DIGITAL TRANSFORMATION

THE DIGITAL TRANSFORMATION IN CEARA'S FOREIGN TRADE



June Edition - 2023











Our Team





Larissa Amaral



Leide Carolina



Levi Baptista



Rebeca Aguiar



Emilio Viana



João Elfredo

ecutive Summar Т

Editorial

Page 1

Digital Transformation in Ceará

Page 2

Our Posts

Page 17

Interview with Sérgio Amora

Page 20

References

Page 25





CEARÁ GLOBAL MAGAZINE: DIGITAL TRANSFORMATION



MÔNICA LUZ

Specialist in International Business and Foreign Trade Coordinator of NUPEX - Center of Practices in Foreign Trade of Unifor

It's with great pleasure that we begin another edition of Ceará Global's e-magazine, bringing as the main theme of the month the "Digital Transformation in Foreign Trade". Throughout the month of June, we shared a series of articles and analyses that explored the technological advances that are revolutionizing the Brazilian foreign trade scenario. Now is time to deepen this discussion and reflect on the transformations that digitalization has brought to the sector.

We live in an era in which technology plays a fundamental role in all spheres of society, and foreign trade could not be left out of this movement. Advances in the digitalization of processes and the use of intelligent systems are redefining commercial operations, making them more agile, efficient, and secure.

Throughout this month. we explore relevant topics that are shaping 21st century foreign trade. One notable example is the "Paperless Port", an innovative initiative that aims to replace physical documents with electronic processes, simplifying port operations and streamlining the flow of goods. This transformation has positively impacted logistics and contributed to cost reduction and environmental sustainability.

Another fundamental aspect addressed in our publications was the "Authorized **Economic** (AEO)". This **Operator** certification program recognizes companies that demonstrate high standards of security and compliance, conferring them benefits and facilitating international trade. The AEO has proven to be an important tool to strengthen the trust between the players involved in commercial transactions.

We also highlight the updates to **Siscomex** (**Computerized Foreign Trade System**) **and its impacts on the foreign trade scenario.** This system, which has been undergoing constant improvements, plays a crucial role in the simplification of import and export processes, allowing the efficient management of operations and facilitating the fulfillment of customs obligations.

The digitalization of processes is an undeniable reality. The implementation of **warehouse management systems** (**WMS**) focused on international business, for example, has allowed a more efficient inventory management and better integration with trading partners. This automation promotes greater traceability of goods, reducing errors and speeding up customs clearance.

Furthermore, we cannot fail to mention the innovations in the field of cargo inspection and customs supervision. The **partnership between the Federal Customs Agency and the Pecém Complex** resulted in the development of an innovative model for remote cargo inspection, using technologies such as drones and satellite images. This intelligent approach has optimized the inspection process, making it more efficient and less costly for companies. We also presented the empowerment of foreign trade with **Power BI**, a tool that allows the analysis and visualization of data in an intuitive and strategic way.

The technological revolution in foreign trade is called **"Foreign Trade 4.0"**, bringing a series of significant changes. The consultation of exports and imports data through Comex Stat and the opportunities map prepared by **APEX** (**Brazilian Exports Promotion Agency**) are examples of these transformations, which provide a broader and more accurate view of the market, facilitating the identification of new opportunities.

We're facing a scenario full of challenges and opportunities, and it is essential that companies are prepared to adapt to the changes brought by digital transformation. It's necessary to be aware of the trends, invest in training, and be open to explore new technologies, so that we can **boost Ceará's foreign trade** and make it increasingly competitive and efficient.

Ceará Global's e-magazine is committed to bringing relevant and updated information about foreign trade, promoting debate and sharing knowledge.

We wish all our readers an excellent reading and hope to contribute to the strengthening of the sector and the growth of our state in the global market.

Best regards, Mônica Luz



INDUSTRY 4.0 AND FOREIGN TRADE

What is the Industry 4.0?

Industry 4.0 is a term that refers to the fourth industrial revolution, building upon the advancements of the previous three revolutions. The first industrial revolution brought mechanization and steam power, followed by mass production and electricity in the second revolution, and then the digital revolution and automation in the third. Now, with Industry 4.0, we are witnessing the convergence of physical and digital technologies, enabling the creation of smart factories and interconnected systems.

