



THE 11TH JOINT INDUSTRY OUTREACH SEMINAR ON STRATEGIC TRADE MANAGEMENT - SINGAPORE 2023

The ROI of Automating Trade Compliance

Dr. Mereke Sterl-van Garderen, Trade Compliance Specialist at AEB



About AEB

Software for Global Trade and Logistics



1979

40+ years of
experience



600+

employees
from 20+ countries



13

offices in 8 countries



7,000+

businesses in 80 countries
running AEB software



20+

years of experience
in the cloud



100 %

employee-owned and
owner-operated



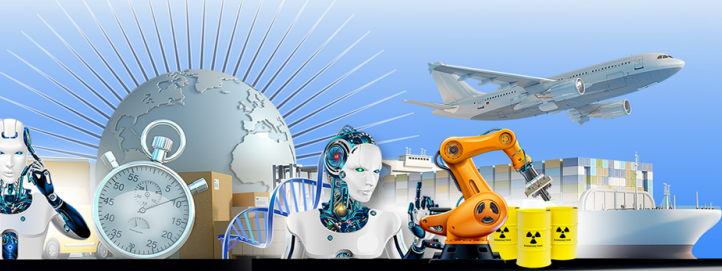
Sustainability

Climate-neutral
since 2021



Responsibility

Promoting educational projects
through the AEB-Stiftung



Trade Compliance Management

The end-to-end solution for optimal protection against export-related risks. Integrated into your systems and processes, enhanced with an automated content service.

Compliance Screening

Screen against every type of sanctions list, with up-to-date data.

Product Classification

Classify your goods the smart way.

Export Controls

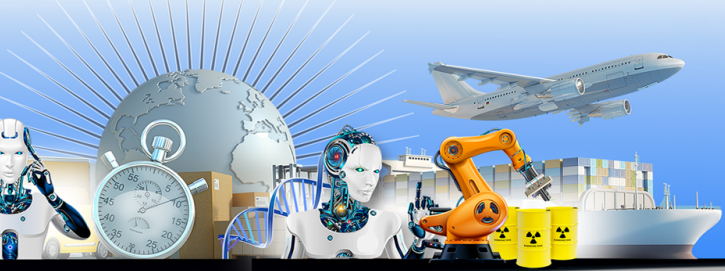
Screen exports against all relevant laws and regulations.

License Management

Manage your export licenses efficiently.

Risk Assessment

Bring automation and transparency to your risk management.



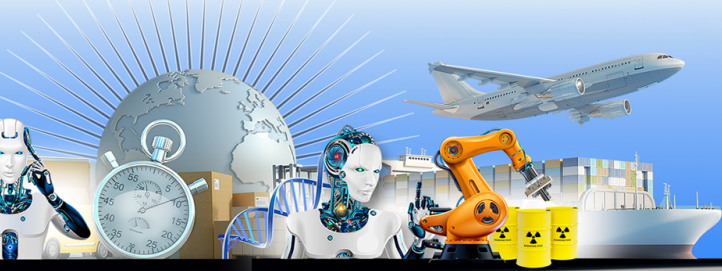
Automating Trade Compliance

Trade compliance officers



Management





Business Goals



Reducing costs



Increasing productivity



Developing innovative products



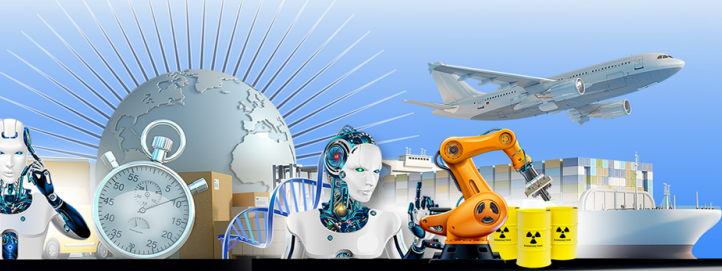
Winning new customers

... what about trade compliance?



Internal Compliance Program (ICP)

- Set of internal policies and procedures to ensure compliance with trade restrictions
- Mandatory in order to apply for some export licenses
- Recommended in any case



Effective Trade Compliance Programs



Official recommendations

Internal (Export Control) Compliance Programme (ICP) Guidelines of the Strategic Trade Scheme (STS) Handbook by the SG Government; Internal Compliance Programs Guidance by the JP Ministry of Economy, Trade and Industry; US Framework for OFACs Compliance Commitments; etc.



