Control & Protect
- An asset register with a difference -

Movable assets can include anything from motor vehicles or trucks to drones and yellow metal machines. These assets are often considered the lifeblood of the South African economy - ferrying consumers and services, performing essential tasks and keeping the country going, literally. They are also constantly at risk, especially within the current crime-laden climate, as theft and loss and misuse continue to impact on bottom lines and business. Some of these assets are also not permitted on eNaTIS, which adds another layer of complexity for owners, financial institutions and law enforcement.

"Many movable assets such as jet skis, quad bikes, yellow metal and generators are not covered by the protections inherent in eNaTIS and this poses a problem for the South African Police Service (SAPS), banks, insurers and consumers," explains Kyle Dutton, the Project Manager of the Southern African Movable Asset Register (SAMAR). "Property identification is essential for insurers and banks and if an item is lost or cannot be identified, it presents a problem. For the police, there is a need to track these assets to help reduce crime - illegal import and export of assets - and to better manage inventory registration and maintenance, and for customs officials it provides additional controls for cross-border asset movement."

SAMAR identified the need for assets to be protected more effectively as a clear gap in the market, and so it developed a solution that provides access, control and management of assets to law enforcement, financial institutions and customers. The company provides an updated, current registry that covers the entire life cycle of an asset so that there is always a record of the item's location and ownership status. One scan provides all the information that law enforcement and customs officials need to ensure that an asset is crossing the border legally and with the owner's permission.

According to Dutton, police members stationed at ports of entry (POEs) (border posts) often don't know whether or not an item is registered or allowed across the border and make the assumption that the bank is happy for it to be transported into another country. "With SAMAR, police can now scan the label on the asset and immediately establish whether or not it can be moved," says Mr Dutton.

Consider a simple scenario: a vehicle has come into the port in Durban and is moving through the Beit Bridge POE into Zimbabwe. If the item was being sold in South Africa, then customs would have to be paid on it, but instead the amount is being paid in Zimbabwe. With SAMAR, the police can determine whether the movement of this asset is legitimate or whether someone is illegally moving it to avoid paying customs.

"In addition to external assets, police have internal assets themselves," says Dutton. "They own a lot of equipment which spans anything from quad bikes to cars, and these also need to be managed and

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protected. SAMAR supports them in maintaining control over their fleet management by placing all their assets onto the registry for simple monitoring. It doesn't extend to firearms, of course, but for most other items, the registry is a seamless solution."

Fleet management is as important for individual police stations as it is for border control. Assets go missing on a regular basis, making it essential that SAPS uses a solution that provides a clear window into the asset's location and status, and flexibility in how it does so. SAMAR also comes with an app that can link to the relevant local municipality to show which assets fall within police jurisdiction, and which are owned by the municipality.

"The system is designed to be as simple as possible so that law enforcement can use it to make their lives easier," adds Dutton. "This is carried over into the insurer space too, as the solution allows for insurers to track the lifecycle of an asset from the first owner to the finance institution to its current location. When it is stolen or damaged, this is reflected within the SAMAR database which aids both police and insurance in preventing fraud."

If, for example, a yellow goods device such as a forklift is written off, it moves out of the title of the owner or the bank (whomever is financing it) and into the name of the insurer. The asset is now owned by the insurance company, who will release it to the scrapyard, then ownership shifts to the scrapyard until it is finally written off. This trail is closely monitored by SAMAR to ensure an accurate record is kept - if the asset is then repaired and reintroduced into the market, then SAMAR will make that fact known.

"An asset that has been written off by the insurer may be repairable by the scrapyard, so they may rebuild and resell it or sell off the parts," explains Mr Dutton. "The insurer may not think there is enough value, but the scrapyard doesn't see it that way. With SAMAR, the insurance company now knows that the asset has been previously written off and that it may need a higher premium as things may go wrong. It saves the insurer money, and alerts the buyer as to any potential issues."

Another element of fraud that SAMAR counteracts is what happens when a vehicle is written off and the criminal then buys the ruined vehicle, hijacks a similar one and clones the VIN number. Insurers with access to SAMAR can detect this level of fraud and immediately alert the relevant authorities as to the fake VIN. The solution goes a long way towards addressing some of the most insidious asset fraud scams in the South African market today.

"Protecting assets through accurate maintenance, management and control has a long-term positive impact," concludes Mr Dutton. "Law enforcement is given a tool that supports them in not only reducing crime, but in keeping track of their own assets, while consumers, financial institutions and insurers have peace of mind."