25.3.0 INTERNATIONAL PURCHASING

25.3.1 Introduction

This module unit is intended to equip the trainee with necessary knowledge, skills and attitudes that will enable him/her to handle purchasing operations effectively in international markets.

25.3.2 General Objectives

By the of the module unit, the trainee should be able to:

- a) explain the importance of international purchasing is supply chain management
- b) describe the procedures and documentation involved in international purchasing
- c) apply the sourcing strategies used in international purchasing
- d) explain the commercial aspects related to international purchasing
- e) outline the payment procedures and instruments used in international purchasing
- f) describe the role of institutions that are concerned with promoting international purchasing

25.3.3 Module Unit Summary and Time Allocation

Code	Sub-Module Units	Content	Time (Hours
25.3.01	Introduction to International Purchasing	 Nature of international purchasing Reasons for international purchasing Challenges faced in international purchasing Overcoming challenges in international purchasing Distinction between global sourcing and international sourcing 	4

Code	Sub-Module Units	Content	Time (Hours)
25 3 02	Procedures and Documentation in International Purchasing	 Methods of specifying requirements in international purchasing Procedures involved in international purchasing Methods of certifying quality of goods for international markets Factors considered in selecting international modes of transport Settling disputes in international purchasing Procedure for clearing and forwarding goods from overseas suppliers Documents used in international purchasing 	8
25 3.03	Sourcing Strategies in International Purchasing	 Sourcing strategies used in international purchasing Effects of globalization in international purchasing 	15
25.3 04	Commercial Aspects in International Contracting	 International commercial terms Aspects to be considered in commodity markets Issues involved in international contract negotiation Financing arrangements in international purchasing Ethical issues in international purchasing 	20
25 3 05	Payment Procedures and Methods in International Purchasing	 Factors to consider in processing payment in international purchasing Payment procedure in international purchasing Methods of settling payments in international purchasing Conveyance documents in international purchasing 	20

	Suggested Teaching/Learning Activities - Discussion - Explanation - Note-taking - Observation Suggested Evaluation Methods - Assignments - Oral tests		d) explain the factors considered in selecting international modes of transport e) explain ways of settling disputes in international purchasing f) describe the
25.3.02	PROCEDURES AND DOCUMENTATION IN INTERNATIONAL PURCHASING		procedure involved in clearing goods from overseas suppliers g) describe the documents used in international
	Theory	* CO.	purchasing.
25 3.02T	Specific Objectives By the end of the sub-module unit, the trainee should be able to: a) explain the methods of	25 3.02C	Competence The trainee should have the ability to prepare documents used in international purchasing
	specifying requirements in international purchasing b) describe the procedures involved in international purchasing c) explain methods of certifying quality of goods	25.3.02T1 25.3.02T2 25.3.02T3	Content Methods of specifying requirements in international purchasing Procedures involved in international purchasing Methods of certifying quality of goods for
	for international markets		international markets

25.3.02T4	Tarana		
223.0214	Factors considered in		
	selecting		Suggested
	international modes		Evaluation Methods
	of transport for		- Written tests
26.2.0276	international markets		- Oral tests
25.3.02T5	Settling disputes in	Dalana or carrolative v	
	international	25.3.03	SOURCING
	purchasing		STRATEGIES IN
25.3.02T6	Procedure for		INTERNATIONAL
	clearing and		PURCHASING
	forwarding goods		
25.3.02T7	Documents used in		Theory
	international		
	purchasing	25.3.03T	Specific Objectives
			By the end of the
	Practice		sub-module unit, the
			trainee should be
25.3.02P	Specific Objective		able to:
	By the end of the	~	a) discuss sourcing
	sub-module unit, the	60,	strategies used in
	trainee should be	·	international
	able to preparing		purchasing
	documents used in		b) discuss effects of
	international		globalization.
	purchases		giodanzanon.
	paramete	25 3.03C	Competence
	Content	25 5.050	The trainee should
25.3.02P1	Preparing documents		have the ability to
	used in international		apply appropriate
	purchasing		strategies in sourcing
			for goods in
	Suggested Teaching/		international markets
	Learning Resources		mematiculai markeis
	- Text Books		Content
	- Chalk Board/White	25.3.03T1	Sourcing strategies
	Boards	23.2.0311	used in international
	- Trainer's Manual		purchasing
	, ame, a manda,		Counter trade
	Suggested		Reciprocal trading
	Teaching/Learning		
	Activities		Direct purchase
	- Discussion		Use of
			intermediaries
	- Explanation		
	- Note-taking		
	- Observation		

