

**W1-2-60-1-6**

**JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY**

**UNIVERSITY EXAMINATIONS 2018/2019**

FOURTH YEAR FIRST SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF PROCUREMNT AND CONTRACT MANGEMENT

**HPS 2401: CLEARING AND FORWARDING**

**DATE: AUGUST 2019 TIME: 2 HOURS**

INSTRUCTIONS: ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO

QUESTIONS

**QUESTION ONE: 30 MARKS**

a. The freight forwarding business developed through evolutionary process upto the present stage:-

i. Describe the three (3) phases of evolution. (6 marks)

ii. Define the term freight forwarder. (2 marks)

iii. Give examples of any four (4) global forwarders. (2 marks)

iv. Use and explain the function of export freight forwarder.(12 marks)

b. i. Define the term INCOTERM. (2 marks)

ii. List and explain any three (3) INCOTERMS. (6 marks)

**QUESTION TWO: 20 MARKS**

a. State and explain five (5) merits and demerits of air transport. (10 marks)

b. Explain a range of advice freight forwarders would give on areas related to international consignment distribution. (10 marks)

**QUESTION THREE: 20 MARKS**

Global freight transportation activities have been rising due to opening of global

markets. As such transport risk will increase as well. Describe the six (6)

main areas of transport risk.

**QUESTION FOUR: 20 MARKS**

a. Discuss any five (5) selection criteria that would be considered for any appropriate carrier to manage the transportation need. (15 marks)

b. Describe three (3) international organizations that regulate the performance of import and export process. (5 marks)

**QUESTION FIVE: 20 MARKS**

Write short notes on the following:-

a. Bill of lading (5 marks)

b. Hamburg rules (5 marks)

c. Bill of exchange (5 marks)

d. Cargo verification (5 marks)