COMMERCE

WAEC Syllabus 2027/2028

SCHEME OF EXAMINATION

There will be two papers, Paper 1 and Paper 2, both of which will constitute a composite paper to be taken at one sitting.

Paper 1: Will consist of fifty multiple-choice questions to be answered in 50 minutes for 50 marks.

Paper 2: Will consist of eight essay-type questions out of which candidates will be required to answer any five within 2 hours for 100 marks.

DETAILED SYLLABUS

1. INTRODUCTION

- Definition of Commerce and E-Commerce
- History/Background of Commerce
- Scope of Commerce and E-Commerce
- Functions of Commerce and E-Commerce

2. OCCUPATION

- Meaning of occupation
- Types: industrial, commercial and service occupation
- Factors that determine types of occupation/employment
- Career opportunities

3. PRODUCTION

- Meaning
- Factors of production: land, labour, capital and entrepreneurship
- Types: primary, secondary and tertiary production
- Division of labour/specialization: meaning, types, advantages, disadvantages and limitations
- Inter-relationship between production and exchange

4. BUSINESS UNITS

- Meaning and objectives of business
- Forms of business units: sole proprietorship, partnership, co-operative societies, credit union and thrift societies, public enterprises and companies
- Types, formation, characteristics, comparison, advantages and disadvantages
- Sources of capital of each form of business
- Meaning and purpose of amalgamations; mergers and acquisitions; trusts; holding companies and subsidiaries; consortiums and cartels
- Dissolution/liquidation of companies and partnerships

5. TRADE ASSOCIATIONS

- Aims and functions of trade associations
- Chambers of Commerce and employers' associations
- Consumer associations/consumerism

6. BUSINESS CAPITAL AND PROFITS

- Meaning and types of capital: authorized/registered/nominal capital, called-up capital, paid-up capital, capital owned and liquid/circulating capital
- Credit: meaning, sources, instruments and functions
- Calculation of working capital and the importance of working capital
- Profit: meaning, types and calculation

- Turnover: meaning, calculation and factors affecting turnover

7. TRADE

A. HOME TRADE

- Purpose and branches of trade
- Home Trade and Foreign Trade: meaning and differences
- Retail trade: functions of the retailer; factors to consider in starting a retail business; reasons for success or failure of retail businesses
- Small-scale and large-scale retailing
- Types of retail outlets: unit shops, stalls, hawkers, kiosks, mobile shops, supermarkets, chain stores, department stores, shopping malls, hypermarkets and mail-order businesses
- Main characteristics, advantages and disadvantages of each retail outlet
- Modern trends in retailing: branding, self-service, vouchers, vending machines and credit cards
- Wholesale trade: functions and types of wholesalers; merchant and agent wholesalers
- Factors making for the elimination and survival of middlemen
- Channels of distribution: meaning, types and factors influencing choice of channel

B. FOREIGN TRADE

- Meaning
- Types: import, export and entrepot trade
- Basic concepts in international trade: terms of trade, balance of trade, balance of payments, favourable and unfavourable balances, visible and invisible items, bilateral and multilateral agreements and counter-trade
- Advantages and disadvantages of foreign trade
- Barriers to foreign trade
- Tariffs: meaning and reasons for tariffs
- Functions of port and airport authorities, Customs and Excise Authority, shipping, clearing and forwarding agents, and Export Promotion Council

8. PURCHASE AND SALE OF GOODS IN HOME AND FOREIGN TRADE

- Procedures and documents used in business: order, indent, consular invoice, ordinary invoice, credit/debit notes, pro forma invoice, letter of hypothecation, documentary credit, certificate of origin, certificate of inspection and insurance certificate
- Price quotation: trade discount, cash discount, quantity discount, COD, CWO, CIF, FOB, E & OE, ex-works, LOCO, FAS, FOR and Franco
- Terms of payment: cash/spot payment, purchase and deferred payment
- Means of payment: legal tender (bank notes and coins), cheques, standing orders, bank drafts, stamps, postal orders, money orders, bills of exchange, promissory notes, mail transfers, traveller's cheques, telegraphic transfers and e-payment

9. FINANCE AND FINANCIAL INSTITUTIONS

A. MONEY

- Meaning
- Evolution/history
- Forms
- Qualities and functions

B. BANKS

- Types of banks: Central Bank, commercial banks and other specialized banks such as development banks, mortgage banks, building societies and microfinance institutions - their features and functions
- Bureau de change: meaning and functions
- E-banking: meaning and forms, including ATM, money transfer and online e-payment
- Types of accounts: current, savings and fixed-deposit accounts - their main features

