

BINDURA UNIVERSITY OF SCIENCE EDUCATION
FACULTY OF COMMERCE
DEPARTMENT OF INTELLIGENCE AND SECURITY STUDIES
BACHELOR OF COMMERCE HONOURS DEGREE IN FINANCIAL INTELLIGENCE
PART 4
FI410: TRADE AND CUSTOMS PRACTICE
DURATION: 3 HOURS (100 marks)

NOV 2023

INSTRUCTIONS TO CANDIDATES

1. Answer **any four** questions.
 2. Each question carries 25 marks
 3. Begin each new question on a fresh page
 4. Cell phones are not allowed in the examination room
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Question 1

- (a) Using relevant examples discuss the costs and benefits of free trade. (12)
- (b) Discuss the theory of Comparative Advantage by David Ricardo. (13)

[Total Marks 25]

Question 2

- (a) Define INCOTERMS? (2)
- (b)) Explain the following INCOTERMS:
- i. Main Carriage Paid-CIF (3)
 - ii. Main Carriage Unpaid-FOB (Free On Board) (3)
- c) What criteria are used to qualify a good/product as “originating”? (17)

[Total Marks 25]

Question 3

- (a) The Container Security Initiative and Customs Trade Partnership against Terrorism ensure a secure supply chain. Discuss these two initiatives. (13)
- (b) Describe Trade Facilitation Initiatives undertaken / proposed by the World Customs Organisation (WCO) (12)

[Total marks 25]

Question 4

Illustrate the high-level scenario of a customs control process according to World Customs Organisation (WCO) risk management guide.

[25 marks]

Question 5

- (a) Explain the basic principle of Customs Valuation. (3)
- (b) Discuss the first three alternative methods of customs valuation where the transaction value has not been accepted or distorted. (9)
- (c) Evaluate the impact of Preferential Rules of Origin on international trade. (13)

[Total marks 25]

Question 6

Evaluate the core principles of customs transit regimes.

[25 marks]

End of paper