

THE WAREHOUSE RECEIPTS ACT
(CAP.339)

REGULATIONS

(Made under section 79)

THE WAREHOUSE RECEIPTS REGULATIONS, 2016

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THE WAREHOUSE RECEIPTS ACT
(CAP.339)

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(Made under section 79)

THE WAREHOUSE RECEIPTS REGULATIONS, 2016

PART I
PRELIMINARY PROVISIONS

Citation

1. These Regulations may be cited as the Warehouse Receipts Regulations, 2016.

Application

2. These Regulations shall apply to all key actors and other interested parties of the warehouse receipts system to which the Warehouse Receipts Act applies.

Interpretation
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3. In these Regulations, unless the context otherwise requires-
“Act” means the Warehouse Receipts Act;
“Board” means the Warehouse Receipts Regulatory Board established under section 4 of the Act;
“designation of warehouse” means a process of putting licensed warehouses in such categories or grades that corresponds to the standards and other necessary requirements;
“inspector” means a person appointed or licensed as an inspector under section 28 of the Act;
“negotiable warehouse receipt” means a warehouse receipt which may be transferable from one person to another;
“non-negotiable warehouse receipt” means a warehouse receipt which is not transferable from one person to another;
“quality expert” means an employee of the warehouse operator or collateral manager who is certified by the competent authority to ascertain the quality of commodities to be stored in a licensed warehouse;
“standards” shall have the same meaning ascribed to it under the Standards Act;
“Warehouse owner” means a holder or proprietor of a building, structure or other protected enclosure that is designated by the Board for the purpose of

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storing or conditioning of commodities, or for activities that relates to storage and conditioning of commodities;

“warehouse business” means a business of construction, rehabilitation or acquisition of buildings, structures or other protected enclosures to be used for the storage or conditioning of commodities for purposes of a warehouse receipts system; and

“weight and measures” has the same meaning ascribed to it under the Weights and Measures Act.

PART II OPERATIONS OF THE WAREHOUSE RECEIPTS REGULATORY BOARD

Additional
functions of
Board

4. In addition to functions prescribed under section 5 of the Act, the Board shall have the following functions:

- (a) carry out studies and researches aimed at developing a modern and efficient warehouse receipts system;
- (b) promote the use of warehouse receipt system in the country;
- (c) coordinate warehouse receipt system stakeholders' activities, including establishment of a stakeholders' platform or forum for information sharing and general assessment of warehouse receipt system development;
- (d) receive, assess and determine complaints among key actors and other interested parties;
- (e) collect, analyse and disseminate warehouse receipt system information to stakeholders;
- (f) establish and maintain a stakeholders' directory; and
- (g) collect various type of fees as prescribed in the Fourth Schedule to these Regulations.

Register of key
actors

5.-(1) The Board shall keep and maintain a register for each category of key actors under the Act and these Regulations.

(2) The register established under sub regulation (1) shall be kept and maintained by the Board for purpose of registering key actors subject to the provisions of section 5(d) of the Act.

(3) The register of key actors shall contain the following particulars-

- (a) name and address of key actors;
- (b) date of commencement of business;
- (c) date of commencement of warehouse operations;
- (d) qualification, area of operations, capacity, and other vital operational data which may be obtained by the Board.

Board to maintain
efficient structure

6. In executing functions accorded to the Board under section 8 of the Act, the Board shall have a lean structure, which ensures efficient performance of its functions and which ensures that-

- (a) only core duties are executed by employees of the Board, while

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- auxiliary works may be outsourced;
- (b) employees are employed on a competitive basis, pursuant to the Public Service Management and Employment Policy and Public Service Act;
- (c) employees abide with the public Code of Conduct.

Staff Regulations
and financial
Regulations

7. The Board shall develop staff regulations, scheme of service and financial regulations, which shall be in conformity with the Act and these regulations.

Board officers to
work on contract

8.-(1) The Managing Director of the Board and other officers of the Board shall, upon appointment, enter into performance contracts with the Board on terms and conditions as the Board may prescribe-

(2) Without prejudice to subregulation (1), term of service for the Managing Director shall not exceed five years and may be renewed from time to time as the Minister thinks fit;

(3) Duties of the Managing Director shall be to:

- (a) ensure the enforcement of Board's functions as stipulated in the Act and these Regulations;
- (b) ensure the implementation of the warehouse receipt system development plan;
- (c) perform such other duties, as may be directed to him by the Minister and the Board of Directors.

Staff performance
evaluation
standards

9. The Board shall develop staff performance evaluation scheme, which shall be based on the Warehouse Receipt System Development Plan, approved by stakeholders.

PART III SUPERVISION COMMITTEE

Meeting and
tenure of
supervision
committee

10. The composition, proceedings and tenure of office of members of supervision committees established under section 6(3) of the Act shall be as stipulated in the Fifth Schedule to these Regulations.

Functions of
supervision
committee

11. The supervision committee shall-

- (a) ensure that-

- (i) depositors are paid according to the quality and quantity of the commodities sold;
 - (ii) other key actors are paid according to the services rendered;
- (b) promote the warehouse receipt system in their administrative areas;
- (c) clarify issues that arise during the implementation of warehouse receipt system in their areas of jurisdiction;
- (d) report to the Board on monthly, quarterly and annual basis all matter relating to the Act and these Regulations;
- (e) advise the Board, on matter that relates to warehouse receipt system;
- (f) perform any other function as may be directed by the Board.

Operation cost of
supervision
committee

12. The Minister shall, upon advice by the Board, and in consultation with the Minister responsible for local government authorities, make arrangement for the operational costs of supervision committee.

PART IV COLLATERAL MANAGER

Functions of
collateral
manager

13. Collateral manager duly licenced under provisions of section 39 A of the Act and these Regulations shall perform the following functions-

- (a) verify funding by ensuring that-
 - (i) depositor applies funds for the agreed purposes;
 - (ii) timing and level of advances applied for is as agreed or is realistic; and
 - (iii) the agreed purchase or selling price is realistic;
- (b) verify insurance arrangements by ensuring that-
 - (i) quality and scope of cover are acceptable;
 - (ii) lending bank is a beneficiary;
 - (iii) premiums are paid up timely;
 - (iv) premises and goods are adequately prescribed;
- (c) verify premises by ensuring that-
 - (i) there is no encumbrance on ownership and accessibility;
 - (ii) premises are secure, safe and fit for storage;
- (d) tally-in, weighing, stacking and counting bags;
- (e) verify quality;
- (f) issue or certify warehouse receipts;
- (g) administer and control goods by ensuring that goods are-
 - (i) properly accounted for;
 - (ii) not dispatched independently;
 - (iii) stored separately and can be readily identified; and
 - (iv) not commingled with other goods.
- (h) supervision of export processing, quality control and goods match with the sales contract;
- (i) goods are handed over against approved waybills, receipts or bills of lading;
- (j) waybills, receipts and bills of lading stipulate the bank as beneficial owner and are handled and dispatched correctly.

Rights of
Collateral
Manager

14. Collateral manager shall have the right to-

- (a) be paid lien described in the respective warehouse receipt;
- (b) be paid any other charges as described and approved by the Board;
- (c) receive official documents regarding deposits, sales, release warrants and warehouse receipts of sold commodities as per the respective warehouse receipt;
- (d) seek approval from the Board for addition lien in case of addition costs and prolonged period of storage.

PART V
LICENSES AND LICENSING PROCEDURES

Types of licenses

15.-(1) There shall be three types of licenses to be applied for under these Regulations-

- (a) warehouse operator license;
- (b) collateral manager's license;
- (c) inspection licence.

(2) An application for a licences under sub regulations (1) shall be made to the Board in the form "A" prescribed in the Second Schedule to these Regulations and be accompanied by-

- (a) sketch map of the location of the warehouse;
- (b) attested curriculum vitae and photograph of the Board of Directors;
- (c) attested employment contract of at least one year, photocopies of academic certificates , photographs and current curriculum vitae of the Board of Directors and listed key employee;
- (d) copy of inner documents as may be determined by the Board;
- (e) evidence of availability of appropriate quality equipment;
- (f) security cover as may be determined by the Board;
- (g) certificate of calibrated weight and measurement equipment;
- (h) evidence of having appropriate metal fire proof safe and serviced fire fighting equipment;
- (i) reliable communications systems such as postal address, fax, telephone, internet connection;
- (j) reliable security system and light during the night; and
- (k) any such other document as may be prescribed by Board.

(3) Licenses shall be issued upon payment of fee prescribed in the Fourth Schedule to these Regulations.

- (4) An application for a licence under these Regulations shall be signed-
 - (a) in the case of a corporation, by an officer of the corporation duly authorised to do so; and
 - (b) in any other case, by the person making the application or by a person authorised to act on behalf of that person.

Publication of applications for licenses

16. The Board shall, within seven days after receipt of an application for a license, publish such applications for license in a manner determined by the Board.

Objections

17. A person who has an objection to the application shall, within fourteen days from the date of publication of the notice, file his objection to the Board in a manner prescribed under Part "C" of the Second Schedule and shall-

- (a) be in writing;
- (b) state specific grounds on which it is based;
- (c) specify any conditions which may be desired or be attached to the licence if granted; and
- (d) be signed by the objector or a duly authorised agent.

Consideration of
objection

18.-(1) The Board shall, within seven days after receipt of objection, consider the objection.

(2) In considering the objection, the Board shall afford an applicant, his representative or an objector an opportunity to be heard.

