



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION**

**DEPARTMENT OF MARKETING, LOGISTICS AND SPORTS MANAGEMENT**

<b>QUALIFICATION: BACHELOR OF PROCUREMENT &amp; SUPPLY CHAIN MANAGEMENT</b>	
<b>QUALIFICATION CODE: 07BPSM</b>	<b>LEVEL: 5</b>
<b>COURSE CODE: CPM521S</b>	<b>COURSE NAME: CONTRACT AND PERFORMANCE MANAGEMENT</b>
<b>SESSION: NOVEMBER 2025</b>	<b>PAPER: THEORY</b>
<b>DURATION: 3 HOURS</b>	<b>MARKS: 100</b>
<b>SECOND OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
<b>EXAMINER(S)</b>	MS. SELMA KAMBONDE (FT) MS. HELVI KAULINGE (FT) MS. SARA NAMBINGA (FT) MS. JUDITH TJITUKA (FT) MR. NORWIN OOSTHUIZEN (PT/DI) MR. THOMAS MWAHENUKANGE (EF/ED)
<b>MODERATOR:</b>	DR. HELVI PETRUS
<b>INSTRUCTIONS</b>	
<ol style="list-style-type: none"><li>1. Answer ALL the questions.</li><li>2. Write clearly and neatly.</li><li>3. Number the answers.</li><li>4. Pay attention to the mark allocation when formulating your answers.</li></ol>	

**THIS QUESTION PAPER CONSISTS OF 4 PAGES (Including this front page)**

**SECTION A: MATCHING****QUESTION 1: (20 MARKS)**

Match the following concepts in **Column A** with the correct Statement/ Scenarios in **Column B**. Write only the question number and the corresponding letter of the correct match.

**Example:** 1 – B. Each answer is equivalent to 2 marks.

<b>Column A</b>	<b>Column B</b>
1. Strategic Sourcing	<b>A.</b> A furniture supplier fails to deliver school desks for the Ministry of Education, leaving classrooms without desks for learners.
2. Cost-Benefit Analysis	<b>B.</b> A fishing company and a logistics provider strike a deal where transport fees are reduced in exchange for a long-term delivery contract.
3. Breach of Contract	<b>C.</b> A logistics firm delivering textbooks for the Ministry of Education is assessed on delivery time, vehicle condition, and customer complaints.
4. Outsourcing	<b>D.</b> NamPower must decide between importing transformers from China at lower cost but longer lead times or buying locally at higher prices but with immediate availability.
5. Win-Win Negotiation	<b>E.</b> A construction company is caught colluding on tender prices for a Ministry of Works project and is blocked from bidding for five years.
6. KPIs	<b>F.</b> Ministry of Agriculture weighs whether to invest in irrigation schemes in Kavango East, given high capital costs but long-term food security benefits.
7. Debarment	<b>G.</b> A leading Namibian commercial bank signs a long-term contract with a private IT services provider to take over the management of its core banking systems. Months later, the bank experiences a massive data breach that exposes sensitive customer information, raising questions about allocating responsibilities under the contract.
8. Litigation	<b>H.</b> A state-owned enterprise awarded a contract for road rehabilitation with a 12-month completion deadline. When reviewed, the project had already gone 8 months over schedule, severely disrupting regional transport and creating reputational risks for the government.
9. Mediation	<b>I.</b> A medical oxygen supplier is compelled by the High Court to deliver tanks to state hospitals during COVID-19 after withholding supply over pricing disputes.
10. Arbitration	<b>J.</b> NamPost and a local courier company conflict over late parcel deliveries. Instead of going to court, both parties agree to sit with a neutral facilitator who guides discussions until they find a middle-ground solution. The facilitator's suggestions are not binding, but they help the parties reach an agreement.
11. Performance Risk	<b>K.</b> A Namibian construction firm negotiating with a foreign cement supplier, considers switching to South African imports if price demands are not met.

12. Specific Performance	L. During flash floods, the Office of the Prime Minister uses emergency procurement instead of open bidding to source tents and food for affected communities.
13. Minor Breach	N. NamPower and a South African turbine supplier disagree over penalties for project delays. Their contract states that any disputes must be referred to an independent panel in Johannesburg, whose final ruling both parties must legally follow.
14. BATNA	M. Namibia Breweries receives a shipment of bottles one week late; production continues, but the delay triggers increased overtime costs for factory workers.
15. Procurement Methods	O. A local contractor sues the Ministry of Works in the High Court after payment delays cripple a rural school construction project, with taxpayers ultimately footing the legal bill.

**SECTION A: 20 TOTAL MARKS**

**SECTION B: STRUCTURED QUESTIONS**

**QUESTION 2 (20 MARKS)**

A recent newspaper article reported that Namibia Transport Holdings signed a N\$30 million contract with a logistics company to supply 50 new buses for the public transport system in Windhoek by March 2025. The buses were meant to reduce congestion and improve access for commuters. However, only 15 buses had arrived by the delivery date, and several did not meet the agreed safety and quality standards. The delay has caused operational disruptions, loss of revenue, and frustration among commuters facing transport shortages. Namibia Transport Holdings is now exploring possible legal remedies to address the breach of contract.

Based on the provided newspaper article, practically discuss any six potential remedies for breach of contract, referring to the case scenario in your answer? **(20 Marks)**

**QUESTION 3 (36 MARKS)**

**CVB Manufacturing**, a major automobile company, is procuring specialised machinery for its production facility. The company has entered into contractual negotiations with multiple suppliers to secure the required equipment. Each supplier has proposed different terms and pricing structures, highlighting the need for a variety of procurement contract types. As part of these negotiations, CVB Manufacturing and its suppliers are addressing several key issues, with both parties aiming to safeguard their interests and ensure the smooth and successful execution of the contracts.

3.1 Briefly discuss four contractual agreements commonly used between buyers and suppliers in procurement. For each type of contract, explain the context in which it is most often applied and outline the benefits it offers either to the buyer or the supplier?

**(20 marks)**

3.2 Identify and analyse the five important negotiation areas where buyers and sellers can agree, explaining why each issue is crucial for both parties and how it impacts the final contract outcome? **(16 marks)**

**SECTION B: 56 TOTAL MARKS**

**SECTION C : CONCEPTS**

**QUESTION 4: (24 MARKS)**

Write short notes on the following procurement contract concepts in your own words. Provide a brief explanation of each one of the concepts and one relevant example for each, drawn from procurement and supply chain practice in Namibia or internationally? **(24 marks)**

- 3.1 Contract Lifecycle Management (3 marks)
- 3.2 Accommodating Negotiation (3 marks)
- 3.3 Material breach (3 marks)
- 3.4 Indemnity Clause (3 marks)
- 3.5 Electronic Procurement (3 marks)
- 3.6 Value Chain Analysis (3 marks)
- 3.7 JIT (3 marks)
- 3.8 Procurement Methods (3 marks)

**SECTION C: 24 TOTAL MARKS**

**TOTAL MARKS:100 MARKS**