

Paper B



TECHNICAL UNIVERSITY OF MOMBASA
SCHOOL OF BUSINESS
DEPARTMENT OF MANAGEMENT SCIENCE
UNIVERSITY EXAMINATION FOR
DIPLOMA IN LOGISTICS AND TRANSPORT MANAGEMENT
(YEAR 2 SEMESTER 1)
BLT 2204: CLEARING AND FORWARDING

INSTRUCTIONS

You should have the following for this examination

-Answer Booklet

This paper consist of FIVE questions.

Attempt question One (Compulsory) and any other two questions

Maximum marks for each part of a question are shown

This paper consist of two printed pages

Do Not Write on the Question paper

PAPER B TWO

Question one (Compulsory)

- (a) Containerization is a system of intermodal freight transport using intermodal containers (also called shipping containers and ISO containers) made of weathering steel. The containers have standardized dimensions. What are the main drawbacks of containerization are (12 Marks)
- (b) There are numerous advantages of road transport in comparison to other modes of transport, explain these merits (12 Marks)
- (c) There are several parties involved in clearing and forwarding, they play an important role in clearing and forwarding or in the international trade name any five and explain their functions (8 Marks)

Question Two

- (a) Freight forwarding services guarantee that products will get to the proper destination by an agreed upon date, and in good condition, Discuss the Benefits of the Freight Forwarders' to Shippers and Consignees (10 Marks)
- (b) The rights and liabilities of a forwarding agent are governed by the general principles of the law of agency, Discuss these rights and liabilities (10 Marks)

Question Three

- (a) The following documents are commonly used in exporting and importing goods. However, the specific documentation necessary in a particular transaction depends on the requirements of the Exporting country and the government of the importing country (10 Marks)
- (b) Transshipment is a shipping activity where goods are transported to a third party or intermediate location before being sent to their final destination. There are a wide variety of reasons for shippers to engage in this activity and some ports and rail hubs specifically design and market themselves to be friendly to transshipment activities for the convenience of shipping carriers. There are risks associated with transshipment. Explain these risks (10 Marks)

Question Four

- (a) The disbursement voucher may be used in situations in which a payment is not processed through another procurement method, such as purchase order or procurement card. Institutions may have different rules for the processing of payments. Discuss some of the instances in which a disbursement voucher might be used (10 Marks).
- (b) The event is being organized to mark a grand shift of the freight forwarding industry from the negative past image that has for very long bedeviled the sector. Discuss the Characteristics of a professional body in clearing and forwarding. (10 Marks)

Question Five

- (a) In life and business, there are always choices to make. When it comes to international shipping, there are many choices. Discuss these key factors you should consider when making this decision. (10 Marks)
- (b) Before containerization, goods were usually handled manually as break bulk cargo. Typically, goods would be loaded onto a vehicle from the factory and taken to a port warehouse where they would be offloaded and stored awaiting the next vessel. Discuss the disadvantages of containerizations (10 marks)