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01 June 2020

Weight discrepancy fee

Dear Valued Customer,

Following earlier communication on the implementation of the new SOLAS (Safety of Life at Sea) requirement for the verification of container weights, we would like to provide you with further details pertaining to this requirement.

As already announced, effective July 1st, 2016, every packed export container is required to have a Verified Gross Mass (VGM) as a condition of loading aboard a vessel. Safmarine supports this requirement as it promotes safety across the industry, including for our customers and their cargoes, landside personnel and subsequently our employees and vessels.

▪ **Who Submits the VGM?**

As per the SOLAS requirement, the Shipper noted on the Bill of Lading will be the party responsible for providing the carrier and the terminal operator the VGM. In the case of Safmarine, the VGM information flow will begin with the Shipper who submits the information to Safmarine, who subsequently sends the information to the terminal. In the instance that a Shipper uses the terminal's weighing service to obtain VGM data, the information will flow from the Terminal to the Shipper, who then submits the information to Safmarine. Often the Terminal will also send the VGM directly to Safmarine

▪ **How do I calculate the VGM?**

Shippers may use one of two methods to determine the VGM:

Method 1 - Weighing the fully loaded container after it has been packed.

Method 2 - Weighing the contents of the container, including cargo and any packing materials, and then adding that to the tare weight of the container printed on the door. If using Method 2, Safmarine already launched a solution to facilitate this method for customers by providing a convenient way to lookup the container tare weight on our website www.safmarine.com.

▪ **How should I submit the VGM to Safmarine?**

The preferred method for submission of a VGM to Safmarine is through one or any of the digital channels mentioned below:

- Via our website www.safmarine.com and login through our **Safmarine** portal.
- Via EDI message for customers sending booking or shipping instructions via EDI solutions with Safmarine.
- Via service portals such as INTTRA, GT Nexus and CargoSmart.

Manual methods of submission (email and fax) are also acceptable but not encouraged - the preferred methods are the established digital channels to avoid documentation errors and delays in handover of information.



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▪ **What are the cut-offs for VGM submission?**

As a general guidance, the VGM should be received by Safmarine prior to the cargo gate cut-off before loading the vessel. Safmarine will provide the cargo cut-off and deadlines for declaring a VGM at the time of booking via your booking confirmation.

▪ **What are the consequences of not submitting a VGM before cut-off?**

Several outcomes may occur should no VGM be provided to Safmarine before cut-off:

- If a terminal at the port of loading has adopted the "No VGM, No Gate-in" policy, the container may be denied at the gate. Additional costs may incur from the trucker or the time awaited to submit the VGM before the container can be accepted for entry.
- As already noted, no container will be loaded on board a vessel without a VGM. Delays on your cargo may impact the fluidity of your supply chain should a container not load its planned voyage due to an absence of a VGM. Additionally, potential demurrage and/or detention charges may apply when a container is sitting idle at the terminal awaiting for VGM submission.

As always, we thank you for your support for Safmarine. We will keep you informed of any further development. Should you have any questions or require any assistance regarding this new regulation, please do not hesitate to contact your local Safmarine representative.

Sincerely,

Safmarine