C. INSURANCE

- Meaning and basic principles: utmost good faith, insurable interest, indemnity, subrogation, contribution and proximate cause
- Types of insurance
- Life insurance: whole-life assurance and endowment
- Non-life insurance: motor vehicle, fire, fidelity, burglary/robbery/theft, accidents, consequential loss and marine
- Types of risk
- Insurable risk: fundamental risks, pure risk and particular risk
- Uninsurable risk: speculative risk
- Importance of insurance to businesses and individuals
- Procedure for taking an insurance policy
- Underwriting: meaning
- Reinsurance: meaning and purpose

D. CAPITAL MARKET

- Meaning
- Functions
- Methods of raising funds by companies: offer for sale, offer for subscription, rights issue, private placement and issue by tender
- Second-Tier Securities Market: meaning and functions
- Advantages to companies/public
- Requirements for listing

E. STOCK EXCHANGE

- Meaning and functions
- Importance
- Transactions on the Stock Exchange
- Speculators: meaning and types
- Types of securities: shares, stock, bonds, gilt-edged securities, debentures and convertible loans

F. COMMODITY EXCHANGE

- Meaning
- Types of tradable commodities
- Requirements for trading: grading, standardizing, warehousing and clearing system
- Methods of trading: open outcry and electronic mechanisms
- Benefits of commodity exchange

10. TRANSPORT, TOURISM, COMMUNICATION AND WAREHOUSING

A. TRANSPORT

- Meaning
- Importance
- Choice of transport
- Forms: land, water, air and pipeline
- Advantages and disadvantages of each form
- Documents: waybills, consignment notes, tickets and manifests

B. TOURISM

- Meaning
- Advantages and disadvantages

C. COMMUNICATION

- Meaning
- Types: oral, written, visual, non-verbal, non-visual and traditional
- Advantages and disadvantages
- Importance and services of the Post Office

- Courier agencies and other communication agencies: telephone systems, satellite services, Internet and e-mail
- Computer appreciation: meaning, component parts, advantages and disadvantages

D. WAREHOUSING

- Meaning
- Importance
- Functions
- Types
- Advantages

11. ADVERTISING

- Meaning
- Roles, advantages and disadvantages
- Types: informative, persuasive, competitive, mass and specific
- Methods: direct and indirect
- Media: meaning, choice and types

12. INTRODUCTION TO MARKETING

A. MARKETING

- Meaning
- Importance
- Functions
- Differences between market and marketing, and between market and marketing research

B. MARKETING CONCEPT

- The marketing mix (4Ps)
- Meaning
- Components: product, price, place and promotion

C. CUSTOMER SERVICES

- Meaning
- Importance
- Types: pre-sales and after-sales services

D. SALES PROMOTION

- Meaning
- Methods: trade fairs, exhibitions, gifts and demonstrations
- Personal selling: meaning and importance

13. LEGAL ASPECT OF BUSINESS

A. AREAS OF LAW THAT RELATE TO BUSINESS

- Contract: meaning, elements of a valid contract and discharge of a contract
- Agency: meaning, creation, duties and responsibilities of principals and agents, and termination
- Sale of Goods Act
- Hire Purchase Act
- Rights and obligations of employers and employees
- Government regulation of business: patents, copyright and trademarks
- Registration of business: meaning and uses

B. CONSUMER PROTECTION

- Meaning
- Need for protection
- Means of protection
- Consumerism: meaning and instruments of protection

- Government legislation: Food and Drugs Act, Standards Organisation Act, Price Control Act, Factories, Shops and Offices Act, and product quality

14. GOVERNMENT POLICIES RELATING TO BUSINESS

- Commercialisation: meaning and reasons; advantages and disadvantages
- Privatisation: meaning and reasons; advantages and disadvantages
- Deregulation: meaning and reasons; advantages and disadvantages
- Comparison/differences among commercialisation, privatisation and deregulation

15. INTRODUCTION TO BUSINESS MANAGEMENT

- Meaning
- Objectives of business
- Meaning of business management
- Functions of business management
- Business resources: man, money, materials, opportunities/goodwill
- Structure of business organisational setup
- Organisational chart; departments and functions of each; authority and delegation of authority; responsibility and span of control - meanings
- Business and its environment: economic, political, competitive, technological, etc.
- Social responsibility of business to society
- Importance of inter- and intra-departmental communication

16. ECONOMIC GROUPINGS

- ECOWAS
- Niger Basin Commission (NBC)
- Lake Chad Basin Commission (LCBC)
- Mano River Union
- European Union
- West African Clearing House
- For each grouping, study: history, membership, objectives, achievements and problems/obstacles

RECOMMENDED TEXTBOOKS

1. Senior Secondary Commerce, Books One, Two and Three by M. O. Odedokun, P. C. Udokogu and C. O. N. Oguji.
2. Basic Marketing by McCarthy Jerome E. and William Perreault Jr.
3. Marketing by G. B. Giles (The M & E Handbook Services).
4. Consumer Behaviour by Prof. Achumba (University of Lagos).