



New SOLAS Shipping Regulation to Impact Ocean Shipments

A new regulation from SOLAS (Safety of Life convention of the International Maritime Organization or IMO) will impact all international household goods shipments being shipped via an ocean container on a global basis.

DATE OF ALERT: March 2016

IMPACTED: All clients who ship international household goods via ocean container

OVERVIEW: On July 1, 2016, a new regulation from SOLAS (Safety of Life at Sea convention of the International Maritime Organization or IMO) takes effect requiring shippers whose name appears on the bill of lading to verify the gross mass (VGM) of an ocean container carrying cargo (including household goods) when tendering the container to the ocean carrier and terminals.

DETAILS: The regulation becomes an international law under the IMO as well as a national law within 162 countries that are signatories to the SOLAS convention. The legally responsible party for providing a VGM signed either electronically or on paper is considered the shipper. Approximately 300,000 ocean container weights will need to be certified each day globally.

This global law prohibits the onboarding of a loaded container without a VGM on file. As such terminals and ocean carriers will likely to refuse loaded ocean containers that do not have a VGM certifying the weight of the container. The regulation applies to all loaded containers which are scheduled to be on boarded to a vessel under SOLAS in international maritime traffic. This regulation will have a major impact on global household goods shipments intended to travel via ocean container.

The new SOLAS regulation was designed to capture and verify the weight of the ocean container before it is loaded onto a vessel. The regulations are intended to benefit the following parties:

- Shippers: Reduced risks of damages to the cargo being shipped
- Carriers: Increased safety for crew and vessel by improved stowage.

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As a whole, the ocean freight industry is expected to experience efficiencies and safer working conditions as a result of the new regulations.

Details have not been released from the IMO with their strategy to implement and enforce this new regulation. Many ocean carriers and terminals have petitioned the IMO for a delay in the implementation of the new regulation until the industry is capable of capturing the necessary details of the ocean containers' VGM. There are many global terminals that are not properly equipped to provide the necessary certifications.

Altair Global anticipates ocean shipping delays and increased costs for the short term for all international household goods shipments.

Additional due diligence and further industry updates forecasting the full impact of this new regulation will be provided as the implementation date approaches. Until then, greater lead times are recommended for new international relocations with household goods shipments requiring ocean container shipments.

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How to meet the container weight mandate

As a shipper, what are your options?

TOTAL WEIGHT

TRUCK, FUEL, etc.

OPTION A.

Take a loaded container over a **weighbridge**, subtract the weight of the truck, chassis, and fuel to get the weight of the packed container.

> Scales must be certified and calibrated in line with the national standards of the country where the weighing occurred.

OPTION B.

Weigh each item – including its packaging, palleting, dunnage and other packing and securing materials – going into the box.

Add that sum to the weight of the container to find the weight of the packed container.

GOODS + PACKING, etc. + CONTAINER LOADED WEIGHT

What are you required to do?

Provide a document signed by the shipper to the shipping line and terminal declaring that the **shipper verified** the weight and that it was weighed properly.

> The SOLAS amendment will be enforced by the coast guard or other agency responsible for SOLAS regulations in a given country and punishments for violations will vary by country.

What happens in the case of noncompliance?

There are all kind of possibilities for what could happen to the box that failed to provide the certified weight document but none are settled.



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