

**CERTIFICATE IN LOGISTICS AND TRANSPORT**

**Procurement**

# November 2021

Note to Candidates

Candidates are advised to spend NOT more than 60 minutes in Section A and not more than 40 minutes on each question in section B. Credit will be given for citing relevant examples.

**2.30 hours**

**Answer question 1 in Section A and any 3 questions from section B**

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**SECTION A**

**Question 1.**

(a) Define the term procurement (3 marks)

(b) List stages of the procurement process (5 marks

(c) List five documents that are used in procurement (5 marks)

(d) Briefly explain 3 reasons that have pushed companies towards global sourcing (6 marks)

(e) Using practical examples, explain the following terms as they apply to law of contract

* Offer ( 3 marks )
* Acceptance ( 3 marks)
* Consideration (3 marks)

(f) What are the qualities of a good supplier? ( 4 marks)

(g) List three benefits of single sourcing. ( 3 marks)

(h) List ways of risk minimisation in procurement (5 marks)

**Section B**

**Question.2**

Examine the characteristics of the different types of supplier relationships. (14 marks)

**Question.3**

List and explain the different sourcing strategies available to an organisation of your choice. (20 marks)

**Question 4**

(a) Discuss the role of ethics in the field of procurement (10 marks?)

(b) As a Procurement Manager, how can you ensure that ethical conduct is exercised in

your organisation (10 marks)

**Question 5**

‘Procurement plays a critical role in supply chain operations’. Discuss (20 marks)

**Question 6**

Explain the main criteria that should be used in selecting suppliers (20 marks)