

COURSE OUTLINES: BF3212 Trade, Structured & Supply Chain Finance

Academic Year	22/23	Semester	2
Course Coordinator	Mr. Srinath Keshavan		
Course Code	BF3212		
Course Title	Trade, Structured & Supply Chain Finance		
Pre-requisites	BF2216 Trade Incoterms & Ship Chartering OR MT1003 Trade Practice & Incoterms and MT3006 Ship Chartering.		
No of AUs	2		
Contact Hours	26		
Proposal Date	3 November 2020		
A) Course Aims/Description			
This course aims to complements other learning obtained in respect of commodity trading, maritime arrangements and legal aspects. Together with the afore-mentioned topics, this course fills essential learning needs for aspirants seeking entry into careers in international trading and commercial banking. You will also learn about products, concepts & practices routinely applicable to the financing of international trade transactions			
B) Intended Learning Outcomes (ILO)/Objectives			
By the end of this course, you would be able to:			
<ol style="list-style-type: none"> 1. Validate the rationale for an international trading arrangement 2. Assess risks emerging from cross-border transactions 3. Construct trade finance solutions for various transaction scenarios 			
C) Course Content			
Preliminaries in regard to international trade and supply chains Sale/Purchase Contracts in the commodities trade business Transport Documents typically used for international transport of goods Marine Cargo Insurance Documentary Collections Letter of Credit, Shipping Guarantee Key provisions in URC, UCP, ISBP, URR, ISP, URDG rules Transfer of Letter of Credit, Back-to-Back (also Front-to-Back) letter of credit arrangements Demand Guarantees and Standby Letters of Credit Political Risk Insurance & Trade Credit Insurance Receivables Finance – Factoring, Forfaiting Structured Commodities Trade Finance – Pre-finance, Borrowing-base/Warehouse Finance Financing against warehouse receipts Alternative solutions to finance flows across commodity supply chains Fintech in Trade Finance Perfection of Collaterals and Security Interests (in a trade finance context) Designing a commodity trade finance facility			

D) Assessment (includes both continuous and summative assessment)					
Component	Course LO Tested	Learning Goals (Related Programme LO or Graduate Attributes)	Weightage	Team/ Individual	Assessment Rubrics (attach rubrics in appendix)
1. Final Examination	LO1 & LO3	Acquisition of Knowledge to exhibit precision in conceptual understanding of concepts and choosing appropriate tools and references	50%	Individual	Final exam
2. Continuous Assessment comprising 3 separate group case exercises. Students will present their findings and graded for their presentation (CA1 & CA2)*	CA1 – LO 1	Critical Thinking to establish commercial viability and intent of a trade transaction flow	10% 10%	Team/ Individual	CCT(Critical) (to be used for both team and individual assessment)
	CA2 – LO 2	Problem Solving by creating a risk-sensitive, cost-effective financing solution	10% 10%	Individual	PSDM (to be used for both team and individual assessment) Peer Review (Rubric on P5)
3. Class Participation			10%	Individual	
Total			100%		

For the rubrics, please refer to **Annex B**

* Group members are to submit a short individual report laying out their contributions.

E) Formative feedback (assessment for learning. Giving direction to improve)

Pro-active guidance will be provided to the whole cohort at the end of each lecture session by highlighting key learning points and recommended reading/tasks. In respect of Continuous Assessment, desired outcomes and attributes will be clearly communicated to students at the outset when the group case exercises are handed out.

Reactive guidance will be provided in response to student submissions for Continuous Assessment. Group case exercises do not come with one right answer. Scoring of Continuous Assessment submissions will be on the basis of pre-defined criteria for which the instructor will reserve the right to grade within a range. Emphasis will be placed on correct application of concepts, logical reasoning and creative thinking.

For the benefit of the whole cohort, all guidance and scoring of Continuous Assessments will be delivered publicly. While this course is intended to be delivered over 26 contact hours, all students are advised to reserve an additional 6 hours to accommodate completion of the two CAs and/or delivery of group presentations of case exercises.

