

国际贸易实务

Chapter 2

General Procedures of Import and Export Transaction



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Teaching Plan 3

Teaching Contents

Section 3 Export procedure

- 1.General Procedures of Export & Import**
- 2.General Procedures of Export (CIF,Ocean Transport and L/C)**

Teaching time: Two-class hour (90 minutes)

Learning Objectives

- 1.Master the general Procedures of Export & Import**
- 2.Master the general Procedures of Export (CIF,Ocean Transport and L/C)**



Important Points:

- 1.The general procedures of export (CIF,Ocean Transport and L/C)**
- 2.The main tasks of each procedure of export**
- 3.Application in export practice**

Difficult Points:

- 1.The main tasks of each procedure of export**
- 2.Application in export practice**

Teaching Methodology:

Questions and Answers; Presentation; Group discussion; case analysis

Teaching Aids:

PPT, blackboard, multimedia classroom



Import and Export Practice

For most countries exports and imports are the most important international activities. International trade is the exchange of goods and services across international boundaries or territories . Each country may import some goods and raw materials that it needs and export some goods that it produces. Thus the import and export trades are two sides of the same coin, and both can have beneficial effects on the home market. However, the procedure of foreign trade is much more complicated than that of domestic trade, and the former involves specialized knowledge and highly trained personnel. This unit discusses the procedure of export and import transactions and some important documents involved in international trade.



1.General Procedures of Export & Import

- 1)Preparation before trade negotiation**
- 2)Trade negotiation and contract signing**
- 3)Implementation of contract**
- 4)Follow-up (Closing work)**

2.General Procedures of Export (CIF,Ocean Transport and L/C)

- 1)Preparation before trade negotiation**
- 2)Trade negotiation and contract signing**
- 3)Asking for, examining and/or amending L/C**
- 4)Preparing goods for shipment**
- 5)Chartering or booking shipping space**
- 6)Customs declaration and clearance for export**
- 7)Effecting insurance**
- 8)Effecting shipment**
- 9)Documents preparation and presentation for payment**
- 10)Settlement of disputes**

Step 1 Preparation

1. Market research

1) Selecting the target country

2) Selecting the target market

3) Selecting the prospective customers (importers)

2. Establishing business relationship with the prospective customers (importers)

3. Export promotion

4. Other aspects to prepare

1) Quota, export license, or other authorization

2) Legal inspection

3) Situation of international market and domestic market

4) Name, Quality, quantity and packing of the commodities

5) Selecting transportation company



Step 1 Preparation

6)Selecting insurance company

7)Export tariff

8)All the cost and charges

9)Exchange rate

10)Currency to be selected

11)Price calculation

12)Negotiators

13)Export plan

And so on

**All the aspects concerned should be prepared before
business negotiation**



Step 2 Business negotiation

1.Face-to-face negotiation, negotiation on the telephone or in writing.

2.Four steps: enquiry, offer, counter-offer, acceptance

3.Negotiators

4.Negotiation plan

5. Conclusion of contract

1)Legal

2)Written form in international trade

3)Terms and conditions in the contract



Step 3 Implementation of contract

Under CIF contract with terms of payment by letter of credit, the implementation of the contract usually goes through the following steps:

1. Preparing goods for shipment

1)The name, quantity, quality and packing must strictly follow the stipulation in the sales contract or the L/C

2)Inspection: legal, governmental or general

3)Enough time for producing, inspecting, transporting and shipping



2. Examination and amendment of the letter of credit

1) Asking for L/C

2) Checking L/C and/or

3) Amending L/C

3. Arranging shipment

1) Modes of transport

2) Selecting and determine the carrier

4. Insurance

1) Insurance coverage

2) Selecting insurance company and effecting insurance



5.Shipment

- 1)The name,Quality, quantity and packing of the commodities should be in accordance with the L/C.**
- 2)Shipment within the time of shipment stipulated in the L/C**

6.Customs clearance

Before the goods are loaded, the exporter shall declare the export to the customs by:

- 1)filling in certain customs forms**
- 2)submitting required documents such as sales confirmation, export license, invoice, packing list and inspection certificate.**
- 3)The customs inspects the goods and decides if the shipment can be cleared through.**
- 4) Once the goods are cleared, shipment can be made.**



6. Documents preparation and presentation

1) Documents preparation

After shipment, it is time for the exporter to prepare the documents required by the letter of credit.

(1) All documents must be made out in accordance with the terms of the L/C

(2) All documents must be made out in accordance with each other

※ Documents may be dated prior to the issuance date of the L/C, but must not be dated later than its date of presentation.

※ The documents required by the L/C usually include: commercial invoice, packing list, quality certificate, quantity certificate, bill of lading, insurance policy and certificate of origin.



6. Documents preparation and presentation

Attention

UCP600 stipulates:

- (1) When the expiry date of the L/C or the last day for presentation is a holiday, the expiry date of the L/C or the last day for presentation will be extended to the first following banking day.**
- (2) Unless required to be used in a document, words such as "prompt", "immediately" or "as soon as possible" will be disregarded.**
- (3) The expression "on or about" or similar will be interpreted as a stipulation that an event is to occur during a period of five calendar days before/until five calendar days after the specified date, both start and end dates included.**



Attention

UCP600 stipulates:

- (4) The words "to", "until", "till", "from" and "between" when used to determine a period of shipment include the date or dates mentioned, and the words "before" and "after" exclude the date mentioned.
- (5) The words "from" and "after" when used to determine a maturity date exclude the date mentioned.
- (6) The terms "first half" and "second half" of a month shall be construed respectively as the 1st to the 15th and the 16th to the last day of the month, all dates inclusive.
- (7) The terms "beginning", "middle" and "end" of a month shall be construed respectively as the 1st to the 10th, the 11th to the 20th and the 21st to the last day of the month, all dates inclusive.



7. Disputes settlement

Reasonably deal with the disputes

1) Friendly negotiation

2) conciliation

3) Arbitration

4) Litigation



Step 4 Closing work

After the transaction is completed, the exporter should sort out the relevant materials and documents and put them in a file, which will be useful for the future transaction.

Cancel after verification forexport 出口核销

Export tax refund/rebate/drawback 出口退税

This is the general procedure of export business, but not exactly. In practice, the procedures may be varied and complicated according to different transactions.





Thank You !