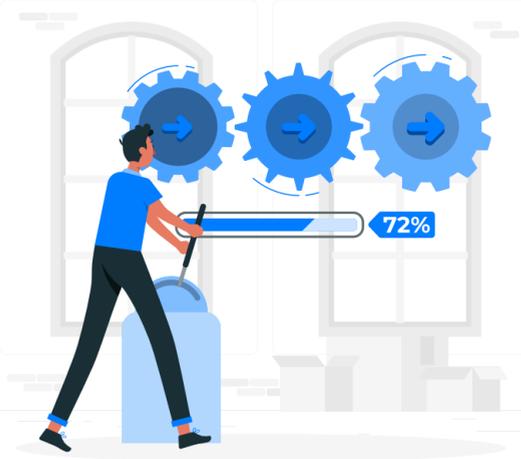


## GTS Preference Management VS Identity-based Preference Processing

In the area of trade preference management, companies are required to provide specific preference documents when delivering products to their customers. Usually, preference determination entails manual collection of supplier declarations, elaborate analyses of product-content origin, and complex value calculations using Bill of Materials (BOM) data. This process is risky, error-prone, and costly.



**Simplify this process with SAP GTS Preference Processing and its add-on feature Identity-Based Preference Processing, which supports exporters in fulfilling all legal requirements for customs preferences and identifying their goods as eligible for preferential treatment**

**SAP Global Trade Services (GTS)** provides comprehensive functionality for trade preference management and automates the process of trade preference determination through various features and capabilities discussed in this infographic — including the add-on IBPP.



**If you're planning to integrate SAP GTS Preference Processing with your system and are deciding whether or not you will need the add-on IBPP, read on for more information.**

Features & Capabilities	GTS Preference Management	IBPP
 Utilize content-based rules of origin to find out which products are eligible for reduced import duty rates.	✓	✓
 Collect relevant purchase orders and material documents	✓	✓
 Empower suppliers to maintain the origin of materials with self-service functionality	✓	✓
 Calculate product origin for products using official trade agreement rules	✓	✓
 Determine preference eligibility using different methods such as sales documents, invoices, and bill of materials	✓	✓
 Automatically generate and manage declarations for customers receiving your products	✓	✓
 Issue and reissue declarations in the event of a change in preferential eligibility	✓	✓
 Integrate with sales and distribution processing in the SAP ERP application and customs management in SAP GTS	✓	✓
 Maximize your preference determination by leveraging more granular data	✗	✓
 Calculate only the components or raw materials that are used during the production process	✗	✓
 Achieve a more precise result	✗	✓
 Conduct preference processing via specific batches	✗	✓
 Store preference status at the batch level	✗	✓
 Enable picking directly from eligible batches for customer shipments	✗	✓

Using the add-on IBPP, users can verify the preference status of production and process orders at an identifier level. The application supports preference determination on production and process orders with static bill-of-materials (BoM) based on actual goods consumption.

In intercompany sales, this leads to reduced import duties to be paid by the company. In external sales, this leads to higher margins and lower prices for the end customer and, therefore, an increased revenue.

This infographic is made by Ropaar, a trusted “TRADEblazing Partner” for SAP GTS project implementations. Let us help you strategically leverage free trade agreements, maximize eligible products through preference determination, and efficiently manage vendor declarations.