

## Specification of Competency Standards for the Logistics Industry

### Unit of Competency

1. Title	Formulate strategy for ship sales and purchase
2. Code	LOGGOM601A
3. Range	This unit of competency is applicable to shipping companies and relevant sea freight operators. Practitioners should be capable to consider different factors when handling matters related to ship sales and purchase so as to cope with the business development direction.
4. Level	6
5. Credit	12 ( for reference only )
6. Competency	<p style="text-align: center;"><u>Performance Requirements</u></p> <p>6.1 Knowledge of ship sales and purchase</p> <ul style="list-style-type: none"><li>◆ Understand ships, including types and certificates, materials, ship length, width, depth, speed and carrying capacity, design for cargo to be carried, engines, horsepower, etc.</li><li>◆ Understand the future of the shipping industry</li><li>◆ Understand the company's business operation and development and master the shipping market's present and the future demand for vessels</li><li>◆ Understand shipbuilding and ship-breaking</li><li>◆ Understand the current situation and the trend of the ship sales and purchase market</li><li>◆ Understand the roles, operation, service areas, modes of cooperation, and charges of ship brokers, and the practice of ship broking in the market</li></ul>

	<ul style="list-style-type: none"> <li>◆ Understand the procedures and legislations relating to ship sales and purchase, such as contract law and the documents required</li> <li>◆ Understand the liabilities of the buyer and the seller</li> <li>◆ Know about the institutions that offer ship financing services in the market, including service areas, loan types, procedures and periods, contract terms, annual rate, repayment periods and other relevant procedures</li> <li>◆ Know the professionals who provide services of ship sales and purchase, including ship broker, insurance broker, lawyer and ship surveyor; their service areas and charges</li> <li>◆ Master good negotiation skill</li> </ul>
6.2	<p>Formulate ship sales and purchase strategy</p> <ul style="list-style-type: none"> <li>◆ Analyze the company's demand for vessels according to the present and future business environment; liaise with different departments on such demand and details, including the type, carrying capacity, budget and financing method</li> <li>◆ Select appropriate ship brokers according to their background, service quality, reputation and charges; provide them with correct information so that they can act on the company's behalf and identify appropriate buyer in the market</li> <li>◆ Capable to understand the details of the quotation, and protect the interests of the company during negotiation</li> </ul>

	<ul style="list-style-type: none"> <li>◆ Select appropriate financing institutions according to their background, service quality, reputation, contract terms, interest rates, repayment period and charges; and protect the interests of the company during negotiation</li> <li>◆ Select and appoint professionals: appointing lawyers to handle ship sales and purchase and relevant legal procedures, and to make arrangements for registration or deregistration of vessels; handling payment or repayment via the bank; appointing the classification society to conduct ship surveying</li> <li>◆ Liaise with the insurance company on confirming the risks covered in the policy</li> <li>◆ Verify relevant insurance documents</li> </ul>
7. Assessment Criteria	<p>The integrated outcome requirements of this unit of competency is:</p> <p>(i) Capable to consider different factors and to handle matters related to vessel trading and cautiously; to conduct the trading according to legal procedures.</p>
8. Remarks	