctant to invest in weighing equipment and overall are shrugging off the impending rule.
5	Are shippers that only tender partial loads to a forwarder or master loader responsible for providing a VGM?	Basic Rule	No. The responsibility for providing the accurate, verified gross mass of a co-loaded container remains with the shipper named on the maritime carrier's bill of lading, i.e. the "master" loader or freight forwarder or NVOCC. The contractual terms between the ultimate shipper and a co-loader may allow the shipper to provide a VGM to the master loader, or the master loader or forwarder might undertake the weighing process themselves, but either way this would be a commercial arrangement between those parties.



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6	What are the necessary requirements for those doing the weighing, the weighing equipment itself, and accuracy?	Basic Rule	The weighing equipment to be used must meet the applicable accuracy standards and requirements of the country in which the equipment is being used. There is no such thing under SOLAS as a "verified weigher." The only obligation under SOLAS for any party weighing a packed container is to use equipment certified by the relevant national standards. But national standards may get more specific, for example national governments may as part of their enforcement policies implement requirements applicable to owners of weighing equipment and could determine acceptable levels of accuracy of the weighing equipment used. There is no provision in the SOLAS rule for any margin of error; the rule is only a physical weighing requirement, thus verified gross mass derived using compliant equipment and procedures will meet the legal requirements. Some cargo products may incur normal, minor changes in mass from the time of packing and weighing until delivery (e.g. due to evaporation or humidity changes) and some containers' tare mass may change over time and vary somewhat from the tare mass marked on the container. However, these margins of error should not normally present safety concerns.
7	Which countries won't be covered for the regulation.	Basic Rule	The rule is law in each of the 162 countries that are signatories to SOLAS. SOLAS has international legal status so there's no need for further implementing legislation.
8	Can the weight certification be delegated to a 3rd party on behalf of the shipper to weigh loaded containers? I.e: a freight forwarder, or the trucking Company performing the inland drayage at origin?	Basic Rule	Yes, if the shipper gives the mandate to the forwarder or 3rd party, then this party can submit the VGM on behalf of the shipper. But the shipper remains responsible, as the VGM will be submitted on behalf of the shipper! But again it will depend on local capabilities.
9	Can the weight certification be delegated to a 3rd party on behalf of the shipper to weigh loaded containers? I.e: a freight forwarder, or the trucking Company performing the inland drayage at origin?	Basic Rule	Yes, if the shipper gives the mandate to the forwarder or 3rd party, then this party can submit the VGM on behalf of the shipper. But the shipper remains responsible, as the VGM will be submitted on behalf of the shipper! But again it will depend on local capabilities.
10	We load at supplier's facility and book Door service w/SSL. Are we required to have the driver take it to a weigh station/bridge or will carrier arrange that?	Basic Rule	A weigh bridge/station will give total weight including trailer, cab, driver and fuel, then you have to do a calculation to deduct those items. It will depend on the local capabilities of what the forwarder/carrier or terminal can offer as extra services
11	Are there any responsibilities for the importer?	Basic Rule	It is the shipper's responsibility to provide VGM.
12	Will the cut-off times to receive the VMG vary by carrier within the same port?	Carriers	Potentially yes, but we don't have any clarity on this yet.
13	When will the carriers publish their cut-off times and how will they communicate them?	Carriers	The carriers are still discussing as well what the best cut-off time will be. Our current assumption is that it's the same as the document cut-off time.
14	How will the carriers communicate changes in their cut-off times?	Carriers	Current assumption: Via their schedules online