F) Learning and Teaching approach

Approach	How does this approach support students in achieving the learning outcomes? (Brief response)
Lectures	<p>Intended learning outcomes revolve around recognizing the strength and viability of commercial intents of trade transactions (LO1), risk analysis (LO2) and developing appropriate risk and financing solutions (LO3). The learning and teaching approach will be characterized by:</p> <ul style="list-style-type: none"> - Exposure to workplace concepts and processes - No distinction in terms of lectures and tutorials. Please reserve your time for 26 student-contact hours + 6 student hours for Continuous Assessment (as proposed in Section E above) - Classes will be conducted workshop style to encourage and maintain an interactive style - Topics will be addressed sequentially - You will supplement classroom learning with post-lecture reading <p>The desired learning outcomes are of practical significance. You will frequently be presented with real-life business situations set in a range of international jurisdictions to illustrate key learning points.</p>
Performance	<p>The entire course experience is delivered in 'application-mode'. Learning is less about memorizing, more about understanding the purpose of knowledge and applying it correctly. Businesses need to be viewed in the context of the supply chain they are placed in. This allows for an expansive view of the interconnectedness of various activities, the risks emerging from these activities and how such business processes need to be financed in a comprehensive manner.</p>

In-Class activities	A substantial volume of content will be delivered over 26 hours. All the time will be occupied introducing concepts and practices to students. The business objective, particular purpose of a process and real-life illustration will facilitate embedding of multiple learning points and its relevance.			
G) Reading and References				
To be determined. Bulk of the reading and reference materials will be drawn from business journals and other sources of professional literature.				
H) Course Policies and Student Responsibilities				
The content of this course is essential should you be contemplating a career in commercial banking and/or international trading. Every part of this course requires complete immersion and total commitment . The coverage will be deep and wide within the limited time available and delivery will be fast-paced. Be sure you really want to do this course. That said,				
<ul style="list-style-type: none"> - 100% attendance is expected. That will be in your best interest as all topics are interconnected - Punctuality will be appreciated. Walking in midway is disruptive - Please do not ask to leave early. - Submission of assignments by 8am following the deadline. Any later submission will be ignored - When assigned reading, please do so in a timely manner because not every learning point will be addressed during student-contact hours. Moreover, I may call upon you to offer an opinion based on your understanding of the content of the reading material - Questions and debate are encouraged. Let's keep things lively - This instructor will not be available outside scheduled student-contact hours 				
I) Academic Integrity				
In terms of academic integrity, you are expected to extend the standard representations & warranties as expected of all students (http://www.ntu.edu.sg/ai/Pages/academic-integrity-policy.aspx)				
J) Course Instructors				
Instructor	Office Location	Phone	Email	Consultation Hours
Srinath Keshavan		9624 6760	srinath.keshavan@traderiskconsulting.com	By request

K) Planned Weekly Schedule			
Week	Topic	Course LO	Readings/ Activities
1	<ul style="list-style-type: none"> • Preliminaries in regard to international trade and supply chains • Sale/Purchase Contracts in the commodities trade business 	LO1 and LO2	<p>Taking a well-known business corporation as an example, review their evolution and business model</p> <p>Read through and analyse standard commodity contract proforma</p>
2	<ul style="list-style-type: none"> • Transport Documents typically used for international transport of goods • Marine Cargo Insurance 	LO1 and LO2	<p>View samples of such transport documents to understand the information it contains. Read some maritime law literature.</p> <p>Read through a Marine Cargo Insurance policy, professional literature.</p>
3	<ul style="list-style-type: none"> • Documentary Collections • Letter of Credit, Shipping Guarantee 	LO1 and LO2	<p>Inform students about provisions of URC522 issued by International Chamber of Commerce. Discuss key provisions.</p> <p>Inform students about key provisions of UCP600, ISBP745 and URR725. Discuss key provisions.</p>
4	<ul style="list-style-type: none"> • Key provisions in URC, UCP, ISBP, URR, ISP, URDG rules 	LO1	Inform students about provisions of ISP98 and URDG758.
5	<ul style="list-style-type: none"> • Transfer of Letter of Credit, Back-to-Back (also 	LO3	Professional literature.

	Front-to-Back) letter of credit arrangements		
6	<ul style="list-style-type: none"> Demand Guarantees and Standby Letters of Credit 	LO1	Inform students with provisions of ISP98 and URDG758.
7	<ul style="list-style-type: none"> Political Risk Insurance & Trade Credit Insurance 	LO2	Professional literature
8	Recess Week		
9	<ul style="list-style-type: none"> Receivables Finance – Factoring, Forfaiting 	LO3	Professional literature
10	<ul style="list-style-type: none"> Structured Commodities Trade Finance – Pre-finance, Borrowing-base/Warehouse Finance 	LO2 and LO3	Professional literature
11	<ul style="list-style-type: none"> Financing against warehouse receipts Alternative solutions to finance flows across commodity supply chains 	LO2 and LO3	Review bank term sheets
12	<ul style="list-style-type: none"> Fintech in Trade Finance Perfection of Collaterals and Security Interests (in a trade finance context) 	LO1 and LO2	<p>Case studies describing the value proposition offered by the introduction of fintech into banking processes.</p> <p>Examine bank documentation</p>
13	<ul style="list-style-type: none"> Designing a commodity trade finance facility 	LO3	Group case exercise.