25 3 03T2	Effects of	25.3.04	COMMERCIAL
	globalization in		ASPECTSIN
	international		INTERNATIONAL
	purchasing		CONTRACTING
	Practice		Theory
25.3.03P	Specific Objectives	25.3.047	Specific Objectives
	By the end of the		By the end of the
	sub-module unit, the		sub-module unit. the
	trainee should be		trainee should be
	able to discuss		able to
	effects of		a) explain
	globalization in		international
	international		commercial
	purchasing		terms
	· · · · · · · · · · · · · · · · · · ·		(INCOTERMS)
	Content		b) explain the
25 3.03P1	Class discussion on		aspects to be
	the sourcing		considered in
	strategies used in		commodity
	international		markets
	purchasing	.0)	c) discuss issues
	r c	127	involved in
	Suggested Teaching/	7	international
	Learning Resources		contract
	- Text Books		negotiation
	- Chalk Board/White		d) discuss financing
	Boards		arrangements in
	- Trainers Manual		international
	- Markers Pens		contracting
			e) discuss ethical
	Suggested		issues in
	Teaching/Learning		international
	Activities		purchasing.
	- Discussion		,
	- Explanation	25.3.04C	Competence
	- Note-taking		The trainee should
	- Observation		have the ability to
			apply appropriate
	Suggested		international
	Evaluation Methods		commercial terms
	- Written tests		(INCOTERMS) in
	- Oral tests		international
			contracting
			contracting

	Content		Suggested
25.3 04T1	International		Teaching/Learning
	Commercial Terms		Activities
	(INCOTERMS)		- Discussion
	 Nature of markets 		- Explanation
	- Contracting		- Note-taking
	alignments		- Observation
	 Contracting 		
	challenges		Suggested
25.3.04T2	Aspects to be		Evaluation Methods
	considered in		- Written tests
	commodity markets		- Oral tests
25.3.04T3	Issues in		3.0.10.00
	international contract	25.3.05	PAYMENT
	negotiation	20.0.00	PROCEDURES
25.3.04T4	Financing		AND METHODS
20101011	arrangements in		IN
	international		
	contracting		INTERNATIONAL
25.3.04T5	Ethical issues in		PURCHASING
23.3.0413	international	cO'	
		25.2 05.7	Theory
	purchasing	25.3.05T	Specific Objectives
	Practice		By the end of the
	Fractice)	sub-module unit, the
25.3.04P	Specific Objective		trainee should be
23.3.041	Specific Objective		able to
	By the end of the		 a) explain factors
	sub-module unit, the		considered in
	trainee should be		processing
	able to come up with		payment in .
	issues in		international
	international		purchasing
	contracting in class		b) describe the
			payment
06.2.0401	Content		procedure in
25.3.04P1	Class presentation on		international
	issues in		purchasing
	international		c) discuss various
	contracting		methods of
			settling payment
	Suggested Teaching/		in international
	Learning Resources		purchasing
	- Text Books		*

Chalk BoardExercise Books

	d) describe the conveyance 25.3.05P1 documents used in international purchasing	
25.3.05C	Competence The trainee should have the ability to settle payments by following right procedures in international purchasing	
25.3.05T1	Content Factors considered in processing payments in international	
25.3.05Т2	purchasing Payments procedure in international	
25 3.05T3	purchasing Methods of settling payment in international	
25.3.05T4	purchasing Conveyance documents in international purchasing	
	Practice	
25.3.05P	Specific Objective By the end of the sub-module unit, the trainee should be able to identify the documents conveying title to the goods in international	
	purchasing	

timent Identification of documents of title conveyance to the goods in international purchasing

