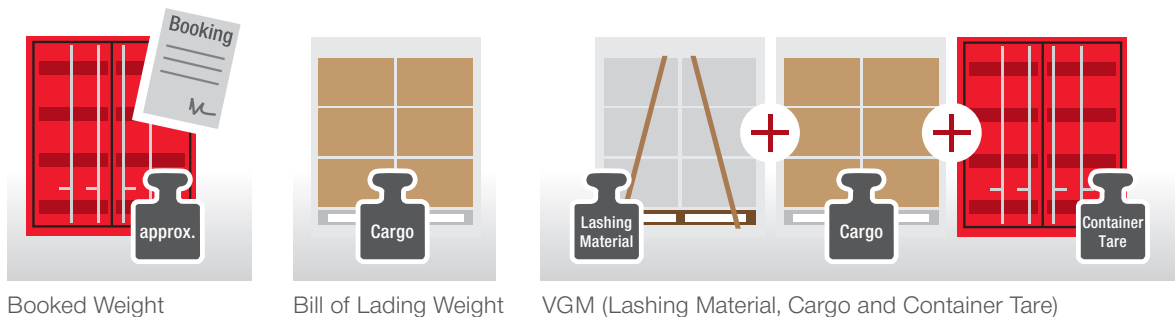




1. What is Verified Gross Mass (VGM)?

Verified Gross Mass means that the weight of each packed container must be proven. This Verified Gross Weight must not only consider the masses of all packages and cargo items, but the container tare and all additional loading equipment (e.g. lashing material) too. Please refer to Chapter 2.1 of the SOLAS guideline. VGM has not the same meaning and cannot be mixed up with the weight declared in the Booking nor with the weight declared on the Bill of Lading:



2. How can VGM be determined?

There are two ways to determine a VGM in accordance with the new SOLAS regulation:

a) Method 1: Weighing

After it has been completely packed and sealed, the container can be weighed. The weighing can be performed by the shipper or by a third party contracted by the shipper (please refer to chapter 5.11 of the SOLAS guideline).

Any scale, weighbridge, lifting equipment or other devices used to verify the gross mass of the container must meet the applicable accuracy standards and requirements of the state in which the equipment is being used (please refer to chapter 2.1 of the SOLAS guideline).

b) Method 2: Calculating

All packages and cargo items may be weighed individually (including the mass of pallets, dunnage and other packing and securing material) and must be added to the tare of the container visible on the exterior of the container (please refer to chapter 5.1.2 of the SOLAS guideline).



The method used for weighing the container's content is subject to the certification and approval as determined by the competent authority of the state in which the packing and sealing of the container were completed (please refer to chapter 5.1.2.3 of the SOLAS guideline).

Any weighing equipment used to weigh the contents of the container must meet the applicable accuracy standards and requirements of the state in which the equipment is being used (please refer to chapter 2.1 of the SOLAS guideline).

3. What is the scope of this new regulation?

The new regulation applies to:

- All packed containers
- to which the International Convention for Safe Containers (CSC) applies and
- which are to be loaded onto a ship subject to SOLAS chapter VI.

4. When will the VGM requirement enter into force?

The new SOLAS requirement is valid from 1 July 2016.

5. What is VERMAS?

Beside the known, standard EDIFACT message types, the so-called VERMAS has been developed. This message is designed to communicate the VGM, including all mandatory information. This message can be used in communication among all parties involved in the transport chain.

6. How can the VGM be submitted to the carrier?

One solution for an automated transmission of VGM information is the new EDIFACT message VERMAS.

Mandatory information are:

- Booking Number
- Container Number
- Verified Weight
- Unit of Measurement
- Authorized Person



In addition the following optional information may be transmitted:

- Weighing Date
- Shipper's Internal Reference
- Weighing Method
- Ordering Party
- Weighing Facility
- Country of Method 2
- Documentation Holding Party
- Responsible party (shipper named on the carrier's bill of lading)

If an implementation of the VERMAS message is not possible or not wanted by the shipper Aliança will offer a simple and easy tool on the e-Portal in order to support the manual input of VGM information (including the possibility of uploading csv files). Details can be forwarded upon request.

7. Weighing Date

The Date of Weighing is not mandatory information as per SOLAS guideline. However the SOLAS regulation states that a VGM obtained by the Terminal Operator prevails and must therefore be used for stow planning. As the order of the incoming EDI messages may be mixed up the weighing date is a unique identifier to determine the latest, most actual VGM. Therefore Aliança strongly recommends submitting the weighing date in addition to ease the compliance to the SOLAS regulation.

8. Authorized Person

Although the shipper named in the carriers bill of lading remains responsible for VGM as per SOLAS guideline the Authorized person must not necessarily always be employed but must be duly authorized by the Shipper, e.g. from the Forwarder or a 3rd party weighing facility.

