

TLIL5063 Review contracts, insurance, risk and liability in an international freight forwarding context

Modification History

Release 2. This is the second release of this unit of competency in the TLI Transport and Logistics Training Package:

- Minor legal principles wording added in Knowledge Evidence
- Minor statement changes in Assessment Conditions.

Release 1. This is the first release of this unit of competency in the TLI Transport and Logistics Training Package.

Application

This unit involves the skills and knowledge required to review contracts, insurance, risk and liability in an international freight forwarding context.

All activities are carried out in accordance with relevant organisational policy and procedures, as well as national and global codes of practice and regulations applicable to international freight forwarding.

This unit includes examining an international freight forwarding sales contract, examining an international freight forwarding service contract, managing risk in international freight forwarding, assisting in organising transport insurance requirements, confirming or organising liability insurance requirements, assisting a customer to make a claim on a transport insurance policy, and making a claim on a liability insurance policy.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Pre-requisite Unit

Not applicable.

Competency Field

L – Resource Management

Unit Sector

Not applicable.

Elements and Performance Criteria

ELEMENTS

Elements describe the essential outcomes.

PERFORMANCE CRITERIA

Performance criteria describe the performance needed to demonstrate achievement of the element.

1 Examine an international freight forwarding sales contract

1.1 Sales contract/evidence of the sales contract is reviewed and relevant Incoterm and other relevant factors are confirmed and used as the basis for appointing costs throughout forwarding activities

1.2 Sales contract is used to determine project deadlines as well as respective responsibilities, rights and liabilities between buyer and seller in a given transaction

2 Examine an international freight forwarding service contract

2.1 Service contract and supporting documents are reviewed and confirmed

2.2 Service contract and supporting documents are interpreted and required action is taken

3 Manage risk in international freight forwarding

3.1 Risks associated with a planned international freight forwarding activity are assessed using appropriate risk analysis techniques

3.2 Suitable strategies for controlling identified risks are established in consultation with customer

3.3 Risk factors are identified and monitored throughout a freight forwarding project

3.4 Alternative routing and other risk control measures are implemented, as required, when critical contingencies arise before or during freight transport

3.5 Checks are made so all conventions for international freight transport can be fulfilled

4 Assist in organising insurance requirements for international freight forwarding

4.1 Insurance requirements for international freight transport are evaluated in accordance with workplace procedures and taking into account critical project risk factors

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| | 4.2 | Assistance is provided in organising an appropriate policy that will provide the required cover for the project, as required |
| | 4.3 | Assistance is provided to the customer to make an insurance claim for loss or damage in accordance with policy requirements and workplace procedures |
| | 4.4 | All documentation to support an insurance claim is lodged with insurer in accordance with policy requirements |
| 5 | Manage legal liability in an international freight forwarding project | |
| | 5.1 | Risks of legal liabilities towards customers and third parties as a direct result of an internal forwarder mistake or negligence are evaluated using appropriate risk analysis techniques |
| | 5.2 | Appropriate liability insurance is confirmed or organised that provides the required cover for risks involved |
| | 5.3 | A claim is made on insurance where loss or damage is directly attributable to a forwarder mistake or negligence, in accordance with policy requirements and workplace procedures |
| | 5.4 | All documentation to support an insurance claim is lodged with insurer in accordance with policy requirements |

Foundation Skills

Foundation skills essential to performance are explicit in the performance criteria of this unit of competency.

Range of Conditions

Range is restricted to essential operating conditions and any other variables essential to the work environment.

Non-essential conditions can be found in the TLI Transport and Logistics training Package Companion Volume Implementation Guide.

Unit Mapping Information

This unit replaces and is equivalent to TLIL5063A Review contracts, insurance, risk and liability in the international freight forwarding context.

