

Paper Code: M-EPA-IFFSO3002

Level 3

# International Freight Forwarding Specialist - Ocean Mock Knowledge Test

## Information for registered centres

The seal on this examination paper must only be broken by the candidate at the time of the examination. Under no circumstances should a candidate use an unsealed examination paper.

## Information for candidates

**Under no circumstances should you, the candidate, use an unsealed examination paper.**

This examination consists of **25 multiple-choice** questions.

The exam is worth **25 marks**, with a Pass being **15 marks**, and Distinction **22 marks**.

The duration of this examination is **60 minutes**.

You are **NOT** allowed any assistance to complete the answers.

You must use a pencil to complete the answer sheet - pens must **NOT** be used.

When completed, please leave the **examination answer sheet (EAS)** on the desk.

### EXAMINATION ANSWER SHEET (EAS) INSTRUCTIONS:

For each question, fill in **ONE** answer **ONLY**.

If you make a mistake, ensure you erase it thoroughly.

You must mark your choice of answer by shading in **ONE** answer circle only.

Please mark each choice like this:

01  A  B  C  D **ANSWER COMPLETED CORRECTLY**

**Examples of how NOT to mark your examination answer sheet (EAS). These will not be recorded.**

01  A  B  C  D **DO NOT** partially shade the answer circle  
**ANSWER COMPLETED INCORRECTLY**

01  A  B  C  D **DO NOT** use ticks or crosses  
**ANSWER COMPLETED INCORRECTLY**

01  A  B  C  D **DO NOT** use circles  
**ANSWER COMPLETED INCORRECTLY**

01  A  B  C  D **DO NOT** shade over more than one answer circle  
**ANSWER COMPLETED INCORRECTLY**

All candidates **MUST** sign the Examination Answer Sheet (EAS) in the bottom right-hand corner of the page before leaving the examination room.

1

What is a Customs Procedure Code (CPC)?

- A. A pre-defined HMRC code that is required to describe the purpose of your overseas shipment
- B. A pre-defined HMRC code that is required to show who is responsible for paying for the freight costs
- C. Eight digits that advise HMRC exactly what the goods are
- D. Ten digits that advise HMRC exactly what the goods are

2

Which is a benefit of insuring cargo?

- A. It reduces the chance of delays going through customs
- B. It ensures that the cargo is added to a priority service
- C. It covers the organisation's liability in the case of unforeseen events
- D. It allows for compensation for damaged cargo up to a year after delivery

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In the United Nations (UN) classification system, what class is assigned to flammable liquids?

- A. Class 1
- B. Class 3
- C. Class 5
- D. Class 8

4

How do organisations obtain preferential trade treatment for their goods?

- A. By submitting a petition to the World Trade Organisation (WTO)
- B. By participating in global trade conferences
- C. By engaging in negotiations with other countries
- D. By applying directly to the importing country's customs authorities

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How does knowledge of time zones help to manage delays effectively?

- A. By influencing customs clearance times
- B. By increasing transit schedules
- C. By anticipating and mitigating timing issues
- D. By determining vessel maintenance schedules

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Who receives the charges when a trade tariff is applied to a commodity?

- A. Consignor
- B. Consignee
- C. Freight forwarder
- D. Imported country

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Under the Incoterm CIF (Cost, Insurance and Freight), what insurance coverage **must** the seller provide?

- A. Basic coverage
- B. Minimum coverage
- C. Full coverage
- D. Comprehensive coverage

8

Which form **must** be completed if information has been inputted incorrectly on a transmitted customs entry?

- A. C81
- B. C88
- C. E2
- D. H2

9

Which organisation is responsible for creating and updating Incoterms?

- A. World Trade Organisation (WTO)
- B. His Majesty's Revenue and Customs (HMRC)
- C. International Chamber of Commerce (ICC)
- D. British International Freight Association (BIFA)

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What is the role of freight forwarders in balancing cost efficiency and speed when selecting modes of transport for international shipments?

