

Smartag's RFID attracts local, international interests

By Marina Emmanuel
marinae@nstp.com.my
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GEORGE TOWN: A home-grown technology using radio frequency identification (RFID), which will be deployed in Royal Malaysian Customs' checkpoints nationwide, is likely to be adopted by neighbouring countries soon.

Smartag Solutions Bhd, the provider of the RFID, has received the thumbs-up from several international and local logistics players who had participated in its trial run, where participants were able to achieve a 50 per cent reduction on time taken for customs, contributing to cost savings.

The trial run - which began in June and ended in August this year, was held at all customers checkpoints, with participants including Western Digital, TNT, Federal Express Brokerage and Priority Cargo.

The Security and Trade Facilitation System, which had its soft launch in Penang on Monday, allows users to use the RFID seal to secure their containers when entering, leaving, and moving within the country.

Through the system, users are able to automatically identify their containers' movement electronically via the RFID seal at the RFID readers which are set up by Smartag in various customs checkpoints across the country.

"We are starting out next month and hope to cover all 200 customs checkpoints and 600 bonded warehouses nationwide in two years," Smartag Solutions chief executive officer PK Lim told reporters at the Penang Second Air Cargo Complex.

Lim also said that interest has been expressed by the customs authorities in Singapore and Thailand to adopt the system.

The RFID project for the Royal Malaysian Customs is one of the 12 initiatives announced by Prime Minister Datuk Seri Najib Razak during the fifth Economic Transformation Programme update in April this year.

Present at the soft launch were TNT Express Worldwide NV regional network manager (Asia Road Network) Dinesh Kanapathy, Air Freight Association of Malaysia chairman Walter Culas and Penang Freight Forwarders Association president Krishnan Chelliah.

"The industry welcomes the usage of the system as we value speed, efficiency and time," said Culas, adding that the system has demonstrated its potential in increasing customs' clearance efficiency and paperless clearance and processes. Meanwhile, Dinesh said based on TNT's internal cost and benefit analysis, the trial has demonstrated that the company will be able to have at least 50 per cent savings, in terms of time for customs clearance.

"All these savings will create a multiplier effect to the economy and the country." Also present at the event was the Performance, Management and Delivery Unit's National Key Economic Area director Dr Fadhlullah

Suhaimi Abdul Malek.

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