higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

FREIGHT LOGISTICS
NQF LEVEL 4

(11020274)

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)
FREIGHT LOGISTICS
NQF LEVEL 4
TIME: 3 HOURS
MARKS: 150

7INSTRUCTIONS AND INFORMATION

1. Answer all the questions.
2. Read all the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Use only a black or blue pen.
5. Write neatly and legibly.

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SECTION A

QUESTION 1

Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (1.1–1.10) in the ANSWER BOOK.

1.1 The aim of the Cross-Border Road Transport Amendment Act is to regulate the granting of permits.

1.2 The PPPFA facilitates the awarding of contracts based on the 60/40 preference point system.

1.3 Fraud and corruption are two of the biggest challenges facing the tendering system.

1.4 The South African Maritime Safety Authority (SAMSA) is responsible for safety regulation outside ports.

1.5 A wholesaler converts raw materials into finished goods.

1.6 Fuel is an example of fixed transport costs.

1.7 An income stream can be defined as a regular flow of money generated by a business.

1.8 An operational management plan is focused on the work of entry-level managers.

1.9 ACSA owns and operates the nine main South African airports.

1.10 South Africa's main imports include gold.

(10 × 1) **[10]**

QUESTION 2

Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–M) next to the question number (2.1–2.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
2.1	Regulates marine traffic in South Africa	A	value chain analysis
2.2	Document containing important conditions and must be signed in ink	B	border posts
2.3	Points where transfers of goods from one mode of transport to another occur	C	acquisition costs
2.4	Aims to eliminate any activities in the manufacturing process that do not add value to the product	D	palletising
2.5	Costs associated with the delivery of a product or service to a customer	E	Marine Traffic Act
2.6	Shows the profit or loss of a company over a given period	F	cluster
2.7	Group of people who have similar business interests	G	intermodal interface
2.8	Storage or movement of cargo by means of pallets	H	balance of trade
2.9	Difference between the value of goods and services exported and the value of goods and services imported	I	Civil Aviation Act
2.10	Used to ask customers specific questions about their impressions of a company	J	choking
		K	bid commitment and declaration of interest
		L	customer interview
		M	income statement

(10 × 1) **[10]**

QUESTION 3

Complete the following sentences by writing only the missing word or words next to the question number (3.1–3.5) in the ANSWER BOOK.

3.1 … refers to all acquisition of goods, services and public works using certain methods and time, which creates the best value for the community.

3.2 A/An … is a system used for the long-distance transportation of liquid or gas, typically to a market area for consumption.

3.3 … refers to the management of logistics activities, irrespective of the activities that characterise the different sectors.

3.4 A/An … acts as an intermediary between the supplier and wholesaler/retailer or between the supplier and customer.

3.5 … are large-scale structures within which different logistics service providers collaborate in order to offer value-added services by sharing assets.

(5 × 2) **[10]**

TOTAL SECTION A: 30

SECTION B

QUESTION 4

COMPLIANCE IN SA'S LOGISTICS INDUSTRY MORE IMPORTANT THAN EVER

With South Africa's domestic economy officially in recession, the inclination for many in business to take greater risks for the sake of short-term profitability has notched up considerably with regulatory compliance often being a victim. "As an industry, we operate within key legal parameters, and red tape and paperwork are inevitable," says Adv. Christo Erasmus, head of legal for Bidvest International Logistics (BIL). "However," he warns, "the paperwork associated with fixing a noncompliance issue can be far more onerous."

[Source: https://www.*bizcommunity.com*]

4.1 Briefly explain TWO purposes of each of the following acts:

4.1.1 National Land Transport Act

4.1.2 Marine Traffic Act

(2 × 2) (4)

4.2 What is the ONE risk that companies are taking because of the domestic economic recession in South Africa. (1)

4.3 Which stakeholder is most likely to suffer because of the risk identified in the article. (1)

4.4 Mention One way in which these stakeholders are likely to suffer (2)

The Green Paper on Public Sector Procurement Reform in South Africa states that there are a number of key principles at the heart of public sector procurement reform.

4.5 State THREE key principles of public sector procurement reform. (3 × 2) (6)

4.6 Name and explain TWO steps in the government tendering system. (2 × 3) (6)

4.7 Name THREE commercial ports of entry in South Africa. (3)

[23]

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QUESTION 5

The National Land Transport Strategic Framework (NLTSF) is a legal requirement in terms of section 34 of the National Land Transport Act 5 of 2009 (NLTA). The NLTA empowers the minister to prepare an NLTSF every five years. It embodies the overarching national five-year land transport strategy (2023 to 2028), which gives guidance on transport planning and land transport delivery by the national government, provinces in the development of Provincial Land Transport Frameworks (PLTFs) and municipalities in the development of the respective Integrated Transport Plans (ITPs) for the five-year period.