(3) Where the applicant fails to defend his application the Board shall, within the next seven days after the prescribed time for defending an application, make a decision on the objection and consider the application.

(4) The Board shall communicate its decision and the reasons of that decision to the applicant, his representative or an objector within seven days from the date of consideration.

Matters to be
considered before
grant of licence

19. The Board shall, before granting a licence, take into account the-

- (a) reputation of the applicant and documentary evidence from professional regulatory institutions or any other reputable organizations or persons;
- (b) competency of the applicant in conducting the business or activity applied for;
- (c) adequacy of the application in terms of compliance with requirements of the Act, Regulations and other written laws.

Grant and
duration of
licence

20.-(1) The Board shall, upon being satisfied that the applicant has complied with the Act and these Regulations, grant a licence, thereafter notify the applicant on its decision within seven days.

(2) A licence granted under this regulation shall continue to be in force for a period prescribed in the licence but not exceeding twelve months as prescribed in section 17 of the Act.

Renewal of
License

21.-(1) Person who intends to renew a license shall, within forty five days before expiring date, apply for the renewal of a license.

(2) An application for renewal of a license shall be in a manner prescribed in form "A" as set out in the Second Schedule to these Regulations.

Suspension or
revocation of
licence

22.-(1) The Board may suspend or revoke any licence granted under this Act upon discovery of any irregularity or malpractice by the licence holder.

(2) The Board shall, before exercising its powers under subregulation (1), notify the licence holder to rectify the irregularity or malpractice discovered by the Board through investigation.

(3) A licence shall not be suspended or revoked without first giving the licence holder a right to be heard.

(4) The Board shall at all times when the operations of the licence holder remain suspended or revoked, have power either on its own or through an agent to supervise the operations of the suspended or revoked licence at the expense of the licensee whose licence has been suspended or revoked.

(5) The Board shall, immediately after revocation of any licence, cause to be published through an appropriate media as the Board may determine, a notice

containing particulars of the licence and the licence holder so revoked.

Grounds for
suspension or
revocation of a
licence

23. The Board may suspend or revoke a licence if the licensee-
- (a) transfers all or part of his control over the licence;
 - (b) is in the process of dissolution or is dissolved;
 - (c) becomes incompetent or incapable of conducting the warehouse operations business;
 - (d) violates or fails to comply with the Act and these Regulations.

Warehouse
operation under
administration of
the Board

24. Where a warehouse operation license is revoked while there are commodities stored in respective warehouse, the Board shall put such warehouse under Board's administration until such time the commodity is delivered to the owner or disposed off.

Surrender of
suspended or
revoked licences

25.-(1) When a licence issued under the Act and these regulations is suspended or revoked, the licence holder shall surrender such licence to the Board.

(2) At the expiration of the period of suspension of a licence, the Board shall re-issue a license to the previous licensee and the period of suspension of the licence shall be endorsed on that licence.

(3) The Board may, upon proof that the licence holder whose licence was revoked has rectified the grounds on which his licence was revoked, issue a new licence to the previous licence holder on such additional conditions as the Board may consider fit.

Lost or destroyed
licence

26. The Board may, upon proof of the loss or destruction of a licence, issue to the licensee a certified duplicate of the original licence under the same terms and conditions and subject to the provision of section 58 of the Act.

Appeals to the
Minister

27.-(1) Any person who is aggrieved by the decision of the Board under the Act and these regulations may, within fifteen days after receipt of the Board's decision, appeal to the Minister.

(2) Appeal to the Minister shall be-

- (a) in writing;
- (b) state in a chronological order the ground on which the appeal is based; and
- (c) be signed by the appellant or a duly authorised agent.

(3) The appellant shall serve the Board with a copy of memorandum of appeal and the Board shall, within thirty days of service, file a reply if any.

(4) A decision by the Minister on the appeal shall be made within thirty days, from the date of receipt of reply from the Board.

(5) The Minister may confirm, vary, modify or rescind the complain or may give any direction as he may consider appropriate.

Qualification of
warehouses

28. The Board shall qualify warehouses according to their uses and size and shall be grouped into grades in a manner prescribed in the First Schedule to these Regulations.

29.-(1) The Board shall, upon application and grant of a warehouse operations licence, designate any building, structure or other protected enclosure for which a licence is applied, to be a warehouse.

(2) The owner of a building, structure or protected enclosure, which is designated as a warehouse shall put a placard at a conspicuous place on the wall or near to that warehouse bearing the words "DESIGNATED WAREHOUSE FOR WAREHOUSE RECEIPT SYSTEM" and "GHALA TEULE LA MFUMO WA STAKABADHI ZA GHALA".

(3) The Board shall, upon designating a warehouse, issue a warehouse operations licence to the applicant.

(4) The Board may, on its own motion or on application by the licence holder and considering a warehouse inspector's report, uplift or lower the grade of a designated warehouse, after being satisfied that the warehouse in question deserves a higher or lower grade.

(5) The warehouse inspection report prepared pursuant to sub-regulation (4) shall be completed in triplicate in which-

- (a) one copy shall be sent to the Board;
- (b) the second copy shall be sent to the warehouse owner; and
- (c) the third copy shall be kept by the inspector.

(6) The Board shall not uplift or lower the grade of the designated warehouse unless-

- (a) the Board gives to the licensee such warning or notice as it may consider appropriate;
- (b) persons using or whose businesses are connected with the designated warehouse are given prior notice and enough time to consider the proposal for the re-designation of such warehouse and agree with the Board's decision.

30. The licensed warehouse operator shall perform the following duties:

- (a) inform the Board as per the prescribed procedures on any warehousing operations being undertaken or intended to be undertaken;
- (b) undertake warehouse operation business in the licenced premises only;
- (c) report to the Board and inspector on anything which is potentially capable of affecting the operation on the licensed warehouse;
- (d) furnish such other information on warehouse operations business as may be required by the Board or any person authorised by the Board;
- (e) certify grading of the commodity before weighing;
- (f) weigh the commodity;
- (g) tally the number of package;
- (h) receive, store, and deliver the commodity as per warehouse receipts without discrimination;
- (i) separate the commodity covered by each owner unless stated otherwise;
- (j) display approved schedule of charges for services;
- (k) ensure the quality and quantity of the stored commodity is preserved

during the time of storage;

- (l) prepare all documents as required by the law;
- (m) keep in a secured place, a complete and accurate set of all records and accounts for all transactions pertaining to the respective commodity in which Warehouse Receipts was issued;
- (n) pay all fees, levies and taxes to the Board, local authorities and Central Government respectively; and
- (o) furnish the Board with the bond of equivalent amount as may be prescribed by Board before license is issued.

Services of
warehouse
operator

31. The designated warehouse shall provide the following services as part of the licensing requirements:

- (a) sample and grade commodities and issue official grade document;
- (b) weigh commodities and issue scale tickets;
- (c) issue print out in hard or electronic form of goods received or delivered to the depositors;
- (d) store commodity in line with their grade specifications;
- (e) maintain quality control and inventory management according to procedures prescribed under these Regulations and any other additional exchange guidelines;
- (f) separate old stocks from new to avoid mix up.

PART VI DUTIES AND RIGHTS

Duties of
financial
institutions

32.-(1) A financial institution shall be a payment point for all financial transactions made under the warehouse receipt system and shall perform the following duties:

- (a) finance commodity trade under the system to depositors, buyers, warehouse owners and warehouse operators by considering the particular nature of the business in question;
- (b) provide training on procedure and requirement for any financing facility under the system; and
- (c) provide information to the Board as may be required.

(2) Under the warehouse receipt system, all payment shall be done through a financial institution.

Duties of
depositors

33.-(1) Any depositor of the commodity under warehouse receipts shall perform the following duties-

- (a) collect, winnow, dry, sort, clean, primary grading and packaging according to approved standards;
- (b) fill form no 4 of Part "B" of the Second Schedule obtained from the Warehouse Operator;
- (c) transport the commodity to the licensed warehouse with the support of legal document such as produce delivery note;
- (d) observe all steps in quality certification, weighing and staking of the

commodity;

- (e) check the correctness of the issued document such as quality certificate, commodity received note and warehouse receipts) after the commodity has been received by the warehouse operator;
- (f) agree on the content of the written warehouse receipts and sign it;
- (g) submit the certificate of pledge to the financing institution;
- (h) look for market, buyer and sale the deposited commodity as per warehouse receipts description;
- (i) provide financial account details to the buyer for which the money of the bought commodity should be paid for; and
- (j) pay warehouse operator's lien, levies and taxes and other charges as approved by the Board.

Rights of
warehouse
operators

34. Any Warehouse Operator licensed by the Board has the following rights:

- (a) to be paid lien as described in the respective warehouse receipts;
- (b) to be paid any other charges as described and approved by the Board;
- (c) to sale commodities of the respective warehouse receipts if the lien is not satisfied;
- (d) to receive official document regarding deposits, sales, release warrants and warehouse receipts of sold commodities as per the respective warehouse receipts;
- (e) to claim for the performance bond account which is under the custodian of the Board, any outstanding amount of money at the end of the licensing period; and
- (f) to seek approval from Board for addition lien in case of addition costs and prolonged period of storage.

