



Australian Government

Department of Education, Employment and Workplace Relations

BSBPUR403B Conduct international purchasing

Revision Number: 1

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Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit specifies the outcomes required to conduct international purchasing and covers the sourcing of potential suppliers, inviting offers, evaluating the offers received, preparing recommendations and contracting the successful supplier. It also covers arranging importation of the goods, including satisfying regulatory requirements, arranging required payments and ensuring all contractual obligations are met. No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.
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Application of the Unit

Application of the unit	This unit applies to individuals who conduct international purchasing of specified goods within workplace policies and procedures and regulatory frameworks. Individuals undertaking this unit are typically purchasing in accordance with organisational international purchasing guidelines and work under minimal supervision of a senior purchasing manager or in consultation with senior management.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Source international suppliers	1.1. Identify goods to be purchased internationally 1.2. Research potential sources of supply from relevant information sources 1.3. Examine market structures for proposed purchases 1.4. Determine regulations governing international purchasing 1.5. Identify potential sources of supply from research 1.6. Seek assistance and clarification as required on which workplace procedures, policies and regulations govern the international purchasing of specified goods 1.7. Apply workplace procedures, policies and regulations governing the international purchasing of specified goods
2. Prepare invitations to offer for imported goods	2.1. Obtain and clarify specifications of requirements for international purchasing of specified goods from relevant personnel as required 2.2. Select purchasing strategy most appropriate to the proposed purchase 2.3. Develop and document invitations to offer 2.4. Ensure invitations to offer are checked for compliance with regulations, organisation's policies and procedures and description of required goods 2.5. Develop, document and obtain approval for criteria for evaluating offers 2.6. Issue invitations to offer to prospective suppliers after gaining approval from relevant personnel to release them
3. Prepare recommendations in response to offers	3.1. Receive offer documents from suppliers 3.2. Assess offer documents against documented criteria and requirements of purchasing strategies 3.3. Seek further information from suppliers, as required, to clarify offers 3.4. Evaluate offers against purchasing criteria 3.5. Select preferred offer and make recommendation for approval to relevant personnel 3.6. Obtain approval for recommended offers
4. Action successful offers	4.1. Draft contract with successful supplier 4.2. Access legal expertise to ensure legality of contract

ELEMENT	PERFORMANCE CRITERIA
	agreements 4.3. Issue contract in accordance with received approval 4.4. Inform unsuccessful offers of outcome of evaluation process
5. Arrange importation of goods	5.1. Assess risks in ownership and transport of goods from point of delivery to final destination 5.2. Arrange relevant insurance cover 5.3. Seek agents as required to arrange inspection, packing, transport, importation, customs clearance and delivery of goods into store 5.4. Satisfy statutory and regulatory requirements including fumigation and export/import controls 5.5. Ensure supply and logistics channels are managed to delivery of goods is achieved satisfactorily and within designated timelines
6. Arrange provision of foreign currency payments	6.1. Obtain advice on payment strategy to be followed 6.2. Receive arrangements made to initiate currency hedging, letter of credit or payment by direct cheque in accordance with advice 6.3. Authorise payments at appropriate times
7. Ensure all contractual obligations are satisfied	7.1. Ensure that actions are taken to ensure that any non-compliance with contractual conditions and specifications is rectified

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- culturally appropriate communication skills to relate to people from diverse backgrounds and people with diverse abilities
- information management skills to prepare invitations to offer accurately and in sufficient detail
- organisation and time management skills to source suppliers and release required documentation in a timely fashion
- literacy skills to document invitations to offer
- communication skills to liaise with suppliers and in gaining approvals and advice from others involved in the purchasing process
- skills to conduct a risk assessment for purchasing the specified goods from each supplier.

Required knowledge

- identification and overview knowledge of key provisions of relevant legislation from all levels of government that affects business operations, codes of practice and national standards, such as:
 - consumer protection legislation
 - contract law
 - import of goods and services, where relevant
 - sale of goods legislation
 - Trade Practices Act
- methods of payment applicable to international purchasing
- organisational policies and procedures for international purchasing
- range of agencies and organisations involved in arranging importation arrangements such as:
 - consultants
 - customs brokers
 - freight forwarders
 - logistics and transport companies
- relevant insurance brokers and range of available types of policies to cover risks of international purchasing
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- sources of information and assistance external to organisation, for example:
 - Austrade
 - chambers of commerce

REQUIRED SKILLS AND KNOWLEDGE

- customs brokers
- regulatory authorities such as Australian Custom Service (ACS) and Australian Quarantine Inspection Service (AQIS)
- state/territory government departments or agencies.

Evidence Guide

EVIDENCE GUIDE

The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the following is essential:

- sourcing of international suppliers for specified goods
- preparation and issuing of invitations to offer
- evaluation and selection of successful offers
- issuing of contracts with preferred suppliers
- informing unsuccessful suppliers of outcome of evaluation process.

Context of and specific resources for assessment

Assessment must ensure:

- access to an actual workplace or simulated environment
- access to office equipment and resources
- organisation's purchasing strategies and relevant purchasing records.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:

- analysis of responses to case studies and scenarios
- assessment of draft and finalised invitations to offer and contracts for the supply of international goods
- direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate
- observation of evaluating offers against selection criteria
- observation of contacting successful and unsuccessful suppliers about the awarding of the contract
- oral or written questioning to assess knowledge
- review testimony from team members, colleagues, supervisors or managers
- review of authenticated documents from the workplace or training environment.

EVIDENCE GUIDE**Guidance information for assessment**

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:

- other purchasing units.

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

<i>Information sources</i> may include:	• Austrade and state/territory government departments or agencies and chambers of commerce • catalogues and directories • existing databases of suppliers • international branches and affiliates of organisation • internet • trade or industry publications
<i>Regulations</i> may include:	• Australian Customs Act • legislation, codes of practice and national standards, for example: • other Australian legislation relating to restrictions and prohibitions on imports • quarantine legislation
<i>Assistance and clarification</i> may be sought from:	• external parties, for example regulatory authorities such as: • Australian Customs Service (ACS) • Australian Quarantine Inspection Service (AQIS) • customs brokers • Austrade • manager or other personnel within the organisation
<i>Specifications</i> may include:	• designated timelines • indications of price range to be paid • packaging requirements • quantities required • relevant quality parameters for goods • size, capacity and volume of individual items • technical descriptions of goods to be purchased
<i>Criteria for evaluating offers</i> may	• any preferences for country of origin • availability and ability to meet designated

RANGE STATEMENT	
include:	timelines • clarity of offer • cost structure • quality parameters • value adding offered by suppliers including technical support and guarantees
Agents include:	• customs brokers • freight forwarders • logistics and transport companies and consultants
Actions may include:	• imposition of fines or penalties • interventions by self • referral to more senior personnel within organisation, regulatory bodies and agents involved in arranging importation of goods

Unit Sector(s)

Unit sector	
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Competency field

Competency field	Administration - Purchasing and Contracting
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Co-requisite units

Co-requisite units		