



THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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MAIN EXAMINATION

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JANUARY – APRIL 2019 TRIMESTER

FACULTY OF LAW

REGULAR PROGRAMME

CLS 411: INTERNATIONAL TRADE LAW

Date: APRIL 2019

Duration: 2 Hours

INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions

**NB: CIF- COST, INSURANCE AND FREIGHT, FOB- FREE ON BOARD, GATT-
GENERAL AGREEMENT ON TRADE AND TARRIFFS**

- Q1. a) Historically speaking, International trading dates back to the 17th and the 18th Century where principles, doctrines, theories and reasons for trading were developed by different scholars and philosophers. The pre-colonial era of trade was advanced by the formation of trade organizations and agreements. Consequent to the 2nd world war, the modern law of International law was developed. Discuss this position **(16marks)**
- b) A seller in CIF contract has a duty to tender documents under a contract. In the circumstances where a seller makes a bad tender, he can retender provided it is within the time limit where circumstances dictate reasonable time. The bill of lading is of great significance and hence must be tendered accordingly. Discuss. **(14marks)**
- Q2. The anti-dumping rules and provisions on subsidies have enabled contracting countries trade effectively especially in regulating on imports and exports of sub-standard market products/ goods and ensuring that only high utility good are availed at a considerable price. With the use of relevant examples, analyze and critically discuss this position and its effects on key areas of production. **(20marks)**
- Q3. The establishment of GATT was almost by accident notwithstanding its significant role in advancing international trading between different contracting parties. Constant negotiations defined GATT with its architectural plan key to its

ratification, hence the existence of the most important principles underlying International trade law development. Critically analyze this position. **(20 marks)**

- Q4. In CUMMINGHAM VS. MUNROE, court held that the shipment period was specified in FOB contract where the buyer had an obligation to nominate a ship that would load the goods before the end of October and the buyer was held not to be in breach. Time is therefore of essence besides other guidelines and as stipulated in the contract document. Explain this with the use of relevant case laws. **(20 marks)**
- Q5. In International Sales, the period during which goods are in transit and the fact that the buyer and seller are located in different and distinct locations (countries), exchange of goods for money can be difficult. Hence the realization of letters of credit which now creates assurance for payment of money for goods between a buyer and a seller (exporter and importer). Critically discuss the various means of payment international trading. **(20 marks)**

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