

1. (a) Ubora Company Limited has been experiencing problems while sourcing for its materials requirements from foreign markets. Explain **five** measures that the company should take to overcome the problems. (10 marks)
- (b) Highlight **five** advantages to an organization of accurately specifying its materials requirements while sourcing from overseas. (10 marks)
2. (a) Describe **five** features of commodity markets in relation to international purchasing operations. (10 marks)
- (b) There are certain costs that an organization may incur while clearing goods sourced from foreign countries. Outline **five** such costs. (10 marks)
3. (a) Uzima corporation has decided to adopt the foreign sourcing strategy in its operations. Highlight **five** ways the corporation may enhance efficiency when implementing this strategy. (10 marks)
- (b) Counter trade is one of the sourcing policies that a public corporation may use to acquire materials from foreign sources. Explain **five** circumstances that may favour the use of the policy. (10 marks)
4. (a) Many organizations involved in international purchasing activities experience delays in settling suppliers' payments. Explain **five** factors that may account for such delays. (10 marks)
- (b) Bondeni Enterprises has entered in to a contract with a foreign supplier for supply of goods without incorporating incoterms in the contract. Outline **five** adverse effects to the company of this omission. (10 marks)
5. (a) Explain the role of the Government of Kenya in promoting international purchasing activities in the country. (10 marks)
- (b) Agonga Company Limited adopts the on-delivery inspection method while inspecting its imported materials. Highlight **five** weaknesses of this method. (10 marks)
6. (a) Explain the role of intermediaries in international supply chain management. (10 marks)
- (b) Reciprocal trading is one of the strategies that an organization may adopt while sourcing for its materials from foreign sources. Highlight the disadvantages that are associated with the method. (10 marks)
7. (a) Describe the procedure that a supply chain manager should follow while using the open account method in paying suppliers in international purchasing. (12 marks)
- (b) Explain **four** challenges that a government corporation may face when financing its international sourcing activities through the World Bank. (8 marks)