Successful implementation of first Broker-Centric Filing component of SAP GTS

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About the Speakers

Mukesh Mahajan

- SAP GTS Architect, Krypt Inc

- I'm in GTS consulting for over 10 years & specialize in multi-country & multi-phase implementations & pre-sales for Krypt. I've successfully led multiple global GTS implementation projects at multiple fortune 500 companies.

- I've been to 6 out of 7 continents on consulting assignments in Global Trade & looking forward to 7th if that comes along.

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Key Outcomes/Objectives

1. Through expert guidance & real-world business use case you will discover how to host all Import filings in SAP Global Trade Services (SAP GTS) to meet current & future Trade needs worldwide.

2. Review new SAP GTS functionality to consolidate import filings into a single system for more efficient reporting of duties, tax to enable customers to review and save on duties.

3. Learn how to streamline your import filings in the global supply chain and optimize performance by automating the import related data.

4. Get an overview of a proven deployment approach and explore a standard template utilized for the first time across multiple brokers.

Agenda

- Customer needs with global imports footprint

- Global SAP GTS project coverage

- Why standard broker integration deployment ?

- Overview of standard broker integration

- Challenges in standard Broker Integration enablement

- Adapted broker integration solution in GTS

- How to implement adapted customs broker integration in GTS

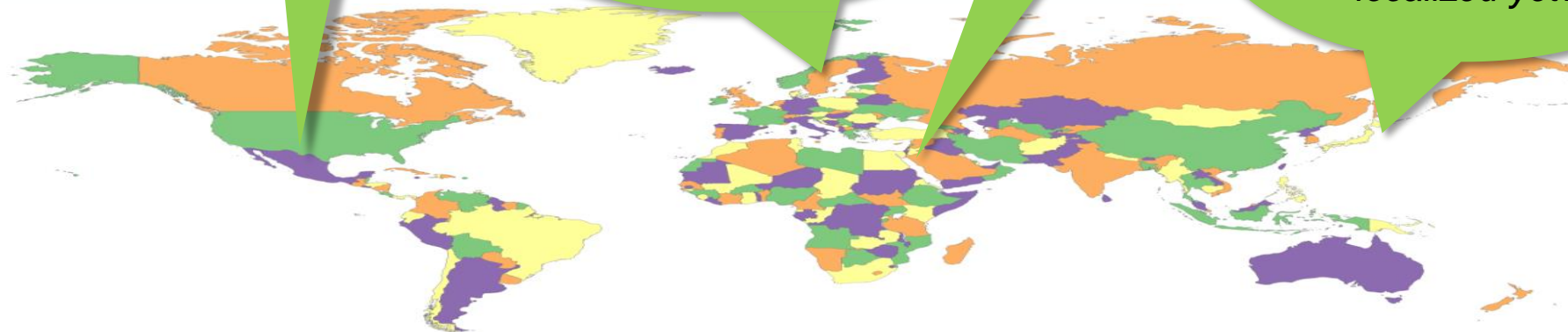- Challenges in Deployment

- Wrap-up

Customer needs with Global Imports Footprint

I do not want to change my brokers as things are working well. Can GTS support this out of box?

No direct customs communication allowed in my country. Can GTS support this?

I want to have global visibility about my broker performance. How can I achieve this?

