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KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY

UNIVERSITY EXAMINATIONS, 2023/2024 ACADEMIC YEAR FIRST YEAR, FOURTH SEMESTER EXAMINATIONS FOR THE DIPLOMA IN PROCUREMENT AND SUPPLIES MANAGEMENT

DPS 1117-INTERNATIONAL PURCHASING

Date: 14th April 2023 Time: 11.30am-1.30pm

INSTRUCTIONS TO CANDIDATES: ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS, QUESTIONS ONE (30 MARKS)

- a) Distinguish between the following Global sourcing and international purchasing (4 marks)
- b) Elaborate on how best a supplier can overcome challenges in international purchasing (6 marks)
- c) What are some of the justification for potential buyers purchasing oversees instead of the local market. (6 marks)
- d) Using relevant examples discuss any three international sourcing cost (6 marks).
- e) Differentiate between international procurement and international purchasing (4 marks)
- f) Identify and describe the major benefits of adopting an international sourcing procurement strategy (4 marks)

QUESTION TWO (20 MARKS)

- a) Describe the concept of pre-shipment inspection of imports (6 marks)
- b) Identify and describe the documents necessary to facilitate customs clearance (8 marks)
- c) Understanding is very important in international purchasing in order for business efficacy to exist, discuss the factors to consider when selecting the appropriate methods to settle disputes (6marks)

QUESTION THREE (20 MARKS)

- a) What is the effect (negative and positive) of globalization to international purchasing (8marks)
- b) Sourcing strategies gives a number of advantages in international purchasing but it requires an indepth analysis be selecting a sourcing strategy, discuss more on the different types of sourcing strategies used in international purchasing (12marks)

QUESTION FOUR (20 MARKS)

- a) Identify and discuss the responsibility of a supplier in the current EXW (Ex-workers) (4 marks)
- b) Elaborate the responsibility of a buyer under the current EXW (Ex-workers) (4 marks)
- c) Discuss the responsibility of the suppliers if the goods were DDP (delivered duty paid) (4 marks)
- d) Using relevant examples explain and describe the significance of INCOTERMS while conducting business oversees (8 marks)

QUESTION FIVE (20 MARKS)

- a) There are various institutions involved in international financing transactions, such as financial institutions, government entities and central banks. Discuss the functions of any two financial institutions involved in international purchasing. (10 marks)
- b) Discuss how free trade and reginal blocks affect the international markets (4 marks)
- c) Elaborate on the challenges posed by issues and trends in international trade (6 marks)