



STSA Operator's Certificate

SEPTEMBER - DECEMBER 2020

PRESENTATION

Switzerland is an internationally recognised centre of expertise for commodity trading. The 550+ companies based in Switzerland, located in a unique trading hub, account for over 35'000 direct jobs.

In this vibrant and professional environment, training is becoming all the more a prerequisite. Trained professionals responsible for logistics and operations are key contributors to the industry's success, especially in the context of increased international competition and challenges faced by the commodity trading activity.

This demand for qualified individuals explains why STSA's members asked for the STSA Operator's Certificate to be created. The STSA Operator's Certificate is a practical training designed by a Working Group composed of experts in Operations, Finance and HR, and coordinated by STSA. The network and experience of STSA and the Working Group allowed the active involvement in the Certificate of some of the best experts and speakers in the industry.

The Certificate is composed of 12 modules all taught in English. The modules take place on Friday evenings and Saturday mornings at the STSA's office in Geneva, so as not to interfere with the professional activity of the participants and give them enough time to assimilate and eventually practice what has been learnt in class.

The programme also includes a field experience: a study trip to a major European port with possibility to familiarise with logistics, inspection and operation activities, and meet with various industry stakeholders.

The lectures are given by experts in the fields of commodity trading and shipping, with inputs from guest speakers to give further depth and varying perspectives.

Some pre-reading, preparation, case studies or homework may be required based upon the teachers' recommendations and will be communicated upon acceptance to the course.

Participants are stimulated to actively contribute to the programme. Their background and professional experience constitute a valuable asset and ensure transversal knowledge sharing.

"STSA views training more than ever as a prerequisite for a career in the commodity trading industry."

Stéphane Graber, Secretary General, STSA

AUDIENCE

The programme targets in particular:

- Junior operators and charterers in the early stages of their career in a commodity trading company who want to accelerate their training process and fully grasp all aspects of trading and shipping operations.
- Young professionals considering making a career change and interested in moving into the commodity field.
- Fresh graduates seeking to acquire new skills and speed up their recruitment process.

OBJECTIVES

The programme has been created with a hands-on approach: it follows the life cycle of a commodity trade, thus providing participants with a balanced theory-practice grasp of the various components of trading and shipping operations. More specifically, the programme is segmented in modules covering:

- Main types of traded physical commodities
- Brief introduction to hedging
- Contracts and Incoterms
- Trading operations (execution flow & role of the operator)
- Chartering and shipping operations, Laytime and demurrage handling
- Trade finance, Financial instruments and payment terms
- Physical risks and insurance
- Law and dispute resolution schemes

We expect that, through this training, participants will ultimately be best placed to rapidly gain in experience, making the most out of the various real-life cases that they will be confronted with.

At the end of the training and through practical examples, case studies and trade simulations, the course participant will be able to:

- Understand the commodity trading supply chain, its components, chronology, drivers and success factors;
- Organise the interaction with the various stakeholders involved in a transaction (inspection companies, agents, in house functions, brokers, etc.);
- Prepare, review and submit transactional documentation (invoices, letters of credit, bills of lading, insurance certificates, etc.);
- Identify operational issues, bottlenecks and risks and practical solutions to enhance/mitigate these;
- Calculate the basic P&L of a deal and allocate the various cost components;
- Use the adequate tools to bring an operation to a successful conclusion.

PROGRAMME

Module 1: Introduction into Commodity

Trading, Documents & INCOTERMS

18 & 19.09.20

- Presentation of the Commodity Industry
- Documents used in the Commodity Industry
- Terms used in the Commodity Industry
- Introduction to ICC Incoterms
- Basics of Hedging

Commodities

25 & 26.09.20

- Overview of the 3 main types of commodities: Agri-commodities; Ores and Metals; Oil and Energy Products
- Trade Flows
- Value Chain & Main Industrial Applications
- Stakeholders
- Interconnection of Commodity Markets
- Perspectives
- Value Determination and Role of the Inspection Companies

Module 2: Trading Contracts

02 & 03.10.20

- What is a Contract?
- Why Do We Use Contracts?
- Contract Formation: Offer and Acceptance
- Main Contract Terms
- Contract Negotiation & Management: Best Practices
- Trade Contract Stakeholders
- GTCs and Standard Contracts

Module 3: Field Trip to an European Port

08 & 09.10.20

- Familiarisation with port operations, logistics, storage, cargo handling, inspection, etc.

