**SIGMA TERM SCHEME OF WORK FOR SS1**

**COMMERCE**

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| --- | --- |
| **WEEKS** | **TOPICS** |
| 1 | Trading – Modern trade in retail trade |
| 2 | Foreign Trade |
| 3 | Export procedure involved in foreign trade |
| 4 | Documents used in foreign trade |
| 5 | Custom and Excise Authority |
| 6 | Export Promotion Council |
| 7 | Nigeria Port Authority (NPA) |
| 8 | Nigeria Airport Authority (NAA) |
| 9 | Transportation |
| 10 | Documents involved in transportation |
| 11 – 12 | REVISION / EXAMINATION |

**WEEK ONE**

**TOPIC: MODERN TRENDS IN RETAIL TRADE**

Improvement in both economical and technical development have given both to various modern trends in retail trade.

Development in retail trade are:

1. Self – service
2. Branding
3. Credit cards
4. Pre – packaging
5. Credit cards
6. E – retailing electrical

SELF – SERVICE SYSTEM

Is a system where the customers walk round the stores to select whatever goods they want to buy from the shelves and pay to the cashier with or without any assistance from the attendants e.g. departmental stores.

FEATURES OF SELF – SERVICES

1. Provision of shelves and counters – erected and arranged or displayed.
2. Displayed of goods are neatly display on the shelves to encouraged impulse buying.
3. Provision of trolleys and baskets
4. Provision of spaces for movement
5. Price tags for customers to know the price
6. Payment near exists – payment made to the cashier who sit near the exist. They use automatic cash registers to calculate and issue receipt immediately.

ADVANTAGES

1. Increase in sales: beautifully displayed goods attract customers to buy even what they do not budget for. These increase sales.
2. Employment of few sales clerk: Employee sew sales clerk since customers pack what they want by themselves. This reduce overhead cost.
3. Time saving
4. Convenient shopping
5. No interference
6. It attracts customers

DISADVANTAGES

1. Possibility of pilfering: It encourages shop lifting and pilfering customers can steal without being caught.
2. Lack of proper inspection of goods: customers the not have the opportunity to inspect the goods thoroughly because most goods are pre – packed.
3. Less personal attention

BRANDING

Branding means giving name or mark to a product in accordance with the trade mark, which act in order to distinguish it from similar products manufactured by other producers e.g. the name is usually registered and keep other producer away by law from using it e.g. Totota, Sony, Chivita, Pampers.

ADVANTAGES

1. Uniform price
2. Easy recognition
3. Prevention of product adulteration: a producer may brand his product in order to prevent adulteration of goods
4. Ensures high quality
5. Standardization of product: the goods are standardized uniformly packed. Each branded goods has same weight, size and content.
6. It reduces cost of advertising
7. It helps to differentiate products.

DISADVANTAGES

1. High cost on advertising: there is high cost on advertising in order to impress product differentiation in the mind of consumers
2. Creation of false buying: it ensures that customers purchases more than what thy need.
3. It can confuse consumer
4. Leads to high price: goods are sold at high prices.

PRE – PACKING

This is a system where goods are packed, wrapped in containers, weighed and price before arranging them on the shelves in a store e.g. sweets

ADVANTAGES

1. Protection of goods against damages: goods are protected damages
2. A means of advertising
3. Increase in sales: pre-packing and wrapping attract customer
4. Recycling of package: after removing the contents they can be recycled for other purpose.
5. It is easy to handle
6. Pre – packing facilities self – services

DISADVANTAGES

1. Pre-packing products are expensive
2. Information on the pack may be deceitful
3. Actual inspection is not possible

AUTOMATIC VENDING

This is a retail automatically expenses, pre-packed items such as drinks, cigar, coffee, ice – cream in the machine when ever certain amount is inserted into the machine.

ADVANTAGES

1. Useful for selling convenience goods
2. It provides twenty – four hours services
3. There is uniformity in price
4. Customers serve themselves i.e. self-services

DISADVANTAGES

1. High cost of goods because of the machine
2. Low profit: the profit margin is low because it is expensive to operate and maintain
3. Automatic vending encourage pilferage and people can vandalise the machine
4. No provision for refund of balance

CREDIT CARDS

This is a techniques which involves the use of plastic cards to buy goods and services on credit from specified sellers.