Rights of
depositors

35. The depositor has the following rights:

- (a) to receive dully filled warehouse receipts document signed by depositor and warehouse operator;
- (b) to sell or participate in the selling of the deposited commodities according to Government procedures;
- (c) to receive report on receipts, delivery, withheld, condition of the commodity from the warehouse operator in relation to the warehouse receipts in question;
- (d) to receive selling report from the agent in relation to the warehouse receipts in question;
- (e) to claim, from the performance bond account which is under custodian of the Board, for the loss or mis-delivery done by the warehouse operator; and
- (f) to receive the respective commodities from the warehouse operator within the period prescribed in the warehouse receipts.

Rights of
financial

36. A financial institution which participates in warehouse system has the following rights:

institution

- (a) to retain or hold certificate of pledge as security before any disbursement is made to the depositor;
- (b) to receive update information from the warehouse operator regarding the quality and quantity of the specified commodity in the warehouse receipts;
- (c) to receive update information from the owner of the commodity regarding the selling of the respective warehouse receipts;
- (d) to recoup the principal amount of loan and the associated interest for the respective warehouse receipts;
- (e) to claim from the performance bond account which is under the custody of the Board in the event the financial institution failed to claim an amount from the depositor;
- (f) to participate in the process of selling commodity of the respective warehouse receipts if the loan conditions are not satisfied; and
- (g) to receive any information from the Board regarding performance bond of warehouse operators.

Rights of buyer

37. The buyer has the following rights-

- (a) to receive the warehouse receipts from the depositor;
- (b) to verify quality and quantity before delivery is made by a warehouse operator;
- (c) to receive quality and quantity as prescribed in each warehouse receipts issued by licensed warehouse operator;
- (d) to receive official document of sales catalogue, tax invoice, warehouse receipts, banks' release warranty, delivery, withheld commodity from the warehouse operator for each warehouse receipts;
- (e) to claim from the performance bond account which is under custodian for any outstanding warehouse receipts and any delivery made below the approved weight loss and quality deterioration.

Qualifications of inspectors

38. Subject to section 28(2) of the Act, a person is qualified to be appointed as an inspector under the warehouse receipt system if the person has the Board shall be of the following qualifications:

- (a) is an employee appointed by the Board; or
- (b) is a holder of diploma relating to a commodity which is the subject of relating to inspection;
- (c) has adequate experience;
- (d) has sufficient number of personnel and equipment to conduct inspection activities of which at least one personnel has experience on the respective commodity inspections.

Functions of warehouse inspector

39.-(1) A warehouse inspection licence shall empower the licensee to perform the following functions:

- (a) to determine whether warehouses for which licences are applied for or have been issued are suitable for receiving, storage, conditioning, shipping and handling of commodities stored or expected to be

- received, stored, conditioned, shipped or handled;
- (b) to inspect the receiving, storing, conditioning, shipping and handling of commodities stored in designated warehouses;
- (c) to inspect all relevant documents with regard to the licences of warehouses, warehouse operators, warehouse receipts, agreements and any other documents which may be necessary for compliance with the Act and these Regulations;
- (d) to instruct measures to be taken to rectify anomalies in the inspected warehouse;
- (e) to advise the Board on all issues pertaining to warehouse operation and warehouse business;
- (f) to report to the Board, on monthly basis, the progress of inspection services.
- (2) Where, in the course of inspection, the licensed warehouse inspector discovers that-
 - (a) the warehoused goods are in such condition that if immediate remedial measures are not taken the condition of such goods will deteriorate to irreversible levels;
 - (b) the warehouse insurance cover is not adequate to cover the goods stored in the warehouse;
 - (c) the warehouse structure is not in a conducive condition for keeping the goods according to the required standards and no remedial measures are being taken by the operator or owner to rectify the situation,
 the warehouse inspector shall immediately report to the Board.

Rights of
inspectors

40. An inspector who is appointed or licensed under section 28 of the Act, shall have the right to be paid approved inspection fee prescribed in the Fourth Schedule to these Regulations.

Powers of
warehouse
inspector

41. The licensed warehouse inspector shall have the power to enter, during working hours, any designated warehouse so as to:

- (a) inspect documents, reports and accounts of warehouse owners or operators for purposes of ensuring that the provision of the Act and these Regulations are observed;
- (b) inspect the receiving, storing, conditioning, shipping and handling of commodities stored in designated and licensed warehouses; and
- (c) assess, charge, and collect fees, upon approval by the Board, for every examination or inspection services provided.

Persons to use
licensed
warehouse
inspectors

42.-(1) Any person who participates in the warehouse receipt system under the Act and these Regulations that require the services of warehouse inspectors shall use licensed warehouse inspectors.

(2) Any person who contravenes this regulation shall not be entitled to any remedy under the Act or these Regulations.

Board to delegate
inspection
responsibilities

43-(1) Without prejudice to sections 5 and 6 of the Act, the Board may enter into a contract with any licensed warehouse inspector and delegate to him its inspection duties and responsibilities as provided for in the Act and these Regulations.

(2) An inspector who has entered into a contract with the Board pursuant to sub-regulation (1) shall be barred from providing warehouse in which inspection services to other interested persons for the whole period such inspector is under the contract with the Board.

PART VII BONDS, INSURANCE AND OTHER SECURITIES

Time of filing
bond

44. A warehouse bond referred to under section 19 of the Act shall be filed with the Board before a warehouse operation licence is issued to the warehouse operator or collateral manager.

Conditions to be
contained in the
bond

45. The bond shall include the following conditions-

- (a) the warehouse operator or collateral manager shall undertake to perform the obligations of a warehouse operator faithfully and diligently in accordance with the Act and these Regulations during the period of validity of the licence;
- (b) the warehouse operator or collateral manager shall take all reasonable steps to ensure that all interested persons in the stored commodities are kept informed on the condition or state of the commodities; and
- (c) such other terms and conditions as the Board may prescribe from time to time.

Amount of bond

46.-(1) The amount of bond referred to under regulation 48 shall be fixed by the Board, depending on the assessment of the warehouse operator's business, and shall be deduced from the following information:

- (a) scope of the business to be undertaken by the operator, including the goods intended to be handled, shall be indicated in the warehouse operator's business plan;
- (b) past experience of the applicant, including previous incidences of compensating customers out of the bond;
- (c) proof of existence of additional mechanisms for risk minimization, such as professional indemnity insurance;
- (d) professional staff employed by the applicant;
- (e) any other condition which may be considered by the Board to be relevant.

(2) After assessing the warehouse operator's bond, the Board may issue a licence with such conditions as it may consider necessary for proper performance of warehouse operator's statutory duties, and may include conditions that requires the operator:

- (a) to operate only some specified grades of warehouses;
- (b) to operate warehouses only in certain specified areas or dealing with

specified commodities;

(c) to operate warehouses only dealing with specified commodities; and

(d) to employ a specified minimum number of staff.

(3) The amount of bond shall not be less than ten percent of the value of business of the applicant as assessed pursuant to sub-regulation (1).

Board to carry out continuous assessment of bond, insurance, etc.

47.-(1) The Board shall carry or cause to be carried out a continuous assessment of the warehouse operator's business to verify the adequacy of the bond, insurance and any other statutory securities.

(2) The Board shall, wherever it discovers that there are any deficiencies in the amount of the bond, insurance or any other security, depending on the magnitude of the warehouse operator's business and a perceived risk of the time, direct the operator to adjust the bond amount, insurance cover or any other security to an amount proportionate to the magnitude of such deficiency.

Additional bond in renewal of warehouse operation licence

48. The warehouse operator or collateral manager, when applying for renewal of a warehouse operation licence under section 17 of the Act and regulation 21, shall lodge with the Board such additional information pertaining to the bond, insurance or any other security as is necessary for compliance with the provisions of the Act and these Regulations.

Execution of annual bond, insurance, etc.

49. A warehouse operator or collateral manager shall, within forty five days before the expiry of the warehouse operation licence; execute a new bond, insurance or any other security in the required amount with the Board.

Approval of bond, insurance, etc.

50. Any bond, insurance or any other security that is required to be executed under the Act and these Regulations shall be effective after being approved by the Board.

PART VIII WAREHOUSE RECEIPTS

Form of warehouse receipt

51.-(1) The warehouse receipt shall, in addition to contents prescribed under section 33 of the Act, contain the following:

- (a) name of the licensed warehouse operator or collateral manager;
- (b) grade of the warehouse;
- (c) licence number of the warehouse;
- (d) contractual relationship between the warehouse operator and the depositor of the goods;
- (e) identification number, if any, of each unit of the goods stored;
- (f) policy number of the security cover of goods and warehouse;
- (g) number of packaging, net weight or volume of the goods;
- (h) fees chargeable as lien on the stored goods;
- (i) statement indicating the amount of standard deterioration, shrinkage or diminution in grade or quality that is prior approved by nationally recognised standard authority;

- (j) an endorsement by the depositor or his agent acknowledging any encumbrances on the goods, which are specified in the receipt;
- (k) grade of goods;
- (l) agreed period of time in respect of which the goods will be stored.
- (2) Notwithstanding the content of the warehouse receipts referred to under sub-regulation (1), the Board may prescribe the contents of electronic warehouse receipts generated.
- (3) Endorsement of a negotiable warehouse receipt shall be as provided under the Commodity Exchange Act.

