

CASHEWNUT BOARD OF TANZANIA



RULES AND CONDITIONS FOR RAW CASHEWNUT SALES FOR THE YEAR 2018/2019 MARKET SEASON

1. The sale shall be conducted by auction in a sealed bid on the basis of one bidder, one bid for each catalogue (warehouse).
2. A buyer shall submit bid security in cash deposit in favor of the Cashewnut Board of Tanzania, the amount of bid security fall under the following categories;

No.	M/T INTERVAL	AMOUNT OF BID SECURITY(TSH.)
1.	50 - 100	20,000,000.00
2.	101 - 250	50,000,000.00
3.	251 - 500	100,000,000.00
4.	501 – 1,000	300,000,000.00
5.	1,001 – 3,000	500,000,000.00
6.	3,001 – Above	1,000,000,000.00

3. 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).
4. A bidder must have raw cashewnut buying license for the year 2018/2019 market season issued by the Cashewnut Board of Tanzania (CBT) after depositing bid security.
5. Each bidder shall physically drop his bid at respective Union's office one day before the auction day from 8:00 a.m to 4:00 p.m.
6. The winner from respective auction shall collect sales invoice from respective union's office within 24hrs after the auction.
7. The minimum bidding quantity shall be 50 metric tons of raw cashewnuts.
8. A bidder shall not bid in excess of the quantity attached to his respective bid security, and to the extent that it has not been exhausted by the previous unpaid invoices. However, in the event of such circumstance, the bidder shall commit in writing together with banker's

cheque or any acceptable evidence of payments for the Bid Security that reflect the amount of produce the bidder wishes to take.

9. The bidding price shall be ex-warehouse.
10. The sale unit shall be per Kilogram in Tanzania Shilling (TZS).
11. The right to reject an offer remains with the seller.
12. Payments for the invoice shall be in full and must be effected within FOUR days from the date of the sales invoice.
13. The buyer shall also be required to pay a service fee of TZS 10/= per Kg, to the CBT, storage bags TZS 52.5/= per Kg, to the respective union and Export Levy of USD 160 per metric ton or 15% of FOB value(whichever is high), to the Tanzania Revenue Authority (TRA).
14. 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 the Cooperative Union after confirmation of payment.
15. The buyer shall present the evidence of payment of the sales invoice, CBT Service Fee Receipt, original Warehouse Receipt and Release Warrant to the respective Warehouse Operator for the removal of the purchased cashewnuts within 14 days.