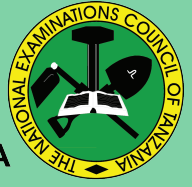




THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY
NATIONAL EXAMINATIONS COUNCIL OF TANZANIA



**CANDIDATES' ITEM RESPONSE ANALYSIS
REPORT ON THE ADVANCED CERTIFICATE OF
SECONDARY EDUCATION EXAMINATION
(ACSEE) 2023**

COMMERCE



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CANDIDATES' ITEM RESPONSE ANALYSIS REPORT
ON THE ADVANCED CERTIFICATE OF SECONDARY
EDUCATION EXAMINATION (ACSEE) 2023

152 COMMERCE

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FOREWORD

The National Examinations Council of Tanzania (NECTA) is pleased to issue the Candidates' Item Response Analysis (CIRA) report for the Advanced Certificate of Secondary Education Examination (ACSEE) 2023. The main aim of this report is to provide feedback to all education stakeholders about the performance of the candidates in the Commerce subject. The examination was set based on the teaching and learning objectives as stipulated in the Commerce syllabus of 2010, and the 2019 Examination Format.

The overall candidates' performance in the Commerce subject was good as 1,547 (99.87%) candidates passed the examination and only 2 (0.13%) candidates failed. The report analyses some of the reasons for the candidates' good, average and weak performance in each question. Some of the reasons for good performance were ability to adhere to the demands of the questions, better understanding of content of the subject, and applying competency based knowledge in responding to the questions. This report highlights the challenges the candidates encountered when answering the examination questions such as partial knowledge, incompetence in the subject matter, misconception and failure to follow examination instructions. It also suggests the ways towards overcoming those challenges.

It is expected that the report will provide a room for education stakeholders to identify the means through which the teaching and learning of Commerce can be improved in the future examinations administered by the council.

Finally, the National Examinations Council of Tanzania would like to appreciate the contribution from every individual who participated in the preparation of this report.



Dr.Said Ally Mohamed
EXECUTIVE SECRETARY

1.0 INTRODUCTION

The aim of the Candidates Item Response Analysis Report on the Advanced Certificate of Secondary Examination (ACSEE) 2023 is to evaluate the candidates' competences as stipulated in the Commerce syllabus for the Advanced Level of Secondary Education which was issued in the year 2010 and in accordance with the 2019 Revised Examination Format.

The Commerce examination consisted of two (2) papers: 152/1 Commerce 1 and 152/2 Commerce 2. Each paper had seven (7) essay questions. In both papers, the candidates were required to answer five (5) questions. However, question number one (1) was compulsory in both papers. Each question carried twenty (20) marks.

A total of 1,554 candidates were registered for the Commerce examination of the Advanced Certificate of Secondary Education Examination (ACSEE) 2023. Among them 3 (0.19%) candidates did not show up for the examination. Therefore, the candidates who sat for this paper were 1,551 (100%) of which, the result of two candidates were withheld due to some reasons. Further analysis shows that 1,547 (99.87%) passed the examination with different grades from A to S grade and 2 (0.13%) candidates failed. The candidates' performance in the year 2023 increased by 0.02 percent compared to 2022 whereby 1,380 candidates sat for the examination and 1,373 (99.85%) candidates passed.

The performance of the candidates in each question and each topic is categorised as good, average and weak. The performance of candidates in each question is regarded as good if the score ranges from 12 to 20 marks, average if the score ranges from 7 to 11.5 marks and weak if the score ranges from 0 to 6.5 marks out of the 20 allocated marks. Three colours: green, yellow and red have been used to indicate levels of performance as good, average and weak respectively.

The analysis includes figures, extracts of samples of correct and incorrect responses in each question from different candidates and a summary of the candidates' performance in each topic.

2.0 ANALYSIS OF THE CANDIDATES' PERFORMANCE IN EACH QUESTION

2.1 COMMERCE PAPER 1

2.1.1 Question 1: Advertising

The question was as follows: *Mr Patel owns a small scale industry and he is planning to hire a salesman to support him in advertising and selling his products. Suggest six appropriate qualities that would guide him to get the right salesman.*

The question was compulsory and was answered by 1,551 (100%) candidates. Among them, 951 (61.32%) candidates scored from 12 to 20 marks, 429 (27.65%) scored from 7 to 11.5 marks and 171 (11.03%) scored from 0 to 6.5 marks. The overall performance in this question was good as 1,380 (88.97%) candidates scored from average and above (7 to 20 marks). This performance is summarised in Figure 1.

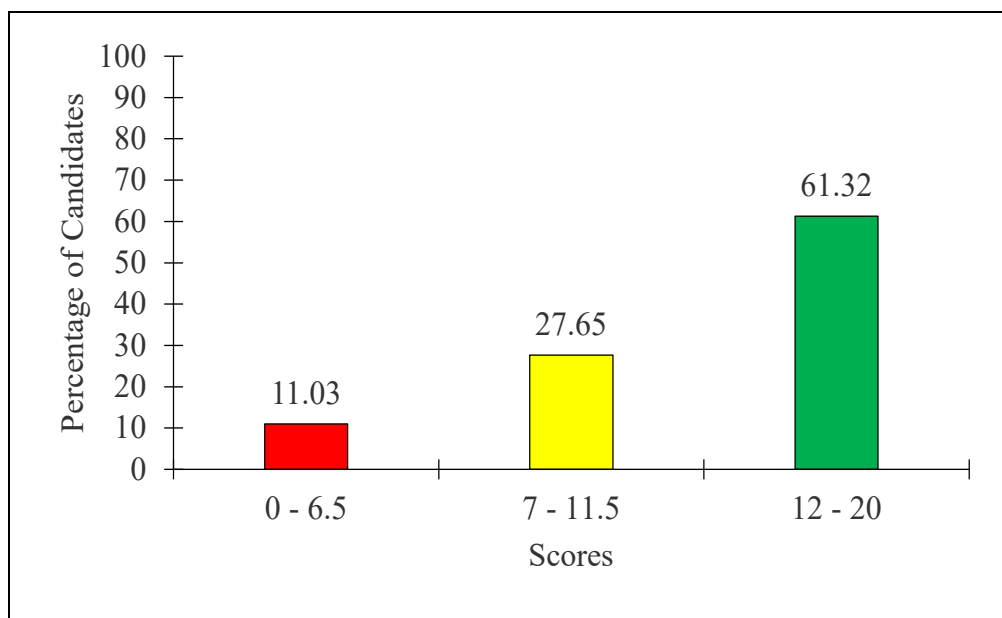


Figure 1: *Candidates' performance on question 1 in Paper 1*

The majority of the candidates 951 (61.32%) who scored from 12 to 20 were able to suggest the appropriate qualities which a salesmanship should possess in order to support Mr. Peter in his industry. These candidates were knowledgeable on the topic of advertising particularly on salesmanship.

Some candidates were able to suggest almost all the required qualities. Sufficient number of correct points suggested by the candidates and correctness of the explanation given on each point was used in determining the candidate's scores. However, there were only 3 candidates who scored all the 20 allocated marks in this question. They managed to provide correct qualities as per the requirement of the question. Extract 1.1 is a sample of the correct responses from a candidate.

1.	<p>Salesmanship: This is a form of advertising which involves the use of salesman to advertise the company's product. In salesman ship it involves the use of a person called a salesman who will attract the customers in buying the company's product. The following are the appropriate qualities of a right salesman:</p> <p>Attractive personality: In hiring a salesman, his or her personality is an important attribute that should be taken into consideration. A salesman should have an attractive personality which will attract the customers to buy the products being advertised. An attractive personality should be in form of honesty, smartness and the use of polite language with the customers.</p> <p>Knowledgeable about the products being advertised: A salesman should have enough knowledge about the products to be advertised so that he/she can be able to create awareness to the customers about the product. A salesman should provide true and correct information about the product to be advertised and sold. Such information includes; the uses of the product, price and the description.</p> <p>Should be persuasive and have a convincing power: A good salesman should have the quality of having convincing power which will enable him or her to</p>	
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1 persuade the customers on buying the products being advertised. A salesman should be able to induce a customer in buying a product since the main aim of hiring a salesman is to increase sales of the business.

Creative and tactful: A salesman should have a quality of creativity and tactful in formulating various strategies of increasing the sales of the business. A salesman should be able to come up with new ideas, ways and strategies of promoting the sales of the business. He or she should be tactful so as to win the market from other traders selling similar products.

Courteous and polite: A salesman should be courteous that is should know how to speak well and in a polite manner. He/she should be able to deal well with the customers and gain credit from them. A good salesman is the one that does not use harsh or improper language in dealing with the customers. Therefore in choosing a right sales man the quality of courteous and politeness should be taken into consideration.

Should have a good reputation: A salesman should be a person with a good reputation that is people have a positive perception and image on him/her since a good reputation of a salesman

1.	It will be an attraction to the customers in buying the products of a company. A salesman with a bad reputation will bring a negative perception by the customers to the business hence decrease the sales.
	Conclusively, Apart from the use of salesmanship in advertisement, there are other forms of advertising such as the use various medias such as Television, magazines and leaflets. Also the use of trade fair and exhibitions, poster, neon signs and circular letters.

Extract 1.1: A sample of correct responses to question 1 in paper 1

In Extract 1.1, the candidate provided correct suggestions of the quality of salesman who can support Mr. perter in advertising and selling his products.

The candidates with average performance 429 (27.65%) had partial knowledge on salesmanship because most of them were able to mention all the correct qualities but they were not able to provide relevant explanation to support their points. In addition, some candidates in this category managed to explain at least three correct points out of the required six. Other candidates' responses included correct points with some features of advertising and its importance which not asked.

Despite the good performance in this question, 171 (11.03%) candidates scored from 0 to 6.5 marks. This was the result of inadequate knowledge of the concepts on advertising. Some candidates in this category managed to mention some correct suggestions but the explanation provided did not match with the correct points mentioned. For example, one of the candidates mentioned *polite*, *hardworking* and *honest* which were correct but interchanged the explanation of polite with that of honest. The other points from this candidate were on the importance of adverting to the industry which was contrary to the demands of the question. Furthermore, the analysis shows that some candidates scored marks on the introduction

part only and zero to the rest of the work because their responses were based on the role of advertising instead of the qualities of a salesman to perform salesmanship.

In addition, 10 (0.64%) candidates scored zero because they had misinterpreted the question. Therefore, answered the question contrary to its demands. For example, one of these candidates explained the functions of an entrepreneur by writing the points such as *planning, risk taking, starting up a business, organizing other factors of production, paying for the factors of production*. Other candidates in this category wrote the role of advertising such as; *create demand of new products, inform and persuade the public, expand the market, create goodwill, and promote the product*. Moreover, the analysis shows that other candidates explained the factors to consider when choosing the advertising media instead of the qualities of a salesman. The correct responses for this question include: *ability to assess and understand customers' character, decision maker, should be honest and sincere in their dealings, should be polite, patience and courteous, should have knowledge about the products, should have knowledge of the producer, should have attractive personality and should have knowledge of competitors' products*. Extract 1.2 is a sample of an incorrect response to question 1.

Q1.	Advertising is the art of making known goods and services to the public or is the art of trade used to persuade and conveying customer about availability of goods. The following are qualities that would guide Mr. Patel to get the right salesman.	
	of factor to consider to choose advertising.	
	Cost of advertising; Mr. Patel must to	
	check cost of each advertising and to take best to affordable example Television and Radio is very expensive	
	but newspaper or Magazine is very cheap mean is best	
	affordable to all business	

Q1.	<p>Nature of the goods or product; Before Mr. Patel start to use advertising must to check the nature of goods to advertise example if Mr. Patel need to buying toys of children must to choose television because most of children need to watch television.</p> <p>Target users of product; Before Mr. Patel choose the kind of advertising must to target users of product in order to persuade people example goods liked to youth must use internet because most of youth like internet so product is easy to persuade.</p> <p>Flexibility; Some kind of advertising are not flexible stay long period so before choose the kind of advertising focus to kind of easy to flexible example Magazine after two day change different to other kind example television so Mr. Patel must to choose flexibility if need flexible of goods.</p> <p>Urgency and Speed; Before choose kind of best advertising must to know what need time to persuade customer if goods need speed. The best and good kind of advertising radio because use radio is kind of speed advertising and television but other kind especially Magazine is slow to advertise.</p> <p>In generally advertising is very important to businessman or salesman because more sales turnover, increase competition, increase profit to the business, and help customer to differentiate goods.</p>
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Extract 1.2: A sample of an incorrect response to question 1 in paper 1

In Extract 1.2 the candidate explained the factors to be considered when choosing advertising media instead of the qualities of a salesman needed by Mr. Peter in advertising and selling his products.

2.1.2 Question 2: The Scope of Commerce

The question was as follows: *Ms. Mkutano from Uvinza buys goods from various suppliers within and outside the country and sells them at a profit. In six points justify that the activity performed by Ms. Mkutano is trade.*

The question was opted for by 1,103 (71.1%) candidates. Among them, 459 (41.61%) scored from 0 to 6.5 marks, 201 (18.23%) candidates scored from 7 to 11.5 marks and 443 (40.16%) candidates scored from 12 to 20 marks. The general performance in this question was good since 644 (58.39%) candidates scored an average marks and above.. Figure 2 summarises the candidates' performance on question 2.

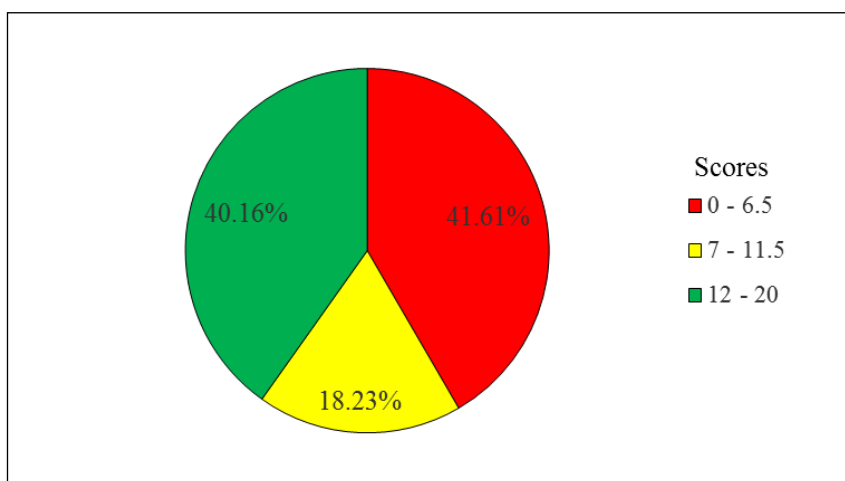


Figure 2: Candidates' Performance on Question 2 in Paper 1

The analysis shows that, the 644 (58.39%) candidates who scored from 7 to 20 marks were aware that trade is any legal activity which involves buying and selling of goods and services with the aim of making profit. In answering this question the candidates were required to understand the features of trade. Most of the candidates in this category justified the statement using the features of trade. However, some of them could not provide sufficient explanation to support justification of their points. Some candidates managed to justify the statement by providing four out of the required six points. They were aware of the difference between trade and other activities which are not trade. A few candidates scored all the 20 marks because they responded to the question according to its demand. The candidates' scores varied due to their ability to provide detailed and meaningful explanation to the points. Extract 2.1 is a sample of the correct responses to question 2 from a candidate who scored high marks.

Q2.

Trade refers to act of buying and selling commodities. It can be divided into Home trade and Foreign trade.

Where as Home trade comprises of Retail trade and Wholesale trade. But Foreign trade comprises of Export trade, Import trade and Interport trade. But not every activity can be regarded as trade, unless it shows some essentials. Thus the following points justify that Ms. Mkwano is doing trade;

Buying and Selling: Any trade activity must involve exchange process of buying and selling. Thus Ms. Mkwano is dealing in trade since he buys goods within (Home trade) and outside the country (export trade).

Buyers and sellers: In a trade activity there should be atleast two parties (buyer and seller). The ^{seller} ~~buyer~~ is person who receives a consideration and

Q2. The goods to the buyer. While Buyer is the one who pays for and receives the goods. For example, from the question, Ms. Mkutano is a buyer and the suppliers are the sellers.

Commodities: There must be either goods or services for exchange for an activity to be a trade. These are given the value of the consideration to be paid.