Act No 19 of
2015

Printing of
warehouse
receipts

- 52.-(1)** A Board shall print warehouse receipts in triplicate, whereby:
- (a) the first copy shall be marked "Certificate of Title";
 - (b) the second copy shall be marked "Certificate of Pledge"; and
 - (c) the third copy shall be marked "Book Copy".
- (2) For purposes of this regulation-
- (a) a copy of a warehouse receipt marked "certificate of title" shall be a document that proves ownership rights in the goods deposited in the warehouse, in accordance with relevant provisions of the Act and these regulations;
 - (b) a copy of a warehouse receipt marked "certificate of pledge" shall be a document that proves pecuniary interests in the deposited goods against the rightful holder of the "certificate of title";
 - (c) a copy of a warehouse receipt marked "Book Copy" shall be kept by a warehouse operator or collateral manager, and used as a reference document for the proof of the authenticity of the other two copies.
- (3) The Board shall indicate on the receipt, the expression "Non-negotiable" if the receipt is a non-negotiable pursuant to section 35 the Act.

Lost or destroyed
warehouse
receipts

53.-(1) Where a warehouse receipt is lost or destroyed the warehouse operator or collateral manager shall, upon fulfillment of requirements of section 38 of the Act and upon approval by the Board, issue a new receipt marked "duplicate copy" with the reference number of the lost receipt.

(2) Notwithstanding sub-regulation (1) the warehouse operator or collateral manager shall, before issuing the receipt, require the depositor or any other person applying for the receipt to file with the warehouse operator or collateral manager, the statement containing the following:

- (a) police loss report;
 - (b) information that he is lawfully entitled to the possession of the original receipt;
 - (c) a statement he has not negotiated or assigned the original receipt;
 - (d) the circumstances under which the original receipt was lost or destroyed;
 - (e) efforts made to find the original receipt; and
 - (f) any other evidence to substantiate the claims of said lost warehouse receipt.
- (3) Where the warehouse receipt is lost or destroyed, the receipt holder

shall immediately report to the warehouse operator who issued it and to any other person with pecuniary interests in goods for which the receipt was issued.

(4) Where the Board is of the opinion that the loss, theft or destruction of warehouse receipt occurred as a result of negligence of the receipt holder, the Board shall order the receipt holder to bear the liability for such loss.

Approval of form
of warehouse
receipt

54.-(1) A paper based warehouse receipt referred under this part shall be considered to be effective if it-

- (a) meets the minimum requirements as prescribed in the Act and in the Third Schedule to these Regulations;
- (b) is printed with such security features and approved by the Board.

(2) An electronic warehouse receipt shall be considered to be effective if it complies with the requirement of warehouse receipts prescribed under section 33 of the Act and regulations 51 and 52.

PART IX DELIVERY OF GOODS

Delivery of goods
from storage

55.-(1) Unless otherwise provided in the Act and these Regulations, a warehouse operator or collateral manager shall, upon-

- (a) presentation of a certificate of title and certificate of pledge of a warehouse receipt; and
- (b) payment of all advances and any legal charges in respect of the stored commodities,

deliver the goods in relation to the warehouse receipt presented by the depositor or lawful holder of the receipt.

(2) Bulk goods that are binned, and goods delivered shall, upon due allowance for the deterioration and shrinkage as specified on the warehouse receipt, be of the grade and quantity equivalent to those specified in the receipt.

(3) The acceptable shrinkage shall be the one approved by authority responsible for setting standards.

(4) Goods shall be stored in the warehouse with weight and necessary identity as originally identified and noted by the depositor during the issuance of the warehouse receipt.

(5) A warehouse operator or collateral manager shall not deliver any goods stored in his warehouse to any person unless such goods have been weighed and the weight recorded.

Partial delivery of
goods

56.-(1) Subject to regulation 57, before delivery of any portion of goods specified in a warehouse receipt, such receipt shall be surrendered and cancelled and a new receipt shall be issued in respect of the undelivered portion of goods.

(2) Where a financier or any other third party has pecuniary interests in the goods, the warehouse operator shall not deliver the specified part of goods, until he gets a commodity release order from the financier allowing such partial delivery.

(3) The goods release order issued shall be accompanied with a certificate

of pledge previously in the custody of such financier or any other third party with pecuniary interests in the goods.

(4) In issuing a new warehouse receipt, the warehouse operator shall take into consideration any pecuniary interests by the financier or other third party remaining in the stored goods, and he shall issue a copy of certificate of pledge of the new warehouse receipt to such financier or third party.

(5) Nothing in this regulation shall be interpreted to detract or interfere with the warehouse operator's lien as provided in the Act.

(6) Subject to section 82A of the Act and regulation 57, before delivery of any portion of commodities specified in an electronic warehouse receipt, such receipt shall be treated by the warehouse operator or collateral manager and adjusted to accommodate the actual deliveries which is about to be made and undelivered portion of the goods.

Return of
warehouse
receipts before
delivery of goods

57.-(1) A warehouse operator or collateral manager shall not, save as otherwise provided by the Act or by these Regulations, deliver goods unless-

- (a) a negotiable hard copy of warehouse receipt issued is returned to him or obtained from the person lawfully entitled to the deliver;
- (b) a non-negotiable hard copy of warehouse receipt is returned to him by the title-holder and cancelled;
- (c) a negotiable electronic warehouse receipt issued by the warehouse operator or collateral manager had received an authentic instruction in electronic or hard form, from the bearer or any other recognised institution about delivery or any alteration in such receipt;
- (d) a non-negotiable electronic warehouse receipt issued by the warehouse operator or collateral manager had receive an authentic instruction in electronic or hard form, from the bearer or any other recognised institution about delivery or any alteration in such receipt.

(2) A warehouse operator or collateral manager shall not honour a release order of goods specified in a non-negotiable warehouse receipt unless he has enough evidence to ascertain that the person who has issued the order is the owner of the warehouse receipt.

(3) A person to whom a non-negotiable warehouse receipt is issued shall furnish the warehouse operator or collateral manager with a statement in writing indicating the person who have authority to authorise delivery of commodities specified in the receipt together with *bona fide* signature of that person.

PART X INSPECTION, GRADING AND WEIGHING

Inspection,
grading and
weighing of
goods

58.-(1) Any goods received in a warehouse, shall be-

- (a) inspected, graded and verified its quality;
- (b) counted and recorded its number of package;
- (c) weighed and recorded its weight by the warehouse operator.

(2) Before issuance of a warehouse receipt in respect of the goods to be stored, warehouse operators shall ensure that the goods whose warehouse receipt

is about to be issued have first been inspected, graded as per national standards and weighed using legally recognized weights and measures.

Goods to be stored on basis of grade.

59. A warehouse operator shall store and deliver commodities out of storage on the basis of their grades, number of package and weights and measures.

Uses of inner documents

60.-(1) A licensed warehouse operator or collateral manager shall use all inner documents in the process of receiving and delivering commodities in the warehouse as prescribed under these regulations, orders or circulars which shall be issued by the Board.

(2) Any misuse of inner document such as omission, mis-description, deletion, forgery, mis-representation and any other form of deceit may amount to nullifying of the warehouse receipt by the Board.

(3) Any person who aid or abate any person in commission of an offence under the Act and these Regulations commits an offence.

Inspection and examination of warehouses

61. The Board may, in addition to the powers conferred upon it by section 5 of the Act, authorise any licensed warehouse inspector to inspect or examine the commodities stored in a designated warehouse at any time during normal working hours.

Calibration of weighing equipment
Cap 340

62.-(1) Weighing machines or equipments used to ascertain weights or measures stated on a warehouse receipt shall be subject to approval in accordance with the Weight and Measure Act.

(2) Any warehouse operator who uses a weighing machine or equipment which is not approved in accordance with the Weight and Measure Act commits an offence.

PART XI CARE OF GOODS AND SAFETY OF RECORDS

Care of goods

63. Subject to section 51 of the Act, a warehouse operator shall exercise such care with regard to goods in his custody as reasonably and careful owner would exercise under similar circumstances and conditions, and the warehouse operator shall:

- (a) ensure that provisions in the Act and these Regulations with regard to the safety of the goods is adhered to;
- (b) keep the goods free of pests and free from any physical or quality damage;
- (c) conduct such routine inspection of the quality of goods as is technically required; and
- (d) keep any person interested in the safety of the stored goods informed of the condition of commodities within a period of one month.

Safety of records

64.-(1) A warehouse operator shall keep all records, books and papers pertaining to the warehouse operations in a safe custody for a period of not less

five years.

(2) The Board may, where a warehouse operator is unable to comply with sub-regulation (1), direct the warehouse operator to keep the records, books and papers in some other place of safety as the Board may determine.

(3) A warehouse operator shall keep cancelled receipts and other document pertaining to warehouse operations for a period of not less than seven years from the date on which such receipts or documents were cancelled or became no longer required and for such longer period as may be necessary for the purposes of any litigation, which may be pending in court to the knowledge of the warehouse operator or as may be determined by the Board.

PART XII GENERAL PROVISIONS

Procedure for
compounding of
offences

65.-(1) Where any offence is compounded pursuant to section 78A of the Act, a form prescribed in the Seventh Schedule to these Regulations shall be made out and shall be signed by both the offender and the officer compounding the offence.

(2) The offences to be compounded under the Act and these Regulations shall be those which the Board considers to be of the nature that does not affect quality of the product in question.

(3) Offences referred to under subregulation (2) provided that such offences include but are not limited to fraud and distribution of uncertified goods but conforming to the required standards.

(4) Payment of the sum shall be made to the Board's account.

(5) Every payment received shall be counted for as money belonging to Board and an official receipt shall be immediately issued for it to the person to whom the offer to compound was made.

(6) When the compounded amount is deposited into the Board's bank account, a person to whom an order was made shall, not more than three days after depositing the money submit or represent to the Board a deposit slip for verification purposes and the Board shall issue a Government exchequer receipt within reasonable time.

