



EXPLORING THE TRADE COMPLIANCE LANDSCAPE, TECHNOLOGY AND TALENT

The impact on global trade compliance leaders

OCTOBER 2022



SURVEY BACKGROUND AND APPROACH



Background

Thomson Reuters conducted a survey this spring of global trade professionals across regions to measure global trade management and supply chain behaviors and attitudes in the following areas:

- ✓ Trade challenges and trends;
- ✓ Talent and skills requirements; and
- ✓ Technology use and priorities.



Approach

The approach consisted of a 15-minute online survey of 228 global trade professionals in companies with \$100M plus in sales and import or export volume accounting for at least 10% of sales. The survey covered the following regions:

- ✓ USA
- ✓ EU & UK
- ✓ APAC
- ✓ LATAM



KEY FINDINGS



What changes are impacting businesses that import and export?

- New regulatory agencies, systems changes, tariffs, and sanctions topped the list of factors most affecting global trade management business operations.
- Increased requirements for due diligence and supply chain disruption are impacting business trading with the Asia-Pacific region.



How well-prepared are they to meet these challenges?

- A rapidly evolving global trade environment is making it harder than ever for companies to find new talent with required skills.
- Close to one-half of businesses are either behind or still in the process of adopting global trade management technology to meet an increasingly complex environment.



What are their priorities going forward?

- Businesses are looking for broader business skills in new hires, likely reflecting a more strategic role for global trade and supply chain management.
- Technology investment priorities currently center around data security, compliance and data-sharing. Leading companies are exploring applications for emerging technologies such as AI and blockchain.

WHAT CHANGES ARE IMPACTING BUSINESSES THAT IMPORT AND EXPORT?



NEW REGULATORY AGENCIES, SYSTEMS CHANGES, TARIFFS, AND SANCTIONS TOPPED THE LIST OF FACTORS MOST AFFECTING GLOBAL TRADE OPERATIONS

Top Ten Regulatory and Systems Changes Impacting Businesses

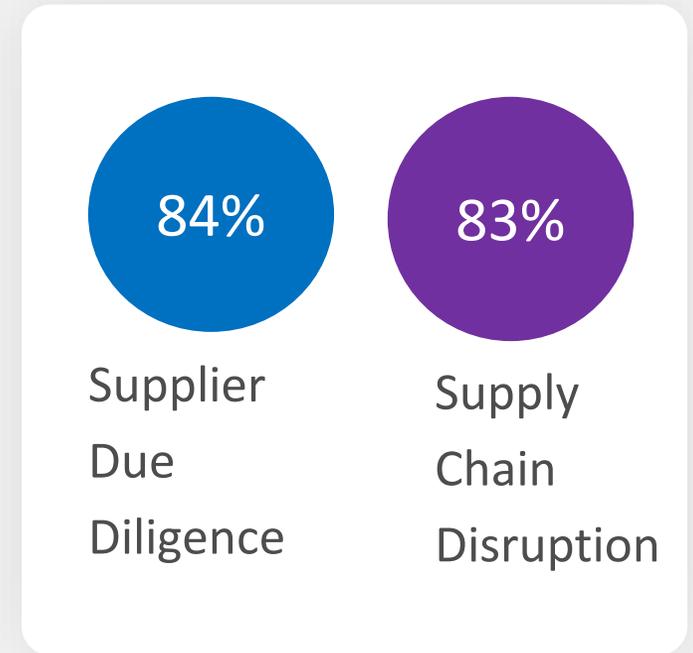


Key Takeaways

- UK Customs Declaration Service is impacting businesses in the EU, UK, US and APAC.
- Retaliatory tariffs are also affecting businesses across regions, but particularly US businesses
- ANAM is impacting on businesses in Mexico and LATAM, but also US
- Sanctions on Russia are affecting US, EU and UK businesses

INCREASED REQUIREMENTS FOR DUE DILIGENCE AND SUPPLY CHAIN DISRUPTION ARE IMPACTING BUSINESS SOURCING IN THE ASIA-PACIFIC REGION

Agreement with Issues that are Impacting Businesses Sourcing in Asia-Pacific



WHAT ARE BUSINESSES DOING TO PRIORITIZE NEW TALENT REQUIREMENTS?