ADVANTAGES

1. It encourages credit purchases
2. It is easy to carry the card about

DISADVANTAGES

1. Goods attract high price
2. There is no bargaining i.e. one cannot negotiate the price.
3. Shops owners face the problem of bad debts i.e debts are irrecoverable.

ELECTRONIC RETAILING (E – RETAINLING)

It is a new development in retail business on the internet for direct retail shopping with twenty-four hours global reach e.g. Jumia, OLX, Konga etc.

ADVANTAGES

1. It provides twenty-four hours services
2. It has multi – media prospects
3. It provides information to customers
4. It increase sales

**WEEK TWO**

**TOPIC: INTERNATIONAL TRADE**

International trade /foreign trade refers to the exchange of goods and services across the boarder of two or more countries by their resident and government.

In other words, it is exchange of goods and services between people and different countries.

FORMS OF FOREIGN TRADE

1. Bilateral Trade: This takes place when one country agrees to (trade) exchanged goods and services with another country e.g. Nigeria and Japan

2. Multilateral Trade: This is the buying and selling of goods and services among countries. It occurs when each nation buys and sells with whatever country it wishes to track with e.g. Nigeria has multilateral agreement with countries as America, Russia, China, Britain etc.

INVISIBLE IMPORTS

These are services provided by other countries e.g. banking, insurance, shipping, transportation etc.

EXPORT TRADE

Is the selling of a country’s products in abroad i.e. selling of one country product to other countries.

Export includes goods and services to other countries. Export can be visible or invisible.

1. Visible Export: are tangible goods sold to other nations. Nigeria exports are agricultural product and mineral resources. These are sold to overseas without being processed e.g. crude oil, cotton, palm oil, etc.
2. Invisible Export: are services sold to other countries – invisible export cannot be seen or inspected e.g. banking, insurance, transports.

BARRIERS TO INTERNATION TRADE

1. Currency differences: Differences in currency is a barrier because it involves two or more currencies change in exchange rate and non availability of foreign currencies hinder the flow of goods.

2. Artificial barrier: Imposition of duties like tariff on imported goods create barrier strict regulation and tariff limits the extent of foreign trade.

3. Distance: Distance between one country and another and the cost of freight all hinder foreign trade.

4. Cultural problems: Customs and traditions various countries keep away businessman and have negative impact on foreign trade.

5. Difference in language: language differences creates communication barrier.

DIFFERENCE BETWEEN DOMESTIC AND FOREIGN TRADE

|  |  |
| --- | --- |
| DOMESTIC TRADE | FOREIGN TRADE |
| 1. It is a trade within the boundary of a country | Trade with other countries |
| 2. Same currency is used to transact business | Different currencies used for business |
| 3. Same weight and measures are used | Different weight and measures are used |

SIMILARITIES

1. Both are facilitated by aids to trade
2. Both involve buying and selling
3. Currencies are used in both trade
4. Both are division of trade

IMPORT TRADE: is the buying and selling of goods and services from other nations. It can be grouped into visible and invisible imports.

VISIBLE IMPORTS: They are physical or tangible goods purchased from other countries. It include capital and consumer goods e.g. Automobiles, equipment machinery, electronics, clothes etc.

REASONS FOR INTERNATIONAL TRADE

1. Inequitable distribution of natural resources. Natural resources are not evenly distributed and one country is blessed in a particular resources than the other.

2. Differences in skill and technical know her countries are more developed than others and this add to differences in products produced and the need for exchanges.

3. The quantity and quality of labour force.

4. Cost of production: a country imports goods she can even produced locally if their cost cheaper abroad

5. The need to expand local market.

ADVANTAGES OF INTERNATIONAL TRADE

1. It leads to interdependence among nations because no nation is self – sufficient
2. It is a source of revenue
3. Equitable re-distribution of natural resources

DISADVANTAGES OF INTERNATIONAL TRADE

1. International trade leads to exploitation of poorer countries
2. It leads to dumping of goods
3. Visible imports

**WEEK THREE**

**TOPIC: CONCEPTS OF INTERNATIONAL TRADE**

Terms of Trade: This means the prices at which the country’s exports exchanges for her imports.

If the prices at which a country’s exports exchange for her imports are greater, it is said that the country has favourable terms of trade if that of imports are greater than exports. It is unfavourable terms of trade.