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15	Is it most feasible for the weighing process to take place at the port or earlier in the supply chain?	Carriers	There is a lot of debate and discussion around this issue currently, but it looks like ports will for the most part not be equipped to perform weighing services. According to Intra, it is unrealistic to expect weighting units to be installed at ports in even close to a necessary quantity to weigh every container prior to loading. In most cases, even if the capital and equipment existed, there is simply not enough physical space or related infrastructure (such as roads and cranes) to accommodate weighing for all containers at every port in the world.
16	Will some terminals agree to weigh containers on behalf of shippers?	Carriers	Yes, but not in all regions. In the U.S. most terminals so far have either said or indicated that they do not want to provide weighing services, given the potential to add to port congestion and the possibility that they will make the necessary investments in new or upgraded equipment but not achieve a remunerative revenue stream.
17	What is the shippers' deadline to provide the required container weight verification to the ocean carrier?	Carriers	The VGM "cutoff" will vary by carrier and port and is not mandated by the SOLAS requirement. However practically speaking the shipper must submit it early enough for the carrier to use the VGM figure in its stowage plan, which is a requirement the SOLAS rule puts specifically on the terminal and carrier. Carriers can be expected to provide shippers with cut-off times within which the carrier must receive the required container weight verification from the shipper for vessel stowage planning prior to shipment. This will likely be a newly imposed cutoff time separate from terminal arrival cutoff to make a certain vessel sailing.
18	Can a carrier enforce the rule selectively for certain shippers but not others?	Carriers	Likely not. Enforcing the rule will start with government agencies — not carriers — with the container simply not allowed to be loaded without the required documentation. The size or importance of the customer to the carrier would not matter. The only area where carriers will have flexibility is concerning how penalties that get assessed are passed to customers, and how selectively they do it. This is important, because while the legal responsibility for submitting VGM lies with the shipper, the carrier is also required not to load container unaccompanied by the VGM. The gate-in event for a container becomes the moment of truth — whether at port or railhead since after that point any costs associated with the container's rejection becomes the carrier's responsibility, unless it's known in advance that the terminal will weigh the container on behalf of the shipper. But as answers above indicate, it is not yet clear at all which terminals or how many will offer weighing services or who they would even charge for the service. Certainly container lines will want to avoid a scenario where a terminal bills the carrier for weighing a container given the lack of a guarantee that the carrier will be able to pass that bill along to the customer.



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19	Are carriers and terminals required to verify the accuracy of the VGM submitted by the shipper?	Carriers	No. The requirement is for the carrier and terminal operator to ensure only that the VGM has been communicated in sufficient time to be used for stowage planning, and to not load a container for which a VGM has not been provided. There is no legal obligation on the carrier or terminal to confirm the VGM communicated by the shipper, and there is no requirement for the VGM to be conveyed to relevant governmental authorities. There is also no requirement that the carrier or terminal operator weigh a loaded container for which the shipper has failed to provide the VGM, and some terminals are already stating that they will not have services available to weigh containers that arrive at the terminal unaccompanied by a VGM.
20	What are carriers/terminals requiring?	Carriers	We are reliant on the carriers and ports to tell us their requirements and still waiting. The port of Felixstowe has advised they will offer weighing service
21	In cases where customer's entities or vendors are loading and stuffing the containers: Do you have detailed guidelines/instructions	Customer guidelines	DGF doesn't have specific guidelines in this respect as the IMO/WSC is quite clear. The principle says that where the container is sealed, the container needs to be weighed. Two permissible methods for weighing: Method 1: Weigh the packed container. Method 2: Weigh the cargo and other contents and add tare weight of the container. Estimating weight is not permitted. Shipper must weigh or arrange for weighing of packed container or its contents.
22	Does it have an impact on the D2D transit time?	Impact / Risk	Potentially yes as we do expect increased waiting time at the terminals for weighing containers. But also here it will depend on the local capabilities.
23	What happens if upon inspection variation is found between the VGM and the actual weight of a container?	Impact / Risk	This question is still very much in the air and possibly a major hurdle to worldwide implementation. Under the SOLAS rule, variances to the signed VGM weight aren't necessarily illegal but must be defined by the maritime authority of the country where the container was packaged and loaded, opening the door to as many regulatory regimes as there are participating states.
24	Risk & penalties for not complying.	Impact / Risk	the SOLAS amendment does not address penalties and it will be up to each country's governing agency to address this. As for the Risk, the container will not be loaded onto the vessel which could result in additional charges (storage, trucking, detention, demurrage, etc)
25	Why does it appear that there is no leadership or coordination to efficiently get the rule implemented by July?	Lack of leadership/Coordination?	Part of the reason why there appears to be so much confusion, at so many levels, has to do with who's rule this is. The International Maritime Organization is primarily concerned with ship safety and ship operations. The SOLAS convention that was amended to create the rule refers to "Safety of Life at Sea" and traces its origins to the sinking of the Titanic. The IMO has little institutional knowledge of or experience with issues beyond the vessel and especially not into the origins of the supply chain at manufacturing sites where some containers or contents will be weighed possibly hundreds of miles inland from seaports. It is safe to say that in implementing the rule the IMO and others involved were not able to fully envision the complexities involved in complying with the rule, and as a result left the details to commercial parties to work out on their own, with little if any practical guidance other than to say that containers not accompanied by a VGM can't be loaded on the ship. That is why this rule is proving so difficult for so many to get their arms around.



