
APM Terminals Bahrain IMO VGM Services Questions & Answers

APM Terminals Bahrain

Contents

1. Industry Regulations General 3

 Why do containers need to have a Verified Gross Mass (VGM)?..... 3

 When will the new IMO container weight regulations apply? 3

 What is SOLAS? 3

 What is the IMO? 3

 Are all countries bound to comply with the IMO SOLAS regulations? 4

 What is a Verified Gross Mass? 4

 How can the Verified Gross Mass be calculated? 4

 How can we be sure that the VGM is correct? 4

 Who needs to provide this Verified Gross Mass information?..... 5

 Will the implementation of the IMO container weight regulations be delayed?..... 5

2. Export Shipping Process 6

 Can the current gross weight be used for declaration as VGM? 6

 Can the VGM be calculated with the known mass of packages and the container tare weight? 6

 Where can the VGM be physically obtained?..... 6

 Can the shipper use a public weighbridge to weigh the container? 6

 If the shipper elects to certify the VGM outside of the terminal, how should this information be transmitted it to the terminal? 6

 What happens if I have more than one container on the road vehicle coming to the container terminal (i.e. twin container)?..... 7

 Who is responsible to provide the terminal operator with the VGM for an export container in the event of obtaining VGM for an external provider (Not APMT Bahrain)? 7

 What happens for Less than Full Container Load (LCL) shipments?..... 7

 What happens to containers gated in before 15th Jun 2016 but loading after 1st July 2016?..... 7

3. Container Terminal Operations 9

 APM Terminals Bahrain shall be providing three levels of services related to VGM under Method 1, what are they? 9

 Can the containers be loaded into the vessel without VGM? 9

 Do Transshipment containers need to have a VGM? 10

 Will Import containers need a VGM? 10

 Does shipping lines or the container terminals needs to re-verify a container with an already verified weight (VGM)..... 10

In which cases will the terminal re-weigh a container?..... 10

How can VGM be determined for containers stuffed inside the terminal? 11

How will the VGM be communicated to the customer? 11

4. Cases examples:..... 11

 There 10 containers under 1 booking. 5 containers have VGM, other half do not have it. Will the terminal let 5 containers without VGM to terminal? 11

 A container without VGM is on the load list..... 11

 There may be a discrepancy between terminal’s weighing system and the VGM submitted by the shipper/carrier. 11

1. Industry Regulations General

Why do containers need to have a Verified Gross Mass (VGM)?

APM Terminals Lifting Global Trade to new safety standards.

Over 135 million containers each year are estimated to enter the global supply chain, and a proportion of these have inaccurate weight estimates. Inaccurate weights are often the cause, or contributory factor to numerous serious accidents, some unfortunately fatal, in the global supply chain.

As of July 1st, 2016, the enforcement of the Safety of Life at Sea Convention (SOLAS) requirements regarding the verification of the gross mass of packed export containers will be applicable.

Further information can be found on the World Shipping's Homepage:

http://www.worldshipping.org/industry-issues/safety/WSC_Guidelines_for_Implementing_the_SOLAS_Container_Weight_Verification_Requirement.pdf

When will the new IMO container weight regulations apply?

For all CSC (Container Safety Convention) plated export containers gated-in from 15th of Jun, 2016,

What is SOLAS?

The International Convention for the Safety of Life at Sea (SOLAS) is an international maritime safety treaty. It ensures that ships flagged by signatory States comply with minimum safety standards in construction, equipment and operation. The SOLAS Convention in its successive forms is generally regarded as the most important of all international treaties concerning the safety of merchant ships.

What is the IMO?

The International Maritime Organization was formed to fulfill a desire to bring the regulation of the safety of shipping into an international framework. IMO is the source of approximately 60 legal instruments that guide the regulatory development of its member states to improve safety at sea, facilitate trade among seafaring states and protect the maritime environment.

Are all countries bound to comply with the IMO SOLAS regulations?