Key features of Industry 4.0 include the Internet of Things (IoT), artificial intelligence (AI), big data analytics, cloud computing, and cyber-physical systems. These technologies allow machines, devices, and systems to communicate and collaborate with each other, leading to increased automation, efficiency, and productivity in manufacturing processes.

What are the impacts of the Industry 4.0?

In Brazil, the impact of Industry 4.0 is significant and holds great potential for the manufacturing industry. The adoption of advanced technologies and digital transformation can enhance the competitiveness of Brazilian companies, improve operational efficiency, and enable the production of customized products at scale.

One of the main benefits of Industry 4.0 is increased agility and flexibility in manufacturing processes. With real-time data collection and analysis, manufacturers can optimize production, predict maintenance needs, and respond quickly to market demands. This level of responsiveness can lead to reduced lead times, improved customer satisfaction, and increased market share.

Furthermore, Industry 4.0 enables the implementation of smart and connected supply chains. Through the use of IoT sensors and advanced analytics, companies can gain better visibility into their supply chain operations, track inventory in real-time, and improve logistics and distribution processes. This integration and transparency can help streamline operations, reduce costs, and minimize waste.

However, the adoption of Industry 4.0 is not without its challenges. The transformation requires significant investments in technology infrastructure, cybersecurity measures, and workforce upskilling. Companies in Brazil need to invest in training programs and reskilling initiatives to ensure that workers have the necessary skills to operate and maintain the advanced technologies introduced by Industry 4.0.

Additionally, there is a need for collaboration and partnerships between industry stakeholders, academia, and the government to create a supportive ecosystem for Industry 4.0 adoption. This includes providing incentives and policies that promote innovation, research and development, and the integration of digital technologies into manufacturing processes.

The Future of Brazilian Foreign Trade in the Era of Industry 4.0

The emergence of Industry 4.0 is poised to revolutionize not only the manufacturing sector but also the landscape of global trade, including Brazil's foreign trade activities. With the integration of advanced technologies and digital transformation, Industry 4.0 presents both opportunities and challenges for Brazil's trade relations and the future of its foreign commerce.

One of the key impacts of Industry 4.0 on Brazilian foreign trade is the potential for increased efficiency and productivity throughout the supply chain. With the utilization of technologies such as the Internet of Things (IoT), artificial intelligence (AI), and big data analytics, businesses can optimize logistics, track shipments in real-time, and improve inventory management. This level of automation and connectivity has the potential to streamline trade processes, reduce costs, and enhance overall supply chain performance.

Moreover, Industry 4.0 can facilitate the development of smart and connected ports, warehouses, and distribution centers. By harnessing technologies like blockchain and cloud computing, Brazilian businesses can improve transparency, security, and traceability in cross-border transactions. This can significantly enhance trust between trading partners, simplify customs procedures, and facilitate international trade flows.

Digital Transformation and Brazilian Foreign Trade 4.0

The digital transformation brought about by Industry 4.0 also has implications for trade finance. The utilization of technologies such as digital platforms, smart contracts, and cryptocurrency can streamline and accelerate payment processes, reducing transaction costs and enhancing financial inclusion in foreign trade transactions. This can benefit Brazilian exporters and importers by providing them with more efficient and secure payment options, ultimately fostering greater trade volumes.

However, the integration of Industry 4.0 in Brazilian foreign trade is not without challenges. One of the main obstacles is the need to address the digital divide and ensure widespread access to digital technologies and connectivity across the country. Unequal access to technology could create a disparity in trade capabilities between different regions and sectors, hindering overall trade growth and competitiveness.

Additionally, cybersecurity and data protection become critical concerns in an interconnected and digitized trade environment. It is essential for Brazilian businesses and trade authorities to prioritize cybersecurity measures and establish robust frameworks to protect sensitive trade information, mitigate risks, and ensure compliance with international data protection regulations.

To fully capitalize on the opportunities presented by Industry 4.0, it is crucial for Brazil to foster a supportive ecosystem for innovation and digital transformation in foreign trade. This includes investing in research and development, promoting collaboration between industry stakeholders and academia, and implementing policies that incentivize the adoption of advanced technologies in trade-related activities.

