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Deloitte
Global Trade Services
Centre of Excellence

Introduction

In current environment, Global Trade policy and regulatory frameworks are under intense scrutiny with historic changes proposed or in process. To navigate and plan for potential regulatory changes of this magnitude, global entities require scalable global trade management systems to enable compliance operations resulting from significant regulatory changes. To give an idea of the complexity of Global Trade, companies who serve a global market need to:

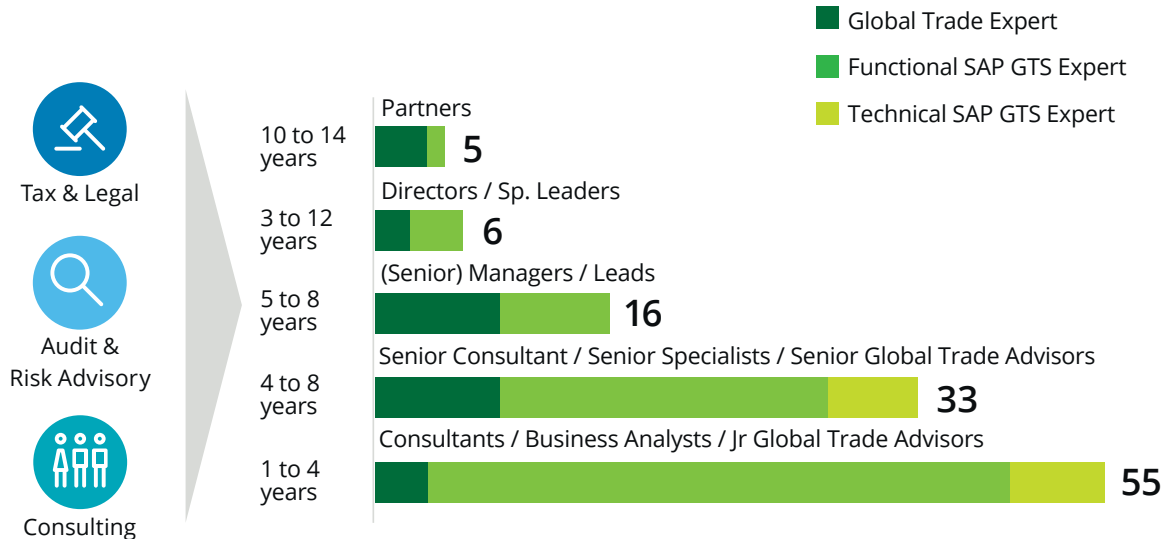
- Ensure no trade is done with embargoed countries and black listed entities
- Optimize the declaration & clearing process
- Review the sourcing of their products, since the use of Free Trade Agreements (FTA's) may lead to a significant decrease in import duties being paid

Deloitte's global offering of SAP Global Trade Services (SAP GTS) will help companies to centralize, automate and manage all these collective requirements. Over the past decade, Deloitte has developed a market-leading service offering for implementing SAP GTS on a global scale. This unique service offering combines a mix of global trade regulatory specialists, technical resources that have dedicated their careers to architecting and deploying SAP GTS and certified functional SAP GTS experts. The result is a vast network of highly experienced, international trade specialists, allowing Deloitte to provide regional and local regulatory support according to client-specific needs, whatever and wherever they may be.

Our international GTS team can offer expertise across all the GTS functionalities:

- Compliance Management looks at Sanctioned Party List (SPL) screening, Embargo screening and at import & export License Management, including applications and amendments (e.g. license management for regulatory bodies such as the Export Administration Regulation (EAR) and the International Treaty of Arms Regulation (ITAR) amongst others, but also for the Food and Drug Administration (FDA), etc.).
- Customs Management mainly focuses on the efficient declaration and clearing of customs. It ensures that border crossings do not cause delays in customers' deliveries, and at the time optimizes inventory for clients. This includes Import & Export e-Filing as well as Bonded Warehousing, Free Trade Zones and Inward/Outward Processing Relief helping to leverage the specific duty regimes available across the world.
- Trade Preference Management is aimed at leveraging international trade agreements such as EU agreements, MERCOSUR, ASEAN Free Trade agreements or the North America Free Trade Agreement (NAFTA).
- Letter of Credit helps manage and automate the letter of credit related activities at the different stages of the order to cash process.