(7) Subject to the provision of the Act, where proceedings are brought against a person for an offence under this Act, it shall be a good defence if that person proves that the offence with which he is charged has been earlier compounded.

(8) Any sum of money received under this regulation shall be dealt with as if the sum of money were a fine imposed by the court of law for the offence

Warehouse
Charges

66.-(1) Warehouse operators shall, subject to the approval of the Board, make reasonable charges for services rendered, depending on the market rates.

(2) A warehouse operator shall keep rules and a schedule of charges chargeable by him in respect of his business and shall submit a copy of the rules and the schedule of charges to the Board.

(3) A warehouse operator shall, before making any change in the rules or

schedule referred to in sub-regulation (2), submit to the Board a written statement indicating the proposed changes and the reasons for such changes.

(4) A warehouse operator shall display at a conspicuous place within the warehouse premises, a copy of rules and schedule of charges.

Identification of
commodity stored

67.-(1) A warehouse operator shall, upon acceptance of goods for storage, attach an identification tag on the commodities' container or packaging material.

(2) An identification tag attached to the commodities' container or packaging material shall be tagged or placed on such place capable of making identification of the commodities possible at any time.

(3) The identification tag referred under regulation (1) shall indicate the following:

- (a) goods lot, stack, or warehouse number;
- (b) number of receipt issued in a lot, stack or warehouse;
- (c) number of packages contained in a lot, stake or warehouse;
- (d) variety, type, grade or class of the goods as determined by the quality controller of the warehouse operator;
- (e) net weight of goods as at the date of entry for storage and up to date delivery made;
- (f) date upon which goods were received for storage; and
- (g) any other information which may assist in the identification, storage and any movement of the stored goods in the warehouse.

Arrangement
and tagging of
stored goods

68. A warehouse operator shall store each lot of commodities in respect of which a receipt is issued such that the identification tag attached on the goods is visible and readily accessible and shall arrange the warehouse in such manner as to permit inspection and determination of the number of packages in storage at any time as per the stock management principles and as per the directives of the Board.

Re-conditioning
of commodities

69.-(1) Where a warehouse operator or collateral manager considers that any goods under his supervision is deteriorating, he shall immediately notify the owner of the commodities and the Board as per the prescribed form Notice 2 Part "C" in the Second Schedule to these Regulations.

(2) The Board may appoint an inspector to examine the goods or direct the warehouse operator or collateral manager to do anything as the Board may consider appropriate.

(3) Upon expiry of time under sub regulation (1) and the depositor does not respond to the request, the warehouse operator shall recondition the goods in question at the cost of owner if he verified that the Notice was duly served to the owner of goods.

(4) The Warehouse operator's right to recondition depositor's commodity shall be exercised lawfully and *bona fide*.

(5) An inspector, after examining goods, is of the opinion that the commodities can be reconditioned, the warehouse operator shall promptly issue an advice notice to the owner for reconditioning or processing the commodity.

(6) Where the owner does not respond to the notice within twenty four

hours, the warehouse operator shall, with the approval of the Board, subject the goods to the proper reconditioning process in his warehouse to the extent to which it is equipped with machinery suitable for the purpose or in any other warehouse which is equipped with the necessary machinery.

(7) Notwithstanding sub regulation (3) the Board shall give an approval for the cost incurred to recondition and to determine who shall bear the cost incurred depending on the nature of the deterioration.

Perishable goods

70.-(1) A warehouse operator shall, where the goods are likely to deteriorate in value or are likely to damage other goods or endanger the life of persons, issue a twenty four hours notice to the owner of goods stored, for delivery of perishable goods and for satisfying the lien.

(2) The storage period of a commodity in a warehouse shall be in a manner prescribed in Part "C" of the Second Schedule to these Regulations.

(3) Where the owner or depositor fails to remove or to fulfil the requirement of the notice within the time specified in the notice, the warehouse operator shall notify the Board, which shall dispose or sell the said commodity in order to satisfy the lien and other incidental cost incurred by the warehouse operator.

(4) The Board shall ensure that the commodity is sold at a market price.

Procedure in
handling
deteriorated
commodities

71.-(1) Where a warehouse operator or collateral manager, with the approval of the licensed inspector, determines that goods are deteriorating and that the deterioration cannot be stopped, he shall issue a notice to the owner or depositor.

(2) The notice under this regulation shall contain the following information:

- (a) name of the warehouse in which goods are stored;
 - (b) the quantity, kind and grade of the goods at the time the notice is issued;
 - (c) the actual condition of the commodities if it can be ascertained, and the reason, if known, for such condition; and
 - (d) the outstanding receipts that were issued in respect of the goods which are deteriorating, giving the numbers and dates of the receipts and the quantity, kind and grade of goods as specified in the receipts;
 - (e) life time of the notice;
 - (f) acknowledgement of receipt of the notice by the owner of commodity.
- (3) A copy of the notice shall be delivered in person or sent by mail to-
- (a) the person holding the receipts, if they are known to the warehouse operator;
 - (b) the person who originally deposited the goods;
 - (c) any other person known by the warehouse operator to be interested in the goods; and
 - (d) the Board.

(4) The warehouse operator shall, in addition to the notice issued under this regulation, affix a copy of that notice at a conspicuous place at the warehouse.

(5) The warehouse operator may, if goods referred to under sub-regulation (1) are not removed from storage by the owner within seven days from the date of the notice, sell or dispose of the goods after obtaining an approval from the Board.

(6) Nothing contained in this regulation shall be construed as relieving the warehouse operator from his duty of care to the stored goods pursuant to relevant provisions of the Act and these Regulations.

Warehouse operators to use safe chemicals

72. In preserving goods pursuant to relevant provisions of the Act and these Regulations, a warehouse operator shall use legally approved chemicals or methods of quality control.

Board to organize annual stakeholders' fora

73.-(1) The Board shall organize at least one stakeholders meeting every year to discuss-

- (a) matters pertaining to warehouse receipt system development; and
- (b) performance of the Board with regard to the implementation of the Act and these Regulations.

(2) An annual stakeholders' forum shall deliberate on the following matters:

- (a) implementation of the Warehouse System Development Plan;
- (b) general and specific advices to the Government and the Board on best ways of operationalizing the warehouse receipt system;
- (c) warehouse receipt system promotion; and
- (d) any other matter, geared towards warehouse receipt system development.

Composition of annual stakeholders' forum

74.-(1) Annual stakeholders' forum shall compose of the following members:

- (a) warehouse owners;
- (b) warehouse operators;
- (c) warehouse inspectors;
- (d) warehouse depositors;
- (e) bankers using warehouse receipts as collaterals to loans;
- (f) insurance companies;
- (g) relevant Government officials;
- (h) farmers and farmers' organizations;
- (i) non-governmental organizations dealing with warehouse receipt promotion;
- (j) donors financing promotion of warehouse receipt system;
- (k) academic institutions;
- (l) any other person or organization, where participation in the opinion of the Board, may contribute to the development of the warehouse receipt system.

(2) Annual warehouse receipt system stakeholders' meeting shall be chaired by the Minister or any other person appointed by the Minister.

(3) The Board shall provide a Secretariat to the stakeholders' forum.

Stakeholder
meeting
procedures

75. The stakeholder forum shall regulate its own meeting procedures and may make any necessary amendments to the respective procedures when need arise from time to time.

Board to keep
stakeholders'
directory

76.-(1) The Board shall establish and maintain a stakeholders' directory in which relevant particulars or information of each stakeholder shall be entered.

- (2) Particulars or information of a stakeholder may include the following:
- (a) short description of business of the stakeholder as far as warehouse receipt system is concerned;
 - (b) contact of the stakeholders that includes electronic, physical and postal address; and
 - (c) any other information which may be relevant to other stakeholders in operationalization of a warehouse receipt system.

Access and
update of
stakeholders'
directory

77.-(1). The Board shall allow stakeholder to access the stakeholder directory through a most efficient and expedient mechanism.

(2) The Board shall update the stakeholders' directory from time to time and inform the stakeholders accordingly.

Addition offences

78. In addition to the offences stipulated under section 71 to 77 of the Act, any person who-

- (a) refuses to produce any document under his control related to the warehouse receipt system;
- (b) refuses to reply to any lawful question put to him by authorized officer;
- (c) submits wrong information or information that he does not believe to be true in order to obtain a warehouse operation license;
- (d) discovers deficiency in the value of the bond, insurance or any other security but does not adjust the amount of the bond proportionate to the magnitude of such deficiency;
- (e) does not submit to the Board relevant information as required by the Act or these Regulations, pertaining to the warehouse operator's business, including its equivalent value of the bond, insurance cover and other types of security, commits an offence under the Act and these Regulations.

General Penalties

79. Any person who commits an offence for which no specific penalty is provided in the Act and these Regulations, shall upon conviction, be liable to a fine not exceeding ten million shillings or imprisonment for term not less than twelve months and not exceeding five years or both.

Revocation and
savings

80.-(1) The Warehouse Receipt Regulations, 2006 are hereby revoked.

(2) Notwithstanding the revocation of Warehouse Receipt Regulations under subregulation (1), anything done under the revoked Regulations shall be deemed to have been done under these Regulations.