Visible exports are mainly commodities and they appear in a country’s balance of trade. Invisible exports are services that are seen but are calculated in terms of money e.g. insurance civil aviation, shipping, tourist services etc. they appear in the balance of payments of a country.

IMPORTS

Visible imports include commodities that are easily seen that a country buys from other countries. They features in a country’s balance of trade. Invisible import are service rendered to other countries are calculated in term of money and appear in balances of payments.

BALANCE OF PAYMENT DEFICITS

This refers to a situation whereby a country receipts are less than that of its payments over a given period of time and this means that the economy is not self-sufficient.

CAUSES OF UNFAVOURABLE BALNCE OF PAYMENT

1. Fall in a country’s export.
2. Low technology or use of crude implements.
3. Low production.
4. Bad weather that result in low harvest.
5. High taste for foreign made goods and service.

MEASURE TO CORRECT BALANCE OF PAYMENT DEFICIT

1. Devaluation of local currency that will reduce the value of a country’s export and make imports expensive.
2. Exports of imports
3. Reduction of imports
4. Increase in local production in order to boost export.
5. Sales of country’s foreign investment.
6. Grants and aids form richer countries.
7. Borrowing from financial institutions e.g. I.M.F {international monetary fund} and world bank.

**WEEK FOUR**

DOCUMENTS USED IN FOREIGN TRADE

1. Bill of lading
2. Airway bill
3. Indent
4. Certificate of insurance
5. Consular invoice
6. Ship manifest
7. Make receipt
8. Certificate of origin
9. Weight note
10. Dock lading account
11. Export/import license
12. Custom specification
13. Dock warrant
14. Export invoice
15. Ship report
16. Freight note
17. Bill of health
18. Shipping note
19. BILL OF LADING :it is a document which enables the holder of claim ownership of the goods on arrival it is a document of the title of goods on board. It contains the name of the ship, shipper names, quality and types of goods. e.t.c.

It is usually prepared by the ship owner in there copies one to the exporter, the shipper and the importer.

Bill of lading can be dirty bill or clean bill

1. Dirty bill when there are some damages or deficiencies to the goods.
2. Clean bill signed by the transporter that shows that the goods are in perfect condition or free from damages.

IMPORTANCES OF BILL OF LADING

1. It is a document of ownership
2. Acts as a contract of carriage between exporter and shipping company.
3. It represents receipts of goods shipped.
4. It is a document of evidence.
5. Airway bill : is a document that is used when goods sent by air like bill of lading. Airway bill is made in triplicate. One for the exporter or consignor one for the importer or consign. It is not a document of title.
6. Certificate of origin : is a document that states the country from which the shipment of goods come from or are manufactured. It helps to determine custom duties and obtain preferential traffic ECOWAS, also, it enables the customs and wise authority determine the duties the duties the importer should pay on goods.
7. Consular invoice: is ad document signed by the buyer’s consular for assessing liability for import duties and to ensure that the goods have been correctly period. This document lists the prices of goods being sent.
8. Weight note: is a document that is supplied by a seller to the buyer which specifies the weight and measurement of the goods when sale is affected. It is issues to the exporter when he deliver the goods at the dock by ports authorities specifies the weight and measurement of the goods.
9. Indent : this is an order to buy goods sent by the buyer or importer to the seller/exporter or to his agent. It is a foreign order which gives details of the goods required by the purchases. Indent can be closed or open.
10. OPEN INDENT : if the indent empowers the agent to by the goods from any sourcde i.e in which the choice of producers is unspecified.
11. CLOSED OR SPECIFIED INDENT : is when importers send an indent to his agent in another country with the instruction to buy specific goods from a main manufacturer.
12. Certificate of insurance : this is a document which prove that the parties to the transactions have insured the goods in transit it is a marine insurance, certificate also known as policy of insurance. The insurance is taken by the exporter to assure the safety of goods in transit because of marine insurance may be bond by the exporter or the importer depending on the agreement between the two parties.
13. Export/import license : developing countries impose, protectionist laws in order to control international trade that may lead to dumping of goods if not checked. Authority to import or export must be obtained in form of license before exporting or importing goods.
14. Dock warrant a.k.a wharf finger receipt or dock receipt : it is a receipt of goods stored in the warehouse which entitles the holder to take possession of the goods. it states that the export has kept the goods at the warehouse a waiting loading or importer a waiting clearing.
15. Freight Note : this is issues by the shipping company to the exporter or importer whoever is responsible for paying the cost of transportation informing them of transport charges.
16. Shipping agents : is a document sent by an exporter to his shipping agents containing instructions for shipping the goods it is a request to its destination.
17. Export invoice : is a document sent to the importer by the exporter giving full detail of the goods despatched, description,term of sales quantity, price e.t.c and total amount to be paid.
18. Custom specification : is a document submitted to the customs authorities that is responsible for recording the value of imports and exports. The information being required for the calculation of the balance of trade , which knows the value of goods exported and the country of which they have been consigned.

