

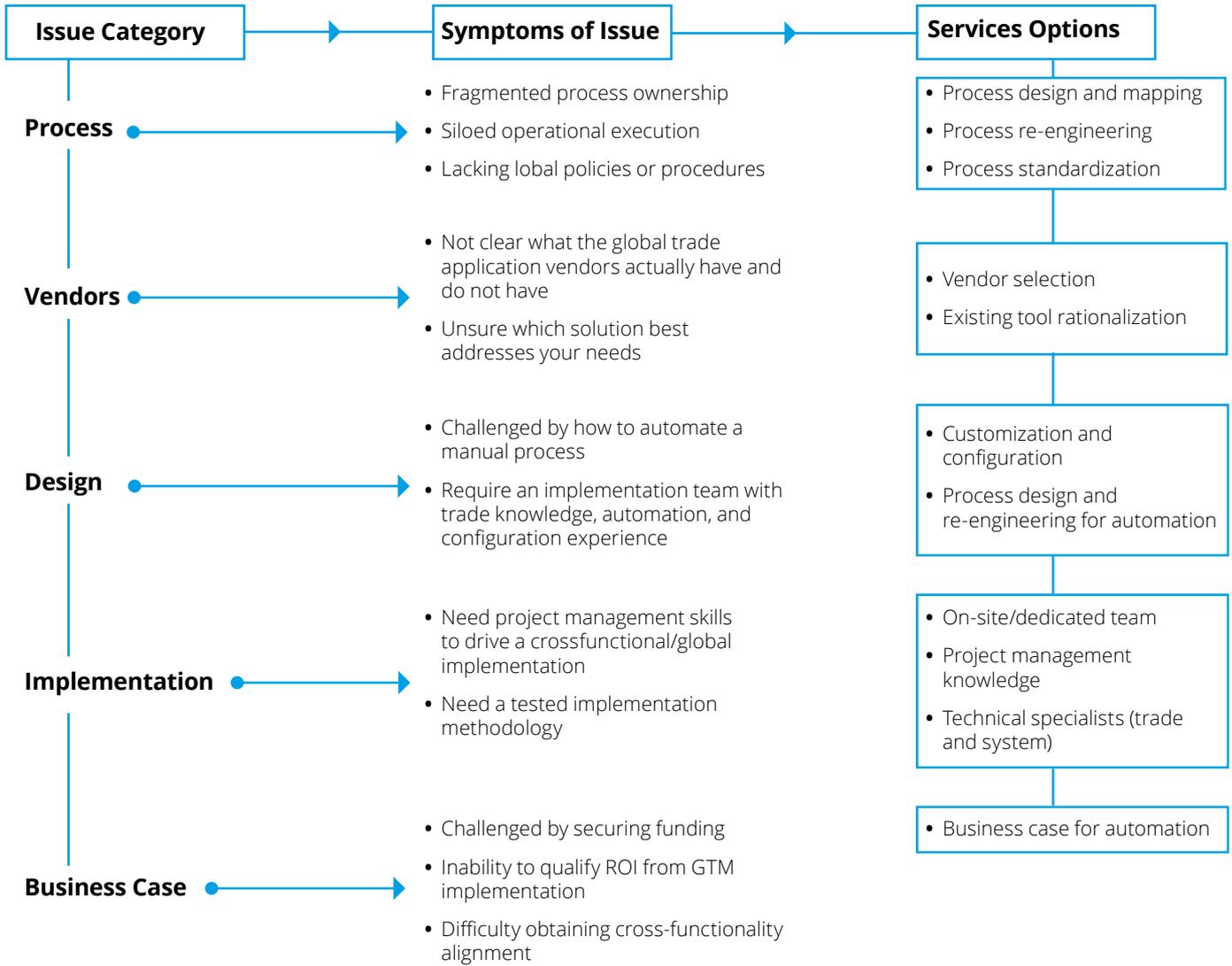


The Missing Part of the Global Trade Automation Equation

Cost reduction, process efficiency, and exploring cash savings opportunities dominate the agendas of most business units within today's multinational companies. No group is exempt from these pressures and trade groups are no exception. However, not all multinationals regularly review their global trade management options to determine whether they are effectively using automation to make an impact on the company's bottom line.

If you face challenges when trying to assess, improve, or obtain a trade automation solution, then our unique set of services and expertise may be the support that your organization needs. Our team is uniquely positioned to help your business by combining world-class systems consulting and specialized global trade and tax knowledge. We are your service provider to help you analyze your needs and explore feasible automation applications. Our global trade professionals understand global trade leading practices and automation as a menu of options, not as a one size fits all solution.

