



THE FOUNDRY ♦ 1055 THOMAS JEFFERSON STREET, N.W. ♦ SUITE 500 ♦ WASHINGTON, D.C. 20007  
TELEPHONE: (202) 342-5200 ♦ FACSIMILE: (202) 342-5219  
www.gkglaw.com

## **CLIENT ALERT**

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# **Carriers Release Best Practices for the New SOLAS VGM Rules**

by  
David P. Street

As you will recall, the so-called Verified Gross Mass (“VGM”) rules that were issued by the IMO are set to go into effect on July 1 of this year. As you also know, the U.S. Coast Guard has indicated that it will not enforce the rules against U.S. exporters or NVOCCs and that there is no reason for those companies to change their operating procedures. Nonetheless, it appears that the carriers and marine terminal operators apparently expect to be enforcing the VGM rules, based upon a number of releases we have seen.

We just received information from the Ocean Carrier Equipment Management Association (“OCEMA”) that provides some additional information concerning recommended best practices for the acceptance and transmission of the VGM rules. While there is nothing particularly new about what OCEMA indicates to be the shipper’s responsibilities, they have provided some additional information on how and when the VGM is to be transmitted to the carriers. I have attached a copy of the press release, a VGM process map, and the OCEMA best practice release that explains their recommended procedures.

As you can see, the carriers are strongly recommending that the VGM be provided in an electronic format and, indeed, indicate that some carriers may only accept the VGM in an electronic form. The release indicates that the carriers will accept these electronic transmissions through EDI, a third party portal service (such as INTTRA, Nexus, CargoSmart, etc.), or through the carrier’s web portal.

The release goes on to indicate that the VGMs will need to be submitted, if electronically, by noon of the cutoff date. Anyone not transmitting the VGM electronically would need to check with the carrier as to the deadline for getting the VGM to the carrier. The release goes on to provide that if the carrier does not receive the VGM prior to VGM cutoff time it will not be loaded aboard the vessel and that any costs associated with the failure to timely provide the VGM will likely be assessed against the shipper through some carrier tariff action.

It still remains to be seen whether the VGM rules will in fact go into effect on July 1, but it would be prudent to plan as if that is the case. If you have any questions concerning this, please do not hesitate to contact me.