**WEEK FIVE**

**TOPIC : CUSTOM AND EXICE AUTHORITY**

Custom and Excise authority is an agency charged with the responsibilities of assessing and collecting revenue due from import and export. It is a revenue collecting organ of the government. The department of customs and excise under the ministry of internal affairs.

Customs and excise authority collect the following during:

1. Import duties: they are taxes imposed on surplus goods and services that come from other countries into a particular country, it is also known as traffic and they belong to what we all customs duties.
2. Exporter duties: these are taxes imposed on surplus goods and services of a country that are sent to other countries.
3. Excise duties: are taxes imposed on locally made goods. They may be based on either or specific.

FUNCTIONS OF CUSTOMS AUTHORITY.

1. Prevention of smuggling: smugglers are prevented from bringing or taking goods in or out of the country.
2. Collection of data on import and export: it is the duty of custom authority to compile statistics on import and export.
3. Generation of revenue: the department is also charged with the responsibility of generating revenue for the government form of import and export duties.
4. Collection of taxes: it collects taxes on imported, exported and locally produced goods.
5. Supervision of bonded warehouse: it monitors and supervises bonded warehouse where goods are stored until the duties are paid.
6. Checking illegal trafficking of naira: the department perform the function of checking illegal trafficking of the nation’s currency.
7. Customs authority provides information to trader on duties to pay on importation and exportation of goods.
8. Implements government policy on restriction of goods.

**WEEK SIX**

**TOPIC: EXPORT PROMOTION COUNCIL**

1. Export trade: is the selling of goods/service of a country abroad. It includes goods and service sold to other countries. Nigeria export products are cocoa, crude oil, rubber, cassava, etc.

Export can be visible and invisible. Visible export are tangible goods and invisible are service rendered abroad.

1. Exeter port: is the re- exporting of goods that has been imported from other countries i.e. goods imported to a countries later re – exported to other countries.

FUNCTIONS OF NIGERIA EXPORT PROMTION COUNCIL

1. EXPORT FUNDING: it provide financial facilities to export e.g. insurance and credit guarantee schemes.
2. Exporting developing activities: it introduces measure to increase the volume and quality of goods to be exported.
3. Provision of trade information: information is provided through publication of trade journal and export directives.
4. Training activities: it organizes seminars and workshops on export management for people engaging in international trade.
5. Publicity function: the council prepares and issues not publication containing information about activities of the council.
6. Activities relating to export marketing: it gives information about Nigeria ex[ort in international market and how to improve its marketability.
7. Export document preparation etc.

**WEEK SEVEN**

**TOPIC: NIGERIA PORT AUTHORITY {NPA}.**

Nigeria port authority is organ of federal government charged with the responsibilities for producing facilities and controlling sea port in a country. They provide facilities at the port to ensure effective and efficient sea transportation.

The facilities are boats, harbours, wharf, trailers, forklifts etc.

Nigeria has seaport in apapa Lagos, port-Harcourt, Warri, calabar, sapele etc.

FUNCTIONS OF NIERIA PORT AUTHORITY {NPA}.

1. Provision of facilities: the port provides facilities like granerberth, fork-lifts and navigational aids.
2. Maintenance and improvement of ports: the authority is responsible for the improvement of ports including dredging of channels of the port for easy passage of ship.
3. Provision and maintenance of security: it provides security to monitor movement of ships, cargos and people within and around the nation’s port
4. The port authority provides office accommodation for officials of immigration customs and shipping companies that work in the ports.
5. Revenue collection: the ports collects harbour and dock dues,
6. Provision of warehouse: the port provide warehouse where cargoes are stored before they are loaded and after unloading from vessels.
7. Maintenance facilities: they provide ship repair and re-fueling.