9. What happens if, on the way to the load port facility, discrepancies in the container's weight occur?

Aliança is prepared to receive and process updates of the VGM.

**10. Who is responsible for submitting the VGM to the carrier?**

The shipper is always responsible for the verification of the gross mass of a container as well as for ensuring that the VGM is communicated to the carrier. The carrier itself is not obliged to cross-check the VGM received. Independent of the party verifying and sending the VGM, it remains in the responsibility of the shipper that the carrier and terminal operator receive the information in time. In order to honour possible time constraints Aliança would accept receiving the VGM from a different party than the shipper or the terminal. However it has to be ensured that the mandatory information is provided in the transmission.

11. When must the VGM be submitted at the latest?

To ensure continuation of the high level of service quality, Aliança is currently working on defining dedicated VGM cut off times that will be available soon and communicated in due time prior VGM coming into effect. VGM cut off will additionally be informed in the Booking Confirmation.

12. What if the VGM exceeds the maximum payload?

Containers exceeding the maximum payload indicated on the Safety Approval Plate and which are subject to the International Convention for Safe Containers (CSC) will not be loaded onto the vessel.

The carrier has to check any VGM against the maximum container payloads.

13. What are the consequences or penalties when a VGM is not available?

Aliança is prohibited to load a container without a VGM onto the vessel until its VGM has been obtained.

The shipper will be responsible for any costs that arise (e.g. but not limited to weighing costs, repacking, storage, demurrage and administrative costs).

Regulatory penalties will be defined by the individual national legislations.



14. How to handle discrepancies between the weight declared in the shipping instruction and the VGM weight?

The weight declared on the Bill of Lading is the cargo gross weight and therefore it must differ from the Verified Gross Weight. But it is expected that the cargo gross weight included into the VGM equals the cargo gross weight mentioned in the Bill of Lading. As the purpose of the VGM as per SOLAS guideline is operational and the BL weight is commercial it is currently not clear what exact role VGM will play when it comes to documentation. We do expect that any requirement to consider the VGM in the documentation or report VGM to any authority will become part of the national legislations.

For the moment however VGM will

- not be validated against the Bill of Lading weight
- not be printed on the Bill of Lading
- not be reported to any authority

15. Does Aliança foresee processes to pro-actively prevent cargo from being rolled to another vessel due to missing VGM information?

Aliança will have 2 preventive processes in place to assure a smooth container handling:

a) Error process

Incoming EDI messages will be validated if the content is consistent and plausible. In case an error is detected an alert will inform a Aliança employee to follow up with the sender accordingly.

b) Alarm process

Aliança will develop and establish alarm processes to pro-actively notify customers about missing VGM information well in advance in order to allow the shipper to arrange the needed steps to verify the container's gross mass.

16. Is the customer informed about received VGM?

Aliança will as soon as a VGM is received and accepted trigger a notification to

- Bill of Lading Shipper if already available at time VGM is received and
- the booking party

**17. Is weighing in a transshipment port necessary?**

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 facility is not required.

18. How will e-portals support the transfer of the VGM to the carrier?

INTTRA will support the processing of VGM details adopting the currently established IFTMIN messages and by introducing the new VERMAS message. The status of other e-portals such as GT Nexus and Cargosmart is currently under evaluation.

Aliança will

- receive and process VGM information from various portals
- confirm the reception and / or acceptance back to the portals

19. How will Aliança make sure that it is prepared for the new regulation?

The new SOLAS regulation needs to be implemented by national laws. However, as Aliança vessels are bound to the SOLAS convention, the implementation into national legislation has no impact on the implementation date set by SOLAS for Aliança (please refer to question 6 above).

Aliança 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.

20. Where can relevant documents be found?

a) Status of national legislations:

www.worldshipping.org/industry-issues/safety/global-container-weight-verification-rule-effective-july-1-2016

b) Guidelines regarding the Verified Gross Mass of a container carrying cargo:

www.worldshipping.org/industry-issues/safety/cargo-weight



- c) Guidelines for improving safety and implementing the SOLAS container weight verification requirements:
www.worldshipping.org/industry-issues/safety/cargo-weight

- d) The IMO/ILO/UNECE Code of Practice for Packing of Cargo Transport Units (CTU) and CTU Code informative materials can be found at:
www.worldshipping.org/industry-issues/safety/containers

- e) Information from the Federal Ministry of Transport and Digital Infrastructure:
www.bmvi.de/SharedDocs/EN/Artikel/WS/carriage-of-sea-containers.html

- f) UK legal position:
<https://www.gov.uk/government/publications/mgn-534-mf-guidance-on-the-implementation-of-the-solas-vi-regulation-2-amendment-requiring-the-verification-of-the-gross-mass-of-packed-containers>

- g) SMDG, including the implementation guidelines:
www.smdg.org

21. Contact

Or visit our web page www.alianca.com.br for the latest VGM information.