In conclusion, Industry 4.0 has the potential to reshape the future of Brazilian foreign trade. By embracing digital transformation and leveraging advanced technologies, Brazil can enhance its competitiveness, improve trade efficiency, and expand its global market reach. However, addressing challenges related to infrastructure, cybersecurity, and digital inclusion will be paramount to ensuring a sustainable and inclusive trade ecosystem in the era of Industry 4.0.

Ceará has been important, with the growing number of technology companies, datacenters and distribution centers contributing to the Foreign Trade 4.0.

FOREIGN TRADE DIGITAL PROCESSES

Digitalization has brought significant transformations to the daily lives of customs brokerage and clearance professionals in Brazil, including those who work in the state of Ceará, as discussed in several of our posts over the past month.

Several legal articles have supported and driven this change, such as those establishing guidelines for the use of digital documents and the integration of electronic systems in the customs process. These legal decisions have a direct impact on the daily life of foreign trade professionals. Previously, customs clearance involved the physical presentation of paper documents, which required time and resources for handling and filing. With digitalization, professionals can send the necessary documents electronically, eliminating the need for travel and reducing the use of paper, which is a worldwide trend, especially to combat problems like the one seen in a Formstak article, which states that companies completely lose about 7.5% of all their paper documentation.



Source: Formstak.

With the use of computerized systems, professionals can **monitor in real time** the progress of their operations, from the registration of declarations to the release of goods. This allows for **more effective management**, as professionals can **better plan and anticipate possible problems or delays, avoid surprises, and minimize negative impacts** on their foreign business operations.

The digital attachment of documents, for example, facilitates the electronic submission of invoices, certificates of origin, and other documents required in the goods clearance process. This reduces the need for physical shipping and expedites the flow of information, speeding up customs clearance.

In the state of Ceará, for example, a legal decision relevant to the context of customs clearance is SEFAZ/CE Ordinance No. 263/2019. This ordinance establishes the procedures for the use of the Electronic Invoice Auxiliary Document (DANFE) as an **instrument of fiscal proof in import operations**. The DANFE is a document that accompanies the goods during transport and contains important information, such as product description, values, importer identification, among other relevant data for fiscal control. With the SEFAZ/CE Ordinance No. 263/2019, the DANFE is now recognized as a valid document to prove the fiscal regularity of the import, facilitating the customs clearance process.

DANFE DOCUMENTO AUXILIAR DA NOTA FISCAL ELETRÔNICA 0- ENTRADA 1- SAÍDA 1 Nº 999.999.999 SÉRIE 999 FOLHA 01/01	CHAVE DE ACESSO 9999 9999 9999 9999 9999 9999 9999 9
	Campo 1 de conteúdo variável
	Campo 2 de conteúdo variável

Layout of DANFE online. Source: Google Images.

This legal decision brings direct benefits to foreign trade professionals in Ceará. With the recognition of the DANFE as a fiscal proof instrument, it is possible to speed up the process of releasing the goods, since the document is available electronically and can be consulted by the inspection agencies immediately. This reduces the need for physical presentation of additional documents and **simplifies the flow of information** between those involved in the customs process.

Furthermore, the use of DANFE as fiscal evidence contributes to greater transparency and security in import operations. Through this document, it is possible to track and verify the fiscal regularity of the goods in real time, facilitating fiscal control by the competent authorities. This promotes compliance with tax obligations and assists in the prevention of irregularities and fraud in foreign trade.

In our interview, we will see much more about the impacts of these processes in the daily life of professionals in the area!

Introduction

Foreign Trade has always been an extremely dynamic and complex field, mainly due to its multidisciplinary nature and the need to stay fully attuned to global trends. As a result, professionals in the foreign trade sector find themselves immersed in a vast amount of information every day and require means to organize, analyze, and make strategic decisions based on this information.

This is where strategic tools come into play, which we will discuss in this section. These tools come in various types and possess unique capabilities. When used together, they can bring immeasurable value to professionals in the field.

In this edition, we're gonna detail the most relevant ones, based on our research:

- 1. Power BI;
- 2. Comex stat;
- 3. Apex Opportunitties map;
- 4. SISCOMEX;
- 5. Paperless port;
- 6. AEO;
- 7. WMS.