Example of goods are; cars, pens, shoes, fire woods and furnitures. Example of services are; transportation, communication and banking. Then since Ms. Mkutano is dealing in "goods" she is dealing in trade.

Profit: This is the difference between the price paid for the commodity for its acquisition and the price paid for it on selling it. Mathematically: Profit = Total Revenue - Total Cost. Ms. Mkutano is selling his commodities (goods) at profit, thus his activity is regarded as a trade, since trade aim at profit creation.

Possession and Ownership Utility:

Trade involve possession and ownership for the commodities. They enable the buyer to have legal right for the product bought by him. When Ms. Mkutano buy the goods from the supplier's she is satisfied by the possession and ownership of such commodities. But when she sell them to customer, she transfers such utility; Hence, her activity being a trade activity.

02.	Price: This is a consideration paid	
	by the buyer to seller for the goods or	
	Service bought. It can be in form of cash	
	money or credit instruments such as cheque.	
	It specifies the value of the goods dealt.	
	Any business deal must involve exchange	
	under a provided price (Consideration).	
	When Ms. Mkutano buy the goods pays for	
	their cost. And when she sell he sell	
	at a higher price than the commodities' cost	
	hence generate "Profit", thus his activity	
	being a trade.	
	In nutshell, there is other features	
	of a trading activity such as, contact	
	between buyers and sellers and a	
	place (Area) to sell the products. Presence	
	of all these features smoothen the trading	
	process and hence facilitate growth of	
	aids to trade such as banking, insurance,	
	transport and communication.	

Extract 2.1: A sample of the correct responses to question 2 in paper 1

In Extract 2.1 the candidate justified that the activity performed by Ms. Mkutano is trade.

Furthermore the analysis shows that 459 (41.61%) candidates scored low marks ranging from 0 to 6.5 out of the 20 allocated marks. The majority of these candidates failed to interpret the demands of the question. Some of them misinterpreted the question as the functions of retail trade so they explained the functions of retailers. For example, one of the candidate's responses were: *breaking the bulk, bridge the gap between wholesaler and customers, transporting the goods in and outside the country, providing credit to the customers, providing advice to buyers*. In addition, some candidates failed to apply essay writing skills so they did not include introduction and conclusion to their responses. Other candidates also scored low marks because, instead of justifying that the activities performed by Ms. Mkutano was trade they explained the activities that facilitate trade to take place effectively (aids to trade). On the other hand, a few candidates in this category managed to mention some correct points such as *profit*

motive, buying for resale and a continuous activity but they could not be able to provide relevant explanation to justify that Ms. Mkutano's activity is trade. Some candidates mixed a few correct points including: *buying for resale and profits* with incorrect points about the branches of trade such as *retail trade, wholesale trade, import and export trade*. Extract 2.2 is a sample of the incorrect responses from a candidate who misinterpreted the question.

22.	<p>Aids to trade; Is the smooth running of business activity at the aims of making profit. Also aids to trade is important in country because is the source of profit so through profit is the source of increase the employment opportunity to people. The following are the Activity performed by Ms. Mkutano is referred to as trade or Examp of Aids to trade.</p> <p>Transportation; This is the aids to trade which ^{because} is the movement of people, goods and services from one place to another place at the aim of making trading activity so as to get profit so this is the source of imprave the trade activity because people, goods and services movement from one place to another place.</p> <p>Communication; This is the aids to trade because is the transport of information, knowledge, value, skills and ideas from one person to another person. Also through communication it helps to facilitate the business transaction, helps to facilitate making choice, helps to facilitate expansion of market and helps to get fast information.</p> <p>Advertising; This is the aids to trade because this is the process of persuading the customers about availability of goods and services in the market. so through advertising it helps to get</p>
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22.	<p>Good image, helps to ensure better quality of product, it educative, Bring the gap between producer and consumer because of persuading the customers about availability of product</p> <p>Warehousing; This is the aids to trade because this is the place where Warehouse kept so through Warehousing is facilitate international trade, protection of goods, stabilizes price, preparation of goods for sale, support production and reduce transport cost.</p> <p>Banking; This is the aids to trade because this is the financial institution which deals with providing loans and keeping money so through this is the source of people to get loans in order to start a business because of providing loans from financial institution like commercial Bank and central Bank.</p> <p>Insurance; This is the aids to trade because is the association which deals with the making risk of property to protect against the accident because the members of insurance if have destroy of property will pay the property at specific amount.</p> <p>Therefore Aids to trade is important in society because is the activity which done at the aims of making profit</p> <p>Example of Aids to trade, Transportation, Communication, Advertising and Warehousing.</p>
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Extract 2.2 is a sample of the incorrect responses to question 2 in paper 1

In Extract 2.2 the candidate explained the activities that assist trade to take place instead of justifying that the activity performed by Ms. Mkutano is trade.

2.1.3 Question 3: Insurance

The question was as follows: *Lucy wants to insure her house which worth 40 million against fire. However, she is not aware of the procedures of obtaining fire insurance policy. Assist her by describing the procedures that she should follow to acquire the policy.*

The question was answered by 1,176 (75.8%) candidates. The candidates' performance in this question was as follows: 851 (72.36%) candidates scored from 12 to 20 marks, 272 (23.13%) scored from 7 to 11.5 marks and 53 (4.51%) scored from 0 to 6.5 marks. The candidates' performance in question three is summarised in Figure 3.

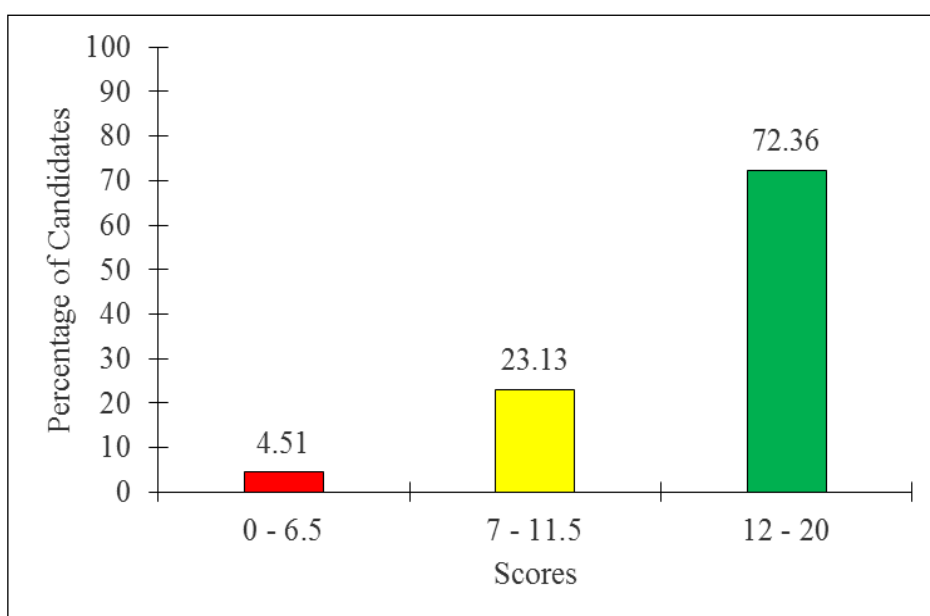


Figure 3 shows that the majority of the candidates 1,123 (95.49%) scored from average and above of the 20 allocated marks. The candidates who scored high marks were competent in the topic of insurance particularly on the procedures for taking up an insurance policy. These candidates understood the requirement of the question and had adequate knowledge of the procedures to insure the properties like a house owned by Lucy. They were aware that before Lucy insures her house she needs to identify the insurer to whom she will insure her property. However, sometime in cases the insured can skip this step and nothing wrong would occur. It is done under the assumption that, the insured is aware of the insurer to whom she is planning to insure her property therefore no need of taking it as a step.

Some candidates answered the question using five procedures while others used six procedures. Identify the insurer as first procedure to some candidates but others started with filling a proposal form as the first step. They were all right according to scholars. Beside that assumption many candidates use the point of identifying the insurer as a first step. Those candidates were familiar with the procedures for taking up the insurance policy. Some candidates had average scores because they mentioned all the procedures correctly but some of the explanations were not satisfactory to worth full marks. Likewise, there were some candidates who described at least three procedures correctly while other procedures were randomly mentioned. Extract 3.1 is a sample of the correct responses from one the candidates.

3. Insurance; refer to, an aids to trade which involve the process of pooling risks together by contributing some small amount of money (premium) to a common pool in which those who will suffer actual or total losses can be compensated. Insurance can be general or life insurance. Insurance comprises of some principles, such as subrogation, utmost good faith, proximate cause, insurable interest, mitigation and contribution. Insurance Policy; is an agreement between insurer and insured, where by ~~the~~ one part agree to pay premium and another to offer compensation.

The following are the procedures that should be follow to acquire the policy:

Sending an inquiry to the insurance company; the person who wishes to have insurance cover, should approach insurance company either his branches through insurance brokers or to the head office. An inquiry is the request from one person to another for the need of something, therefore a customer (insured) should approach the insurance company and express his need and the insurer will guide him or her what to do.

Filling proposal form; after sending an inquiry the insured will be required to fill the proposal form. This is a form which require the insured to fill all of his important information such as, sum insured, his name, occupation, age, nature of property, value of property, name of insured, address and other detailed information as directed in the proposal form. After filling the form he or she should return to the insurance office for more procedures.

Calculation and determination of premium; after filling the proposal form, the insurance company going to see the subject matter together with underwriter and assessor, and then determine the amount of premium to be paid by insured. The calculation and determination of premium

3 } consider factors like age of insured, cost of the property, number of applicants, level of preparation and occupation of the insured, thereafter the actuary together with underwriter determine how much to be paid as premium, after determining the insured will be informed on premium to be paid after calculation.

Payment of premium: the insured will be required to pay premium as calculated by underwriter or actuary. Payment of premium differ depending to type of insurance policy taken. In case of whole life and endowment the premium is paid on given period of time. Sometimes premium can be paid on installment or all lump sum depending to the agreement. The insured will be required to pay premium as they agreed in document of information.

Issue of cover note, after payment of first premium the insured is issued with a cover note. Cover note is a temporary document issued by insurance company to insured while waiting for policy. It is issued for one month, maximum (30) days, thereafter the policy will be ready. The cover note act as a policy for such period and stand as agreement document, it show the name of both parties, addresses of both parties, sum insured or subject matter and other information.

Issue of insurance policy: this is the real document which prove that there is agreement between by 2 parties. It is provided after thirty days (30 days), thus the insurance company issue insurance policy which is a permanent contract as they agreed. Insurance policy is the document which contain name of insured, insurer, addresses, subject matter, premium paid and other detailed information. Insurance policy can be used as a collateral security in loan application. Therefore after the issue of insurance policy the customer will be already obtain insurance cover from such insurance

3	company. In case there are other premiums the insured will continue paying them as agreed.
	Generally, Insurance play a big role in economic development of our country as it provide employment, used as a mean of saving, used as a collateral security, provide compensation to people as well as increase confidence to businessmen and women.

Extract 3.1: A sample of the correct responses to question 3.

In Extract 3.1 the candidate responded correctly on the procedures to acquire an insurance policy.

Regardless of the good and average performance, 53 (4.51%) candidates scored low marks ranging from 0 to 6.5 marks. The responses from most of these candidates show that they understood the demand of the question but failed to answer it accordingly because they did not describe the procedures sequentially. They presented them randomly without observing the order. Some of these candidates managed to list and arrange in good order only two procedures and the other procedures were randomly presented. For example, one of the candidates wrote *identification of the insurer, filling a proposal form, receiving of the policy, receiving of cover note and payment of premium*. The steps mentioned are correct but they were randomly mentioned. Few of these candidates failed to understand the property to be insured and the form of insurance to be taken according to the question (a house to be insured against fire). Therefore, explained the procedures for taking health insurance instead of fire insurance. This implies that some candidates did not read the question carefully. Furthermore, the analysis show that one of the candidates explained the procedures the insured has to follow in order to be compensated in case of accident/loss. Extract 3.2 represents a sample of incorrect responses to question 3.

3	<p>fire insurance is the insurance which of the fire accident so it is have the insurance of the country the following of the procedure between insurance; mean the insurance of the insurance in the fire insurance which of the between insurance which of that they have the insurance which of that the insurance of the between to the insurance which of that the fire insurance to the insurance which can be to the have insurance of the fire which of that they have to</p> <p>choosing marine insurance; mean the fire they have choosing the marine insurance which of that they have the development in the country which of that they have to be of that which to the should be to marine insurance to the choosing in the insurance which of that they have + other.</p> <p>filling declaration form; mean the declaration form which the declaration which to the have increasing which of the form of the compensation declaration to that they have the fire insurance of the fire which of that to the increasing in that of the declaration in the country</p> <p>assessing risk; mean they have assessing risk which of the assessing risk to the development to the risk which of that to help in the assessing in the country so that it is the important which to the increasing and the risk to for the government to think here</p>
---	---

Extract 3.2: A sample of the incorrect responses to question 3

In Extract 3.2, the candidate explained some of the procedures for compensation in case the property insured under marine insurance policy is involved in accident instead of the procedures for obtaining fire insurance policy.

2.1.4 Question 4: Retail Trade

In this question was as: *Shrinkage is among the sources of a retailer's loss resulting from dishonest practices. Suggest six measures a retailer can take for shrinkage minimization.* The question was intended to test the candidates' understanding on the sources of loss to the retailers particularly on shrinkage.

A total of 262 (16.90%) candidates answered this question as it was optional. Among them 131 (50.00%) candidates scored from 12 to 20 marks, 42 (16.03%) scored from 7 to 11.5 marks and 89 (33.97 %) scored from 0 to 6.5 out of 20 marks. The general performance in this question was good because 173 (66.03%) candidates scored 7 marks and above as shown in Figure 4.

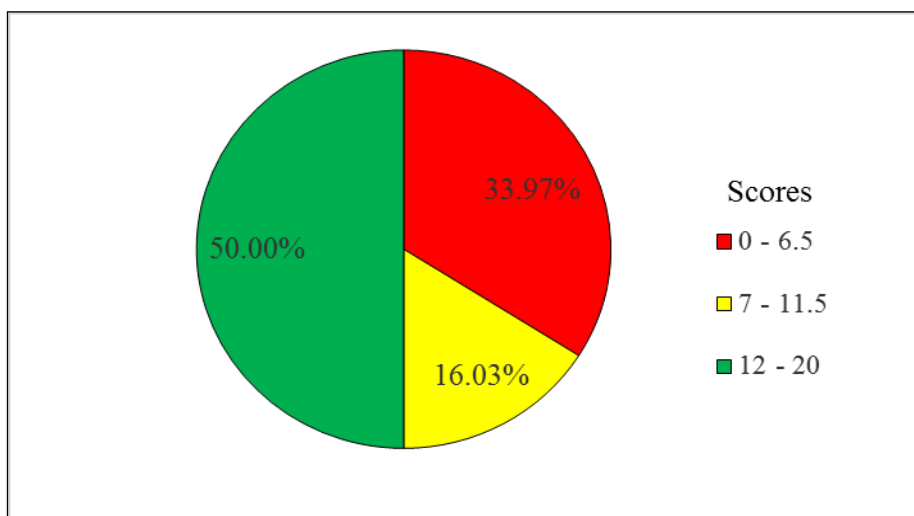


Figure 4: Candidates' Performance on Question 4 in Paper 1

Those candidates whose scores ranged from 7 to 20 marks demonstrated their understanding on the sources of retailers' loss particularly on shrinkage and the ways to control or minimize shrinkage by providing relevant responses to the question. The 6 (0.39%) candidates who scored all 20 marks were able to explain the measures for shrinkage minimization in retail businesses. These candidates also had good essay writing skills as well as adequate English language proficiency. Other candidates who did not score full marks in this category had knowledge of how to minimize shrinkage however they provided partial explanation to some of the identified correct measures. For example, some of the candidates explained four to five points correctly but they overlooked the word *surprise* form

one of the point: *conduct regular surprise checks for both cash and physical inventory*, therefore, explained it negatively. One of them wrote that the owner of the retail business has to inform the employees to prepare all documents ready for checking instead of not giving prior information.

