

# LIBF

Part of Walbrook  
Institute London



## LIBF Level 3

## Certificate in International Trade Finance (CITF®)

Qualification specification



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## Purpose of the qualification

### Why study the LIBF Level 3 Certificate in International Trade and Finance (CITF®)?

The Certificate in International Trade and Finance (CITF®) provides you, as a trade, export and commodity specialist, with a thorough understanding of international trade procedures, practices and legislation.

CITF® develops the appropriate technical knowledge and skills required to enable you to apply that knowledge to situations within the workplace. The qualification provides a core understanding of the products, documents, trade terms, roles and responsibilities that underpin international trade and finance. In addition to this core knowledge, CITF® helps you to develop a basic understanding of fraud prevention and risk in terms of trade finance. The qualification also develops an understanding of contemporary international trade and finance topics such as sustainability, digital disruption and innovation, ensuring that students have relevant and up-to-date knowledge of the industry.

### Objective and key content areas

CITF® develops your understanding of the main principles associated with international trade and finance and harnesses your ability to apply some of these principles in relevant case study scenarios.

Throughout the programme, you will understand the:

- international trade environment;
- parties involved in international trade and finance and their roles;
- documents used in international trade and the Incoterms® 2020 rules;
- contracts;
- trade-based financial crime compliance;
- methods of settlement;
- documentary collections;
- documentary credits;
- guarantees and standby letters of credit;
- principles of Supply Chain Finance;
- other forms of finance;

- export credit insurance;
- foreign exchange risk management; and
- digital disruption and innovation.

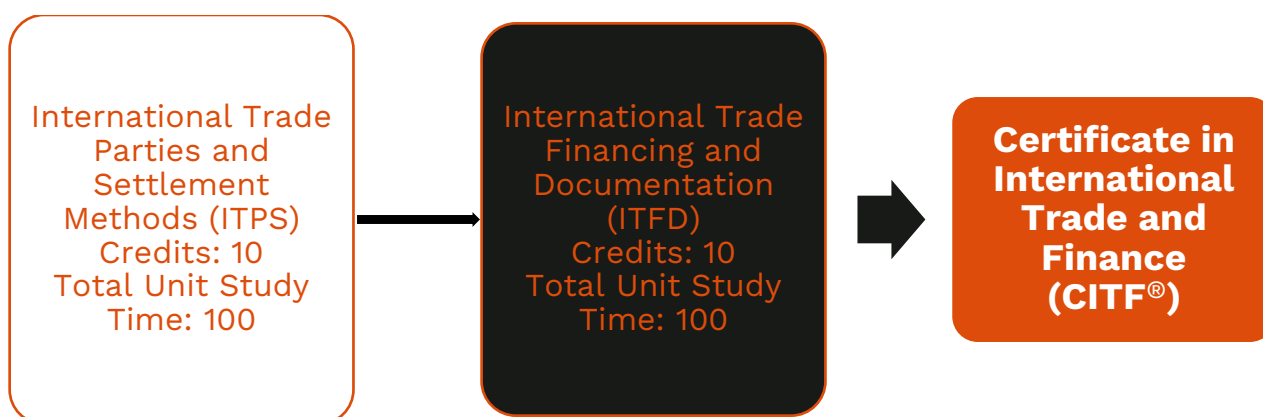
## Key skills developed

The qualification will encourage you to:

- understand the processes involved in each type of international trade product, the risks involved and the roles and responsibilities of all parties involved in international trade transactions;
- develop an understanding of current technical language, methods and practices of international trade and finance;
- select and interpret international trade and finance products and services and reflect upon their desirability and effectiveness in a variety of scenarios;
- understand and interpret how international trade finance products respond to the drivers and implications of changes in the wider international environment and how these changes affect decision-making; and
- increase your ability to work and learn independently.

## Structure

CITF® is made up of two mandatory units that need to be successfully completed in order for you to achieve the certificate:



## 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, completing coursework, exam preparation, and formal assessments.

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

Guided Learning Hours	2 hours
Other hours	198 hours
Total Qualification Time	200 hours

### Assessment

CITF is assessed through a unitised two-hour examination, with each unit consisting of 30 multiple-choice questions (30 marks) and 2 case studies with 5 linked multiple-choice questions (10 marks). The pass mark for each unit is 70%.

### 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 will be graded Pass/Fail. You must achieve a mark of 70% overall.

The qualification grade boundaries are as follows:

Grade	Mark
Pass	70–100%

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

## Resit 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. Full terms and conditions are available on the website.

## Additional information

### Entry requirements

There are no specified entry requirements. However, you need to be satisfied of your ability to study in English at Level 3.

### Recognition of prior learning

In line with LIBF regulations, CITF is a single module qualification with one exam sitting so recognition of prior learning does not apply.

### Progression and preparation for further study

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

Additionally, CITF 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](#).

## Apprenticeships

CITF® forms part of the Senior Financial Services Customer Advisor Apprenticeship Standards. Further details can be found on the [GOV website](#).

## Preparation for employment

This qualification develops knowledge and understanding of the international trade and finance sector although it does not qualify you for direct entry to a particular occupational role.

## Appendices

### Appendix 1 – Unit details: International Trade Parties and Settlement Methods (ITPS)

Appendix 1 provides a description of ITPS and syllabus which includes the learning outcomes, assessment criteria and indicative content for the unit.

#### Assessment methodology

The assessment of ITPS has one component:

1-hour exam of 30 multiple-choice questions (30 marks) and 2 case studies with 5 linked multiple-choice questions (10 marks). To achieve an overall pass, you must achieve a mark of 70% overall.

