



Bulk cargoes to/from Argentina

New Argentine Resolutions affect bulk carriers trading to Argentine ports. While Resolution No. 4138-E/2017 changes the way that cargo weight can be determined, Resolution 693-E/2017 clarifies SENASA's role during vessel hold and tank inspections.

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Cargo quantity - shore scales vs draft surveys

The Argentine Customs Authorities' General Resolution No. 4138-E/2017 entered into force on 4 October and establishes that importers and exporters can now select the method to be used to establish the weight of a dry bulk cargo. However, Customs authorities are still authorized to counter-check the weight declared using shore scales.

The new Resolution repeals General Resolution 3506/2013 which had been in force since 2013, see our Insight "<u>Shore scale measurements in Argentina</u>", and is aimed at reducing the time needed to complete Customs checks. Additional details of the new Resolution 4138-E/2017 are available <u>Simonsen_NewsLetterN19.pdf</u>.

Shortage claims resulting from the use of shore scale measurements have been a problem in Argentina for many years and involve a variety of imported or exported bulk cargoes. The preferred system of weighing the cargo will usually be specified in the sales contract, and normally the carrier will not be able to influence this. As a draft survey is the only means the carrier have of verifying the shipper's figure, we therefore recommend such surveys to be carried out as a precautionary measure in order to avoid shortage claims, see also our Insight "The importance of draft surveys in the defence of claims for shortage of bulk cargoes" for additional advice.

It is also recommended that a representative of the vessel's interests participates in any draft surveys performed by Customs and ensures that a proper document stating the quantities established by the survey is jointly signed by Customs and the vessel's representative. A copy of the report should be retained onboard the vessel. It may also be beneficial to appoint a surveyor to attend the draft survey on behalf of the vessel.

Cargo quality - t ank and hold inspections by SENASA

The Argentine National Sanitary Authorities' (SENASA) Resolution 693-E/2017 entered into force on 1 November 2017 and outlines a control system for the approval of holds/tanks of vessels and barges destined to export grains, its products and by-products. Specific criteria for when to object to or reject holds or tanks, such as the presence of live insects, loose rust scale, excessive humidity, etc., are included.

The Resolution also establishes that it is no longer mandatory for a surveyor from SENASA to attend in all cases where hold inspection certificates are required. From this date cargo buyers are free to appoint private surveyors to conduct the surveys and issue hold inspection certificates, although SENASA must be informed 24 hours in advance of the survey. The intervention of SENASA can also be requested where private surveyors are unable to agree on the condition of the cargo or the holds. This change does not affect the situation where cargo buyers specifically request a certificate from a SENASA surveyor or where the importing country requires an official hold inspection certificate.

The new Resolution 693-E/2017 will initially be in operation for a trial period of 1 year and additional details are available <u>Simonsen NewsLetterN22.pdf</u>.

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