

# LIBF

Part of Walbrook  
Institute London

## LIBF Level 4 Certificate in Supply Chain Finance (CSCF)

Qualification specification



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## Purpose of the qualification

### Why study the LIBF Level 4 Certificate in Supply Chain Finance (CSCF)?

Supply Chain Finance (SCF) is a term that has been around for some time in the banking and finance market but historically definitions have varied considerably and there has been little consistency across the range of solutions and products available. In fact, the term 'SCF' is often used to describe a Payable Finance solution (a.k.a. Supplier Finance or Reverse Factoring) when in reality this is just one technique amongst a very broad range of solutions. The SCF family of techniques includes both receivables, purchase-based and loan-based solutions as well as traditional documentary trade finance, and the certificate will introduce you to all of these valid vehicles for financing supply chains. The defining characteristic of SCF is that the various techniques are driven by events in the physical supply chain and as such, the analysis of the client's underlying trade cycle and the accurate identification of financing, risk mitigation (including foreign exchange management) and settlement needs are central to the approach.

The Certificate in Supply Chain Finance (CSCF) is relevant if you work or are aspiring to work within an area dealing with SCF. In completing this qualification, you will develop an understanding of the standard definitions for techniques of SCF, you will also learn how to identify funding gaps as a result of trade cycle analysis, understand clients' needs and develop your skills in structuring and implementing SCF solutions offering a combination of receivables purchase, loan-based and documentary techniques as may be appropriate.

### Objectives and key content areas

To provide the knowledge and skills required to be an effective international supply chain finance professional.

Throughout the programme, you will understand the:

- supply chain finance environment;
- role of traditional trade finance products;
- key components of trade cycle analysis;
- application and implementation of supply chain finance techniques and associated legal, technological, cost and risk implications; and
- importance of innovation and strategy.

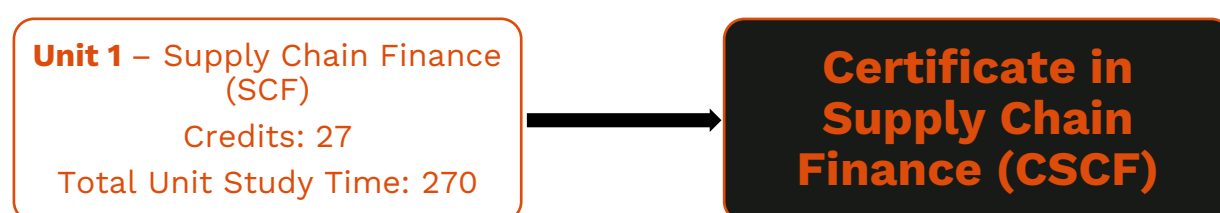
## Key skills developed

The qualification will encourage you to:

- develop your ability to undertake trade cycle analysis;
- develop your ability to structure supply chain finance solutions; and
- increase your ability to work and study independently and utilise resources effectively.

## Structure

CSCF is made up of one mandatory unit which must be successfully completed to achieve the qualification:



## Qualification delivery

### Total Qualification Time (TQT)

Total Qualification Time (TQT) is a prediction of the total time a student with no prior knowledge might need to complete the course.

TQT consists of two elements, Guided Learning (GL) and all other hours:

- Guided Learning (GL) comprises study time under direct teacher supervision, encompassing instructional sessions and supervised examinations.
- All other hours include hours spent unsupervised in research, learning, e-learning, e-assessment, exam preparation, and formal assessments.

CSCF is primarily considered as a self-directed study qualification with planned examination sessions.

Guided Learning Hours	3 hours
Other hours	267 hours
Total Qualification Time	270 hours

## Assessment

CSCF is mandatory and assessed by way of a single examination lasting two and a half hours. The examination paper is split into two sections:

- a. 60 marks are available for Section A: 60 multiple-choice questions (MCQs), students will select one answer from four provided, with one mark available for each correct answer (total of 60 marks available).
- b. 40 marks are available for Section B:
  - i. five MCQs, students will select one answer from four provided, one mark available for each correct answer (total of 5 marks available);
  - ii. five multiple-response questions, students will select three answers from six provided, one mark available for each correct question (total of 5 marks available); and
  - iii. 6 questions requiring students to evaluate scenarios, including questions that require students to pair statements from a selection of options (total of 30 marks available).

