
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 queried 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 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 overarching 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

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 contact Mr. Kidd Manville at kidd.manville@dsc.mil or Mr. James Scaperotto at james.scaperotto.ctr@navy.mil for further information and how to enroll in EFTS.

About the Author

Mr. Manville is a Security Cooperation Strategic Analyst in the Strategy Directorate, DSCA. His responsibilities include the formulation and implementation of policy guidance for executing security cooperation programs, to include Department of Defense programs and authorities related to Building Partner Capacity. He is the DSCA Program Sponsor for the Enhance Freight Tracking System. Prior to working at DSCA, he completed over ten years of commissioned service in the U.S. Air Force. He was a Security Assistance Officer assigned to the U.S. Military Group - Bogotá, Colombia.



**DEFENSE SECURITY COOPERATION AGENCY
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MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Enhanced Freight Tracking System (EFTS) (DSCA Policy 08-33)

EFTS is a secure web-based application that provides in-transit visibility of Foreign

Military Sales (FMS) shipments. EFTS is resident in the Security Cooperation Information Portal (SCIP) and serves as a consolidated source for FMS in-transit information. Ultimately, EFTS intends to provide visibility of the FMS distribution pipeline for all classes of supply and modes of transportation either outbound from the U.S. to the Purchaser's country or materiel returning to the U.S. or U.S. facility overseas. The attached document provides additional information on the EFTS program.

DSCA, in coordination with the Navy International Program Office, appointed the Naval Inventory Control Point (NAVICP) International Programs Directorate as the Executive Agent for EFTS. NAVICP is working with DSCA and the implementing agencies to inform the security cooperation community about EFTS. NAVICP will also work with FMS Purchasers and their freight forwarders to establish EFTS capability according to their individual needs. For those FMS Purchasers who do not use freight forwarders, NAVICP will help determine a way to provide freight tracking information any costs associated with this effort will be funded via an FMS case.

The success of EFTS relies greatly on the participation of the FMS Purchasers and their freight forwarders. DSCA strongly encourages FMS Purchasers to enroll in EFTS to leverage the benefits of having visibility of their FMS shipments throughout the transportation chain. For questions relating to this memorandum, please contact Mr. Kidd Manville, DSCA STRIPOL, at 703-604-6594 or kidd.manvill@dsc.mil.

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Jeffrey A Wieringa
Vice Admiral, USN
Director

Attachment:
As stated

Enhanced Freight Tracking System (EFTS) Information Paper

Enhance Freight Tracking System (EFTS): EFTS is a secure web-based application that will provide end-to-end in-transit visibility of Foreign Military Sales (FMS) shipments to the Security Cooperation community. EFTS is resident in the Security Cooperation Information Portal (SCIP) and serves as a consolidated source for FMS in-transit information. Ultimately, EFTS intends to provide visibility of the FMS distribution pipeline for all classes of supply and modes of transportation either outbound from the U.S. to the 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); and 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, providing FMS Purchasers directed materiel movement alerts.

Phased Implementation of EFTS: EFTS implementation is currently planned in three phases.

- Phase 1: Establish EFTS program, develop requirements and documentation, and deploy the production version of EFTS application.
- Phase 2: Capture transactions from point of origin in U.S. through freight forwarders to receipt acknowledgement in-country.
- Phase 3: Develop interface applications for End Use Monitoring, discrepancy reporting, and capturing retrograded materiel moving from the FMS Purchaser back to the U.S.

Hardware and Software Requirements: Participants must be registered SCIP users with either a SCIP token or Common Access Card (CAC) to gain access to EFTS.

- **Hardware:** There is no required hardware configuration, but participants must have a system that has a web browser and access to an Internet Service Provider.
- **Software:** There are no software requirements to operate or participate in EFTS, it is designed to use the existing systems operated by the FMS Purchaser and its freight forwarder. EFTS will use Defense Information Systems Agency approved transfer methodologies, carriers, and data sources, which includes, but are not limited to Web Services, Application Program Interface Calls, Electronic Data Interchange, File Transfer Protocol, Sybase clients, and Oracle clients to capture the necessary transactions.
- **Optional Equipment:** EFTS is designed to interface with existing systems. EFTS has developed a Hand Held Computer (HHC) application that provides basic receiving, inventory, and shipment capability. The EFTS HHC information is passed directly to and from EFTS on SCIP. Costs associated with this option depend on specific FMS Purchaser requirements and will be funded via an FMS case.

Note: EFTS participants must make subject matter experts (SMEs) and IT professionals available for a negligible period of time to prepare and test system interfaces. The EFTS Program Office will assist the FMS Purchaser and/or its freight forwarder in establishing the required interfaces.

Cost to the FMS Purchaser: The use of a freight forwarding agent is at the discretion of the FMS Purchaser and negotiation with the agent. EFTS has been designed to incur minimal or no cost to this arrangement. Any costs will be recovered via an FMS case.

- System access and file transfers are included as part of implementation. However, some costs may be incurred to develop file transfer capability.
- Should a FMS purchaser desire to pursue optional equipment and capabilities, costs will be incurred depending on the HHC model and source. In addition, there may be costs for transferring EFTS software to the HHC.

Note: Freight forwarders/countries are not required to change their current receiving, shipping, and inventory practices for access and use of the system. The EFTS team will be available to assist in establishing system access and file transfer capability.

Benefits to the Security Cooperation Community:

- Provides a single, tri-service, consolidated, authoritative source for FMS shipment tracking
- Provides the capability to monitor transportation compliance and performance
- Leverages the SCIP database to serve as a source for FMS in-transit shipment related information
- Assists in resolving supply discrepancies by being able to identify each leg of the distribution pipeline
- Provides additional case execution (order fulfillment/material delivery) tools
- Assists with in-country reception, staging, onward movement, and integration planning
- Actively tracks items through the distribution pipeline
- Provides advanced notification of FMS shipments
- Increases efficiency by identifying misdirected shipments using any web browser Points of Contact:
- DSCA Program Sponsor representative for EFTS: Mr. Kidd Manville, DSCA STR/POL, at 703-604-6594 or kidd.manville@dsca.mil.
- NAVICP Executive Agent representative for EFTS: Mr. Terrence O'Connor at 215-697-5003 or terrence.o'connor@navy.mil.