

RECTS - Fact Sheet

REGIONAL ELECTRONIC CARGO TRACKING SYSTEM

Beneficiaries

1. Importers
2. Exporters
3. Clearing Agents
4. Transporters
5. Government
6. Traders
7. Manufacturers' Associations
8. Private sector Associations
9. Development Partners
10. General Public

Funded By:



through:



Implemented by:



Implementation Period: 3 Years



RECTS is a web-based integrated system used to monitor transit cargo under Customs control in Kenya, Rwanda and Uganda.



The challenges the intervention is responding to:

Each country operated a national cargo tracking system. This posed the following challenges:

- + Lack of holistic end to end transit monitoring mechanism leading to cases of dumping, delayed bond cancellation and refund processing
- + A barrier to international and cross border trade due to multiple arming, disarming and at times verification at all borders along the corridor.
- + High cost of cross border trade in terms of time and money ;
- + Inconsistent with the Regional Integration Agenda of trade facilitation and ease of doing business.

+ Implementation

Implementation of a Regional Electronic Cargo Tracking System along the Northern Corridor to track goods under customs control (whose taxes have not been paid) from Point of Loading (Departure) to final destination within Kenya, Rwanda and Uganda.



The system will achieve the following two broad objectives:

a) Trade Facilitation

- Facilitate seamless flow of transit cargo and have a single view of cargo tracking along the corridor.
- To eliminate NTBs, in order to reduce transit times (border scenario) and reduce the cost of doing business.
- Align the ECTS with the Single Customs Territory and the Regional Customs Transit Guarantee (RCTG) Bond. (one declaration, one bond, one tracking system).
- The need to reduce the cost of security bonds for the region's business community and automatic bond cancellation on arrival at final destination. Sometimes a trader has to take manual documents to Customs Headquarters as proof of export before the bond is cancelled. It takes about 3 months to cancel a bond.

- To reduce transit diversion hence create a level playing field for local investors
- To facilitate in identification of bottle necks along the transit corridor (weigh bridge, police, drivers)


b) Cargo security

- To provide real time detection of transit violations e.g. theft, diversions etc
- Coordinated responses to Alerts by Rapid Response Units (RRU)
- To provide regional viewing/access rights by both internal and external stake holders thus enhancing transparency.

How RECTS works


At Departure

1. The Customs officer physically attaches an E-Seal and activates it in the system.
2. Customs controlled release points will have smart gates and will scan vehicle details automatically




In Transit

3. **A Centralized Monitoring Centre**
There will be three interlinked Centralized Monitoring Centres in Nairobi, Kampala and Kigali to conduct real time electronic monitoring of transit cargo
4. **Rapid Response Units**
In case of Transit violations, system alerts will be generated and the Centralized Monitoring Centres for staff to analyse and dispatch to the RRU's for further action.



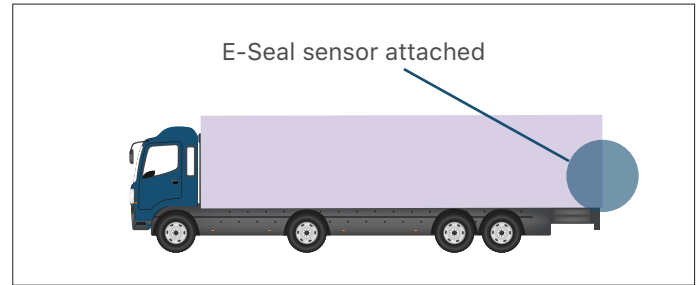
At Destination

5. The RECTS process will terminate when the Customs officer deactivates the E-Seal in the system and then physically detaches the E-seal from the container or any other authorised means of carriage.

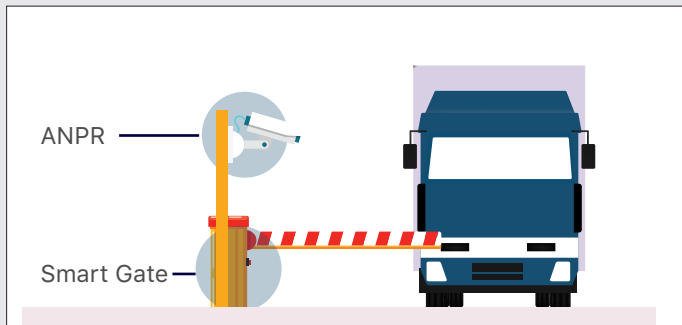


+ At Departure

The RECTS process begins when the Customs officer physically attaches an E-Seal or Ultra sound sensors for fuel compartments to a container or any other authorised means of carriage and activates the E-seal in the system. This triggers electronic monitoring at the Centralised Monitoring Centres in the countries.



Gate Process

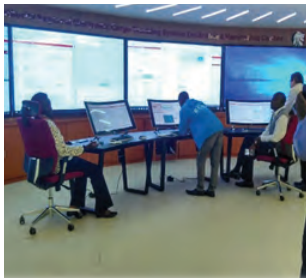


The Customs gates will be Smart Gates and will read the vehicle registration number using Automatic Number Plate Recognition (ANPR) and will automatically read the container number (using the Container number Reading Equipment).

If the details match what was captured at departure the gate will automatically open for the truck to proceed with the journey.

+ In Transit

A Centralized Monitoring Centre (CMC)



There will be three interlinked Centralized Monitoring Centres in Nairobi, Kampala and Kigali to conduct real time electronic monitoring of transit cargo on a 24/7 (twenty four hours a day, seven days a week) basis.

Rapid Response Teams (RRU's)

The Rapid Response Unit team is composed of Customs Enforcement officers whose role is to respond to alerts. In case of Transit violations, system alerts will be generated and the Centralized Monitoring Centre staff will analyse, for dispatch to the RRU's for further action. This may include moving to the scene, supervising transfer of cargo in the case of accidents, transshipments, initiate investigations in the case of theft etc

+ At Destination

The RECTS process will terminate when the Customs officer deactivates the E-Seal in the system and then physically removes the E-seal from the container or any other authorised means of carriage.

Expected Benefits of RECTS



Cargo security along the Corridor

- a) The Owners of the cargo are able to monitor the location of their goods on a real time basis
- b) Detection and Recovery Support from Rapid Response Teams in cases of theft, diversion
- c) Ability to manage and communicate with fleet drivers via mobile device as well as receive alerts



Trade Facilitation

- a) Fostering trust between the Revenue Authorities and stakeholders through partnership in securing both taxes and transit cargo
- b) Fair terms of trade due to efficiencies created by the system, i.e. creating a level playing field for both importers and local industries
- c) Expedited bond cancellation and refund processes.



Cost

- a) There will be no charges for the service however, there will be a charge for every device (E-Seal) lost under his custody. Operational costs to be met by the RAs.
- b) There will be increased turnaround time of the trucks hence reduced cost of doing business.



Time

- a) There will be seamless movement of cargo within the Northern Corridor. This means minimal customs physical disarming and re-arming at the border.

For Further Information:

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