

Israel Chamber Of Shipping, Ports, Manufacturers Associations, F/F and Customs Broker Association, Chamber of Commerce, Truckers' Council, Israel Railways And Its Contractors, Israeli Ports Community System, Inland Terminals.

MAY<sup>6th</sup> 2016.

## Implementation of the SOLAS-IMO Amendment in Israel Container Weight Verification Requirements

In November 2014, the International Maritime Organization ("**IMO**") adopted mandatory amendments to the International Convention for the Safety of Life at Sea ("**SOLAS**") Chapter VI, Part A, Regulation 2 – Cargo information. An IMO Circular MSC.1/Circ. 1475 issued in June 4<sup>th</sup> 2014 provides guidance on the implementation of these "**SOLAS amendments** that become globally applicable and effective on 1<sup>st</sup> July 2016.

Following the August 5<sup>th</sup> 2015 letter of the Israeli Ministry of Transport ("**IMOT**"), and subject to the Israeli Ports Regulations (20a) of 1982, the Israel Chamber of Shipping identified the need to streamline the related processes within all the stakeholders which are involved in the Israeli foreign export trading. This, in order to properly implement the SOLAS amendment, by determining the process to be adopted by all the said Israeli stakeholders and interests.

This document is an agreed version of guidelines adopted by all stake holders: Ports, Manufacturers Association, Chamber of Commerce, Freight Forwarders and Customs Brokers Association, Israel Railways and its Contractors, Truckers' Council, Israeli Ports Community System, and Inland Terminals.

The Israel Chamber of Shipping thus took upon itself the initiative to clarify and consolidate the activities required in order to properly implement the SOLAS amendment , by issuing local guidelines accordingly.

IMO circular and IMOT letter based on the 1982 Ports' Regulations, which are mentioned above are attached to this document.

### **Introduction:**

In accordance with the SOLAS amendment , a packed container should not be loaded onto a ship unless the master or his representative and the terminal representative have obtained, sufficiently in advance of the vessel loading, the verified gross mass (VGM) of the container. It has to be clear to all involved that the main target of the SOLAS amendment is to validate and share the actual gross weight of the packed container for the safety and benefit across the marine safe journey.

## Weight and Verification guidance:

### **WHAT ARE THE VGM REQUIREMENTS?**

As per the SOLAS amendment, the verified gross mass shall be obtained by the shipper or, by arrangement, a third party on behalf of the shipper using one of two methods:

**Method 1:** Weighing the Packed Container by the shipper or his nominated entity

(Including at the port, rail station or inland terminal).

**Method 2:** Weigh all the packages and cargo items including any other container contents and then adding the tare mass of the container. The tare mass is the number indicated on the container or as otherwise made available, for example on the carrier's website.

For both methods:

The VGM should be obtained using calibrated and certified equipment that meets the standards and requirements of the State. The Shipper, the Ports, the Inland Terminals and the Railways are responsible for using the proper equipment when providing the VGM to the terminal and the carrier. The shipper must put his formal identification details attached to his weighing, or to his instructions to a third party performing the weighing on the shipper's behalf.

### **WHO IS RESPONSIBLE FOR PROVIDING THE VGM?**

There are two ways to provide the VGM:

1) By the shipper.

Fills a self weighing formal declaration form stipulating the weighing equipment details which is used to provide the VGM. The form should be sent to the port and the customs broker.

2) By the ports, railways and inland terminals, provided they are formally assigned to do so on behalf of the shipper. Assignment will be executed by the shipper, who will fill a weighing power of attorney form, that can be valid for up to a year, provided shipper's identification details remain unchanged. The form should be sent to the port, customs broker and ship agent.

The abovementioned two forms will be designed by the ports. All along the process of providing the VGM, the shipper is responsible for providing and documenting the VGM of a packed container.

### **WHO IS THE SHIPPER?**

As per the SOLAS amendment , 'Shipper' means a legal entity or a person named on the bill of lading, or equivalent transport documentation, as shipper and/or who (or in whose name or on whose behalf) a contract of carriage has been concluded with a shipping company.

### **WHERE should THE PROVIDED VGM BE DECLARED?**

Once a shipper or, by arrangement, a third party on behalf of the shipper has verified the weight of the container (using one of the two methods) this weight must then be specified on a shipping document and signed by the shipper or a person duly authorised by the shipper. The verified weight of the packed container can be provided as part of the shipping instructions or it can be provided separately. The documentation and the signature on it can be provided electronically.

### **WHEN SHOULD THE VGM BE DECLARED?**

The shipper must ensure the VGM is communicated in the shipping documents sufficiently in advance to be used by the ship's master or his representative and the terminal representative in the preparation of the ship stowage plan.

