



PAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION

DEPARTMENT OF ECONOMICS, ACCOUNTING AND FINANCE

QUALIFICATION: POST GRADUATE DIPLOMA IN DEVELOPMENT FINANCE	
QUALIFICATION CODE: 08PGDD	LEVEL: 8
COURSE CODE: TFN820S	COURSE NAME: TRADE FINANCE
SESSION: DECEMBER 2025	PAPER: THEORY AND APPLICATIONS (PAPER 2)
DURATION: 3 HOURS	MARKS: 100

SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINERS	Lameck Odada
MODERATOR	Prof Leward Jeke

INSTRUCTIONS
<ol style="list-style-type: none">1. This question paper consists of FOUR (4) Questions.2. Answer ALL the FOUR (4) questions in blue or black ink only. NO PENCIL and TIPEX3. Start each question on a new page and number the answers correctly and clearly.4. Write clearly and neatly and show all your formulas, workings, and assumptions.5. Questions relating to this examination may be raised in the initial 30 minutes after the start of the examination. Thereafter, candidates must use their initiative to address any perceived errors or ambiguities, and any assumptions they make should be clearly stated.

PERMISSIBLE MATERIALS

1. Black or blue ink pen and a ruler

THIS QUESTION PAPER CONSISTS OF 3 PAGES (including this front page)

QUESTION 1**[25 MARKS]**

This National Trade Policy (NTP) is developed to guide Namibia's trade relations with the rest of the world and is formulated within the scope of Vision 2030 - the country's policy framework for long-term national development, aiming to elevate Namibia to a developed country status. The NTP is shaped by the country's international and regional trade agreements, particularly the World Trade Organisation (WTO) agreements, the Southern African Customs Union (SACU) Agreement, the Southern African Development Community (SADC) Regional Indicative Strategic Development Plan (RISDP), and the Agreement establishing the African Continental Free Trade Agreement (AfCFTA), amongst others.

REQUIRED		MARKS
a)	Discuss the five (5) key challenges in Namibia's trade performance that are grounded in some of the interrelated and self-reinforcing constraints	10
b)	Analysis of Namibia's overall trade in goods and services performance highlights key trade policy challenges. Identify and discuss any five (5) of these challenges	10
c)	The NTP prioritises the diversification of domestic economic activity, exports, and markets, as well as enhancing economic competitiveness. Identify any five (5) strategies in the NTP that broadly unleash Namibia's potential in international trade with strategic interventions and actions.	5

QUESTION 2**[25 MARKS]**

A country's balance of payments (BOP) is the record of all international transactions (payments and receipts) between the individuals and entities (including the government) of that nation and other countries during a specific time period.

REQUIRED		MARKS
a)	Identify and describe the four (4) components of a BOP statement	16
b)	Identify and explain four (4) monetary measures to correct disequilibrium in the BOP	9

QUESTION 3**[25 MARKS]**

The term 'countertrade' refers to a set of (commercial) agreements between a buyer and a seller in which the primary transaction is accompanied by a variety of additional conditions. Countertrade is a system of exchange in which goods and services are used as payment rather than money. There are several types of countertrade arrangements.

REQUIRED	MARKS
Discuss any FIVE (5) types of countertrade arrangements, citing an appropriate example under each type.	25

QUESTION 4**[25 MARKS]**

Incoterms are International Commercial Terms, a set of standardised rules published by the International Chamber of Commerce (ICC) that clarify the responsibilities, costs, and risks between buyers and sellers in international and domestic sales contracts for goods. They define who handles shipping, insurance, customs clearance, and risk transfer for goods, promoting clear communication and preventing costly misunderstandings.

REQUIRED	MARKS
Critically evaluate the Incoterms related to sea and inland water transport in trade finance	25

END OF EXAMINATION PAPER