



VICT Container VGM Check Weighing – Weight Discrepancy Fee

On 3 April 2023, Victoria International Container Terminal (VICT) issued a notice of intention to implement a **VGM Weight Discrepancy Fee** of \$200 (+GST) effective 1 June 2023 for all containers weighed in the Terminal that are found to be +/- one tonne variance from the container's Verified Gross Mass (VGM) documented by the shipping line.

See: <https://www.vict.com.au/assets/Documents/APRIL-2023/Industry-Notice-Infrastructure-Charge-60-days-notice.pdf>

Subsequently, a Final Notice to Customers was issued on 1 May 2023 (30 days from implementation) clarifying that for **imports**, the VGM Weight Fee would be payable by the transport operator, while for **exports**, the fee would be payable by the shipping line.

See: <https://www.vict.com.au/assets/Documents/MAY-2023/VGM-and-Reefer-Fee-30-Days-Industry-Infrastructure-Notice-FINAL.pdf>

In the case of exports from Australia, the VGM declaration is made to the Terminal and the shipping line through a Pre-Receive Advice (PRA) lodged by the exporter before the container is delivered to the Terminal for export.

In the case of imports, it is the obligation of the shipper in the port of origin to declare the container's Verified Gross Mass (VGM) in accordance with the national laws of the country of origin.

The declaration of an accurate gross mass of a packed container is an obligation under the *International Convention for the Safety of Life at Sea (SOLAS)*, which is translated into the national laws of the 167 countries who are signatories to the SOLAS Convention.

In Australia, the SOLAS container Verified Gross Mass (VGM) obligations are regulated by [Marine Orders Part 42: Carriage, stowage and securing of cargoes and containers](#), under the *Navigation Act 2012*.

Implementation of Container Weighing at VICT

VICT initially intended to invest in a 3rd Party weighing platform solution like the devices deployed in Patrick Terminals across Australia.

Unlike Patrick's straddle carrier landside operations where a container can be taken to the 3rd Party platform for check weighing, VICT operates Automatic Stacking Crane (ASC) technology, which would have required a 3rd Party platform in each ASC "block".

Alternatively, VICT's ASCs were always designed to weigh containers via calibrated load cells attached to each ASC "spreader". VICT has been providing weight data to transport operators since the inception of the Terminal.



VICT technicians have determined that the ASC spreader load cells are as accurate as the 3rd Party platform technology, and are being calibrated in accordance with Australian weight measurement standards ([NMI](#)).

Implications for Landside Container Weighing at VICT

Due to the Automated Stacking Crane (ASC) container “spreaders” having calibrated load cells, all containers passing through VICT (import and export) can be weighed accurately, and that weight compared against the documented Verified Gross Mass (VGM) declarations.

VICT has provided information to CTAA that between 1st July and 24th July 2023:

- 7% of full import containers have recorded a variance of +/- one tonne from the declared VGM;
- 3% of full export containers have recorded a variance of +/- one tonne from the declared VGM

Some containers have been found to have larger variances than one tonne. For example, in the period mentioned above, 7% of the containers found to have a variance have recorded a variance greater than five tonnes from the declared VGM.

Based on the experience of the weighing process at VICT to date, it is expected that transport operators and their import forwarder and shipper customers will experience an increase in Weight Discrepancy Fees being applied by VICT, unless shippers take steps to ensure that all containers are accurately weighed and declared in the first place.

At present, once a container number is recorded against a Vehicle Booking System (VBS) slot, if the container has been determined to have a variance in weight of +/- one tonne, VICT is emailing the discrepancy information to the transport company and indicating that a Weight Discrepancy Fee applies.

Unlike the Patrick PONUS process, no photo evidence of the recorded weight is provided by VICT. In the OneStop VBS however, the declared weight and the actual weight recorded by VICT’s calibrated weighing equipment is provided to the transport operator.

Under current payment arrangements, the transport operator is responsible for paying the Weight Discrepancy Fee in the first instance, which will then be forwarded to the importer for payment.

The application of any additional fee by the transport operator for the administration of the accounting and cash flow implications incurred by them is a commercial matter between transport operators and their clients.

For import containers, any “dispute” about the accuracy of the original VGM declaration recorded at the port of origin, the weight determined by the VICT weighing process, or the VGM recorded by the shipping line, will need to be taken up by the forwarder / importer with the shipping line after the Weight Discrepancy Fee has been paid.

Similarly, for export containers where the Weight Discrepancy Fee is being charged initially to the shipping line, any “dispute” about the accuracy of the VICT weight determination and the declared VGM provided by the exporter via the Pre-Receipt Advice (PRA) will need to be taken up with the shipping line.

What Should Forwarders / Importers Do to Improve VGM Accuracy?

The increased vigilance by VICT and other container terminal operators in Australia about accurately declared container gross weights stresses the need for importers (forwarders and direct shippers) to ensure that their overseas suppliers / agents have appropriate procedures in place to obtain and declare accurate Verified Gross Mass (VGM) information in the port of origin.

They should insist that their suppliers and agents apply the approved SOLAS weight declaration processes accurately. This includes either accurately adding the weight of the cargo, any dunnage and bracing used for load restraint, and the TARE weight of the container to arrive at the declared VGM. Alternatively, the loaded container should be weighed using calibrated weighing equipment after it has been packed.

A copy of the declared VGM provided at the point of origin should be requested by Australian importers and kept on record in case of any “dispute” about the accuracy of the declared VGM.