Module 4: Introduction to Trade Finance

16 & 17.10.20

Financial Instruments & Introduction to Hedging

- Introduction to Trade Finance from the bank side
- Introduction to Trade Finance from the trading company side
- Hedging
- Documentary credits, stand-by L/Cs, prepayments
- Guarantees, bid and performance bonds
- Documentary collections
- Transferable L/Cs, back-to-back L/Cs
- Red-clause L/Cs, revolving L/Cs

- Letters of indemnity
- Compliance
- Treasury

Module 5: LC and other Payment Terms 23 & 24.10.20

- Payment methods in Letters of Credit (by acceptance, deferred, negotiation, etc.)
- Presentation of ISBP (International Standard Banking Practices)
- Overview of the UCP Rules
- Documentary Collection and URC rules
- The L/C step-by-step

Module 6: Shipping, Chartering 30 & 31.10.20

- Vessels' Categories Overview: Dry, Tankers, Containers & others
- Evolution of Freight/Hire Rates: Supply & Demand
- Chartering and Its Stakeholders
- International Regulations
- Types of Charter & Charterparties
- Chartering Bulk Cargoes – Step by step
- Online chartering tool
- Vessel vetting
- Shipping derivatives contracts: Forward Freight Agreements (FFAs)

Module 7: Shipping Operations 06 & 07.11.20

- Vessel type, terminology
- Vessel organization & crew
- Managing a vessel – brief overview (from owner's perspective – dry dock, surveys, technical management, registration, IMO, Class, PSC)
- What Cargo & Which Ship
- Finding suitable vessel for the voyage (role of the broker)
- Cargo handling and stowage (liquid, dry bulk, general cargo, containers)
- The Bill of Lading – practical approach (contents, process of issuance, pitfalls)
- Elements of the voyage charterparty
- Laydays - Laytime
- Notice of Readiness and Arrived Ship
- Interruptions and Exceptions to Laytime
- Inward voyage and shifting between berths

Module 8: Physical Risks & Insurance 13 & 14.11.20

- What is risk?
- Why do we insure?
- Insurance terminology
- Insurance Market & Players
- Types of Insurance (cargo, vessel, credit)

- Claim Handling

Module 9: Law & Dispute Resolution Schemes 20 & 21.11.20

- Main Applicable Laws
- Court vs Arbitration (public/private and confidential): procedural differences, cost, advantages
- Litigation & Alternative Dispute Resolution Schemes
- Interim Measures
- Enforcement of judicial decisions and arbitration awards
- Preparation of claims
- Compliance

Module 10: Trading Operations I – Execution Flow 27 & 28.11.20

- Standard Operational Walkthrough – Dry & Wet
- Commodity Supply Chain
- Operators interaction with other departments and external collaborators
- Execution and Logistics (Transportation, Nomination, Superintendent, Fumigation)
- Quality and Quantity Determination: different inspection methods
- Transport Documents: role and value as title (sea-river-land)
- Collateral Management Agreements : Uses, benefits and limitations

Module 11: Trading Operations II – Role of the Operator & Troubleshooting 04 & 05.12.20

- Role of the Operator
- Execution and Logistics II (Ascertainment of goods, Storage, Ship Agent, Shipping documents, LOI)
- Finance, Accounting Risk (Financial Instruments, other Settlement for Trade Transactions, financial Statements)
- Finalisation
- Stowage Factors & Specific Gravity
- Trading Case Study bringing together the subjects covered so far

Module 12: Course Review & Practical case study 11 & 12.12.20

PROGRAMME DIRECTOR

Simeon Lachev, Addax Petroleum

Teaching Format

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Participants are stimulated to actively contribute to the programme. Their background and professional experience constitute a valuable asset and ensure transversal knowledge sharing

"We understand that participants often have demanding professional and family obligations; however, to successfully obtain the certificate, you will need to be fully engaged and ready to face significant preparation work."

Silviane Chatelain, Education & Training Manager, STSA

Attendance

Attendance and satisfactory exam results will enable participants to receive the STSA Operator's Certificate, recognised by the STSA members, implying most major commodity trading companies, trade finance banks and shipping companies. STSA understands that participants often have demanding professional and family obligations; however, to obtain the certificate you will need to be fully committed, prepare each module as it may be required by the lectures and attend and participate in a minimum of 80% of the programme sessions in order to obtain the Certificate. Any absences must be appropriately justified.

Evaluation

Each module is subject to an evaluation, being an in-class exam, an individual or group assignment, or a combination of these. An overall average of 4.0 (out of 6.0) must be achieved in order to graduate, and no more than two evaluation grades between 3.0 and 4.0 will be accepted. Any mark lower than 3.0 will automatically disqualify the participant from obtaining the Certificate.

Participants may retake the failed module(s)/course(s) at the following intake at his/her cost (additional fee per retaken module). Only one opportunity to retake a failed module will be given. If the participant fails more than 2 modules in one session, the participant will be automatically disqualified.

Any participant caught cheating or plagiarising will be automatically disqualified without appeal and excluded from the programme.

All exams and assignments must be completed in English.

INFORMATION

Course Schedule and Location:

8 hours per week on Friday evenings from 6.30pm to 9.30pm and Saturday mornings from 8.30am to 13.30pm.

