

Melco Group Intl., Inc.

From: <support@melcogroup.com>
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To: "Melco_Group_Support / Support" <support@melcogroup.com>
Subject: SOLAS Update

4/12/2016

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MGI Note: Consider registering to <http://www.joc.com/> to access a wealth of Industry information.

CargoSmart gets on the electronic VGM solution platform Greg Knowler, Senior Asia Editor | Apr 12, 2016 6:04AM EDT

CargoSmart has joined global shipping platform Intra to offer shippers an online container weight submission solution to help the industry comply with an amendment to the International Maritime Organization's Safety of Life at Sea convention.

Under the SOLAS amendment, shippers across the world will be required from July 1 to provide a verified gross mass of each export container, including the cargo contents and the weight of the container, before it will be cleared for loading on a vessel.

There is a little over six weeks to go until the rule is enforced, with a sense of growing unease across the container supply chain. One of the major concerns shippers have is how to submit the VGM to carriers and terminals, which was borne out by a recent CargoSmart survey.

In a customer poll with 820 respondents, CargoSmart found more than two-thirds of those that responded indicated that the extra process of obtaining the verified weight would present the biggest challenge to comply, while 24 percent of respondents indicated submitting the VGM in a timely manner would be the biggest challenge.

CargoSmart said in a statement that shippers may need extra time and incur costs to obtain the cargo weight, determine the container tare weight, verify the weight, and submit the information to ocean carriers in a timely manner. If the VGM was not provided by carriers' cut-off times, cargo could be held at the port of loading.

The VGM platform offers shippers and their designated submission parties multiple channels to submit the container weight data to their carriers.

"CargoSmart is working with over 70 major carriers and terminals to establish a seamless VGM integration before the regulation goes into effect," said Lionel Louie, chief commercial officer of CargoSmart.

"By offering free VGM solutions with multiple submission channels and a dashboard, we will help shippers minimize changes to their existing shipping execution processes, control costs for complying with the new requirements, and provide clear visibility to submission status."

Shippers can submit the VGM information with their shipping instructions or in a separate VGM message online, or through EDI, or mobile platforms. The integrated platform helps shippers throughout their shipment management process — from making bookings, to submitting required documentation including the VGM, to receiving status alerts and reviewing status updates on dashboards.

This helps shippers integrate VGM submission into their existing shipping processes to eliminate one of the potential extra costs for complying with the new SOLAS regulation.

Intra provides e-commerce booking for ocean freight and the company has been working with carriers and cargo interests to develop electronic processes for complying with the new rule, developing its eVGM solution. Intra has estimated that manual documentation is used for up to half of the approximately 300,000 containers loaded on ships each day at the world's ports.

The company provides its eVGM software in two versions, for carriers and shippers, both of which pay a fee for the service. Carriers such as Mediterranean Shipping Co. have said they will use the software to simplify customers' submission of their VGM data.

Intra said its eVGM software will help companies comply with the new rules, and that it will smooth the transmission of VGMs from carriers to terminals and provide the necessary audit reporting.

Inna Kuznetsov, Intra president, lamented that the industry remains woefully unprepared for the July 1 deadline. Many shippers remain uneducated as to how and where they can weigh containers, terminals and carriers have responded they will provide varying levels of assistance and the disparate messages from lead agencies tasked with enforcing the new regulation have not helped.

For your convenience...

Link to CargoSmart <http://www.cargosmart.com/en/default.htm>

Link to Intra <http://www.intra.com/>

Thank you for being our friends and client!!!

If you require assistance do not hesitate to contact us.

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