

LIBF Level 3 Certificate in International Trade and Finance (CITF®)

Qualification Specification



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Please always review the latest document available through the website

Purpose of the qualification

Why study the LIBF Level 3 Certificate in International Trade and Finance (CITF)?

The Certificate in International Trade and Finance (CITF®) provides you, as a trade, export and commodity specialist, with a thorough understanding of international trade procedures, practices and legislation.

CITF® develops the appropriate technical knowledge and skills required to enable you to apply that knowledge to situations within the workplace. The qualification provides a core understanding of the products, documents, trade terms, roles and responsibilities that underpin international trade and finance. In addition to this core knowledge, CITF® helps you to develop a basic understanding of fraud prevention and risk in terms of trade finance. The qualification also develops an understanding of contemporary international trade and finance topics such as sustainability, digital disruption and innovation, ensuring that students have relevant and up-to-date knowledge for the industry.

Objective

CITF® develops your understanding of the main principles associated with international trade and finance and harnesses your ability to apply some of these principles in relevant case study scenarios.

Key content areas

Listed below are some of the main content areas that are covered within this qualification:

- The international trade environment.
- Parties involved in international trade and finance and their roles.
- Documents used in international trade and the Incoterms® 2020 rules.
- Contracts.
- Trade-based financial crime compliance.
- Methods of settlement.
- Documentary collections.
- Documentary credits
- Guarantees and standby letters of credit.
- Principles of Supply Chain Finance.
- Other forms of finance.
- Export credit insurance.
- Foreign exchange risk management

- Digital disruption and innovation.

Learning outcomes

- LO1 Understand the key principles and groups of international trade finance and the roles and responsibilities of the various parties involved.
- LO2 Understand and interpret the different methods of settlement and the rules that govern international trade.
- LO3 Understand and interpret the various methods of financing international trade.
- LO4 Understand and interpret the different documents used in international trade and their purposes.
- LO5 Understand the impact of digitisation on international trade and finance.

Key skills developed

The qualification will encourage you to:

- understand the processes involved in each type of international trade product, the risks involved and the roles and responsibilities of all parties involved in international trade transactions.
- develop an understanding of current technical language, methods and practices of international trade and finance.
- select and interpret international trade and finance products and services and reflect upon their desirability and effectiveness in a variety of scenarios.
- understand and interpret how international trade finance products respond to the drivers and implications of changes in the wider international environment and how these changes affect decision-making.
- increase your ability to work and learn independently.

Entry requirements

There are no specified entry requirements. However, you need to be satisfied of your ability to study in English at Level 3.

Recognition of prior learning

In line with the London Institute of Banking & Finance regulations, as CITF® is a single unit qualification, recognition of prior learning does not apply.

Progression and preparation for further study

Although not a requirement for registration on to other international trade qualifications, if you have successfully completed the CITF® qualification, you will have developed an appropriate foundation to support your progression to study another of our Trade Finance qualifications. CITF® can also contribute towards attaining our Diploma for Qualified Trade Finance Specialists (QTFS) which can be obtained by completing a combination of the following qualifications:

- L3 Certificate in International Trade and Finance (CITF®) or L3 Certificate in Principles of Payments (CertPAY) plus
- L4 Certificate for Documentary Credit Specialists (CDCS) or L4 Certificate for Specialist in Demand Guarantees (CSDG) plus
- L4 Certificate in Trade Finance Compliance (CTFC) or L4 Certificate in Supply Chain Finance (CSCF).

*Alternatively, you may choose to complete three L4 certificates listed above.

For more information, [please visit our website](#).

Apprenticeships

CITF® forms part of the Senior Financial Services Customer Advisor Apprenticeship Standards. Further details can be found on the [Gov website](#).

Preparation for employment

This qualification develops knowledge and understanding of the international trade and finance sector although it does not qualify you for direct entry to a particular occupational role.

Structure

CITF® is made up of **one mandatory unit** which needs to be successfully completed in order for you to achieve the certificate:



The detailed unit syllabus is available in Appendix 2 of this document and latest versions are always available through our course website.

Total Qualification Time (TQT)

Total Qualification Time (TQT) is a prediction of the total time a student with no prior knowledge might need to complete the course.

TQT consists of two elements, Guided Learning (GL) and all other hours:

- GL is time spent studying under the immediate guidance or supervision of a teacher.
- All other hours include hours spent unsupervised in research, learning, e-learning, e-assessment, completing coursework, exam preparation, and formal assessments.

CITF[®] is primarily considered as a self-directed study qualification with planned examination sessions.

