

UNIT 5**INCOTERMS**

With your group, discuss the following questions.

1. Why are Incoterms important in international trade, and what purpose do they serve?
2. Can you give examples of specific Incoterms and explain the key responsibilities and risks associated with each?
3. How do Incoterms impact the cost of an international transaction? Provide examples to illustrate your points.
4. In what ways can Incoterms help in clarifying the roles and responsibilities of buyers and sellers in an international trade deal?
5. Consider a scenario where a seller wants to minimize risk, and a buyer is concerned about costs. Which Incoterms might be suitable for such a situation, and why?

Ahmad (Employee) and Wijaya (Customer) Dialogue on Incoterms

Ahmad: Good morning, Wijaya! I heard you're interested in our international shipping options. How can I help you today?

Wijaya: Hi, Ahmad! Yes, I've been going through the different types of Incoterms, and I must admit, it's a bit overwhelming. Can you explain them to me?

Ahmad: Absolutely, Wijaya! Incoterms, or International Commercial Terms, are standardized rules that define the responsibilities of buyers and sellers in international trade. There are several options, each with its advantages and disadvantages. Let's break it down.

Wijaya: Great! Where should we start?

Ahmad: Well, one commonly used Incoterm is FOB, or Free On Board. With FOB, the seller is responsible for the goods until they're loaded onto the ship. It's often used in sea freight.

Wijaya: That sounds straightforward. What about another option?

Ahmad: Another one is CIF, or Cost, Insurance, and Freight. Here, the seller covers the cost of the goods, insurance, and freight to deliver them to the port of destination. However, once it's on the ship, the risk shifts to the buyer.

Wijaya: Got it. So, each Incoterm has its own set of responsibilities. Any others I should know about?

Ahmad: Definitely! EXW, or Ex Works, is where the seller makes the goods available at their premises, and the buyer takes care of everything from there—transportation, customs, you name it.

Wijaya: Sounds like a lot of responsibility for the buyer. Are there any advantages to that?

Ahmad: Indeed. The advantage is that the buyer has more control over the entire process and can choose their preferred logistics partners. However, it can be challenging for those less experienced in international trade.

Wijaya: What about the opposite—more responsibility for the seller?

Ahmad: That would be DDP, or Delivered Duty Paid. Here, the seller takes care of everything, including customs duties and taxes, and delivers the goods to the buyer's premises. It provides a hassle-free experience for the buyer but comes with higher costs.

Wijaya: Thanks for breaking it down, Ahmad. It's much clearer now. But how do I know which one to choose for my shipments?

Ahmad: It depends on factors like the level of risk you're comfortable with, your experience in international trade, and the specific requirements of your shipment. We can work together to find the best fit for your needs.

Wijaya: That sounds good. Let's go over my upcoming shipment and figure out the most suitable Incoterm.

Ahmad: Absolutely, Wijaya. We'll make sure to find the right balance between control and convenience for your international shipments.

1. What does the term "Incoterms" stand for in international trade?
 - a) International Shipping Methods
 - b) International Commercial Terms
 - c) International Cargo Regulations
 - d) International Freight Agreements
2. In the dialogue, which Incoterm involves the seller being responsible until the goods are loaded onto the ship?
 - a) CIF
 - b) FOB
 - c) EXW
 - d) DDP
3. Which Incoterm shifts the risk to the buyer once the goods are on the ship?
 - a) FOB
 - b) CIF
 - c) EXW
 - d) DDP
4. What does EXW stand for, and what does it imply in terms of responsibilities?

- a) Extra Work, with the seller covering all costs.
 - b) Ex Warehouse, with the buyer handling transportation and customs.
 - c) Export Workshop, with shared responsibilities between buyer and seller.
 - d) External Warranty, with the seller responsible for all expenses.
5. Which Incoterm involves the seller taking care of everything, including customs duties and taxes, and delivering the goods to the buyer's premises?
- a) CIF
 - b) FOB
 - c) EXW
 - d) DDP

Before reading, discuss these vocabularies with your partner.