Source: Siscomex

Power BI



Power BI is a powerful business intelligence and data visualization tool developed by Microsoft. It enables users to analyze and visualize data from various sources, transforming raw data into meaningful insights and interactive reports. Power BI is designed to empower businesses and individuals to make data-driven decisions by providing them with a user-friendly and intuitive platform for data exploration and analysis.

Thus, Power BI also stands out for its creative freedom and its plurality of possibilities showing off as a sandbox for professionals that want to create dashboards with various types of data, functionalities, designs, sources, and even have the ability to link the tool with other platforms like Google Maps and various AI tools available in the market.

The use of Power BI in foreign trade represents a significant competitive advantage. Through real-time data analysis, intuitive visualizations, and key indicator monitoring, professionals can gain valuable insights to drive decisionmaking and improve operations. Additionally, with predictive analysis capabilities, they can anticipate trends and make proactive choices. Embracing Power BI empowers businesses to unlock the full potential of their data, leading to more informed and successful ventures in the realm of international trade.



Source: Siscomex

COMEXSTAT



ComexStat is a database and analytical tool developed by the Brazilian government to provide access to information on Brazilian foreign trade. It was maintained by the Ministry of Economy and was primarily focused on the analysis of Brazil's exports and imports.

ComexStat aimed to offer detailed trade data, allowing users to explore and analyze Brazil's trade relationships, product flows, and market trends.

In an era where data is the key to unlocking competitive advantages, ComexStat stands as a beacon of transparency and knowledge in Brazil's foreign trade landscape. By providing access to comprehensive trade data, facilitating indepth analysis, and empowering businesses with actionable insights, this powerful tool cements its position as an invaluable resource for entrepreneurs, researchers, and policymakers alike. Harnessing the power of ComexStat, Brazil takes a significant stride towards driving informed decisions, forging stronger trade ties, and embracing the opportunities of a rapidly evolving global economy.



Comexstat Home Page. Source: comexstat.mdic.gov.br

Created in 2015, the objective of the tool is to classify real opportunities for Brazilian exports into profiles that represent different stages of Brazilian participation in the market. The Map identifies and compares market sizes, their strategic classification for sales positioning ("Opening," "Consolidation," "Maintenance," "Recovery"), Brazilian exports by destination, the main competitor in the market, tariff and non-tariff barriers, among other aspects.

The Map of Opportunities from Apex-Brasil also contributes to the crucial stage of strategic decision-making for exporting companies (or future exporters): determining how many and which markets should be prioritized. Companies in the early stages of the export process can focus their efforts on countries classified as "Maintenance" or "Consolidation," for example. These are countries where Brazilian products already have entry and are not losing space to competitors, indicating a possibility of easier market penetration.

On the other hand, "Opening" markets may be more suitable for experienced companies aiming to diversify their destinations. In these countries, it is usually necessary to conduct more in-depth studies to assess the feasibility of exports, gain a better understanding of access barriers, position the company's image, and address other issues that increase the complexity of commercial efforts.

With the Map, any company can access qualified information about the international market for their products in just a few minutes. This contributes to improving the cost-effectiveness and export planning of the company. The tool also allows users to download the data.



Apex Opportunities Map Home Page. Source: Apex Brasil

SISCOMEX is the acronym for Sistema Integrado de Comércio Exterior (Integrated Foreign Trade System), a computerized instrument through which government control of Brazilian foreign trade is exercised. The System began operating in 1993 with the Export module and, in 1997, for imports. In 2014 the Single Foreign Trade Portal was launched.

The Single Portal Siscomex is an initiative to reformulate import, export and customs transit processes. This reformulation seeks to establish more efficient and integrated processes between all public and private parties involved in foreign trade.From the reformulation of the processes, the Unique Portal Program moves on to the development and integration of the information flows corresponding to them and the computerized systems in charge of managing them.

The technical teams from the Brazilian Customs Agency (RFB) and the Foreign Trade Secretary (SECEX) are responsible for the Foreign Trade reformulation project. Through the site, where all the foreign trade systems are concentrated, the user can access various information, services and statistics on foreign trade, as well as access all the government's trade systems. Among the Siscomex systems there are several modules, among them: Siscomex Import Web, Siscomex Drawback, Siscomex Mantra, Siscomex Cargo, Siscomex Transit and the Siscomex Portal.