Besides the legislative requirements, recent developments in the transport environment internationally, regionally (Africa), at national, provincial and local levels, as well as the new strategic objective of the current administration, dictate the proposed reviewing and updating of the NLTSF. The Public Transport Strategy and Action Plan, the approval of the National Development Plan (NDP) by government, National Learner Transport Policy, National Rail Policy White Paper 2022, Master Plan 2050 (NATMAP 2050), including the strategic imperatives of the current administration that might have an impact on the development of the NLTSF five-year horizon, and many other developments in the transport environment, need to be considered in the review and update of the framework. Nationally there are constitutional implications for transport planning, which affect the right to safety, equality, dignity and freedom of movement.

[Source: *www.gov.za*]

5.1 5.1.1 Give TWO modes of transport regulated by the NLTS. (2)

5.1.2 Name TWO rights of South African citizens that are ensured with the implementation of the NLTSF. (2 × 2) (4)

5.1.3 Summarise the purpose of the National Freight Logistics Strategy Framework. (3 × 2) (6)

5.1.4 List FOUR NLTSF policy documents that are currently under review and updated. (4)

5.2 Name FOUR freight logistics corridors in South Africa. (4)

5.3 Explain the aim of the declaration of attendance document. (2)

5.4 Explain how each of the following synergies can be achieved through integrated logistics management:

5.4.1 Cooperative management

5.4.2 Inclusive communication

(2 × 2) (4)

[26]

QUESTION 6

6.1 Define the term *retailer*. (2)

6.2 From a customer's perspective, logistics management is mostly defined in terms of the seven Rs.

Name THREE of the seven Rs. (3 × 2) (6)

6.3 Explain how increased sales volume in a logistics company may increase its profitability. (4)

6.4 List THREE key factors affecting the profitability of a company. (3)

6.5 Give TWO examples of expenses that a logistics business can incur. (2)

[17]

QUESTION 7

7.1 Copy and complete the following income statement of Kagisho Transport Services.

INCOME STATEMENT OF KAGISHO TRANSPORT SERVICES FOR THE YEAR ENDED 30 JUNE 2023

Sales		
Less: Cost of sales		
Gross profit		
Less: Expenses		
Net profit		

Kagisho Transport Services had the following information on record for the year ended 30 June 2023:

	R
Sales	6 000 000
Cost of sales	2 500 000
Salaries	550 000
Fuel	900 000
Toll fees	25 0000
Electricity	13 000
Telephone	7 000
Stationery	5 000

(11)

Even for companies that outsource their logistics management functions, it is crucial to have a clear logistics management plan that spells out the required performance levels to achieve business goals. The logistics management plan usually forms part of service level agreements and sets the performance requirements for the different parties in the supply chain.

[Source: *Freight Logistics L4 Learner's Guide*]

7.2 Name and explain THREE types of management plans. (3 × 2) (6)

7.3 Give THREE benefits of a warehouse management plan. (3 × 2) (6)

7.4 Differentiate between *internal customers* and *external customers*. (2 + 2) (4)

[27]

QUESTION 8

Trade between China and South Africa is set to grow further after several announcements on trade were made at the BRICS summit held in South Africa in 2023. At the summit, the countries agreed to narrow the trade deficit by increasing access to Chinese markets for South African products. In this regard, China has recently begun importing South African beef and a block on the product (due to foot and mouth disease) was lifted. The two countries also agreed to allow avocados to be exported from South Africa from South Africa to China.

[Source: *Global Compliance News*]

8.1 Explain each of the following concepts:

8.1.1 Trade deficit

8.1.2 Balance of trade

(2 × 2) (4)

8.2 Name TWO products from the extract that China will import from South Africa. (2)

8.3 List FOUR countries that share land-based points of entry with South Africa. (4)

8.4 Name THREE major South African international airports. (3)

8.5 Briefly explain the purpose of tracking in the freight logistics environment. (2)

8.6 Describe a positive moment of truth with a customer and give an example. (4)

8.7 Explain FOUR aims of a customer care policy. (4 × 2) (8)

[27]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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