A total of 100 marks are available overall. The pass mark for the examination is 70% of the available marks; however, you must also achieve 60% of the marks available in section B to pass the qualification.

The structure of the assessment ensures that all course content is subject to assessment.

## Preparing for the assessment

Examinations are sat electronically at any one of the Pearson VUE test venues worldwide or via Remote Invigilation in permitted locations where you can sit your assessment remotely. You must be registered to sit an examination at a test venue of your choosing (subject to demand/availability); this is managed by you. It is recommended that you book your exam three weeks in advance of the date you wish to sit. However, subject to availability, an examination can be booked as little as two working days in advance.

Examinations can be booked via the Pearson VUE website or by phone. Please visit the Pearson VUE website for further information.

To prepare for the assessment you should make use of all learning resources as part of your revision for the exam.

## Qualification grading

The overall qualification is graded Pass/Fail only. To achieve a pass, you must achieve a mark of 70% overall (minimum of 60% for Section B). Higher-level passes are identified as pass at Distinction level.

Grade	Mark
Pass	70–94%
Distinction	95-100%

Feedback is provided via analysis sheets available on [MyLIBF](#), to see your strengths and areas to develop.

## Re-sit attempts

The qualification has a twelve-month registration period. There are no restrictions on the number of times you can resit a unit in which you were unsuccessful, however, you must resit the unit in accordance with the published policies of LIBF.

## Additional information

### Entry requirements

There are no specified entry requirements. However, a working knowledge of the basics of trade finance would be an advantage and you need to be satisfied of your ability to study in English.

### Recognition of prior learning

In line with LIBF regulations, as CSCF is a single unit qualification, recognition of prior learning does not apply.

## Progression and preparation for further study

### Professional recertification

When you have successfully completed the CSCF qualification, the CSCF designation remains valid for three years. To retain the designation after this period, you are required to either complete continuing professional development (CPD) to recertify, or re-take and pass the examination. You will be required to submit **36** CPD learning hours / PDUs to recertify successfully.

The recertification programme allows you to demonstrate how you have carried out learning activities which have enhanced your prior knowledge and skills in the area of Supply Chain Finance. Such activities are known as CPD – Continuing Professional Development – and include participation in events such as: workshops; courses; seminars; webinars, as well as e-learning and self-directed research. CPD is vital in ensuring your knowledge of Supply Chain Finance is always up to date. More information about the recertification programme can be found on the course website.

### Further / additional study

When you have successfully completed the CSCF qualification, there are opportunities for further study with LIBF.

Our [Trade Finance & Transaction Banking Qualifications | LIBF](#) help develop in-depth knowledge of trade and transaction banking, equipping professionals with the skills needed to advance their careers in the industry.

If you have successfully completed the CSCF qualification, you will have established a strong foundation to advance your studies with our other trade and transaction banking qualifications.

Additionally, CSCF can contribute towards achieving the **Diploma for Qualified Trade Finance Experts (QTFE)**, which is earned by completing a combination of the following qualifications:

- L3 Certificate in International Trade and Finance (CITF) or L3 Certificate in Principles of Payments (CertPAY) plus
- L4 Certificate for Documentary Credit Specialists (CDCS) or L4 Certificate for Specialist in Demand Guarantees (CSDG) plus
- L4 Certificate in Supply Chain Finance (CSCF) or L4 Certificate in International Trade Risk (CITR)

\*Alternatively, you may choose to complete three L4 certificates listed above.

For more information, [please visit our website.](#)

## Preparation for employment / professional development

This qualification has been designed for you if you are working or aspiring to work within the Supply Chain Finance industry; it has been designed to develop your knowledge and understanding and enhance skills that are valued within the Supply Chain Finance sector.



## Appendices

### Appendix 1 – Supply Chain Finance (SCF)

This section provides information about Supply Chain Finance (SCF), including syllabus content, learning outcomes and assessment criteria.

#### Assessment methodology

SCF assessment has one component:

- a. 60 marks are available for Section A: consisting of 60 multiple-choice questions (MCQs), students will select one answer from four provided, one mark available for each correct answer (total of 60 marks available).
- b. 40 marks are available for Section B:
  - i. five MCQs, students will select one answer from four provided, one mark available for each correct answer (total of 5 marks available);
  - ii. five multiple-response questions, students will select three answers from six provided, one mark available for each correct answer (total of 5 marks available); and
  - iii. 3 case studies comprising a combination of questions requiring students to evaluate the scenario, including questions requiring students to pair statements from a selection of options, 10 marks will be available for each case study (total of 30 marks available).
- c. The examination will be worth a total of 100 marks.

