AgTC expresses relief from carriers using port scales to meet VGM requirement

The agricultural export group, which has been a critic of the container weight regulation implementation process, praised South Carolina Ports Authority CEO Jim Newsome for suggesting the use of port scales to obtain verified gross mass.

By Chris Dupin | Tuesday, June 21, 2016

Leaders of the Agriculture Transportation Coalition (AgTC) said they were pleased that ocean carriers are moving towards acceptance of using weights from terminal scales to help shippers meet the requirement to provide the verified gross mass (VGM) of containers before they are loaded on ships.

On Friday, the Ocean Carrier Equipment Management Association (OCEMA), which includes representatives from 19 major U.S. and foreign-flag shipping companies, said it strongly supports the use of on-terminal scales to obtain the VGM, as required by the International Maritime Organization's Safety of Life at Sea (SOLAS) Convention.

The AgTC had been critical of past suggestions, for example, that the only way for shippers to meet the VGM requirement, which goes into effect July 1, was to weigh loaded containers at scales away from the port or that shippers would have to calculate the weight by adding the weight of cargo and dunnage to the tare weight of a container to comply with the SOLAS requirement.

The AgTC has been leading a crusade to allow the use of port scales and its annual meeting in Long Beach last week heaped praise on its allies in that fight.

South Carolina Ports Authority (SCPA) CEO Jim Newsome, who suggested that port scales could be used to meet the VGM requirement at the Transpacific Maritime conference this spring, was named the AgTC’s “person of the year.” Special recognition was heaped on Donna Lemm, vice president of sales and marketing at Mallory Alexander, who chairs AgTC’s SOLAS committee, and Perry Bourne, director of international transportation and rail operations at Tyson Fresh Meats, who chairs its SOLAS refrigerated container subcommittee.
The meeting featured Federal Maritime Commission Chairman Mario Cordero, who issued a statement last week urging the use of terminal scales to meet the SOLAS requirement. "The time has come for ocean carriers to embrace the obvious solution," Cordero said.

Meanwhile, Lemm noted shippers cannot afford “out of route miles” to off dock weighing facilities and that they are scarce. She was also concerned about suggestions that cut-off times for VGM would have to be far before the truck arrived at the terminal.

Lemm praised a declaration of equivalency issued by the Coast Guard, the agency responsible for enforcing SOLAS in the U.S., which indicated that VGM could be determined by weighing a truck carrying a container and then subtracting the weight of the chassis, cab, driver and fuel.

The Coast Guard said it “has determined that existing U.S. laws and regulations for providing verified container weights are equivalent to the requirements in SOLAS Regulation VI/2.”

“There is a lot of flexibility to ensure that we are in compliance with the SOLAS regulation,” said Rear Admiral Paul Thomas, Coast Guard Assistant Commandant for Prevention Policy, via telephone at the AgTC meeting last week.

“Our view is that we are going to continue to do what we have done, which is a best practice for 25 years,” Newsome said. “There is no reason that a very well intentioned international rule should wipe out a well-accepted best practice in the industry. I think that is what the declaration of equivalency says.”

He also said the terminal will provide that information via an EDI message to the shipping line and file a tariff rule early this week that says shippers using the SCPA terminals authorize using the terminal scale weight as the VGM or that they are free to supply the VGM in any other way that they like.

Lemm noted that port scale weights are used by stevedores to plan the stowage of ships.

SCPA will not charge for the service, which it provides routinely today. Newsome also said the port is working with other port authorities in Houston, Georgia, North Carolina, Virginia and Massachusetts “to work out common procedures” so the shipper “doesn’t have to look at 20 ports and do 20 different things.”

AgTC Executive Director Peter Friedmann said at the group’s annual meeting that he wished carriers would listen to Thomas and “quit sending those messages that scare the heck out of the folks in this room and all around the country” that he said the only way to comply with the rule is to give a certified total weight of the loaded container.

It is unclear if any other countries will allow the use of port scales to meet the VGM requirement or whether all U.S. marine terminals will agree to accept shipments if a VGM is not provided prior to a container arriving at a terminal.