GN 185/2006

FIRST SCHEDULE

THE QUALIFICATION OF WAREHOUSES

(Made under Regulation 33)

1. The Board shall qualify warehouses according to:

1. Uses:

Primary Warehouses which will be used by individual farmers, farmers business groups, companies and cooperative societies;

Secondary Warehouses which will be used by traders, processors and exporters; Other conditions as the Board may determine from time to time.

2. Size:

2. Qualification critical points

Any warehouse which is subject for licensing shall fulfil the following critical points before any assessment is done by the Board:

S/No	Item
(i)	Calibrated and Certified Weighing equipment
(ii)	Strong and Properly finished floor, Proper roofing and walls for building and silos
(iii)	Appropriate Metal fire proof safe and serviced fire fighting equipment
(iv)	Reliable Security System which includes light during the night and Security guards or other security system
(v)	Strong and properly fixed doors, windows,
(vi)	A warehouse must have a commercial storage capacity as prescribe by the Board from time to time depending on the type of the commodity.

3. Qualification Score points:

S/No.	Item	Score Points
(i)	Proper loading/unloading shade.	8
(ii)	Surrounding are clean and in good order	6
(iii)	Effective locator	4
(iv)	Standards Pallets	8
(v)	Proper power and water systems	8
(vi)	Reliable communication systems (Postal Address, Fax , Telephone, Internet Connection)	8

(vii)	Properly fenced (e.g. barbed wire, fencing wire, concrete etc)	8
(viii)	Sample room or Sample box	2
(ix)	Proper drainage system	8
(x)	Proper rodents control system	8
(xi)	Proper ventilation system	8
(xii)	All weather accessible road	10
(xiii)	Furnished office	6
(xiv)	A foundation must be free from floods	8
	TOTAL POINTS	100

4. There shall be three Grades of warehouses, namely Grade "A", "B" and "C"

5. Qualification of Warehouses

Grade "A" - This rating shall be assigned when the warehouse scores 75 points or above according to the scoring criterion prescribed under section 3 of this Schedule;

Grade "B" - This rating shall be assigned when the warehouse scores between 60 and 74 points according to the scoring criterion prescribed under section 3 of this Schedule;

Grade "C" - This rating shall be assigned when the warehouse scores between 40 to 59 points according to the scoring criterion prescribed under section 3 of this Schedule;

6. Disqualification

Any warehouse which fails to fulfil any of the critical points and score below 40 points in the qualification points shall be disqualified by the Board.

SECOND SCHEDULE

THE LICENSES, FORMS AND NOTICES

PART "A": THE LICENSES

(Made under Regulation 19)

Licence No 1: Warehouse Operators Licence

Serial No: 1234

WAREHOUSE RECEIPT REGULATORY BOARD		
WRN	WAREHOUSE OPERATORS LICENCE	WON 1
<p style="text-align: center;"><i>(Made under Regulation 19)</i></p> <p>M/S (Name & address)</p> <p>.....</p> <p>.....</p> <p style="text-align: center;">IS HEREBY LICENSED TO CARRY OUT THE</p> <p style="text-align: center;">WAREHOUSE OPERATIONS UNDER WAREHOUSE RECEIPT SYSTEM</p> <p>Name of Directors-</p> <p>1. 2. 3.</p> <p>2. Name of the Chief Executive officer of the Warehouse.....</p> <p>3. Location of the warehouse.....</p> <p>4. Approved storage capacity at a time.....</p> <p>5. Approved commodity for storage.....</p> <p>6. File reference number.....</p> <p>7. Date issuedValid until.....</p> <p>8. Signature of Managing Director.....Date:.....</p> <p style="text-align: center;">— —</p> <p>9. Name.....Designation</p>		

WAREHOUSE RECEIPT REGULATORY BOARD		
WRN 1/2015	COLLATERAL MANAGER'S LICENSE	CMN 1
<p style="text-align: center;"><i>(Made under Regulation 19)</i></p> <p>M/S (Name & address)</p> <p>.....</p> <p>.....</p> <p style="text-align: center;">IS HEREBY LICENSED TO CARRY OUT THE</p> <p style="text-align: center;">WAREHOUSE COLLATERAL MANAGEMENT UNDER WAREHOUSE RECEIPT SYSTEM</p> <p>Name of Directors-</p> <p>1. 2. 3.</p> <p>2. Name of the Chief Executive Officer of the Warehouse.....</p> <p>3. Location of the warehouse.....</p> <p>4. Approved storage capacity at a time.....</p> <p>5. Approved commodity for storage.....</p> <p>6. File reference number.....</p> <p>7. Date issuedvalid until.....</p> <p>8. Signature of Managing Director Date:.....</p> <p>9. Name.....Designation</p>		

Licence No 3: Inspector License

Serial No: 1234

WAREHOUSE RECEIPT REGULATORY BOARD	
WIN	WAREHOUSE INSPECTOR LICENSE
<p style="text-align: center;"><i>(Made under Regulation 19)</i></p> <p>M/S (Name & address)</p> <p>.....</p> <p>.....</p> <p style="text-align: center;">IS HEREBY LICENCED TO CARRY OUT THE</p> <p style="text-align: center;">WAREHOUSE INSPECTION UNDER WAREHOUSE RECEIPT SYSTEM</p> <p>Name of Directors-</p> <p>1.2.....3.....</p> <p>2. Names of technical employees.1.....2.....</p> <p>3. Area of Specialisation.....</p> <p>4. Approved type (s) of inspection.....</p> <p>5. File reference number.....</p> <p>6. Date issuedvalid until.....</p> <p>7. Managing Director</p> <p style="padding-left: 20px;">Name</p> <p style="padding-left: 20px;">Signature of.....</p> <p style="padding-left: 20px;">Date:.....</p>	

PART "B": FORMS

1. Application Form

FORM NO 1

DATE:

WAREHOUSE RECEIPT REGULATORY BOARD

Address of the Board

APPLICATION FORM: WAREHOUSE OPERATOR LICENSE

(Made under Regulation 4(g))

1. FULL BUSINESS NAME OF THE APPLICANT:

2. NATURE OF APPLICATION :

3. LIST OF REQUIRED OFFICIAL

No	Requirement	REQUIRED DOCUMENT(S)	Tick if Attached or Already Submitted	FOR OFFICIAL USE ONLY
1	Submit Registration documents	Certificate of Registrations of Warehouse Owner Board of Director's Resolution of Warehouse owner to do this Business		
2	Nature of ownership of the Warehouse	Title Deed OR Lease Agreement		
3	Risk mitigation mechanism	Policy cover on fire and burglary of building and commodity		
4	Government Official 's Inspection Report	Attach Report		
5	Site Location	Attach Sketch Map		
6	Storage Capacity of the Warehouse (MT)	Mention the Storage Capacity Applying for License		
7	Attached description of the location of the Company's Office	Attach document		
8	Memorandum and Articles of Associations	Attach document		
9	Certificate of Incorporations	Attach document		
10	Public Notary Certified Curriculum Vitae and Picture of Directors of the Company	Attach document		
11	Letter from the Bank confirming existence of Bank Account	Attach document		
16	Insurance cover of Fire, theft and Burglary of any document which shall be used in the Operation of Warehouse	Attach document		
17	Commitment letter to pay the all License Fee, Charges and Performance Bond as approved by the Board	Attach document		
18	Audited Accounts of the Company	Attach document		
19	Board of Director's Resolution to do this Business	Attach document		

20	Attach the Bank payment Slip of the Application Fee	Attach document		
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The amount of application fee paid(Attach a copy of bank payment slip for the application)

Applicant's Declaration:

" Knowing that false statements made to the Board may lead to the rejection of this application and subjected to litigation. I declare that any statements made in this application are true to the best of my knowledge. Further, as a condition to granting this license, I have read and agree to comply with all provision governing the operation of warehouse under the Warehouse Receipt Act, its regulations and other guidelines and directives issued by the Board".

FULL NAME

AUTHORISED SIGNATURE

CONDITIONS OF APPLICATIONS:

1. Validity of this application is dependent on the payment of prescribed fee by the Board
2. By signing and submitting this application to the Board the applicant declares that he has the financial and logistical capability to do business he applied for if the license is granted.
3. I agree to pay the warehouse Inspector's fee which are subject as approved by the Board.
4. The applicant upon suspension, revocation or expiration of the license, shall declare to the Board all un- issued Warehouse Receipts
5. By this application and any license arising there from is governed by the Warehouse Receipt Regulations.