Further analysis shows that most of the candidates who scored average marks understood the demand of the question but had partial knowledge of the measures to minimize shrinkage. They managed to mention some of the measures correctly but failed to provide correct explanation to some of the mentioned measures. Other candidates gave less number of the correct points and some irrelevant points in their response. For example, one of the candidates wrote: *employee theft, suppliers' fraud and training of staff in security system* which were correct and included the point like *good buyer, be pleasant to customers and buying few items to avoid loss* which was irrelevant according to the demands of the question. The first and second incorrect points were the qualities of a good retailer which was irrelevant to the question. Extract 4.1 is a sample of a correct response to question 4.

04.	Stock shrinkage refers to the miss-	
	match between the figure of stock value	
	in stock sheets and the actual present	
	stock, especially a loss (decline) figure.	
	It can be due to different causes	
	such as theft, misplacement of stock	
	in the store, and incorrect identification	
	of stock in the store. This is among the	
	causes of loss to retailers, hence must be	

04.	Controlled. The following are the measures to be taken by Retailers to minimize shrinkages:
	To establish effective Internal Control Systems on security aspect: The Retailer should establish methods and techniques which will enable him to trace errors and fraud quickly at early stage. For example: He/she may employ the CCTV - cameras in store, or employ an Internal Auditor to check the work of store keepers. This will reduce loss of stock due to theft and frauds by tracing the actors.
	To employ faithful employees and provision of Education to employees: The retailer must employ only the qualified employees especially the store keepers, and buying personnel. But also he/she should organize regular Seminars to Employees so that to remind them their responsibilities. For example: On recruitment of Employee's he/she may ask help from agencies or Education Institutions such as colleges and Universities to provide for employees' qualities.
	Regular stock taking and checking: The Retailer may employ perpetual stock taking so that to control in flow and outflow of stocks. But also stock checking must be effective and regular in order to sort out the decayed and spoiled stock. For example: stock taking and checking may be designed to be after every 24 hours, a week or a month to enhance stock control.

04.	<p>Store layout: This refers to the arrangement of stocks in the store. To control shrinkage a retailer must ensure goods store layout of stocks. For example; He/she may arrange the goods according to their size, weight, colour, Date and Alphabets (Names). This will enable stock identification in the time of stock taking.</p> <p>Inspection of goods (Cargo) on delivery (issue) and on receipt: The Retailer when receiving goods from the Supplier must inspect them to see whether the quantity brought resembles to the one on the Invoice. But also, on issue of stock from the store, he must inspect if the dispatched goods are of right quantity. This help to receive and issue stock without Under or over charge.</p> <p>To employ record keeping system and documentation: A Retailer must ensure that any goods received in the store or issued out of the store is justified by particular document. But also he should employ data base for the warehouse records. For example: Documents such as stock sheet (Store ledger card), and delivery order. Must be used.</p> <p>Finally shrinkage of stock discourage the success of most retailers, thus leading to collapse of such business. Hence, stock control knowledge is to be provided to most retailers so that they can minimize shrinkage of stock.</p>
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Extract 4.1: A sample of correct the responses to question 4 in paper 1

Extract 4.1 shows a sample of correct response from a candidate who suggested the correct measures a retailer can use to minimize shrinkage.

On the contrary, the analysis shows that 89 (33.97%) candidates scored low marks ranging from 0 to 6.5. These candidates had little knowledge of how to control shrinkage in retail businesses. They were not aware that shrinkage is used to describe reduction of inventory due to *shoplifting, employee theft, administrative errors, pricing, cash counting, large number of hidden sales areas, lack of control of all store rooms, operational loss and suppliers' fraud*. Lack of awareness led the candidates to provide incorrect responses to the question. Some candidates mentioned the points like *honest, listening to customers' complains* and *controlling of in and out flow of goods in stores* which were correct but failed to provide relevant explanation to any of the points. In addition to that there were some candidates who identified the cause of shrinkage but failed to explain the measures against such causes. Other candidates explained the functions of entrepreneurs instead of the measures that a retailer can take to minimize shrinkage. Likewise, there were some candidates who explained the features of successful entrepreneur and some of the marketing functions such as; *good decision making, sales promotion, selling, transportation, risk taking* and *marketing information*. The analysis also revealed that some candidates explained the ways to solve challenges facing retailers such as; *provision of education to retailers, reduction of tax by the government, provision of loans by the government, the government to allocate specific areas where retailers can conduct their businesses* and *to entering into contract with insurer*. Extract 4.2 represents a sample of incorrect responses to question 4.

4. Shrinkage. Refers to the shortage of goods in warehouse, shrinkage can be caused by increase of demand for commodities and decrease supply of commodities due to the price undertaken.

The following are measures a retailer can take for shrinkage minimization:

Increase of production; this is the one of measure of a retailer can take for shrinkage minimization and this occur when the production of product increase it's leads to have more resources and output in the warehouse and this leads to measure the process of shrinkage in the business for the purpose of avoid the dependence among people in the country.

Decrease demand for commodities; this is another measure of shrinkage where by people leads to decrease demand for commodities among people in the country and engaged to be storage in warehouse until needed for specific period of time so as to avoid the increase of demand of commodities and leads to measure the problem of shrinkage of goods.

Increase of supply of resources; in order to control shrinkage in the business, a business man should engaged to increase supply of resources available in order to increase the resources into the warehouse and this leads to minimize shrinkage in production of goods and this leads to increase of goods and commodities in the warehouse for the purpose of measure the shortage of goods in warehouse.

4	Storage of durable goods; in order to measure shrinkage of goods, a retailer supposed to storage durable goods which stay for a long period of time and not for a short period of time example perishable goods which they delay eg vegetable and fruits leads to shortage of goods in warehouse so through storage of durable goods leads to measure shrinkage -
	Economic stability; this leads to the increase of economic activities such as exchange, producers in order to avoid economic depression in the trade process for the aim of bring the development of economy and to leads to increase of goods in warehouse.
	Generally; this leads to the development of trade activities due to the government support in different issues like formulation of Law and Policies.

Extract 4.2: A sample of the incorrect responses to question 4 in paper 1

Extract 4.2 shows an incorrect response from the candidate who wrote the ways to increase goods in the retailer's warehouse instead of measures that a retailer can take to minimize shrinkage.

2.1.5 Question 5: Production

The question was as follows: *Production is an essential activity for the survival of individuals and the nation. Justify this statement by giving six reasons.*

The question was answered by 1,504 (97.00%) candidates, among them 1,294 (86.04%) candidates scored from 12 to 20 marks, 210 (13.36%) scored from 7 to 11.5 marks and 9 (0.60%) scored from 0 to 6 out of 20 marks. Generally, the performance in this question was good because a total of 1,495 (99.40%) candidates scored from 7 to 20 marks. This performance is summarised in Figure 5.

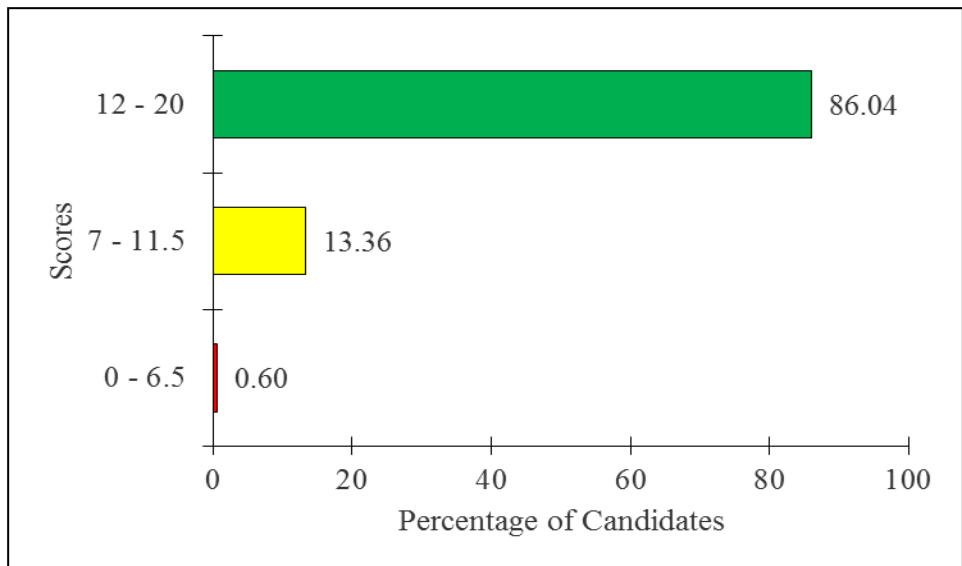


Figure 5: *Candidates' Performance on Question 5 in Paper 1*

The performance of the candidates as summarised in figure 5, shows that majority 1,495 (99.40%) candidates understood the importance of production to individuals and the nation. They applied the meaning of production to generate the importance of production. Production is the process of creation of utility. It includes manufacturing, commerce and direct services from which people employ and are employed in different aspects. The candidates 1,294 (86.04%) who scored high marks demonstrated their ability to reflect the importance of production in day to day life. However, a few candidates who scored marks from 7 to 11.5 marks managed to justify the statement given by less numbers of points than the required. Some of them were able to provide all correct points for justification of the statement but could not provide sufficient explanation to some points. Extract 5.1 is a sample of the correct responses to question 5.

5.	Production refers to the creation of	
	goods and services so as to satisfy human wants.	
	Production may also be defined as the creation of	
	utility whereby utility means the ability of goods to	
	satisfy human wants. There are two main forms	
	of production which are direct production or subsistence	
	production and indirect production or commercial	
	production. Production is an essential activity for survival	
	of individuals and the nations because of the	
	following reasons.	
	Production creates satisfaction of human	
	wants: Production is a very essential activity to	
	individuals because of the fact that it enables	
	the individuals to get what they want. For example	
	through production, the individuals can be able	
	to get their needs such as food and clothes	
	because those particular goods cannot be obtained	

5.	without production taking place. For example food is obtained through production which takes place in form of agriculture.	
	Production creates employment opportunities to the people: Production is a very essential activity to the individuals and the nation because it creates chances of employment to various people. For example people are employed in various sectors which are involved in production such as the industrial sector, agricultural sector and many others. Therefore when people are employed they are able to get incomes and improve their living standards.	
	Production acts as a source of government revenue: Production is a very essential activity to the individuals and the nation because of the fact that it acts as a source of government revenue. Government revenue is obtained in form of taxes that are charged in various sectors such as the agricultural sector where the production of food takes place. Therefore this revenue obtained by the government is used by the government to finance its expenditures.	
	Production stimulates trade: Production is a very essential activity to the nation since it promotes trade to take place whether foreign trade or domestic trade. Trade becomes stimulated most especially when there is the production of surplus products. Therefore the surplus products are the ones that are going to be sold out to other people apart from those who produced them. For example farmers sell surplus agricultural products to the local and foreign market.	

5.	<p>Production promotes efficient utilization of resources: Production is an essential activity for survival of a nation because of the fact that production stimulates the full utilization of resources that are available in the country without any kind of wastage. For example in production through agriculture, the arable lands are efficiently utilized and there is no wastage of land.</p> <p>Production promotes economic growth: Production is an essential activity for the survival of a nation because of the fact that it promotes the quantitative increase in the level of output that is produced within a nation in a given period of time. This happens so because the more and more the goods produced, the higher the level of national income hence promoting economic growth.</p> <p>In conclusion, production is possible through various agents of production which include land, labour, entrepreneurship and capital which tend to differ in their levels of efficiency or productivity.</p>
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Extract 5.1: A sample of the correct responses to question 5 in paper 1

In Extract 5.1, the candidate demonstrated his/her understanding on how production is essential activity for survival of individuals and the nation.

A few 9 (0.60%) candidates scored low marks (0.5 to 6) in this question. The responses from five candidates out of nine showed that they lacked knowledge of how to address the question. Some of them listed at least two correct points but failed to link the points to the demands of the question while others managed to explain partially at least one point. The other 4 candidates did not understand the requirement of the question by explaining how aids to trade facilitates trade to take place while one of them explained the importance of aids to trade in production process instead of the importance of production to individual and the nation. Extract 5.2 presents a sample of incorrect responses to question 5.

Q5.	Production is the activity which result in	
	on goods and services so as to satisfy human wants at	
	a specific period of time and place, through production activity	
	has enabled survival of individual at the nation through	
	the different aids to trade that has helped to ensure	
	that production activity to be done in the nation due	
	to different reason. The following are the reason as to	
	why production is an essential activity for survival of individual	
	and the nation at whole.	
	Insurance; that means pooling of risk together	
	by contributing amount of money who suffer actual loss	
	for example a person can lead to his properties to be	
	destroyed by fire which can lead a person to get loss	
	so through it's compensation can lead other products to	
	be produced so as to compensate all losses that	
	they have occur at specific period of time.	
	Transportation; is the movement of goods	
	and services from one place to another place so through	
	the transportation has enhances and ensure that	
	goods reach to a person at a specific period of	
	time but also to encourage the development of trade	
	but also through trade will enhances more production of	
	resources at particular period of time for example can	
	lead to encourage of more either clothes by use of cotton	
	or other fibre sources.	
	Advertisement; is the process of letting	
	consumer know about all goods which are available	
	at the market at specific period of time which	
	will lead to increase in production since will enhances	
	and ensure that goods are speed up to sale for example	
	when you advertise a zam product will speed up sales so	
	as to increase production of others.	

Q5:	<p>Communication; is the transfer of information from one place going to another place for example in the process of production can help to reduce all of the cost and loss that might occur at a specific period of time since people will be well informed and being aware of what is going on at specific period so as to increase production of a certain product.</p> <p>Banking; also the activity that are being enhanced by activities of bank will enable a person to be aware and even to lend some of the loan that will help in the production activity to take place at a specific period but also to encourage out on what to be done at a specific period of time so as can enable production activity to be done.</p> <p>Warehouse; also the warehouse which can enable to keep all of the products that have been produced at specific period of time for example a public warehouse which can keep all of the goods produced at specific period even when there is no availability of goods at that time can help to store at a goods places at that winter period of seasonal.</p> <p>Conductivity; the aids to trade have played a major big role to ensure that all of the production process in the country are well conducted but also they are well endowed at specific period of time but also to encourage trade activity to be conducted in the country at specific period of time.</p>
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Extract 5.2: A sample of the incorrect responses to question 5 in paper 1

In extract 5.2, the candidate explained the importance of aids to trade in the production process instead of the importance of production to individual and the nation.

2.1.6 Question 6: Banking

The question was as follows: *How is the Bank of Tanzania (BoT) regulates the economy of the country during inflation?* The question was intended to test the candidates' ability to apply the functions of BoT, particularly the controlling function.

The question was answered by 1,443 (93.00%) candidates. Among them 917 (63.55%) candidates scored from 12 to 20 marks, 392 (27.16%) scored from 7 to 11.5 marks and 134 (9.29%) scored from 0 to 6.5 marks. Figure 6 the summaries the performance on question 6.

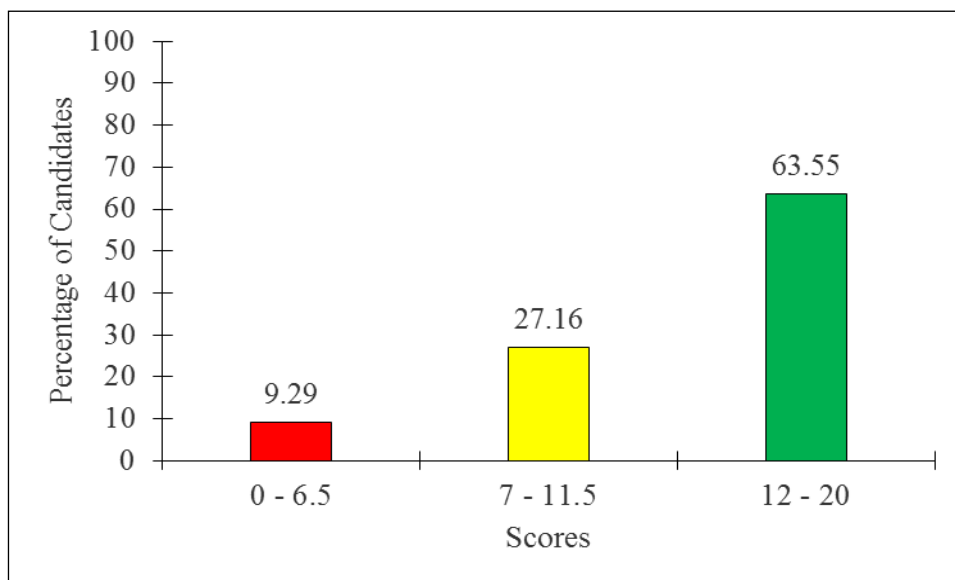


Figure 6: *Candidates' Performance on Question 6 in Paper 1*

Figure 6 shows that 90.71 percent of the candidates who answered this scored from 7 to 20 marks. This shows that the general performance in this question was good.

