



**The Chartered  
Institute of Logistics  
and Transport**

**INTERNATIONAL CERTIFICATE IN LOGISTICS AND TRANSPORT**

**PROCUREMENT**

**04-L3**

**NOVEMBER 2022**

Instructions to Candidates

- Duration of examination: **2.30 hours**
- **Answer ALL Questions in Section A and any THREE questions in Section B**
- Questions may be answered in any order
- Allocation of marks is indicated along each question
- Credit will be given for citing relevant examples
- Write legibly

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**SECTION A: COMPULSORY**

**(40 marks)**

**Question 1**

- Define the term Procurement. **(3 marks)**
- Give 4 reasons for undertaking sourcing before purchasing. **(4 marks)**
- Why is sourcing important in procurement? **(4 marks)**
- What are the 3 reasons that have restricted companies to local sourcing? **(5 marks)**
- List and briefly explain five essentials of a contract. **(10 marks)**
- What are the qualities of a good supplier? **(4 marks)**
- List five disadvantages of multiple sourcing. **(5 marks)**
- List 5 risks often encountered in procurement. **(5 marks)**

## **SECTION B**

**Answer any THREE questions**

### **Question 1**

Examine the characteristics of different types of supplier relationships. **(20 marks)**

### **Question 2**

List and explain the different sourcing strategies available to an organisation of your choice.

**(20 marks)**

### **Question 3**

(a) What is 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 4**

Explain how procurement can impact the whole supply chain effort. **(20 marks)**