

Specification of Competency Standards for the Logistics Industry

Unit of Competency

1. Title	Apply the concept of free trade zones and bonded areas at ports to design sea freight logistics solutions
2. Code	LOGSPD502A
3. Range	This unit of competency is applicable to shipping companies, freight forwarders, and express and logistics firms. Practitioners should be capable to apply the concept of free trade zones and bonded areas so as to design cost-effective sea freight logistics solutions according to the business policy of the enterprise.
4. Level	5
5. Credit	6 (for reference only)
6. Competency	<p style="text-align: center;"><u>Performance Requirements</u></p> <p>6.1 Knowledge of free trade zones and bonded areas</p> <ul style="list-style-type: none"> ◆ Understand the concepts and functions of free trade zones and bonded areas ◆ Understand the operation procedures and conditions of the regulators regarding the access of free trade zones and bonded areas by enterprises ◆ Understand the relationship between free trade zones and bonded areas, and production, trading, sourcing and logistics models ◆ Understand why manufacturers use free trade zones and bonded areas as bases for production, processing and storage ◆ Understand the procedures and requirements for documentation, customs declaration, reporting, security and inspection ◆ Understand the inter-relationship between ports, terminals and cargo handling, and free trade zones and bonded areas

	<p data-bbox="384 887 730 1238">6.2 Apply the concept of free trade zones and bonded areas to design sea freight logistics solutions</p> <ul style="list-style-type: none"> <li data-bbox="783 226 1358 416">◆ Understand the requirements and procedures of setting up bonded warehouses and warehouses under customs' supervision <li data-bbox="783 439 1398 577">◆ Understand the requirements and procedures of using bonded logistics areas <li data-bbox="783 600 1473 736">◆ Understand the development of free trade zones and bonded areas, and successful cases of relevant logistics solutions <li data-bbox="783 759 1453 842">◆ Master the principles, procedures and methods of designing logistics solutions <li data-bbox="783 887 1461 1184">◆ Collect information on customs clearance, logistic facilities, sourcing, connection distance and costs of the cities that accommodate free trade zones and bonded areas, and of neighbouring cities <li data-bbox="783 1207 1473 1397">◆ Assess the relationship between the enterprise and the cities that accommodate free trade zones and bonded areas in terms of their logistics network <li data-bbox="783 1420 1437 1610">◆ Use concept of bonded warehouses, warehouses under customs' supervision and bonded logistics areas to design logistics solutions <li data-bbox="783 1632 1461 1771">◆ Design sea freight logistics solutions so as to provide services for processing and export production <li data-bbox="783 1794 1377 1877">◆ Assess the feasibility of sea freight logistics solutions <li data-bbox="783 1899 1445 2089">◆ Compile reports to analyze the advantages and disadvantages of the sea freight logistics solutions for free trade zones and bonded areas
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7. Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none">(i) Capable to analyze systematically and scientifically the advantages and disadvantages of using free trade zones and bonded areas by the enterprise; to apply the knowledge to design appropriate logistics solutions so as to develop new markets and expand the coverage and use of logistics services; and(ii) Capable to design effective sea freight logistics solutions and compile reports for the decision-making authority of the enterprise.
8. Remarks	