List of NBS Learning Goals

LEARNING GOAL	LEARNING OBJECTIVE	CHECK
TASK SKILLS		
Acquisition of Knowledge	<i>Instructors, please define.</i>	<input checked="" type="checkbox"/>
Ethical Reasoning	The ability to recognize and understand ethical issues, and apply sound ethical reasoning.	<input type="checkbox"/>
Critical Thinking & Creative Thinking	The ability to define, examine, evaluate, analyze and synthesize various arguments and knowledge to form independent judgment.	<input checked="" type="checkbox"/>
	The ability to provide insight in an innovative way characterized by high degree of adaptiveness.	<input type="checkbox"/>
Problem Solving & Decision Making	The ability to identify problem, generate a plan to solve problem, implement and evaluate the plan and make sound business decision.	<input checked="" type="checkbox"/>
Planning & Execution	The ability to set clear priorities and plans of action for the task and define task objectives to fulfill goals within a planned schedule for execution.	<input type="checkbox"/>
PEOPLE SKILLS		
Oral Communication & Written Communication	The ability to communicate well with others verbally so that it clearly expresses the intended message and is understandable and useful to the receiving party.	<input type="checkbox"/>
	The ability to communicate well with others in writing so that it clearly expresses the intended message and is understandable and useful to the receiving party.	<input type="checkbox"/>
Negotiation	The ability to systematically plan and prepare for negotiation and apply negotiation skills in personal and professional practice.	<input type="checkbox"/>
Cultural Intelligence	The ability to function effectively in situations characterized by cultural diversity.	<input type="checkbox"/>
Teamwork & Interpersonal Skills	The ability to work effectively with others in a group setting.	<input type="checkbox"/>
Motivation & Development of Self & Others	The ability to develop a better understanding of one's strengths and weaknesses, and learn to view others and mistakes positively as sources of personal and professional development.	<input type="checkbox"/>

Please write to NBS Accreditation office (nbsacro@ntu.edu.sg) for sample rubrics.

Critical Thinking Rubric

Learning Objective: The ability to define, examine, evaluate, analyze and synthesize various arguments and knowledge to form independent judgment.

Adapted from: Core Curriculum Learning Goals by Santa Clara University
<http://scu.edu/provost/ugst/core2009/corecurriculumoverview.cfm>

Traits	Performance	
Identifies and summarizes the issue at hand.	Not Yet Does not identify and summarize the issue, is confused or represents the issue inaccurately.	Substantially Developed Identifies the main issue and its implicit aspects, addresses their relationships to each other and recognizes nuances of the issue.
	Evaluation: Not Yet <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	
Identifies and considers other theoretical perspectives that are important to the analysis of the issue	Not Yet Deals only with a single perspective and fails to discuss other possible perspectives, especially those salient to the issue. Fails to identify or hastily dismisses strong, relevant counter-arguments.	Substantially Developed Addresses perspectives noted previously, and additional diverse perspectives drawn from outside information. Identifies the salient arguments (reasons and claims) pro and con.
	Evaluation: Not Yet <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	
Identifies and assesses the quality of supporting data/evidence and provides additional data/evidence related to the issue.	Not Yet Merely repeats information provided, taking it as truth, or denies evidence without adequate justification. Confuses associations and correlations with cause and effect.	Substantially Developed <u>Examines the evidence and source of evidence; questions its accuracy, precision, relevance, and completeness. Observes cause and effect and addresses existing or potential consequences.</u>
	Evaluation: Not Yet <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	
Identifies and considers key assumptions and the influence of the context on the issue.	Not Yet Does not surface the assumptions of the author and does not examine the contexts, e.g., cultural, and political.	Substantially Developed Identifies and questions the validity of the assumptions and analyzes the issue with a clear sense of scope and context.
	Evaluation: Not Yet <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	

Identifies and assesses conclusions, implications and consequences	<p>Not Yet Fails to identify conclusions, implications, and consequences of the issue or the key relationships among the various elements such as context, evidence or assumptions. Regardless of the evidence or reasons, maintains or defends views based on self-interest or preconceptions.</p>	<p>Substantially Developed Identifies and discusses conclusions, implications, and consequences, considering context, assumptions, data, and evidence. Objectively reflects upon own assertions. Draws warranted, judicious, non-fallacious conclusions.</p>
	<p>Evaluation: Not Yet <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed</p>	

References:

- Critical Thinking Rubric by Washington State University
<http://wsuctproject.clt.wsu.edu/rf.htm>
- Facione, Noreen C. Facione (1994). *Holistic Critical Thinking Scoring Rubric*. California Academic Press

Problem Solving and Decision Making Rubric

Learning Objective: The ability to identify problem, generate a plan, examine implementation feasibility and evaluate outcome in the process of solving a problem and making sound business decision.

