



TECHNICAL UNIVERSITY OF MOMBASA
SCHOOL OF BUSINESS
DEPARTMENT OF MANAGEMENT SCIENCE
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

Question one (Compulsory)

- (a) With today's cutthroat economy every company needs to act quickly and professionally in order to succeed. Being able to ship goods from one country to another in an efficient manner is essential to staying above the competition. Explain the importance of freight forwarding services to the customer or to the carrier (12 marks)

- (b) Persons properly described as shipping and forwarding agents frequently act as carriers themselves with respect to part of the carriage, for example, by performing collection and delivery services between the customers' premises, their own depots, and warehouses, docks and carriers' depots. In such cases these agents have their rights and liabilities. Explain Rights and liabilities of forwarding agents they would have during the time they are performing their duties. (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 (6 Marks)

Question Two

- (a) A Diversity of Modes Transport modes are the means by which people and freight achieve mobility. Explain five modes of transport and their characteristics (10 Marks)
- (b) Establishing a clearing and forwarding firm is very important to the clearing and forwarding agents what are these factors one has to consider in establishing this firm (10 Marks)

Question Three

- (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 (10 Marks)
- (b) Documentation is a requirement in international trade and for moving goods. Well-ordered and accurate documents are essential for a freight forwarder and are required for a successful export order and receipt of payment for delivery. Freight forwarders need to know exactly what document is required and when. Explain five documents used in international trade (10 Marks)

Question Four

- (a) There are numerous advantages of road transport in comparison to other modes of transport, explain these merits (10 Marks)
- (b) Joint transport is necessary part in transporting freight or cargo which it has its merits and demerits. What are the main disadvantages of joint operations (10 Marks)

Question Five

(a) Freight forwarding is the coordination and shipment of goods from one place to another via a single or multiple carriers via air, marine, rail or highway. Freight forwarding is a service used by companies that deal in international or multi-national import and export. While the freight forwarder doesn't actually move the freight itself, it acts as an intermediary between the client and various transportation services. Explain the function of clearing and freight forwarding Agents. (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)