Siscomex logo. Source: Siscomex



Siscomex operations. Source: Siscomex sector at gov.br

PAPERLESS PORT



The PSP (Paperless Port) initiative was developed by the Ministry of Economy with the main objective of reducing bureaucracy and optimizing the documentation that involves customs logistics. It was developed an information management system that gathers in a single space the main documents involved in the analysis and release of goods at the customs posts. Thus, it is a way to digitalize the foreign trade processes that in practice speeds up the customs clearance, which is one of the most decisive parts for the success of an import or export.

The PSP project stipulated the creation of the DUV, the Virtual Single Document, which replaces the paperwork involved in the process with this simple centralized digital document, which will be used in all clearance processes. In this way, the customs authorities can carry out the appropriate inspection in a single place, after all, the document will already be in the Government's system.

The use of the Port Data Concentrator Information System of the Paperless Port Project - PSP - for berthing and unberthing authorizations of vessels at the Port of Pecém and the Port of Fortaleza began in 2012 and, since then, continues with the aim of disciplining the provision of information for berthing, operating and unberthing authorizations of vessels, by ship owners and their representatives.

The system has been providing several advantages for the operations of the Port of Pecém, such as the improvement between the consenting agencies and the maritime agents, by having a single element of information, which is the Paperless Port system itself. Besides bringing more agility in the operations, due to the reduction of papers and documents that are sent via e-mail or personally, guaranteeing more transparency in the information, considering that those involved in the operations have ample access to the system, being able to observe, as much as they are allowed to, the release procedures of the ship berthing requests.



Paperless Port logo. Source:Portos Rio.

WAREHOUSE MANAGEMENT SYSTEM (WMS)

The WMS is software designed to manage the activities, products, and teams of distribution centers and warehouses. The implementation of this system improves the logistical operation within the warehouses, ensuring total traceability of the goods in all their movements, from their receipt to their dispatch. The Warehouse Management System can still bring many other benefits, such as an increase in the logistics team's productivity.



WMS Operations. Source: Google Images

In its operation, the system connects to a database. From there, all the movements that happen inside a warehouse are registered, in a practically immediate way. This control can be carried out in several ways, from the use of the traditional bar code to the use of automatic sensors.

AUTHORIZED ECONOMIC OPERATOR (AEO)

The AEO certification consists in the recognition by the Federal Customs Agency of operators in the international logistics chain who demonstrate the capacity to satisfactorily manage risks related to the physical security of cargoes and to tax and customs compliance. Membership in the program is voluntary. In short, the AEO Program is a modern model of customs control.

By becoming an AEO, the operator gains a certification granted by the Brazilian Government to companies in which the management processes minimize the existing risks in their foreign trade operations and thus demonstrate that they are committed to the Customs Compliance and Supply Chain Security criteria.

The AEO Program has voluntary membership. The Brazilian IRS estimated that by the end of 2019, 50% of customs declarations (export / import) would be registered by AEO certified companies. However, according to data released by the Revenue Service by October 2020, this proportion is still at 25%.



AEO logo. Source: Portal Gov

DIGITAL TRANSFORMATION POSTS ON CEARÁ GLOBAL'S SOCIAL MEDIA

Digital transformation plays a key role in foreign trade, as it creates more transparency and enables the automation of international commercial transactions. This transformation impacts the entire supply chain, since it increases the efficiency of bureaucratic and complex processes.







Did you know about the remote cargo inspection model at the Pecém Complex? Covid-19 restricted inperson work and reignited the discussion about conducting remote inspections in all customs precincts in Brazil, including the Port of Pecém, because of this, the innovative model was developed by the Federal Customs Agency and the Pecém Complex.

Comex Stat is a system for consulting and extracting data on Brazilian foreign trade. The objective of the system is to make access to information and statistics on foreign trade in Brazil, produced by the Ministry of Industry, Foreign Trade and Services, quick and intuitive. It can be accessed for free from any type of device and does not require a login.



DIGITAL TRANSFORMATION POSTS ON CEARÁ GLOBAL'S SOCIAL MEDIA

Authorized Economic Operator (AEO) is the certification program implemented by the Brazilian Federal Customs Agency to designate low-risk and reliable partners in international trade. AEOs enjoy benefits such as streamlined customs procedures, reduced inspection rates, prioritized analysis of requests, and enhanced trade facilitation. Check out the full versions on our LinkedIn page!





