



**The Chartered  
Institute of Logistics  
and Transport**

**INTERNATIONAL DIPLOMA IN LOGISTICS AND TRANSPORT  
INTERNATIONAL BUSINESS  
DIP14  
NOVEMBER 2023**

**Instructions to Candidates**

- Duration of examination: **3 hours**
  - Answer **FOUR** questions.
  - 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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**QUESTION 1**

‘Electronic commerce has the capability of adding substantial value to the supply chain through speeding up trading and control processes and through the reduction of costs. There are, however, risks associated with electronic commerce that require consideration and management.’ In the context of the foregoing statement, discuss security risks; systems failures; system misuse; loss of reputation; and legal risk. **(25 marks)**

**QUESTION 2**

‘While the principles of marketing for international business are essentially unchanged from those applying to national business organisations, consideration of national differences and characteristics need to be taken into account when planning and executing a global supply chain marketing strategy.’ Discuss. **(25 marks)**

### **QUESTION 3**

- a) Outline the use of International Commercial Terms (INCOTERMS) **(10 marks).**
  
- b) Explain the use of the following International Commercial Terms (INCOTERMS)
  - i. FCA (Free Career) **(5 marks)**
  
  - ii. DAT (Delivered at terminal) **(5 marks)**
  
  - iii. DDP (Delivered duty paid) **(5 marks)**

### **QUESTION 4**

'International business cannot operate in a vacuum. It exists in an environment where external bodies, organisations and pressures have a fundamental impact on its ability to operate and on the ways in which it operates'. With particular reference to logistics and transport activities, discuss the national and international factors that may impact on the operations of international businesses. **(25 marks)**

### **QUESTION 5**

A Zimbabwean local company has decided to enter into the international business arena. Identify and discuss issues that the company will have to contend with in implementing its international supply chain strategy. **(25 marks)**