Enhanced Freight Tracking System: Increased Visibility For the Future

By

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Consider the following scenario - July 2012: The Bandarian Army has been flying military helicopters to support humanitarian missions in a desert environment for the past year. Anticipating the effect of sand and heat on helicopter parts, Bandaria, using the foreign military sales (FMS) process, ordered numerous spares to maintain a high operational readiness rate for the aircraft to sustain the mission. However, before the spares were delivered, the Bandarian helicopters began experiencing a systemic problem caused by debris damage to the helicopters' transmission. Bandarian officials called the International Logistics Control Office (ILCO), which is responsible for managing U.S. security cooperation requisitions and ensuring a smooth interface with normal service supply organizations. As such, the ILCO is the office charged with tracking the status of the transmissions Bandaria ordered through FMS. The ILCO indicated that the Defense Transportation System (DoD arranged transportation services) records indicated that the spare transmissions had been shipped over three weeks before. Using the requisition information provided by the ILCO, Bandaria's Security Cooperation Office personnel gueried the Enhanced Freight Tracking System (EFTS). The EFTS records showed that the items arrived at the port of a neighboring country two weeks before and were awaiting transportation. With this information in-hand, the Security Cooperation Office in Bandaria worked with the ILCO and U.S. military department to expedite the last leg of the shipment to to its final destination. The spare transmissions arrived in time to enable the critical humanitarian missions to continue uninterrupted, potentially saving hundreds of lives. Because the EFTS provides precise shipment status data to mission planners, the Bandarian military, the ILCO, and the military department were able to work together to resolve a bottleneck in the transportation system without compromising the mission.

In 2009 the Defense Security Cooperation Agency (DSCA) is projecting security cooperation (SC) sales to exceed \$33 billion. In addition to materiel coming from Department of Defense (DOD) stock, the U.S. Government (USG) is procuring from domestic and international vendors while using various modes of conveyance to transport defense articles to their final destinations. DSCA and the SC community desires a single system to provide end-to-end visibility of materiel purchased through foreign military sales (FMS). Recognizing the customer service value of reliable, near real-time visibility of SC materiel moving through the transportation pipeline, DSCA designated the Naval Inventory Control Point (NAVICP) as the Executive Agent for the Enhanced Freight Tracking System (EFTS) program on October 27, 2008.

DSCA has three over arching goals in developing EFTS:

- Facilitate the tracking of SC equipment to meet security concerns (e.g., misrouted shipments).
- Improve the SC community's performance in delivering equipment
- Improve overall case management through increased focus on materiel delivery

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Standard Form 298 (Rev. 8-98) Prescribed by ANSI Std Z39-18 EFTS is designed to increase visibility of SC shipments and consolidate tracking in a single application that is accessible via the Security Cooperation Information Portal (SCIP), a password-protected web site that allows both U.S. and host nation personnel to review and input data on FMS/security cooperation cases. EFTS is a secure web-based shipment tracking program that does not impose unusual hardware requirements on participants. The application only requires the authorized participant to have a personal computer with an internet web browser and SCIP access. EFTS will provide visibility of the FMS distribution pipeline for all classes of supply and modes of transportation either outbound from the U.S. to the FMS purchaser's country or materiel returning to the U.S. or U.S. facility overseas. In addition, EFTS will:

- Collect, process, and integrate transportation related information generated by the:
 - •• Military departments (MILDEPs)
 - •• Defense Logistics Agency (DLA)
 - •• U.S. Transportation Command (USTRANSCOM)
 - •• Participating carriers, freight forwarders, commercial sources (e.g., contractors, vendors), and FMS purchasers
- Provide FMS purchasers and U.S. entities with proof of shipment and proof of delivery for FMS shipments
- Retain transportation information in SCIP
- Provide the capability to monitor the distribution pipeline

EFTS provides the FMS purchaser the following benefits:

- Provides a single, tri-service, consolidated, authoritative source of FMS shipment tracking
- Provides the capability to monitor transportation
- Assists in resolving supply discrepancies by being able to identify location of equipment and materiel
- Provides additional case execution (order fulfillment/materiel delivery) tools
- Assists with in-country reception, staging, onward movement, and integration planning

To capture information about FMS and SC shipments, EFTS needs to be connected to several different transportation systems, and be flexible enough to integrate and adapt to new systems that generate relevant transportation data. EFTS receives data from U.S. shipment sources including:

- Defense Logistic Agency's Distribution Standard System (DSS)
- Wide Area Work Flow (WAWF)
- USTRANSCOM's Global Transportation Network (GTN)
- Participating Contractor Systems
- Participating Commercial Carriers

Participation in EFTS is not mandatory, but it is encouraged. DSCA released a Policy Memorandum (DSCA 08-33) detailing program benefits and soliciting participation from FMS purchasers. [The DSCA Memorandum 08-33 is included at end of this article.] The DSCA Policy Memorandum also noted that there may be some unique software configuration cost to user countries

by participating in EFTS (cost to be recovered through a new or existing FMS cases). Since many user countries contract freight forwarders, freight forwarder participation is dependent on purchaser approval.

The first production version of EFTS was released to the SC community on April 30, 2009. DSCA is currently working to expand the level of data to capture transactions from the point of origin in the U.S. through the freight forwarders to receipt acknowledgement in-country. There are thirteen countries enrolled in EFTS and participating freight forwarders will report receipts of SC materiel to EFTS. With EFTS, freight forwarders will report receipts of materiel received from the DOD supply centers and contractors, as well as materiel returns coming from the FMS purchasers (e.g., repair and return, and direct exchanges) and will report onward movement.

EFTS is also expanding levels and displays of transportation information. Metrics information will be refined to provide FMS purchasers the ability to make business decisions on their transportation pipeline. The information will identify delays in shipments and assist in adjudicating missing shipment claims, consequently reducing the number of Supply Discrepancy Reports submitted and processed. The dashboard view will be established based on the user's SCIP access. For example, some purchasers will be able to view all shipment details vice a country representative working for the Air Force who will be able to only view Air Force cases for his or her country.

In fiscal year 2010, EFTS will focus on the development of interface applications for End-Use Monitoring, discrepancy reporting, Customs processing, and capturing materiel moving from the FMS purchaser's country back to the U.S.

EFTS symbolizes a significant improvement to FMS purchaser's support. The system will provide both FMS purchasers and U.S. entities visibility into the status of shipments and delivery for FMS SC equipment. It is expected that the system will reduce misdirected materiel. We encourage FMS purchasers to enroll in EFTS to begin taking advantage of the comprehensive transportation data and track FMS SC materiel through the transportation pipeline.

Please contract Mr. Kidd Manville at <u>kidd.manville@dsca.mil</u> or Mr. James Scaperotto at <u>james</u>. <u>scaperotto.ctr@navy.mil</u> for further information and how to enroll in EFTS.

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