



MACHAKOS UNIVERSITY

University Examinations for 2016/2017 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

**DEPARTMENT OF BUSINESS ADMINISTRATION
SECOND YEAR FIRST SEMESTER SUPPLEMENTARY EXAMINATION FOR
DIPLOMA IN PROCUREMENT AND SUPPLY CHAIN MANAGEMENT
SUPPLEMENTARY/SPECIAL EXAMINATION**

GLOBAL PROCUREMENT

DATE: 16/10/2017

TIME: 2:00 – 4:00 PM

INSTRUCTIONS

Answer question One and any Other two questions

QUESTION ONE (30 MARKS)

- a) List and explain 6 challenges faced in global procurement (6 marks)
- b) Explain six documents used in international purchasing (6 marks)
- c) Describe the procedure that may be followed by organizations when importing goods into the country. (6 marks)
- d) Explain the role played by Bill of Lading in international procurement. (6 marks)
- e) Explain five advantages of using clearing and forwarding agents in Kenya (6 marks)

QUESTION TWO (20 MARKS)

- a) Highlight the benefits associated with reciprocal trading arrangements. (10 marks)
- b) Explain the ways that an importing firm may use to manage currency fluctuations. (10 marks)

QUESTION THREE (20 MARKS)

- a) Explain the role of KRA in the facilitation of international trade (10 marks)
- b) Give the reasons why organizations source from abroad (10 marks)

QUESTION FOUR (20 MARKS)

- a) Explain the reasons that necessitate organizations to engage in counter trade (10 marks)
- b) Explain the ways in which International monetary fund (IMF) facilitates international trade (10 marks)

QUESTION FIVE (20 MARKS)

- a) Explain the challenges associated with the buying of materials from outside the country. (10 marks)
- b) Highlight the reasons why the Government of Kenya may ban the importation of some goods from some countries. (10 marks)