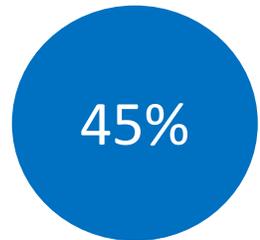
A RAPIDLY EVOLVING GLOBAL TRADE ENVIRONMENT IS MAKING IT HARDER THAN EVER FOR COMPANIES TO FIND NEW TALENT WITH REQUIRED SKILLS

Agreement with Challenges in Managing the Trade Function



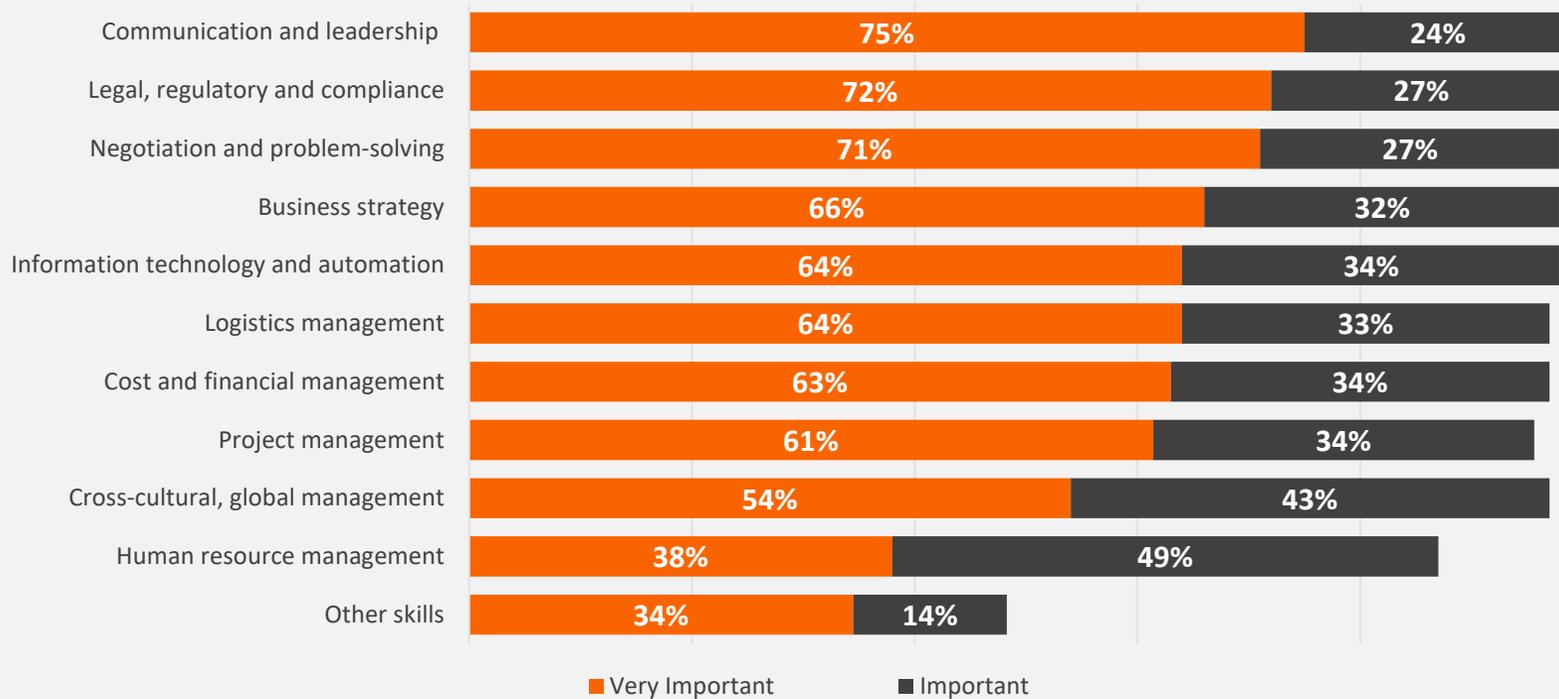
Businesses need to recruit managers and specialists with a broader range of business skills that is difficult to find

