

Submission from Shipper's Council on Container Weight Verification Discussion Document

The New Zealand Shipper's Council has since 1983 been the national body representing cargo owners. We are the pre-eminent group in supply chain developments relating to cargo handling and movement, commerce and legislation. Membership of the Council comprises importers and exporters and includes major interests involved in industries such as forestry, wood, fruit, steel, dairy, meat, and pulp and paper.

The Council welcomes the opportunity to comment on this issue. It appreciates that there has been a long and ongoing dialogue with Maritime New Zealand on the Container weight verification issue as it has progressed through the International Maritime Organisation and we appreciate the work done by Maritime New Zealand to achieve agreement to the revised SOLAS provisions that allow an alternative to a requirement that all packed containers be weighed. This would have been problematic in New Zealand for a variety of reasons. Many New Zealand exporters will be wanting to use the second verification method, the use of a certified method to calculate the weight of the container based upon the weight of the materials to be packed into the container.

Our members are largely supportive of the preferred options as outlined in your paper but we do have one comment and some questions. We would encourage continuing dialogue with the Council on these matters.

We are concerned about the timing of this consultation, which we believe should have occurred sooner. We are now at the end of October, yet the new regulations are set to come into force on 1 July next year. This regulation needs to be finalized as quickly as possible so that our members have as much time as possible to prepare for the new regime.

Our questions relate principally to three areas – enforcement and audit of the weights and measurement system; tolerances; and the provision of documentation to ports and the master/shipping company.

Enforcement and audit

Your summary of the preferred options on page 4 notes that the calculation method would rely on the existing weights and measures legislation and that “the system must be confirmed by regular audits”.

Can you please confirm that you are not envisaging a new audit or enforcement system and that you are proposing that we simply continue to rely on the Weights and Measures Act and associated regulations?

Can you also confirm that shippers can use existing commercial and other audit based systems such as ERP, SAP, AEO and ISO quality audit systems to make accurate weight verifications under method 2?

If you are proposing a new audit or enforcement system can you please provide proposed methodologies for this new system. The Council sees no reason for a separate system.

Tolerances

A number of our members have commented that they would welcome a transition to the new regime that would involve a possible tolerance of +/- 10% in the first year and a tolerance of +/- 5% thereafter. Reasons used for justifying this position, are the need to train staff and perfect systems to ensure compliance with the new regulations and the nature of New Zealand shipper operations. For example, some variability is inevitable for loose packed product. And the use of wooden pallets is commonplace. Moisture levels in these pallets are highly variable.

We note that in the UK the industry container weight verification guidelines specify that for enforcement purposes regulators are unlikely to take action for tolerances of +/- 5%. We understand that this is in recognition of the fact that keeping to tolerance of +/- 0.1% will be extremely difficult due to the operations pressures placed on such measuring equipment. Given New Zealand conditions we believe that the case for a +/- tolerance is even stronger.

Provision of the weight to the port and master/shipping company

We agree that an exact time for provision of an exact time for the provision of documentation to the port and master/shipping company would be problematic. We think that this should remain your position and that this should remain a commercial matter to be negotiated between the shipper and the port and master/shipping company.

We thank you again for the opportunity to comment on this matter. We look forward to a continuing dialogue on the development of policy on this matter and your response to the specific questions we have raised.

On behalf of the Council

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