



BearingPoint

Navigating U.S. Tariffs with Digital Procurement: A Strategic Guide for Asia–Pacific



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Executive Summary

The Asia–Pacific (APAC) region continues to face challenges caused by U.S. tariffs, which are reshaping long-standing supply chains and introducing new layers of complexity. Organizations across industries now recognize that traditional procurement approaches are insufficient in this volatile environment. According to economists, policy analysts, and numerous trade groups experts, tariffs represent a “new normal,” which is likely to continue for some time as both a U.S. political tool and regional measure to combat the surfeit of APAC goods in the EU and other trading blocs.

The following guide, jointly authored by JAGGAER and BearingPoint, explores how procurement leaders can navigate this situation with agility and confidence. By combining JAGGAER’s leading digital procurement solutions with BearingPoint’s deep regional expertise, we offer a collaborative framework that empowers businesses to align procurement with strategic business objectives, build resilient supplier networks, and unlock long-term value.



The Challenge: Tariffs and Trade Instability in APAC

Tariffs and shifting trade policies have forced APAC companies to adapt to an uncertain global landscape. While the degree of impact depends on your position in the supply chain, many APAC manufacturers face dampened demand from customers facing price increases, along with competition from other countries as customers shift to more cost-efficient products.

At the same time, slowing demand from the U.S. has been driving APAC exporters to focus on sales in other markets, a strategy that increases competition and decreases profitability. For instance, the European Union has been enacting tariffs on Chinese electric vehicles to protect domestic companies from Chinese manufacturers who had previously sold in the U.S.

On a strategic level, changes to “buy vs. make” and supplier location has effected the country of origin of finished products and their tariff rates and selling quantities. Proposed changes should include an end-to-end analysis, which traces impact through every stage to identify potential risks, defects, and areas needing adjustment.

Perhaps most critical is the lack of response time. Exporters often face the need to develop new strategies in a matter of weeks, which is too short to build production facilities and, for many industries, not enough notice to on-board and qualify suppliers. A recent survey by GLG of 300 senior leaders at APAC firms found that 65% have experienced a [decline](#) in financial performance while doing contingency planning to shift their businesses away from U.S. markets.



The Solution: Digital Procurement as Strategic Response

APAC manufacturers navigating the current market must source materials in real-time, without the traditional, months-long process of vendor qualification, contract negotiation, retooling production, and ESG compliance.

With a solution like JAGGAER One, enhanced by BearingPoint's regional framework, there are five actions exporters can take to address these issues. Each of the actions represents a different flashpoint for your teams to expand into a broad range of opportunities:



Please note that these actions are not in sequence. They may be required iteratively as the situation changes. For some organizations, certain actions will be critical. Understanding the priority while turning every development into an opportunity depends on how well you anticipate different outcomes.



