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MALAYSIA'S WORLD PORT



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PORT KLANG AUTHORITY

STANDARD OPERATING PROCEDURE

IMPLEMENTATION OF VERIFIED GROSS MASS (VGM) OF A PACKED CONTAINER AT PORT KLANG

**VERSION 1.0
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1. INTRODUCTION

The International Maritime Organization (IMO) has amended the International Convention for the Safety of Life at Sea (SOLAS), Chapter VI, Part A, Regulation 2 to require the gross mass of a packed container to be verified by the shipper using prescribed methods prior to stowage on board a ship.

The responsibility for obtaining and documenting the verified gross mass of a packed container lies with the shipper. A packed container shall not be loaded onto a ship to which the SOLAS regulations apply unless the master or his representative and the terminal representative receives the verified gross mass of the container.

This regulation will come into force on 1st July 2016.

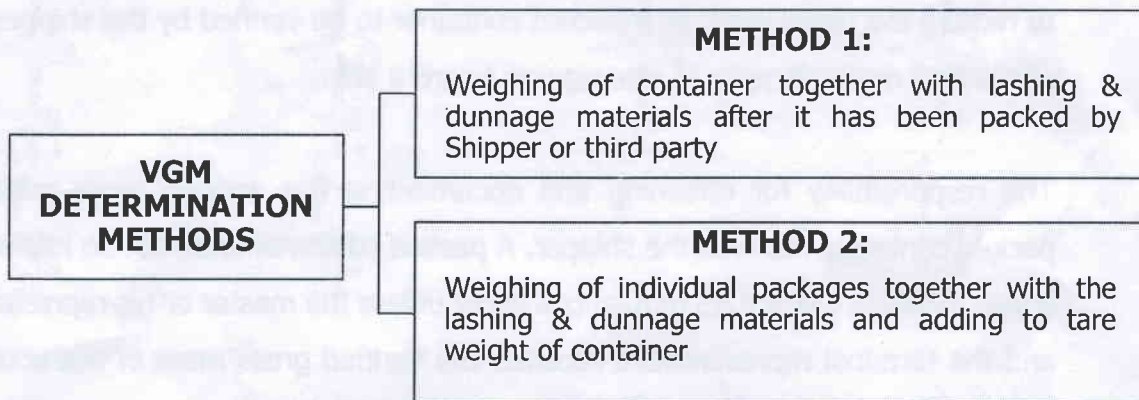
2. BACKGROUND

In Malaysia, the Marine Department (Jabatan Laut) is the Competent Authority assigned by the government to oversee the implementation of this regulation. The Marine Department through its Malaysian Shipping Notice (MSN) 02/2016 has made it mandatory for all Shippers to register their companies and declare the method which will be used to obtain the VGM.

The Marine Department requires all weighing machines to be calibrated and certified by **Metrology Corporation Malaysia Sdn Bhd**, a company that is accredited and approved by the Government and to be maintained in accordance to best practices or Quality Management Systems requirements. On compliance to stipulated conditions, the registration will be approved with a validity period of 2 years.

3. VERIFIED GROSS MASS (VGM) DETERMINATION METHODS

The SOLAS regulation prescribed two methods by which the Shipper may obtain the verified gross mass of a packed container:



