



**The Chartered
Institute of Logistics
and Transport**

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

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)