The candidates with high scores (12 to 20 marks) were competent about the meaning of inflation, its effects and the ways the Central Bank of Tanzania (BoT) can use its mechanisms to stabilize the economy of the country during inflation. If the living cost of a certain country is high, it indicates that there is inflation in the country, therefore it is the task of central bank of a country to intervene and control the situation. Inflation also is the rate of increase in price over a given period of time. The candidates who scored high marks understood that the chief responsibility of the Central Bank of Tanzania

(BoT) is regulating the flow of money and credit in the country. They knew the mechanisms used by the BoT to control over supply of money in circulation. A few candidates scored all 20 marks while the scores of other candidates varied according to the correctness of the points provided and clarity of their explanation. Extract 6.1 is a sample of the correct responses from one of the candidates with high scores on question 6.

6.	<p>Bank of Tanzania is the central bank of Tanzania that deal in monitoring, guiding and Supervising all the financial institutions in the country. The bank of Tanzania started its operation in 1968 and it is under the control of the government particularly the Ministry of finance. The central bank formulates the Monetary policy that are essential in controlling of credit in the country during fluctuations.</p> <p>The following are the points showing how the Bank of Tanzania regulates the economy of the country during inflation:</p> <p>Open Market Operation. This involves the buying and selling of the government securities to the public. During inflation the central bank bank of Tanzania through the stock exchange Market sells the government securities to the general public. This will lead to decrease in money supply when the government securities are bought thus controlling inflation.</p> <p>Bank rate Policy. This involves the rate charged by the central bank to the commercial banks when they borrow money. It is also known as discount rate when commercial banks borrow from the central bank as the lender of last resort. During inflation the central bank of Tanzania charges high interest rate to the commercial banks which leads also the commercial banks to charge high interest rate to the general public in order to discourage borrowing.</p> <p>Selective credit Control. It occurs when the central bank direct the commercial banks to offer credit to the priority sector or sectors that contribute to the high economic growth. Example agriculture sector or Industrial sector. During inflation the bank of bank of Tanzania influence the commercial bank to charge low interest rate to priority sector that contribute to the economic growth and charge high rate of interest to other sectors or to those who buy luxury goods.</p>	
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6.	<p>Legal reserve requirement. This involve the amount of cash that is minimum required the commercial bank to keep in their account in the central bank. The higher cash reserve to the commercial banks it enables to create credit, So during inflation, the bank of Tanzania directs the commercial banks to increase the amount of cash to be deposited as minimum balance this leads to decrease or lower the excess reserve thus limiting the commercial to advance loans or create credit.</p> <p>Marginal reserve requirement. This refers to the difference between the amount of loan and the collateral security. The collateral security usually should have high value than the required loan. During inflation the commercial banks demands the highly marketable securities in order to advance the loan, hence it discourage the public borrowings due to that most of the people in Tanzania lack highly marketable collateral securities.</p> <p>Special deposits. it occurs when the central bank directs the commercial bank to deposit certain amount of money in their account to due to particular circumstance. During inflation the central bank bank of Tanzania directs the or instruct the Commercial bank to deposit certain amount of money in their account, the main purpose is to reduce the amount of money in circulation.</p> <p>To sum up everything that has been stated so far, the bank of Tanzania does not not only perform the function of credit control but also other function such as acting as the clearing house, banker's bank, sole supplier and issuer of currency and acts as the bank of the government and monitor and supervises all financial institutions in the country.</p>
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Extract 6.1: A sample of the correct responses to question 6 in paper 1

Extract 6.1 shows a correct response from a candidate who explained the mechanisms used by BoT to regulate the economy of the country during inflation.

On the other hand, 392 (27.16%) candidates had average performance in this question. Their scores had been attributed to number of factors. The analysis shows that some candidates in this group mixed a few general functions of central bank with the mechanisms the central bank uses to

control inflation. For example, one of the candidates wrote *open market operation, raising bank rate, banker to the government, act as a lender of last resort, selective control, special deposits, issue of currency*. The candidates failed distinguish the general functions of BoT with the specific function of controlling credit. Therefore the point like *banker to the government, act as a lender of last resort* and *issue of currency* are the general functions of BoT. Others highlighted all the mechanisms to regulate the economy during inflation but some of the points were partially explained and others were incorrectly explained. In addition, some candidates used insufficient number of correct points to explain the situation. This shows that the candidates understood the question but had insufficient knowledge.

A total of 134 (9.29%) candidates had scores ranging from 0 to 6.5 marks. Majority of the candidates in this category mentioned some correct points but could not explain the points correctly. Furthermore, the analysis shows there were candidates who confused control of import and control of inflation, so they explained the ways to control imports instead of the way to control inflation. These candidates failed to realise that inflation is all about increase in price of goods and services in a country over a particular period of time that lead to high cost of living and unstable economy. It is the task of BoT to regulate the economy during inflation by reducing money in circulation using the mechanisms such as *selective credit control, special deposits, marginal requirement, current reform, bank rate policy, open market operation, raising cash ratio, raising credit and providing instruction to commercial banks*. Some candidates scored some marks from introduction part and at least one correct point. Extract 6.2 is one of the incorrect responses to question 6.

6.	<p>Inflation is the persistence increase in general price of commodity over a particular period of time. This is caused by shortage of local goods, high importation, high cost of production, etc leading to fall of the country's development. The following are the measures used by Bank of Tanzania (B.O.T) to control inflation;</p>	
	<p>Advise the government: The Bank of Tanzania is responsible to advise the government on stop borrowing from foreign countries so as to enable effective planning on available resources that will be used by the country in expanding development so as to avoid inflation and improving the living standards through the local business activities.</p>	
	<p>Price stabilization: The Bank of Tanzania is required to stabilize price in various sectors eg; exchange of foreign currency, trade activity etc so as to allow every citizen in acquiring different types of commodities or exchange currency at an affordable price to satisfy the conducting activities of business in country hence increase in government revenue.</p>	
	<p>Import and export control: Also in this point, The Bank of Tanzania is responsible in assuring control of import by allowing imposing of high tariffs to discourage and encouraging local industries to specialize in producing different commodities that facilitate export trade to expand hence improve development of industries and increase in the government revenue.</p>	
	<p>Bank services provided to the government: In this point the Bank of Tanzania gives out financial services to the government to allow acquiring of higher technologies that will be used to assist the local industries in specializing in production of goods and services so as to increase the size of market resulting to increase government revenue that will encourage in paying of external debts and develop other business activities.</p>	
	<p>Correct deficit balance of payments: The Bank of Tanzania allows to formulation of policies in import trade by increasing tariffs so as to discourage higher importation of harmful products, to reduce problem of dumping and encouraging local industries in specializing so as to make the favourable terms of trade and balanced balance of payment.</p>	

	Bank services provided to other banks: Also in this	
	point the Bank of Tanzania provides financial services to other banks	
	so as to encourage investment in public, credit worth customers who	
	conduct different business activities that result to increase in profit for	
	development in business projects hence leads to decrease inflation and	
	improve living standard.	
	Generally, inflation will be reduced if only the Bank	
	of Tanzania operate activities when there is political stability, high mana-	
	gement skills etc so as to perform activities that increase the govern-	
	ment revenue and decrease inflation.	

Extract 6.2: A sample of incorrect responses to question 6 in paper 1

In extract 6.1 the candidate explained some general functions of BoT instead of explaining the ways in which the BoT can regulate the country's economy during inflation.

2.1.7 Question 7: Transport and Business Communication

In this question the candidates were given the following scenario: *In business communication, the message is said to be effective when the receiver understands the same meaning that the sender intended to convey.* They were required to validate the statement using the criteria for effective message by limiting their answer into six points. The question was intended to test the candidates' ability to apply the criteria that make the message to be effectively communicated to justify that the message communicated is effectively received.

This question was attempted by a total of 716 (46.20%) candidates, among them 351 (49.02%) candidates scored from 12 to 20 marks, 239 (33.38%) scored from 7 to 11.5 marks and 126 (17.60%) scored from 0 to 6.5 marks. The general performance was good since 590 (82.4%) candidates scored average marks and above (7 to 20 marks). Figure 7 summaries the performance on question 7.

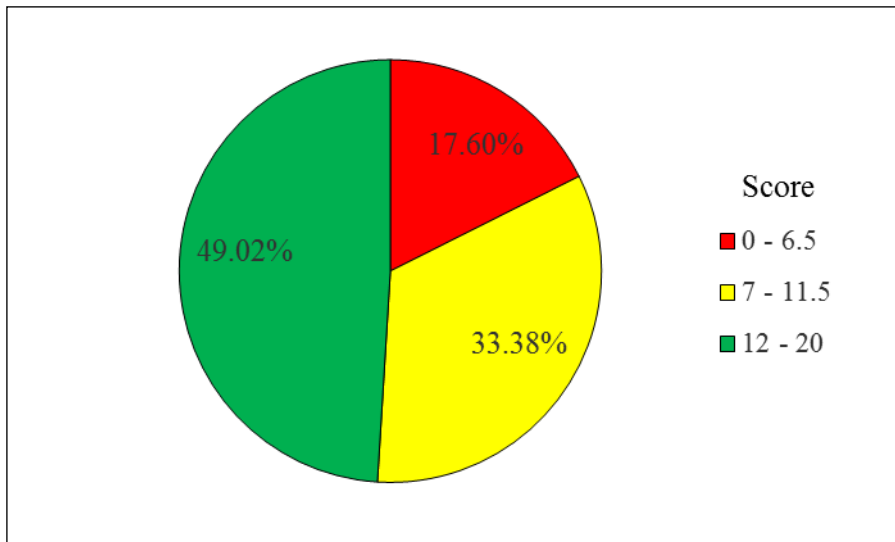


Figure 7: Candidates' Performance on Question 7 in Paper 1

The candidates who scored average marks and above (7 to 20 marks) understood the demand of the question and were knowledgeable about the concept examined. They understood that effective communication occurs only when the intended message reaches the receiver and the receiver understands it as it is intended too.

Most of the candidates who scored high marks (12 to 20) were able to validate the statement by providing correct criteria for effectiveness of the message communicated, though some of the criteria were not well explained by some of the candidates. Others provided at least four correct criteria out of the required six but also portrayed their essay writing skills. The candidates understood that in order for the receiver of the message to receive the same meaning as intended by the sender the following should be taken into account: *completeness of the message to be communicated, audience, integrity of the sender, attitude of the receiver (positive), timely, and appropriate communication media*. Additionally, the candidates who scored average marks were also aware on the criteria but they had partial knowledge that made them provide unsatisfactory explanation to some of the criteria. Furthermore the analysis shows that some candidates in this category made repetition of the points in their responses resulted into insufficient number of points. For example, one of the candidates explained the point of the *receiver's attitude* and the *receiver's mood* as different points while they mean the same. The other candidates did the same wrote

completeness of the message as one point and concise as another point. Extract 7.1 present a sample of correct responses from a candidate who scored high marks on question 7.

7.	Effective message is a message that contain all necessary criteria like integrity, it using appropriate media, it clear and understood, so this makes a message to be effective, the following are the necessary criteria that to make a message effective
	Timely presented ; In order for message to be effective it should be presented at a time which is good and at a time that is needed ,so the sender should regard the time that he/she needs to convey the message, poor timing prohibit effective message
	Message should be clear ; The message that presented to the receiver must be clear presented in order for the receiver of the message to understand well and in order for receiver to proceeds feedback from the message given, so the effective message should be clear
	Using of Appropriate media; in order for a message to be effective it should use the appropriate media which is correctly in presenting the the information to the receiver of the message , so the sender of the message should use the media which is appropriate in conveying the message, example written of letter to the one who doesnot know to read cannot support the effective message because the media that is used is not appropriate

	Sender should know well the Subject	
	matter; in order the message to be effective	
	the sender of the message should know	
	well the Subject matter / the sender of	
	the message should know well what it	
	is discussed on the message, he/she should	
	understand well what should be presented	
	in order to make message to be effective.	
	Sender should know the audience	
	well; in order the message to be effective	
	the sender of the message should know the	
	audience well in order to use the technique	
	which is familiar to them and which	
	can help them to understand what	
	is to be done through the message	
	Sender should use familiar language,	
	for a message to be effective the sender	
	of the message should use a language	
	that is familiar to in order the message	
	to be effective the sender should use	
	the language which is familiar to receiver.	
	Effective message facilitate good	
	communication and it can be used by	
	the seller to communicate with his/her	
	customer in order to make aware about	
	the availability of goods	

Extract 7.1: A sample of relatively correct responses to question 7 in paper 1

Extract 7.1 shows a sample of a relatively correct response to question 7. The candidate explained the criteria for effectiveness of the message delivered to receiver from the sender, however in the point of the sender to know the subject matter, the candidate explained it as the message is well discussed which is not actually the meaning of the point. It is about being aware of the subject matter (content) of the message.

On the contrary, the analysis shows that a total of 126 (17.60%) candidates had weak performance (0 to 6.5 marks) in this question. Their weak performance had been attributed to inadequate knowledge of the concept examined and poor understanding of the requirement of the question. Some candidates highlighted one or two correct points but failed to provide correct explanation in relation to the demands of the question. Most of them scored some marks on the introduction part and the point of language as one among the criteria. The other points explained by these candidates include the factors to consider when choosing communication media. For example, one of the candidates wrote *urgency of the message, cost of the media, the need to keep record, accuracy of information* as responses to the question. These points are factors to consider when choosing a communication media. In addition, some candidates wrote irrelevant points to the question such as factors that hinder effective communication. Others explained the advantages of communication into the business. For example, the response from one of the candidates includes: *awareness of the customer about availability of the goods and services, market expansion, increase in production, employment opportunity, facilitate customers' choice, and facilitate business transaction*. Extract 7.2 is a sample of incorrect responses to question 7.

7.	<p>Message; this is an information that is delivered ^{or conveyed} from the sender (encoder) or source to the receiver (decoder) through a given medium of communication like telephone, radio or letter. The message is said to be effective when the receiver understands the same meaning that the sender was intended to convey, despite the fact that there are some criteria for the effective messages.</p> <p>The following are some of the criteria for the effective message conveyed and their criteria are as follows:-</p> <p>Semantics; this is one of the criteria for the effective message, where by some of the message may not be direct to the receiver or may be direct but not understandable where by some of the information sent may have more than one meaning which may confuse the receiver and make him/her understand differently from the sender, for example she is washing, it maybe washing of dishes or washing of clothes, thus due to semantics where a word might have more than one meaning it may be a criteria for effective message</p>
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	Incomplete information sent; the message is said	
	to be effective when the receiver understands the same	
	meaning that the sender was intended but when there is	
	an incomplete information that is sent it may lead to	
	a criteria for effective message for example the sender	
	sends or conveys the information that say's man is gone	
	the receiver may not understand if he is dead or gone	
	somewhere. Thus due to an incomplete information sent it	
	may be the criteria for effective message.	
	Noise; this occurs especially when two	
	people are communicating either through phones or mouth	
	to mouth conversation. When two people are communicating	
	in a place where there is noise, then there will be a	
	criteria for effective message, where by the noise	
	may disturb the receiver and not hear the information	
	that is conveyed from the sender and there will be a	
	misunderstanding among the two sides communicating	
	thus noise is one of the criteria for effective message.	
	Breakdown of the internet; two sides may be	
	communicating maybe through telephone but on one side	
	there may be a problem of internet where by the internet	
	may break and return, break and return, this is a criteria	
	for effective communication since the sender and the receiver	
	are not able to understand each other while conveying	
	and receiving the information sent. Thus breakdown of	
	the internet is one of the criteria for effective communication.	

