

**MAKERERE UNIVERSITY BUSINESS SCHOOL  
FACULTY OF PROCUREMENT AND LOGISTICS  
MANAGEMENT**

**Department of Procurement Supply Chain Management**

**PROGRAMME:** BACHELOR OF PROCUREMENT AND SUPPLY MANAGEMENT  
**YEAR OF STUDY:** THREE  
**COURSE NAME:** INTERNATIONAL PROCUREMENT  
**COURSE CODE:** PLM 3205  
**A/Y:** 2025/2026  
**SEMESTER:** II

**COURSE INTRODUCTION**

As the progressive lowering of trade barriers eases across the globe, business survival increasingly hinges on a company's ability to compete globally in external and/or internal markets. Competitors from overseas are targeting secure domestic supply markets, while domestic competitors are increasingly looking overseas not only for new markets, but also for new sources of supply. Further the ever changing and complex business environment has made global supply chains very complex hence making companies search for the best available alternatives sourcing strategy no matter the distance to enable them operate smoothly. The procurement objectives for companies/organizations 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.

**CORE COURSE OBJECTIVE**

This course aims at introducing students to the key theoretical and practical concepts in international procurement and how they can be applied in facilitating smooth international procurement transactions. Through this course, students will be able to understand why companies/organizations favor sourcing goods and services from suppliers worldwide, how they can access a broader range of products, mitigate costs, and search for new markets. Students will also learn how managing international procurement involves handling complexities such as regulatory compliance, customs procedures, and technology, logistics and supplier relationships.

**STUDY OBJECTIVES**

At the end of this course, students should be able to;

- Differentiate between local and International and Global procurement
- Know why we engage in International procurement
- Know the role of Procurement function in International procurement
- Know the challenges of International procurement

**MODE OF ASSESSMENT**

- Course work I 15%
- Course work II 15%
- Final Exam 70%

**Total**                      **100%**

## **DELIVERY METHODS**

- Straight lectures, Group and class discussions and presentations and visit.

## **FACILITATOR**

Ms. Lawino Giovanna

## **STUDY CONTENT**

### **1. Introduction to international Procurement**

- Definitions
- Drivers of international purchasing
- Factors to consider in International Procurement
- Costs in International Procurement
- Role of the purchasing function in international procurement
- Challenges faced in international purchasing

### **2. International Procurement Process and Considerations**

- Needs identification and specification
- Sourcing
- Evaluation and selection
- Contracting
- Contract management
- Contract performance evaluation

### **3. Negotiation in International Procurement**

- Definition and objectives of negotiation in International Procurement
- The linkage between the procurement and negotiation
- The international negotiation process
- Factors affecting international negotiations
- Team composition for an International negotiation

### **4. Customs Management-Ugandan Case**

- Customs Management Introduction
- Containerization and Port Procedures-**ICDs, Cargo Handling Equipment**
- Basic import and export Procedures-**Port of Mombasa-Kampala case study**
- Customs Valuation
- Rules of origin
- Calculation of Customs Duties
- Rationale for clearing goods
- Clearing and forwarding procedures
- Challenges in clearing and forwarding
- Factors to consider when importing and exporting

## **5. International Purchasing Operations and documentation**

- Incoterms-obligations of Parties-**Incoterms for Containerized cargo, Common errors**
- Principle Documents in International transportation, warehousing and customs.
- Methods of payment; Letters of Credit, Collection Agreements, Escrow etc

## **6. Supporting Institutions in International Procurement**

- Regulatory institutions (WTO, Standards agencies)
- Banking institutions & Foreign exchange bureau
- International Logistics providers
- Insurance institutions
- National chambers of commerce, etc

## **7. International Logistics Management.**

- Definition of logistics and Reverse Logistics
- Scope of international logistics:
  - Materials cycle
  - Transportation
  - Storage and warehousing
  - Inventory management
  - Physical distribution
- International Logistics Layers (3<sup>rd</sup> party, 4<sup>th</sup> party Ls)
- The in sourcing/outsourcing decision international logistics
- Factors affecting the in sourcing/outsourcing decision and likely challenges

## **8. Legal Issues in International Procurement**

- The international procurement contract documentation. The key documents required an international procurement contract?
- Principal clauses in a procurement contract document
- Causes of conflicts in international procurement contracts.
- Alternative Conflict resolution approaches

## **9. Emerging Issues in International Procurement**

- ESG applicability in International procurement
- Integrating ICT in International procurement. Why ICT is important and what challenges are experienced?
- Online importation. Key issues to consider.
- The impact of AI on International procurement

## **10. Key international standards and Key trading blocks to Consider**

- ISO 9001 (Quality), ISO 14001 (Environment), ISO 27001 (Information Security), and ISO 45001 (Health & Safety)
- Importance of international standards and enforcing and adhering to international standards
- European Union (EU), USMCA (formerly NAFTA), ASEAN, EAC, SADC, EOWAS
- Why trade blocks and The Importance of Trade
- Challenges in trade face in relation to trade blocks.

**REFERENCES**

1. Felix, E. L., & Peterson, M. (Eds.). (2019). *The Contractor's Guide to International Procurement*. American Bar Association.
2. International Chamber of Commerce. (2020). *Handbook on transport and the Incoterms 2020 rules*. ICC.
3. Branch, A, (2001) *International Purchasing and Management* Thomson Learning, Berkshire House,, London
4. Thilakshana Sivasuthan (2020). *International Procurement and Logistics*
5. John Mangan, Chandra Lalwani, Agustina Calatayud. (2020). *Global Logistics and Supply Chain Management, 4th Edition*
6. The Chartered Institute of Purchasing and Supply, Graduate Diploma, Professional Stage Study Guide, tactics and Operations, 2003.
7. Online libraries and case studies and relevant study material

Approved by HOD:

Sign .....