Deloitte's Global Trade Advisory (GTA) team has the skills, tools, and experience to help you focus on turning these challenges into competitive advantages.







More Relevant than Ever

Global trade topics once again dominate headlines as various countries have begun exhibiting protectionist rhetoric and pursuing competitive trade policies. The United States in particular has begun pursuing a variety of trade remedy actions against some of its largest trading partners at the WCO/WTO level to combat what it has characterized as unfair trading practices. The US has also stepped up sanctioning efforts against some of the largest multinational companies in the world for not complying with its broad-based export controls regime. These complex and frequent developments threaten established supply chains and challenge global trade management professionals to adapt quickly or risk the interests of their businesses.

In a competitive environment where managing risk, reducing costs, and pursuing savings opportunities are important drivers for trade professionals, investigating options for trade automation becomes critical. Improving your company's bottom line means you cannot just rely upon local teams to manage import/export operations by following a variety of manual and disparate processes that may, or may not, be guided by corporate policies.

Trade automation considerations need to be a part of your ongoing due diligence. The following questions get at the root of the issue that companies face:

Data Management by spreadsheet?	▶	<ul style="list-style-type: none"> • Is your international trade function primarily managed using spreadsheets? • Do you have various groups in different countries or business units managing imports and exports differently?
Process execution in silos?	▶	<ul style="list-style-type: none"> • Do you know if your local country operations are following your global trade policies? • Do you have resources occupied in roles involving time-consuming document preparation and transactional management which leaves little time for strategic initiatives?
Limited/no visibility to metrics?	▶	<ul style="list-style-type: none"> • Do you have a way to keep track of historical reporting that is tied to import and export filings? • Do you have analytics related to brokers and forwarders?
Ad hoc systems usage?	▶	<ul style="list-style-type: none"> • Do you have operational trade related metrics with cost analysis, and are they reviewed regularly? • Do you know the value your team is delivering via regular performance indicators?
Compliance with government mandates?	▶	<ul style="list-style-type: none"> • Do you have a number of varying systems that leave the trade function fractured with no single reliable source? • Are you positioned to address government requirements to electronically report data elements?

Innovation in Global Trade Automation

Deloitte continues to be a market leader in innovative new technologies and their application towards solving business issues. The area of Global Trade Automation is no exception with our team leading the way with the following key technology solutions from both a service offering perspective and tracking of emerging trends:

- **Unique Implementation Delivery Model**

Partnering functional, technical, and global trade experts., etc.

- **Service Offering: Global Trade Radar (GTR)**

Global Trade Radar is Deloitte's proprietary, multi-jurisdictional customs data analytics solution. Global Trade Radar can give greater insight into companies' global customs profile, to facilitate informed decision-making, identify opportunities, and address compliance weaknesses. The majority of multinationals outsource their customs reporting to brokers, so lack the ability to generate insight, because the transaction level detail resides outside their own ERP systems. Global Trade Radar drills down to this level to provide a holistic picture of a company's historical customs declaration activity to provide insight into missed opportunities.

- **Service Offering: Global Trade Management (GTM) Analytics for SAP GTS**

GTM Analytics allows companies to harmonise data from different entities and systems to enhance processes and/or rationalize controls. Instead of focusing on detective compliance mitigation (i.e., noting issues after the fact), companies can maximise their potential through a single, reliable system. This can be fully integrated in sequential phases, allowing companies to visualise and analyse all their data on a single platform and make suitable strategic decisions in real-time. Advanced analytics, reconciliation and forecasting will allow companies to use a comprehensive global trade management solution for strategic decision-making in sourcing, supply chain and transfer pricing.

- **Emerging Technology: Robotic Process Automation (RPA) and Artificial Intelligence (AI)**

Companies are responsible to correctly classify their products for both customs and export control purposes. The classification code determines: (1) Import duty rates, preferences; (2) Quotas, suspensions, health and sanitary measures; (3) VAT, excise duties; (4) Licence, authorization, reporting, and recordkeeping requirements; (5) Shipping documentation and labelling requirements.

RPA and AI can help by substantially automating the classification process via mimicking human judgement, reasoning, and suggesting classification values to users. The result of such technology is the decreasing of cycle times, reduction of operational costs, and improvement of classification accuracy.