Guided Learning Hours	0 hours
Other hours	200 hours
Total Qualification Time	200 hours

Learning resources

You will be provided with the following learning resources:

- online access via MyLIBF - www.myLIBF.com to learning materials and to *KnowledgeBank* (virtual library);
- unit syllabuses;
- study text;
- specimen paper; and,
- student-led forum.

What to do before the assessment

Examinations are sat electronically at any one of the Pearson VUE test venues worldwide. You must be registered to sit an examination at a test venue of your choosing (subject to demand / availability); this is managed by you.

It is recommended that you book your exam three weeks in advance of the date you wish to sit. However, subject to availability, an examination can be booked as little as two working days in advance. Examinations can be booked via the Pearson VUE website or by phone.

To prepare for the assessment you should make use of all learning resources as part of your revision for the exam.

Assessment

The unit is assessed through a single two hour examination consisting of a combination of multiple-choice questions (Part A) and case study exercises (Part B). A total of 100 marks are available in the examination where you will be assessed on all areas of the syllabus. The pass mark for the examination is 70%.

Qualification grading

The overall qualification will be graded Pass. You must achieve a mark of 70% overall.

The qualification grade boundaries are as follows:

Grade	mark
Pass	70–100

Re-sit attempts

You are allowed to resit the unit in accordance with the published The London Institute of Banking & Finance policies. Full terms and conditions are available on the website.

Appendices

Appendix 1 – Regulation detail

This document presents the regulation detail that is applicable to the qualification.

Qualification title	LIBF Level 3 Certificate in International Trade and Finance (CITF®)
Ofqual qualification number	601/2742/9
Qualification level	3
European Qualifications Framework (EQF) level	4
Regulation start date	19 February 2014
Operational start date	01 April 2014
Regulated in	England
Offered	Internationally
Assessment available in English	Yes
Assessment available in Welsh	No
Assessment available in Irish	No
Sector subject area	15.1 Accounting and Finance
Purpose	E. Updating and continuing professional development (CPD)
Sub-purpose	E3. Develop knowledge and / or skills relevant to a particular specialisation within an occupation or set of occupations
Total credits	20
Minimum credits at / above level	20
Guided learning hours	0
Total qualification time	200
Overall grading type	Pass
Assessment methods	Multiple-choice examination
Qualification description	The Certificate in International Trade and Finance consists of one mandatory unit.
Age ranges	16–18; 19+

Appendix 2 – Unit 1 – The International Trade and Finance Environment (ITFE)

Appendix 2 provides a description of Unit 1 (ITFE) and syllabus which includes the learning outcomes, assessment criteria and indicative content for the unit.

The International Trade and Finance Environment (Unit 1)

Unit narrative

This unit highlights the importance of world trade. You will be introduced to the international trade environment by focusing on commonly used documents, trade terms, trade methods and exchange risk. You will understand the products available to find satisfactory solutions to the problems faced in international trade and finance. This unit will also provide you with an understanding of the impact and significance of sanctions, corruption, money laundering and fraud on international trade. The unit will also equip you with knowledge about some of the challenges facing the international trade and finance industry including the impact of global crises and digital disruption and innovation. You will also be introduced to sustainability in trade finance. Studying ITFE will also require you to interpret the knowledge gained in a variety of scenarios, applying the correct rules and products as necessary.

Unit profile

Unit title	Unit 1: The International Trade and Finance Environment (ITFE)
Ofqual unit reference number	J/506/0459
Unit level	3
Unit credit value	20
Typical study hours	200

Unit 1 assessment methodology

- i. The assessment of Unit 1 will have two components:
 - a. Part A – 80 multiple-choice questions. This component of the examination is worth 80 marks.
 - b. Part B – 4 case studies each with 5 attached multiple-choice questions. This component of the examination is worth 20 marks.
 - c. The examination will be worth a total of 100 marks.
- ii. To achieve an overall pass, you must achieve a mark of 70% overall.

Unit 1 Learning Outcomes and Assessment Criteria

Learning outcome (LO) The learner when awarded credit for this unit will:	Assessment criteria (AC) Assessment of the LOs will require a learner to demonstrate that they can:
LO1: Understand the key principles and groups of international trade finance and the roles and responsibilities of various parties involved.	1.1 Identify the significance of international trade and the role of the ICC.
	1.2 Identify the roles and responsibilities of the parties involved in international trade.
	1.3 Identify key features of the trade finance environment and external impacts.
	1.4 Identify the role and practice of dispute settlement within international trade.
LO2: Understand and interpret the different methods of settlement and the rules that govern international trade.	2.1 Identify and interpret the different methods of settlement available within international trade.
	2.2 Identify and interpret the rules that govern different methods of settlement.
LO3: Understand and interpret the various methods of financing international trade.	3.1 Identify and interpret the different methods available for financing and servicing international trade.
	3.2 Identify and interpret the main types of Supply Chain Finance.
LO4: Understand and interpret the different documents used in international trade and their purposes.	4.1 Identify and interpret the purpose and key features of different types of documents used in international trade.
LO5: Understand the impact of digitisation on international trade and finance.	5.1- Identify the impacts of digitisation on international trade and finance.

