

Specification of Competency Standards
for the Logistics Industry
Unit of Competency

Functional Area - Import/Export Documentation

Title	Handle trading payment documents
Code	LOSAIE204B
Range	This unit of competency is applicable to logistics service providers. Practitioners should be capable of handling procedures and documents effectively for settlement of trading payment to make the freight process smoother.
Level	2
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Possess basic knowledge of procedures and documents for settlement of trading payment</p> <ul style="list-style-type: none"> • Understand the importance of transport documents to settlement of trading payment, such as clean bill of lading and packing list, etc. • Understand the types and functions of shipping documents, financial documents, business documents and official documents, and their relationship • Understand the settlement process of trading payment, and the role of its participants • Understand the role of banks in logistics operations, and the operations of a bank as a consignee and its relationship with the buyer • Understand the financial issues that may be caused by delay in the logistics operations • Understand the relevant regulatory requirement and their updated such as ISBP, UCP, Incoterms • Understand different modes of settlement of trading payment, such as letter of credit (L/C) and collections, etc. <p>2. Application of the basic knowledge of procedures and documents for payment settlement</p> <ul style="list-style-type: none"> • Obtain and study financial documents, such as L/C copy for reference • Check whether the import, export or re-export permit and other documents meet relevant requirements • Inform the shipper and make remedies if the logistics arrangements have changed and do not comply with the L/C • Check the validity of the L/C or other financial documents and provide appropriate freight service • Ensure terms and documents are completed and complied as per requirement such as L/C restriction of departure date, vessel delay, black-list documents, blacklist documents and other required bank negotiation documents • Identify liability and risk of improper cargo release like released cargo without presentation of original B/L • Handle procedures relevant to delivery of goods without the bill of lading, contact with the shipper or his agent, and exceptional arrangement for delivery such as delivery of goods to a different consignee or telex release • Handle procedures for delivery of goods without the presentation of the original bill of lading but with company or bank guarantee • Issue appropriate and sufficient freight documents according to the requirements of the financial documents • Respond to customers' enquiries related to freight service and payment settlement
Assessment Criteria	<p>The integrated outcome requirement of this unit of competency is:</p> <ul style="list-style-type: none"> • Capable of providing freight services to customers according to their financial arrangements or payment settlement methods

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Remark	This UoC is adapted from the Logistics UoC LOCUIE201A
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