# e2open®

# Trade Agreements

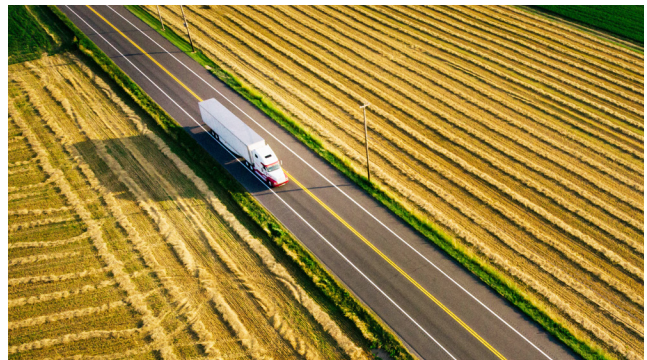## Reduced Product Costs Through Free Trade Agreements

Using free trade agreements (FTAs) can significantly lower import costs. However, most organizations struggle to manually identify applicable FTAs and manage the stringent documentation requirements each agreement includes. The trade agreement management functionality in e2open Duty Management application automatically identifies relevant FTAs and fulfills all documentation requirements with minimal manual effort. Importers get a streamlined process, dramatically lower import costs and less risk of errors.

Making optimal use of all available FTAs is a great way to reduce or eliminate duty costs. Yet qualifying for and managing each agreement is exceptionally complex and requires expert knowledge, which most companies do not have in-house. To use FTAs, companies must solicit product information from potentially hundreds of supply chain partners and determine which products conform to the rules of origin for each trade agreement. They also must be able to support each claim by holding valid proofs of origin for finished goods and components. Trying to manually manage such complexity comes at a high administrative cost and is error-prone, which stops many companies from leveraging FTA opportunities.

One of e2open's Global Trade applications, e2open Duty Management automates this duty saving process. It scans granular product data — including bill of material (BOM) details — and qualifies products automatically against the rules of origin of over 200 FTAs to identify agreements that would reduce duty costs. Then it allows importers to easily gather supporting documentation from suppliers and create and manage all required forms with minimal manual effort.

## Key Features

- Supports over 200 FTAs — the broadest coverage in the market
- Determines eligibility across multiple FTAs using a robust qualification engine
- Automatically calculates duty savings potential for each agreement
- Successfully analyzes even the most complicated rules of origin against BOMs
- Provides structured campaigns and secure solicitation portals to streamline the gathering of signed FTA certificates or declarations
- Generates legally required declarations, statements and certificates of origin and seamlessly manages their revisions and renewals

## Key Benefits

- Cuts total cost of goods by using FTAs to reduce duty obligations
- Reduces the need for costly consultants by automating the qualification process
- Saves time by mitigating the manual administration of agreements
- Maintains compliance and reduces the risk of errors by linking up with the world's most accurate database of regulatory information
- Increases confidence by creating and maintaining a reliable audit trail for duty-related decisions and actions

## Comprehensive and Automated Trade Agreement Management

By using automation, exhaustive and accurate trade content, a powerful classification engine and streamlined collaboration between supply chain partners, importers can easily maximize cost-savings through FTAs.

### Identification and Preferential Origin Qualification

With hundreds of trade agreements in force globally, it can be challenging to determine if one exists between specific jurisdictions in the first place. Additionally, each FTA has specific rules of origin stipulating where and how qualifying goods must originate, and these rules determine if a product is eligible for duty reductions. Each product must be individually qualified by analyzing each of the constituting parts or components listed in its BOM. This can represent thousands of line items, making it virtually impossible to manually determine if the goods qualify. E2open identifies FTAs that potentially apply to each transaction. It then analyzes product data — down to the last part or material — to determine its origin and identify those that are eligible for duty savings.

### Supplier Solicitation Campaigns

To exercise a preferential duty claim based on a trade agreement, companies must provide supporting information and documentation from suppliers. The application enables companies to issue mass solicitations to their suppliers and receive responses across a single, collaborative platform. Suppliers can also enter information directly into the system using a secure portal, and then generate or upload the certificate of origin to ensure the required statements or certificates are available.

### Certificate of Origin Management

Managing certificates of origin and their expirations, renewals and revisions for thousands of products is extremely difficult without automation. Where a certificate of origin is required, the application allows users to generate and republish it while keeping prior versions for audit purposes. If a change results in a product losing its FTA eligibility, appropriate steps can be taken to withdraw the certificate and distribute a new one from exporter to importer, as necessary.

### Large and Ever-Expanding Coverage

E2open's trade agreement qualification system is scalable and supports over 200 trade agreements. Once the application is set up, users can expand FTA coverage and easily add claim details, documents and rules of origin for more trade agreements to capture additional duty savings.

### The World's Most Comprehensive Regulatory Data

The application is powered by the world's most current and exhaustive body of trade content, contained in e2open Global Knowledge® application. Hundreds of trade specialists following a certified ISO 9001:2015 process gather daily changes to trade rules, regulations and terms, and translate them into digital representations to automate trade compliance. Importers can be confident their FTA initiatives not only comply with all documentation requirements but also identify all possible duty reductions.

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Increase margins by leveraging cost savings from FTA programs. By qualifying for complex rules of origin with the click of a button, importers reduce labor-hours and costly expert advice.

## About e2open

At e2open, we're creating a more connected, intelligent supply chain. It starts with sensing and responding to real-time demand, supply and delivery constraints. Bringing together data from customers, distribution channels, suppliers, contract manufacturers and logistics partners, our collaborative and agile supply chain platform enables companies to use data in real time, with artificial intelligence and machine learning to drive smarter decisions. All this complex information is delivered in a single view that encompasses your demand, supply and logistics ecosystems. E2open is changing everything. Visit www.e2open.com.

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