2. Warehouse Compliance Forms

FORM NO 2

DATE:

Address of the Board

WAREHOUSE OPERATIONS COMPLIANCE

(Made under Regulation 4(g))

1. FULL BUSINESS NAME OF THE WAREHOUSE OF THE WAREHOUSE OPERATOR OR COLLATERAL MANAGER
2. NATURE OF APPLICATIONS:
3. LIST OF REQUIRED OFFICIAL

NAME OF WAREHOUSE:				LOCATION:		
S/NO	ITEM	Points	Descriptions	Allocation	Tick if Available	Official Use
(i)	Calibrated and Certified Weighing equipment*	8	Available Weighing Bridge	4		
			Platform Scale which Weigh 500+ Kg	2.5		
			Platform Scale which Weigh Less than 500 Kg	1.5		
(ii)	Proper loading/unloading shade	5	Conveyor Belts	2		
			Fork Lift	1.5		
			Raised Loading and Off Loading Platforms	1.5		
(iii)	Surrounding are clean and in Good shape	3	Drainage system around the Building	2		
			Clean Environment	1		
(iv)	Strong and Properly finished floor, proper roofing and walls*	10	Concrete Raised Floor	3		
			Screed Floor	2		
			Proper Roofing (Iron Sheets, Asbestos or Tiles)	3		
			Walls (Blocks or Iron Sheets)	2		
(v)	Appropriate Metal fire proof safe and serviced fire fighting equipment*	8	Fire Proof Safe	2		
			Fire Fight Reel	2		
			Fire Fight Cylinder	2		
			Fire Alarm	1		
			Sand Buckets	1		
(vi)	Proper power and	4	Public Electricity	2		

	water system		Public Water	0.5		
			Private Owned Electricity	1		
			Private Owned water	0.5		
(vii)	Reliable communications systems (Postal address, fax, telephone, internet connection)*	6	Postal Address	0.5		
			Fax line Connections	0.5		
			Mobile / Telephone Line Connections	0.5		
			Internet Connection	2		
			Data Base Software	2.5		
(viii)	Reliable security system (light during the night)	7	Security Lights	3		
			Security Alarms	2		
			Security Cameras	2		
(ix)	Strong and property fixed doors, window*	10	Wooden Doors	2		
			Metal Plate Doors	6		
			Iron Sheets / Grill Doors	2		
(x)	Properly fenced (e.g barbed wire, fencing wire, concrete)	4	Concrete Walls	2.5		
			Barbed / Wires Fence	1		
			Shrub Fence	0.5		
(xi)	Sample Room / Box / Shelf	3	Sample Box / Shelf	1		
			Sample Room	2		
(xii)	Proper drainage system	5	Drainage Furrows	3.5		
			Drainage Gutters	1.5		
(xiii)	Proper rodents control system	5	Wire gauze in all vents	3.5		
			Rodent Bar	1.5		
(xiv)	Proper ventilation system	4	Vent - Above the Floor	1		
			Main door on either side	1		
			Vent - Above the Linter	2		
(xv)	All Weather Accessibility (Roads)	6	Along Tarmac Road	4		
			Along Morram Road	1.5		
			Along Sand / Soil Road	0.5		
(xvi)	Staff Office	3	Detached Office	2		
			In the Warehouse Office	1		
(xvii)	Nature of the Foundation of the Warehouse	4	1 Meter Raised Building	4		
(xviii)	Storage capacity of the warehouse*	5	> 5000 MT	3		
			1000 - 4999 MT	1.5		
			200 - 999 MT	0.5		
	TOTAL POINT	100	TOTAL SUMMATION	100		
	THE GRADING RANGE		75-100	A		
			60-74	B		
		100	40-59	C		

			40<	REJECT		
* = Stop Grading if the item is missing			ASSIGNED GRADE			

NAME OF THE WAREHOUSE MANAGER

DATE

SIGNATURE

NAME OF INSPECTOR

DATE

SIGNATURE

3. Quality Certification if not available forms

FORM NO 3

DATE:

Address of the Board

QUALITY CERTIFICATION FORM

(Made under Regulation 4(g))

1. FULL BUSINESS NAME OF THE WAREHOUSE OPERATOR OR COLLATERAL MANAGER

2. NATURE OF APPLICATIONS :

3. LIST OF REQUIRED OFFICIAL INFORMATION

Full Name of Escort:		District:	Region:
Other Particulars	PDN:	Truck Number:	Number of Bags:
	Weight in PDN (Kgs):	Others:	
QUALITY ASSESSMENT			
1. Name of Crop	2. Package	4. Noted Moisture Content (%)	5. Noted Type / Colour of Seeds (%)
	Type: Size:		
6. Other Color (s) / Type of Seeds	7. Allowable Commercial Shrinkage of the Crop / Seeds	8. Quantity of Sample stored	9. Storage Period (Month)
10. Allowable Quality Deterioration (%)	11. Type of Admixtures or Foreign Matters		12. (%) Admixtures or Foreign Matters
9. Extent of Infestation (%)	Insects	Fungi	Others

10	Type of Crop	Packaging	Kilo Per Bag	Maximum Moisture Content	Maximum Foreign Matter	Maximum Other Seeds
1	Maize	Sisal / Jute Bag	90	12.50%	2.00%	2.00%
2	Sesame	P.O.P Bag	50	8.50%	2.00%	2.00%
3	Rice	P.O.P Bag	50	13.00%	2.00%	2.00%
4	Paddy	P.O.P Bag	70	13.00%	2.00%	2.00%
5	Sunflower	P.O.P Bag	70	8.50%	2.00%	2.00%
6	Pigeon peas	P.O.P Bag	50	8.50%	2.00%	2.00%

11

GRADING PARAMETER

	Type of Crop	Max Foreign Matter	Max Broken Grains	Other Seeds	Pest damaged Seeds	Grade
1	Maize	1	1	0.5	0	1
2	Sesame	1	1	1	0	1
3	Rice	0	1	0	0	1
4	Paddy	2	1	1	1	1
5	Sunflower	2	1	0.5	1	1
6	Pigeon peas	1	1	0	0	1

	Type of Crop	Max Foreign Matter	Max Broken Grains	Other Seeds	Pest damaged Seeds	Grade
1	Maize	2	2	2	0	2
2	Sesame	2	2	1	0	2
3	Rice	2	3	1	0	2
4	Paddy	2	2	2	1	2
5	Sunflower	2	2	2	2	2
6	Pigeon peas	2	2	1	0	2

N.B All quality testing procedure must observe *Tanzania Bureau of Standard Standards*

12 CONFIRMED AND AGREED GRADING RESULTS

GRADE OF THE COMMODITY	GRD I	GRD II	REJECT
------------------------	-------	--------	--------

WAREHOUSE QUALITY CONTROLLER FULL NAME

SIGNATURE

DATE

FULL NAME OF DEPOSITOR

SIGNATURE

DATE

WAREHOUSE MANAGER FULL NAME

SIGNATURE

DATE

Applicant's Declaration:

"Knowing that false statements made into this certificate may lead to enormous losses to different interested parties and that the statements made in this application are true to the best of my knowledge. Further, as a condition before issuing this certificate. I have read and agree to comply with the stated provision governing the holding for warehouse operation license under this Regulations

CONDITIONS:

1. Validity of this certificate is upon using the relevant standards as established by Tanzania Bureau of Standards.
2. The certificate is valid for period of six months from the date of issue and only when issued by qualified quality controller.
3. Some of the critical parameters as determined by Tanzania Bureau of Standards are enlisted over the leaf.
4. By this certificate any issue arising there from is governed by this Regulations

4. Depositor Registration Forms

FORM NO 4

DATE:

Address of the Board

DEPOSITORS REGISTRATION FORMS

(Made under Regulation 4(g))

1. Full Business Name of Depositor / <i>Jina Kamili la Kibiashara la Mweka Mali</i>		
2. Number of members/farmers / <i>Idadi ya wanachama/wakulima</i>		
3. Physical Address / <i>Anuani</i>		
4. Telephone Number / <i>Namba ya Simu</i>		
5. Full name of Authorized Signatories / <i>Jina kamili la afisa Mwenye Mamlaka ya Kuweka Sahihi</i>		
6. Type of Crop(s) / <i>Aina ya Zao</i>		
7. Storage Quantity Estimates / <i>Kiasi Cha Mazao (Kwa Kilo) Ninachotarajia Kuleta Ghalani</i>		
8. Bank Information/ Taarifa za Benki	<i>Name of Banker/ Jina la Benki</i>	
	<i>Branch / Tawi</i>	
	<i>Bank Account / Namba ya Akaunti</i>	
<p>9. Depositor's Declaration / <i>Azimio la Mweka Mali:</i></p> <p>"Knowing that false statements made to the Board may lead to the rejection of this application and subjected to litigation. I declare that any statements made in this application are true to the best of my knowledge. Further, as a condition to granting this license. I have read and agree to comply with all provision governing the operation of warehouse under the Warehouse Receipt Act, its Regulations and other guidelines and directives issued by the Tanzania Warehouse Licensing Board". / " <i>Najua kwamba taarifa yoyote ya uwongo itakayotolewa kwa Bodi ya Leseni za Maghala Tanzania nikiwa kama Mweka Mali itasababisha kukosa haki kwa mujibu wa Mwongozo, Kanuni na Sheria ya Stakabadhi za Maghala. Pia ninajua kwamba, ninaweza kuchukuliwa hatua zaidi kwa mujibu wa Sheria hii, ikiwa ni pamoja na kufunguliwa Mashaka Mahakamani. Kama sharti la kuhifadhiwa mazao yangu natamka kwamba nimekubaliana na nitafulata taratibu, miongozo, kanuni na sheria kwa mujibu wa Sheria ya Stakabadhi ambazo kwa pamoja zinasimwa na Bodi</i></p>		
<p>10. Depositors Authorized Signature / <i>Saini ya Mweka Mali</i></p> <p>Full Name _____ Jina Kamili _____</p> <p>Signature _____ Sahihi _____</p> <p>Date / <i>Tarehe</i> _____ <i>Tarehe</i> _____</p> <p>10. Authorized Signatory of Warehouse Operator / <i>Saini ya Mwendesha ghala</i></p> <p>Full Name _____ Jina Kamili _____</p> <p>Signature _____ Sahihi _____</p> <p>Date / <i>Tarehe</i> _____ <i>Tarehe</i> _____</p>		

5. Returns on receipts of commodities

FORM NO 5

DATE:

Address of the Board

WAREHOUSE RECEIPTS RETURNS FORMS

(Made under Regulation 4(g))

NAME OF COMMODITY:

S.NO	DATE ISSUED	TRUCK NUMBER	RECEIPT NO	NAME OF DEPOSITOR	DISTRICT	NAME OF FINANCE CIER	COMMODITY						STORAGE INSTRUCT -IONS
							MC					NO OF UNIT	
Total													

Prepared by:

Name..... Signature..... Date.....

