

**MAKERERE UNIVERSITY BUSINESS SCHOOL**  
**Faculty of Procurement & Logistics management**  
**Department of procurement and supply chain management**

**PROGRAMME:** Bachelor of Procurement and Supply Chain Management  
**COURSE NAME:** International procurement  
**COURSE CODE:** PLM326  
**A/Y:** 2023/2024  
**YEAR OF STUDY:** II                      **SEMESTER:** I

**Lecture Time:**

**Group A: Thursday 4:00pm-5:00pm**  
**Friday 3:00pm-5:00pm**

**Group B: Monday 5:30pm-8:30pm**

**FACILITATORS**

1. Associate Prof. Benjamin Tukamuhabwa
2. Mr. Robert Kalema
3. Mr. Robert Opwanya
4. Miss. Mawanda Brenda Nakayondo

## **1.0 INTRODUCTION**

As the progressive lowering of trade barriers eases, business survival increasingly hinges on a company's ability to compete globally in external and/or internal markets. Competitors from overseas are targeting previously secure domestic supply markets, while domestic competitors are increasingly looking overseas not only for new markets, but also for new sources of supply. Their procurement objectives are many and varied, but high on the list of priorities are issues of cost reduction, product and service innovation, technology acquisition and risk spreading. Blind loyalty to existing markets and suppliers is no longer sufficient to ensure that a firm continues to make a comfortable living, let alone to achieve the growth and profitability it needs to remain competitive.

## **2.0 LEARNING OUTCOMES**

By the end of the course, a student will be able to;

1. Differentiate between local, International and Global procurement
2. Explain the reasons for undertaking international procurement
3. Analyse the role of the Procurement function in International procurement
4. Discuss the challenges of International procurement

## **3.0 MODE OF ASSESSMENT**

Course work I	15%
Course work II	15%
Final Exam	70%
<b>Total</b>	<b>100%</b>

## **4.0 TEACHING METHODS**

- Online and physical lectures, Group and class discussions and presentations.

## 5.0 COURSE CONTENT

No.	CONTENT	TOPIC DETAILS	PERIOD	FACILITATORS
1.	Introduction to international procurement	<ul style="list-style-type: none"> <li>● Recap of the procurement process</li> <li>● Definition of international procurement</li> <li>● Drivers of international purchasing</li> <li>● Factors to consider in International Procurement</li> <li>● Costs in International Procurement</li> <li>● Role of the purchasing function in international procurement</li> <li>● Challenges faced in international procurement</li> </ul>	4hrs Week 1 & 2	Mr. Robert Kalema
2.	Analysis of International procurement environment and supply markets	<ul style="list-style-type: none"> <li>● Reasons of analyzing the international procurement environment and supply markets</li> <li>● Market analysis vs. Market research</li> <li>● Tools for analyzing international procurement environment and their supply markets               <ul style="list-style-type: none"> <li>● The PESTLE</li> <li>● Porters five force model</li> <li>● SWOT analysis for Countries</li> <li>● Kraljic model vs. supplier preferencing model</li> <li>● Logistics Performance Index (LPI)</li> </ul> </li> </ul>	6hrs Week 2,3 & 4	Associate Prof. Benjamin Tukamuhabwa
3.	Negotiation in international procurement	<ul style="list-style-type: none"> <li>● Definition and objectives of negotiation in International Procurement</li> <li>● The linkage between the procurement and negotiation</li> <li>● The international negotiation process</li> <li>● Factors affecting international negotiations</li> <li>● International negotiation aspects</li> </ul>	4hrs Week 4 & 5	Mr. Robert Opwanya

4.	Customs Management	<ul style="list-style-type: none"> <li>● Customs Management Introduction</li> <li>● Containerization and Port Procedures-ICDs, Cargo Handling Equipment</li> <li>● Basic import and export procedures-Port of Mombasa-Kampala case study</li> <li>● Customs Valuation</li> <li>● Rules of origin</li> <li>● Calculation of Customs Duties</li> <li>● Rationale for clearing goods</li> <li>● Clearing and forwarding procedures</li> <li>● Challenges in clearing and forwarding</li> <li>● Factors to consider when importing and exporting</li> </ul>	4hrs Week 6 & 7	Mr. Robert Kalema
5.	International procurement operations	<ul style="list-style-type: none"> <li>● Incoterms-obligations of parties-Incoterms for Containerized cargo, Common errors</li> <li>● Methods of payment; Letters of Credit, Collection Agreements, Escrow etc</li> <li>● International procurement documentation; Principle Documents, Transportation Documents</li> </ul>	4hrs Week 7 & 8	Mr. Robert Opwanya
6.	Supporting institutions in international procurement	<ul style="list-style-type: none"> <li>● Regulatory institutions (WTO, WCO etc.)</li> <li>● Banking institutions &amp; Foreign exchange bureaus</li> <li>● International Logistics providers (e.g. 3PLs &amp; 4PLs)</li> <li>● Insurance institutions</li> <li>● National chambers of commerce, etc</li> </ul>	2hrs Week 8	Miss. Mawanda Brenda
7.	Risk management in international procurement	<ul style="list-style-type: none"> <li>● Definitions of risk and risk management</li> <li>● Risk management process</li> <li>● Risks in international procurement</li> </ul>	4hrs Week 9 & 10	Miss. Mawanda Brenda

		<ul style="list-style-type: none"> <li>● Risk management strategies in international procurement</li> <li>● Natural global calamities (Health and safety issues) e.g. Covid-19</li> <li>● Challenges of managing risk in international procurement</li> </ul>		
8.	Emerging issues in international procurement	<ul style="list-style-type: none"> <li>● Integrating modern ICT in international procurement</li> <li>● Ethical issues in international procurement</li> <li>● Sustainable procurement</li> </ul>	2hrs Week 11,12 & 13	Mr.Robert Kalema

#### REFERENCE BOOKS

- 1) Lyons, K, Farrington, (2006) Purchasing and Supply Chain Management (Seventh Edition), Pearson Education Limited, England chapter 14 page 514.
- 2) Arjan, J, Van Weelc, (2005) Purchasing and Supply Chain Management (Fourth Edition)- Thomson Learning, Bedford Row, London
- 3) Branch, A, (200 I) International Purchasing and Management Thomson Learning, Berkshire House, ,London
- 4) The Chartered Institute of Purchasing and Supply, Graduate Diploma, Professional Stage Study Guide, tactics and Operations By Neil Fuller, seventh edition 2003.