The reformulation of the Industrial Development Fund (FDI) made by the Government of Ceará last year, through decree No. 34.508/2022, brought considerable changes in the granting of tax, economic and financial incentives in the State. The digitalization of the processes was an important part of these transformations.

The Paperless Port is a system that has automated the provision of information required for the stay of vessels in Brazilian public ports, including the Port of Pecém and the Port of Fortaleza. This way, the Navigation Agencies provide information the to intervening agencies by filling out the system's Virtual Single Document (DUV).



DIGITAL TRANSFORMATION POSTS ON CEARÁ GLOBAL'S SOCIAL MEDIA

The digital transformation in foreign trade aims to optimize processes, reduce risks, and increase efficiency and security in import and export operations. This transformation has particularly impacted the customs clearance process, which regulates the release of goods in customs and is a crucial step in import and export transactions in Brazil.







WMS (Warehouse Management System) is a software solution that provides visibility into a company's inventory entire and manages fulfillment operations across the supply chain from the distribution center to the final destination. By reading barcodes or even RFID tags, it is possible to monitor the entire entry and exit of goods and other important information.

The number of new businesses in Ceará has grown 267% in the last four years, after the implementation of Junta Digital. Officialized four years ago, the project offers 100% digital services at the Commercial Board of the State of Ceará (Jucec) and was responsible for simplifying, speeding up, and making business registration more accessible throughout the state.





SERGIO Q. AMORA

Bachelor in Administration - Foreign Trade | CEO of Amora Group of Customs Brokerage | President of SINDACE - Union of the Customs Brokers of the State of Ceará | FEADANEIROS Delegate - National Federation of the Customs Brokers | FECOMERCIO Councillor SENAC - National Service of Commercial Learning | CNC Councilor of SESC - Social Service of Commerce

Considering the digital transformation in Foreign Trade, Ceará Global's team interviewed someone who has followed several changes in this field. Check out our complete interview below:

1. The profession of a customs broker is known to be centuries old, but it has transformed over the years. Can you, for the beginning of our conversation, tell us what a customs broker does?

True, the Customs Broker profession is secular, its origin goes back to the times of Colonial Brazil, when in 1554, D. João III, created the figure of the "Aldeador", responsible for checking the incoming and outgoing goods on ships. As a curiosity, we have the expression " Desembaraço Aduaneiro" (Customs Clearance) created at this time and used until today.

The Customs Broker is the biggest and, without a doubt, the most important among all the professionals involved in Foreign Trade, a fact that confirms this statement comes from the RFB, because more than 90% of all imported and exported cargo in our country goes through a Customs Broker.

Its role is to represent its contractors (importer or exporter) before all the Inspection Agencies, Intervening and / or Consenting, which, in turn, are responsible for controlling the activities related to customs clearance of goods, as well as in other foreign trade operations.

The profession is dynamic and requires extreme adaptation to the needs of the market. The inherent functions of the profession, it has reinvented itself and provided advisory services, feasibility studies feasibility studies, conducted projects and thus filling gaps that the speed of what foreign trade requires.

2.Can you share a little bit about how your choice for this career came about? How did it evolve and what are the impacts of digital transformation in this process?

The choice of a career in the customs area occurred in a surprising way in my life. I was still young, studying Mechanical Engineering, and Brazil had just opened its borders definitively; the President was Fernando Collor, who called our vehicles "carts".

In 1995, the government had changed, the President was Itamar Franco and Ciro Gomes, Minister of Finance, one of his first measures was to lower import taxes on almost 450 items, international trade reached another level, the opening of the ports was a reality that could no longer be retrogressed. I traveled abroad helping some businessmen from Ceará who were looking to buy the dreamed cars. dreamed of buying imported cars, on returning I met and fell in love with the profession I met and fell in love with the profession and then opened my office.