	Bad weather condition; also this may be the criteria	
	for effective communi message, bad weather condition may	
	make the two sides communicating (sender and receiver) to	
	not understand each other, was bad weather condition bring	
	distraction or disturbances since one side might not be	
	able to understand the other side like heavy rain and	
	thunder are source of noise	
	Wrong sending of the message; this is also a	
	criteria on effective communication where by the sender	
	or source may send wrong information to the receiver	
	or may send the right information but to the wrong	
	receiver this will lead to a misunderstanding between	
	the two sides where by the receiver may not be able	
	to understand the information conveyed since it was	
	wrong send by the sender of the message. Thus when	
	the was information is wrong conveyed to the receiver	
	it lead to a criteria for an effective message when	
	two sides may not understand each other.	

Extract 7.2: A sample of incorrect responses to question 7 in paper 1

Extract 7.2 shows incorrect response from a candidate who wrote factors that hinder communication instead of the criteria that leads to effective communication.

2.2 COMMERCE PAPER 2

2.2.1 Question 1: Import Trade

The question required the candidates to examine the role of the tools used in protectionism policy in protecting local industries from the danger of imported goods to the country by limiting their answers to six points. The question was intended to test the candidates' ability to apply the tools of protectionism policy to protect home industry. The question was as follows: *Examine the role of the tools used in protectionism policy in protecting local industries from the danger of imported goods to the country. Limit your answer in six points.*

The question was compulsory so it was attempted by all 1,551 (100%) candidates. The data shows that 385 (25.73%) candidates scored from 12 to 20 marks, 237 (15.73%) scored from 7 to 11.5 marks and 915 (58.99%) candidates scored from 0 to 6.5 marks. This performance is summarised in Figure 8.

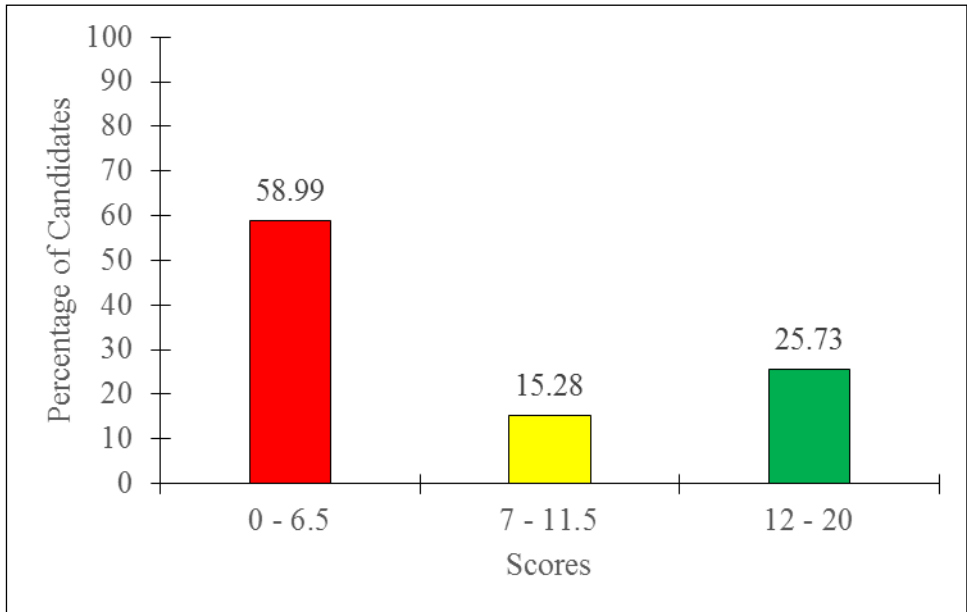


Figure 8: *Candidates' Performance on Question 1 in Paper 2*

The question had average performance since 622 (41.01%) candidates scored from 7 to 20 marks. However, majority of the candidates (58.99%) scored below 7 out of the 20 allocated marks as seen in figure 8.

The candidates who scored average marks and above understood the tools used in the protectionism policy to protect home industry in the county. Some of them were able to identify the tools used to protect of home industry from the danger of imported goods. However, they had partial knowledge of how they are used to control import. The majority mentioned the tools like; *total ban, currency devaluation, granting subsidies to home producers, import and export Licenses (Trade License), foreign exchange controls, Import Tariffs (taxes) and Import Quotas* but only a few managed to provide relevant explanation on each tool. Some provided correct explanation to only three points while other points had inappropriate explanation. Moreover there were some candidates who

failed to distinguish some of the tools hence interchanged the explanation of the tools. For example, some candidates failed to differentiate *total ban* and *import quotas*. The candidate failed to realize that total ban means totally not allowed importing a particular product(s) while import quota the amount of a particular item to be imported is limited to a certain quantity. That is to say, the government totally restrict importation of sugar because the sugar produced in the local industries is sufficient (total ban), while in import quota the country can allow importer to import a stated quantity of sugar.

The analysis further shows that candidates who scored high marks were able to examine the role of the tools used to protect local industries from the danger of imported goods. They had sufficient knowledge of the tools used to control importation of goods which can locally be produced in the country. Most of them examined the role of the tools used to protect local industries; however, some of the tools were not clearly examined. The candidates who scored full marks were knowledgeable and adhere to the requirement of the question. Other candidate's scores differed according to individual ability to answer the question. Extract 8.1 is a sample of correct response to question 8.

1. Protectionism policy is the policy which established by the government in order to protect the local industries, to reduce the deficit in the balance of payment and also to provide employment to the people in the industries and other business trade. The policy is controlled under tools which are used in order to protect the local industries. The following are tools and their roles in protecting the local industries from the danger of imported goods to the country;

Total ban, this is the tool which is used in protectionism in which it guide the importers not to import anything to the country, total ban play a role of reducing the importation of harmful products to the country. Example of those harmful products is such as cigarette, alcohol and other goods.

Import quota, this is the tool also used in protectionism whereby it state the amount of goods that are to be imported, it can be minimum or maximum amount of goods to be imported. This tool play a role of avoiding the importation of goods with poor quality and low quantity.

Import license, also another tool is import license where by it guide all the importer to import goods after having the import license in order to avoid the black market, due to this tool it will discourage the importers to import the goods and hence it protect the local industry.

Subsidies, also the provision of subsidies to the local industries producer whereby it will encourage them to produce the goods with high quality and quantity, through this tool the importation will also decline since the goods which are to be imported are now produced in the country. Example of these subsidies may be the credits, good location for the business inputs and other incentives.

Import tariffs, the policy also may introduce the taxes on imports which usually will discourage the importer from being importing the goods because of the

1. highly taxes charged on the goods to be imported.	
Devaluation policy, Devaluation policy means the government decide to devalue the domestic currency interm of foreign currency, due to this policy, it discourage imports because the importer buy at large price and sell them at low price, due to this it discourage them from importing the goods and hence to protect the local industries.	
Generally, protectionism policies enable the local industries to improve since the consumers will depend on buying the goods and not importing from the other countries, though through protectionism, it is contra to the law of comparative advantage and also it lower the volume of trade.	

Extract 8.1: A sample of correct responses to question 1 in paper 2

In Extract 8.1 the candidate provided relevant tools used in protectionism policy in protecting home industries.

Conversely, 915 (58.99%) candidates scored low marks (0 to 6.5 marks). A few among them were able to evaluate at least one to two correct points and included in their response the documents used in foreign trade such as: *certificate of origin, letter of credit, consular invoice, and letter of hypothecation*. Other candidates mentioned a few correct tools with unrelated explanation. This justified that they had inadequate knowledge of the tools used to control imports so as to protect home industries. The candidates who scored zero marks failed to interpret the requirement of the question. For example, one of the candidates explained advantages of international trade he/she wrote *the country can buy what it cannot produce, broaden the opportunity to buy variety of goods, international understanding, business competition, country to sell its surplus and improve the standard of living*. Furthermore, some candidates explained the reasons for foreign trade and their responses were: *low level of technology, lack of required raw materials, law of comparative advantages, insufficient labour power and climatic condition*. Extract 8.2 is a sample the incorrect responses from one of the candidates who failed to interpret the demand of the question.

1.

Protectionism tools, simply can be referred to as, the tools used by a country to control the rate of import and export within that particular economy of a country. These tools play a great significant role in protecting local industries within the country, as it has been discussed below.

Protection against wasteful competition existing in the market. Industries of the country get to be protected from engaging into a wasteful competition which might exist in the foreign market as a result of international trade. This is done so through the existence of the protectionism tools.

Protection against misuse of resources available in the country. Local industries are also protected from misusing their resources which are made available to them by avoiding or through limiting the amount of goods imported into the country through the use of trade restriction policies.

Protection against adverse effect of inflation. Also, the government uses the tools of protectionism to protect the local industries from inflation, especially imported inflation, which might occur when the country imports goods and or services from a country suffering from inflation. Thus, these tools assist the local industries to not suffer from inflation problem.

1.	Increase the size of the
	markets for the local industrial goods. Also
	the government may enact trade restrictions
	policies on imports within the country with
	the aim of assisting these local industries to
	obtain high market size both within the
	country and outside the country for those
	goods which they produce.
	Facilitates specialization and
	division of labour in the local industries.
	Specialization and division of labour becomes
	possible among these local industries as
	producers of similar products within the
	country are limited in number due
	to the existence of protectionism tools
	on producers of similar goods from other
	countries. Thus, a local industry can even
	end up being a sole producer of a certain
	good in the economy.
	Increase profits earned
	by the local industries. Local industries
	tend to earn alot when the government
	of the country practices protectionism
	policy particularly on those goods imported.
	This is due to the existence of few or
	limited number of producers within the
	country's economy.
	In summation, trade protection
	-ism policies are enacted and practiced for the
	aim of protecting the welfare of those engaged
	in international trade. Example of these tools
	includes import and export tariffs, total ban and more.

Extract 8.2: A sample of incorrect responses to question 1 in paper 2

In Extract 8.2 the candidate explained advantages of import restriction instead of the tools used in protectionism policy to protect local industries.

2.2.2 Question 2: Contract of Sale

In this question candidates were given the following scenario: *Mapambano a tobacco seller and Maendeleo a buyer want to enter into contract of sales of goods (tobacco). However, they do not know either "to sale" or "agree to sell". In six points, assist them to understand the difference between two options so as to make the right option before entering into contract.*

The question intended to test the candidates' ability to differentiate the two concepts as used in the contract of sale.

A total of 548 (35.3%) candidates answered this question, out of whom 359 (65.51%) candidates scored from 12 to 20 marks, 111 (20.26%), scored from to 7 to 11.5 marks and 78 (14.23%) scored from 0 to 6.5 marks. Generally, the candidates' performance in this question was good as 470 (85.77%) candidates had good and average performance. Figure 9 summarises the performance of the candidates on question 2 in paper 2.

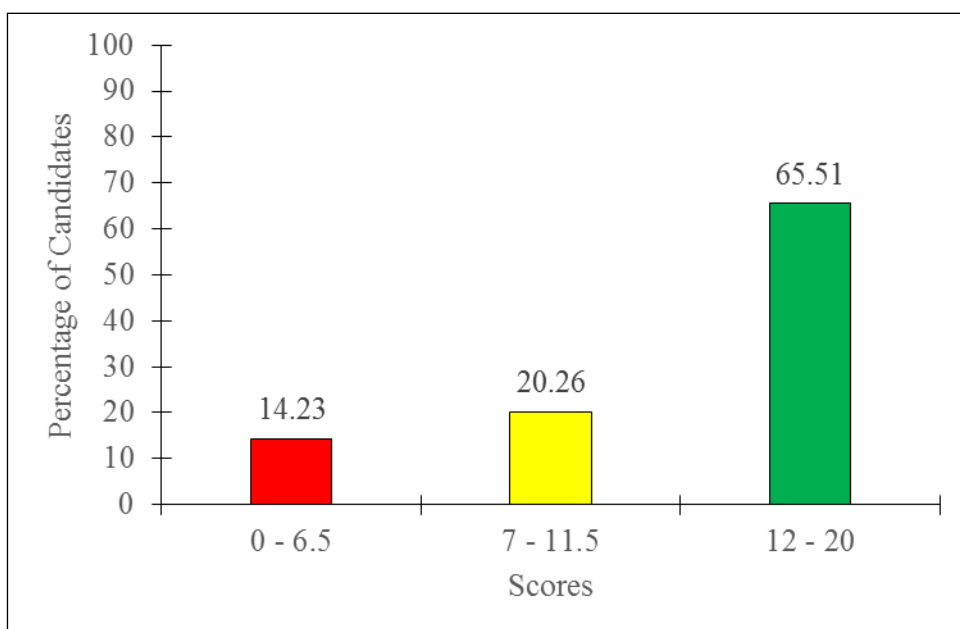


Figure 9: Candidates' Performance on question 2 in Paper 2

Figure 9 shows that the majority 359 (65.51%) candidates scored high marks in this question and the overall candidates' performance was good as only 14.23 percent of all candidates scored below 7 marks.

The candidates who scored high and average marks were aware of the terminologies examined as used in the contract of sales. They were able to differentiate the terms 'to sale' and 'agree/agreement to sell'. Most of the candidates who had high scores managed to provide relevant and sufficient number of correct points. Among them were able to distinguish the terms using four to five points. However some of their points needed more explanation for clarity. For example, the point of *transfer of ownership* most of the candidates failed to explain it clearly. They were supposed to know *when* the ownership moves from the seller to the buyer. In "to sale" the ownership of the property move to the buyer immediately at the time of making a contract while in agreement to sell the seller will hold the property until the contract signed become a sale. Their scores varied based on the relevance and quality of the explanation provided by individual candidate.

Despite good performance, some candidates (20.26%) had average scores because they had partial knowledge of the terms tested. The analysis shows that most of them managed to the correct points such as *resale right, consequences of breach, transfer of ownership, risk of loss, right to sue for the property* and *existing property or future property* but they could not provide correct explanation to most of the points. Others were able to explain at least three correct points but included in their responses some reasons for the termination of the offer. For example, one of the candidates responses were *transfer of ownership, risk of loss, consequences of a breach, lapse of time, rejection, and death*. The last three points; *lapse of time, rejection, and death* are factors for termination of offer which were contrary to the demands of the question. Extract 9.1 is a sample of correct responses from one of the candidates who demonstrated her/his better understanding of the question 2 in paper 2.

02.	<p>Contract of sale This refers to an agreement between two parties which is enforceable by law at a period of time doing sale. But when two different parties come into contact there is sale and agreement to sale where the parties must come into agreement unto dealing with which but also a contract of sale has its essentials for it to be valid such as genuine consent, more than one party, consideration and a few to name. The following are the distinctions between sale and agreement to sale as follows;</p>	
	<p><u>Transfer of ownership;</u> Interm of sale there is an immediate transfer of ownership from the seller to the buyer only after when they come into contact and the particular performanu is made thus transferred to the buyer. while Agreement to sale there is no immediate transfer of ownership between the seller and the buyer as well. whereby the buyer will have no immediate ownership of the goods till a further period of time.</p>	
	<p><u>Possibility of uncertainty;</u> In other words can be termed as risk, Interm of sale The whole burden of risk or uncertainties is borne by the buyer upon himself or herself since the ownership of the goods is transferred to the buyer and thus why all uncertainties are borne by the buyer. while Interm of agreement to sale all uncertainties and risks are faced or borne by the seller himself or herself since the owneshi</p>	

02	p is retained or remained by the seller thus why for any extra risks the seller is liable for it. Hence a difference between sale and agreement to sale.	
	Consequences of breach; Interm of sale The consequences of breach as an effect is that the buyer is to sued for price or the seller can actually claim for the price from the buyer this is to mean that as the buyer fails to fulfill his performan he or she is to sued for price for the goods and not otherwise. while interms of agreement to sale is that the buyer is to be sued for the damage of the goods whereas the party has failed to fulfill his or her performan the seller can claim for damage of the goods.	
	Resale right; Interm of the sale The party who has the resale right is the buyer such that the buyer has the right to sale again the property or goods to another individual when he or she is right of the ownership and posession of the goods thus a resale right. while interms of the agreement to sale is that the seller has all the consequenial rights to resale again of the goods due to the own eship and posession of the goods hence a resale right as a difference between sale and agree to sale	
	Stoppage in transit; Interm of sale The buyer has no any right to stop the delivery of goods to the purchaser as the seller is the responsible one this is to say that the restrictions of the delivery of the goods to the purchaser can not be conducted by the buyer. while interms of agree ment to sale is that the seller as the one with the ownership and posession has the delegations to stop the delivery of goods to the purchaser.	
	Payment of the goods; Interm of sale There should be an immediate payment of the goods basing on the consideration or the price value of the goods as there as an immedi-	

02.	ate transfer of goods to the buyer only when the particular sale is being done thus immediate payment of goods. While in terms of agreement to sales that there is no immediate payment of the goods based on the price of the goods since both parties have just made an agreement to sale the goods to each other.	
	In brief there are distinctions between sale and agreement to sale such as resale right, consequences of breach, transfer of ownership, risk, payment of goods and a few to name. But before doing so the contract of sale itself should be valid and enforceable by law as it pertains all the essentials of a contract of sale such as form of contract, mutual consent and a few.	