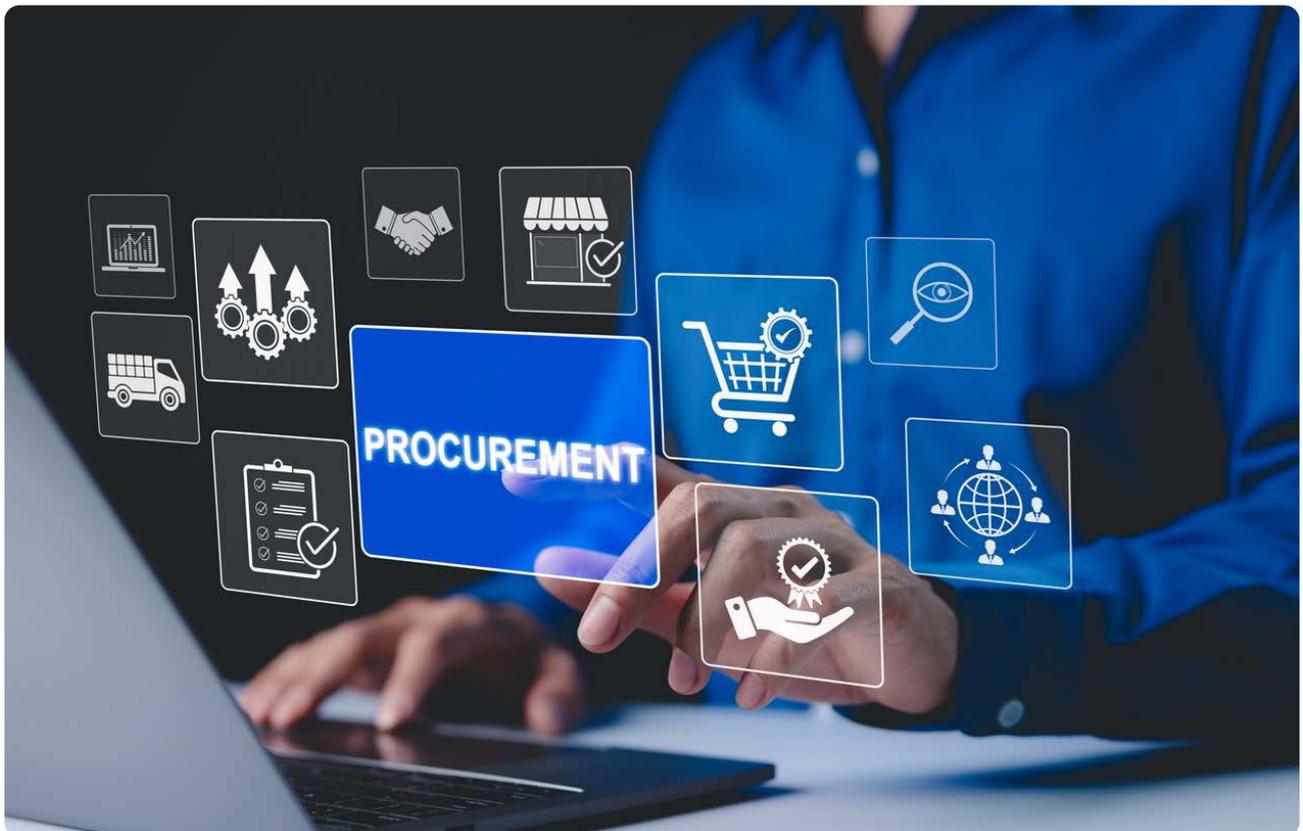
The Solution: Evaluate Alternate Scenarios

A company's transformation framework is only as successful as the details they put into it. When deciding what to do, exporters need to model multiple scenarios to understand which will have the most profitable result across a broad range of possible futures.

Scenarios should be ranked by risk calculated as impact on business multiplied by probability of occurrence. In our experience advising companies in volatile situations, teams should work from the highest down. They should also identify suitable countermeasures for each scenario and consider whether some should be activated immediately, on a preventative basis.

Budgeting for mitigation measures goes a long way. So does leveraging the real-time data and efficiencies of a platform like JAGGAER. Having all your supplier data on the same, converged platform not only speeds up the evaluation process, it helps you think strategically during scenario planning and put realistic numbers alongside each of your expected outcomes.

As with any agile campaign, scenario planning should work in concert with operations. Our customers have seen the most positive results when scenario planning is treated as a real-time effort, revisited quarterly—or perhaps even more frequently due to the volatility of our current market.





The Solution: Diversify Supplier Base; Strengthen Relationships

Alongside scenario planning, supplier diversification gives exporters the resources to deal with unexpected situations. With billions at stake for every procurement-led [transformation](#) (source: McKinsey), exporters should limit themselves to a short list of criteria, like specific locations, high-value expertise, and specific IP, when considering alternate suppliers.

Using a solution like JAGGAER One, exporters bring supplier data into a single, unified workflow. They compare rankings, cost, reputation, as well as other risk factors. Real-time third-party data from a partner like Beroe enhances decision-making and indicates developing market trends.

In terms of execution, collaborating with suppliers both existing and new is the most effective way to create a strategy to counteract tariffs. Regular meetings help both sides make continuous improvements and work through pain points. Suppliers and exporters also benefit from automated real-time monitoring and other data-driven feedback that simplifies transactions and shows areas of improvement.

According to a recent [study](#) from the Boston Consulting Group, the exporters that are thriving in the current market are combining legacy advantages (i.e., lower manufacturing costs, abundant resources) with a “leapfrog” strategy favoring innovation and bold capital investments and enhanced supplier relationships.