Suggested Teaching/ Learning Resources

- Text Books
- White Boards
- Markers Pen
- Exercise Books

Suggested Teaching/Learning Activities

- Discussion
- Explanation
- · Note-taking
- Observation

Suggested Evaluation Methods

- Term paper
- Assignment

25.3.06	INSTITUTIONS	Content
	INVOLVED IN 25.	3.06T1 Institutions
	PROMOTING	concerned with
	INTERNATIONAL	international
	PURCHASING	purchasing
		International
	Theory	Monetary
		Fund World Trade
25.3.06T	Specific Objectives	Organisation World
	By the end of the	Bank European
	sub-module unit, the	Union
		3.06T2 The role of
	able to:	institutions in
	a) discuss the	international
	institutions	purchasing
		3.06T3 The role of
	promoting	government in
	international	promoting
	purchasing	international
	b) explain the role	purchasing
	institutions in	.06T4 Regional blocks involved in
		ARCHOLITECTOR AND
	international	international
	purchasing	purchasing
	c) explain the role	- Common Market
	of the	for Eastern and
	government in	southern
	promoting	Africa(COMESA)
	international	- European Union
	purchasing	(EU)
	d) discuss the	- ECOWAS
	various regional	- East African
	blocks involved	Corporation
	in international	
	purchasing.	
25.3.06C	Competence	
23.3.000	The trainee should	
	1110 0011100 0110010	

have the ability to relate the bodies

involved in

promoting international

purchasing

	Practice	25.3.07	EMERGING
			ISSUES AND
25 3.06P	Specific Objective		TRENDS IN
	By the end of the		INTERNATIONAL
	sub-module unit, the		PURCHASING
	trainee should be		
	able to identify in		Theory
	the discussion the		
	institutions involved	25.3.071	Specific Objectives
	in promoting		By the end of the
	international		sub-module unit, the
	purchasing		trainee should be
			able to
	Content		a) identify
25.3.06P1	Case analysis on		challenges in
13.5.007	institutions involved		emerging issues
	in promoting		and trends in
	international		international
			purchasing
	purchasing		
	C	Olli	
	Suggested Teaching/		challenges in
	Learning Resources		emerging issues
	- Text Books	KV .	and trends in
	- Chalk Board/White	4	international
	Boards		purchasing l
			c) cope with
	Suggested		challenges posed
	Teaching/Learning		by emerging
	Activities		issues and trends
	- Discussion		in international
	- Explanation		purchasing.
	- Note-taking		
	- Observation	25.3.07C	Competence
			The trainee should
	Suggested		have the ability to
	Evaluation Methods		cope with challenges
	- Oral tests		in emerging issues
	- Term papers		and trends
			Contout
		05.2.05773	Content

25.3.07T1 Emerging issues and trends in international purchasing

25.3.07T2	Challenges in	Dente-onue-navasauanus	Content
	emerging issues and	25.3 07P1	Emerging issues and
	trends in		trends in
	international		international
	purchasing		purchasing
25.3.07T3	Coping with		
	challenges posed by		Suggested Teaching/
	emerging issues and		Learning Resources
	trends in		 Lext books
	international		- Chalk board
	purchasing		- Business Journals
	,		- Loolscaps
	Practice		
			Suggested
25.3.07P	Specific Objective		Teaching/Learning
22,22,20,17	By the end of the		Activities
	sub-module unit, the		- Explanation
	trainee should be		- Writing
	able to identify		examination
	emerging issues in		- Observation
	international		
	purchasing	.01.	Suggested
	purchasing	10	Evaluation Methods
	63		Written tests
			- Examinations
			· Written Reports
			- Oral tests
			A.M. Lane