



NOVEMBER 2021 EXAMINATION SESSION  
TUESDAY 23<sup>rd</sup> NOVEMBER 2021 – AFTERNOON

# LOGISTICS AND MULTI-MODAL TRANSPORT

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. You are the manager of a logistics company, providing a multimodal transport service for an importer of consumer goods which are moving from Hong Kong to New York.

Describe the modes of transport and different routes which are available from Hong Kong to New York, using examples, and provide advice to the importer on the advantages and disadvantages of each route.

Use the world map provided to support your answer.

2. Explain in detail any **FOUR** of the following terms and their significance in multimodal transport.

- i. INCOTERMS 2020
- ii. NVOCC
- iii. Hub and Spoke
- iv. UCP 600
- v. FMC
- vi. CMR

3. Answer **BOTH** parts of the question.

A manufacturer of cars assembled from imported parts uses a supply chain based on 'just in time' principles.

- a) Explain what is meant by a 'Just in Time' supply chain, and the advantages and disadvantages for the manufacturer in adopting this approach.
- b) What different factors (other than price) should the manufacturer look for when choosing a multimodal transport operator to provide the transport services as part of this supply chain?

**PLEASE TURN OVER**

4. Having a container available at the right place at the right time while minimising the associated costs is a key objective for a container line which manages its own fleet of containers.

Explain the different container management functions which need to be undertaken to meet this objective, and the IT systems needed to support them.

5. Ports and their container/ro-ro terminals can be owned and operated by the public sector or by private/commercial businesses.

Discuss the advantages and disadvantages of public and private ownership and operation, supporting your answer with examples of ownership structures in particular ports.

6. There are currently three international cargo liability conventions for maritime transport in force, and a fourth convention (the Rotterdam Rules) not yet in force.

Explain the purpose of these conventions.

Describe the main differences between the terms of the four conventions, and why the differences exist.

7. Answer **BOTH** part of the question.

- a) What is a documentary letter of credit, and what part does it play in the international trading and movement of goods using multi modal transport services.
- b) Name **THREE** features of a bill of lading which are required to ensure its acceptance under a letter of credit, and explain why these features are important to the buyer of the goods.

8. The profitability of container lines has increased dramatically in the last twelve months, reaching levels never previously experienced.

Explain the circumstances which have enabled the lines to make these exceptional profits.

Discuss how generating such high profits may affect the future of the industry and in particular its relationship with regulators and with its customers.