Traits	Performance	
Define the Problem	<p>Not Yet Does not identify the problem clearly; demonstrates limited understanding of the problem or related contextual factors.</p>	<p>Substantially Developed Identifies the problem clearly and thoroughly; demonstrates the ability to construct a clear and insightful problem statement with evidence of all relevant contextual factors.</p>
	<p>Evaluation: Not Yet <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed</p>	
Devise Strategies to Solve the Problem	<p>Not Yet Selects a strategy without regard to fit; does not demonstrate the ability to consider new strategies even if his/her approach is clearly not appropriate; identifies alternatives that reflect limited understanding of the situation.</p>	<p>Substantially Developed Identifies multiple strategies for solving the problem that apply within a specific context; demonstrates the ability to invert a process to form a plan and clearly articulates his/her decision making</p>

		process; identifies alternatives that reflect an in depth understanding of the situation.
	Evaluation: Not Yet <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	
Assess implementation feasibility	Not Yet Does not examine how well the stakeholders/ beneficiaries are involved and not able to identify areas of risk and possible side-effects. Does not specify how the implementation will be monitored and controlled. No indicators or instruments to review or analyze the success of the action.	Substantially Developed Clearly assess how well the stakeholders/ beneficiaries are involved; considers areas of risk and provides insights in addressing possible side-effects. Able to state how the implementation will be monitored effectively; identifies the stages at which progress should be measured and specify what results are expected to have been achieved at these stages.
	Evaluation: Not Yet <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	
Evaluate Outcomes	Not Yet Reviews results superficially in terms of the problem defined with no consideration of need for further work.	Substantially Developed Reviews results relative to the problem defined with thorough, specific considerations of need for further work.
	Evaluation: Not Yet <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> <u>8</u> <u>9</u> <u>10</u> Substantially Developed	

References:

- Pólya, George (1957). *How to Solve It*. Garden City, NY: Doubleday.
- *Rubric for Problem-Solving Strategies - Hostos Community College*. Retrieved from http://www.hostos.cuny.edu/oaa/pdf/genedf09_problem%20solving%20rubric.pdf
- *Problem Solving Value Rubric - Association of American Colleges and Universities*. Retrieved from <http://www.aacu.org/value/rubrics/pdf/ProblemSolving.pdf>

Teamwork & Interpersonal Skills (Peer Evaluation) Rubric**Learning Objective: The ability to work effectively with others in a group setting.**

Traits	Performance	
<u>1. Roles and Responsibility (RR)</u> Behaves professionally by upholding responsibility and assuming accountability for self and others in progressing towards the team's goal.	Scant Unclear about his/her own role; refuses to take a role in the group; insists to work individually and has limited coordination or communication with others.	Substantially Developed Always fulfills responsibilities; performs his/her role within the group with enthusiasm and demonstrates willingness to work collaboratively.
Evaluation: Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> Substantially Developed		
<u>2. Communication (CM)</u> Identifies appropriate mechanisms to coordinate and correspond with team members.	Scant Modes of communication are not appropriate, causing confusion and miscommunication among team members.	Substantially Developed Modes of communication are appropriate, and maintaining timely communication and correspondence with team members.
Evaluation: Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> Substantially Developed		
<u>3. Conflict Resolution (CR)</u> Resolves conflicts using a variety of approaches.	Scant Does not recognize conflicts or is unwilling to resolve conflicts.	Substantially Developed Consistently resolves conflicts through facilitating open discussion and compromise.
Evaluation: Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> Substantially Developed		
<u>4. Contributions (CT)</u> Contributes positive input for the team; effectively utilizes one's knowledge and expertise.	Scant Largely disinterested in working in a group and refuses to participate; observes passively or is unwilling to share information with other team members.	Substantially Developed <u>Actively attends and participates in all activities and provides meaningful contribution in articulating ideas and opinions.</u>
Evaluation: Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> Substantially Developed		
<u>5. Relationship (RS)</u> Maintains cooperative interaction with other team members regardless of individual /cultural differences and respects diverse perspectives.	Scant Rarely listens to others and does not acknowledge the opinions that differ from his/her own.	Substantially Developed Engages in respectful relationships with all other members in the team. Embraces and accepts diverse points of view without prejudice.
Evaluation: Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> Substantially Developed		