As of 2014, there are 171 member states of the IMO, which includes 170 of the UN members and the Cook Islands and covers approximately 98% of the world container traffic.

UN member states that are not members of IMO are generally landlocked countries, including: Afghanistan, Andorra, Armenia, Belarus, Bhutan, Botswana, Burkina Faso, Burundi, Central African Republic, Chad, Kyrgyzstan, Laos, Lesotho, Liechtenstein, Mali, Federated States of Micronesia, Nauru, Niger, Rwanda, South Sudan, Swaziland, Tajikistan, and Uzbekistan.

All member states need to comply with the IMO SOLAS regulations.

What is a Verified Gross Mass?

Verified gross mass means the total gross mass of a packed container. It includes the weight of the cargo, packaging and the container itself.

How can the Verified Gross Mass be calculated?

The VGM can be obtained by 2 methods:

1. Following packing and sealing, the shipper may weigh, or have arranged that a third party weighs, the packed and sealed container
2. The shipper (or, by arrangement of the shipper, a third party), may weigh all packages and cargo items, including the mass of pallets, dunnage and other packing and securing material to be packed in the container, and add the tare mass of the container to the sum of the single masses using a certified method.

How can we be sure that the VGM is correct?

For containers that VGM has to be determined by weighing per method 1 above, certified and calibrated equipment will need to be used.

If the VGM is obtained by method 2 the process is subject to certification and approval as determined by the competent authority in which the packing and sealing of the container was completed.

Who needs to provide this Verified Gross Mass information?

The responsibility for obtaining and documenting the verified gross mass of a packed container lies with the shipper. A shipper is identified as the shipper on the Bill of Lading. This means that the shipper is not necessarily the exporter.

As an example, a freight forwarder having issued a house bill of lading would be considered as the shipper. An importer in US can, for the same reason, be responsible for providing the VGM of containers from China.

Will the implementation of the IMO container weight regulations be delayed?

At this time the IMO has made clear that 1st July 2016 will be the date from which on the container weight regulation will apply. IMO is currently increasing the supervision of the implementation of its regulations by its member states aiming at the protection of safety integrity within the global supply chain.

The date was re-confirmed in the ICHCA conference in London held on the 11th of September 2015.

Furthermore, IMO in the last Draft MSC circular on Advice to Administrations and port State control Authorities regarding the SOLAS requirements for verified gross mass of packed containers, have stated that packed containers that are loaded on a ship before 1 July 2016 and are transshipped on or after 1 July 2016 shall be permitted to be shipped to their final port of discharge without the VGM specified in SOLAS regulations VI/2.4 to VI/2.6, this exception expires on 1st of October 2016.

2. Export Shipping Process

Can the current gross weight be used for declaration as VGM?

No. The current gross weight which is submitted as part of the shipping instructions usually refers to the cargo gross weight. The VGM for the export container needs to include the gross cargo weight, the weight of any packaging and the tare weight of the container.

Can the VGM be calculated with the known mass of packages and the container tare weight?

Yes. This is known as “method 2” calculation. However a “method 2” calculation requires application of a process certified and approved in line with the requirements set by the competent authorities of the state in which the packing and sealing of the container was completed.

Where can the VGM be physically obtained?

Anywhere in the supply chain where a certified weighing system could be found - important will be that the VGM information is shared with the shipping line and the terminal operator in time for the stowage planning.

Can the shipper use a public weighbridge to weigh the container?

Yes, if the location is certified by the appropriate authority.

If the verified gross mass of a packed container is obtained by weighing the container while it is on a road vehicle, (e.g. chassis or trailer), the tare mass of the road vehicle and, where applicable, the tractor, should be subtracted to obtain the verified gross mass of the packed container. Beware that the mass of any fuel in the tank of the tractor should also be subtracted.

If the shipper elects to certify the VGM outside of the terminal, how should this information be transmitted it to the terminal?