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26	If DGF is doing container loading and stuffing, who needs to provide the VGM?	LCL	If DGF loads the container, DGF will need to weigh the complete container after sealing, and give the VGM to the carrier. However DGF will request from the Shipper to confirm the VGM as the Shipper will be mentioned as shipper on the (Danmar) B/L
27	For LCL shipments in a DHL box... how will the VMG be calculated and what party will issue and sign the VMG document?	LCL	For LCL, The full box will need to be weighted by DGF, and DGF will need to provide the VGM to the carrier (as DGF will be the shipper on the OBL)
28	How does it applies or LCL shipments, is the carrier/FF/ 3PL the responsible?	LCL	For LCL, we advise to also submit a VGM although not legally required. This can be done via the standard documents, but with the name, contact details too, mentioning the VGM. It's still the shipper who's accountable/responsible for the weight submission. DGF will need to weigh the complete container before submitting the VGM to the carrier.
29	Where can relevant documents be found?	More Links	<p>a) <u>Guidelines regarding the verified gross mass of a container carrying cargo:</u>  <a href="http://www.worldshipping.org/industry-issues/safety/cargo-weight">www.worldshipping.org/industry-issues/safety/cargo-weight</a></p> <p>b) <u>Guidelines for improving safety and implementing the SOLAS container weight verification requirements:</u>  <a href="http://www.worldshipping.org/industry-issues/safety/cargo-weight">www.worldshipping.org/industry-issues/safety/cargo-weight</a></p> <p>c) <u>The IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU) and CTU Code informative materials can be found at:</u>  <a href="http://www.worldshipping.org/industry-issues/safety/containers">www.worldshipping.org/industry-issues/safety/containers</a></p> <p>d) <u>Information from the Federal Ministry of Transport and Digital Infrastructure:</u>  <a href="http://www.bmvi.de/SharedDocs/EN/Artikel/WS/carriage-of-sea-containers.html">www.bmvi.de/SharedDocs/EN/Artikel/WS/carriage-of-sea-containers.html</a></p> <p>e) <u>UK legal position (draft):</u>  <a href="https://www.gov.uk/government/publications/mgn-534-mf-guidance-on-theimplementation-of-the-solas-vi-regulation-2-amendment-requiring-the-verificationof-the-gross-mass-of-packed-containers">https://www.gov.uk/government/publications/mgn-534-mf-guidance-on-theimplementation-of-the-solas-vi-regulation-2-amendment-requiring-the-verificationof-the-gross-mass-of-packed-containers</a></p> <p>f) <u>SMDG, including the Implementation Guidelines:</u>  <a href="http://www.smdg.org">www.smdg.org</a></p>
30	Where can I find the local guidelines?	More Links	<a href="http://www.worldshipping.org/industry-issues/safety/global-container-weight-verification-rule-effective-july-1-2016">http://www.worldshipping.org/industry-issues/safety/global-container-weight-verification-rule-effective-july-1-2016</a>



