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Special Economic Zone Compliance and Inventory Controls

Ensure accurate inventory controls, technology lifecycle tracking and audit reporting for continuous compliance with Special Economic Zone (SEZ) regulations

Special economic zones (SEZs) are designated areas within a country's national borders, established by host countries to attract foreign investment, increase employment, encourage development and enhance economic activity. They provide preferential operational, financial and tax benefits to businesses that are different from the rest of the country. Numerous countries in Asia-Pacific, Europe, Middle East and Africa have set up these zones with over 5400 SEZs worldwide.

While SEZs offer significant business benefits, they also impose rigorous regulatory and audit requirements. Companies operating within SEZs must adhere to stringent requirements for procurement, utilization, tracking, servicing and disposition of technology assets.

Although requirements are determined individually by each host nation, in most instances they include:

- Ensure technology purchase and disposal occurs within host nation and assets remain within designated SEZ

- Maintain comprehensive records, including purchase dates, warranty information, maintenance records and disposal details

- Maintain a detailed audit trail of asset location, usage and movement throughout the entire asset lifecycle

- Provide accurate compliance reports and documentation for SEZ audits

Failure to maintain proper inventory controls and manage asset life cycles can make it challenging to comply with SEZ regulations and lead to audit failures, legal and financial penalties, operational disruptions and revocation of permits.

Unfortunately, modern enterprise environments, characterized by mobile technologies, SaaS and cloud services, add layers of complexity in maintaining accurate inventory controls, good data hygiene and automating technology processes.

Traditional IT Asset Management (ITAM) and CMDB-based ITSM solutions usually fall short in addressing stringent SEZ requirements. Often, IT teams resort to manually pulling information from multiple sources, aggregating it painstakingly via spreadsheets, and contacting users to reconcile duplicate entries or populate gaps.

Challenges

- Ensuring visibility, tracking and control over technology assets in different locations across SEZs

- Resource and cost overruns in obtaining technology inventory data from many siloed systems and correlating manually to generate compliance reports and prepare for audits

- Balancing inventory levels and budgeting/forecasting to meet production needs while avoiding overstocks or stockout

Benefits

- Single system for tracking all technology assets and their lifecycle across hardware, software and cloud services

- Confidence in inventory controls and compliance with SEZ requirements, avoiding legal and financial penalties and fines

- Better audit accuracy, efficiency and timeliness with automated workflows to streamline audit preparation tasks

- Cost savings by reducing manual effort, human error and resource intensive IT projects

- Optimized inventory levels, reducing waste, saving costs and maximizing tax benefits

Ensure SEZ Compliance with Enterprise Technology Management

To enhance the accuracy, efficiency and timeliness of compliance with SEZ requirements you need to embrace improvements in tools, processes and automation.

Enterprise Technology Management (ETM) solutions provide an integrated platform to address the unique challenges of technology management and compliance in Special Economic Zones. They ensure accurate inventory controls, automation of technology lifecycle management tasks and compliance with SEZ regulations, as well as other industry standards/frameworks.

ETM solutions address the needs of today's dynamic technology environments, overcoming the limitations of traditional ITAM and CMDB solutions by providing:

- Centralized inventory of all assets in a technology database (TDB) leveraging existing tools and installed agents for comprehensive coverage, ensuring no asset goes untracked.

- Low-code/no-code workflows and pre-packaged applications that are easily configured for your needs, to automate lifecycle management tasks from technology procurement to disposal.

- Pre-packaged integrations with 160+ IT, security and business systems to discover, aggregate, normalize and enrich technology data and automate audit preparation tasks.

- Powerful business intelligence, notifications and reporting to keep stakeholders informed and provide a complete audit trail for demonstrating compliance to auditors.

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> We were unable to enforce accurate procurement and inventory controls for our Special Economic Zone locations in India and the Philippines, leading to major penalties. We needed an ETM system like Oomnitza that would allow us to track and audit any asset's location and history. This is a major priority as the asset's full lifecycle must occur in its SEZ.
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