

CASHEWNUT BOARD OF TANZANIA



RULES AND SALES CONDITIONS FOR THE 2021/2022 CROP SEASON

The Cashewnut Board of Tanzania (CBT), wishes to inform all 2021/2022 Raw Cashewnut prospective buyers that, the new season for 2021/2022 was officially opened on 1st September 2021 and sales auctions will commence on 24th September, 2021.

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

1.0. PROCEDURES TO APPLY FOR RAW CASHEWNUT BUYING LICENCE

- (i) Register online through www.atmis.kilimo.go.tz
- (ii) All applications should be attached with one colored passport size picture of one of the company director and certified copies of:
 - TIN certificate;
 - Company's Certificate of Registration/Incorporation;
 - Valid Business License;
 - VAT Registration Certificate; and
 - Valid Tax Clearance Certificate.
- (iii) Last season registered companies are required to update their particulars and apply for the raw cashewnut buying licence with attached certified copies of:
 - Valid Business License;
 - Valid VAT Certificate; and
 - Valid Tax Clearance Certificate.
- (iv) All online registered and verified raw cashewnut buyers are required to deposit their bid securities amounts before being issued a buying license by CBT. The bid security amount depends on the quantity of RCN intended to be bought for each auction, as per categories narrated in the table 1 below;
- (v) Local Processors have special arrangement to procure RCN through primary market (refer special guidelines) however they are also allowed to procure RCN in the auction in which they can buy even less than 50 tons/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 (this arrangement is strictly for local processors only).

Table 1: Categories of Bid Securities as per RCN Auction 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 securities should be deposited in either of the following CBT Bank A/c:

Bank	Account Name	Account
CRDB Bank	CBT CASHEWNUT A/C 1992/93	No. 01J1015826005
NMB Bank	CASHEWNUT BOARD OF TANZANIA	No. 70610023736

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 2021/2022 crop season issued by the Cashewnut Board of Tanzania (CBT);
- ii. The sale of RCN will be conducted through auctions in which buyers will submit their offer in sealed envelopes on the basis of one bidder, one bid for each catalogue (warehouse);
- iii. Each bidder shall physically drop his bid in the tender box at Cooperative Union offices one day before auction day from 0800Hrs to 1700 Hrs E.A.T and thereafter, tender box will be opened on the next auction day at auction site starting from 1000hrs;
- iv. Highest bidder/s will be announced at the auction site after the farmers have agreed to sale;
- v. Raw cashewnuts stored in the warehouse shall be sold in two distinguishable quality grades which are standard grade (Shelling Outturn \geq 48 lbs/80 Kg bag) and under grade (Shelling Outturn $< 48 \geq 44$ lbs /80 kg bag);
- vi. The minimum bidding quantity shall be 50 metric tons of raw cashewnuts, except for local processors;
- vii. The licensed buyer will be provided with sales catalogue 12 hours before the auction;
- viii. The bidding price shall be ex-warehouse;
- ix. The sale unit shall be per Kilogram in Tanzanian Shillings (TZS);

- x. Successful bidder shall collect sales invoice on the same day after the auction;
- xi. Payments for the invoice shall be in full and must be deposited within four (4) working days from the auction date through respective accounts as described in the invoice by the Cooperative Union. Delay in payment will subject the buyer to penalty (refer *'Cashewnut Marketing and Sales Guidelines for the Season 2021/2022'*);
- xii. 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 excess raw cashew nut to be bought;
- xiii. Apart from paying for RCN; The buyer shall also be required to pay gunny bags charge of TZS 64.48/= per Kg, Contribution for cashew development Tshs, 110 per kg, 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 is higher, to Tanzania Revenue Authority (TRA);
- xiv. 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 after payment;
- xv. The buyer shall present the original Warehouse Receipt and Release Warrant to the respective Warehouse Operator for the collection of the purchased cashewnuts as per Cashewnut marketing and Sales guidelines;
- xvi. The buyer shall sign certificate prepared by the warehouse operator describing Quantity and Quality of RCN collected from the warehouse.

Cashewnut Board of Tanzania (CBT) will keep on updating buyers on Rules and Guidelines through website www.cashew.go.tz . Unlicensed buyers are not allowed to buy cashewnut in the season of 2021/2022; if found participating without license legal actions will be taken against the company.

IMPORTANT: For details, All buyers are advised to go through 'Cashewnut Marketing and Sales Guidelines for the Season 2021/2022' which is found in the website.

For more information Buyers can visit the Cashewnut Board of Tanzania Head Quarter Office located in Mtwara OR CBT branches: Dar Es Salaam, Tunduru, Tanga, Lindi and Manyoni. OR call (023) 2333536.

All correspondence should be addressed to:-

DIRECTOR GENERAL,
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