

# Case study – Import and Export Taxation

## Trade tax analysis to aid international procurement decisions

### The challenge

In light of the rising complexity of Free Trade Agreement (FTA) networks in Asia, a broad-based manufacturing Multinational sought more clarity on import-export taxation regimes in the region to improve strategic procurement decision-making.

The objective of the study was to provide a mechanism to identify the most tax efficient routes in the process of importing and exporting specific products across various countries in Asia.

### The process

Spire conducted research using locally sourced official customs publications on trade tariffs and regulations in the various countries. This data was verified with reference to corroborating material collected centrally. The data was then converted into an easy-to-use “import-export tax calculator” that took into consideration prevailing as well as upcoming FTAs and recent public announcements of changes in trade regulations.



### The results

Spire produced a “tax calculator” database that is being used by a specific product division in our client’s organization. It has been circulated to explore its usefulness to other divisions.

Project deliverables included a pivot table database of applicable import and export duties on specified products and an executive summary highlighting country-specific tax peculiarities (such as export tax rebates and Free-Trade Zones offering import duty waivers) and recommendations on tax efficient routes for each product category.