Companies consider outsourcing to meet skills gaps

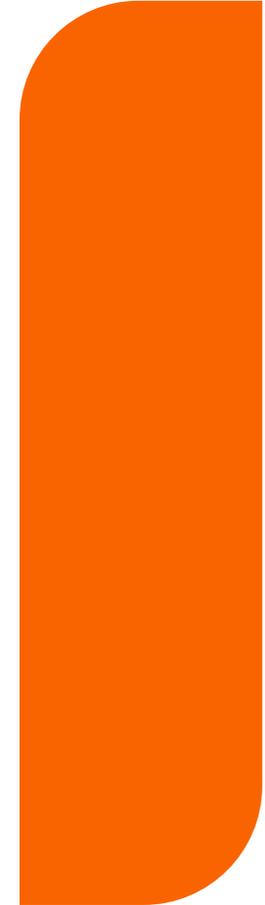


BUSINESSES ARE LOOKING FOR BROADER BUSINESS SKILLS IN NEW HIRES, LIKELY REFLECTING A MORE STRATEGIC ROLE FOR GLOBAL TRADE AND SUPPLY CHAIN MANAGEMENT

Skills Sought When Sourcing Talent



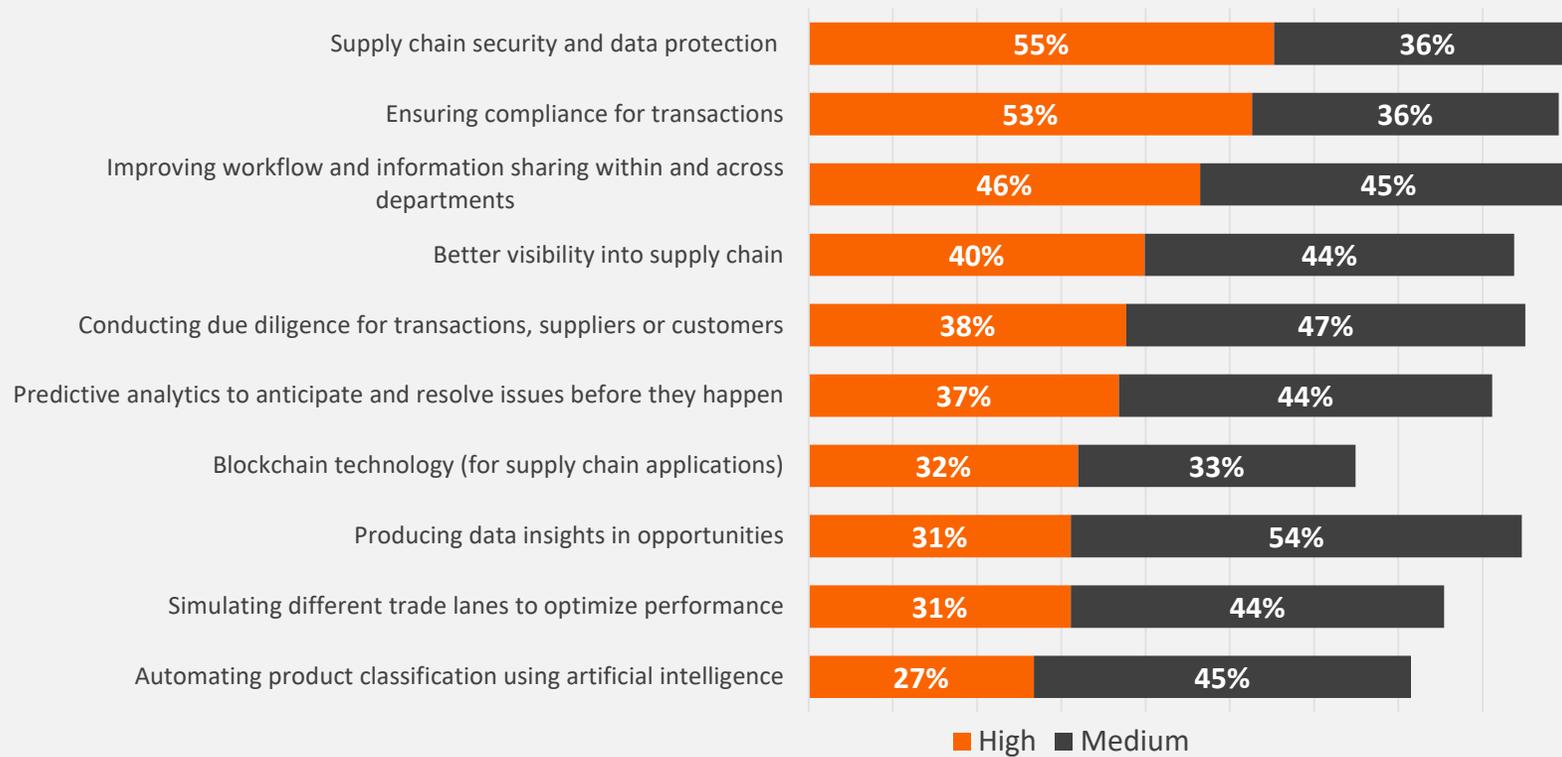
WHAT ARE BUSINESS DOING TO BECOME TECHNOLOGY-READY?



