

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.

2. Which authority raised the requirement?

The requirement to only ship containers with a VGM was raised by the International Convention for the Safety of Life at Sea (SOLAS).

3. Where is the requirement specified?

The requirement is specified in SOLAS Chapter VI, Regulation 2, Paragraph 6.

4. 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.

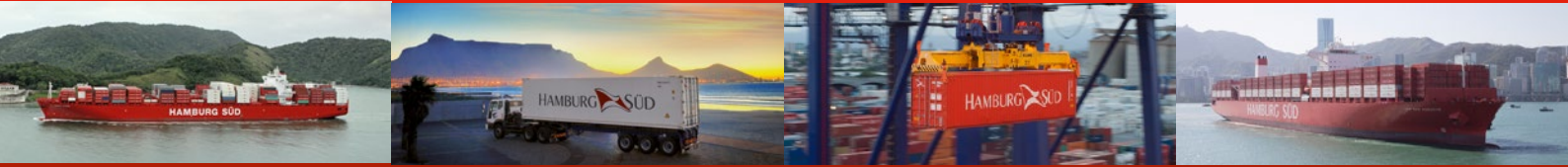
5. How can VGM be determined?

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).

6. When will the VGM requirement enter into force?

The new SOLAS requirement is valid from 1 July 2016.

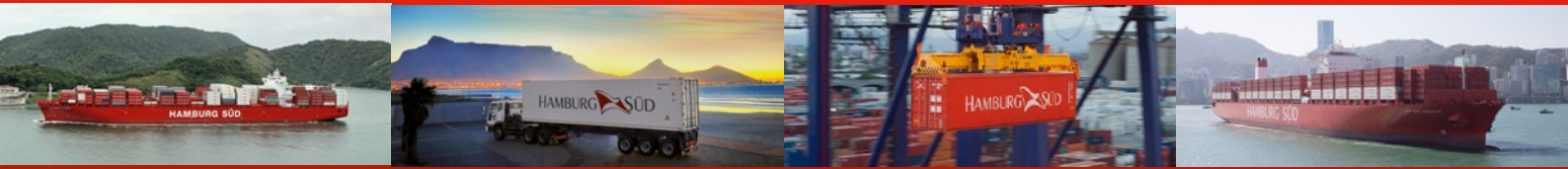
7. How can the VGM be submitted to the carrier?

The VGM must be part of a shipping document. This document can be part of the booking request or the shipping instructions, or it can be communicated separately (e.g. a declaration including a weight certificate issued by a weighing facility). In any case, the document should clearly highlight that the gross mass provided is a VGM (please refer to Chapter 6 of the SOLAS guideline).

All relevant EDIFACT container messages have been updated to allow the sending of VGM information. For the Implementation Guidelines, please go to:

www.smdg.org/index.php/documents/container-messages/

Additionally, a new, dedicated EDIFACT message, called VERMAS, is currently under development by SMDG. We will inform you if any further information on the SMDG website is available.

**8. How can one prove that the submitted weight is a VGM?**

Irrespective of the form, the document declaring the VGM must be signed by a person duly authorised by the shipper. The signature may be an electronic signature or may be replaced by the name in capital letters of the person authorised to sign. EDI transmissions require electronic signatures or the name of the authorised person in capital letters (please refer to Chapter 6.2 of the SOLAS guideline).

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

Discrepancies between a packed container's gross mass declared prior to its verification and its VGM should be resolved by referring to the VGM.

Any discrepancies between a VGM obtained prior to the container's delivery to the port terminal facility and a VGM obtained by the port terminal should be resolved by using the VGM obtained by the port terminal.

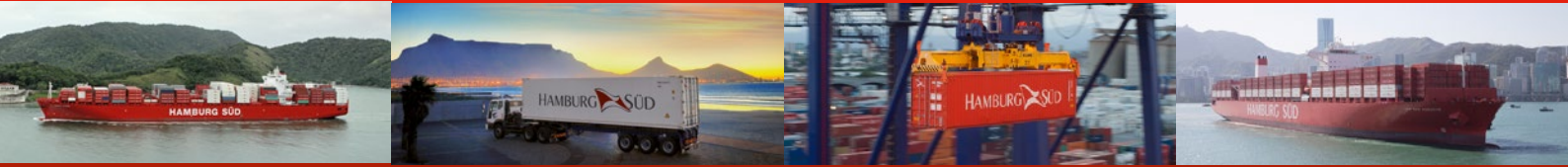
Please refer to Chapter 9 of the SOLAS guideline.

