### e2open

SOLUTION BRIEF

# Comprehensive Orchestration for All China Trade

China is an attractive place to source, manufacture and sell goods, but it is also one of the most challenging due to its frequent national and regional regulatory changes. Success in this market requires automated end-to-end process orchestration, quick awareness of changes to local regulations and a deep understanding of how these affect costs and margins. With e2open's local team of experts, the world's most comprehensive trade content and a suite of intelligent applications powered by artificial intelligence (AI) and machine learning (ML), companies automate and easily manage all trade operations for uninterrupted and compliant import, export and multi-facility transactions across China.

### Faster border clearance enhances overall supply chain performance

Border delays are common for many companies trading with China. Import and export regulations change continuously and differ from region to region and port to port. High-volume trade data, paperwork, permits and licenses must be collected and submitted. Companies are required to submit complete and correct declarations using the electronic filing systems of Chinese Customs authorities. Meeting these various requirements takes an immense amount of time and creates substantial compliance risk when attempted manually. With e2open, companies execute all trade operations automatically from a single place in the cloud. Programmed process flows follow the latest import and export guidance, safeguarding the compliance of day-to-day operations. Trade data, documents, licenses and permits are easily collected from multiple facilities and different trading partners, harmonized and validated for accuracy. With a uniform view of all required information, companies can use the system to seamlessly submit accurate customs declarations directly to the authorities. The integration of the full China Customs Tariff accelerates and harmonizes the time-consuming search for the right product classification code across all sites.

#### Key features

- Comprehensive China trade orchestration from one place in the cloud
- Automated import and export processes to accelerate border clearance
- Submission of declarations for all types of trade directly to China Customs
- Access to China-specific, granular-level trade content to comply with all trade laws
- Complete Customs Handbook management to track
  and trace processing operations
- Powerful analytics and AI-backed audit processes to mitigate compliance issues

#### Key benefits

- Faster time to market through accelerated China border clearance
- Reduced broker fees through confident self-filing with
  China Customs
- Ability to gain more favorable regulatory terms through China Customs' ACE status
- Suspension or deferment of duty payments through efficient Processing Trade and comprehensive bonded zone management
- Improved pricing decisions through clarity of total landed costs prior to import
- Enhanced compliance and reduced manual effort through automated audit process
- Continuous improvement of strategic planning and decision-making with unparalleled visibility

### Agility for quick compliance with fast-changing trade rules

Companies are legally required to comply with even the most granular-level legislation and hard-to-interpret, regional implementation and local guidance — factors which can change without advance notice. Accidental non-compliance can lead to delays, fines and brand damage. E2open's team of local customs and global trade experts ensures that the system quickly accounts for all



regulatory changes so that there is no lapse in compliance, even under short notice. The extensive network of specialists reaching all parts of China, and regular faceto-face briefings and events ensure that enterprises can access advanced support for even the toughest compliance questions.

#### Increased profit margins with automated visibility and optimization strategies

There are many costs that weigh heavily on businesses trading in China, such as customs duties, fees, charges and other taxes. Sometimes these costs seem to suddenly arrive out of nowhere. In addition, other compliance, indirect, and transactional costs eat away at margins. E2open updates these costs daily in the system and AI-powered algorithms use this updated data to automatically calculate the total landed costs for any transaction. In seconds, companies can calculate their costs for different China-related transactions, such as what the preferential duties would be for goods imported into China from various countries. Users can instantly view the results and factor these into decision-making to ensure optimal transactions.



#### Complete, compliant and efficient management of processing trade and bonded zones

Where businesses defer customs duty payments using processing trade or comprehensive bonded zone methods, they are required to keep detailed records of receipt of materials, storage, use and ultimate export of products manufactured from imported materials, and meticulously log those records in China's Handbook for Processing Trade. With e2open, businesses can automate the track and trace process for any type of operations that need to be recorded in the handbook, including for import, export, replacement, return, domestic sales, factory transfer, scrap, reconciliation, closing and inventory roll-over.

### Access to more favorable regulatory terms

China's Customs agency requires that companies be compliance-rated. Those with excellent compliance records receive top ratings and are granted Advanced Certified Enterprise (ACE) status. With this designation come simplified processes, reduced restrictions, release from excessive inspections, faster customs clearance and other benefits. E2open's integrated, powerful compliance database and automation tools put companies squarely on track to achieve this next level of operational excellence in China trade.

Companies can now automate full compliance, gain favorable regulatory terms and easily manage complex, multi-facility processes in the highlyregulated Chinese market. They also gain deep visibility into true landed costs in a region with fluctuating fees and tariff schedules.



#### Better decision making with comprehensive analytics and audit capabilities

To make better decisions and orchestrate all operations effectively, efficiently and compliantly in China, business leaders need high-quality, comprehensive data and the tools to interpret it effectively. With e2open's integrated applications, decision-makers gain unparalleled visibility and clarity to plan for future imports and exports and to understand how changing trade parameters in China could impact the organization. They can also seamlessly carry out extensive compliance audits to identify bottlenecks and potential issues and take preemptive action.

## End-to-end supply chain management platform

Once an organization implements any e2open platform application, it is easy to add more capabilities in the future for better visibility, coordination and control over the end-to-end supply chain. The e2open platform creates a digital representation of the internal – and optionally external - network, connects internal enterprise resource planning (ERP) and financial systems using SAP® and Oracle® certified adapters for timely data feeds and normalizes and cleanses the data to make it decision-grade. Using machine learning-enabled algorithms and supply chain management applications, the platform processes the data and provides bidirectional, closed-loop communications back to ERP systems for execution. This facilitates the evolution of supply chain processes towards true convergence of end-to-end planning and execution and execution.

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