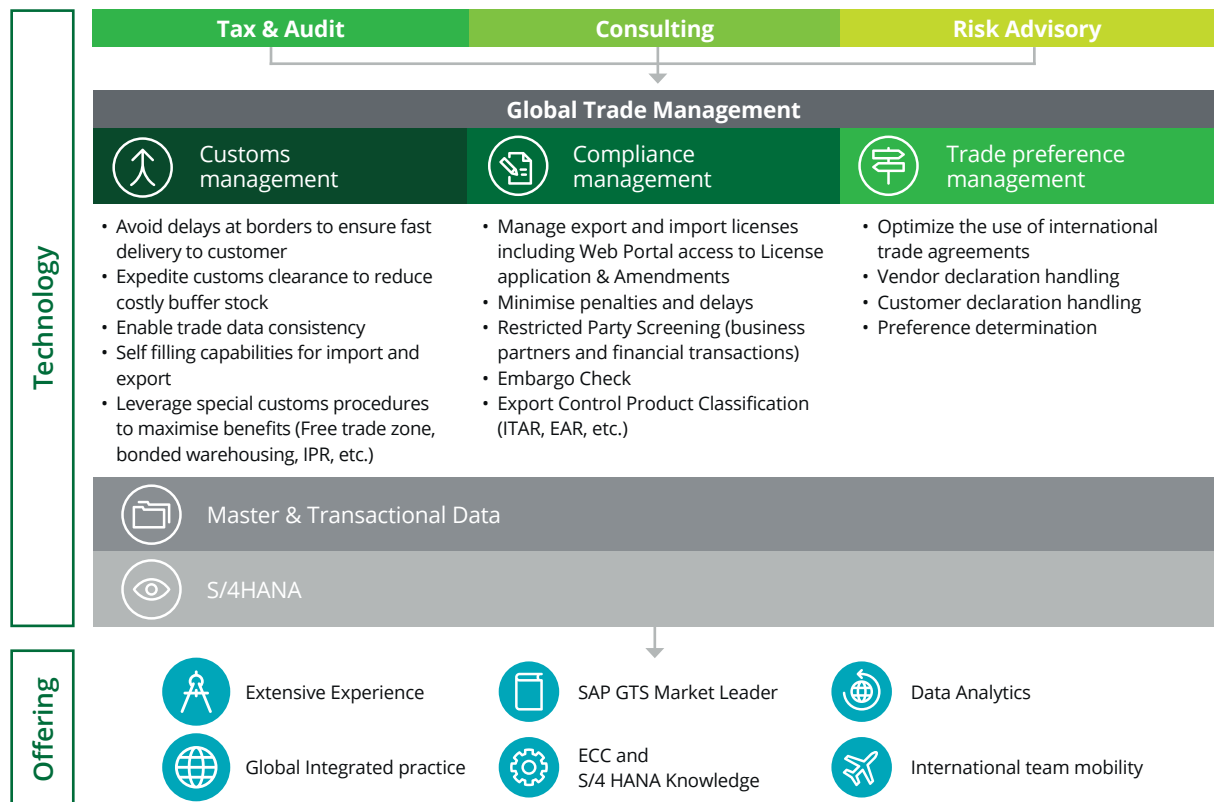
An integrated Offering - 115 Practitioners



Approach & Integrated Offering

The GTS team supports clients in every SAP GTS related topic such as:

- Global Trade vision and roadmap
- Reduction of compliance costs of global trade regulation and operations management
- Acceleration of cross-border transactions
- Financial risk reduction of regulatory non-compliance of international trade
- Expansion of duty optimization benefits available in international trade
- Global Trade Analytics turning global trade insights in business benefits



Client Value

Global trade continues to evolve as one of the most complex and crucial aspects of supply chain management. With a mix of national security, foreign policy, revenue collection and consumer protection objectives, the need for technology-based solutions across this data intensive field with broad

legal ramifications is imperative. Architecting the right solution and blending this effort across business processes requires a well-formulated approach and sound execution. SAP Global Trade Services (SAP GTS) is the enterprise trade management platform which centralizes, manages and automates these collective

requirements. Given Deloitte's 360° analysis of structures, processes and systems, we are extremely well equipped in matters of Customs and International Trade to come up with solutions for any challenges which the client might be facing.

We offer value to our clients in the following areas:



Legal requirements

- Full understanding and knowledge of worldwide international trade agenda and of synergies between different legal agendas
- Legal watch service to customers
- Close collaboration with national authorities, and implementation party of authorities execution systems



Implementation partner

- Global strategic partnership with SAP BusinessObjects Governance, Risk and Compliance (GRC) and close collaboration with SAP AG on prioritizing software functionalities (3 GRC related SAP Pinnacle awards in the last 3 years)
- Access to national authorities during implementation (project timeline assurance, goodwill)
- Fully integrated international trade compliance and SAP GTS expert team



Changes

- Organization design: Deloitte is a key player in the shared service center study and implementation
- Training by customs experts for customs experts (we have former customs officers in the Deloitte team)
- Track record in cost reduction by optimizing trade compliance processes (e.g. simplification granted by authorities in filing process, customs valuation optimization ...)