1. **Intricacies:** Complex details or difficulties within a situation.
 - *Example:* Navigating the intricacies of international trade requires careful consideration.
2. **Obligations:** Duties or responsibilities that one is required to fulfill.
 - *Example:* Incoterms define the obligations and risks of both parties in a transaction.
3. **Spectrum:** A range or variety of different things.
 - *Example:* Incoterms cover a spectrum of terms signifying specific points in the transportation process.
4. **Pivotal:** Of crucial importance or central significance.
 - *Example:* Understanding Incoterms is pivotal for smooth international transactions.
5. **Seamlessly:** Smoothly and without interruption.
 - *Example:* A clear comprehension of Incoterms ensures that goods move seamlessly across borders.
6. **Undertake:** To commit to or take on a task or responsibility.
 - *Example:* Parties must decide the level of risk they are willing to undertake in the transaction.
7. **Clarifies:** Makes clear or understandable.
 - *Example:* Incoterms clarifies the roles and responsibilities of both parties in a transaction.
8. **Comprehension:** Understanding or grasping the meaning of something.
 - *Example:* A clear comprehension of Incoterms is essential for businesses engaged in global commerce.

Understanding Incoterms in International Trade

In the realm of international trade, navigating the intricacies of shipping and responsibilities between buyers and sellers is a crucial aspect. This is where Incoterms, or International Commercial Terms, come into play. Incoterms are standardized rules established by the International Chamber of Commerce to define the obligations and risks of both parties in a transaction.

Incoterms cover a range of terms, each signifying a specific point in the transportation process where responsibility shifts from the seller to the buyer. One widely used term is

FOB (Free On Board), indicating that the seller is responsible for the goods until they are loaded onto the ship. On the other end of the spectrum is DDP (Delivered Duty Paid), where the seller takes charge of all aspects, including customs duties, and delivers the goods to the buyer's premises.

The choice of Incoterms depends on various factors, including the level of risk each party is willing to undertake, the mode of transportation, and the familiarity with international trade procedures. For instance, an experienced buyer might prefer EXW (Ex Works), where they take control of the entire process from the seller's premises.

Understanding Incoterms is essential for smooth international transactions. It not only clarifies the roles and responsibilities of both parties but also plays a pivotal role in risk management and cost distribution. As businesses engage in global commerce, a clear comprehension of Incoterms ensures that goods move seamlessly across borders.

Matching Vocabulary Questions:

Match the vocabulary words to their meanings:

Vocabulary Words:

1. Intricacies
2. Obligations
3. Spectrum
4. Pivotal
5. Seamlessly
6. Undertake
7. Clarifies
8. Comprehension

Definitions:

- a. Complex details or difficulties within a situation.
- b. Smoothly and without interruption.
- c. Of crucial importance or central significance.
- d. A range or variety of different things.
- e. Duties or responsibilities that one is required to fulfill.
- f. Understanding or grasping the meaning of something.
- g. To commit to or take on a task or responsibility.
- h. Makes clear or understandable.

True/False Questions:

1. **True/False:** Incoterms are standardized rules that define the responsibilities of buyers and sellers in international trade.
2. **True/False:** The FOB Incoterm means that the buyer is responsible for the goods until they are loaded onto the ship.
3. **True/False:** DDP (Delivered Duty Paid) involves the buyer taking care of all aspects, including customs duties.
4. **True/False:** Incoterms only consider the mode of transportation and do not take into account the familiarity of the parties with international trade procedures.
5. **True/False:** A clear comprehension of Incoterms ensures a hassle-free experience for both the buyer and the seller.

Role-Play Task: Customer-Employee Incoterms Discussion

Objective: Simulate a conversation between a customer and an employee, focusing on discussing and selecting the most appropriate Incoterms for an upcoming shipment.

Scenario: You will take on the roles of a Customer (importer) and an Employee (exporter) from a company engaged in international trade. Your task is to discuss and agree on the Incoterms for an upcoming shipment of goods.