GTS is great, Can you make it work in countries not localized yet?
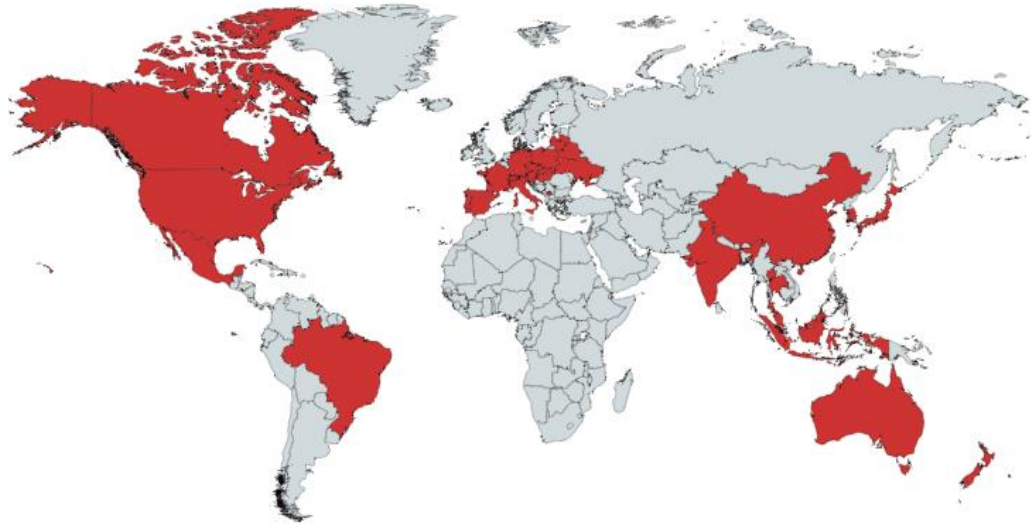
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Customer needs with Global Imports Footprint

To make SAP GTS as an efficient global platform, enterprises have common requirements for customs clearance with a customs broker.

- One customs software solution across the globe for following.
  - For a master of all the classification data
  - For a single source of reporting and reconciliation
  - For self-filing (direct connectivity to customs services)
  - For filing via a customs broker
- Global visibility on broker performance

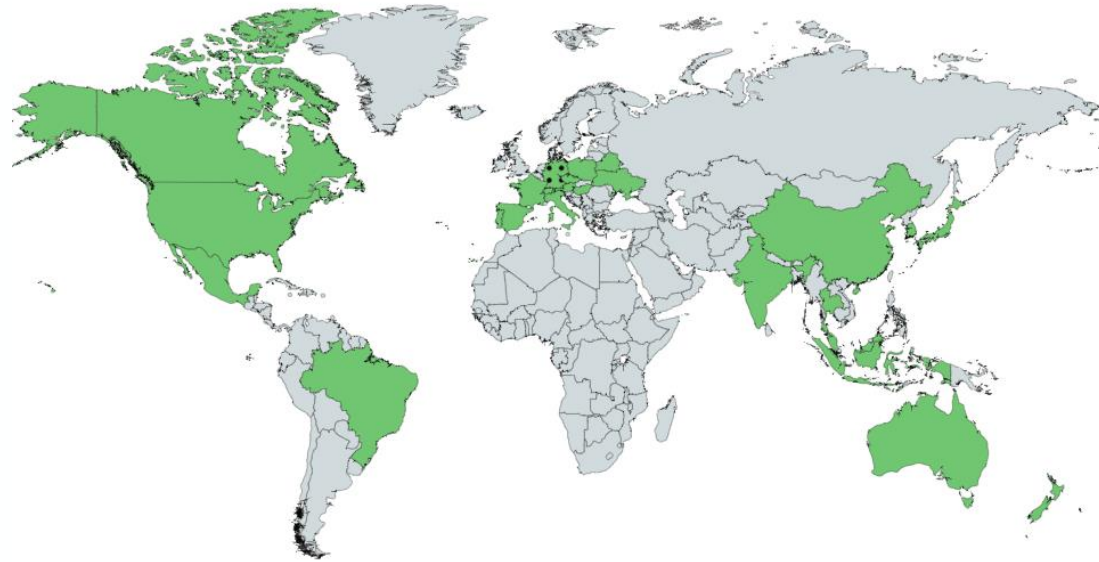Now SAP GTS 11.0 Support Package 10+ supports all the requirements.

Global trade imports(IOR) footprint of customer

Trade Foot-print Example

- Companies have consistent Trade Practices for imports
- Big Markets have Trade hub for the operations.
- Similar Regions like North America, APAC , EMEA have similar policies.

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Import landscape after implementation

Global Trade & GTS System Footprint Post Go-Live

- GTS went live in 30+ countries in areas of Compliance & Customs
- All regions rolled out under one global template with master control table to control data per country.
- 4 Brokers Integrated in GTS Broker Centric functionality

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Why standard broker integration deployment?

