

Title	Demonstrate knowledge of the different payment methods used in international trade		
Level	3	Credits	6

Purpose	People credited with this unit standard are able to: demonstrate knowledge of the different payment methods used in international trade.
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Classification	Logistics > Freight Forwarding
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Available grade	Achieved
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Guidance Information

Definitions

URC 522 refers to the *Uniform Rules for Collections URC 522*; International Chamber of Commerce publication 522, available on

<https://iccwbo.org/content/uploads/sites/3/2019/06/icc-uniform-rules-for-collections-v1-0.pdf>.

UCP 600 refers to the *Uniform Customs and Practice for Documentary Credits UCP 600*; International Chamber of Commerce publication 600, available on

<https://www.iccwbo.be/shop/icc-uniform-customs-and-practice-for-documentary-credits-ucp-600-english-e-book/>.

Outcomes and performance criteria

Outcome 1

Demonstrate knowledge of the different payment methods used in international trade.

Range cash in advance, documentary credit, documentary collection, open account.

Performance criteria

- 1.1 Benefits and limitations of the sellers' and buyers' rights are explained.
- 1.2 Benefits and limitations of the documentation system are explained.
- 1.3 The financial risk and associated cost for each method of payment are identified.
- 1.4 Document requirements for each method of payment are explained.

1.5 Payment method is described.

Range identified payment parameters, customers expectation of risk and return, New Zealand regulations, banking practice.

1.6 The process to effect payment is described in accordance with UCP 600 or UCR 522.

Planned review date	31 December 2025
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Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	30 September 1998	31 December 2023
Review	2	26 July 2005	31 December 2023
Review	3	17 June 2011	31 December 2023
Review	4	27 May 2021	N/A

Consent and Moderation Requirements (CMR) reference	0014
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

Comments on this unit standard

Please contact MITO New Zealand Incorporated info@mito.org.nz if you wish to suggest changes to the content of this unit standard.