STSA Learning, 11 rue de Chantepoulet, 1201 Geneva

Application

Applications **MUST** include the following documents:

- 1) Motivation letter in English;
- 2) Application Form duly completed;
- 3) Updated resume in English;
- 4) ID card / passport copy;
- 5) 1 passport picture (colour).

Applications and all supporting documents must be submitted **electronically via STSA's website** (<https://stsa.swiss/training/education>). All candidacies are reviewed by a Selecting Committee constituted of experts in the Commodity Trading industry. Accepting or refusing a candidate is at the sole discretion of the Selecting Committee. An answer will be sent by email to the candidate, no later than a month after receipt of the complete application.

Admission criteria:

- 1) Good command of spoken and written English is necessary as the programme is taught in English.
- 2) Being fully proficient with Microsoft Office.

Acceptance / refusal of applications are at the sole discretion of STSA. Late applications may be considered depending on available slots.

Candidates will be notified via e-mail if they have been accepted to attend the course.

A maximum of 20 participants will be accepted per intake.

Tuition Fees

For STSA members

CHF 5'900.00

For non STSA members

CHF 6'900.00

The above-mentioned fees include the 12 modules, the documentation and the study trip.

Multi booking

A discount of 10% will be applied for 3 or more bookings from the same company in the same intake.

Instalments

After acceptance of an application, a deposit of CHF 900.00 will be requested to secure your place on the programme and confirm enrolment. In case of withdrawal, no refund of this deposit will be provided.

The balance must be paid at least 20 calendar days before the beginning of the programme.

Cancellation and substitution policy

No refund whatsoever will be made for cancellations received 10 days or less before the course start date. Participants can however be substituted by an acceptable candidate if the organisers receive prior notification.

Force Majeure

In case a force majeure (pandemic and/or forced confinement imposed by any governmental authority) would prevent STSA Learning to conduct in-person teaching in the classroom, the following situations may occur:

- In the event that the programme has not started, it may be postponed to a later date. In this case, the course participant will be offered the possibility to maintain his registration and attend the course at the later date or to be reimbursed for the amount(s) paid. STSA Learning shall notify the course participant in writing thereof.
- In the event that the programme has started, the remaining modules will be maintained but may be conducted via an online platform. This solution only applies if there is no other possibility to follow the course in situ. In this case, the participant shall not be entitled to any reimbursement of any kind.

FAQ

Can I be accepted even if I do not have any particular certification?

No certification as such is requested however a good command of the English language is necessary.

Can you help me acquire a work permit?

Unfortunately no. This is an educational programme and STSA does not provide this kind of service.

Do I need to take my laptop to class?

Presentations and documents will be uploaded on Dropbox and you will need an electronic device to view them. It can be a tablet or a computer.

Will you help me find a job?

No. The purpose of the Certificate is for the participants to grow professionally and attain competences in the trading operations. It is not STSA's purpose or objective to assist the participants in finding a job.

Nevertheless, participants of STSA classes considerably enhance their employability and several employers look for their junior in the STSA's alumni pool.

When I obtain my Certificate, will I be accepted to pursue the Master or the Diploma also set up by STSA?

No, acceptance for the Master or Diploma is subject to a specific set of rules set by the University of Geneva.

However, many participants of STSA programmes have decided to further develop their skills by following additional STSA classes or academic programmes offered by the University of Geneva (DAS in Commodity Trading or Master of Science in Commodity Trading).

Can I meet STSA representatives before the courses?

Yes if necessary, but it would be preferable to schedule any such meeting in advance.

What happens if I cannot attend one course?

It will be your responsibility to obtain the presentations and the notes taken during the course from another student and to coordinate with the trainer responsible for the module to pass the exam.

Under no circumstances can courses be recorded.

ABOUT STSA

STSA was created as GTSA in 2006 by the main actors of the Commodity Trading community in Geneva. In 2008, it extended its reach to the Lake Geneva Region. In 2014, it became STSA – a national Association for Trading and Shipping in Switzerland – overseeing the regional chapters of Zug and Lugano, and representing more than 190 members encompassing large, medium and small entities.

The Association has become renowned for its successful professional programmes such as the STSA Operator's Certificate and the Commodity Trading Fundamentals. To respond to the industry's request, STSA has recently put in place three innovative certificates: STSA the Commodity Trading Risk Analyst, the STSA Documentary Credit Officer and the STSA Business & Human Rights Certificate.

In parallel, STSA also organises educational programmes such as the Master of Science in Commodity Trading, and the Diploma in Advanced Studies in Commodity Trading. Both programmes have been created in partnership with the University of Geneva and have been running since 2008 with an increasing level of recognition.

In 2019, STSA Learning has been awarded the eduQua Label. The first Swiss qualification providing quality assurance for continuing education and training. This certification is a mark of recognition of the high quality of STSA Learning's education and training programmes. It was obtained after an in-depth evaluation process and an in-house audit, to ensure that our methods are fully transparent and in accordance with its standards.

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