



UNIVERSITI KUALA LUMPUR
Malaysian Institute of Marine Engineering Technology

FINAL EXAMINATION
MARCH 2025 SEMESTER SESSION

SUBJECT CODE : LOB30903

SUBJECT TITLE : EXPORTING AND IMPORTING

PROGRAMME NAME : BACHELOR IN MARITIME OPERATIONS (HONOURS)
(FOR MPU: PROGRAMME LEVEL)

TIME / DURATION : 2.00 PM - 5.00 PM
(3 HOURS)

DATE : 23 JUNE 2025

INSTRUCTIONS TO CANDIDATES

1. Please read **CAREFULLY** the instructions given in the question paper.
 2. This question paper has information printed on both sides of the paper.
 3. This question paper consists of **TWO (2)** sections; Section A and Section B.
 4. Answer **ALL** question in Section A, and **THREE (3)** questions **ONLY** in Section B.
 5. Please write your answers on the OMR for Section A and on answer booklet provided for Section B.
 6. Answer **ALL** questions in English language **ONLY**.
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THERE ARE 11 PAGES OF QUESTIONS, INCLUDING THIS PAGE

INSTRUCTION: Answer ALL questions.

Please use the OMR answer sheet provided.

1. _____ goods or merchandise that are sold to other countries to earn dollars.
 - a) Imports
 - b) Exports
 - c) Globalization
 - d) Trade

2. Which one of the following is NOT a part of export documents?
 - a) Commercial invoice
 - b) Certificate of origin
 - c) Bill of entry
 - d) Export letter of credit

3. Excise duty exemptions on exports is available for duty paid on:
 - a) Finished products only
 - b) Components only
 - c) Finished products and components
 - d) Imported items

4. Charter party is used:
 - a) In export trade
 - b) In import trade
 - c) In internal trade
 - d) In domestic trade

5. Bill of Lading is issued by
 - a) Shipping company
 - b) Agent of the importer
 - c) Captain of the ship
 - d) Custom officer

6. _____ are biases against bids or restrictive product standards that go against American product features.
- a) Tariffs
 - b) Quotas
 - c) Nontariff trade barriers
 - d) Exchange controls
7. _____ are a limit on the amount of foreign exchange and the exchange rate against other currencies.
- a) Tariffs
 - b) Quotas
 - c) Nontariff trade barriers
 - d) Exchange controls
8. Protectionism through government regulations and laws designed to _____ and to _____ of domestic markets and companies.
- a) Encourage imports; prevent foreign domination
 - b) Discourage imports; prevent foreign domination
 - c) Encourage imports; support foreign domination
 - d) Discourage imports; support foreign domination
9. _____ is the integration of economies and cultures through a global network of political ideas through communication, transportation, and trade.
- a) International trade
 - b) Exporting
 - c) Globalization
 - d) Importing
10. A trade surplus occurs when the value of a nation's export is _____ than the value of its imports.
- a) Greater
 - b) Smaller
 - c) Equals
 - d) Breakeven

11. The investment in productive assets and participation in management as stakeholders in business enterprises is:

- a) FDI
- b) FII
- c) Balance of payment
- d) SDR

12. Which of the following is international trade?

- a) Trade between provinces
- b) Trade between regions
- c) Trade between countries
- d) Trade between districts

13. Theory of comparative advantage was presented by:

- a) Adam Smith
- b) Ricardo
- c) Hicks
- d) Arshad

14. Tariff is _____.

- a) A restriction on the number of export firms
- b) Limit on the amount of imported goods
- c) Tax and imports
- d) Bill of lading

15. According to Ricardo, a country will have a comparative advantage in _____.

- a) Industries in which there are neither imports nor exports.
- b) Import competing industries.
- c) Industries that sell to domestic and foreign buyers
- d) Industries that sell to only foreign buyers

16. International trade is most likely to generate short term unemployment in _____.

- a) Industries in which there are neither imports nor exports
- b) Import-competing industries
- c) Industries that sell to domestic and foreign buyers
- d) Industries that sell to only foreign buyers

17. The exchange of goods and services is known as _____.
- a) Domestic trade
 - b) International trade
 - c) Trade
 - d) Market
18. Free traders maintain that an open economy is advantageous in that it provides all the following except:
- a) Increased competition for world producers
 - b) A wider selection of products for consumers
 - c) Relatively high wage levels for all domestic workers
 - d) The utilization of the most efficient production methods
19. Following the World War II, the United States and other countries sought to liberalize trade among each other. The first major postwar step toward trade liberalization was the _____.
- a) General Agreement on Tariffs and Trade
 - b) World Trade Organization
 - c) Smoot-Hawley Organization
 - d) North American Free Trade Agreement
20. World Trade Organization (WTO) agreement came into force from
- a) January 1, 1994
 - b) January 1, 1995
 - c) January 1, 1996
 - d) January 1, 1998
21. A government wants to promote its domestic manufacturing industry through international deals. Which type of countertrade would best support this strategy?
- a) Barter
 - b) Buyback
 - c) Offset
 - d) Counter purchase

22. A company agrees to build a power plant in another country and will be paid by receiving electricity from the plant over 10 years. This is an example of:
- a) Counter purchase
 - b) Barter
 - c) Buyback
 - d) Offset
23. Which type of countertrade provides the highest degree of flexibility in fulfilling the seller's reciprocal obligations?
- a) Switch trading
 - b) Barter
 - c) Counter purchase
 - d) Buyback
24. If a country is facing a foreign currency crisis, which countertrade mechanism would allow them to continue importing essential goods?
- a) Buyback
 - b) Barter
 - c) Offset
 - d) Licensing
25. The main objective of using countertrade is to:
- a) Avoid tariffs
 - b) Increase profits
 - c) Facilitate trade with countries lacking hard currency
 - d) Eliminate intermediaries
26. The term "countertrade" is most often associated with:
- a) Domestic marketing
 - b) Government procurement policies
 - c) International trade between firms or countries
 - d) Local auctions

