

UNIVERSITY OF COLOMBO, SRI LANKA
FACULTY OF MANAGEMENT AND FINANCE

Bachelor of Business Administration (Level II - Semester V) Examination – June/July 2017

INB 2302- International Trade Law

Three (03) Hours

Answer any **FIVE (05)** Questions.

(Candidates will be penalized for illegible handwriting.)

1. “Since the formal establishment of the World Trade Organization (WTO) in 1995, the process of economic globalization has gained increasing momentum. WTO, as the main actor in world trade, its membership brings wide range of rights and responsibilities for the members to enjoy many benefits of trade liberalization.”

Critically discuss the above statement with reference to the Sri Lanka’s current role as a player in the international trade.

(20 Marks)

2. Kamal, who is from the contracting State of Utopia is a dentist. He is under the contract of the United Nations for the International Sale of Goods (CISG) of 1980 and purchases a combined chair and a drill unit from Nimal, a seller who engages in business in the CISG contracting State of Hyopia. Soon after the delivery of items, a fire caused by defective wiring of the unit, destroyed it completely. The fire also caused considerable damage to Nimal’s office.

Advise Kamal on the possible legal measures available to him that can be taken against Nimal. Substantiate your answer with particular reference to the provisions of the CISG.

(20 Marks)

3. “Competition promotes productive efficiencies, innovation, consumer welfare, economic and political democracy. It is also an essential condition for national competitiveness. However, anti-competitive practices tend to harm any competition in the market.”

Comment on the above statement drawing examples from two other jurisdictions of your choice.

(20 Marks)

4. Compare and contrast the duties of buyers and sellers under the 'CIF' and 'FOB' terms.

(20 Marks)

5. A cargo of frozen beef was shipped from Sydney to Hong Kong. During the voyage the cargo was damaged, due to the breakdown of the vessel's refrigeration unit. Before the voyage, an inspection was conducted by a reputed firm that engages in refrigeration unit repairs, as per the request made by the carrier. It was later revealed that the delegated worker in the firm had not examined the refrigeration unit in a proper manner.

Examine the nature of the obligation of the carrier with reference to the relevant case law and legislation in Carriage of Goods by the Sea.

(20 Marks)

6. "When engaging in international trade, some of the inherent risk involved in the settlement process can be reduced or eliminated, depending upon the method of payment selected. Therefore, it is necessary for the exporter and importer to agree upon the methods of payment and incorporate the details in the contract of sale."

In light of the above statement, compare and contrast the main methods of payment used in the international trade, focusing on their potential benefits and risks.

(20 Marks)

7. Write notes on any **Four (04)** of the following:

- I. Seaworthiness
- II. Charter party
- III. Cargo worthiness
- IV. Unimodal transport & multimodal transport
- V. Mergers and acquisitions
- VI. Marine insurance

(05*4 = 20 Marks)
