

Contents

Preface	7
1. Value-Adding-Chains and International Business	9
1.1 Global Supplier-Customer Networks	10
1.2 Reengineering of Company Processes	12
1.3 Reaching Higher Position within Global Value-Adding Chains in CEE countries	15
1.4 Value-Adding-Chains and Transfer Prices	16
2. Modes of Entry to Foreign Markets	19
2.1 Factors Determining the Mode of Entry to Foreign Markets	19
2.2 The Modes of Entry to Foreign Markets	20
3. Risks	31
3.1 Market Risks	32
3.2 Commercial Risks	33
3.3 Transportation Risks	35
3.4 Territorial Risks	36
3.5 Currency Risks	36
3.6 Liability Risks	37
3.7 Final Remark	37
4. Contracts for the International Sale of Goods	39
4.1 Conducting a Business Deal	39
4.2 United Nations Convention on Contracts for the International Sale of Goods	45
5. Price	49
5.1 Composing a Price	50
5.2 Price Manipulation	53
5.3 Expressing the Price in International Sales Contracts	54
5.4 Case Study – Export Quotation	54
6. Delivery Terms	59
6.1 International Commercial Terms	59
6.2 Incoterms® 2020 Rules	60
6.3 Revised American Foreign Trade Definitions	67
6.4 Case Study – Suggesting the Right Incoterm Rule	68
6.5 Case Study – Calculating the Export Price	69

7. Terms of Payment	75
7.1 Bill of Exchange and Promissory Note	75
7.2 Cheque	80
7.3 Means of Payment in the International Trade	80
7.4 Documentary Credit	82
7.5 Documentary Collection	86
7.6 Open Account	87
7.7 Bank Payment Obligation	88
7.8 Bank Guarantee	89
7.9 Factoring	91
7.10 Forfaiting	92
7.11 Foreign Exchange Risk	93
7.12 Title Retention Clause	94
7.13 Case Study – Factoring	94
7.14 Case Study – Looking for Mistakes in a L/C	95
7.15 Case study – Analyzing a Loss During Transportation	97
8. International Logistics	101
8.1 Supply Chain Management	101
8.2 Framework for the Transport Services	103
8.3 Rail Freight Transport	104
8.4 Road Freight Transport	106
8.5 Air Freight Transport	107
8.6 Maritime and Inland Water Transport	109
8.7 Multimodal (Combined) Transport	113
8.8 Postal and Courier Services	115
8.9 Storage and Warehousing	115
8.10 Inspection and Quality Control	116
8.11 Case study – Calculation of Freight from a Carrier’s View	117
9. Intra-Union Trade	119
9.1 Intra-Union Supply and Acquisition	119
9.2 Taxation of Basic Business Transactions	120
9.3 Taxation of Special Business Transactions	122
9.4 Intrastat	123
10. Customs and customs procedures	125
10.1 Situation in the EU	125
10.2 WTO	126
10.3 Types of Duty	127
10.4 Main Specific Situations	129
10.5 Quotas	130
10.6 Customs Declaration	130

10.7	Origin of Goods	132
10.8	Common Customs Tariff	134
10.9	Value of Goods for Customs Purposes	135
10.10	Customs Status of Goods	137
10.11	Customs Debt	139
11.	Insurance	141
11.1	Risk Management	141
11.2	Insurance Policy	141
11.3	Credit Insurance	142
11.4	Cargo Insurance	143
11.5	General Average	145
12.	Key to the Case Studies	147
	List of References	155
	List of Figures	159
	Index	161