27. A company exports temperature-sensitive pharmaceuticals globally. Which type of warehouse is strategically essential for maintaining product integrity?
- a) Bonded warehouse
 - b) Cold storage warehouse
 - c) Distribution center
 - d) Public warehouse
28. A firm needs to store imported goods without paying duties until the goods are sold. Which type of warehouse should it use?
- a) Private warehouse
 - b) Cooperative warehouse
 - c) Bonded warehouse
 - d) Fulfillment center
29. Which type of warehouse best supports fast-moving consumer goods (FMCG) firms requiring rapid inbound and outbound operations?
- a) Bonded warehouse
 - b) Cold storage warehouse
 - c) Distribution center
 - d) Cooperative warehouse
30. A company is planning a high-volume, automated e-commerce operation. Which warehouse type should be integrated to optimize speed and cost?
- a) Public warehouse
 - b) Manual warehouse
 - c) Smart warehouse
 - d) Cooperative warehouse
31. An international business wants to delay import duties while awaiting customer orders. Which warehouse arrangement supports this objective?
- a) Fulfillment center
 - b) Bonded warehouse
 - c) Cold chain facility
 - d) Smart warehouse

32. How does a smart warehouse offer a strategic advantage in managing omnichannel retail logistics?
- a) Uses cooperative funding models
 - b) Reduces the need for employees
 - c) Integrates AI, robotics, and IoT for real-time decision-making
 - d) Limits services to storage only
33. A food company needs a storage facility that complies with HACCP and temperature regulation. Which warehouse type fulfills this need?
- a) Smart warehouse
 - b) Cold storage warehouse
 - c) Cooperative warehouse
 - d) Fulfillment center
34. If a manufacturer wants to reduce last-mile delivery time and cost, which type of warehouse network is most strategic?
- a) Few centralized private warehouses
 - b) Multiple regional fulfillment centers
 - c) One large bonded warehouse
 - d) Only cooperative warehouses
35. What is the main limitation of using a private warehouse for a startup or small business?
- a) Low customization options
 - b) High operational and capital costs
 - c) Risk of spoilage
 - d) Less control over inventory
36. Which import restriction is most likely to raise domestic prices while protecting local producers from international competition?
- a) Subsidies
 - b) Quotas
 - c) Free trade agreements
 - d) Export incentives

37. An importer is required to obtain a government license before bringing goods into the country. This is an example of:
- a) Tariff restriction
 - b) Technical barrier
 - c) Import licensing
 - d) Dumping
38. Which import restriction is most likely to be challenged at the WTO due to its discriminatory nature?
- a) Tariff based on country of origin
 - b) Quota applied uniformly
 - c) Safety regulation on all imports
 - d) Licensing requirement applied equally
39. A country requires all imported toys to undergo safety testing before entering the market. This is most likely aimed at:
- a) Promoting local toys
 - b) Restricting foreign competition unfairly
 - c) Meeting consumer safety expectations
 - d) Controlling foreign exchange
40. When import restrictions are justified on the basis of national security, what is the likely impact on global trade relations?
- a) Increased liberalization
 - b) More trade agreements
 - c) Tensions and disputes at the WTO
 - d) Unchanged trading volumes

SECTION B (Total: 60 marks)

INSTRUCTION: Answer ANY THREE (3) questions.

Please use the answer booklet provided.

Question 1

a) The exchange of goods and services between countries and across borders is referred to as international trade while domestic trade happens when this business is conducted inside of a country's borders. Distinguish FOUR (4) differences between domestic trade and international trade. Use table to explain your points.

(10 marks)

b) International trade is the exchange of capital, goods, and services across international borders or territories because there is a need or want of goods or services. Justify FOUR (4) issues of international trade. Use table to explain your points.

(10 marks)

Question 2

a) Customs Value is the total value of all items in your shipment and determines how much import duty the package recipient must pay. Explain FOUR (4) transaction value methods despite of the primary basis for valuation. Use table to explain your points.

(10 marks)

b) Operating in a global marketplace puts you in competition with multi-nationals and local firms. For international customers to have a real incentive to choose your business, they must be assured of the quality and variety of your offerings while being able to obtain them at favorable rates in a relatively straightforward manner. Distinguish FOUR (4) methods of receiving payment for products sold abroad. Use table to explain your points.

(10 marks)

Question 3

- a) A warehouse can be defined functionally as a building in which to store bulk produce or goods (*wares*) for commercial purposes. The built form of warehouse structures throughout time depends on many contexts: materials, technologies, sites, and cultures. Discuss FOUR (4) types of Warehouse. Use table to explain your points.

(10 marks)

- b) Warehouses preserve goods on a large-scale in a systematic and orderly manner. They provide protection to goods against heat, wind, storm, moisture, etc. and also cut down losses due to spoilage, wastage etc. This is the basic function of every warehouse. Explain FOUR (4) functions of warehouse. Use table to explain your points.

(10 marks)

Question 4

- a) International trade is an exchange involving a good or service conducted between at least two different countries. The exchanges can be imports or exports. An import refers to a good or service brought into the domestic country. Explain FOUR (4) restrictions on trade between nations. Please include an example for each point. Use table to explain your points.

(10 marks)

- b) In the broadest terms, globalization is the spread of products, services, people, and activities across national borders and across cultures. On an individual business level, this might be referred to as global or overseas expansion. Discuss FOUR (4) benefits of globalization. Use table to explain your points.

(10 marks)

END OF EXAMINATION QUESTIONS