VGM data shall be sent to the container operator and then the container operator shall send VGM to APMT Bahrain digitally using EDI (VERMAS) to e-mail address cctbah@apmterminals.com (Excel solution is still not confirmed) at least one hour prior to gate-in.

What happens if I have more than one container on the road vehicle coming to the container terminal (i.e. twin container)?

If two packed containers on a road vehicle are to be weighed, their gross mass should be determined by weighing each container separately. Simply dividing the total gross mass of the two containers by two after subtracting the mass of the road vehicle and the tractor, where applicable, would not produce an accurate verified gross mass for each container.

If the shipper is planning to generate the VGM at the port, APMT Bahrain shall only accept trucks with one packed container.

Who is responsible to provide the terminal operator with the VGM for an export container in the event of obtaining VGM for an external provider (Not APMT Bahrain)?

Because the contract of carriage is between the shipper and the container operator, not between the shipper and the port (APMT Bahrain), the shipper may meet its obligation under the SOLAS regulations by submitting the verified gross mass to the container operator. It is then the responsibility of the container operator to provide information regarding the verified gross mass of the packed container to the APMT Bahrain in advance of container gate in by minimum of one hour.

What is the implication of not complying with the IMOs VGM requirements?

Whether there will be additional penalties or fines imposed on the shipper is subject to the implementation and enforcement of the IMO regulation by the given member state, nevertheless any packed container that does not have a verified gross mass shall not be allowed to gate-in.

What happens for Less than Full Container Load (LCL) shipments?

A VGM needs to be submitted for the full container load. As such the consolidator who is providing the shipping instructions will be required to provide the VGM information.

What happens to containers gated in before 15th Jun 2016 but loading after 1st July 2016?

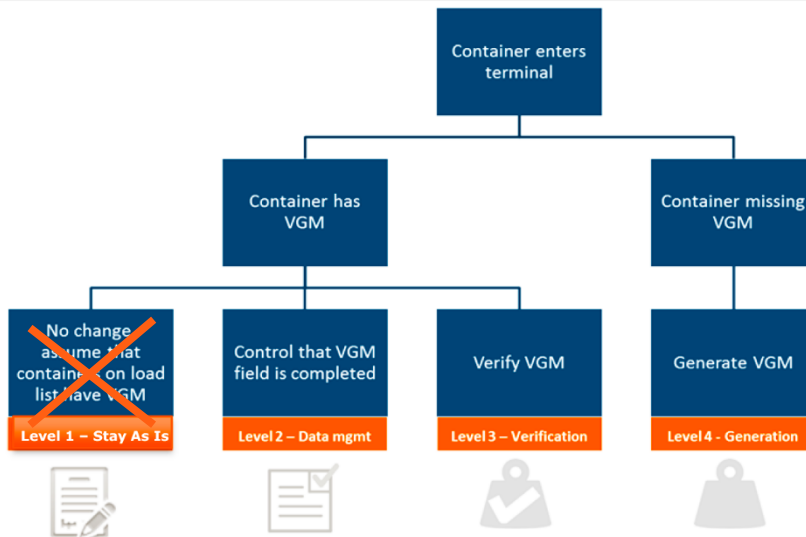
Any containers gated in to terminals with vessel and an actual arrival date of 1st July 2016 will need to have VGM data provided.

Are there some commodities which imply specifics for the generation of the VGM?

Certain types of cargo items (e.g. scrap metal, bulk grain and other bulk cargo) do not easily lend themselves to individual weighing of the items to be packed in the container. In such cases, usage of method No.2 would be inappropriate and impractical, and method No.1 should be used instead.

3. Container Terminal Operations

APM Terminals Bahrain shall be providing three levels of services related to VGM under Method 1, what are they?



- **Level 2** – Data Management: Services include the collection and receipt of information using a new EDI interface built to cover these new regulation requirements.