Roles:

1. **Customer (Importer)**
 - Your goal is to ensure a smooth and cost-effective shipment. Express your preferences and concerns clearly.
 - Specific concerns: Delivery time, potential additional costs, and risk management.
2. **Employee (Exporter)**
 - Your goal is to provide a suitable Incoterm that aligns with the customer's needs while considering company interests.
 - Specific considerations: Cost implications, mode of transportation, and risk distribution.

UNIT 6**APPLYING FOR A JOB ABROAD****A. CURRICULUM VITAE****Preparation task**

Put the phrases in the correct groups

Photography	Business Development Manager	Certificate in Presentation Skills	Degree in Marketing
Taekwondo	Professional blogger	Research Assistant	Sales Executive
Class B driving licence	Proficient knowledge of analytics software	Masters in Public Relations and Digital Marketing	Diploma in Innovation Design

Work experience	Education	Skills and Interests

Read the following CV**Maria Jones**

Digital Marketing Specialist

Profile

I have five years' experience in various digital marketing roles. I have a proven ability to create successful marketing campaigns in line with brand identity and values. I am a strong collaborator with outstanding communication skills, and have comprehensive experience of using my specialist knowledge and expertise in analytics for a wide variety of marketing initiatives.

Employment History

June 2017 – present

Digital Marketing Specialist for Zinco, a global insurance start-up

- My role involves working to tight deadlines to design, create and launch marketing campaigns via social media.
- I have developed advanced knowledge of a range of social media platforms and digital marketing tools.
- I specialise in driving successful campaigns and excel in analysing their impact.
- I have experience launching digital billboards in places such as train stations and shopping centres.

Sept 2016 – June 2017

Creative break from employment to travel and blog

- I travelled through 12 countries, met several professional bloggers and started my own travel blog.
- I built up a community of followers and started to monetise my blog through sponsored posts.

May 2014 – Aug 2016

Digital Marketing Assistant, Krunch Ltd

- Responsibility for overall social media strategy and regular posting on key channels.
- I played a key role in numerous campaigns to boost engagement with our brand.
- I also supported three product launches.

Education

2014 Diploma in Digital Marketing, Leeds Beckett University, UK

2012 A-levels (Psychology, English, Art & Design), Leeds City College, UK

Skills and Interests

Competent WordPress developer

Skilled in Adobe InDesign and Adobe Illustrator

Advanced Spanish (C1)

Intermediate German (B1)

Photography

Travel

References

Available on request

Pay attention to the tips in writing a CV

Tips

1. Start with a short profile to show who you are and what you offer.
2. List your employment history, starting with the present.
3. Explain any gaps, for example time spent travelling or having children.
4. Use bullet points for your main responsibilities and experience in each role. Choose the aspects of your previous jobs that are most relevant to the new job you are applying for.
5. Then give your educational background. List the relevant qualifications that you have, starting with the most recent. Include the title of your qualification, where you studied and the date you successfully completed it.
6. Consider putting Education above Employment if you don't have a lot of work experience yet.
7. List other experience or interests you may have if they are relevant to the job.
8. If you have someone who could support your application, add their contact details or say *References available on request* at the end.

TASKS

Task 1

Are the sentences true or false?

	Answer	
1. It is a good idea to start with a short summary about you.	True	False
2. You should write your work history in order, with your most recent job at the end.	True	False
3. You should list all your responsibilities in detail.	True	False
4. You should give the full title of your qualifications, with the date you passed each one and the organisations that awarded them to you.	True	False
5. It is a good idea to include hobbies if they are relevant to the job.	True	False
6. Include references to support your application if you can.	True	False

Task 2

Put the words and phrases in order to make sentences.

1. roles. I have in various experience five years'
2. My involves working deadlines. role tight to
3. a create ability to I have successful campaigns. proven
4. digital in specialise I marketing.
5. in excel I impact analysis.
6. I of knowledge advanced statistics. have

Task 3

Write the correct form of the word in brackets.

