



Australian Government

Department of Education, Employment and Workplace Relations

TLIR5007A Manage international purchasing

Release: 1

TLIR5007A Manage international purchasing

Modification History

Not Applicable

Unit Descriptor

Unit Descriptor

This unit involves the skills and knowledge required to manage international purchasing of specific goods within workplace policies and procedures and regulatory frameworks. Licensing, legislative, regulatory or certification requirements are applicable to this unit.

Application of the Unit

Application of the Unit

Work may be undertaken in various contexts within the transport and distribution industry. The unit generally applies to those who provide leadership of others individually or in teams.

This unit is normally packaged at AQF V or above.

Licensing/Regulatory Information

Refer to Unit Descriptor

Pre-Requisites

Not Applicable

Employability Skills Information

Employability Skills This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.

Performance criteria describe the required performance needed to demonstrate achievement of the element. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1 Develop and document strategies for international purchasing	1.1 Strategic implications for the organisation's international purchasing are researched and analysed 1.2 International market structures are researched 1.3 Export requirements of supplier country are researched and analysed 1.4 Organisation's strategies for international purchasing are drafted and submitted for approval
2 Implement international purchasing strategies	2.1 International purchasing strategies are communicated to relevant personnel and stakeholders 2.2 Support is provided to stakeholders to implement international purchasing strategies 2.3 Implementation of international purchasing strategies is monitored within the organisation 2.4 Problems and issues arising from implementation of international purchasing strategies are identified and addressed
3 Undertake more complex international purchasing	3.1 Export markets and cultural considerations having a potential impact on international purchasing are researched and appropriate markets are chosen 3.2 International legal requirements on sale of goods and Australian regulatory controls applicable to imports into Australia are researched and applied as appropriate 3.3 Relevant INCO terms and trade terms are applied 3.4 Exception clauses to business conditions are drafted 3.5 Any discrepancies are clarified and resolved to the satisfaction of all parties
4 Determine payment strategies	4.1 Financial risk management is analysed and available controls are implemented 4.2 Source and availability of funds for payment are identified 4.3 Currency payment methods - hedging, letters of credit, and payment by cheque upon/after shipment are researched and analysed 4.4 Currency payment methods are selected 4.5 Expenditure phasing is planned and implemented
5 Arrange barter or countertrade	5.1 Strategic implications of arranging specific barter or countertrade are researched and analysed 5.2 Suppliers willing to engage in international barter or countertrade are determined 5.3 Commercial conditions for proposed barter or countertrade are negotiated and agreement is reached with partners 5.4 Draft contract is prepared and legal expertise accessed to check

ELEMENT	PERFORMANCE CRITERIA
6 Determine logistics strategies	legality of contract agreement
	5.5 Contracts are approved and issued
	6.1 Requirements for pre-shipment inspection are ascertained and arrangements are made
	6.2 Shipping and other transport risks and facilities are researched and analysed
	6.3 Regulatory compliance requirements for importation into Australia are researched and analysed
7 Evaluate international purchasing strategies and implement identified improvements	6.4 Logistics strategies for the organisation are developed to take account of appropriate transport, insurance and regulatory compliance requirements
	6.5 Approval is gained from relevant personnel for implementation of logistics strategies
	7.1 Implementation of international purchasing strategies is reviewed
	7.2 Improvements to international purchasing strategies are identified from the review process
	7.3 Approval is gained to implement improvements to international purchasing strategies
Required Skills and Knowledge	7.4 Changes are communicated to relevant stakeholders and support is provided to implement improvements
	7.5 Implementation of changes is monitored and reviewed to determine effectiveness of improvements

Required Skills and Knowledge

REQUIRED KNOWLEDGE AND SKILLS

This describes the essential knowledge and skills and their level required for this unit.

Required knowledge:

- Relevant sections of national and state or territory regulatory requirements and codes of practice relating to restrictions and prohibitions on imports
- Commonwealth/state/territory government procurement guidelines
- Organisational procurement policies and practices for international purchasing
- Contracting requirements
- Whole-of-life considerations
- Disposals considerations
- Procedures for acceptance of goods or services

REQUIRED KNOWLEDGE AND SKILLS

- Procurement approval processes
- International markets and cultural considerations relevant to purchasing in supplier countries
- Legal considerations
- Negotiation practice in procurement
- Ethical issues
- Equal employment opportunity, equity and diversity principles and legislation
- Legal aspects of negotiation
- Legislation, codes of practice and national standards including the law of contract, Trade Practices Act, commercial law, quarantine legislation
- Financial and accounting issues relevant to the contract
- Source of information and assistance external to the organisation such as regulatory authorities, customs brokers, Austrade, state/territory government departments or agencies, chambers of commerce
- Methods of payment applicable to international purchasing including barter and countertrade
- INCOTERMS
- Relevant insurance brokers and types of policies to cover risks
- Agencies involved in arranging importation such as customs brokers, freight forwarders, logistics and transport companies and consultants
- Requirements for completing relevant documentation

