

## Level 3 Export Credit Management Indicative content

*NOTE : Whilst not exhaustive this document provides an illustration of topics and themes in this unit.*

1	<ul style="list-style-type: none"> <li>• Provision of credit.</li> <li>• Effect of credit on the global economy.</li> <li>• Control of credit.</li> <li>• Differences and features of trade, export and consumer credit.</li> <li>• Working capital.</li> <li>• Impact of offering credit.</li> </ul>
2.	<ul style="list-style-type: none"> <li>• How the credit function fits into the overall organisation of a company.</li> <li>• Functions and structure of a credit department.</li> <li>• The relationships of a credit department with other departments.</li> <li>• Key measures of credit department performance and target setting.</li> <li>• The role and qualities of the credit manager.</li> <li>• Value of good customer service and how this can be achieved in a credit department.</li> <li>• The importance of a credit policy.</li> </ul>
3.	<ul style="list-style-type: none"> <li>• Relevant characteristics of individuals, sole traders, partnerships, limited companies and other types of customer.</li> <li>• Relevant cultural differences of customers in the export market.</li> <li>• Financial advantages and disadvantages of granting credit to different types of customers, and countries.</li> <li>• Appropriateness of various types of credit agreements in a range of circumstances.</li> <li>• Advantages and disadvantages of credit agreements to the credit supplier</li> </ul>
4.	<ul style="list-style-type: none"> <li>• Features of different INCOTERMS, payment terms and methods of payment, including letters of credit and bills of exchange.</li> <li>• Importance of initial and continuous risk assessment and control.</li> <li>• Sources and value of information available to assess applications for export credit.</li> <li>• Purpose and operation of a risk category system.</li> <li>• Calculation and use of credit limits.</li> <li>• How credit insurance works.</li> <li>• The key provisions of Money Laundering Regulations.</li> </ul>

5.	<ul style="list-style-type: none"> <li>• The purpose and features of export payment documents, including bill of exchange, letter of credit and promissory note.</li> <li>• The purpose and features of export transport documents, including export invoice, bill of lading, CMR, CIF, airway/seaway bill and certificate of origin.</li> <li>• The content and purpose of a customer master file.</li> <li>• Principal features of a sales ledger system.</li> <li>• Computerised systems and the benefit to the credit management function.</li> </ul>
6.	<ul style="list-style-type: none"> <li>• Techniques necessary for effective collection work.</li> <li>• Advantages and disadvantages of methods of collection activity.</li> <li>• Methods of dealing effectively with queries and non-payment.</li> <li>• Circumstances for withholding supplies or services.</li> <li>• Basic steps for debt recovery in the international courts.</li> <li>• Advantages and disadvantages of using third parties and agents abroad.</li> <li>• Methods for evaluating a third party before entering into a service agreement.</li> </ul>

Assessment

One-hour online examination involving 60 multiple choice questions