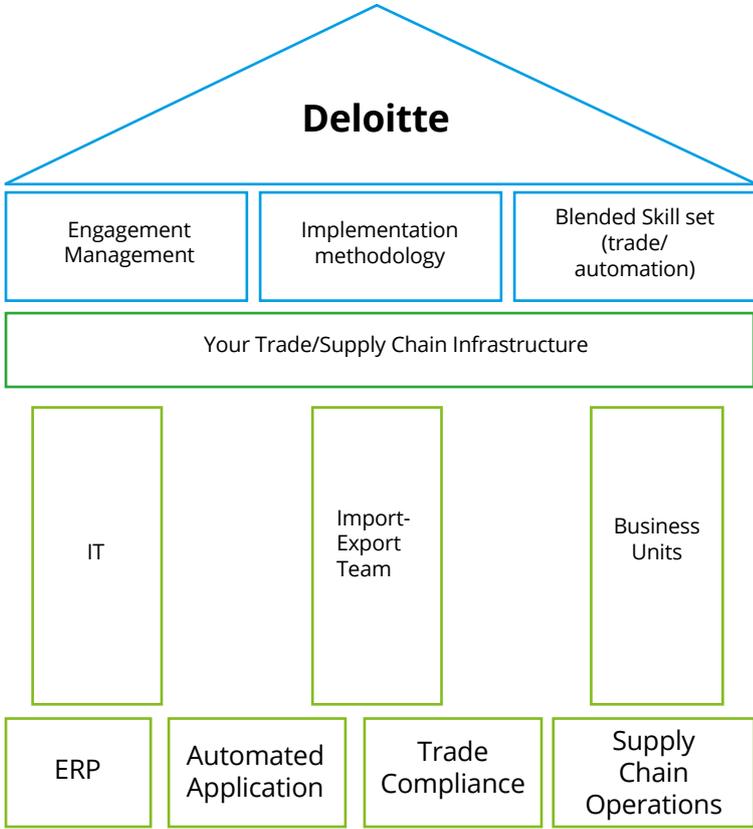
- **Emerging Technology: Blockchain**

A Blockchain is a record/ledger of digital events that is distributed between various parties. The record/ledger can only be updated by consensus of a majority of system participants and information cannot be erased once logged. One of the most promising applications of blockchain technology exist in cases where value or assets are transferred value or assets between parties. These processes are often administratively burdensome, costly, and require multiple facilitating organizations. This is a particularly promising area for data exchanges between parties in supply chain and the replacement or supplementing of the execution of customs declarations. Deloitte has been closely monitoring and publishing thought pieces on this area of promising technology.



The Right Combination — One Deloitte

By combining the experience and knowledge of the Consulting and Tax practices of Deloitte, our integrated team can provide a “one-stop-shop” for automation software selection, solution design, implementation services, and ongoing solution support post-implementation. Our approach to these projects includes a rare blend of skills that combine the traditional international trade experience, deep business process knowledge, tested experience in automated applications, and the required configuration and engagement management skills.



Deloitte is proud to be in a “Category of One” for this offering. We present the combination of a team of trade compliance specialists that have a deep knowledge of automated software applications, ERP, project management and demonstrated methodologies. We will work with each of the stakeholders on your team to bridge the divide between the requirements of the IT group, import-export professionals, and the business unit.



Global Trade Advisory: It is not just a name — it is what we do.

Our global trade specialists have teamed with leading software vendors, as well as with Deloitte Consulting LLP — the foremost systems integrator — to configure and customize automated applications to address our client’s needs and circumstances. Examples include:

- Developing business case and value engineering assessments for global trade management application deployments.
- Performing global trade management application evaluation and selection services.
- Assessing existing global trade management application architecture and advising on ways to optimize process, systems design and data management.
- Designing, implementing and deploying over 50 SAP Global Trade Services (GTS) projects across 35 countries; these engagements covered a broad number of industries with tailored approaches to address global and regional trade compliance requirements, customs documentation and duty minimization strategies (including the use of numerous free trade agreements).
- Serving as a leading integrator of Oracle’s Global Trade Management solution.
- Teaming with leading global trade management application providers to augment existing functionality in response to client needs and the ever-changing regulatory framework.

Extraordinary Times, Extraordinary Service

- We are part of a multidisciplinary global network that includes more than 500 international trade professionals in over 100 countries. Learn why so many multinational companies trust Deloitte to help them by leveraging this global network and experience base.
- The GTA Service Offerings related to trade automation are distinct tools to be used in the larger world of your IT and trade process strategy. Let this be your first step in understanding what the next steps are for immediate results and long term success — whether at the process level, business case level, or with a full implementation.



Contacts



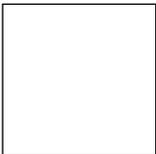
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