higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

FREIGHT LOGISTICS
NQF LEVEL 4

(11020274)

21 November 2023 (X-paper)
09:00–12:00

This question paper consists of 9 pages.

215Q1N2321

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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

INSTRUCTIONS 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 a blue pen.
5. Write neatly and legibly.

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SECTION A

QUESTION 1

Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1–1.10) in the ANSWER BOOK.

1.1 Legislation that prescribes the rights and responsibilities of employees and employers.

A Civil Aviation Act
B Occupational Health and Safety Act
C Marine Traffic Act
D National Land Transport Act

1.2 This policy's main aim is to ensure that air transport is safe, reliable and affordable.

A Maritime transport policy
B Non-motorised transport policy
C Rail policy
D Aviation policy

1.3 RFP stands for …

A request for proposal.
B request for procurement.
C request for provision.
D receipt for purchases.

1.4 … is responsible for establishing and maintaining port infrastructure.

A Airports Company of South Africa
B South African National Road Agency Limited
C Transnet
D National Port Authority

1.5 An example of a variable cost:

A Rent
B Fuel
C Insurance
D Security

1.6 If income is R8 000 and expenses amount to R3 000, then profit is:

A R5 000
B R11 000
C R3 000
D R8 000

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1.7 The term *income* can be described as …

A the money paid to suppliers.
B the money made by selling products or services.
C the money owed by the business.
D the difference between sales and cost of sales.

1.8 A poorly run warehouse can …

A increase customers.
B make a lot of money for the company.
C result in a decrease in sales.
D result in an increase in sales.

1.9 King Shaka International Airport is located in …

A Johannesburg.
B Cape Town.
C East London.
D Durban.

1.10 Refers to ways of slowing down the movement of containers:

A Palletizing
B Lashing
C Choking
D Tracking

(10 × 1) **[10]**

QUESTION 2

Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (2.1–2.10) in the ANSWER BOOK.

2.1 Aviation policies are divided into domestic and international policy.

2.2 The government tendering system is entrenched in the PFMA and the PPPFA.

2.3 The closing time for submission of tender documents is usually 23:00.

2.4 A freight logistics node is a point that connects different transport modes and provides an opportunity to store freight.

2.5 Reverse logistics refers to the process to acquire and supply raw materials required for manufacturing.

2.6 Acquisition cost refers to costs associated with the delivery of a product.

2.7 Profits for a specific product can be maximised by decreasing sales volumes.

2.8 An internal customer is anyone from outside the organisation.

2.9 If the trade balance is positive, it means the country is selling more than it is using.

2.10 South Africa is the largest exporter of gold.

(10 × 1) **[10]**

QUESTION 3

Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–E) next to the question number (3.1–3.5) in the ANSWER BOOK.

COLUMN A		COLUMN B	
3.1	It entails the planning, implementing and control of goods	A	trade route
3.2	Are lanes at sea that are regularly used by freight vessels	B	80/20 preference system
3.3	All the money that the company receives during a specific time period	C	logistics
3.4	A group of people who have similar business interest	D	revenue
3.5	Is used to calculate the point for price in respect of tenders/procurement	E	cluster

(5 × 1) **[5]**

QUESTION 4

Complete the following sentences by filling in the missing word or words. Write only the answer next to the question number (4.1–4.5) in the ANSWER BOOK.

4.1 In terms of land transport, there are two very important Acts governing the national coordination of regulations and law enforcement, registration and … and training of traffic offices.

4.2 The vision of … is that by 2050 transport in SA will meet the needs of freight and passenger customers.

4.3 … costs are associated with the expenses involved in moving products or assets to a different place.

4.4 … costs are associated with the employment of staff to perform the necessary jobs in the company.

4.5 … are facilities equipped to receive goods from one or more suppliers for temporary storage.

(5 × 1) **[5]**

TOTAL SECTION A: 30

SECTION B

QUESTION 5

Read the following article and answer the questions that follow.

FARMERS WILL BENETIT BY SWITCHING FROM ROAD TO RAIL TRANSPORT

A new policy that aims to revitalise rail transport through partial privatisation can help the agriculture sector save on transport costs and carbon emissions, leaders say. It is becoming more expensive for farmers to transport their agricultural goods by the day, with costs driven by the price of fuel and the deterioration of South Africa's often overburdened roads infrastructure. In this light, agriculture leaders are cautiously optimistic about a new policy direction that could spur a partially privatised renaissance of rail transport in the country.

The department of transport's White Paper on National Rail Policy, recently published in the Government Gazette, intends to turn the country's underperforming railway system around by making space for private sector investment.