Investment leverage
- Standardize & harmonize import processes
- Enable major business benefits globally via standard functionality
- Enable governance to maintain integrity & evolve functionality as needed
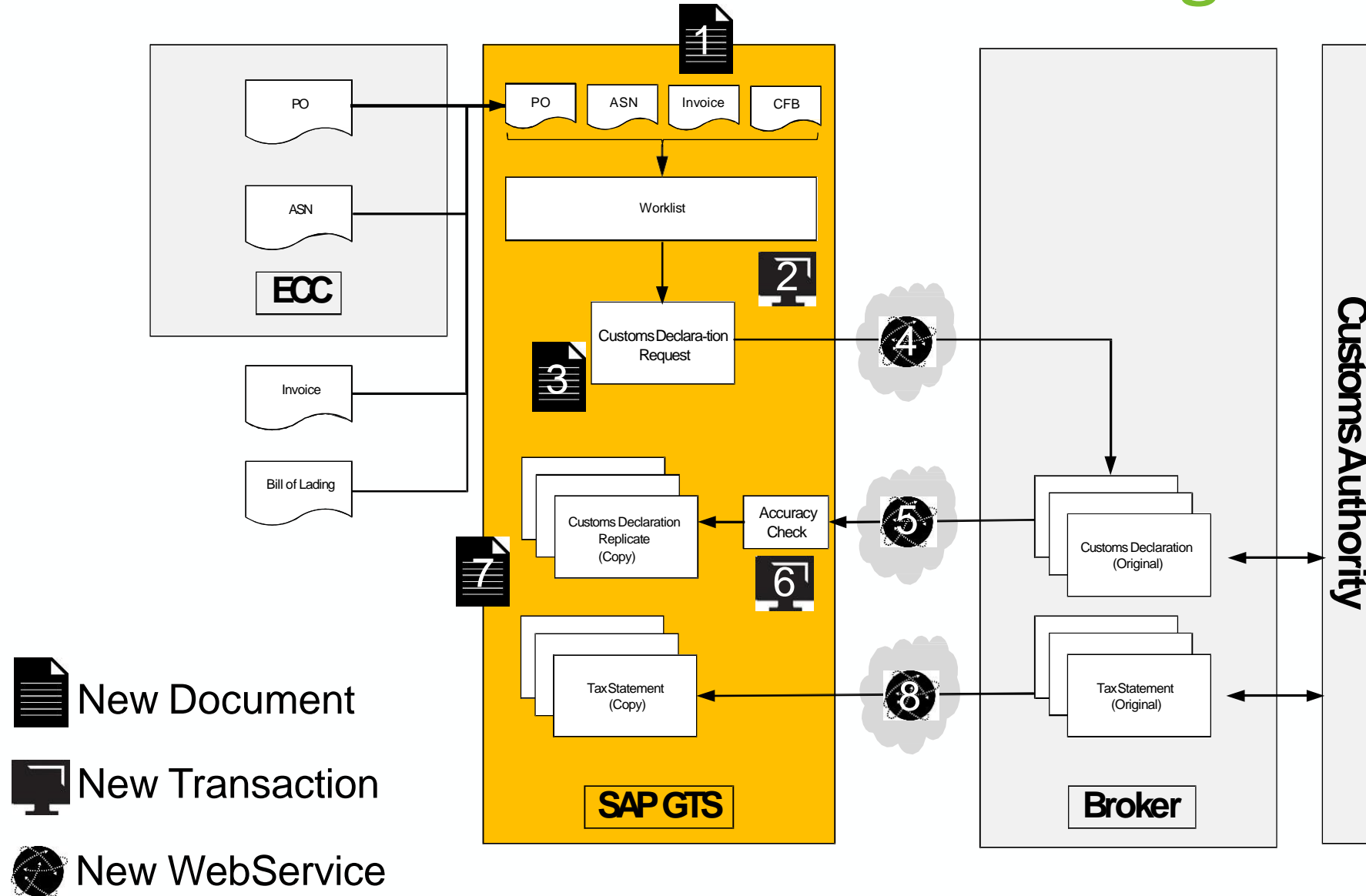- Reduction of maintenance cost by maintaining a standard solution