Links

TLI Transport and Logistics Training Package Companion Volume Implementation Guide at:
[sector webpage link here]

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Assessment Requirements for TLIL5063 Review contracts, insurance, risk and liability in an international freight forwarding context

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Performance Evidence

Evidence required to demonstrate competence in this unit must be relevant to and satisfy all of the requirements of the elements and performance criteria on at least one occasion and include:

- applying relevant codes of practice and legislative requirements
- assisting in organising transport insurance requirements
- communicating effectively with others when reviewing international freight forwarding contracts, insurance, risk and legal liability
- completing documentation related to contracts, insurance, risk and legal liability
- confirming or organising liability insurance requirements
- examining an international freight forwarding sales contract
- examining an international freight forwarding service contract
- implementing contingency plans
- interpreting and following operational instructions and prioritising work
- making a claim on a transport or liability insurance policy
- managing risk in an international freight forwarding project
- modifying activities depending on operational contingencies, risk situations and environments
- monitoring work activities in terms of planned schedule
- operating and adapting to differences in equipment in accordance with operating procedures
- operating information and communications technology to required protocol
- reading and interpreting instructions, procedures and other information relevant to sales contracts, insurance, risk and legal liability
- reporting and/or rectifying identified problems in accordance with regulatory requirements and workplace procedures
- working with required attention to detail.

Knowledge Evidence

Evidence required to demonstrate competence in this unit must be relevant to and satisfy all of the requirements of the elements and performance criteria and include knowledge of:

- applicable regulations and legislation including:
 - Australian and international regulations, conventions and codes of practice for international freight forwarding
 - Australian and international standards and certification requirements
 - relevant Australian and international environmental protection legislation
 - relevant Australian and international transport security and safety legislation
 - relevant regulations for importing and exporting cargo
 - relevant regulations for international trading and financial transactions
- contract principles including:
 - contract formation including offer, acceptance, consideration, capacity and intent
 - breach when failure to perform is evident
 - remedies options
- conventions, legal principles and liabilities in international freight transport including:
 - international sea freight
 - international air freight
 - international road and rail transport freight
 - international in-land waterways
- definitions, purpose and use of Incoterms and Combiterms
- duties of freight forwarder when goods are damaged in transit
- general elements and principles of insurance policy in international freight transport
- law of contracts as it applies to international freight transport
- principles of quality assurance and customer service standards, policies and workplace procedures as they apply in the international freight forwarding industry
- principles of risk management as they apply to international freight forwarding
- principles that govern the discipline of law
- procedures and policies for organising and managing insurance requirements for various types of international freight forwarding projects
- procedures and protocols for providing international freight forwarding services including those applicable to importing, exporting and transiting goods
- processes for ensuring compliance with legal requirements
- processes for making insurance claims
- relevant security, safety and environmental procedures, regulations and conventions including those applicable to importing, exporting and transiting goods
- sources of information and documentation needed when providing freight forwarding services
- standard trading conditions in international freight transport
- types of liability insurance – their purpose and processes for their organisation, including liability of different parties involved in international freight transport

- types of transport insurance coverage – their purpose and processes and documentation for their organisation
- typical problems that can occur when organising transport or liability insurance, and related appropriate actions that can be taken to prevent or resolve these problems
- use of ‘general average’ including sea carriage, insurance policy and practice
- ways of managing contingencies in international freight transport including consideration of alternative transport options and anticipation of the unexpected
- ways of managing legal liability in international freight transport
- ways of managing risk in international freight transport.

Assessment Conditions

Assessors must hold credentials specified within the Standards for Registered Training Organisations current at the time of assessment.

Assessment must satisfy the Principles of Assessment and Rules of Evidence and all regulatory requirements included within the Standards for Registered Training Organisations current at the time of assessment.

Assessment must occur in workplace operational situations where it is appropriate to do so; where this is not appropriate, assessment must occur in simulated workplace operational situations that replicate workplace conditions.

Assessment processes and techniques must be appropriate to the language, literacy and numeracy requirements of the work being performed and the needs of the candidate.

Resources for assessment must include access to:

- a range of relevant exercises, case studies and/or simulations
- relevant materials, tools, equipment and personal protective equipment (PPE) currently used in industry
- applicable documentation including workplace procedures, regulations, codes of practice and operation manuals.

Links

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