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31	What costs is the shipper looking at for non-compliance?	Penalties	Actual payment fees for non-compliance have largely not been established or published yet by national governments, but the costs for failing to present a certified VGM document can be expected to go way beyond any actual penalties assessed. In terms of penalties, "Depending on national legislation, national maritime administrations can levy punishments ranging from fines and sanctions to jail time. But there will be other costs as well. Taking a container off a ship and resulting storage will result in costs applied to the carrier by the terminal. Therefore shippers can expect a non-selective approach by carriers to cost recovery especially now when historically low freight rates in certain East-West trades are leaving container lines with little in the way of profits and a high motivation to recover costs applied to them by marine terminals. Carriers can thus be expected to put preventative measures in place to avoid these costs by ensuring they receive the VGM and refuse to accept containers without it.
32	When does the new regulation take effect?	Timing	The new regulation, called Verified Gross Mass, becomes legally binding on July 1, 2016, and will apply to all containers loaded for export on or after that date, from any port in the world. Containers loaded prior to July 1 that are already in transit once the new rule is imposed will not be affected.
33	Is there political pushback to the IMO rule?	Timing	Yes, particularly in the U.S. where as of February, 2016 there was an effort by agriculture exporters to get the rule delayed. However whether there might be any change to the current time frame, which has the rule being implemented on July 1, is purely speculative, and as the World Shipping Council has pointed out, there is no precedent for the implementation of an IMO rule being delayed and no provision in the law for a delay. Nevertheless there appears to be growing concern that implementing the rule could impact the flow of international trade and thus have economic consequences.
34	Do containers being transshipped have to be weighed again at the transshipment port?	Transshipment	No, according to an Hamburg Sud FAQ, all packed containers discharged from a SOLAS vessel in the transshipment port should already have a VGM and therefore further weighing in the transshipment port is not necessary.
35	Will DHL have a specific format (paper) for communicating VMG?	VGM Format	No, there is no specific format prescribed by the IMO/WSC although local authorities can deviate. Any written format which includes the mandatory info will do Mandatory info is: <ul style="list-style-type: none"> <li>• Booking number</li> <li>• Container Number</li> <li>• Seal number</li> <li>• VGM (and Unit of Measure)</li> <li>• Method used (Method 1 or 2)</li> <li>• Name of authorized person by the Shipper, company name and contact tel or email of signing person</li> </ul> The shipper is defined as the party appearing as shipper on the Ocean Bill of Lading. The actual signature is not required – the name is sufficient. <ul style="list-style-type: none"> <li>• Date of verification</li> </ul>



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36	What is meant by the requirement for a "signature" on the VGM document?	VGM Format	What the SOLAS rule requires is that the shipper communicates the verified gross mass in a "shipping document." It must be signed by a person duly authorized by the shipper, with a first and last name, not just a company name. The signature may be an electronic signature or may be replaced by the name in capitals of the person authorized to sign it. The VGM and signature can be part of the shipping instructions communicated via electronic data interchange (EDI), or be contained within a separate communication including a hard copy document. In either case, the document should clearly highlight that the gross mass provided is the "verified gross mass." There is no requirement that a so-called "weight ticket" generated by a weighbridge be presented, but national implementing regulations may require that shippers using Method 1 (weighing of the cargo and container as one) produce weight tickets or other documentation upon request
37	How will the signature and documentation be handed off from one party to the next in the supply chain?	VGM Format	This is an area where regulations won't apply and it will be a matter of coordination among parties, with processes very much still to be worked out as of early 2016. The pressure is on given the large percentage of containers that are shipped using non-electronic documents including hard copies and faxes. According to a Q&A published in December by the World Shipping Council, the Global Shippers Forum, TT Club and ICHCA International, "There are inevitable process challenges to ensure effective coordination between the shipper and hauler to achieve effective documentary handoff (whether electronic or paper) to avoid in-gate delays. Such processes should be discussed between the commercial parties, including the maritime carrier and the terminal operator." In reality, electronic communication will need to be core to how the signature is passed from party to party, though use of electronic data interchange or other electronic platforms is far from universal within the industry. The ocean carrier portal Intra which facilitates electronic documentation has been active in the issue, indicating the importance of EDI and other electronic systems in implementing the rule.
38	Is DGF able to weigh the container on behalf of customers (e.g. at the port) and provide customer with the Weight Certificate to be signed internally by an authorized person? If yes, will you charge us with an additional service fee?	What can DGF do for you?	In principle, DGF can offer this service, although this also depends on the local capabilities. The potential fee has not been defined at this stage as we also don't know yet what the other service providers (e.g. Terminals) will be charging us.
39	Will DGF implement an additional checkpoint to verify the VGM provided by the shipper?	What can DGF do for you?	DGF will only add an additional checkpoint if DGF is loading the container. In all cases, 'the Shipper' remains responsible for the correct weight.
40	If yes, what will happen if a weight difference is identified?	What can DGF do for you?	DGF will contact DGF immediately for instructions, as the difference can have many sources (e.g. scale not calibrated, humidity,...) In case of no direct solution, a third weighing might be required.
41	Will DGF inform customer if the VGM is missed by the shipper as this can result in a delay?	What can DGF do for you?	Absolutely. This is mandatory as the VGM is the responsibility of the shipper
42	Will we add "Missing VGM" as an additional exception code?	What can DGF do for you?	Not specifically to VGM. We already have an exception code for missing documents which also includes VGM.





