



LSM123

INCOTERMS & COMMERCIAL

Trade Regulation

Course Introduction:

The Incoterms rules or International Commercial Terms are a series of pre-defined commercial terms published by the International Chamber of Commerce (ICC). They are widely used in International commercial transactions or procurement processes. A series of three-letter trade terms related to common contractual sales practices, the Incoterms rules are intended primarily to clearly communicate the tasks, costs, and risks associated with the transportation and delivery of goods.

The Incoterms rules are accepted by governments, legal authorities, and practitioners worldwide for the interpretation of most commonly used terms in international trade. They are intended to reduce or remove altogether uncertainties arising from different interpretation of the rules in different countries. As such they are regularly incorporated into sales contracts worldwide.

Course Objectives:

At the end of the course participants will be able to learn:

- The Importance of Incoterms
- The Importance of Incoterms in Contracts for Sale of Goods
- Standard Trading Conditions
- International Conventions Related to Tariffs & Trade

Who Should Attend?

- Anyone who handles, transports a TDG controlled product (i.e. a WHMIS product);
- Including the shipping, receiving, drivers and loaders within the firm

Course Outline:

Day 1:

An Overview of the history of the Incoterms

- What is the scope and area of interest of the Incoterms rules?
- What was the need for the revision of Incoterms 2000?
- What are the major shifts which have caused the need for change?
- What are the principle changes incorporated in Incoterms 2000?
- What are the advantages of using Incoterms?
- What is the manner in which costs are allocated between Buyers & Sellers?

- What are the different types of documents required in compliance with Incoterms?
- What are the obligations regarding Cargo Security?
- What are the changes to "D" terms?
- What are the special features regarding the application of Incoterms 2010 in the European Union?

Importance of Incoterms 2010 in facilitating International Trade

- What are the process involved in facilitating International Trade?
- What are the application in International Trade?
- What is the difference between INCOTERMS 2000 & 2010?
- Detailed analysis of each INCOTERMS including cost and responsibility
- What are the ways in which Risk is handled in Incoterms?
- What are the strategies for increasing Consignee Routed Shipments?
- What is the relevance of Incoterms in Trade Finance?
- Does Incoterms have any legal binding in International Trade?
- What are the ways in which Incoterms can be made legally binding?
- What are the important changes incorporated in Incoterms 2010 for enabling International Trade.

Day 2:

The Importance of Incoterms in Contracts for Sale of Goods

- What is the purpose of Contract of International Sales of Goods?
- What are the key provisions of Contract of International Sales of Goods?
- What are Convention for International Sales of Goods?
- What are the benefits of CISG?
- When Does CISG Apply?
- What is the importance of Incoterms in International Contracts for Sale of Goods?
- What is the relationship with private international law and existing domestic law?
- What are the rights and obligations of the Buyer & Seller in CISG?
- What are the remedies incorporated in CISG?
- What are the difficulties faced during the performance of International Sales Contract?
- What are the remedies faced by the buyer and seller in the execution of International Sales
- What is the difference between Sale Contracts vs. Incoterms?
- What is the Choice of Venue/Law?
- Where Would You Resolve Issues Related To Damage, Quality, Delay in Transit, Conformity, etc;
- What are the provisions concerning remedies in the sales contract?

An Overview of Uniform Commercial Code

- What is the definition of UCC?
- What does UCC mean in Trading Terms?
- Can UCC be enforced?
- What are the contents of UCC?

- What are the Business Issues covered in UCC?

What are Trading Conditions? : Standard Trading Conditions

- What are Standard Trading Conditions?
- How the conditions can be affected?
- What are the obligations of the Customer / Freight Forwarder?
- How can a forwarder bring certainty to his engagement by Customer?
- What are the liabilities and limitations

Day 3:

International Conventions Related to Tariffs & Trade

- What is Kyoto Convention?
- What is the origin of the Harmonized commodity description & coding system?
- What is the advantage of HS] Harmonized System?
- What is General Agreement on Tariffs & Trade (GATT)
- What is the function of World Trade Organization?
- What is GATT Valuation Agreement?
- What is Method One: The Transaction Value Method?
- What is Generalised System of Preferences (GSP)?
- What is Customs Convention on International Transport of goods under TIR Carnets
- What is TIR Carnet?
- What is ATA Convention?