Unit 1 Indicative content

Indicative content	
LO1:	LO1: Understand the key principles and groups of international trade finance and the roles and responsibilities of various parties involved.
AC1.1	Identify the significance of international trade and the role of the ICC. <ul style="list-style-type: none"> • Why businesses trade internationally • Comparative advantage • Reverse globalisation and reshoring • Business entities • Research and networking • Methods of entering an international market • Similarities and differences between international and domestic trade • Risks involved in international trade • Risk mitigants • Impact of global crises on world trade • Compliance and capital requirements • Trade agreements • International Chamber of Commerce (ICC) • The World Trade Organisation (WTO)
AC1.2	Identify the role and responsibilities of parties involved in international trade. <ul style="list-style-type: none"> • Parties in international trade • Banker/Customer relationship • Correspondent banking
AC1.3	Identify the key features of the trade finance environment and external impacts. <ul style="list-style-type: none"> • ICC – international model contracts • UN Convention on Contracts for the International Sale of Goods (CISG) • Financial crime <ul style="list-style-type: none"> ○ Money laundering ○ Terrorist financing ○ Fraud • Sanctions
AC1.4	Identify the role and practice of dispute settlement within international trade. <ul style="list-style-type: none"> • Dispute handling, arbitration and resolution • ICC arbitration • Documentary instrument dispute resolution expertise (DOCDEX) • Litigation

LO2:	Understand and interpret the different methods of settlement and the rules that govern international trade.
AC2.1	Identify and interpret the different methods of settlement available within international trade. <ul style="list-style-type: none"> • Definitions of payment terms • Basic principles of the risk ladder • Open Account • Payment in Advance • Documentary Collections • Documentary Credits • Guarantees • Standby Credits

AC2.2	<p>Identify and interpret the rules that govern different methods of settlement.</p> <ul style="list-style-type: none"> • Documentary Collections <ul style="list-style-type: none"> ○ URC 522 and eURC • Documentary Credits <ul style="list-style-type: none"> ○ UCP 600, eUCP, and an introduction to ISBP 745 • Guarantees and URDG 758 • Standby Credits and ISP98
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LO3:	Understand and interpret the various methods of financing international trade.
AC3.1	<p>Identify and interpret the different methods available for financing and servicing international trade.</p> <ul style="list-style-type: none"> • Short, medium and long-term finance • Export Credit Agencies (ECAs) • Credit and political risk mitigation • Forex risk and hedging • Forfaiting and URF 800 • Islamic Trade Finance
AC3.2	<p>Identify and interpret the main types of Supply Chain Finance.</p> <ul style="list-style-type: none"> • Introduction to Supply Chain Finance (SCF) • Key characteristics • Differences between trade finance and SCF • Understanding supply chains • The physical supply chain • The financial supply chain • The information supply chain • Trade cycle analysis • Categorisation of techniques • Supply chain solutions • Foreign currencies and the exchange risk

LO4:	Understand and interpret the different documents used in international trade and their purposes.
AC4.1	<p>Identify and interpret the purpose and key features of different types of documents used in international trade.</p> <ul style="list-style-type: none"> • Financial documents <ul style="list-style-type: none"> ○ Bill of Exchange (Draft) ○ Promissory Note • Commercial documents <ul style="list-style-type: none"> ○ Invoices (commercial, customs, tax, consular, provisional, pro-forma) ○ Insurance documents ○ Certificate of origin ○ Inspection certificate ○ Packing list ○ Weight list ○ Analysis, Health, Phytosanitary, Quantity, Quality, Beneficiary Certificates • Transport documents <ul style="list-style-type: none"> ○ Multimodal or combined transport ○ Bill of lading ○ Non-negotiable sea waybill ○ Charter party bill of lading ○ Air transport

	<ul style="list-style-type: none"> ○ Road, rail or inland waterway • International commercial terms (Incoterms® 2020)
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LO5:	Understand the impact of digitisation on international trade finance.
AC5.1	<p>Identify the impacts of digitisation on international trade and finance.</p> <ul style="list-style-type: none"> • Digitalisation • Digital banks • Big Data • DLT and Smart Contracts • IoT and AI • Industry 4.0 • Multi-banking (MT798) • Bank Payment Obligation • ICC developments • Cybersecurity