Management commitment

Visible commitment of senior executives and management



Recordkeeping

To support audits, identification of violations and voluntary disclosures



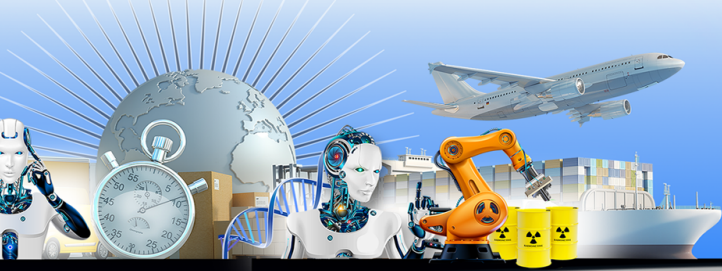
Screening and checking

Regular screening against all applicable, published sanctions lists and trade restrictions



Training and awareness

Regular training of employees to ensure all are aware of their responsibilities



Effective Trade Compliance Programs



Written policies

It is essential to define, document, and communicate corporate policies



Self-audits

Periodic internal audits to support ongoing maintenance of compliance program and reduce violations



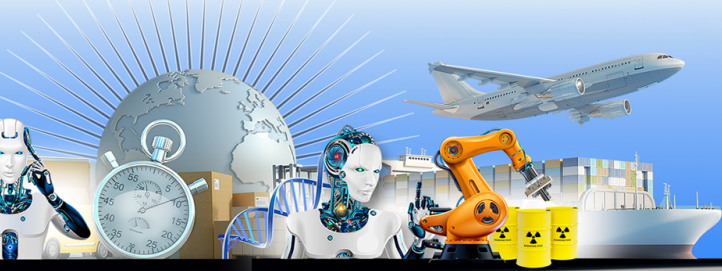
Change management

Compliance programs must be robust and adaptable enough to deal with uncertainty and unpredictability



Software automation

Very cost-effective means of ensuring compliance without slowing down business processes



Screening For Critical Business Partners



Screening to identify sanctioned individuals, organizations, businesses, and institutions

Automation helps to ...

- screen **every** business partner at the **right time**
- always check against **up-to-date** sanctions lists
- also consider sanctioned ownership of companies (OFAC 50% rule)



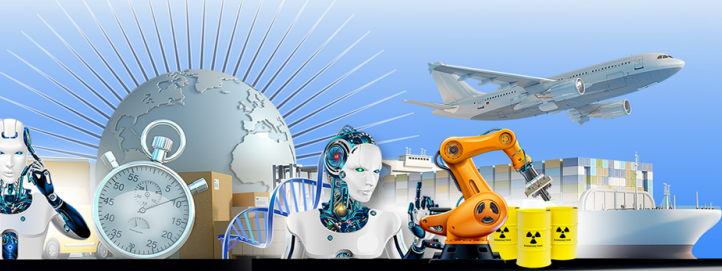


Recordkeeping

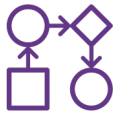


Automation helps with ...

- logging relevant checks and decisions automatically
- prompting users to enter additional information
- easy access in the event of an audit



Benefits Of Software Automation



Standardize procedures



Increase efficiency



Minimize errors



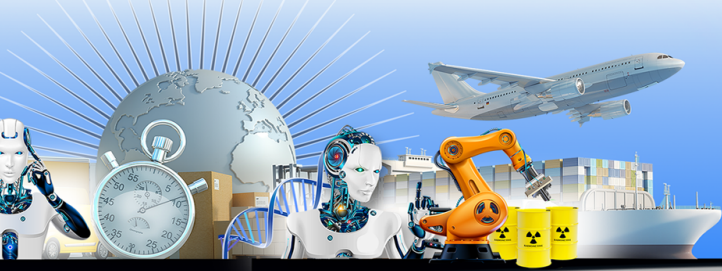
Decrease costs compared
To manual processes



Increase regulatory
compliance



Improve record-keeping
and audit trails



Four Good Reasons To Invest



Avoiding penalties

Prevention is better than cure.
Effective export controls programs are
the best way to avoid such penalties.



Penalty mitigation

It is far better to identify problems and
violations before the authorities do so.
Voluntary self-disclosures can often
result in reduced penalties.



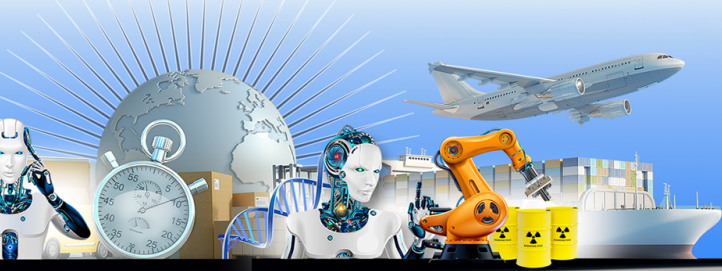
Protecting brand image

It's easy to lose a good brand image in
a very short space of time if the right
protective measures are not taken.



Shareholder value

Damage to brand image and
significant financial penalties can
directly impact shareholder value.



What Should You Do Now?

- 1 Ensure you have an effective trade compliance program that protects your company's reputation, brand image, and shareholder value.
- 2 Introduce software systems to decrease costs, increase efficiency, minimize errors, standardize procedures, and increase regulatory compliance.
- 3 Look for the competitive advantages trade compliance can bring, rather than seeing it as a burden.