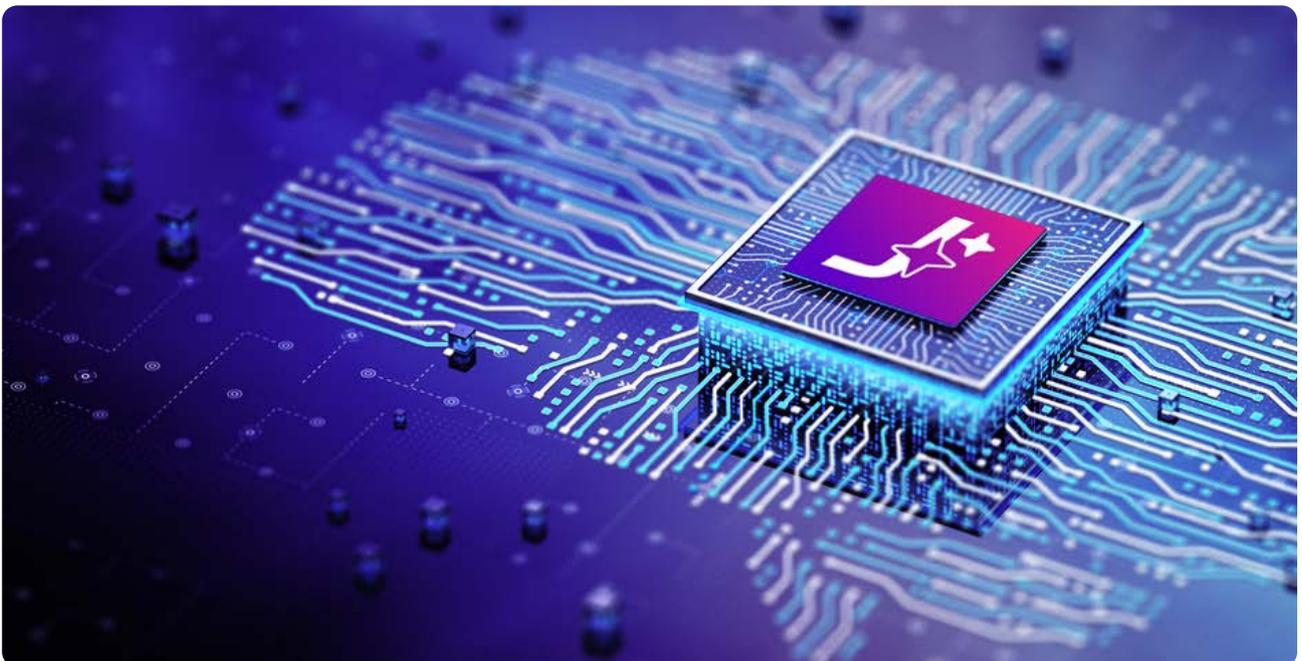
The Solution: Automate to Improve Responsiveness, Leveraging AI

According to a new report, 94% of APAC manufacturers plan to [invest](#) in AI. Among procurement officers and business stakeholders, the priority is agility, visibility and compliance. Because tariffs have made the market even more complex and competitive, AI has become an essential tool for locating trends your team might have missed as well as pivoting quickly to new suppliers ahead of major market shifts.

With JAI (JAGGAER One AI, pronounced “Jay”), exporters improve decision-making and accelerate business outcomes with embedded conversational intelligence that extends the capabilities of teams. Not only does it point out warning signs and trends in data, it automates manual task and delivers process insights, such as inefficient spend and process insights that help you work better and more cost-effectively.

At a time when 73% of procurement leaders cite [manual](#) onboarding as a major blocker (source: Dun & Bradstreet), AI guides suppliers step-by-step through the process, allowing them to go at their own pace and offers contextual feedback on what the supplier can do to improve their offering. APAC manufacturers cannot afford to lose out on working with a perfectly fine supplier who is falling short in an easily corrected area like compliance reporting.

JAGGAER supplier management enables you to enhance supplier collaboration with complete visibility into supplier performance and risk. You can take your protection to the next level with dedicated technology partners, offering automatic access to detailed supplier profiles and KPIs. The result is automated compliance with global regulations while strengthening supply chain resilience and promoting sustainability.





