

**Specification of Competency Standards**  
**for the Logistics Industry**  
**Unit of Competency**

Functional Area - Sales, Marketing and Customer Services

Title	Calculate air freight rates
Code	LOAFSM203B
Range	This unit of competency is applicable to airlines, freight forwarders and logistics companies. Practitioners should be capable to calculate the air freight rates based on the freight charges announced by the industry before informing customers of relevant rates.
Level	2
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Possess basic knowledge of air freight rates and their calculation</p> <ul style="list-style-type: none"> <li>• Master requirements of air freight regulators, price categories, areas of application and terms for special handling</li> <li>• Master the use of basic calculation devices <ul style="list-style-type: none"> <li>○ Calculator and computer</li> <li>○ Different kinds of conversion tables</li> </ul> </li> <li>• Understand customers' requirements in detail on the volume, weight, quantity, type and value of the goods, and special arrangement for them</li> <li>• Understand classification of goods and different kinds of freight rates <ul style="list-style-type: none"> <li>○ Specific commodity rate</li> <li>○ Class rate</li> <li>○ General cargo rate</li> <li>○ Minimum rate</li> </ul> </li> <li>• Understand customers' freight requirements such as volume, weight, number of pieces, types, values and special arrangement</li> <li>• Know the names of different weights and measures and their abbreviations</li> <li>• Know the names of different currencies and their abbreviations</li> <li>• Know different foreign exchange rates</li> <li>• Know the quantitative rules and requirements regarding decimals and round-off figures</li> <li>• Master the application units, conversion requirements or methods for volume weight and actual weight in terms of gross weigh</li> <li>• Understand the market competition and major competitors climate</li> <li>• Understand the customers relationship and selection criteria</li> </ul> <p>2. Calculate freight rates</p> <ul style="list-style-type: none"> <li>• Apply the terms and requirements of the air freight regulators when calculating freight rates for customers</li> <li>• Conduct weight or volume unit conversion</li> <li>• Conduct monetary unit conversion for different currencies</li> <li>• Conduct volume weight and actual weight conversion and use it as the base of freight rate calculation</li> <li>• Explain to customers the calculation of freight rates</li> </ul>
Assessment Criteria	<p>This integrated outcome requirement of this unit of competency is:</p> <ul style="list-style-type: none"> <li>• Capable to base on the regulations imposed by air freight regulators to calculate clearly freight rates for different scenarios and explain the rationale for the calculations.</li> </ul>
Remark	