Extract 9.1: A sample of correct responses to question 2 in paper 2

In Extract 9.1 the candidate managed to differentiate the terms “to sale” and “agreed to sell” to support Mapambano and Maendeleo in making the right option before enter into a contract.

In spite of good and average performance in this question, a few 78 (14.23%) candidates scored low marks ranging from 0 to 6.5. Among them there were candidates who scored some mark on introduction part and at least one correct point. Others listed some correct points and were able to explain partially on one side, (to sale) but failed to explain the same point on the “agreement to sell”, therefore could not score any marks. The analysis shows some candidates misinterpreted the requirement of the question as some of their responses reflected on the *elements of contract, reasons for termination of contract, termination of an offer* and *different terminologies* used in contract of sale. For example, one of the candidates wrote *the capacity to perform, offer and acceptance, intention of create legal relationship* which are ways in which the contract can be formed. Some of the candidates explained the elements of contract of sale instead of the difference between “to sale” and “agreement to sell”. They failed to realise that in order to differentiate the term they should considers the following points: *transfer of ownership, risk of loss, consequences of a breach, resale rights, executed contract* and *existing property or future property*. Extract 9.2 is a sample of incorrect responses to question 2.

2	<p>Contract of sale; is the agreement between two or more parties to conduct their business together in order to achieve their intended goals. The following are characteristics of good contract of sale as follows:</p> <p>Two parties: There should be a presence of buyer and seller in order for them to conduct their business effectively through purchase and sale of their product from one area to another where contract of sale of goods should effectively conducted.</p> <p>Offer and Acceptance: In order for contract to be conducted effectively among the two parties each parties must first decide the Offer and Accept in order for them to enter into a contract of sale business.</p> <p>Consideration of price: Before entering into a contract of sale they should decide on the price of the product that they want to deal with in order to avoid misunderstanding later on while they are conducting the business.</p> <p>Lawful objective: In order to have contract of sale the business must be legal and aspected by the government in order for the two parties to conduct their business effectively without fear of the business which they are conducting.</p>	
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Extract 9.2 is a sample of incorrect responses to question 2 in paper 2.

In Extract 9.2 the candidate explained some of the element of a valid contract instead of differentiating the term “to sale” and “agreement to sell”.

2.2.3 Question 3: The Role of Government in Trade

The question was as follows: *The Tanzanian government should not be involved in trade because trade is only for citizens and non-citizens and not for the government. Use six points to criticize this statement.*

The question intended to measure the candidates' ability to explain the role of government in trade.

The question was answered by 1,387 (89.43%) candidates of whom 1,066 (76.86%) candidates scored from 12 to 20 marks, 236 (17.16%) scored from 7 to 11.5 marks and 83 (5.83%) scored from 0 to 6.5 marks. Generally the question had good performance as 94.02 percent of the candidates who answered this question scored from 7 to 20 marks. The summary of the candidates' performance in this question is shown in figure 10.

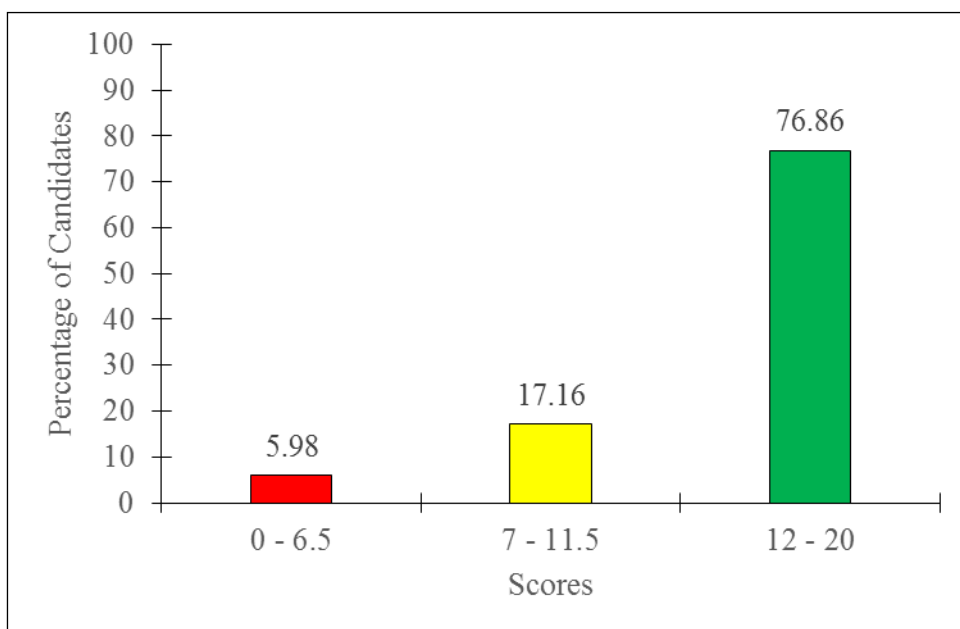


Figure 10: *Candidates' Performance on Question 3 in Paper 2*

The 1,304 (94.02%) candidates whose performance was average and above (scored from 7 to 20 marks) portrayed their understanding on the demand of the question and criticized the statement using the roles played by government in trade. Most of them wrote sufficient number of correct points for criticism, however some minor discrepancies were observed. On the other hand, the candidates with average performance managed to provide some relevant points to criticize the statement. Among them wrote

sufficient number of correct points but could not provide satisfactory explanation to some of the points. The analysis shows that some candidates mixed some correct points with advantages of privatization. The candidates' scores varied according to the relevance, clarity and sufficient number of correct points as per requirement of the question. Extract 10.1 is a sample of responses from the candidate who criticized the statement using the roles of government in trade.

03.	<p>Government refers to the body of persons granted authority by the people through election so as to monitor, control and direct the particular state or country while considering people's needs. The government performs many functions, one of them being trade function and thus necessitates the role of government in trade or the need for it to participate in trade since:</p>	
	<p><u>Risky and Unattractive Ventures</u>, some of the undertakings are risky and unattractive with low profits which discourage the private sector as they aim at maximizing profits and not otherwise thus, bring the need for government to engage in trade since most of these activities are usually public utilities providing services to the public.</p>	
	<p><u>Large Initial Capital</u>, another reason substantiating the need of government involvement in trade, is the large initial capital required to set up some undertakings or ventures, which can't be easily afforded by the private individuals or sectors thus brings the need for government to engage in such public undertaking so as to provide services to the public.</p>	
	<p><u>Consumer Protection</u>, another reason why trade shouldn't be left in the hands of the citizens and non-citizens only, is because the government helps to ensure consumer protection through adopting various measures so as to control and influence the activities of the private sector as well as protect consumers or citizens from unfair business practices done by the private sector or individuals, thus necessitates the</p>	

Q3.	<p>for government's presence in trade and if does so, through different regulatory authorities such as LATRA, TBS, TMBA and so many others.</p>	
	<p><u>Prevention of Monopolies</u>, another reason as to why trade is not only for the citizens and non-citizens but also for the government, is because, the government intends at preventing the emergence of monopolies in the economy, by limiting the activities of the private sector, which only aim at maximizing profits, and charge high prices as well as create barriers of entry into the market, thus the government prevents this by putting laws and regulations restraining them, participating in joint ventures, and so many others.</p>	
	<p><u>Provision of essential services and public utilities</u>, another reason which brings the need for government involvement in trade, is that the government aims at maximizing social welfare unlike the citizens or private sector which aim at profit maximization, so the government ensures social welfare maximization by efficiently providing essential social services and public utilities to the general public or citizens, some of example of these services include education, health, water, electricity, housing and so many others.</p>	
	<p><u>National Security</u>, another reason which requires the need of government involvement in trade, is because there are some activities which can't be left in the hands of private sector or citizens such as National Defence, for the sake of the state well-being, thus, requires government intervention in dealing with</p>	

09.	with such undertakings, of which when tempered with very cause insecurities and unrest in the nation.	
	However, despite seeming all the good motives behind its involvement in trade, the government's involvement in trade, also has some disadvantages to the society such as poor quality of products, corruption and misallocation of resources, excessive government interference, limited consumer sovereignty and so many other disastrous effects associated with it.	

Extract 10.1: A sample of correct responses to question 3 in paper 2

Extract 10.1 shows that the candidate understood the requirement of the question and had sufficient knowledge of the role of government in trade.

On the contrary, 83 (5.98%) candidates scored low marks ranging from 0 to 6.5. Most of these candidates listed the points such as *large capital to investment, restrict exploitation, to provide important services, creation of employment and national interest* which were correct but failed to clarify them. For example, one of the candidates explained the points as roles of an individual instead of role of the government. He/she wrote: *large capital as capital it is difficult to have large capita until borrowed from bank. The other point was to provide important services person who has large capital can supply food to different citizens.* The candidate failed to realise that some projects which need large amount of capital to invest in which the government has to invest on, regional balancing cannot be done by private organization or individuals, it is risk to leave the project for providing essential services in the hands of individuals. Through government involvement in trade, the issue of monopolies can be reduced if not prevented. Likewise, different people can be employed from the trade owned by the government. It is the task of the government to redistribute the wealth among its citizens. Also the government is involved because it is its role to protect national interest. Extract 3.2 is a sample of incorrect responses to question 3 in paper 2.

03.	Government undertaking; refers to the process
	whereby government is involved or intervene in trade
	activities despite of availability of the private individual
	and it administrative and political duties. The following
	are the reasons explain why Tanzanian government
	should not be involved in trade activities and matters.
	It lead to limit of consume or people's choice;
	government intervention in trade limit consumer's
	sovereignty hence lead to decline or decrease in
	welfare of the people since they are limited with
	only few range of the good and services provided by
	the government only compared to when there is
	liberalised economy involve number of trade with
	different idea and method. For example in socialist countries
	like Russia people tend to use similar good produced by
	government since they are the only one available.
	It limit the rate of private investment and initiative,
	also government undertake in trade limit number of
	both foreign and domestic investors to inject their capital
	in production activities hence this lead to decline in
	rate of gross national product since it limit production
	level since government more dominance obligate or
	hinder introduction of new business venture. For example
	number of entrepreneurs and private companies are few
	in socialist countries as number of people depend on pube employ
	d by government.
	It lead to provision of poor quality good and services
	due to lack of competition; also government undertaking
	or involvement in trade limit lead to provision and supply
	of poor quality goods and services since there is no
	competition or rival from the private initiatives or venture
	and also due to take lack interest or motivation of gain

more profit, hence the government has no even risk of bearing function since even the fund is contributed by people through tax compared to private person who contribute his or her own money and seeking technology from various place to provide his or her product so as to gain and with the market.

It may lead to public resources drain; also government involvement in trade may lead to draining of the public resources since in most cases there is poor management and organization of the public resources and government do not make any loss on wasting, or misuse public resource since in most cases the fund is contributed by the citizen through tax. For example allocation of resources to unproductive sectors or use public resources for personal gain which will have no social benefit to the rest.

It lead to increase of government expenditures and public debt; also government intervention or involvement in trade lead to increase of government expenditure and public debt due to large amount of capital required in some of project like construction of infrastructures, hence lead to increase or raise in tax rate charge to people so as to cover its expenses and wipe off the debt created through borrowing from outside or inside the country.

It is lead to delaying and bureaucratic tendency and inflexibility in making rapid change. also it is not important to involve government in trade due to delaying in making decision and inflexibility in making sudden structure change so as to copy up with change in people taste, preference and fashion compared to private initiative firm have effort in determining people's demand and through market research and provision of immediate utility.

Extract 10.2: A sample of the incorrect responses to question 3 in paper 2

In Extract 10.2, the candidate explained disadvantages of government involvement in trade instead of the role of the government in trade. The candidate did not understand the task of the question.

2.2.4 Question 4: Marketing

The question required the candidates to justify in six points the statement that *Marketing has a crucial role in respect to the development of the developing nations like Tanzania*. The question intended to assess the candidates understanding of the role of marketing to the development of the country.

The question was answered by 1,304 (84.07%) candidates. Among them 1,147 (87.96%) candidates scored from 12 to 20 marks, 137 (10.51%) scored from 7 to 11.5 marks and 20 (1.53%) scored from 0 to 6.5 marks. The general performance in this question was good because 1,284 (98.47%) candidates scored 7 to 20 marks and only 1.53 percent of the candidates scored below 7 marks. This performance is summarised in Figure 11.

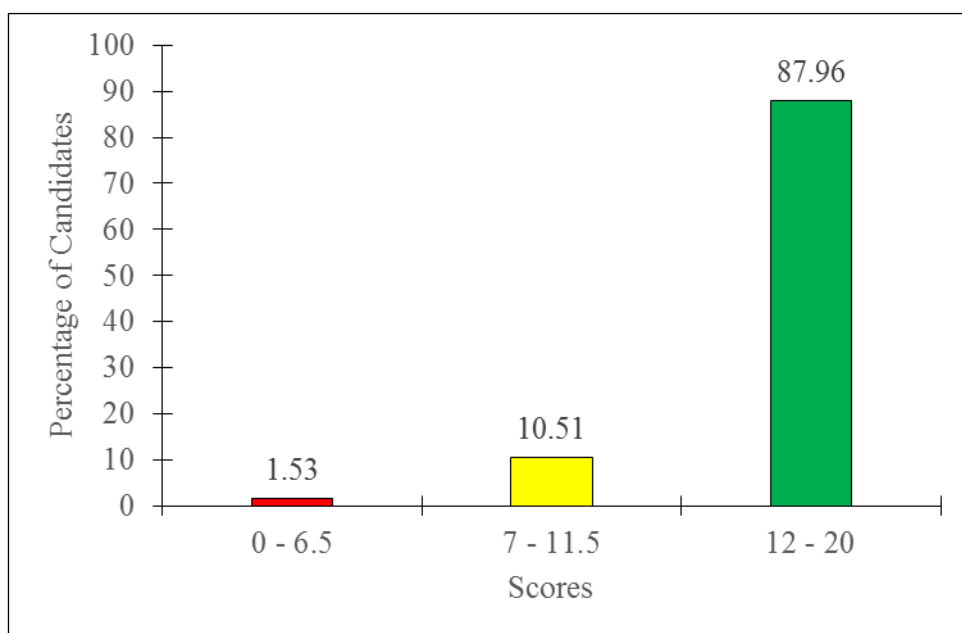


Figure 11: *Candidates' Performance on Question 4 in Paper 2*

The majority 1,284 (98.47%) candidates scored from 7 to 20 marks. The candidates with average performance justified the statement by providing at least three correct points. For example, most of them used the points such as *provision of employment opportunities, raising of living standard of its people, increase/expand home market, increase efficiency performance in trade, full utilization of its resources*. However, some of them managed to

provide more than three correct points with partial explanation while others used only examples to describe their points. Furthermore, the candidates who scored high marks demonstrated their understanding on the importance of marketing in the development of developing countries by providing the relatively correct responses with sufficient number of point as required and all had good essay writing skills. Despite slight differences noted in the candidates' responses most of the candidates in this category managed to answer the question accordingly. The candidates who scored 20 marks provided correct responses. The differences in candidates' scores depended on the relevance of their explanation and the sufficient of number of the required points. Extract 11.1 a sample of correct responses to question 4 in paper 2.

