



ICM

MARCH 2016

INTERNATIONAL TRADE & TRANSPORT

Instructions to candidates:

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
 - b) Answer any FIVE questions
 - c) All questions carry equal marks. Marks for each question are shown in []
-
1. In international trade, what are the THREE major requirements that need to be taken into consideration in selecting a market? [20]
 2. Using a diagram, show a typical hierarchical structure of an export department and explain the roles depicted. [20]
 3. Explain what a **documentary letter of credit** is and its function. [20]
 4. The Single European Act of 1987 was designed to solve the problems manufacturers faced when developing products for different countries/markets within the EU. What are the barriers faced by manufacturers in developing products for the different countries/markets? [20]
 5. List and explain the different packing methods and consignment marking used in transport and logistics. [20]
 6. Give an explanation for the following terms used in international trade and transport:
 - a) Tax
 - b) Excise
 - c) Levy
 - d) License
 - e) Quota[4 each]
 7. Explain the difference between a Waybill and a Bill of Lading and their application. [20]
 8. List and explain the items contained in the checklist a bank issues for an application for a Letter of Credit to ensure it will not be rejected. [20]