Quality

- Data quality of existing ERP systems: Deloitte tools and control framework (Commodity Code Analyzer, Tax Risk & Opportunity Analyzer)
- Quality of the business input: expertise to access quality of data and As-Is information provided



Cost and Speed

- GTS template: forms (SAD, SED, EURI, Certificate of Origin ...), feeder system interface filtering mechanism, ABAP workaround for product functionalities GAPS (global and localization)
- Enterprise Value Delivery (EVD) methodology for GTS

Global Trade Experts

Due to the ever changing and complex global trade regulations, it is critical to have deep understanding and interpretation of the requirements including helping to translate these into the SAP GTS solution design. Our Global Trade experts have deep understanding of the SAP GTS functionalities, as well as tax and international trade regulatory expertise. These experts work closely with the SAP GTS Functional and Technical experts when deploying the GTS solution.



Functional SAP GTS Experts

The Functional SAP GTS experts have strong SAP GTS functionality expertise and are responsible for documenting the business and regulatory requirements that need to be considered for the SAP GTS solution. Depending on their level, these profiles have 1 to 7 years of relevant SAP GTS experience. These experts also have knowledge of the ERP Central Component (ECC) and S/4HANA.

Technical SAP GTS Experts

The SAP GTS Technical experts have a strong technical background of SAP GTS. These experts take a lead role in configuring and deploying the GTS solution including technical design and implementation of potential enhancements or add-ons. These experts also have knowledge of the ERP Central Component (ECC) and S/4HANA.