4.	<p>Marketing refers to all necessary activities performed so as to facilitate the exchange and distribution of goods to the final consumers. Marketing involves various functions such as advertising, transportation, packing & packaging, Grading, product development, marketing research and many others.</p> <p>The following are the significances of marketing in respect to the development of the developing nations like Tanzania;</p> <p>Source of employment opportunities: Out of marketing functions many have been able to secure job opportunities. Good example is marketing officers, marketing managers, marketing directors and many other work positions under the field of marketing. This inturn helps to increase individual's income for sustaining life.</p> <p>Encourage production activities: Carrying out of marketing functions such as marketing research which aims at finding the needs and preferences of the consumers and present them to producers for implementation. Hence the producer will supply goods according to the consumers demands hence quick turnover of the goods which inturn encourages producers to produce more.</p> <p>Improves standard of living (economic & social welfare): marketing aims at producing quality and effective goods to the society hence improving the social welfare of many. For instance marketing function such as grading enables consumers to access goods of high quality and of desired grade thus</p>
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4.	<p>improving their living conditions due to maximum satisfaction received from graded products/items.</p> <p>Increases efficiency in firms: Marketing helps firms to make various important decisions on effective supply and distribution of their products. For instance from marketing the producer is able to make effective decisions on price determination by setting favourable prices which will attract customers and at the same time maximize profits.</p> <p>Source of government revenue: Marketing provides good source of income from various activities/functions it performs where as for instance increase in productivity of firms creates more revenues with which the government may impose taxes. Such revenue is used to finance various development programmes hence encourage country's economic development.</p> <p>lastly, promotes trading activities: For instance in International trade, proper marketing research helps to provide necessary information to local traders (exporters) on how to improve their productivity and also marketing provides an aid through which promotion of locally made goods can be done, with the help of institutions which conduct marketing for instance, in Tanzania a TANTRADE carries out marketing function of promoting products of exporters abroad.</p> <p>To sum it up, with marketing development of developing countries is inevitable hence very important activity in this world of commerce and trade.</p>	
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Extract 11.1: A sample of the correct responses to question 4 in paper 2

In Extract 11.1, the candidate justified the role of marketing to the development of developing countries like Tanzania.

Apart from the majority of the candidates who scored average marks and above, a few 20 (1.53%) candidates scored low marks ranging from 0.5 to 6.5 marks. Majority of them understood the demands of the question but lacked knowledge of the concept examined. Therefore, they highlighted some relevant points to the question. For example, they wrote: *improving*

living standard, use of home resources in production, increase of market size and employment but a few of them managed to explain partially some points in relation to the demand of the question. Other responses from these candidates included general functions of marketing such as *planning, distribution, financing, buying, selling, pricing, branding, and design* instead of the role of marketing in the development of developing countries like Tanzania. Extract 11.2 is a sample of the incorrect responses from a candidate who scored low marks on question 4 paper 2.

04	<p>Marketing: Is the all activities concerning analysing, producing of products at the aim of making profit. Also marketing has the following objectives these are, To know how buy products, To know when products bought, To know who is the buyer, To know competition and how to complete with them. The following are the roles of marketing:</p> <p>Transportation of goods: This is the role of marketing because this is movement of people, goods and services from one place to another so through this is the source of to know how are the buyer of the marketing because of transportation of goods.</p> <p>Storage of goods: This is the role of marketing because through this storage is the place where goods are kept so through this is the source of to get employment of people because storage is the place where buyer and seller buying keeping their products for consumption.</p> <p>Buying of goods: This is the role of marketing because through this is the buying of goods between a producer and consumer so as to get the profit so through this is the source of get the competition of buyer and to know how to complete with them.</p>
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Extract 11.2: A sample of the incorrect responses to question 4 in paper 2

In Extract 4.2 the candidate explained functions of marketing instead of the role of marketing in the country's development.

2.2.5 Question 5: Foreign trade

The question intended to test the candidates' understanding on the role of TPA in foreign trade especially on import. The question was as follows: *The Tanzania Ports Authority (TPA) assists importer and exporter in numerous ways. Suggest six roles played by TPA to assist importers in importation of goods.*

The question was answered by 470 (30.30 %) candidates out of whom 67 (14.26%) candidates scored from 12 to 19.5 marks, 237 (50.42%) scored from 7 to 11.5 marks and 166 (35.32%) scored from 0 to 6.5 marks.

This question had good performance because 304 (64.68%) candidates scored from 7 to 20 marks. Figure 12 summarises this performance.

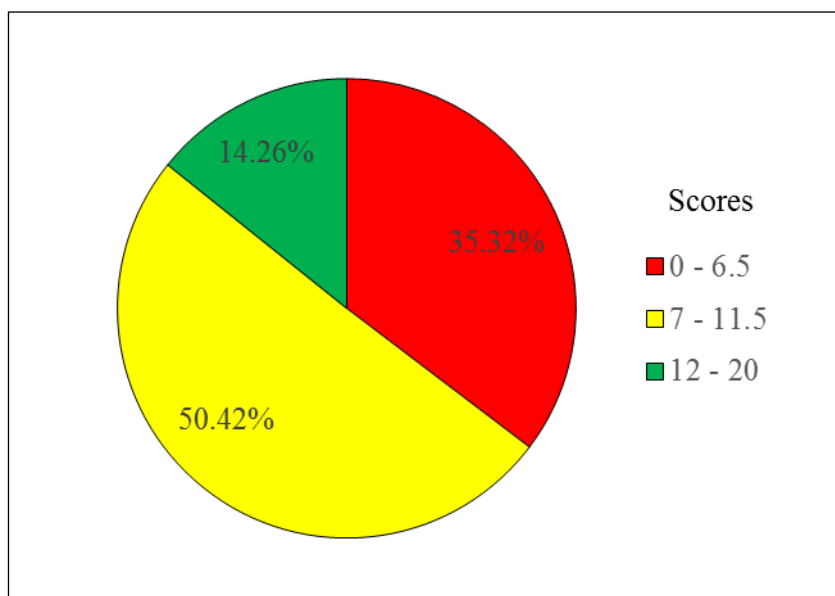


Figure 12: Candidates' Performance on Question 5 in Paper 2

Figure 12 shows that 64.68 percent of the candidates scored average and above (7 to 19.5) marks. The candidates whose performance was average portrayed their understanding on how Tanzania Port Authority supports importers in importation of goods. They were aware that (TPA) provides *harbour facilities, warehouse services, ensure importers with greater efficiency through communication with other importers, consigning goods* and provision of port equipment to importers. However, most of them identified the points and partially explained them. Some of them provided

relevant explanation to some of the roles but could not relate some of the points with the requirement of the question. The analysis further shows that the candidates who scored high marks understood the question and were knowledgeable of the role of TPA to importers. They responded to the question as per requirement and the highest score was 19.5 marks out 20 allocated marks. The candidates' ability to clarify the suggestions, use of good English language and proper essay writing skills had been considered in awarding the individual scores. Extract 12.1 presents a relatively correct response from one of the candidates who scored high marks.

05.	Roles of Tanzania Port Authority to assist importers.	
	Tanzania Port Authority, refers to Authority that controls all ports found in the country. It ensures all the goods and that pass through the port are not harmful and bad for usage. Example in Tanzania there are Dar es Salaam port, Tanga port, Mtwara port etc. The Tanzania Port Authority is entrusted with power to control all ports in the country. TPA plays a great role in International trade since it holds the entry points of goods in the country.	
	The following are roles played by Tanzania Port Authority (TPA) in assisting Importers:	
	To provide proper handling facilities for cargo at the port; Tanzania Port Authority (TPA) ensures that the port has got all the required handling facilities for all type of cargo that pass through the port. Such facilities include cranes for carrying heavy loads, forklifts, trucks for transportation of containers but also warehouses to store goods waiting for custom clearance.	
	To ensure safety regulations at the port; Tanzania Port Authority provides rules and regulations that are to be followed at the port so as to ensure that safety is insured when handling goods and to the workers working at the port. This helps to avoid accidents or risks that can occur while holding goods imported such as damage, fire outbreak etc.	
	To cooperate with other port systems in world; Port Authority, communicates with other port Authority all over the world thus enables coordination of proper activities to be done. The port is a way of various ships and goods arriving at its territory, before they can arrive from their original country ports, thus enables	

05.	<p>proper dealing at the port. This ensures no smuggling and no custom avoidance for goods entering the port.</p> <p>To ensure speed, efficient and smooth flow of goods from sea transport to land transport, The Port Authority provides procedures that would help an importer to acquire the goods he/she has imported on time and be delivered as required. Such procedures and system kept help to ensure speed, efficient and smooth movement of goods from sea to land transport leading to goods being delivered on time and reducing congestion.</p> <p>Provides Statistical data for Imports and Exports;</p> <p>Tanzania Port Authority provides statistical data for goods that have been imported and exported, such data is important in assessing National Income obtained from International trade, but also assessing income obtain from custom duties for Imports in the country.</p> <p>Also Balance of payment uses to determine either deficit or surplus.</p> <p>To provide dock yards when ships are repaired and maintained before journey, Tanzania Port Authority provides yards when ships that have bring goods after they are off loaded, they go to be repaired and repaired so as to be ready for shipment of other products to abroad.</p> <p>Generally, Tanzania Port Authority, has played a great role in ensuring efficient trade is done smooth but also goods path through and enter to the country so as to provide consumer welfare. But But in Tanzania there is still congestion at the port thus delaying the immediate delivery of products, so The Government has to check that so as to ensure fast delivery of products entering the country.</p>	
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Extract 12.1 is a sample of the correct responses to question 5 in paper 2.

Extract 12.1 shows one of the responses from the candidates who scored high marks. The candidate could not score 20 marks because the point of statistical information explained both in relation to import and export. However, the question required roles of TPA in assisting importers.

Despite the good performance in this question, 166 (35.32%) candidates scored low marks ranging from 0 to 6.5 out of 20 allocated. The analysis shows that some candidates explained general significances of Tanzania Ports Authority (TPA) such as: *creation of employment, increase government revenues, assists countries which do not have labour, and expand market*. Some candidates explained a few roles as per question requirement but included in their responses explanation of different documents used in international trade. For example, one of the candidates wrote *ensure transport and communication, provide storage services, dock warrant, letter of credit, clearing and forwarding and shipping note*. The first and second points were correct though the explanation given were not satisfactory. A few (4) candidates who scored zero mark misinterpreted the demands of the question. For example, one of them wrote the advantages of international trade while others wrote advantages of government involvement in trade and advantages of trade instead of the role of Tanzania Ports Authority (TPA). Extract 12.2 presents a sample of incorrect responses to question 5.

5	Tanzania Port Authority (TPA) is
	organisation which deal with transportation activities from one part to another. The Tanzania port authority are very beneficial organization for the exporters since they are they the ones that they sell goods to abroad and the importer who sell goods. The port authority can be through air or water. The following are the roles of Tanzania Port authority to the importers during importation of goods.
	<p>Facilitate Consumer choice: Though port is where the good from foreign country can be able to reach the exporters in which the good imported can enable consumers to make choices of the kind of the product that they want or they prefer. example: importation of Champagne, Beer, Soda and Wine.</p>
	<p>Facilitate variety of the goods: The importer use the ports to transport their goods from their countries to the countries that they want to sell they product in which there is variety of goods which are imported and which can be suitable for the taste and preference of consumer.</p>
	<p>It widens the market: Is the goods imported are of large quantities the demand for the product may increase and the market widen since demand for the goods imported are increases</p>

5	increase then the market may be able to expand due to high demand of goods.	
	Promote trade: Is the exchange of goods and services between people or country importers facilitate trade since the seller buy goods from the importers and the seller to the interested buyers and with the presence of the port importation could be impossible.	
	Encourage Production: The increase of demand for the product produced may influence the producer to continue producing since the commodities produced will be highly demanded by the final consumer due to the quality of the products that are produced	
	Provides employment Opportunities: Through importation at the port the receiver of the good imported cannot be the owner by the port worker in which they provide employment and rise the standard of living of some individual and increase their rate of income.	
	To sum up: The above are the roles played by the Tanzania Port authority in ensuring that importer are able to import the product towards other countries so as to earn an amount of profit after the importation of the goods.	

Extract 12.2: A sample of incorrect responses to question 5 in paper 2

In extract 12.1 the candidate explained the importance of importation instead of the role played by TPA in importation.

2.2.6 Question 6: Business capital

The candidates were given the following scenario: *Suppose the Kwetu Public Limited Company is planning to invest in long term project, analyse the financing methods that the company can use to raise fund for its long term project.* The question was intended to test the candidates' understanding on the sources of long term capital for public limited companies.

The question was answered by 1,259 (81.17%) candidates. Among them 710 (56.39%) candidates scored from 12 to 20 marks, 459 (36.49%) scored from 7 to 11.5 marks and 90 (7.15%) scored from 0 to 6.5 marks). The general performance in this question was good since 1169 (92.85) of the candidates scored average and above (from 7 to 20 marks). Figure 13 summarises the performance on question 6.

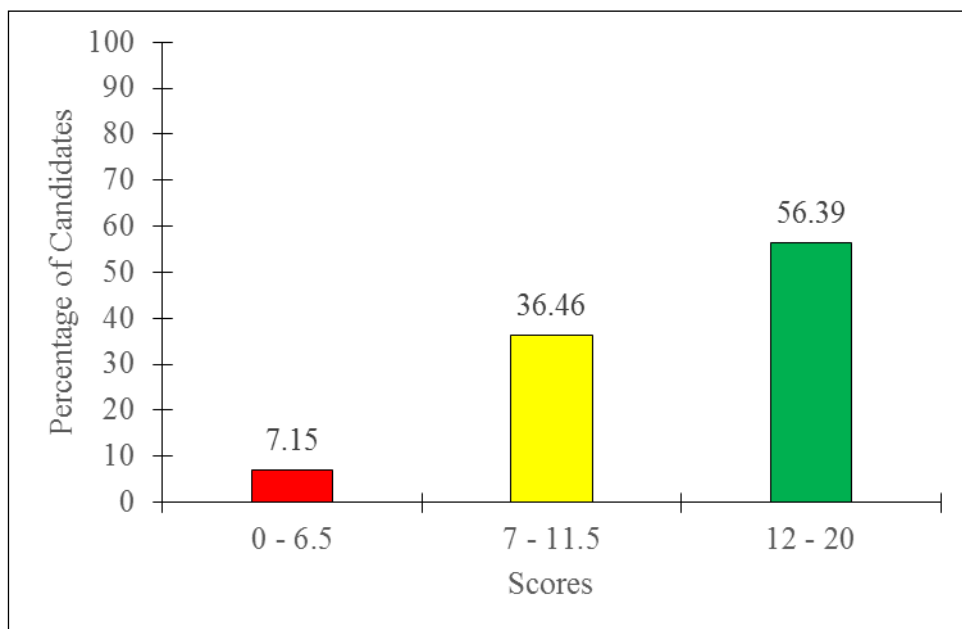


Figure 13: *Candidates' Performance on Question 6 in Paper 2*

Figure 13 shows that the question was well answered because only 90 (7.15%) out of 1,359 candidates scored below (7 out of 20 marks).

The analysis shows that 1,169 (92.85%) candidates scored average and above (from 7 to 20 marks). The candidates in this category had knowledge of the sources of capital for the public limited companies. The candidates who had average scores managed to explain some correct sources of capital, however a few of the points were for short term project (short term sources of capital). Likewise, some candidates pointed out three to four correct points but the explanation provided to some of the points were not sufficient to worth full marks. For example, some of them could not differentiate *equity*, *preference shares* and *debentures* as sources of capital. Furthermore, the candidates who scored high marks showed their competence in responding to the question. Majority of the candidates gave

all correct points but some of the explanation had minor discrepancies. In addition to that, the candidates who scored 20 marks provided sufficient and relevance sources of finance for public limited companies. Extract 13.1 is a sample of the correct responses from one of the candidates who scored high marks.

