



REQUIREMENTS FOR APPLICATION OF BUYING LICENSE AND OTHER NECESSARY INFORMATION FOR THE 2020/2021 CASHEW CROP SEASON

The Cashew nut 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.

The Board has started to issue Raw Cashew nut buying license online through Agricultural Trade Management Information System under the Ministry of Agriculture (ATMIS). Procedures to apply for raw cashew nut buying license are shown below:-

1.0. FOR LOCAL BUYERS/ COMPANIES BUYING THROUGH TENDER BOX AND ONLINE TRADING (TMX)

- (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 cashew nut buying license for 2020/2021 crop season
- (iv) After registration and information being verified, the prospective buyer will be required to pay bid Security in the following categories (Table 1) based on the maximum quantity of Raw Cashew nut (RCN) planned to be bought per auction; before being issued buying license which is free of charge.

Table 1: Categories of bid securities based on Quantities bought/Auction

QUANTITY PER AUCTION (Tonnes)	BID SECURITY (TZS)
50-100	20,000,000.00
101- 250	50,000,000.00
251- 500	100,000,000.00
501 – 1000	300,000,000.00
1001- 3000	500,000,000.00
3001 and above	1,000,000,000.00

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

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

NB. Local Processors are allowed to procure less than 50tonnes 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.

2.0 FOR INTERNATIONAL BUYERS/COMPANIES TRADING ONLY THROUGH TMX

- (i) Buyers will be required to register through Tanzania Mercantile Exchange (TMX) link (<https://tmx.co.tz/infodesk.php>) and deposit bid security in the following category (Table 2) to 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

QUANTITY PER AUCTION (Tonnes)	BID SECURITY (TZS)
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

The bid security is refundable upon request when the buyer has procured enough RCN and is not participating any more in the auctions.

3.0 OTHER NECESSARY INFORMATION

3.1 Auctions Time Table: CBT will issue Auctions timetable by 15th September, 2020 through its website (www.cashew.go.tz). Cashew Auctions are expected to commence first week of October, 2020 OR when at least 1000tons of RCN is collected in the warehouse. The timetable will also be sent to all registered buyers through e-mails.

3.2 Quality of Cashew to be sold: Only standard grade (SHOT 48-53) and Under grade (SHOT 44 - 47) will be sold through Warehouse Receipt System (WRS).

3.3 Other Costs to be borne by the buyer: -

- i. Cost of gunny bags: 52.50 TZS/kg
- ii. Warehouse Storage Cost: 38 TZS/kg
- iii. Export Levy: 160USD/Tonne OR 15% of FOB price whichever is higher
- iv. Additional Cost: Transportation, storage and Port handling Charges

3.4 Mode of Payment: -

Invoice will be issued to a successful bidder immediately after the auction. Buyers procuring RCN through Tender Box will be required to pay for RCN within four days through UNION settlement Account. For online bidders payment will done through TMX settlement Account, who will transfer funds to UNION settlement account. Minimum amount to be procured for exporters is 50 tonnes.

3.5 Sales Catalogue:

Sales catalogue for RCN available for sale through Tender Box or Online Trading (TMX) will be sent to all registered buyers 24hrs before the Auction time. Time for trading through Tender Box will be between 8.00 am to 2.00pm and Online trading will be between 1 to 2hours. (*Timing is subject to minor alteration*).

3.6 Selling Price:

RCN is sold EXW. Prices for RCN are determined competitively in the auction based on quality aspects and demand and supply forces. No indicative price has been set.

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.

Issued by:

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