Required skills:

- Communicate effectively with others when managing international purchasing
- Read and interpret instructions, procedures, information and signs relevant to work activities
- Interpret and follow operational instructions and prioritise work
- Complete documentation related to work activities
- Operate electronic communication equipment to required protocol
- Work collaboratively with others
- Adapt appropriately to cultural differences in the workplace, including modes of behaviour and interactions with others
- Promptly report and/or rectify any identified problems, faults or malfunctions in accordance with regulatory requirements and workplace procedures
- Modify activities depending on differing operational contingencies, risk situations and environments
- Monitor work activities in terms of planned schedule
- Work systematically with required attention to detail without injury to self or others, or damage to goods or equipment

Evidence Guide

EVIDENCE GUIDE

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required knowledge and skills, the range statement and the assessment guidelines for this Training Package.

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

- The evidence required to demonstrate competency in this unit must be relevant to and satisfy all of the requirements of the elements and performance criteria of this unit and include demonstration of applying:
 - the underpinning knowledge and skills
 - relevant legislation and workplace procedures
 - other relevant aspects of the range statement

Context of and specific resources for assessment

- Performance is demonstrated consistently over a period of time and in a suitable range of contexts
- Resources for assessment include:
 - a range of relevant exercises, case studies and/or other simulated practical and knowledge assessment, and/or
 - access to an appropriate range of relevant operational situations in the workplace
- In both real and simulated environments, access is required to:
 - relevant and appropriate materials and equipment, and
 - applicable documentation including workplace procedures, regulations, codes of practice and operation manuals

Method of assessment

- Assessment of this unit must be undertaken by a registered training organisation
- As a minimum, assessment of knowledge must be conducted through appropriate written/oral tests
- Practical assessment must occur:
 - through activities in an appropriately simulated environment at the registered training organisation, and/or
 - in an appropriate range of situations in the workplace

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.

Strategic implications may include:	• economic and financial implications • business risks • compliance requirements • establishment of overseas branches and agencies or representatives • knowledge and information requirements
Export requirements refers to:	• compliance with legislation • tariffs, quotas, trading agreements and international treaties • business processes and practices of supplier country
Cultural considerations may include:	• values, beliefs and attitudes • perception of Australia • business processes and practices within supplier country • culturally appropriate communication styles
Legal requirements may include	• international trade agreements and treaties • international law • legislation applicable to supplier country
Australian regulatory controls may include those applicable to:	• Australian Customs Service (ACS) requirements • Australian Quarantine Inspection Service (AQIS) requirements • Australian Taxation Office requirements • requirements of other government departments and agencies • Trade Practices Act
INCOTERMS refer to:	• the set of international rules for the interpretation of trade terms published by ICC (International Chamber of Commerce) and applied to imports and exports to specify transportation and payment conditions
Controls may include:	• insurance • guarantees • specifying a particular currency for payment • selection or rejection of particular payment methods • other strategies to minimise or transfer risk
Barter refers to:	• the simultaneous exchange of goods between the importer and exporter
Countertrade refers to:	• a trading transaction where export sales to a particular market are made on the condition that imports from that

RANGE STATEMENT

Requirements for pre-shipment inspection may include:	particular market are accepted in return • checks of condition of goods prior to shipment • checks made of quality, packaging (including condition of containers), quantities, labelling of goods and containers and separation of goods to comply with Australian regulations such as Dangerous Goods Act
Regulatory compliance requirements may include	• fumigation and quarantine regulations • labelling requirements • separation of goods to comply with Australian regulations such as Dangerous Goods Act • legislation and regulations related to prohibited imports
Depending on the organisation concerned, workplace procedures may be called:	• standard operating procedures (SOPs) • company procedures • enterprise procedures • organisational procedures • established procedures
Communication in the work area may include:	• phone • electronic data interchange (EDI) • fax • email • internet • RF systems • oral, aural or signed communications
Consultative processes may involve:	• other employees and supervisors • relevant authorities and institutions • management and union representatives • industrial relations and OH&S specialists
Documentation and records may include:	• regulations and codes of practice relevant to Australian Dangerous Goods (ADG) code, including safeworking and local authority regulations and procedures • relevant OH&S and environmental protection regulations • workplace policies and procedures related to ADG code • specialist permit applications • phytosanitary certificates • quality assurance procedures • operations manuals, job specifications and induction documentation • relevant Australian Standards and certification requirements

Unit Sector(s)

Not Applicable

Competency Field

Competency Field R - Contract Procurement