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43	How will DGF make sure that it is prepared for the new regulation?	What can DGF do for you?	The new SOLAS regulation needs to be implemented by national laws. DGF will further enhance its IT systems and processes to be able to handle the VGM information correctly and therefore guarantee a smooth container handling when the new SOLAS regulation enters into force.
44	Understand how DHL or the NVOCs in general can support the customer to comply the regulation.	What can DGF do for you?	Ultimately it is the shipper's responsibility to provide the carrier the certified weight (VGM). Depending on the local capabilities, DGF can offer the weighing service.
45	Is DHL as Forwarder allowed to obtain this certificate for our shipments around the world? If your reply is yes, do you already have an approximate cost for this?	What can DGF do for you?	Each shipper is responsible to provide VGM to the Carrier/DGF. The VGM certificate be provided to DGF for Danmar Lines shipments and for other carriers, Mdlz can provide VGM to DGF and we can submit it to the carrier on Mondelez's behalf. Charges for such services have not yet been set. Due to the fact that DGF is worldwide ISO 9001 certified, DGF is allowed to submit the VGM.
46	What will happen if a container is turned away at the terminal gate or allowed into the terminal but not allowed to be loaded?	What if Cont. Refused?	Containers may get turned away at the gate if they lack the required VGM. Marine terminal operators, already combating congestion due to mega-vessels are concerned that accepting non-compliant containers which by law cannot be loaded risk further congesting their facilities. There are two scenarios if a container gets turned away, one if the container does not arrive at the terminal with the required VGM document and is turned away, and two if it is allowed into the terminal but is subject to a random check and the weight is determined to be different from the declared VGM weight. In the first case arrangements will have to be made to transport, store and weigh the container so a certified VGM can be presented to the carrier and terminal. This will by definition involve additional trucking and storage cost to the shipper, which is leading carriers to be particularly focused on assisting shippers to ensure that containers don't arrive at the gate without the VGM. In the second scenario, the terminal will initially sequester and store the container and will most likely charge appropriate fees, on top of any fines assessed. How each terminal will handle overweight containers is one of the murkiest issues of the container weight mandate. For example, in reference to the question just above this one, it is unclear how many terminals will equip themselves to perform weighing services for containers that arrive at the terminal without a VGM.
47	Why was the container weight rule put into effect?	Why required?	Simply put, shippers — not all of them but unfortunately still too many — misdeclare cargo on the bill of lading, whether out of sloppiness, negligence or willful intent to ship more cargo than allowed for the same rate. According to the World Shipping Council, it is not uncommon for the actual total cargo weight on a loaded vessel to be 3-7 percent greater than the declared weight (weights have long had to be declared on the bill of lading, with the difference under the SOLAS rule being that the weight value has to be derived from an actual weighing process). Misdeclarations apply both to weight and cargo descriptions, though the IMO VGM rule applies only to weight. When cargo is misdeclared, since the cargo itself isn't visible and the ship master's knowledge of the cargo on board the ship is limited to what is stated on shipping documents, there is significant danger inherent in shipping by container. This rule aims to crack down on one aspect of misdeclarations, that applying to weight, in the hope that the safety of container shipping will improve and overall risk be reduced.

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## SOLAS: Customer FAQ



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