INSTRUCTIONS TO CANDIDATES

1. Question ONE is compulsory
2. Answer Question ONE and any other THREE questions.
3. All Examination Rules Apply.

**Question One (Compulsory)**
Agribusiness enterprises face many challenges related to supply chain management (SCM) as they endeavour to meet the requirements of their customers. Thus, firms in the agribusiness industry are expected to develop strategies that will enable them to compete favourably.

Required;

a) Describe the likely contents of a SCM strategy for an agribusiness firm.
   *(4 marks)*

b) Using an illustration explain how value addition is achieved through proper management of supply chain activities.
   *(12 marks)*

c) Explain three ways through which quality assurance can be achieved through strategic SCM.
   *(9 marks)*

**Question Two**
a) Discuss the four elements of a strategic alignment model
   *(8 marks)*

b) Explain how SCM can contribute to the competitiveness of an agribusiness enterprise.
   *(7 marks)*

**Question Three**
a) Distinguish between efficient consumer response (ECR) and collaborative planning and forecasting replenishment.
   *(6 marks)*

b) Explain why a fresh produce supplier should adopt an ECR model.
   *(9 marks)*

**Question Four**
a) Explain a supply chain design fit for a milk processor. Give reasons.  
(7 marks)
b) Discuss the importance of an elaborate logistics and supply chain infrastructure to an agribusiness enterprise.  
(8 marks)

**Question Five**
a) Discuss seven parameters used to measure the performance of an agribusiness supply chain.  
(7 marks)
b) Describe how procurement policies and laws regulate the tendering process in Kenya.  
(8 marks)

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