TECHNOLOGY INVESTMENT PRIORITIES CURRENTLY CENTER AROUND DATA SECURITY, COMPLIANCE AND DATA-SHARING.

Leading companies are exploring applications for emerging technologies such AI and blockchain.

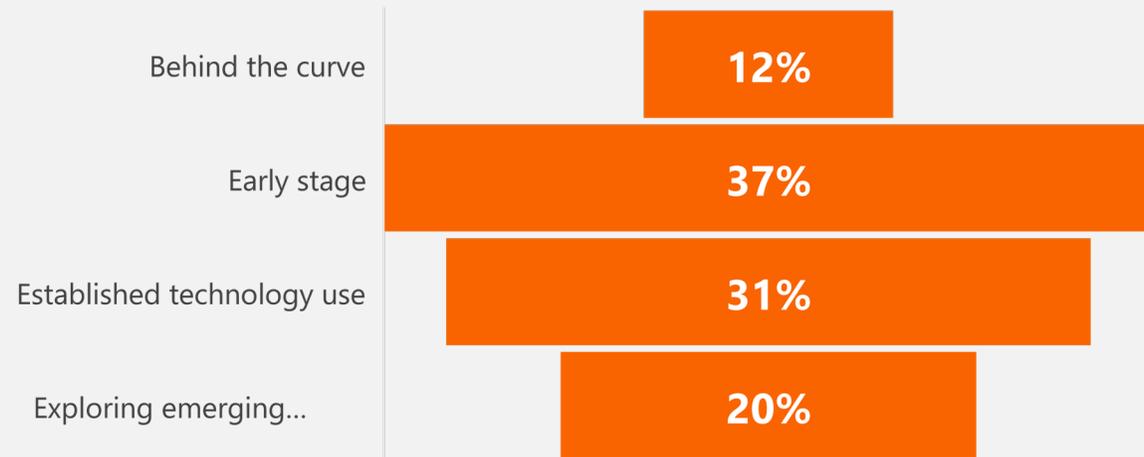
Priorities for Trade and Supply Chain Technology Investment



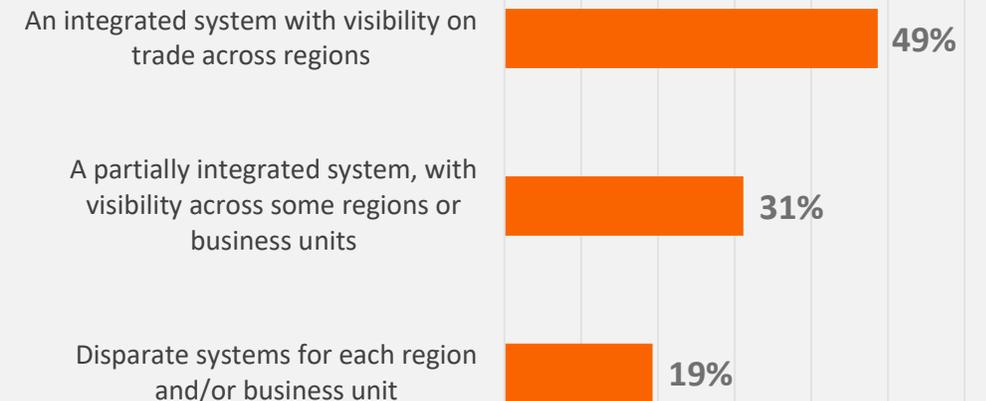
“Full compliance with import regulations and having visibility of possible import risks due to non-compliance is of vital importance in order to anticipate actions and mitigate this risk.”

“It is important to double down on technology investment to improve critical supply chain planning capabilities by adopting more advanced digital enablers such as cognitive planning and AI-driven predictive analytics.”

CLOSE TO ONE-HALF OF BUSINESSES ARE NOT READY OR STILL IN THE PROCESS OF ADOPTING GLOBAL TRADE MANAGEMENT TECHNOLOGY



Nearly half of the companies are in early stage or behind the curve in their technology adoption



Of those leveraging technology, less than half have integrated systems

Q&A.

THANK YOU



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