



JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY
SCHOOL OF BUSINESS & ECONOMICS
UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS
ADMINISTRATION
3RD YEAR 2ND SEMESTER 2019/2020 ACADEMIC YEAR
MAIN

COURSE CODE: ABA 340

COURSE TITLE: INTERNATIONAL PROCUREMENT MANAGEMENT

EXAM VENUE: STREAM: (BBA)

DATE:1/12/20

EXAM SESSION: 9-12 NOON

TIME: 3 HOURS

Instructions:

- 1. Answer questions ONE and ANY other TWO questions**
- 2. Candidates are advised to write on the text editor provided, or to write on a foolscap, scan and upload alongside the question.**
- 3. Candidates must ensure that they submit their work by clicking 'FINISH AND SUBMIT ATTEMPT' button at the end.**

QUESTION ONE (30 MARKS) COMPULSORY

- a) Describe the methods that can be used to make payments in International Procurement. (6 marks)
- b) “Bill of Entry is the main key document on which the Customs approves clearance of the cargo and the document is crucial for availing duty credits if any by the Importer post clearance.” Describe three types of Bills of Entry. (6 marks)
- c) “The international business and trade environment is the backbone of global economy.” Explain the importance of International Procurement environment. (8 marks)
- d) “Countries levy Import and Export Duties on specific items and also based on countries of origin.” Explain the types of Licensing in International Procurement. (10 marks)

QUESTION TWO (20 MARKS)

- a) Describe the factors in the Social Cultural environment that an international procurement manager must consider when making decisions. (10 marks)
- b) “There should be no doubt that the environment in which the international transaction is conducted is considerably more complex.” Explain Five factors that naturally influence this complexity. (10 marks)

QUESTION THREE (20 MARKS)

- a) Outline the specific areas that INCOTERMS are concerned with in terms of specifying the responsibilities of buyers and sellers in International Procurement. (4 marks)
- b) Explain issues that one should be aware of when choosing an Incoterm. (6 marks)
- c) “Whereas national procurement has local conditions to deal with, International procurement considers additional factors.” Highlight five such factors. (10 marks)

QUESTION FOUR (20 MARKS)

- a) Describe some of the documents required from the importer at his end to facilitate the customs clearance process. (8 marks)
- b) Explain the specific potential problem areas in dealing with international suppliers. (12 marks)

QUESTION FIVE (20 MARKS)

- a) “Integrity, to a procurement officer in the international marketplace, means believing that the public trust is so important that it cannot be compromised.” Highlight ways by which a procurement officer can demonstrate integrity. (5 marks)
- b) Outline some of the advantages of having International Suppliers. (5 marks)
- a) “International procurement face challenges that are both internal and external”. Describe some of the external challenges. (10 marks)