Years later, the first Administration - Foreign Trade courses were created in Ceará, and in order to improve myself, I went back to study, it was wonderful, I had the honor of being a student of outstanding professionals who were and are part of the Foreign Trade in Ceará. Regarding the digital transformation, I am a witness, I remember when we used to type the Import Documents and went to the Bank of Brazil to pay the tax. The Import Declaration was printed in 7 (seven) copies, being the client responsible for the 4th (fourth) copy after the conclusion of the slow process, since there was no "parameterization".

We went through many changes over three decades, the first drastic change occurred in 1997 with the creation of SISCOMEX. In 2012 we have SISCOMEX WEB, a great evolution, necessary, in 2014, a new evolution, the SISCOMEX Site - Single Portal, however, the pace slowed down and has remained slow, only in 2018 comes the DUE and DUIMP project, a project that aims to simplify and debureaucratize the processes. Five (5) years have passed and they have not yet been fully implemented. The digital and dynamic world does not support this slowness.

3.Considering Foreign Trade is still a traditional area and involves a lot of bureaucracy, what are the major impacts of the digitalization of processes and control and inspection systems of the Brazilian customs? Unfortunately, the Federal Government has shown itself ineffective in keeping up with the dynamics and the vertiginous growth in the volume of imports and exports has transformed the digital era into a reality and modernization is a necessity.

The Private Sector needs quality and agility from the Customs Administration to reduce costs and make business viable in the globalized and digital world, without which it will be impossible to overcome competitors and survive.

The lack of vision or even priority of governments punished the Customs Administration with severe budget cuts, even so we have evolved and we already have several technological solutions available, but we are up against a complex legislation, which makes it impossible to replace even more the human factor, the advancement in the digital era of Customs Administration can not be only reactive, proof of this was the huge obstacle by an inability and a flaw / loophole in the legislation of electronic commerce addressed in several recent reports involving Chinese shopping sites.

4. Which foreign trade digital tools (systems and resources) do you think are important for customs brokers to use? And for importing and exporting companies? Why?

The Brasilian Custom Agency (RFB) itself has applied artificial intelligence systems, in this specific case in customs risk management - such as the Machine Learning Customs Selection System (SISAM), the Intelligent and Integrated Analyzer of Customs Transactions (ANIITA), and the Program for Real Time Monitoring of Customs Operations (PATROA), but we still have a lot to evolve, we can no longer afford delays.

There are several tools available to the Customs Brokerage professionals to help our class in the interaction with the RFB SYSTEMS (SISCOMEX, SISCARGA, TRANSIT, etc.), large companies in the IT area, including multinationals have glimpsed a large market, in constant growth. Simplifying steps and speeding up responses means reducing costs.

It would be impossible to think of Foreign Trade without the use of these tools, I will give you a concrete example, with the implementation of the DUIMP, all importers must feed the system with their product catalogs, imagine the amount of information to be included in the system, we are talking about millions of items, all with their own characteristics and peculiarities, doing this manually would be impossible. There is a tool on the market that copies your database, adapts and fills it in automatically, generating security, agility with quality and low cost.

5. Sergio, does the digital transformation that affects the processes in Foreign Trade, streamline and facilitate imports and exports? How? Was there a real gain?

The digital transformation plays a fundamental role in Foreign Trade. It generates transparency and security, and makes the automation of various international commercial steps possible. This transformation has a direct connection with the supply chain, since it increases the efficiency of bureaucratic and costly processes.

I can mention some impacts of digitalization in foreign trade, for example, the digitization of documents such as commercial invoices, DANFES, import licenses, certificates of origin, bills of lading. The fast and secure management of these documents reduces waiting time, costs, and facilitates negotiations and procedures.

Digitalization is already present in the tracking of cargo, in the already mentioned risk control, in the processes, not to mention the forms of payment that have evolved and the banking the whole process more secure, everyone has won and the trend is that more and more companies invest more and more companies invest in technology to impact their business internationally and thus maximize and thus maximize their performance and earnings.

Business and government will continue to seek the automation and digitalization of foreign trade. This will require greater collaboration between them to develop common standards, solutions and common standards, solutions, and regulations that promote security and confidentiality of and confidentiality of information.

6. How can customs brokers contribute to a more global Ceará?

All Customs clearance professionals must be prepared to identify opportunities. The digitalization of foreign trade is a positive transformation, but there are also challenges that need to be overcome. One of the biggest challenges is to disclose, to publicize our potential, products, and evolution in this so competitive and diversified universe.

