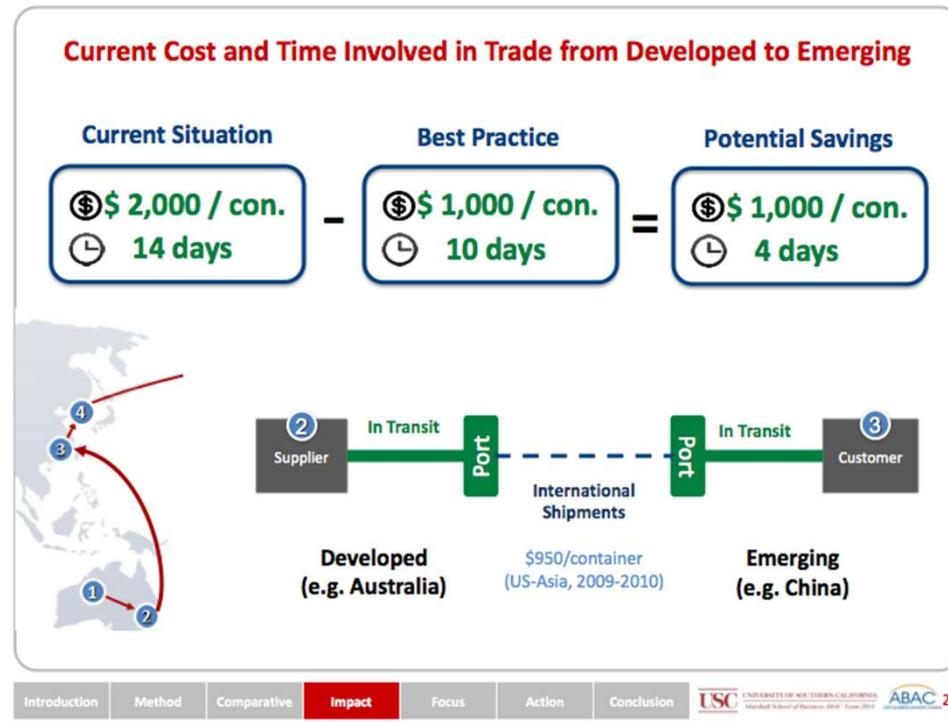


The agency problem – data absence and quality errors mean slow clearance processes

- APEC trade \$4.5 trillion 2016
- **Border clearance** processes are an important *contributor* to supply chain costs
- Reduce delay by one day save 1% of export value annually
- = \$45 billion a year APEC
- Potentially largest saving for GS1 members **time to market**



E-commerce makes GS1 GTIN more relevant

- E-commerce – a heartland of GS1 membership
- Delivery time competitive factor (e.g. Amazon Prime)
- Border agencies need data for
 - Border risk management
 - Tax and duty collection
- Border agencies overwhelmed by parcels – low value, big volumes



Source: [Shopify /Statista](#)



What we focus on: cross-border e-commerce – this is the burning platform today

- Border agencies are currently overwhelmed by volumes
- Retailers are lobbying for VAT at the border
- Ad-hoc systems being put in place **not using GS1**
- Slow trade and administrative cost to GS1 members
- Many costly product returns



Development of the GS1 Cloud helps build an offering to border regulators

- Easy information access
- Information is what agencies want:
 - clearance
 - Risk management
 - Taxes paid or not
- Product images are gold
- Cloud implementation is critical for us to play at the border



Where are we focusing our work?

- FTAs—now contain e-commerce chapters
- Asia-Pacific and China most dynamic
- GTIN included in China clearance regulations

