

URA LAUNCHES AN ELECTRONIC CARGO TRACKING SYSTEM.

A US\$5.2m system, which electronically tracks movement of goods in the country, was yesterday launched with promises of it reducing the cost of doing business.

A brainchild of Uganda Revenue Authority (URA), the Electronic Cargo Tracking System (ECTS) monitors all cargo in transit on a real-time basis. ECTS kicked off after URA and BSMART Technology, the solution provider signed a memorandum of understanding at the URA head office in Nakawa, Kampala on Monday.

How does it work?

According to the Commissioner Customs, Richard Kamajugo, ECTS relies on automated devices, which are attached onto a goods-laden vehicle. The device, which communicates with a command centre, giving real time updates. These include position of the vehicle, speed and status of the container (truck-tampered with or not) among others.

The information relayed by the device can be viewed by the importer, transporter, agent and URA. And if the device is tampered with, the control centre will be notified.

Former status quo

Hitherto, Kamajugo said, there were challenges that made ECTS inevitable. Among them was having to physically escort and monitor movement of goods, which was not efficient owing to manpower deficiencies.

Other challenges were: transit cargo being dumped on the domestic market, goods not reaching bonded warehouses or internal container depots and short-landing whereby only part of the total amount of imported goods is declared.

"We conducted a study and consulted stakeholders over the years and realised that there lots of inconveniences regarding movement of cargo. It was upon this that URA decided to procure a system that eliminates the challenges. This system can be used by traders, transporters, importers, exporters and clearing agents," Kamajugo stated moments after the event in Nakawa.

The system will be pioneered on high-risk goods like sugar, wines and spirits, textiles, explosives, cigarettes and spirits. Thereafter, it will be rolled out to other types of merchandise.

Advantages

The system, according to Kamajugo, enables interested parties to receive full time and real-time updates on their mobile phones.

Since the attached device gives a vehicle's exact location, if a vehicle is stolen, the owner will be able to recover it including goods therein.

Kamajugo argued that there would be reduced costs as there will be no need to physically escort goods, ultimately increasing turnover of the importers over time.

"The system leads to fairness as goods destined for another country cannot be dumped into the transit country. Dumping leads to unfair competition as the dumped goods are sold cheaply," he explained.

He added, "At URA, we value and continue to engage with all our stakeholders on how best we can improve business through minimizing costs.

ECTS is one of the many innovations geared towards easing and improving trade both local and international.

URA Commissioner General, Allen Kagina applauded the fact that customs officers would have regular updates regarding merchandise.

She also hailed the fact that the provider would train staff.

Stephen Teang, the Managing Director BSMART Technology argued that the system would facilitate trade facilitate through timely execution and cancellation of customs bond guarantees for cargo in transit.

“This will result in faster and more efficient movement and management of cargo and enhance revenue collection,” Teang said.

At the function in Nakawa, transporters and traders welcomed the initiative, saying it would ensure faster and yet secure movement of cargo.

“From the private sector angle, this is a great boost. The current processes are costly. They cannot ensure paramount security to goods entering and exiting the country,” noted Kassim Omar, the Chairperson National Monitoring Committees on NTBs (Non-Trade Barriers) in Uganda.

Annette Mutaawe Ssemuwemba, the Country Director TradeMark East Africa Uganda observed that the system is a solution to cutting barriers along the movement of goods. “This will enhance trade facilitation and business competitiveness country wide,” she remarked. Her organization facilitates trade.