Enhance Business Flexibility
- Enable Enterprise-wide visibility to import data
- Provide a standard platform for future optimization projects
- Establish platform for mergers and acquisitions

Reduction in Future Costs/ Time
- Standardize SAP deployment processes
- Ability to leverage future enhancements as they are available
- Accelerated design, build, test and cutover for future releases

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Overview of standard broker integration solution

Details of standard broker integration solution

With SAP GTS 11.0 Support Package 10+ following scenarios are available

- **Customs Broker-centric scenario steps:**
  - Customs Broker initiates the import declaration.
  - Broker sends a copy (replicate) to the importer after customs clearance.
  - Importer provides product master data such as classification and weights.
- **Importer centric-scenario steps:**
  - Importer initiates the process.
  - Importer sends the import declaration request to the customs broker.
  - Customs broker requests customs clearance and sends updates about processing status, customs registrations number, etc. back to the importer.
  - No change structure of the import declaration request, i.e. adding/deleting line items.

Both scenarios the communication is based on Web services. Companies can send and receive the declaration data via XML format available as standard

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Challenges in standard Broker Integration enablement

Following are some of the challenges of implementing standard Broker integration

- Customers can only choose to implement one of standard option of Broker Integration i.e. Customs Broker-centric scenario or Importer centric-scenario.
- If you choose Customs Broker-centric scenario then issue is
  - How to send the import invoice information to broker.
- If you choose Importer centric-scenario then issue is
  - How to send the classification information to broker
  - Where & how to store the information after broker files with customs after changing the data.

So, how do you get the best ROI from the system ?

Adapted Broker Integration solution in GTS

Since via standard SAP you have to choose one option. However, many customers are interested in using both solutions for a better ROI. So we adapted the standard solution as:

- **Adapted Customs Broker-centric scenario:**
  - Importer sends the import declaration request to the customs broker via email.
  - Importer provides product master data & classification information.
  - Customs Broker initiates the import declaration.
  - Broker can change the structure of the import declaration request, i.e. adding/deleting line items.
  - Customs broker requests customs clearance.
  - Broker sends a copy (replicate) to the importer after customs clearance.

Communication is based on Web services & email of the xml.

Adapted Customs Broker Integration
Integrity checks & performance rating

In the adapted customs broker Integration, following parameters were enabled to measure the responses of Brokers :

