

April 28, 2016

## **New Requirement to Provide Verified Gross Mass (VGM) of Containers for Exports**

The Malaysian National Shippers' Council (MNSC) would like to register its concern on the implementation of the amendment to International Maritime Organization (IMO) of Safety of Life at Sea Convention (SOLAS) which requires a Verified Gross Mass (VGM) of a container before it is packed and loaded onto a ship for export. This regulation will be made effective on July 1, 2016.

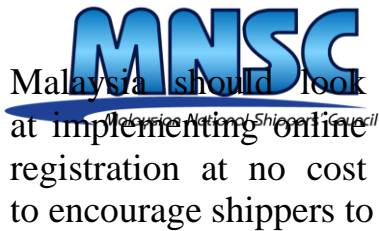
With the amendment to the Convention, the shipper is responsible for the verification of the packed container's weight and must ensure that the VGM is indicated in the shipping documents sufficiently in advance to the ship's master / terminal representatives. Shippers can use two (2) methods which can be selected to determine the container's weight for shippers as follows:

- Method 1 – Weighing of container together with lashing and dunnage materials after it has been packed by shipper or third party; or
- Method 2 – Weighing all the cargo individually before stuffing, weighing the lashing and dunnage materials and adding to tare weight of container.

Shippers must declare the preferred method to be used when packing containers. The authorised person to verify the containers must be indicated in the registration form to be submitted together with a copy of identity card of the person to the Marine Department of Malaysia before **June 1, 2016**. Registration with Marine Department of Malaysia is **free of charge** and renewable every 2 years.

MNSC understands that the responsibility to provide VGM is on shippers. However, MNSC would like to highlight the following concerns:

- The port operators in Port Klang would charge shippers for weighing the containers at terminals. Currently, they are providing this service for free. The fees, which have yet to be finalised, would add on to the cost of doing business.
- Registration of shippers with Marine Department of Malaysia has to be done manually before June 1, 2016. Shippers are expected to submit the completed registration forms together with all the supporting documents by hand. We have been informed that less than 200 out of 30,000 exporters have registered as at to date. The Marine Department of



## PRESS STATEMENT

- As at to date, industries have not received any notification from other ports in Malaysia apart from Port Klang Authority on their preparedness to implement SOLAS on July 1, 2016.

Given that failure to comply with the above new requirement will result in the container not being loaded onto the ship, MNSC is concerned that this will impact on Malaysia's exports and port's operations nationwide.

### **About MNSC**

*The MNSC was established in 1972 and members consisted mainly from the commodity based exporters. Among the objectives of the Council are to protect, represent and promote the interest of Malaysian exporters and importers, producers, manufacturers, trade and industry associations and commodity based associations in relation to the transportation of goods. FMM has taken over the Secretariat of the Malaysia National Shippers' Council (MNSC) from the Ministry of International Trade and Industry (MITI) effective June 2015.*

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