6.	<p>long term source of finance are the source of finance which raise the fund of the business for a long period of time in which they are mostly used by the large company and also the large or long term projects invested. Example building or construction of roads, ports they tend need to be financed by those source of finance which gives a long term benefits in the business.</p>	
	<p>So the following are the long term source of finance which are:</p>	
	<p>Bank loan: This is the amount of money that is given to a person who claimed for it in the bank in which it carries a fixed rate of interest in which it is repaid at a certain agreed amount of time. This loan is issued by the bank whereby it is suitable for long term investment since the bank offer large amount of money in which can finance the long term projects. Through this methods it has some disadvantages like high rate of interest charged.</p>	
	<p>Retained profit (Plough back profit): This is the type of long term source of finance in which the company tend to return the profit back to the business without distributing it. This source of finance tend to re-invest on the profit that are earned by the business in order to continue with the operation of the business whereby it is suitable since it can provide benefit for a long period mostly to those firms that earn high profit. This has some limitations like overcapitalization in which it is incurred by the firm.</p>	

6	<p>Debtenture; This is the unit of loan</p>
	<p>which is issued to the bank Company which is backed</p>
	<p>up by Collateral Security. Through this the Company</p>
	<p>can even decide to use debtenture in order to finance</p>
	<p>its long term finance projects and hence the com</p>
	<p>pany must represent the Collateral security before</p>
	<p>it and for that to obtain it. This debtenture is divided</p>
	<p>into different types like Naked debtenture, Unseer Secured</p>
	<p>debtenture and also the redeemable debtenture</p>
	<p>Shares; This is the unit of Capital</p>
	<p>of the Company in which the Company tend to inves</p>
	<p>t in shares by offering to the public for them</p>
	<p>to subscribe in which the public e subscribe them</p>
	<p>and pay for them in which it tend to raise the</p>
	<p>Capital in the firm in which the firm can be</p>
	<p>able to finance in a long period of time and</p>
	<p>hence the long term projected can be financed. This</p>
	<p>shares are of two different types which are ordinary</p>
	<p>shares and preference shares.</p>
	<p>Leasing; This is the process of</p>
	<p>renting out a properties in which the payment are</p>
	<p>like inform of rent. In which this leasing involo</p>
	<p>e renting out of tools or building most the fixed</p>
	<p>assets in which they can be used to finance</p>
	<p>the long term projects whereby the payment for</p>
	<p>the use of those property can be used as rent</p>
	<p>which is given to the lesser which it can be done</p>
	<p>per installment.</p>
	<p>Here purchase; This is the type of</p>
	<p>instalment selling whereby the goods are sold on credit</p>
	<p>and still remain to the seller until the instalment</p>
	<p>are paid. Through hire purchase also can finance</p>

the long term project since the company may acquire	
tools or equipment on instalment basis through paying	
off the amount on instalment basis.	
Conclusively; Also there are other source	
of finance that facilitate the short term periods like	
trade credit, factoring, personal saving and also net	
direct credit.	

Extract 13.1: A sample of the correct responses to question 6 in paper 2

In Extract 13.1 the candidate analysed the sources of capital that fits for Kwetu Public Limited Company.

In spite of good performance in this question a few 90 (7.15%) candidates had low scores which ranged from 0 to 6.5 marks out of 20 allocated marks. Majority of the candidates listed at least three correct point including *selling of shares, issuing of debentures, hire purchases* and *profit*. Only a few of them gave relevant explanation to at least two points. For example, some candidates explained *profit* as the company has to use all profit generated as a source of finance instead of taking part of it for investment. Others failed to differentiate *hire purchase* from *deferred payment* therefore the explanation of differed payment was shown in the hire purchase. Some candidates had misconception on the demands of the question. For example, one of them wrote the advantages of company over a partnership. Another one wrote the difference between public and private limited companies and the means in which companies increases their profits. Extract 6.2 is a sample of incorrect responses to question 6.

06	<p>Profit, This is the amount of money which remain after making the business operation. So through profit is the source of starting the business.</p>
	<p>The following are the Methods of improving fund or profit and sales in the company.</p>
	<p>price</p>
	<p>Reducing costs of goods and services; This is the method of improving sales and profit or fund because through reduce of cost of goods and services is the source of company to maximize high profit or fund because of reducing of costs of goods and services.</p>
	<p>Reduce price ^{costs} of supplies and expenses; This is the method of improve the fund in the company because they reduce price of supplies and expenses example of expenses price reduce, Transport expenses, Telephone and Pasaga expenses, Salary expenses, Rent and rates expenses and Discount allowed expenses.</p>
	<p>Improving Credit terms; This is the method of raise of fund because through improve of credit term is the source of company to get high profit in order to increase the production of goods and services in order to maintain the performance of company.</p>

06.	Expanding business operations; This is the method of raise fund in the company because through expand of business operation is the source to know the circulation of the business so as to make the profit of the company.
	Using advertising and sales promotion; This is the method of raise fund in public company because advertising is the process of persuading the customers about availability of products in the market of public company because of advertising media.
	Offering a wider range of selling products; This is the method of raise fund in public company because through this is the source of make the range of selling products so as to make profit and sales in the public company limited.
	Therefore public company limited is important in country because it improve profit by the following methods, improving credit terms, Expanding business operation, Reducing cost of goods and services, reduce price of suppliers and expenses, offering a wider range of selling products and using advertising and sales promotion.

Extract 13.2: A sample of the incorrect responseS to question 6 in paper 2

In Extract 13.2 the candidate explained the means through which the business can increase its profit instead of the sources of financing public limited company's long term projects.

2.2.7 Question 7: Export Trade

The candidates were provided with the scenario that *Some Tanzanian citizens blamed the government for exporting minerals like gold, tanzanite and diamond to other countries*. In three points, convince the citizens that what the government is doing is right and provide three disadvantages that the country can get from being engaged in such kind of trade. The question intended to assess the candidates' understanding on the advantages and disadvantages of export trade.

The question was answered by 1,233 (79.50%) candidates of whom 793 (64.32%) candidates scored from 12 to 19 marks, 382 (30.98%) scored from 7 to 11.5 marks and 58 (7.40%) scored from 1 to 6.5 marks. The candidates' performance in this question was generally good because 95.30 percent of the candidates scored from 7 to 19 marks. Figure 14 summarises this performance.

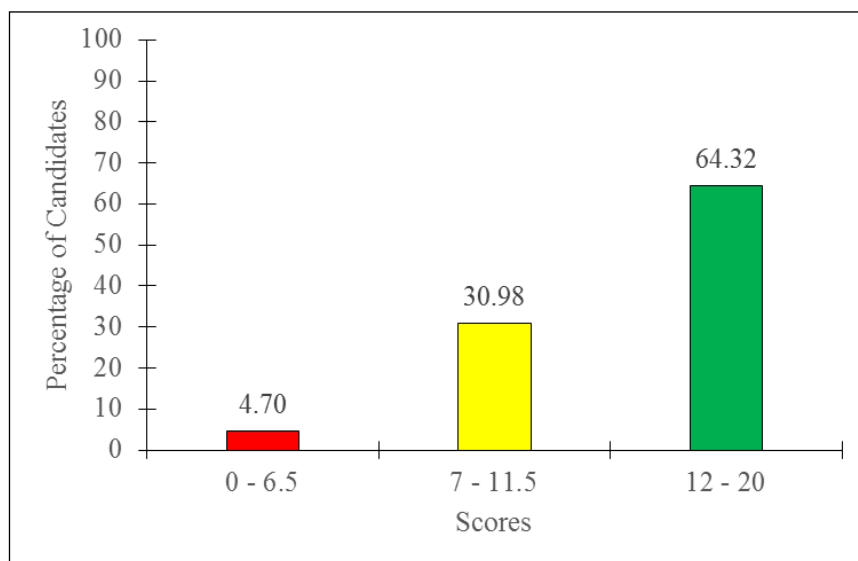


Figure 14: Candidates' Performance on Question 7 in Paper 2

A total of 713 (64.32%) candidates scored high marks ranging from 12 to 19 marks. The candidates had sufficient knowledge of export trade so they managed to respond by providing the advantages and disadvantages that Tanzania can get by being involved in exportation of minerals. The candidates related the general advantages and disadvantages of export with the given scenario. Most of them responded correctly on the advantages but provided only two correct disadvantages. Others provided the advantages

and disadvantages as per the requirement of the question but a few points had unsatisfactory explanation. Variation of candidates' scores was caused by various reasons like relevant explanation to the points, sufficient number of points and observing essay writing procedures. Extract 7.1 represent the sample of correct responses from a candidate who scored high marks in question 7.

7.	<p>Export trade refers to the trade which involves the selling of goods and services to other countries. Forexample Tanzania sells goods to China. Som Tanzanian citizens blamed the government for exporting minerals like Gold, Tanzanite and Diamond to other countries. The following are the points to convince the citizens that what the government is doing is right:</p> <p>Exportation promotes good relationship among the countries: When the government exports goods such as raw minerals, it is good because of the fact that it creates a good relationship between the countries. forexample when Tanzania exports minerals to China, then this will promote a good relationship between Tanzania and China hence they can help each other in various matters.</p> <p>Exportation increases the government revenue of the country: When a government exports goods to another country it gets export earnings through the payment made by the people who buy the exports. Forexample when Tanzanian government exports minerals to Uganda then it gets more government revenue that is obtained in form of export earnings.</p>
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7.	Exportation encourages production by local	
	industries: Exportation by the government in a country is very important since it motivates the people in the country to produce more. For example if the government of Tanzania exports minerals such as Gold, Tanzanite and Diamond to other countries, then the local producers in the country will be motivated to produce more.	
	The following are the disadvantages that the country can get from being engaged in export trade:	
	Exhaustion of natural resources:	
	When a country involves itself in exportation of goods to other countries, its resources may get exhausted easily. For example when the government of Tanzania exports minerals like Gold, Tanzanite and Diamond to other countries, then those minerals will get exhausted and they will be so scarce to obtain it in the country.	
	Exploitation of developing countries by developed countries: When a country involves itself in exportation of goods to other countries it may be exploited. For example if Tanzania exports Tanzanite which has high value to other countries especially to the developed countries, it may be exploited by being paid low prices because of the fact that it has a weak bargaining power in price.	
	Provision of poor quality goods to the local people: When a country involves itself in exportation of goods to other countries, then it will be producing high quality goods for exportation whereas it will be providing poor	

7.	quality goods to local people within the country.	
	This will be done so as to encourage the people	
	from other countries to buy the goods from the	
	country.	
	In conclusion, apart from exportation,	
	there is importation which involves the buying of	
	goods from other countries. Importation mainly	
	helps the country to acquire what it does not	
	produce.	

Extract 14.1: A relatively correct response to question 7 in paper 2

Extract 14.1: A relatively correct response from the candidate who scored high marks (19). The last point was not a strong one, however the candidate tried to relate it to the demand of the question.

On the other hand, 382 (30.98%) candidates scored average marks (7 to 11.5 marks). These candidates understood the demands of the question but had partial knowledge on the concept examined. Some of them gave the three advantages of export mixed with general disadvantages of international trade. For example, some candidates wrote *danger of monopoly, trade barriers, import inflation and unfavourable balance of payment, long documentation procedures and dependence* which are general disadvantages of international trade not specific to exportation.

Conversely, 58 (7.40%) candidates had scores ranging from 1 to 6.5 marks which are regarded as low scores. The analysis shows that some candidates understood the requirement of the question as they listed the advantages and disadvantages in general but could not provide correct explanation to any of the points. However, other candidates explained the reasons for international trade instead of the advantages and disadvantages of export of minerals. The example of responses given by these candidates include: *language barrier, political instability, climatic condition and control of dumping*. Likewise, some candidates were able to explain only one point on advantages, the rest of the points include importance of international trade. The correct responses for this question were: *Increase the standards of living, create employment opportunity, better use of resources, reduce deficit balance of payment, source of government revenue* as advantages and *selling at disposable price, discourage innovation and creativity, exhausted of the resources, over exploitation, importation of expert* as

disadvantages. Extract 14.2 is a sample of incorrect responses from a candidate who scored low marks.

7.	<p>Export trade refers to the trade involves in selling of goods outside the country such Kenya, Uganda, Congo and other countries. Also exporting of goods helps to increase the size of national income within the country. Create employment opportunity to an individuals.</p> <p>Due to that the following are the disadvantages of export trade within the country as follows points</p> <p>Avoid less quality of goods; When the goods are less quality the exporter will not able to export goods outside the country because the goods produced are inferior goods such as cotton, sisal, and so on. This may leads to decline the market of goods within the country.</p> <p>High taxation; When the government provide or imposed heavy tax on the exported goods this may limit the trade to do exportation of goods outside the outside the country due to heavy tax, this may leads to the disadvantage of exportation of goods outside the country such as agricultural goods like tea, maize, rice.</p> <p>Poor government support; When the government doesn't provide loans to his customers in order to increase their activities to be done smoothly the may hinder the trader not do exportation of goods outside the country. For example exporting of timbers and so on, this may leads to disadvantage of export trade.</p>
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Extract 14.2: A sample of incorrect responses to question 7 in paper 2.

In Extract 14.2, the candidate wrote partial introduction but failed to realise that the question required him/her to explain the advantages and disadvantages to the government and not to individuals.

3.0 ANALYSIS OF THE CANDIDATES' PERFORMANCE IN EACH TOPIC

Commerce paper 1 and 2 examination comprised a total of 14 questions composed from 14 topics. The analysis shows that the overall performance in Commerce subject was good because 12 out of 14 topics had good performance and 2 topics had average performance.

The topics with good performance were: *Production (99.40%), Marketing (98.47%), Insurance (95.49%), Export Trade (95.29%), Roles of government in trade (94.02%), Business Capital (92.85%), Banking (90.71%), Advertising (88.97%), Contract of sales (85.77%), Transport and Communication (82.40%), Retail Trade (66.03%)* and *International Trade (64.03%)*. The reasons for the good performance were: candidates' ability to adhere to the requirement of the questions, adequate knowledge of the concepts examined, and good mastery of essay writing skills.

Despite most of the topics having good performance, two topics, *The Scope of Commerce (58.39%)* and *Import Trade (41.01%)* had average performance. The average performance for the two topics was due to candidates' partial knowledge on the concepts examined, insufficient number of correct points according to the question and misconception of the requirement of the questions. Likewise some candidates mixed correct with incorrect responses. The analysis further shows that, the other problem the candidates faced was inability to provide satisfactory explanation of some points due to the low proficiency in the English language. The analysis of candidates' performance per topic is summarised in Appendix A.

4.0 CONCLUSION AND RECOMMENDATIONS

4.1 Conclusion

The analysis of the candidates' performance shows that the overall performance of 152 Commerce subject was good since 1,547 (99.87%) candidates out of 1,551 candidates who sat for the examination passed and only 2 (0.13%) failed. The performance of the candidates in 2023 increased by 0.02 per cent compared to 2022. The candidates' good performance had been attributed to their ability to understand the requirement of the questions, knowledge and

competence they had on the examined topics. Despite the good performance there are some candidates who had average performance. These candidates encountered different challenges in responding to the questions such as partial knowledge of some of the concepts examined that lead to partial responses to some of the questions. The other thing noted as a result of partial knowledge was mixing of correct with incorrect responses to some of the questions.

On the other hand, some candidates performed poorly because they lacked knowledge about the subject matter to some of the examined topics. Some candidates among them mixed few correct with incorrect answers. They failed to identify the requirements of the questions and therefore answered some questions contrary to their requirements.

4.2 Recommendations

For the better performance of candidates in Commerce subject in future, it is recommended that:

- (a) Teachers should guide students on how to identify trade from other activities using the features of trade in the topic of The concept of commerce.
- (b) Teachers should prepare students visit to Tanzania Ports Authority (TPA) to make students learn more about the roles of TPA on importing and exporting goods. Students to read carefully the TPA booklets and brochures to understand better the roles of TPA in importation of goods. Teachers to prepare guiding questions for the students to discuss on the roles of TPA in importation of goods and to guide the discussion on the roles and the important roles of TPA
- (c) Teachers to guide students on how Import, Export and Foreign trade differ from each other. They should guide students to understand the need for protectionism in import trade.
- (d) Teachers should provide sufficient practice by giving students questions on the topics with average performance.
- (e) Students should learn to identify the requirement of the questions before attempting them.

A Summary of the Analysis of the Candidates' Performance Topic

S/N	Topics	Number of questions	Percentage of candidates who scored the average of 35 or above	Remarks
1	Production	1	99.40	Good
2	Marketing	1	98.47	Good
3	Insurance	1	95.49	Good
4.	Export Trade	1	95.29	Good
5	Role of government in trade	1	94.02	Good
6	Business Capital	1	92.85	Good
7.	Banking	1	90.71	Good
8.	Advertising	1	88.97	Good
9	Contract of Sales	1	85.77	Good
10	Transport and Communication	1	82.40	Good
11	Retail Trade	1	66.03	Good
12	Foreign Trade	1	64.03	Good
13	The Scope of Commerce	1	58.39	Average
14	Import Trade	1	41.01	Average

