

PRESS RELEASE

AEB releases new Brexit report on global trade risks, challenges, investments, and opportunities

- **Industry leaders share insights on status quo and priorities amidst Brexit developments**
- **New report includes a template with tangible measures to prepare global trade operations**



November 24, 2017 – The 8th Annual Compliance Conference, hosted by AEB in partnership with the Chartered Institute of Logistics & Transport (UK) in October 2017, revealed insights from business leaders across ten industry sectors in an industry survey on the risks, challenges, and opportunities in global trade under Brexit developments. Survey findings deliver valuable benchmarks for traders and a call for urgent action. The new report from AEB also includes a global trade action plan template with useful check-points of preparation that every business needs to have on screen. The report can be downloaded free of charge at <https://www.aeb.com/uk/media/uk-brexit-conference-results-2017.php>.

Delegates consider “No access to the EU single market” their current biggest risk in global trade – cited by 62% of respondents. This assessment reflects a 4% decrease to the 2016 survey results¹ where this risk was ranked second by delegates with 66%. Last year’s top risk was “If the EU applies tariffs and quotas” with 74%, which now ranks second in the new 2017 results, cited by 57% of respondents. The delegates’ assessment of greatest risks in the year-over-year comparison indicates both that work has begun to consider alternative sourcing options and that businesses see little progress on the side of Brexit negotiations, which is further confirmed by the latest report² from the Chartered Institute of Procurement & Supply (CIPS) in November 2017.

In the area of global trade challenges, 45% of delegates ranked “Managing increasing complexity and pressure” highest. This reflects the same top challenge as last year, but with a 5% decrease from 50% in 2016, despite increasing complexity and pressures driven by, e.g., e-commerce, increasing customer expectations, and digitization challenges. Meanwhile, respondents ranked “Managing expectations” – both external (customers and suppliers) and internal (different business units) – in place 2 and 3 of the greatest challenges in 2017, with 42% and 41% respectively. Both moved up one rank from the 2016 results, reflecting an average increase of 4%. This indicates that the ongoing uncertainty is taking a toll on companies involved in global trade and is affecting business relationships as well as future planning.

¹ <https://www.aeb.com/blog/2016/10/25/brexit-survey-risk-challenges-opportunities/>

² <https://www.cips.org/en-gb/news/news/eu-businesses-say-goodbye-to-uk-suppliers-as-brexit-bites-into-key-relationships/>



When it comes to the key areas of opportunity and investment, delegates consider implementing appropriate tools a top priority – with 87%. This is very much in line with both digitization challenges and the drastic skills shortage the global trade and supply chain management sector is facing. It also indicates increasing awareness of the urgency and importance of the right level of automation, integration, and flexibility to ensure competitiveness and business contingency in dynamic markets subject to uncertainty.

The new report is the result of the 8th Annual Compliance Conference, which took place on 11th October 2017. Titled "Hands-on now: The Global Trade 2-Year Plan of Attack for Traders", the conference was organized by AEB (International) Ltd, a leading provider of supply chain logistics software, consultancy, and services, in partnership with the Chartered Institute of Logistics & Transport (CILTUK). The agenda featured latest regulatory updates, industry perspectives on corporate compliance on a global scale, and practical examples of Brexit impacts and risks as well as mitigation measures.

The conference was attended by over 60 industry delegates from ten industry sectors, including aerospace & defense, automotive, consumer goods, food & beverage, high-tech & electronics, machinery & engineering, pharmaceuticals & chemicals, retail, and transport & logistics.

Geoff Taylor, Managing Director of AEB (International) Ltd, said: "Ongoing developments under Brexit and the HMRC system transition from CHIEF to CDS continue to highlight the urgency to modernize global trade processes. And while traders' awareness for the urgency and involved challenges is increasing, latest reports also show that not enough businesses have started to prepare their business operations. Within this dynamic global trade environment and with the expected tremendous increase in customs declarations for UK trade, it is high time to get started. Instead of waiting for final trade agreements following Brexit, it's crucial to implement powerful solutions and set-up a flexible supply chain now to successfully master current and upcoming changes in terms of sourcing alignments and required customs procedures."

AEB's next event takes place in March 2018 and will focus on customs and compliance solutions to automate and integrate relevant processes and achieve the much-needed flexibility to succeed in a competitive business landscape subject to dynamic changes. Pre-registration is now open online at www.aeb.com/uk/events/export-controls-customs-roadshow-registration.php.

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Contacts

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About AEB (www.aeb.com)

For over 35 years, AEB has developed software to support the global trade and logistics processes of businesses in the industrial, commercial, and service sectors. More than 5,000 customers from over 35



countries use AEB solutions for transport and warehouse management, import and export management, origin and preference management, and much more. They benefit from enhanced efficiency, compliance, and transparency – domestically and internationally – thanks to features such as multi-country customs and embargo checks, improved collaboration with supply chain partners, and automated shipping processes. AEB's portfolio extends from ready-to-go online solutions to comprehensive international logistics solutions. The company has offices in the UK, Germany, Singapore, Switzerland, Sweden, the Netherlands, Czech Republic, France, and the US, and runs its own certified data center in Germany.