Cut-off time for the provision by the shipper of the verified weight of the packed container will be governed by the requirements of the relevant ports/terminals, preferably with the cooperation of the carriers.

### **CONSEQUENCES OF NOT DECLARING THE VGM AND ASSOCIATED INFORMATION**

Should a shipper not provide the mandatory information as mentioned above, the packed container will not be processed for loading on to a ship. Furthermore, should a packed container arrive at the gate of a terminal with shipping documentation that does not include the mandatory information, such a container must not be granted access for loading on to a ship. The accuracy of the VGM obtained for a

container is solely the responsibility of the shipper and could be monitored by the relevant regulatory authority. Weighing of containers shall be done solely by using a certified scale/weighbridge which should meet the applicable accuracy standards and requirements of the state in which the equipment is being used.

The shipper must weigh or coordinate/guide the weighing of the packed container according to the SOLAS amendment including full verification and documentation of the weighing process. The shipper is entitled to nominate another entity to carry out these activities on its behalf, but the shipper maintains responsibility at all times for an accurate weighing process in conformance with the SOLAS requirements.

One should remember that the SOLAS amendment has international legal status and applies to all ships on international voyages registered in a country that is signatory to the SOLAS Convention. There are close to 170 such countries, where each member state undergoes a legislative process concerning its national maritime industry.

### **Various weighing and verification processes in the ports and Railway stations:**

Israeli ports will weigh all the containers (on trucks) during the gate-in process with certified weighing equipment in order to validate the actual weight during gate-in by trucks. This ensures automatic compliance with SOLAS amendment, since according to State rules, the ports, as the last operational link

of the export process, , are responsible for loading packed containers only if they have undergone the VGM process. The regulator, responsible for ports' tariffs, recognized the justification of imposing a regulated tariff for the weighing.

Weighing by the ports may substitute the shipper's VGM, provided of-course this is the shipper's clear will and responsibility. The ports' weighing will serve as the VGM used for loading/stowage purposes.

The ports' VGM will be reported to the customs broker and shipping agent, who will determine whether to amend their original weight declaration on their shipping documents.

As mentioned above, if the shipper chooses to provide the VGM by himself, the ports weighing will serve as a "double check" to identify discrepancies. This complies with the Ministry clear guidelines.

Similar to the ports, the RAILWAYS also agreed to weigh the containers and provide the VGM to the terminal. They will do so prior loading the containers on board the train wagons. Containers which are accepted by the train at the inland terminals, will be provided with the proper VGM by these inland terminals. In both cases the VGM will be communicated to the terminal. Again, also here, the shipper is the party to determine whether he will provide the VGM, or it will be done following his assignment to the Railways and the inland terminals to do so.

Once the VGM has been executed, the relevant outcome will be fed back to the customs broker (codeco document) and the ship agent (coapri document). Both messages will stipulate the weighing origin (port, train or inland terminal). The train and the inland terminals will have to send their results first to the terminal.

The Israeli Ports Community system organization will communicate and guide the four software companies (Amital, Focus, Fritz and Flying Cargo) in order to integrate them into the VGM process.

**Complementary remarks:**

**In case the actual container weight exceeds the maximum gross weight (cargo and tare mass) the**

**container will be refused entrance to the terminal. No tolerance will be respected.**

**The tolerated gap between the shipping declaration and the ports/railway/inland terminal VGM, that determines whether to correct the shipping document is up to the shipper, since the latter will have to bear all the commercial ramifications from his decision.**

**If for whatever reason there are two weighing results for the packed container, the shipper's and the port's (or train or inland terminal), a gap of 5% +/- or 750kg (the highest) will not be considered as a discrepancy. Both will prevail for the VGM, dependent of the shipper's decision.**

**When weighing the container with the truck, the official registered weight of the truck and trailer must of-course be subtracted before determining the VGM. This is stipulated in the SOLAS amendment. Various trucks may have changed their registered weight during the time. Rough examination indicated a variance of up to 300 kg. In any case, the official number includes a full fuel tank. It clearly transpired that a few issues must be determined by the ports and the shippers. Furthermore, all parties should study carefully their relevant responsibilities all along the VGM process. As emphasized during the preparatory meetings, the SOLAS project guidelines in Israel is a mutual and agreed process by all the various stakeholders.**

**Pilot:**

In view of the anticipated vague readiness of all parties to meet the new process requirements we are planning to initiate a pilot stage starting May, 22<sup>nd</sup>.

The pilot will assist to identify grey areas, missing guidance and any other issues that may arise during the pilot period and will allow sufficient time to test the process and to apply required corrective measures in each one of the sectors involved.