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

The shipper is responsible for the verification of the gross mass of a container as well as for ensuring that the VGM is communicated to the carrier (please refer to Chapter 4.1 of the SOLAS guideline). 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 (please refer to Question 12 below).

11. Is there any exception to the above question?

No, the shipper always remains responsible to ensure the carrier and the terminal operator receive the information in time. However, the actual verification and sending can be done by a third party contracted by the shipper, including the carrier or the terminal operator itself (please refer to Chapter 5.1.1 or 5.1.2 of the SOLAS guideline).

**12. When must the VGM be submitted at the latest?**

There is no firm deadline set by the SOLAS regulation. The VGM must be available sufficiently in advance to be used by the ship's master or his representative and the terminal representative for the vessel's stowage plan (please refer to Chapter 6.3.2 of the SOLAS guideline).

13. 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) may not be loaded onto the vessel.

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

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

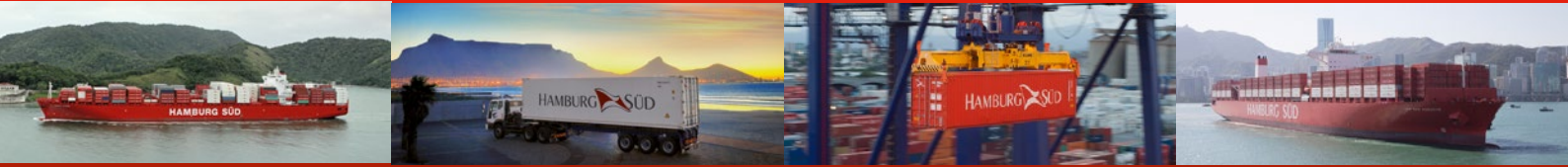
A container without a VGM should not be loaded onto the vessel until its VGM has been obtained. In order to allow the continued efficient onward movement of such containers, the master or his representative and the terminal representative may obtain the VGM of the packed container on behalf of the shipper. This may be done by weighing the packed container in the terminal or elsewhere. The VGM obtained in this manner should be used in the preparation of the ship loading plan (please refer to Chapter 13 of the SOLAS guideline).

The shipper will be responsible for any costs that arise (e.g. weighing costs, repacking and administrative costs).

Regulatory penalties will be defined by the individual national legislations.

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

Hamburg Süd 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 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.

17. What is the VERMAS?

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

18. Who is responsible for defining the EDIFACT message?

The EDIFACT message was developed by the SMDG Group. The SMDG Group is a non-profit foundation which develops and promotes UN and EDIFACT EDI messages for the maritime industry.

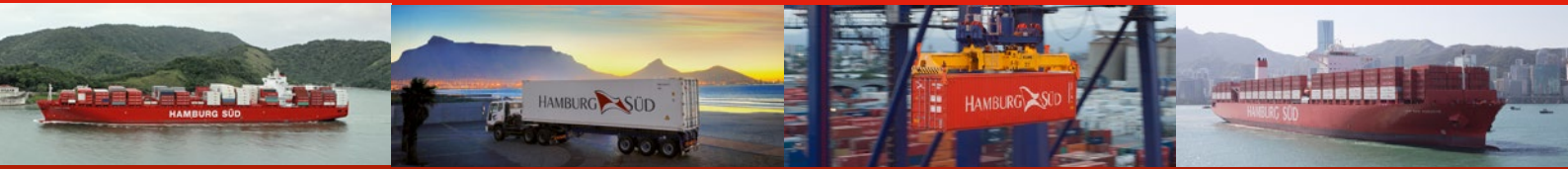
The current Implementation Guidelines for the individual EDIFACT message types can be found at www.smdg.org.

19. What about ANSI messages?

Similar to the EDIFACT standard, ANSI messages are able to capture all VGM-related information. If and how the individual segments are used depends on the bilateral agreement between the sender and the receiver.

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

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



21. How will Hamburg Süd make sure that it is prepared for the new regulation?

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

Hamburg Süd 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.

22. Where can relevant documents be found?

- a) Guidelines regarding the verified gross mass of a container carrying cargo:
www.worldshipping.org/industry-issues/safety/cargo-weight
- b) Guidelines for improving safety and implementing the SOLAS container weight verification requirements:
www.worldshipping.org/industry-issues/safety/cargo-weight
- c) 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
- d) Information from the Federal Ministry of Transport and Digital Infrastructure:
www.bmvi.de/SharedDocs/EN/Artikel/WS/carriage-of-sea-containers.html
- e) UK legal position (draft):
<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>
- f) SMDG, including the Implementation Guidelines:
www.smdg.org