To achieve an overall pass, you must achieve a mark of 70% overall and 60% of the marks available in section B.

## Learning outcomes, assessment criteria and indicative content

<b>Learning outcome (LO)</b> The learner when awarded credit for this unit will:	<b>Assessment criteria (AC)</b> Assessment of the LOs will require a learner to demonstrate that they can:	<b>Indicative content</b>
1. Understand the need for and use of Supply Chain Finance	1.1 Demonstrate an understanding of supply chain finance.	<ul style="list-style-type: none"> <li>• Financing</li> <li>• Risk mitigation</li> <li>• General principles including transactional v 'flow based', post &amp; pre shipment</li> </ul>
	1.2 Understand the history of supply chain finance, the standard definitions and compare it to traditional trade finance.	<ul style="list-style-type: none"> <li>• History: <ul style="list-style-type: none"> <li>○ Credit crisis</li> <li>○ Key industry impacts and developments</li> <li>○ Standard definitions for Techniques of Supply Chain Finance</li> </ul> </li> <li>• Comparison to traditional trade finance</li> </ul>
	1.3 Demonstrate a knowledge of the physical supply chain.	<ul style="list-style-type: none"> <li>• Physical Supply Chain Finance roles &amp; responsibilities <ul style="list-style-type: none"> <li>○ Parties</li> <li>○ Events</li> </ul> </li> </ul>
	1.4 Understand the financial supply chain and its consequences.	<ul style="list-style-type: none"> <li>• Financial supply chain: <ul style="list-style-type: none"> <li>○ Processes</li> <li>○ Events</li> <li>○ Activities</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>Financial consequences: <ul style="list-style-type: none"> <li>Risk</li> <li>Funding</li> <li>Cashflow</li> </ul> </li> </ul>
	1.5 Develop an appreciation of the information supply chain and its use.	<ul style="list-style-type: none"> <li>Data creation</li> <li>Digitalisation of information</li> </ul>
	1.6 Identify and understand the client drivers, risk mitigation and trade flows.	<ul style="list-style-type: none"> <li>Client Drivers: <ul style="list-style-type: none"> <li>Motivation to adopt for both buyers and suppliers</li> <li>Balance Sheet Management</li> </ul> </li> <li>Risk Mitigation and Trade Flows <ul style="list-style-type: none"> <li>Open account</li> <li>Cash</li> </ul> </li> </ul>
2. Understand and be able to apply Trade Cycle Analysis	2.1 Understand the relevance to physical and financial supply chains.	<ul style="list-style-type: none"> <li>Physical and financial supply chains</li> <li>Values and timings</li> </ul>
	2.2 Demonstrate a knowledge of the working capital cycle.	<ul style="list-style-type: none"> <li>Cash conversion in the working capital cycle: <ul style="list-style-type: none"> <li>DSO / DPO / DIO</li> </ul> </li> </ul>
	2.3 Develop an appreciation of the contractual relationships within supply chain finance.	<ul style="list-style-type: none"> <li>Contractual commercial relationships</li> <li>Commercial contracts</li> </ul>
	2.4 Analyse the clients needs.	<ul style="list-style-type: none"> <li>Identifying and quantifying client needs:</li> </ul>

