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Benefits of Automating Free Trade Agreement Qualifications

Correctly qualifying products for multiple free trade agreements (FTA) can result in savings opportunities for an organization; however, misqualifying a product may lead to fines from customs authorities or restriction from free trade agreement privileges. The following are five benefits that allow organizations to exude confidence in accurately determining eligibility, saving time and money when qualifying for FTAs, soliciting multiple suppliers and maintaining necessary documentation.

1. **Minimize workload.** Automation of FTA qualification alleviates the challenge of manually researching FTA rules, soliciting suppliers, and maintaining multiple Bills of Material. Up-to-date qualification rules can be utilized, on demand from around the globe, to efficiently qualify products for multiple free trade agreements, while only maintaining one Bill of Material, even if the parts were sourced from multiple suppliers.
2. **Gather and store all required documents in one centralized location.** Each agreement requires that organizations maintain free trade agreement documentation for a designated amount of time. Automating the method in which FTA documentation is solicited and maintained means all required documents can be stored in one location, ensuring compliance, organization and accessibility.
3. **Eliminate human error.** Automating the qualification of finished products eliminates room for human error. Some FTAs include origin calculations, which can be computed automatically during a Bill of Material analysis to determine eligibility. Accurate calculations result in correctly qualified products which save an organization money while ensuring preferential duty claims can be substantiated.
4. **Reduce time to gather, analyze, and produce certificates.** Last minute purchasing decisions are kept up-to-date with a centralized system that automatically solicits multiple suppliers for multiple products. The information received is then automatically validated to determine eligibility for final products. Once eligibility is determined, the time to generate and distribute certificates to customers can also be streamlined to further reduce time and effort.
5. **Easily revalidate FTA certification.** Free trade agreement eligibility must be re-issued periodically. An automated tool notifies and reminds suppliers to complete active certificates needed to re-qualify for multiple free trade agreements. With a central repository of FTA rules that are continuously updated, organizations are guaranteed accurate eligibility determination when product information is re-analyzed.

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