4. VERIFIED GROSS MASS (VGM) TRANSMISSION METHOD

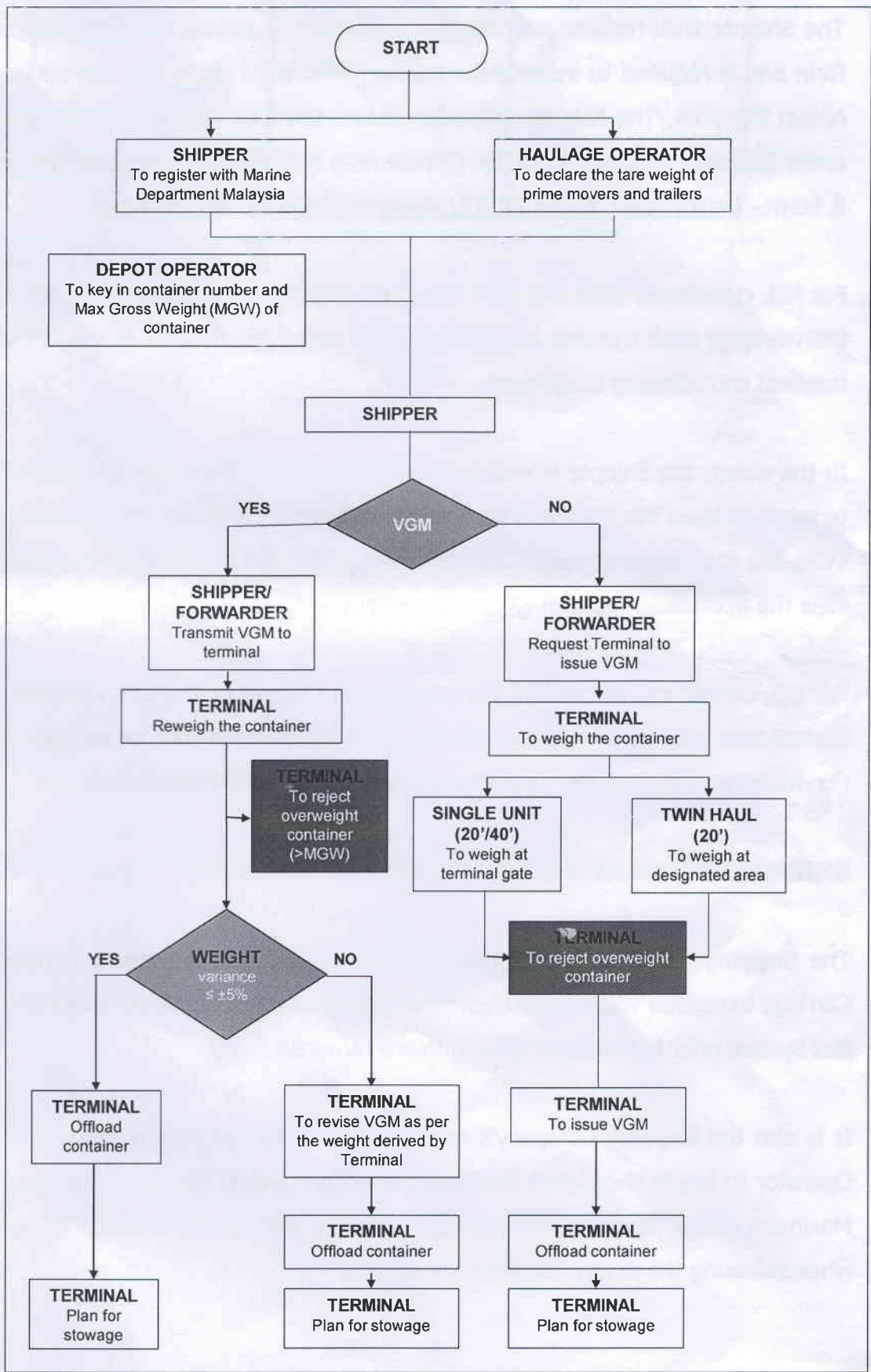
There are two methods recommended by SOLAS for VGM transmission to the Terminal Operator and other relevant parties:

METHOD 1	Electronic means such as Electronic Data Interchange (EDI) or Electronic Data Processing (EDP)
METHOD 2	In the Shipping Document which can be a part of the Shipping Instruction to shipping company or a separate communication (eg: weight certificate produced by the weigh station)

Note

PKA is currently developing an electronic platform using PortKlang Net System to transmit the VGM electronically. Users will be notified once the system is ready before 1 June 2016 for training and familiarisation programs.

5. VERIFIED GROSS MASS (VGM) IMPLEMENTATION MODEL AT PORT KLANG



A. SHIPPER'S ROLE AND RESPONSIBILITIES

- i. The Shipper shall register with Marine Department Malaysia using the prescribed form and is required to indicate the method (Method 1 or 2) that will be used to obtain the VGM. The Shipper may also choose terminal weighing facility which is under Method 1 to obtain the VGM. (Please refer to Shipper Registration Procedures & Form - <http://202.129.173.37/shipper/Document/Rev1.pdf>)
- ii. For FCL containers, once the VGM has been obtained, the Shipper or their Agent (Forwarding) shall transmit the VGM via Port Klang Net System to the respective terminal and Shipping Line/Agent.
- iii. In the event, the Shipper is unable to obtain the VGM then they can request the terminal to issue the VGM via Port Klang Net System. Once the terminal issues the VGM, the Shipping Line/Agent, Shipper, Forwarding and the Haulage Company can view the information accordingly in the system.
- iv. For LCL containers, the Freight Forwarder as a Shipper or the CFS Operator as a Consolidator shall request the terminal to issue the VGM. In such cases, the Freight Forwarder or CFS Operator shall register with Marine Department Malaysia.