1. I have a proven to deliver successful marketing campaigns. (able)
2. I am a strong (collaborate)
3. I have specialist of marketing. (know)
4. I use my in analytics to assess the success of campaigns. (expert)
5. I was for the overall social media strategy. (responsibility)
6. I played a key role in campaigns. (number)
7. I started to my blog through sponsored posts. (money)
8. I worked on several initiatives to boost customer..... (engage)

B. WRITING A COVER LETTER

Preparation task

Put the phrases in the correct groups

sales assistant	communication skills	high school diploma	IT consultant
degree in information technology	ability to work under pressure	Master's in Engineering	certificate in hotel management
engineer	marketing manager	good team player	good at problem solving
Jobs	Education	Skills	

Reading

Read the email of cover letter

From: Laura Mazzanti
To: David Kelly, HR Manager
Subject: Application for sales manager position

Dear Mr Kelly,

I am writing in response to the job advertisement on the ABC Jobs website for the position of sales manager.

I have five years of experience in sales. For the last three years, I have worked as a team leader, managing a team of 20 sales assistants in a large store. I have experience in hiring, training and managing staff. I have good communication skills and I can speak Italian, Spanish and English.

I have attached my CV with more information about my background and qualifications.

I look forward to hearing from you soon.

Best regards,

Laura Mazzanti

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Pay attention to the tips in writing a cover letter

Tips

1. Be specific in the subject line and say what job you are applying for.
2. Start your email with *Dear Mr/Mrs/Ms* + person's surname.
3. Say where you saw the advertisement.
4. Say which job you're applying for. You can use the sentence *I'm writing in response to the job advertisement for the position of ...*
5. Write a short paragraph to say why you're suitable for the job. Mention your education, qualifications, work experience or skills.
6. Attach a CV (also known as a *résumé* in the USA) with more information about your qualifications and background.
7. End by saying *I look forward to hearing from you soon* or *I hope to hear from you soon*.
8. Sign off with *Best regards* or *Best wishes*.

Tasks

Task 1

Choose the correct answer.

1. Which of these is the best subject line?
 - a. Jobs
 - b. Application for IT consultant position
 - c. IT consultant
 - d. Job advertisement
2. Which of these should you NOT use to start a cover letter or email?
 - a. Dear Mr Kelly,
 - b. Dear HR Talents,
 - c. Hi Stephen,
 - d. Dear Sir/Madam,
3. Which of these phrases can you use to complete this sentence? *I'm writing ... the job advertisement for the position of IT consultant.*
 - a. in response to
 - b. regarding
 - c. with regards to
 - d. in response to / regarding / with regards to (all answers are correct)

4. In your email, what can you also include?
 - a. details of your hobbies
 - b. all of your work experience
 - c. one or two examples of your relevant skills
 - d. the names of all your family members
5. What is a CV called in American English?
 - a. a résumé
 - b. a job application
 - c. an advertisement
 - d. a position
6. Before writing your name, how can you sign off your email?
 - a. Ciao!
 - b. Later,
 - c. Bye,
 - d. Best regards,

Task 2

Put the parts of the email in the correct order.

_____ Best regards,

_____ I look forward to hearing from you soon about a possible job interview.

_____ Please see my attached CV for more information about my qualifications and experience.

_____ Taukif Ali

_____ Dear Ms Tan,

_____ I'm writing with regards to the position of lead engineer you advertised on your website. I have many of the qualifications you are looking for and am interested in applying for the above job.

_____ I have a Master's in Engineering and ten years' experience leading an engineering project based in Dubai. I have the ability to work under pressure and excellent problem-solving skills.

Task 3

Write a word to fill the gaps.

(1) Ms Campbell,
I'm writing (2) response (3) your job advertisement for an outreach worker. I have six years' experience working (4) the charity sector. I have worked (5) three years (6) a social worker. I also worked as (7) volunteer for three years (8)..... a centre for the homeless.

I have good experience of working (9) a team and organising my own workload.

Please find attached my CV (10) more information.

I am looking forward (11) hearing (12) you.

Best regards,
Sam Hill