- A. Negotiating customs duties on the cargo
- B. Optimising packaging materials
- C. Determining transportation routes
- D. Ensuring security of the cargo

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What is the purpose of a bonded customs warehouse?

- A. To enable an importer or exporter to store goods free of charge
- B. To allow the storage of goods with duty or VAT suspended
- C. To hold goods for modification before clearance
- D. To enable an importer or exporter to store goods near to an airport

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Which is the **main** disadvantage of ocean freight when shipping perishable goods?

- A. Limited cargo capacity
- B. Slow transit times
- C. High fuel consumption
- D. Complex customs procedures

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How are excise duties different from value-added tax (VAT)?

- A. Excise duties are collected by international organisations, while VAT is collected by national governments
- B. Excise duties are calculated based on the weight of goods, while VAT is based on the value of goods
- C. Excise duties are uniform for all goods, while VAT varies by product type
- D. Excise duties are imposed on specific goods, while VAT is a general tax on consumption

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What is carrier's liability?

- A. The legal responsibility of the carrier for transported goods
- B. The carrier's responsibility for customs duties
- C. The carrier's obligation to provide packaging standards
- D. The negotiation of shipping routes between carriers

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Why is it important to consider political boundaries when choosing transportation corridors?

- A. To determine shipping insurance premiums
- B. To determine customs clearance procedures
- C. To identify potential trade barriers
- D. To identify potential weather-related risks

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In the UK Trade Tariff, what do commodity codes represent?

- A. Negotiated shipping routes for specific commodities
- B. Customs duties applicable to specific commodities
- C. Packaging standards for various commodity groups
- D. Maximum liability limits for carriers based on commodity types

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Which document is required to claim preferential tariff treatment under a Free Trade Agreement (FTA)?

- A. Export licence
- B. Commercial invoice
- C. Certificate of origin
- D. Customs declaration form

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A buyer in Japan is importing electronics from a seller in China. The buyer wants the seller to handle the entire transportation process, including delivery to the buyer's premises, and bear the risk until that point. Which Incoterm is suitable for this situation?

- A. DAP (Delivered at Place)
- B. FOB (Free on Board)
- C. EXW (Ex Works)
- D. CPT (Carriage Paid To)

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A freight forwarder is managing an international shipment for oversized and heavy cargo. Which is a **key** consideration for them when selecting a mode of transport for this shipment?

- A. Shipment costs
- B. Speed of delivery
- C. Customs duties
- D. Container dimensions

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A company imports raw materials that are subject to excise duties in the importing country. How can they minimise the impact of excise duties on its production costs?

- A. Explore potential excise duty exemptions for sustainable practices
- B. Seek preferential trade agreements with the exporting country
- C. Explore available customs liability exemptions
- D. Apply for excise duty drawback or refund programmes

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A client has a large volume of raw materials to be transported from Europe to South America. The main concern is cost-effectiveness. What mode of transport would the freight forwarder recommend?

- A. Road
- B. Air
- C. Ocean
- D. Courier

22

A shipping line is considering offering discounted rates for goods shipped in large quantities. The goal is to attract shippers who can fill entire containers. What basis for ocean freight pricing is this strategy aligned with?

- A. Weight-based pricing
- B. Distance-based pricing
- C. Classification-based pricing
- D. Volume-based pricing

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Which type of container is designed specifically for transporting goods that require a controlled temperature environment?

- A. Flat rack container
- B. Reefer container
- C. Open-top container
- D. Dry container

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In shipping lines, what does the term 'stowage' refer to?

- A. The arrangement of cargo in a vessel for stability and safety
- B. The temporary storage of containers at a port
- C. The process of loading and unloading containers
- D. The segregation of hazardous materials in a container

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What is the **main** purpose of a manifest document?

- A. To provide details of the vessel's route and schedule
- B. To certify the weight of the cargo in a container
- C. To declare the contents of a vessel's cargo
- D. To indicate the country of origin and final destination









**Level**  
**3**

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