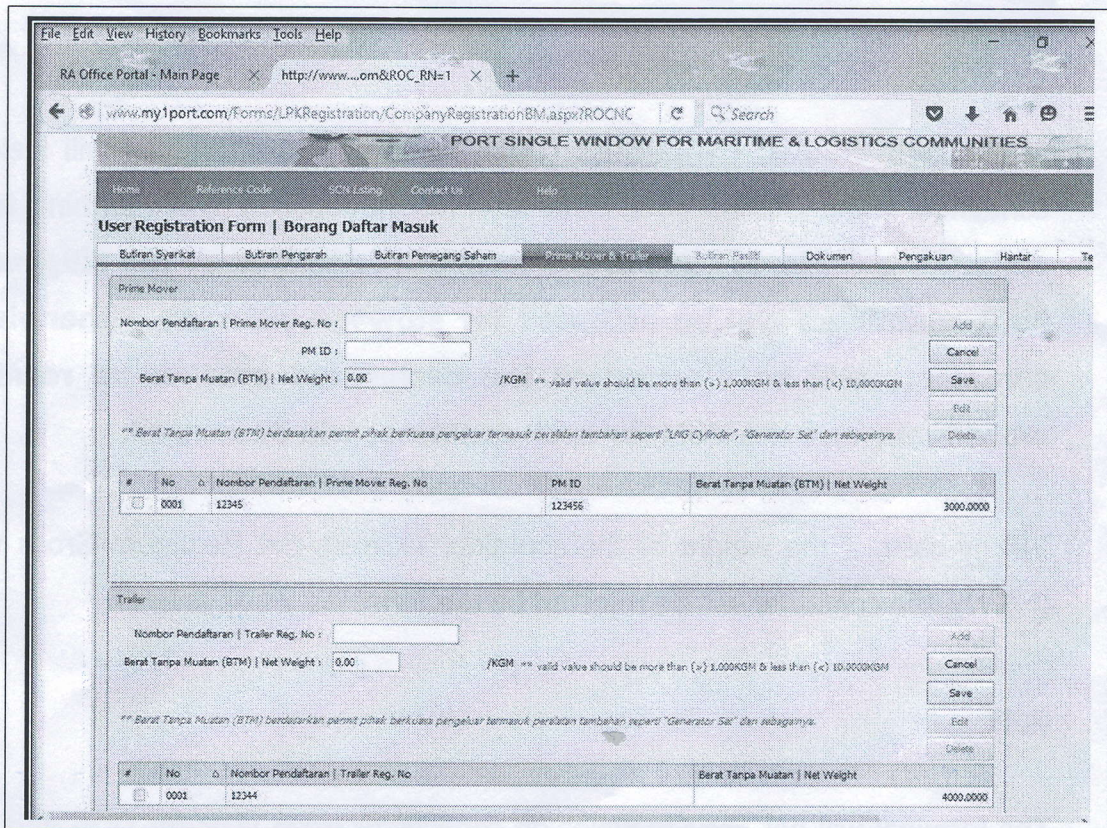
B. SHIPPING COMPANY'S ROLE AND RESPONSIBILITIES

- i. The Shipping Company shall inform the Shipper who enters into a Contract of Carriage to register with Marine Department Malaysia and submit VGM via PortKlang Net System prior to container gate-in to the terminal.
- ii. It is also the Shipping Company's responsibility to inform their nominated Depot Operator to key-in the Export Booking reference number, Container number, and Maximum Gross Weight (MGW) of the container into the Port Klang Net system when releasing the empty container for export.

C. HAULAGE OPERATOR'S ROLE AND RESPONSIBILITIES

Haulage operators are required to register and pre-declare the tare weights (Berat Tanpa Muatan) of their prime movers and trailers into the Port Klang Net system based on the permits issued by SPAD.

The terminal will subtract the tare weight of prime mover and trailer together with a fixed weight for fuel (200 kg) & spare tyre (400 kg) in order to obtain the VGM of a container.



D. DEPOT OPERATOR'S ROLE AND RESPONSIBILITIES

Depot operators are required to key in the Export Booking reference number, container number and Maximum Gross Weight (MGW) of the container into the Port Klang Net system each time an empty container is released to the Shipper.

E. PORT OPERATOR'S ROLE WHEN VGM IS PROVIDED BY SHIPPER

- i. **For single unit container**, the terminal will reweigh the container at the gate as a means of verification. **If the terminal's derived weight is within +/- 5% of the VGM declared by the Shipper, the container will be accepted and planned for stowage.**
- ii. **The terminal will revise the VGM as per the weight derived by the terminal if the variance is more than +/-5%** and proceed with the stowage planning. The Shipper shall indemnify the terminal against any liability arising from the VGM revision.
- iii. As for **twin hauled containers (back to back)**, the terminal will weigh the containers at the terminal gate. If the total weight obtained by the terminal for both containers is within **+/- 5% of the total VGM declared by the Shipper then both containers will be accepted for stowage planning. Otherwise the containers will be directed to the designated area to be reweighed individually and the VGM for each container will be revised.**
- iv. In any case, if the weight of the container exceeds the Maximum Gross Weight (MGW), the container will be rejected by the terminal.

