



**UNIVERSITI KUALA LUMPUR
MALAYSIAN INSTITUTE OF MARINE ENGINEERING
TECHNOLOGY**

**FINAL EXAMINATION
SEPTEMBER 2016 SESSION**

SUBJECT CODE : LOB 30503
SUBJECT TITLE : INTERNATIONAL LOGISTICS
LEVEL : DEGREE
TIME / DURATION : 2.00PM-5.00 PM (3 HOURS)
DATE : 17 JANUARY 2017

INSTRUCTIONS TO CANDIDATES

1. Please **CAREFULLY** read the instructions given in the question paper.
 2. This question paper is printed on both sides of the paper.
 3. This question paper consists of **FIVE (5)** questions.
 4. Answer **FOUR (4)** questions **ONLY**.
 5. Please write your answers on the answer booklet provided.
 6. Answer all questions in **ENGLISH** language **ONLY**.
 7. Answer should be written in **BLUE** or **BLACK INK** except for sketching, graphic and illustration.
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THERE ARE 3 PAGES OF QUESTIONS, INCLUDING THIS PAGE.

INSTRUCTION: Answer FOUR (4) questions ONLY.

Please use the answer booklet provided.

QUESTION 1

History has recorded peoples from Northern Africa traded dates and clothing with Babylonia & Assyria in the Middle East for spices and olive oil. Since then, trade has continued to expand across the border over many generations. Huge success of international trades eventually led to political and military power struggles.

- a) **Draw the integrated logistics process flow for Inbound and Outbound logistics in manufacturing company. (5 marks)**
- b) **Justify TWO (2) major components in International Trade business. (10 marks)**
- c) **Examine FOUR (4) FACTORS influencing companies entering the global markets business. (10 marks)**

QUESTION 2

By all standards, international documentations are much more complex than domestic documentation simply because each country has its own requirements. Any errors in trade documentations will create long and costly delays in shipping and also additional cost such as demurrage and storage charges.

- a) **Analyzes the functions of 'Air waybill (AWB)' as a document use in international business transaction for air cargo operations. (15 marks)**
- b) **Justify THREE (3) types of payment methods in International Trade. (10 marks)**

QUESTION 3

- a) The Incoterms rules are internationally accepted shipping terms used by more than 130 countries around the world, which includes well known multinational companies such as Nestle, Texas Instruments and Intel. **Analyses the functions of each terms as below;**
(15 marks)
- i. FOB
 - ii. CIF
 - iii. EXW
 - iv. DDP
 - v. DAT
- b) **Justify the changes resulting from The North American Free Trade Agreement (NAFTA).**
(10 marks)

QUESTION 4

- a) **Identify the objectives of Malaysia External Trade Development Corporation (MATRADE)**
(10 marks)
- b) **Discuss the implementation of Just In Time (JIT) concepts in order to improve global logistics performance.**
(15 marks)

QUESTION 5

- a) **Identify the Green Logistics implementation applied in IKEA. (5 marks)**
- b) Green logistics is a form of logistics which is calculated to be environmentally and often socially friendly in addition to economically functional. It describes all attempts to measure and minimize the ecological impact of logistics activities. This includes all activities of the forward and reverse flows of products, information and services between the point of origin and the point of consumption. **Classify FOUR (4) paradoxes that arises while companies implementing Green Logistics. (10 marks)**
- c) Logistics must make work effectively. This is required by your customers and, in turn, by your company. **Justify issues faced by the companies in global logistics.(10 marks)**

END OF QUESTION