



## Professional Qualification in SHIPPING & LOGISTICS

### Level 4 Diploma

#### UNIT 1 – MERCANTILE AND SHIPPING PRACTICE

##### Question 1

- (a) **Describe TWO** stages in the process of importing. (4 marks)
- (b) **Suggest how** national policy supports importing practice in your own country. **Justify** your answer. (16 marks)

##### Question 2

- (a) **State TWO** documents which are required to export a consignment. (2 marks)
- (b) Referring to your answer to Question 2a, **explain** the purpose of **each** document. (10 marks)
- (c) Referring to your answer to Question 2a, **explain** the information which must be included in each document. (8 marks)

##### Question 3

- (a) **Explain** the function of a letter of credit. (4 marks)
- (b) **Distinguish** between 'factoring' and 'forfeiting' in the context of international trade. (16 marks)

##### Question 4

**Discuss** the contribution of **TWO** major shipping organisations to shipping practice. (20 marks)

##### Question 5

- (a) **Explain** what is meant by the term 'flag of convenience'. (4 marks)
- (b) Referring to your answer to Question 5a, **explain TWO** ways in which flags of convenience are used in the management of the shipping sector. (16 marks)