	Apply the solutions in principal to supply chain finance problems.	<ul style="list-style-type: none"> <li>○ Process / Funding gaps</li> <li>○ Integration with the supply chain</li> <li>○ Accelerating cash flow</li> <li>○ Conduct risk compliance</li> </ul>
	2.5 Apply the solutions in principal to supply chain finance problems.	<ul style="list-style-type: none"> <li>• Case studies and example structures</li> <li>• Values and timing</li> </ul>
3. Understand and be able to structure Supply Chain Finance solutions.	3.1 Identify traditional trade finance instruments.	<ul style="list-style-type: none"> <li>• Traditional trade finance instruments: <ul style="list-style-type: none"> <li>○ Collections</li> <li>○ Letters of credit</li> <li>○ Guarantees</li> </ul> </li> </ul>
	3.2 Demonstrate an understanding of receivables purchase products.	<ul style="list-style-type: none"> <li>• Receivables purchase-based: <ul style="list-style-type: none"> <li>○ Receivables Discounting</li> <li>○ Forfaiting</li> <li>○ Factoring</li> <li>○ Payables finance</li> </ul> </li> </ul>
	3.3 Demonstrate an understanding of advanced payable products	<ul style="list-style-type: none"> <li>• Advanced payable products</li> </ul>
	3.4 Distinguish and understand loan and advance-based products.	<ul style="list-style-type: none"> <li>• Loan or advance based: <ul style="list-style-type: none"> <li>○ Loan/advance against receivables</li> <li>○ Distributor finance</li> <li>○ Loan or advance against inventory</li> <li>○ Pre-shipment finance</li> </ul> </li> </ul>

	3.5 Understand and apply the benefits of supply chain finance solutions.	<ul style="list-style-type: none"> <li>• Benefits to each participant</li> <li>• Case studies</li> </ul>
	3.6 Understand and apply the supply chain finance framework.	<ul style="list-style-type: none"> <li>• Enabling Framework <ul style="list-style-type: none"> <li>○ Innovation and digitisation</li> <li>○ e-Invoicing</li> <li>○ BPO</li> </ul> </li> </ul>
4. Understand the practicalities of the implementation of supply chain finance	4.1 Understand the legal framework underpinning supply chain finance.	<ul style="list-style-type: none"> <li>• Legal framework: <ul style="list-style-type: none"> <li>○ Receivable purchase agreements</li> <li>○ Assignment</li> <li>○ Master documents</li> <li>○ Jurisdiction</li> <li>○ Legal opinions</li> </ul> </li> </ul>
	4.2 Develop an appreciation of the pricing and capital requirements of supply chain finance.	<ul style="list-style-type: none"> <li>• Pricing: <ul style="list-style-type: none"> <li>○ Cost of funds</li> <li>○ Margin</li> <li>○ Discounting methods</li> </ul> </li> <li>• Capital requirements: <ul style="list-style-type: none"> <li>○ Basel III</li> <li>○ Risk-weighted assets</li> <li>○ Models and hurdle rates</li> </ul> </li> </ul>
	4.3 Understand and apply onboarding and the implications for supply chain finance.	<ul style="list-style-type: none"> <li>• Onboarding including know your customer/ customer due diligence (KYC / CDD)</li> </ul>

		<ul style="list-style-type: none"> <li>• Anti-money laundering (AML)</li> </ul>
	4.4 Understand the operational procedures associated with supply chain finance.	<ul style="list-style-type: none"> <li>• Monitoring invoices and flows</li> <li>• Change management</li> <li>• Delivering best practice</li> </ul>
	4.5 Demonstrate a knowledge of the technology that supports supply chain finance.	<ul style="list-style-type: none"> <li>• Bank &amp; independent platforms</li> <li>• Marketplaces</li> <li>• B2B</li> <li>• Integration</li> </ul>
	4.6 Analyse the asset and risk management associated with supply chain finance.	<ul style="list-style-type: none"> <li>• Risk participation</li> <li>• Secondary market</li> <li>• Credit insurance</li> <li>• Foreign currency management</li> </ul>
5. Understand alternative financing and innovation in supply chain finance	5.1 Understand the evolving landscape and non-bank solutions.	<ul style="list-style-type: none"> <li>• Evolving landscape: <ul style="list-style-type: none"> <li>○ Relevant industry bodies</li> <li>○ Objectives / Activities</li> <li>○ Non-bank providers</li> </ul> </li> </ul>
	5.2 Understand and analyse the competitive environment.	<ul style="list-style-type: none"> <li>• Competition</li> <li>• Key drivers/ disruptors</li> </ul>
	5.3 Understand and apply supply chain finance strategy.	<ul style="list-style-type: none"> <li>• Strategy for supply chain finance</li> </ul>

	5.4 Demonstrate an understanding of innovation and development within the supply chain finance sector.	<ul style="list-style-type: none"><li>• Market developments</li><li>• Innovation</li><li>• Industry standards</li><li>• Technology</li><li>• Changing client needs</li><li>• Digital / virtual (Fintech)</li></ul>
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