

NEWS FLASH: Governments, industry should be 'pragmatic' as VGM is implemented

However, the International Maritime Organization's Maritime Safety Committee said there should be no delay in the implementation of the verified gross mass rule.

By [Chris Dupin](#) | Monday, May 23, 2016

The International Maritime Organization (IMO) said its Maritime Safety Committee has approved a circular on advice to governments, port terminals, companies and ship masters on the new requirement in the Safety of Life at Sea (SOLAS) convention requiring shippers to provide the verified gross mass (VGM) of packed containers to carriers.

A draft version of the circular says “administrations and port state control authorities should adopt a practical and pragmatic approach when verifying compliance with the requirements of the SOLAS regulations” for three months after July 1, when the rule goes into effect.

“There are no doubt still a number of grey areas,” Peregrine Storrs-Fox, the risk management director at the insurer TT Club said. “In order to give time for these to be resolved, the IMO’s intent is that any party who has done its level best to comply, even if it has not technically fulfilled the letter of the law, may expect to be treated with understanding. Those, however who have done little or nothing can expect to be penalized.”

Natasha Brown, a communications officer at the IMO, said the circular should be posted on the IMO website Monday or Tuesday. The three month extension is aimed, in part, at creating a phase in period for cargo that is transshipped, Brown said. For example, cargo may have been loaded onto a feeder ship a week before the new rule and need to be transferred to another ship after it goes into effect July 1.

TT Club said the circular also recognizes “the probability of ‘teething’ problems in documenting, communicating and sharing VGM information” during the first three months.

“Like many others in the industry, we have been disturbed by the apparent confusion over how shippers will comply” with the SOLAS VGM amendment said Storrs-Fox, who noted “the patchy guidance given by national authorities to assist shippers and operators in minimizing expense, delays and errors in complying with the regulation. This clarifying statement from the IMO is therefore welcome.”

Along with the World Shipping Council, the International Cargo Handling Coordination Association, and the Global Shippers’ Forum, TT Club says it plans to issue supplementary guidance on the SOLAS VGM rules. That supplementary guidance will probably be published in the first week of June. The same four groups issued an [Industry FAQs](#) document in December last year.

A draft version of the IMO circular obtained by *American Shipper* says the Maritime Safety Committee “emphasized that the stability and safe operation of ships, including the safe packing, handling and transport of containers, is not limited to the provision and use of VGM information and is also covered by a number of SOLAS regulations...”

Peter Friedmann, executive director of the Agriculture Transportation Coalition, said in his view the circular “is a reiteration of the US Coast Guard oft-repeated position, confirmed in its [equivalency declaration](#) that there are multiple means of VGM compliance” in addition to the [original two methods mentioned in the IMO regulations](#)--weighing the fully loaded container or weighing the contents of the container, including cargo, pallets and other dunnage and adding it to the tare weight of the container.

He said that in statements over the past six months, the Coast Guard has recognized that “carriers, shippers and terminals are free to develop their own business practices and means of compliance.”

Last week, for example, the 19 ocean carrier members of the Ocean Carrier Equipment Management Association (OCEMA), in conjunction with six major East and Gulf coast port authorities, said they have [established a plan to use port scales](#) to provide the VGM of containers that shippers will be required to

provide to carriers before their cargo is loaded on ships as of July 1.

John Cushing, president of the PierPass affiliate of the West Coast Marine Terminal Operators Agreement (WCMTOA), told *American Shipper* over the weekend that "At this time, the WCMTOA members are discussing internally how to address SOLAS. There are many considerations, including legal issues as well as how to ensure that any steps taken will not contribute towards creating congestion."

Meanwhile, the International Union of Marine Insurers (IUMI) said in a statement Monday that it believes not all shipping and logistics companies, nor shippers, will be ready for the new VGM rule.

"This is likely to affect the cargo insurance sector in the short term. Issues include increases in risk exposure due to disturbances in the supply chain; unweighed containers being refused on board with delays for perishables or time-sensitive cargoes; and the consequent accumulation risk associated with more containers languishing in ports. Additionally, liability underwriters will have short term issues with clients in the logistics sector as their exposure increases," IUMI said.

Once the new regulation is fully implemented and practiced, IUMI said it believed it will "contribute significantly to the safety of seafarers, ships and their cargoes. A number of recent maritime catastrophes can be attributed to misdeclared cargo and it is hoped that the new regulation will help save lives and reduce hull and cargo losses in the future."