



RULES AND CONDITIONS OF SALES FOR THE 2020/2021 CROP SEASON

The Cashewnut Board of Tanzania, wishes to inform all 2020/2021 Prospective buyer's that, the new season for 2020/2021 is open since 1st September 2020 and sales auctions will commence on 2nd October, 2020.

The board has started to issue Raw Cashewnut buying license online through Agricultural Trade Management Information System under the Ministry of Agriculture (ATMIS).

1.0. PROCEDURES TO APPLY FOR RAW CASHEW NUT BUYING LICENCE

1.1. FOR LOCALLY REGISTERED COMPANIES BUYING THROUGH TENDER BOX OR ONLINE

- (i) Register online through www.atmis.kilimo.go.tz
- (ii) All applications should be attached with 2 colored passport size pictures together with Certified Copies of:
 - TIN certificate
 - Company's Certificate of Registration/Incorporation from responsible authority
 - Valid business license
 - VAT Registration Certificate
 - Valid Tax clearance Certificate
- (iii) Last season registered companies are required to update their particulars and attach certified copies of:
 - Valid business license
 - Valid Tax clearance Certificate
 - Valid VAT CertificateThrough www.atmis.kilimo.go.tz, and apply for the raw cashewnut buying license 2020/2021 crop season
- (iv) After registration and submitted information being verified, you will be required to pay bid Security in the following categories (Table 1) as per your

requirement of raw cashew nut quantity to be bought per each auction before being issued buying license which is free of charge.

Table 1: Categories of bid securities as per quantity versus bid amount

TONES PER AUCTION	AMOUNT(Tshs)
50 -100	20,000,000.00
50 - 250	50,000,000.00
50 - 500	100,000,000.00
50 -1000	300,000,000.00
50 - 3000	500,000,000.00
3001 and above	1,000,000,000.00

All bid security should be deposited to either of the following:

Name of Bank	Account Name	Account Number
NMB Bank	CASHEWNUT BOARD OF TANZANIA	70610023736
CRDB Bank	CBT CASHEWNUT A/C 1992/93	01J1015826005
EXIM Bank	CASHEWNUT BOARD OF TANZANIA	0301001023

NB: Local Processors are allowed to procure less than 50 tones in the auction and they will not be required to deposit Bid Security, instead they will be required to submit Bank Guarantee before participating in the auctions.

1.2 FOR FOREIGN COMPANIES BUYING THROUGH TMX ONLINE TRADING SYSTEM ONLY

(i)) Buyers will be required to register through Tanzania Mercantile Exchange (TMX) by submitting the Buyer's Declaration Form available at <http://tmx.co.tz/infodesk.php> attaching the following documents:

- Valid Business license
- Valid Registration Certificate/Certificate of Incorporations

- (ii) Buyers will deposit bid security in the following categories (Table 2) into TMX Settlement Bank Account before being issued buying license by Cashew nut Board of Tanzania which is free of charge

Table 2: Categories of bid securities as per quantity versus bid amount

TONES PER AUCTION	AMOUNT(Tshs)
50 – 3000	500,000,000.00
3001 – and above	1,000,000,000.00

All bid security for online buyers should be deposited to either of the following

Name of Bank	Account Name	Account Number
NMB Bank	TMX Settlement Account	20110041162
CRDB Bank	Tanzania Mercantile Exchange Plc	0150259178501
NBC Bank	Tanzania Mercantile Exchange Plc	012103024557

NOTE: The Bid Securities are refundable to buyers upon written request and after fulfillment of their obligations thereof for cashew nuts bought.

2.0. BUYING PROCEDURES

2.1 GENERAL INFORMATION

- i. A bidder must have raw cashew nut buying license for the 2020/2021 crop season issued by the Cashewnut Board of Tanzania (CBT) after depositing bid security.
- ii. All raw cashewnuts stored in the warehouse shall be sold in two distinguishable quality grades which are standard grade (Shelling Outturn ≥ 48 lbs/80 Kg bag) and under grade (Shelling Outturn $< 48 \geq 44$ lbs/80 kg bag).
- iii. The minimum bidding quantity shall be 50 metric tons of raw cashewnuts.
- iv. The licensed buyer will be provided with sales catalogue 12 hours before auction.
- v. The bidding price shall be ex-warehouse.
- vi. The sale unit shall be per Kilogram in Tanzania Shilling (TZS).
- vii. Successful bidder shall collect sales invoice within 24 hours after auction.

- viii. A bidder shall not bid in excess of the quantity attached to his respective bid security. If that happens, he should write “commitment letter” and submit the banker’s cheque with the amount value equal to the expected raw cashew nut to be sold.
- ix. The buyer shall also be required to pay gunny bags fee of TZS 52.50/= per Kg, to respective Cooperative Union, storage charges of TZS 38/= per Kg, to the Warehouse Operator and export levy of USD 160 per metric ton or 15% of FOB value whichever the higher, to Tanzania Revenue Authority (TRA).
- x. Mode of payment shall be in banker’s cheque/TISS to the respective bank accounts and the buyer shall receive the original Warehouse Receipt and Release Warrant from respective Cooperative Union/TMX.
- xi. The buyer shall present the original Warehouse Receipt and Release Warrant to the respective Warehouse Operator for the removal of the purchased cashewnuts according to the Warehouse Receipt Board (WRB) Guidelines.
- xii. There will be two systems of auctioning, through tender box and trading online through Tanzania Mercantile Exchange (TMX).

2.2 TENDER BOX PROCEDURE

- i. The sale shall be conducted by auction in sealed bids on the basis of one bidder, one bid for each catalogue (warehouse).
- ii. Each bidder shall physically drop his bid in the tender box at the auction site during auction day.
- iii. Bid dropping time shall be from 0900 Hrs E.A.T to 1430 Hrs E.A.T for tender box and opening of the bidding letter will be done at 1600 Hrs E.A.T after online trading.
- iv. Highest bidder will be announced after the farmers have agreed to sale.
- v. Payments for the invoice shall be in full and must be effected within four (4) working days from auction date through Cooperatives Union Settlement Bank Account.

2.3 TMX BUYING PROCEDURE

- i. The licensed buyer will fill in TMX declaration form
- ii. The licensed buyer will be given access to the online trading system through username, password and bid code (for more Info please call: + 255 685319433 or +255 713298314) or through email address(info@tmx.co.tz)
- iii. The online trading will be performed from 1430 Hrs E.A.T upto 1600 Hrs E.A.T

- iv. Highest bidder will be announced as the winner after the consent of the farmers.
- v. Payments for the invoice shall be in full and must be affected within four (4) working days from auction date through TMX Settlement Bank Account.
- vi. Buyers outside Tanzania are required to have Logistics arrangements, collection and transportation before purchasing cashewnut.
- vii. For more information regarding TMX please visit www.tmx.co.tz

Cashewnut Board of Tanzania (CBT) will keep on updating buyers on Rules and Guidelines through website www.cashew.go.tz . Buyers can also visit the Cashewnut Board of Tanzania Head Quarter Office located in Mtwara OR CBT branches: Dar es Salaam, Tunduru , Tanga, Lindi and Manyoni.

Unlicensed buyers are not allowed to buy cashewnut in the season of 2020/2021, and therefore, if found participating without license legal actions shall be taken against the company. For more information you can visit the cashewnut board office or call (023) 2333536. All correspondence should be addressed to:-

**DIRECTOR GENERAL,
CASHEWNUT BOARD OF TANZANIA,
P. O. Box 533, MTWARA
info@cashew.go.tz or dg@cashew.go.tz**