## 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 key principles and groups of international trade finance and the roles and responsibilities of various parties involved.	1.1 Identify the significance of international trade and the role of the ICC.	<ul style="list-style-type: none"> <li>• Why businesses trade internationally</li> <li>• Comparative advantage</li> <li>• Reverse globalisation and reshoring</li> <li>• Business entities</li> <li>• Research and networking</li> <li>• Methods of entering an international market</li> <li>• Similarities and differences between international and domestic trade</li> <li>• Risks involved in international trade</li> <li>• Risk mitigants</li> <li>• Impact of global crises on world trade</li> <li>• Compliance and capital requirements</li> <li>• Trade agreements</li> <li>• International Chamber of Commerce (ICC)</li> <li>• The World Trade Organisation (WTO)</li> </ul>
	1.2 Identify the role and responsibilities of parties involved in international trade	<ul style="list-style-type: none"> <li>• Parties in international trade</li> <li>• Banker/Customer relationship</li> <li>• Correspondent banking</li> </ul>
	1.3 Identify the key features of the trade finance environment and external impacts	<ul style="list-style-type: none"> <li>• ICC – international model contracts</li> <li>• UN Convention on Contracts for the International Sale of Goods (CISG)</li> <li>• Financial crime                         <ul style="list-style-type: none"> <li>◦ Money laundering</li> <li>◦ Terrorist financing</li> <li>◦ Fraud</li> </ul> </li> <li>• Sanctions</li> </ul>

	1.4 Identify the role and practice of dispute settlement within international trade.	<ul style="list-style-type: none"> <li>• Dispute handling, arbitration and resolution</li> <li>• ICC arbitration</li> <li>• Documentary instrument dispute resolution expertise (DOCDEX)</li> <li>• Litigation</li> </ul>
2. Understand and interpret the different methods of settlement and the rules that govern international trade.	2.1 Identify and interpret the different methods of settlement available within international trade.	<ul style="list-style-type: none"> <li>• Definitions of payment terms</li> <li>• Basic principles of the risk ladder</li> <li>• Open Account</li> <li>• Payment in Advance</li> <li>• Documentary Collections</li> <li>• Documentary Credits</li> <li>• Guarantees</li> <li>• Standby Credits</li> </ul>
	2.2 Identify and interpret the rules that govern different methods of settlement	<ul style="list-style-type: none"> <li>• Documentary Collections <ul style="list-style-type: none"> <li>◦ URC 522 and eURC</li> </ul> </li> <li>• Documentary Credits <ul style="list-style-type: none"> <li>◦ UCP 600, eUCP, and an introduction to ISBP 745</li> </ul> </li> <li>• Guarantees and URDG 758</li> <li>• Standby Credits and ISP98</li> </ul>

## Appendix 2 – Unit details: International Trade Financing and Documentation (ITFD)

Appendix 1 provides a description of ITFD and syllabus which includes the learning outcomes, assessment criteria and indicative content for the unit.

### Assessment methodology

The assessment of ITFD has one component:

1-hour exam of 30 multiple-choice questions (30 marks) and 2 case studies with 5 linked multiple-choice questions (10 marks). To achieve an overall pass, you must achieve a mark of 70% overall.

## 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>
3. Understand and interpret the various methods of financing international trade.	3.1 Identify and interpret the different methods available for financing and servicing international trade	<ul style="list-style-type: none"> <li>• Short, medium and long-term finance</li> <li>• Export Credit Agencies (ECAs)</li> <li>• Credit and political risk mitigation</li> <li>• Forex risk and hedging</li> <li>• Forfaiting and URF 800</li> <li>• Islamic Trade Finance</li> </ul>
	3.2 Identify and interpret the main types of Supply Chain Finance	<ul style="list-style-type: none"> <li>• Introduction to Supply Chain Finance (SCF)</li> <li>• Key characteristics</li> <li>• Differences between trade finance and SCF</li> <li>• Understanding supply chains</li> <li>• The physical supply chain</li> <li>• The financial supply chain</li> <li>• The information supply chain</li> <li>• Trade cycle analysis</li> <li>• Categorisation of techniques</li> <li>• Foreign currencies and the exchange risk</li> </ul>
4. Understand and interpret the different documents used in international trade and their purposes.	4.1 Identify and interpret the purpose and key features of different types of documents used in international trade	<ul style="list-style-type: none"> <li>• Financial documents <ul style="list-style-type: none"> <li>◦ Bill of Exchange (Draft)</li> <li>◦ Promissory Note</li> </ul> </li> <li>• Commercial documents <ul style="list-style-type: none"> <li>◦ Invoices (commercial, customs, tax, consular, provisional, pro-forma)</li> <li>◦ Insurance documents</li> <li>◦ Certificate of origin</li> <li>◦ Inspection certificate</li> <li>◦ Packing list</li> <li>◦ Weight list</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>○ Analysis, Health, Phytosanitary, Quantity, Quality, Beneficiary Certificates</li> <li>● Transport documents <ul style="list-style-type: none"> <li>○ Multimodal or combined transport</li> <li>○ Bill of lading</li> <li>○ Non-negotiable sea waybill</li> <li>○ Charter party bill of lading</li> <li>○ Air transport</li> <li>○ Road, rail or inland waterway</li> </ul> </li> <li>● International commercial terms (Incoterms® 2020)</li> </ul>
5. Understand the impact of digitisation on international trade finance.	5.1 Identify the impacts of digitisation on international trade and finance	<ul style="list-style-type: none"> <li>● Digitalisation</li> <li>● Digital banks</li> <li>● Big Data</li> <li>● DLT and Smart Contracts</li> <li>● IoT and AI</li> <li>● Industry 4.0</li> <li>● Multi-banking (MT798)</li> <li>● Bank Payment Obligation</li> <li>● ICC developments</li> <li>● Cybersecurity</li> </ul>