

Specification of Competency Standards for the Logistics Industry
Unit of Competency

1. Title	Formulate sales and purchase, and replenishment strategies for ship oil
2. Code	LOGGOM501A
3. Range	This unit of competency is applicable to shipping companies and related sea freight operators. Practitioners should be capable to formulate ship oil sales, purchase and replenishment strategies for the company by considering different factors.
4. Level	5
5. Credit	9 (for reference only)
6. Competency	<p align="center"><u>Performance Requirements</u></p> <p>6.1 Understand the shipping industry and oil market</p> <ul style="list-style-type: none"> ◆ Master the current and future development of the shipping industry and analyze the company's demand for ships and oil with respect to the company's current and future business development, ship use and chartering mode ◆ Understand the current and future development of the oil market such as the availability of global traditional oil resources, petroleum output by the energy industry, global traditional oil resources available for oil refining, ship oil demand and international oil price trend ◆ Understand the factors affecting oil demand ◆ Understand ship oil standards on density, viscosity, flash point, water content, sulphur content, etc.

	<ul style="list-style-type: none"> ◆ Understand the role, operation, scope of services, cooperation mode of local and overseas oil suppliers as well as the quality and reliability of the ship oil they supply ◆ Understand the legislations and international conventions against pollution caused by ships ◆ Understand the oil purchase procedures and respective legislations such as contract law and relevant documentation as well as legal responsibilities of buyers and suppliers ◆ Master good negotiation skill <p>6.2 Formulate ship oil sales and purchase strategies</p> <ul style="list-style-type: none"> ◆ Liaise with different departments to discuss and analyze cargo transport and ship oil demands with respect to the current and future development of the shipping industry ◆ Estimate the percentage of ship oil cost in operating costs ◆ Formulate the oil supplier selection strategy with respect to different factors including the suitability of choosing a single supplier, distribution of suppliers, service and price requirements, payment methods and contract details ◆ Formulate ship oil sales and purchase strategies with respect to different factors including time and quantity of purchase, place of delivery and quality required
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	<ul style="list-style-type: none">◆ Formulate strategies to select ship and bunker brokers to handle ship oil sales and purchase in the market with respect to background, service quality and reputation of and rates charged by different ship and bunker brokers as well as the company policy◆ Consider product quality, service standard, reputation and contract terms when purchasing directly from oil suppliers, and formulate the oil supplier selection strategy with respect to the company policy◆ Formulate ship oil sales and purchase strategy and communicate with relevant colleagues after in order to follow up the results and to rectify if necessary◆ Analyze operational procedures of and resources required for the project◆ Formulate an efficient and cost-effective project management plan in accordance with special techniques or professional requirements of a particular logistics project and requirements specified by the customer, including:<ul style="list-style-type: none">• Completion time for each procedure of the project• The need of subcontractor or consultant• Review project progress regularly• Follow up project progress regularly with the customer as well as review and confirm the achievements by stage to meet the customer requirements
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7. Assessment Criteria	The integrated outcome requirements of this unit of competency is: (i) Capable to formulate discreetly ship oil sales, purchase and replenishment strategies with respect to various factors so as to save and use effectively the resources of the company.
8. Remarks	