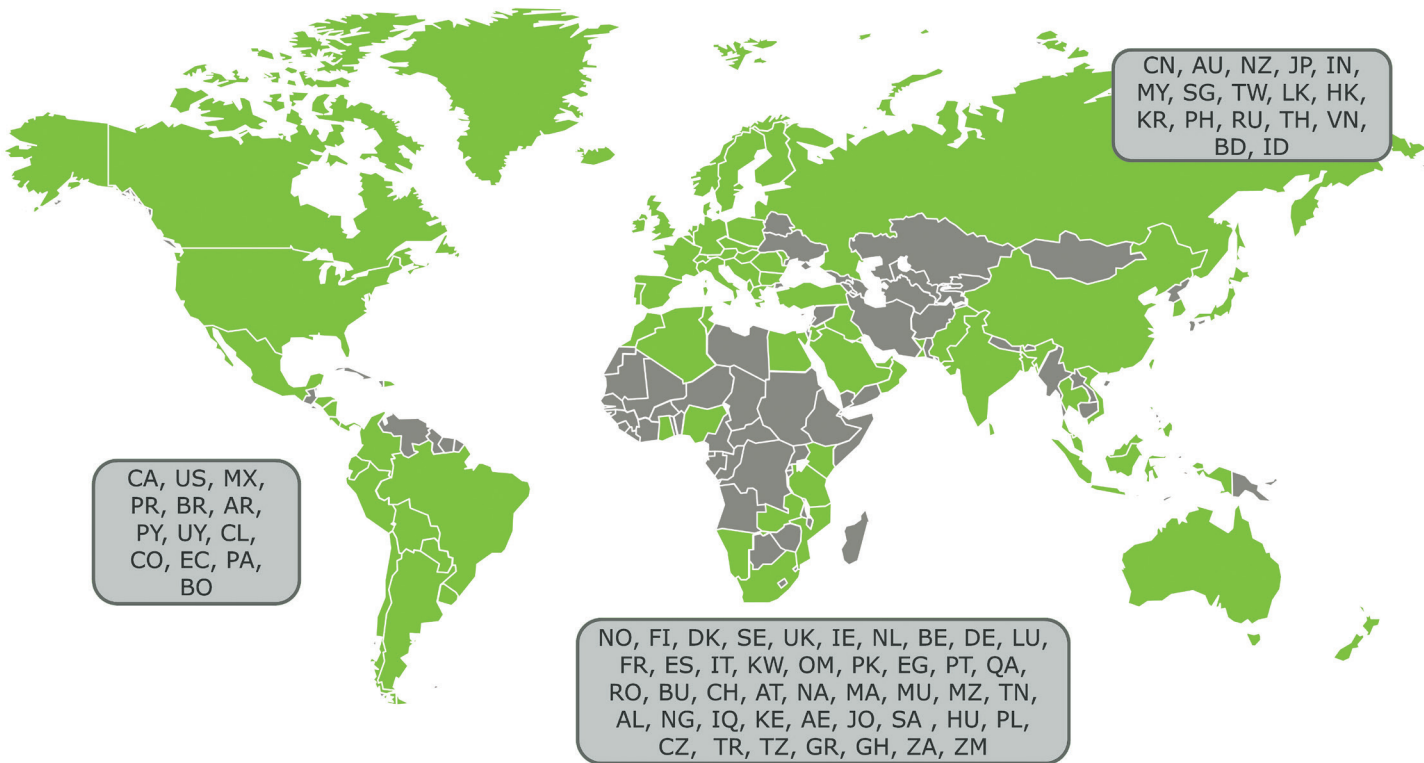
GTS Footprint

We have built extensive experience with respect to the implementation of SAP GTS worldwide using Deloitte integrated teams combining Tax (Customs and Global Trade) and Consulting's Enterprise Applications/SAP transformation services.

Also, through close collaboration with our local customs experts, we were able to accelerate and secure legal requirement gathering and validation, delivering projects within timeline and budget.

	Global Luxury Goods Conglomerate	International leader in Power & Automation Solution	Life Science Company
	One global SAP ERP-system and multiple non-SAP feeder systems, connected to a single GTs instance (GTS 11.0)	Multitude of country-based SAP ERP feeder environments connected to a single GTS instance	Full GTS Implementation
	<ul style="list-style-type: none"> • Customs Management • Trade Preference 	<ul style="list-style-type: none"> • Compliance Management • Customs Management 	<ul style="list-style-type: none"> • Compliance Management • Customs Management • Trade Preference + extensions (GTS Analytics and GTS xECM)
	Switzerland & APAC	Worldwide	Worldwide
	<ul style="list-style-type: none"> • 1 600 000 products • 450 000 Bill of Materials • 250 000 Business Partners • Localized direct e-filing and broker model • Preference support for non-ERP integrated flows 	<ul style="list-style-type: none"> • 20+ ERP Feeder Systems • Interface with external software for product classifications • e-Filing interface with local brokerage environments 	<ul style="list-style-type: none"> • Mixture of SAP & nonSAP feeder system landscape • E-filing with customs • BI analytics dashboard on product sourcing • GTS xECM DMS integration

Deloitte COE GTS Project Coverage



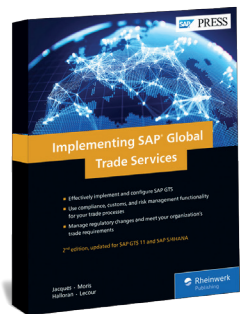
GTS Publication

Since the inception of SAP GTS over ten years ago, Deloitte has worked alongside SAP pioneering the implementation of this solution in countries around the world. This global, multi-year effort, presented the opportunity for the Deloitte team to develop deep experience on the intricacies of architecting SAP GTS across all functional capabilities including Compliance, Customs and Risk management. We have worked alongside the SAP GTS team in Walldorf (Germany), with the joint goal of improving, developing, and maturing the SAP GTS solution and related implementation services. Just over three years ago, the

Deloitte GTS Global Competence Center initiated a journey aimed at sharing this breadth of experience with the broad international community that works across the maze of global trade regulatory requirements and technology solutions to manage increasingly complex supply chains. The intended result: to publish this SAP GTS content with SAP Press, the most renowned publisher of SAP knowledge. SAP Press, after hearing more about this decade-long endeavor, lent their support and guidance to this body of work that encompasses a mix of technical, functional and regulatory content. This publication will help companies,

global trade professionals, and SAP GTS practitioners further their knowledge and understanding across the complex intersection of global trade regulatory requirements and this enterprise technology solution. The intent of this publication is to provide a resource to all, regardless of whether or not the reader is considering a first-time SAP GTS deployment, refining existing functionality or deploying the solution in new regions globally. With various configuration options noted in detail, this unique publication should have something for everyone.

Publication



The book "Implementing SAP Global Trade Services" edition two will be published in September 2018. Referred to by SAP Press as "The complete guide to setting up SAP GTS for your business!"

Don't get tied up in global trade red tape! Navigate the complex web of regulations with this guide to implementing SAP Global Trade Services. Learn the ins and outs of SAP GTS and how it connects to SAP ERP and SAP S/4HANA. Get step-by-step instructions to configuring compliance, customs, and risk management functionality, and explore your reporting options. Get insight into global trade innovations, in SAP GTS 11.0 and beyond!

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