JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

SCHOOL OF BUSINESS & ECONOMICS

UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION WITH IT

3ND YEAR 2ND SEMESTER 2016/2017 ACADEMIC YEAR

KISII CAMPUS-PART TIME

COURSE CODE: ABA 340

COURSE TITLE: INTERNATIONAL PROCUREMENT

EXAM VENUE: **STREAM: (BBA)**

DATE: **EXAM SESSION:**

TIME: 2   HOURS

Instructions:

1. Answer Question ONE (COMPULSORY) and ANY other 2 questions
2. Candidates are advised not to write on the question paper.
3. Candidates must hand in their answer booklets to the invigilator while in the examination room.

QUESTION ONE

a) Identify and explain the reasons behind global sourcing and highlight the potential problems they are likely to face.
              (15Marks)
b) Discuss some of the strategies a firm can adapt to mitigate against foreign exchange risks (10 Marks)

QUESTION TWO.

a) Identify and explain any Five types of intermediaries that can be used in international procurement   (12 mks)
b) Discuss the role of forwarders in international procurement   (8 Marks)

QUESTION THREE

a) Discuss some of the sources of information a buyer can use to identify potential foreign sources of supply.   (10 Marks)
b) Define counter trade and identify FIVE types of countertrade used in international procurement   (10 Marks)

QUESTION FOUR

a) What are INCOTERMs? Identify and explain any FOUR incoterms that may be applied universally to all modes of transport.   (10 Marks)
b) Using relevant examples, discuss the role of trading blocs in international procurement   (10 Marks)

QUESTION FIVE.

a) Define globalization and explain how it has enhanced international procurement in modern enterprises.   (10 Marks)

C) Explain how letters of credit are used as means of payment in international procurement and outline the three classifications of letters of credit.
                    (10 marks)