

30th April, 2016

IMO – SOLAS Amendment Chapter VI effective July 1 2016

Further to our customer advisory issued March 31st 2016, we are pleased to provide a further update (***all prior comments remain valid unless updated***):

- ✓ The Italian competent authority have not yet published their guidelines – indications remain that weighbridges will be the only device authorized to validate the VGM
- ✓ Institutions and stakeholders continue to demand common sense guidelines to all competent authorities (Europe & National)
- ✓ As yet, no one is able to provide a realistic evaluation of the potential volume of containers arriving at terminals with/without a VGM, although there is a widespread call to provide this
- ✓ The industry remains generally silent on the treatment of containers loaded at origin port pre-1st July, but transshipped after 1st July, as well as a host of other issues affecting all terminals in respect of operational related needs such as ship delays, shut-outs and re-nominations et alia
- ✓ There are no indications that a moratorium of any kind will be available – ALL laden export containers as defined under the SOLAS amendment will require a VGM. Otherwise they will not be loaded.

With two months before implementation, Contship Italia Group status is:

- ✓ An on-demand VGM service will be available at the Melzo and Dinazzano inland rail-hubs
- ✓ Marine terminals are now obliged to adopt weighbridge technology in providing a VGM
- ✓ A mix of existing and additional weighbridges will be made available for the purpose of providing a VGM
- ✓ Procedures are being finalized for same in each of our marine terminals
- ✓ Containers notified as having a VGM prior to actual receiving date, will be processed as normal
- ✓ Containers notified as not having a VGM prior to actual receiving, will be compulsory weighed prior to being placed into nominated yard slots, with a VGM to be reported
- ✓ In order to produce a VGM the container & truck will be required to undergo a “double” movement
- ✓ Truck / trailer details are being established to record and identify weight information to minimize / avoid this double movement where possible
- ✓ Terminal Operating Systems as well as EDI message and interfaces are being modified and tested – a paper based VGM will not be accepted and should be avoided

- ✓ EDI message testing is established with many customers, but a number have yet to initiate any contact. For customers who have been in contact, progress to date has been constrained by a lack of decision on the requirements - with immediate effect this can be accelerated. For those customers who have not yet established any contact, please do so without further delay
- ✓ The transactional governance and relationship in respect of VGM requirements for Contship Group Marine Terminals is subject to the relevant Contract for the Provision of Container Terminal Services, between the User and The Terminal Operator
- ✓ The *modus operandi* as generally described is largely driven by the need to be ready in an environment of continued extreme uncertainty.

A further statement of update will be issued by Contship Italia Group in due course.