- **Level 3** – Container Weight Verification: Our services include EDI data management and capabilities to weigh customer’s container. Verified weight has been received and for any reasons either based on the shipper request or due to suspicion of wrong VGM we will weigh that export container to verify that the weigh and generate a new VGM

- **Level 4** – Container Weight Generation: Our services include EDI data management and capabilities to weigh customer’s container. Verified weight has not been received and will be generated by the Terminal.

-

Can the containers be loaded into the vessel without VGM?

According to the regulations, No containers shall be loaded without VGM, furthermore any packed container without VGM shall not be allowed to gate-in

Do Transshipment containers need to have a VGM?

Section 12.2 of the SOLAS guidelines answers this question:

“If a packed container is delivered to a port terminal facility by a ship to which the SOLAS regulations apply for transshipment onto a ship to which the SOLAS regulations also apply, each container being delivered is required by the SOLAS regulations to have had a verified gross mass before loading onto the delivering ship. All packed containers discharged in the transshipment port should therefore already have a verified gross mass and further weighing in the transshipment port facility is not required. The delivering ship should inform the port terminal facility in the transshipment port of the verified gross mass of each delivered packed container. The master of the ship onto which the transshipped, packed containers are to be loaded and the port terminal facility in the transshipment port may rely on the information provided by the delivering vessel.”

Will Import containers need a VGM?

No. This IMO regulation only includes the export containers in the scope.

Does shipping lines or the container terminals needs to re-verify a container with an already verified weight (VGM) this includes packed containers where the container terminals has been advised that a VGM is underway (e.g. in EDI transit).

APM Terminals Bahrain will rely on the VGM submitted and should not be obliged to re-weigh containers. To that extend APM Terminals will not assume any responsibility for the accuracy and legality of the submitted VGM.

In which cases will the terminal re-weigh a container?

If container terminals notice significant discrepancies between the VGM (declared by the shipper) and the scaled real weight, the container terminals may – in such exceptional case – re-weigh the container. If a container is identified as being more than 1,000kgs from the VGM declared to the terminal, then APM Terminals will have to recover costs for this additional service and subsequent APMT VGM Generation and transmission service. If the discrepancy is less than 1 ton (1000 Kgs), the original VGM is kept unchanged, as long as not in conflict with local legislation or operational practice. If the discrepancy is less than 1 ton (1000 Kgs), the original VGM is kept unchanged, as long as not in conflict with local legislation or operational practice.

How can VGM be determined for containers stuffed inside the terminal?

We will use method 2 provided that the cargo is:

- 1- Original, sealed packages,
- 2- That has been previously weighed,
- 3- With the accurate mass clearly and permanently marked on their surfaces,
- 4- Such weights being added to the calculated weight of all packing, securing and other material that may have been used in the packing of the container.

Thereafter we will calculate VGM for any container stuffed inside the terminal by adding up the cargo weight + lashing material weight + tare weight of the container.

How will the VGM be communicated to the customer?

VGM shall be communicated to the customer via EDI (CODECO & COARRI) plus the driver shall receive a slip from the outer weighbridge (near the gate-out)

4. Cases examples:

There 10 containers under 1 booking. 5 containers have VGM, other half do not have it. Will the terminal let 5 containers without VGM to terminal?

No, Any packed container shall have a VGM prior to gate-in, if not then the container will be rejected at the gate. While the containers which has VGM attached may be allowed in

A container without VGM is on the load list. We do not have any legal agreement with a shipping line on how to act in that kind of situation. Will you load such container on the vessel?

No, Any packed container shall have a VGM prior to gate-in, if not then the container will be rejected at the gate.

There may be a discrepancy between terminal's weighing system and the VGM submitted by the shipper/carrier. (e.g. actual weight of the container = 20MT, terminal captures = 20.5MT and shipper's VGM = 19.5.

Have you agreed with the line on allowed deviation between received VGM and weighbridge weight?

Yes, the difference has to be equal to or greater than 1000 KGs for a re-weighment to take place, if the difference is less, then no re-weighment to be done.