The Solution: Review End-to-End Compliance

Once you have decided on a plan, you need to make sure your improvements don't de-optimize other processes. Such end-to-end planning should include colleagues from quality assurance, tax, legal, and compliance.

When deciding on new suppliers, country-of origin-documentation and rules of origin compliance are essential, especially for Free Trade Agreements. You should also be mindful of proper valuation methods so despite currency differences and other considerations, everyone is on the same page. Also critical is audit trails for duty drawback claims and reconciliation.

Many of these features are built into the JAGGAER platform. When configuring your solution, you should make sure to take the proper compliance issues into consideration. Whatever you should decide to do depends on your specific situation. Are you dealing with tariffs on a particular product category, considering relocation decisions, or trying to model the financial impact?



Strategic Value: Why the JAGGAER and BearingPoint Collaboration Is Necessary

JAGGAER has partnered with BearingPoint to help customers succeed in the Asia-Pacific region. JAGGAER provides best-in-class digital procurement technology, enhancing transparency, automation, and supplier collaboration. BearingPoint brings more than a century of consulting expertise, with deep regional knowledge in APAC to support localization, change management, and implementation success.

Together, we help organizations make smarter, faster, and more resilient procurement decisions. Whether navigating sudden tariff rate changes, managing supplier consolidation, or ensuring compliance with ESG standards, our joint expertise provides a foundation for sustainable growth.



WHY IT MATTERS:

- **APAC Procurement Success Depends on In-Market Intelligence:** When deciding how to respond to a tariff rate change, manufacturers must decide whether to pay more to maintain existing suppliers or look elsewhere. An accurate assessment is impossible without a local market partner who can help with scenario planning.
- **APAC Procurement Success Depends on the Right Technology:** The right technology helps you act on in-market data. By bringing supplier information into a single, AI-enhanced workflow, you have the intelligence you need to move forward, with the right strategy and the right suppliers.
- **APAC Procurement Success Depends on Timing:** According to the 2025 Top APAC Distributors report (source: Supply Chain Connect), customer expectations for speed continue to [escalate](#) while consolidation among suppliers has narrowed sourcing options. With tariff rates changing daily, only the fastest and most strategic will win.

RESULTS:

JAGGAER and BearingPoint have transformed businesses across the globe. With our partnership now expanding into APAC, we are excited to support regional customers facing tariff uncertainties. So far, projected results have been in line with expectations:

- **Supplier Management+:** Process Saving 75% to 95%, due to supplier self-service through the supplier portal,
- **Sourcing+:** Process saving 60% to 85%, due to time saved to prepare, issue, tabulate, and award RFX events,
- **Contract+:** Process savings 10% to 30%, due to time saved preparing, negotiating, redlining, and executing awarded contracts.



Get Started Now: A Digital Procurement Guide for APAC Manufacturers

Tariff instability is not a temporary challenge it is the new normal. Procurement leaders across APAC must act now to build resilience, agility, and competitive strength.

By leveraging digital procurement solutions from JAGGAER and regional expertise from BearingPoint, organizations can turn disruption into opportunity. The time to embrace procurement transformation is now. Those who act decisively will set the standard for resilience and success in APAC's dynamic trade environment.

Below is a guide to help you navigate supplier relationships in the face of continued uncertainty:

1. Replace siloed solutions with a unified, cloud-based platform like JAGGAER One that brings all your market intelligence and supplier data into the same workflow.
2. Evaluate alternate scenarios. Identify impacts and prioritize countermeasures based on highest risk scenarios.
3. Bring data to supplier negotiations. Invest in tools that give you immediate visibility on suppliers and switching costs.
4. Leverage and strengthen supplier relationships.
5. Leverage artificial intelligence to monitor market trends, purchasing history, and price fluctuations so teams can lock in the best rates.
6. Consider budget to protect against tariff risk, including investments in suppliers, training and technology.
7. Review proposed sourcing changes and underlying thinking with quality, tax, legal and compliance colleagues to ensure improvements don't de-optimize another process.
8. Leverage JAGGAER's partnership with BearingPoint which enables them to deliver tailored procurement and supply chain solutions, helping regional customers manage changes due to new tariff regulations and enhance efficiency, transparency and resilience while driving measurable business value.

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