Integrated Solutions to secure the Supply Chain

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An essential factor in reducing the illicit trade of any product is securing its legitimate supply chain.
Terms & Definitions

Issue, Scope, Solution, Technology

- **Smuggling**
  - International scope
  - Track & Trace (T&T)
    - Tracking and tracing products to allow monitoring of their movement through the supply chain
  - Open data standards
    - Common, open T&T data standards for all manufacturers
    - Technology independent

- **Tax evasion**
  - National scope
  - Tax Verification
    - Monitoring and controlling the volume of products manufactured to verify the correct taxes due and/or paid

- **Counterfeit**
  - Authentication
    - Using covert and overt identifiers to determine genuine products from those which are counterfeit

**Codify** Digital Tax Verification (DTV)

- Secure low cost solution that all manufacturers can deploy
- Gives government control over the manufactured volumes
- Overt authentication
The DCTA

- Association registered in Zurich, Switzerland
- Founded by Four International Tobacco Companies
- Promote cost effective Industry Standards & Supporting Technology Solutions:
  - Track & Trace
  - Digital Tax Verification
- Engage with governments and international organisations
- Work with standardisation bodies and solution integrators
Our Mission

“We drive for the adoption of a secure DTV solution and open T&T standards that can be fully integrated to combat illicit trade in excisable products and protect government revenues”
Complete Supply Chain Security

Tobacco Products Example:

<table>
<thead>
<tr>
<th></th>
<th>Case</th>
<th>Carton</th>
<th>Pack</th>
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<tbody>
<tr>
<td>Track &amp; Trace</td>
<td>🟢</td>
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<tr>
<td>Traceability</td>
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<td>Overt Authentication</td>
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<td>Volume Verification</td>
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<tr>
<td>Tax Verification</td>
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<tr>
<td>Covert Authentication</td>
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Track & Trace

• ‘Open’ coding format
• Standard reporting – single report source
• Enables all manufacturers, large or small to adopt a solution that is fit for purpose
• Currently in operation in EU for cigarettes with Member States
• Database enquiry functionality
Track & Trace Portal

Key number

Smart Phone (Photo Scan)

Browser

Internet

Global access portal

Manufacturer Track & Trace System
Digital Tax Verification

- Allows Volume Control and Tax Verification
- Government controlled code request/approval process
- Unique, secure 12 digit codes applied directly to packaging
- Applicable to almost any product
- Additionally Overt Authentication

Technology: Codentify
Codentify: the system Infrastructure

Government

Key Generator
Central System
Checker

Government approved System Integrator

Package

Printer
Code Generator (PC)

Manufacturing Centre (domestic or abroad)

Manufacturing Center Gateway

Registered and licensed
Summary

• Solutions and Technology must address illicit trade issue.
• Integrated supply chain solutions and standards:
  • Fight illicit trade
  • Meet legislation and regulation
  • Protect Government revenues
Thank you

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