Run integrity checks were enabled based on the responses from the customs broker.
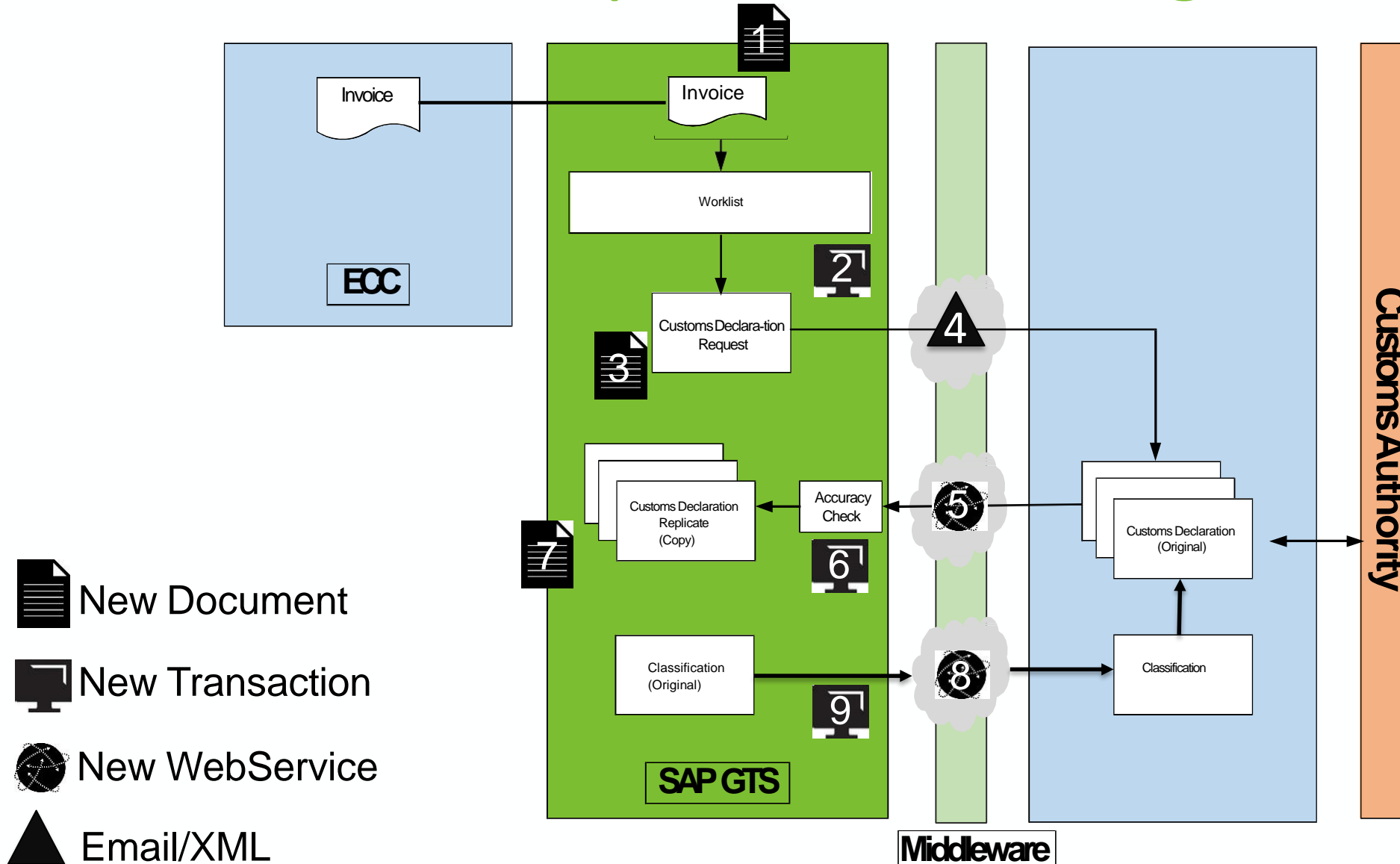
Benefits:

- Importer can validate and monitor the content of the responses.

Performance ratings were enabled based on the response from the customs broker

Benefits :

- Verifiable metrics that can be monitored and analyzed.

Process flow adapted broker integration solution

How to implement Adapted Customs Broker Integration

Standard SAP provides only one option to choose. However, many customers are interested in using both solutions for a better ROI. So we adapted the standard solution by additional configurations & enhancements.

- Create Business partners for Brokers in system.
- Enable a template for outbound messages to the broker via xml/pdf/txt in PPF Action definition via standard Import PPF enablement.
- Enable the Customs Broker-centric scenario to host the import declaration replicate once it is received from Broker. (Activate customs declaration replica in Activity sequence)
- Get the xml files from Brokers & push them to GTS. Customer used oracle based middleware to push files to GTS.
- Send the product classification via the cockpit in chosen language. Customer used oracle based to which GTS connected to send the classification files.

Challenges in Deployment

Following are some of the challenges of implementing adapted Broker integration solution.

- Creating one single global template for all the brokers.
- Enhacement of the standard xml templates of inbound declaration & outbound product classification provided by SAP is complex as compared to other enhacements.
- Change management of both internal & external partners due to the multiple technologies involved.
- Integration of Broker testing with GTS into the larger GTS implementation project. This activity is time intensive due to the involvement of multiple parties.

Wrap-up : 5 Key Points to Take Home

- Global template adoption is key to optimizing your import process in global trade management process.
- Use an adapted Customs Broker filing solution to get the best ROI from the GTS system.
- Planning for the broker integration testing in advance due to number of brokers involved and possible different technologies at their end.
- Template can be reused for multiple countries for their import broker filings in GTS implementations.
- Broker filing is the integral part of organizations. So standard GTS functionality should be recommended to clients for cost savings & scalability.

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Q&A

For questions after this session, contact us at **mukesh.mahajan@kryptinc.com**

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