FUNCTIONS OF SEAPORTS

1. They serve as entry and departure point for goods and passenger.
2. They are port of call for refuelling of big ocean vessel.
3. They provide dockyards where repairs and maintenance work are carried out on ship.
4. They provide employment opportunities for both skilled and unskilled about.
5. They serve as fishing harbour and selling fish cargoes fishing travellers.
6. They serve as bases for defence purpose to monitor activities within country territorial waters in time of war.

**WEEK EIGHT**

**TOPIC: NIGERIA AIRPORT AUTHORITY (NAA)**

The Nigeria Airport Authority is a statutory body or public co – operation charged with the responsibility of managing, maintaining, running, administrating and controlling all airports e.g. Murtala Muhammed Airport Ikeja, Aminu Kano Airport Kano etc. are international airports in Nigeria while Calabar airport are examples of local airports.

FUNCTIONS OF THE N.A.A

1. Control of airway: it controls domestic and international airline.
2. Maintenance of all facilities: it provides repairs are maintenance facilities to damaged aircrafts.
3. Provision of warehouse: the authority provides warehouse for storage of goods and luggage before loading and off-loading.
4. Housing of security agents: it provides office accommodation for customs, immigration, police and other agents work at the airport.
5. Revenue collection: the airport authority takes ‘charges of collecting airport taxes from airlines shop operators in the airport etc.
6. Ensure passenger security: the airport ensures passenger safety by providing security.
7. Administration: it sees to the general administration management and control of the airport.
8. The authority makes sure that airport in the country have goods road network for vehicles coming to them.

FUNCTION OF AIRPORTS

1. They serve as refuelling points for long distance aircraft.
2. They offer landing facilities for domestic and internal aircrafts.
3. They promote commerce and trade within and among countries.
4. They offer employment opportunities to specialize an unskilled sector of the aviation industry.
5. They serve as entry points for goods and passenger.
6. They serve as bases for defence to check activities in the airspace of countries.

**WEEK NINE**

**TOPIC: TRANSPORTATION**

Transportation is one of the aids to trade and branches of commerce which is a means whereby people and goods are moved from one place to another either through water, road, rail or air.

IMPORTANCE OF TRANSPORT

1. Movement of goods and persons: transportation facilitates quick and efficient distribution of goods, in a country.
2. It encourages trade between one country to another.
3. It improves standard of living: improved standard of living by making goods and service available at the right time and right place and thus improve the standard of living of the people.
4. Employment opportunity: it provides employment opportunities for people there by enabling them to earn a living.
5. Widering of firm’s market: transportation and tends a firm’s market for the sales of goods and services.
6. Encouragement of international trade: the development of transport by air and sea is greatly promoted and encourage trading activities between one country and another.
7. Prevention of wastage of perishable goods: a good and efficient transport system will ensure quick distribution of perisheable goods to areas where they are needed and therefore prevents wastage.
8. Movement of productive resources: a goods transport system will help in moving productive resources firm areas where they are available can be put to adequate use.

FORMS OF TRANSPORTATION

There are four major forms of transport namely:

Transportation by land

Transportation by rail

Transportation by water

Transportation by air

LAND TRANSPORTATION: is a movement of people and goods on lamd form one place to another. It is the commonest means of transport and mainly used in home trade. There are two methods of transportation by land. They are:

1. Road transportation
2. Rail transportation.
3. ROAD TRANSPORTATION: is the commonest means of transportationwhich links towns and villages in Nigeria. The means used to aid transportation or road are bicycles, cars, lorries, tankers, motorcycle, buses, trailers etc.

ADVANTAGES OF ROAD TRANSPORTATION

1. It is possible to reach all parts of the country by road.
2. It is a suitable means of transport for carrying perishable goods.
3. It does not require special routes like trains.

DISADVANTAGES OF ROAD TRANSPORTATION

1. They are usually traffic congestion{hold up}.
2. Road transport tends to be slow in long distance.
3. The rate at which account occur in road transport in high.

TRANSPORT BY RAIL

This is the second in the series of land transportation system.

Trains move on rails i.e. it has specially made routes where it operates.

This types of transport is very slow but not as risk and dangerous as the road transport.

Transport by rail in Nigeria is a federal concern under the monopoly of the Nigeria railway corporation {NRC}

The transport are divided into passenger train.first, second and third classes and cargoes trains that carry goods.