Note

- a. The terminal will not provide weighing services or issue VGM for OOG and Ex-rail containers. Shippers of such containers shall obtain the VGM and submit the information via PortKlang Net System prior to gate-in at terminal.

F. PORT OPERATOR'S ROLE WHEN THE SHIPPER REQUEST TO ISSUE VGM

- i. **For single unit container**, the terminal will weigh the packed container at the terminal gate using Method 1 and will issue the VGM.
- ii. As for **twin hauled containers (back to back), LCL containers from CFS within the port area and containers hauled from PKFZ**, they will be directed to a designated area at the terminal where the VGM will be obtained by using a stacker which is fitted with a weighing mechanism.
- iii. If the weight of the container exceeds the Maximum Gross Weight (MGW), the container will be rejected by the terminal.
- iv. Shippers requesting weighing and VGM services from the terminal shall agree to the disclaimer clause as below:

DISCLAIMER

By using the port facility and or system, the user hereby agrees without qualification that all information provided by the port including container weight information (Verified Gross Mass/VGM) are for general reference only. The port in providing such information , do so under its best knowledge at the time of issuance subject always to the condition that there shall be no express or implied warranty or representation on the accuracy of such information provided . The port disclaims liability for any error or omission of any information provided and the users are advised to seek independent verification for the information provided from the Shipper.

6. WEIGHING AND VGM TRANSMISSION CHARGES

The charges for weighing services rendered by terminal and VGM transmission by Rank Alpha Technologies Sdn Bhd at Port Klang are as follows:

WEIGHING SERVICES	
20'/40'/45' (Single Unit)	RM 5.00 / per container
20' (Twin Haul)	RM 30.00 / per container

VGM TRANSMISSION	
VGM Transmission	RM 0.50 / per container

Note

The parties to be billed for weighing and VGM transmission charges are as follows:

FCL container - Forwarding Agent

LCL container consolidated / packed in the port - CFS / Warehouse Operator.

FREQUENTLY ASKED QUESTIONS

Q1: I have a weighbridge at my premise and I have registered with Marine Department to obtain VGM using Method 1. However, can I choose terminal facility to issue the VGM as a contingency plan?

A1: Yes, You can choose the terminal facility to issue the VGM as a contingency plan and must be indicated in the registration.

Q2: I have registered with Marine Department and declared to obtain VGM using Method 1 and 2. Can I estimate the VGM and transmit it to terminal and Shipping Line/Agent?

A2: No, estimation of VGM is not permitted.

Q3: Can I send the container to the port without requesting the terminal to issue the VGM via PortKlang Net System?

A3: No, the container will be rejected by the terminal.

Q4: As a Shipper, do I need to inform the Shipping Company once I key in the VGM information via Port Klang Net System?

A4: No, terminal will send the VGM details to the respective Shipping Company once the container gate-in.

Q5: Do I have to pay the terminal for reweighing my container although I have transmitted the VGM to the terminal?

A5: No, reweighing of container is not chargeable but if the VGM is revised as per the weight derived by the terminal due to more than the allowed the variance (+/-5%) then it is chargeable.

Q6: I want to register with Marine Department and select the terminal weighing facility to obtain the VGM. Where should I get the Form D?

A6: Form D for weigh bridges at terminals (Northport / Westports) have been submitted to Marine Department. Thus, the Shipper not required to submit the Form D.

Q7: Who should request the terminal to issue the VGM for LCL container consolidated in the port?

A7: The CFS / Warehouse Operator shall request the terminal to issue the VGM.

Q8: Who shall provide the VGM for transshipment container?

A8: The loading port (exporting country) shall provide the VGM through the shipping line or its Agent before it is loaded on the 2nd Carrier.

Q9: Do I need to provide the VGM for import re-export container?

A9: Yes. The Shipper shall provide the VGM for import re-export container in the port.

Q10: Who shall register as a Shipper for LCL container?

A10: The Freight Forwarder / CFS / Warehouse Operator shall register as a Shipper for LCL container.

Q11: Is the VGM submission portal via PortKlang Net System available for use?

A11: The PortKlang Net VGM Portal is currently being developed and will be available before 1st June 2016.

Q12: Will the Shippers and Forwarding Agents be provided with training and familiarization programs for PortKlang Net VGM portal?

A12: Yes, training will be provided by Rank Alpha Technology Sdn. Bhd.