There are companies and professionals who refuse to accompany the digitalization of the market, for not understanding or believing the importance of new technologies. This is a result of lack of vision, accommodation, or even lack of confidence in sharing digitally their data and information digitally. International trade has diversified and complex rules, remembering that each country defines its and laws that make digital transformation difficult, but these are one of the challenges that need to be overcome to advance the digitalization of foreign trade. Customs Broker experiences these obstacles daily, and can identify the best solution for each problem. As technology and commerce evolve, new challenges will arise, requiring agile responses from this professional. It is important, then, that he or she be dedicated and experienced in the area, letting the company act exclusively in its core business".

This is my vision and perspective about the digitalization of foreign trade, but as technology and commerce evolve rapidly, it is possible that as you read this interview, something has changed and I along with my fellow Customs Brokers are already adapting to the new rules or needs of our clients, because we always we have to give agile responses to this dynamic innovation.

Best wishes, Sergio Q. Amora



REFERENCES

SERPRO - Serviço Federal de Processamento de Dados (Federal Data Processing Service): "Reducing by 41% the time spent on importing products." Retrieved from: https://www.serpro.gov.br/menu/noticias/noticias-2018/reduzir-em-41-o-tempo-gasto-na-importacao-de-produtos

Paper Statistics: The Ultimate Collection of Paper Waste Facts." Retrieved from: [https://www.formstack.com/blog/paper-statistics] (https://www.formstack.com/blog/paper-statistics)

Secretaria da Fazenda do Estado do Ceará (Department of Finance of the State of Ceará): "Legislation." Retrieved from: https://www.sefaz.ce.gov.br/projeto/legislacao/

Receita Federal do Brasil (Brazilian Federal Customs Agency): "Customs and Foreign Trade - Manuals - Importation of Bulk Cargo - Simplified Procedures - Direct Discharge of Bulk Transported Goods - Digital Annexation of Customs Clearance Documents." Retrieved from: [https://www.gov.br/receitafederal/pt-br/assuntos/aduana-e-comercioexterior/manuais/despacho-de-importacao/importacao-de-graneis/procedimentos-simplificados/descarga-direta-demercadoria-transportada-a-granel/anexacao-digital-dos-documentos-instrutivos-do-despacho-aduaneiro]

"What is Siscomex?" Available at: https://www.fazcomex.com.br/siscomex/.

LACHMANN. "Porto sem Papel: understand what it is, how it works, and its benefits." Available at: <u>https://www.lachmann.com.br/porto-sem-papel/</u>. Accessed on June 24, 2023.

"Porto sem Papel officially implemented in Ceará." Available at: <u>https://www.complexodopecem.com.br/porto-sem-papel-oficializado-no-ceara/</u>. Accessed on June 24, 2023.

"What is WMS and how does it work in the day-to-day operations of a warehouse?" Available at: <u>https://www.softdata.com.br/o-que-e-wms-e-como-funciona-na-pratica/#:~:text=Como%20dito%20anteriormente%2C%20o%20WMS</u>.

"What is an Authorized Economic Operator - AEO?" Available at: <u>https://www.fazcomex.com.br/comex/operador-economico-autorizado-oea/</u>. Accessed on June 25, 2023.

"Indústria 4.0: From Automation to the Digital Transformation of Manufacturing." Available at: [https://www.portaldaindustria.com.br/industria-de-a-z/industria-4-0/#myCarousel].

"Digitalization of Foreign Trade: What to Expect in 2023 on this Topic?" Available at: [https://cheap2ship.com/digitalizacao-do-comex-o-que-esperar-de-2023-nesse-tema/].

"What is Comex 4.0 and What Are the New Technologies That Comex Professionals Need to Know?" Available at: [https://interseas.com.br/o-que-e-comex-4-0-e-quais-sao-as-novas-tecnologias-que-profissionais-do-comex-precisam-conhecer/].

"Comex 4.0: Is Your Company Prepared?" Available at: [https://www.conexos.com.br/comex-4-0-sua-empresa-esta-preparada/].

JUNE EDITION - VOL.4 - 2023



FOLLOW US AND SHARE :







CÂMARA DE COMÉRCIO E INDÚSTRIA