Maritime Law

- 1924 – THE HAGUE RULES
- What are the responsibilities of the carrier?
- What are not the responsibilities of the carrier?
- What are the rules pertaining to carriage of containers on deck?
- What are the limitation of liability?
- 1968 – HAGUE VISBY RULES
- 1978 – THE HAMBURG RULES
- What are the proposed changes in Hamburg Rules?
- What is difference between Hague Rules & Hague-Visby Rules?

Importance of Sea Freight Documentation

- What are the different types of documents used in international trade?
- What are the different types of documents used for different modes of transport?
- What are the different of B/L and its uses?
- Purpose and use of each document in international trade and in domestic operations

Documentary Credit

- What are Documentary Credits?
- Types of Letter of Credit? Methods of Operations
- What is the Role of the Freight Forwarder under different INCOTERMS in Letters of Credit?
- What is Back-to-Back Letter of Credit?
- An Overview of UCP 600

Day 4:

Cargo & Liability Insurance

- What is the principle of and importance of Cargo Insurance?
- What are the different types of Cargo Insurance Coverage?
- What is the Extent, Duration, and Value & Premium applicable for Cargo Insurance?
- What are the procedures for Claim settlement procedures?
- What is Liability Insurance?
- What are the objectives and who are the parties involved?

How is Import & Export Cargo handling is carried out?

- What are the basic principles of Cargo Routing?
- Why should you understand the nature of cargo?
- What are the things a Forwarder should know for preparing a quotation?
- How do you determine the type and mode of shipment?
- What are the various Incoterms where a Forwarder is asked to ship on behalf of the Shipper?
- What are the various Incoterms where a Forwarder is asked to ship on the Consignee?

Types of Shipping Services & Freight Calculations

- What are the types of Shipping Services?
- What is Liner Terms?
- What is the basis for Freight Calculation and Freight Tariff Terms?
- How does one calculate which produces the highest amount?
- What is a Freight Ton & Long Length?
- What is Weight/Measurement Ratio?
- What is a Tramp Vessel and its particularities?

Multimodal Transport Operations & Documentation

- What is Multimodal Cargo Transportation?
- Definition & examples of Multimodal Transportation
- Logic for using Multi modal Transportation

- Characteristics of Multi modal Cargo
- Advantages, Disadvantages, Types of operations, Types of Multi Modal Operators
- What is Project Cargo and it's Characteristics?

Day 5:

What is the role of the Freight Forwarder in Logistics & Supply chain Management?

- What are the activities which fall under Freight Forwarding Services?
- What are the Liabilities and Responsibilities under each Freight Forwarding?
- Difference between Freight Forwarding & Logistics Operations.
- How International Trading Activities are carried out?
- Import / Export/ Transshipment Operations
- What are the features of International Trade?
- What are the Consultative & Advisory Functions of the Freight Forwarding Services?
- What is known as Freedom of Contract of the Freight Forwarder
- What is the importance of Shipping Instructions?

An Overview of Logistics Management

- Historical Perspective of Logistics.
- What are the growing demands of the 21st century?
- What is Logistics Management & what are the components?
- How do we develop the Logistics Organization?
- What is Logistics Management Process?
- How do we create a Logistics Vision Statement?
- What is the mission of Logistics Management?
- What is the role of the Logistics Professional in the Supply Chain Management?
- What is the Principle of Optimization?
- What is Business Logistics?
- What is the operating responsibilities of Logistics?
- What is Value Chain Analysis & Management?

Customer Service in Logistics

- What is the role of Customer Service in Logistics?
- How do you evolve a focused Logistics & Customer Service Strategy?
- How to achieve Customer Service Excellence?
- What is Transaction Survey? Concept of Perfect Order

Course Certificate:

International Center for Training & Development (ICTD) will award an internationally recognized certificate(s) for each delegate on completion of training.

Course Methodology:

A variety of methodologies will be used during the course that includes:

- (30%) Based on Case Studies
- (30%) Techniques
- (30%) Role Play
- (10%) Concepts
- Pre-test and Post-test
- Variety of Learning Methods
- Lectures
- Case Studies and Self Questionnaires
- Group Work

Course Fees:

To be advice as per course location. This rate includes participant's manual, Hands-Outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

Course Timings:

Daily Course Timings:

08:00 - 08:20	Morning Coffee / Tea
08:20 - 10:00	First Session
10:00 - 10:20	Coffee / Tea / Snacks
10:20 - 12:20	Second Session
12:20 - 13:30	Lunch Break & Prayer Break
13:30 - 15:00	Last Session