



Professional Qualification in SHIPPING & LOGISTICS

Level 4 Diploma

UNIT 1 – MERCANTILE AND SHIPPING PRACTICE

Question 1

- (a) **State** what is meant by the term 'customs clearance'. (4 marks)
- (b) **Describe TWO** distinct purposes of import duty. (6 marks)
- (c) **Discuss TWO** factors that influence the amount of import duty payable. (10 marks)

Question 2

- (a) **Discuss** the type of information required by the freight forwarder to enable them to successfully move cargo on behalf of exporters. (10 marks)
- (b) **Distinguish** between the type of information required for a Bill of Lading and a CMR consignment note. (10 marks)

Question 3

- (a) **Explain** the role of the cargo insurance document in relation to the finance arrangement between the buyer and the seller. (8 marks)
- (b) **Discuss** the role and importance of **TWO** other documents used in international trade. (12 marks)

Question 4

Distinguish between the roles of the operations department and the technical department of a major shipping company. (20 marks)

Question 5

- (a) **State** what is meant by the term 'Flag of Convenience'. (4 marks)
- (b) **Describe THREE** ways in which the ship owner could save on costs, by being registered with a Flag of Convenience country. (6 marks)
- (c) **Discuss** why Flags of Convenience are generally criticised by many coastal states. (10 marks)