The long-term policy framework envisions giving private operators concessions to specific rail lines to encourage competition. It also foresees letting private companies provide their own rolling stock as a way to finance the upgrading of the country's currently neglected rail cars. Experts say if what the policy recommendation is approved, the agricultural and agro-processing sectors have much to gain from it.

According to Christo van der Rheede, executive director at Agri SA, the policy could reduce transportation costs to farmers. He said it was also a solution to South Africa's deteriorating road infrastructure. "If implemented properly, it can minimise the damage caused by trucks to the roads. We need to have fewer trucks on the roads, because not only does it lead to congestion, but it contributes to increased carbon emissions," Van der Rheede explained.

He believes that there would also be fewer road accidents and the quality of road maintenance would improve. Bulk commodities such as grain, maize, wheat, wool and cotton can all be moved by rail instead of trucks. Van der Rheede also believes that the policy posed an opportunity for South Africa to curb its greenhouse gas emissions.

[Source: *www.foodformzansi.co.za*]

5.1 What are the FOUR benefits of the new policy according to Agriculture South Africa? (4 × 2) (8)

5.2 Identify TWO aims of White Paper on National Rail Policy according to the article. (2 × 2) (4)

5.3 Explain THREE purposes of the rail policy. (3 × 2) (6)

5.4 What is the SOE responsible for the rail policy? (1)

5.5 Freight transport and logistics regulation is unfortunately also fragmented and inconsistent. Furthermore, mode-specific regulation is a combination of independent internal and external regulation spread across different SOEs. Clear economic regulation is only applicable to certain small sub-components of the freight logistics industry.

Summarise challenges identified by the National Freight Logistics Strategy. (3 × 2) (6)

[25]

QUESTION 6

6.1 Study the picture below and answer the questions that follow.



[Source: *https://thetenderteam.com.au/tender-writing-services/*]

Elaborate in detail on the decision to tender in the government tendering system once the RFP has been studied by the company on whether to tender or not. (4)

6.2 Describe FOUR objectives of the Public Finance Management Act. (4 × 2) (8)

6.3 Name TWO types of commodities that are handled at each of the following commercial ports:

6.3.1 Durban

6.3.2 East London

(2 × 2) (4)

6.4 Name any THREE parties involved in supply chain management. (3)

6.5 Differentiate between *fixed costs* and *variable costs*. (2 × 2) (4)

[23]

QUESTION 7

7.1 Summarise any TWO synergies that may be achieved through integrated logistics management. (2 × 2) (4)

7.2 Discuss consumer awareness as a factor contributing to the growth of integrated logistics management. (3)

7.3 Explain the following types of cost groups in an integrated supply chain management.

7.3.1 Order processing costs

7.3.2 Storage costs

(2 × 2) (4)

7.4 Lerato and Mateboho are two sisters who combined their skills and knowledge to open Emphangeni Logistics. They know that you are in your final year of studies in Transport and Logistics NCV Level 4 and came to seek your advice on how they can best expand their business. You have the following information available about their business:.

Use the information below to draw up an income statement from the books of Emphangeni Logistics for the year ended 31 August 2023.

	R
Sales	2 000 000
Cost of sales	600 000
Salaries	300 000
Fuel	250 000
Maintenance	80 000
Stationery	10 000
Electricity	30 000
Toll fees	20 000

(11)

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7.5 Advise the sisters on the best ways in which Emphangeni Logistics can increase profitability in their business. (2 × 2) (4)
[26]

QUESTION 8

8.1 List TWO external factors impacting on the profitability of businesses. (2)

8.2 Briefly explain FOUR benefits of a distribution management plan. (4 × 2) (8)

8.3 Summarise the THREE types of management plans and also give relevant examples in each case. (3 × 4) (12)

8.4 Name TWO national airports in South Africa. (2)

8.5 Give TWO neighbouring countries with which South Africa shares land border points of entry. (2)
[26]

QUESTION 9

9.1 Read the passage below and answer the questions that follow.

> South Africa is stuck with a surplus of chicken breasts. Europe is stuck with a shortage, and willing to pay three times the local price. But experts at a recent discussion said while the opportunity is clear, the road to export growth is riddled with barriers limiting the poultry sector to do so.
> The country currently exports 26 000 tonnes of chicken per year, with an export value of R622 million.

9.1.1 What is the meaning of the term, *export*? (2)

9.1.2 Explain FOUR factors that determine the pricing of imported goods. (4 × 2) (8)

9.1.3 Name TWO commodities exported by South Africa (2)

9.2 State FOUR reasons why logistics companies use track and trace systems. (4 × 2) (8)
[20]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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