Verified by:

Name..... Signature..... Date.....

Authorized by:

Name..... Signature..... Date.....

Copy to:-

Any Financing Institution (s)
Any Agent of the Depositor (s)
Any Government Office (Upon Request)

FORM NO 6

Address of the Board

(Made under Regulation 4(g))

[illegible]

43

Prepared by:

Name..... Signature..... Date.....

Verified by:

Name..... Signature..... Date.....

Authorized by:

Name..... Signature..... Date.....

Copy:-

Any Financing Institution (s)
Any Agent of the Depositor (s)
Any Government Office (Upon Request)

7. Mis Delivery Forms

FORM NO 7

DATE:

Address of the Board

COMMODITY MIS DELIVERY FORMS

(Made under Regulation 4(g))

FULL NAME OF APPLICANT (CLAIMANT)	P.O.BOX.....	Phone.....
	STREET.....	Fax.....
	PLOT No.....	Email.....
	TOWN.....	Website.....
FULL NAME OF RESPONDENT (PAYER)	P.O.BOX.....	Phone.....
	STREET.....	Fax.....
	PLOT No.....	Email.....
	TOWN.....	Website.....

Subject to subsection 50(2 &3) of the Warehouse Receipt Act number 10 of 2005,

I.....

 (Full Name of the Authorized Staff of the Claimant Involved)

Of Ms..... being a

 (Full Name of Claimant Company) (Warehouse Operator / Depositor/ Buyer/
 Financier)

"Knowing that you are not lawfully entitled to the possession of the following goods and or without observing the terms indicated in the Warehouse Receipt (s) and the respective Release Warrant (s), the mis—deliveries here referred as Over Release above the required amount of the following..... was done to your Company. This Action contravenes
 (Name the commodity)

Sectionof the Warehouse Receipt Act No 10 of 2005".

Original Descriptions					Actual Mis-Delivery		
Lot number /Warehouse Receipt Number	Type of Crop	Units	Weight (Kgs)	Unit Value (Tshs)	Units	Weight (Kgs)	Total Value (Tshs)
	—					—	
Total							

Declaration of the Parties involved in this mis-deliveries Claim Form:

"Knowing that refusal to sign this form or any false statements made herein shall amount to thievery action which is a criminal offense of pilfer- age from the Licensed Warehouse and thus liable for prosecution. I declare all statements made herein are true to the best of my knowledge. Further, as a condition of signing this form I have carefully read and agreed to comply with this Act

CLAIMANT FULL NAME

**SIGNATURE and COMPANY STAMP
DATE**

RESPONDENT FULL NAME

**SIGNATURE and COMPANY STAMP
DATE**

TERMS AND CONDITIONS OF CLAIM FORM:

1. This form must be fill in three copies (original - Claimant; 2nd - Board, 3rd - Respondent)
2. Any Claim to the respondent must be submitted to the Board within 30 days from date of issuance of this claim form.
3. The Respondent is required to settle the whole claim within 30 days from the time of signing this claim form.
4. All payments associated with this claim must be paid to the Warehouse Receipt System Performance Bond a/c
5. **In the event the Claimant failed to fully pay the actual mis-delivery within 30 days from date of signing this form the Board shall initiate further legal procedure to recover the loss from the respondent Current and Fixed Assets which can immediately reached by the Board.**

PART "C": NOTICES

According to Regulation 4(g) of these Regulations, the following are the notice which shall be applicable under this act:-

1. Notice No 1: Public Notice before a warehouse is Licensed
Notice NO 1

DATE:

Address of the Board

Public Notice for License Application

(Made under Regulations 4(g))

FULL NAME OF APPLICANT: _____ _____ _____ _____	FULL NAME OF 1st PROPRIETOR / PARTNER / SHAREHOLDER: _____ _____ _____ _____
P.O.BOX STREET PLOT No	FULL NAME OF 2nd PROPRIETOR / PARTNER / SHAREHOLDER: _____ _____ _____ _____
Phone Fax E-mail	FULL NAME OF 3rd PROPRIETOR / PARTNER / SHAREHOLDER: _____ _____ _____ _____

Take note that, the above applicant has applied to the Warehouse Licensing Board the [WAREHOUSE OPERATIONS/INSPECTOR] license to [STORE/INSPECT].....stored/located in the afore mentioned physical and postal addresses. Pursuant to the provision of of the Warehouse Receipt Act and Regulation of this Regulations.

I the.....
(Full name) (Designation)

Of the Board published this particulars of the applicant in case there is any representation(s) or objection(s) with regard to the application shall be lodged to the Board within the period of **fourteen (14) days** from the date of this publication.

Given under my hand thisday of20.....
.....
(Signature)

Notice No.1

DATE:

Address of the person making objection

Notice objecting issuance of a License to Applicant

(Made under Regulations 17)

Take note that, the below listed applicant(s) of the physical and postal addresses has applied to the Warehouse Licensing Board for the enlisted licenses. Pursuant to the provision of Act and Regulation 2016. I (We) hereby object issuance of the licence to the Applicant(s) based on the following specific grounds namely:-

(i).....

(ii)..... And or

The intended licence be issued subject to the following conditions namely-

(i).....

(ii).....

Objection is supported by the following evidence attached (if any).....,,

I.....the objector.....

(Full name) (Designation)

Given under my hand thisday of20.....

.....

(Signature of objector)

2. Selling or Disposal of Deteriorating Commodities

Notice NO 2

DATE:

Address of the Board

NOTICE OF CONDITIONING / SELLING / DISPOSAL OF DETERIORATING GOOD

(Made under Regulations 4(g))

FULL NAME OF WAREHOUSE OPERATOR: _____ _____ _____
P.O.BOX.....
STREET.....
PLOT No.....
Phone.....
Fax.....
E- mail.....

FULL NAME OF DIPOSITOR: _____ _____ _____
P.O.BOX.....
STREET.....
PLOT No.....
Phone.....
Fax.....
E- mail.....

Take note that, your goods stored in my warehouse with registration number are likely to deteriorate greatly in quality and value which will also likely to injure other properties / endanger life of person(s). The number and weight of your goods are of issued
(Quantity in number and weight) (grade)
/ not issued in respect of this goods.

1.....2.....3.....
4.....5.....6.....

(Or Other delivery documents)

Pursuant to the provision of section of the Warehouse Receipt Act and Regulations..... I.....the
(Full Name) (Designation)

Of thedo hereby request you to remove / change form the goods from the warehouse within the period of from the date of this notice , with permission obtained from the Board I will recondition / sell / dispose off such goods in any lawfull manner in which I will incur no liability by reason thereof.

Given under my hand thisday of.....20.....

Full Name.....Designation.....Signature.....

Ithe agent /staff of the depositor / official of Tanzania Warehouse Licensing
(Full Name)

Board certify that I have received a copy of this Notice

Signed under my hand thisday of.....20.....

3. Correct Malpractices by Key Actor

Notice NO 3

DATE:

Address of the Board

NOTICE TO CORRECT MALPRACTICES BY KEY ACTOR

(Made under Regulations 4(g))

Notice No:

FULL NAME OF THE KEY ACTOR OR HIS AGENT:

P.O.BOX.....

STREET.....

PLOT NO.....

Phone.....

Fax.....

E- mail.....

Website.....

Take note that, you have violated the requirements of the Warehouse Receipt Act and its Regulations as follows:-

1.
2.
3.
4.

Pursuant to the provision of section and OR Regulation.....of the Warehouse Receipt Act and Warehouse Receipts Regulations.. Ithe Of the Board do hereby give you a to the satisfaction of the Board. Please note that failure to abide the Board's requirements amount to the automatic revocation of your License.

Given under my hand thisday of

Full Name DesignationSignature

I certify that I have received a copy of this Notice

Signed under my hand thisday of

Full Name.....Designation.....Signature.....

4. Suspension or Revocation of a Licence

Notice NO 4

DATE:

Address of the Board

(Made under Regulations 4(g))

NOTICE TO SUSPEND OR REVOKE A LICENSE

P.O.BOX.....

STREET.....

PLOT NO.....

Phone.....

Fax.....

E-mail.....

Website.....

Take note that, you have violated the requirements of the Warehouse Receipt Act and its Regulations as follows:-

1.
2.
3.
4.

Pursuant to the provision of sectionand of the Warehouse Receipt Act and Its Regulations.....the.....

(Full Name)

(Designation)

Of the Board do hereby suspend / revoke your license no from the date of this notice or until the irregularity or malpractices is rectified to the satisfaction of the Board.

Given under my hand thisday of20.....

Full Name.....Designation.....Signature.....

I certify that I have received a copy of this Notice

Signed under my hand thisday of20.....

Full Name.....Designation.....Signature.....

5. Lost Warehouse Receipt
Notice NO 5.....

DATE:.....

Address of the Board

(Made under Regulations 4(g))

NOTICE OF LOST WAREHOUSE RECEIPT

Notice No:

P.O.BOX.....
STREET.....
PLOT NO.....

Phone.....
Fax.....
E-mail.....
Website.....

I the authorized officer of
..... would like to give public notice that Warehouse Receipt No
..... of bags weighing
(Unit).....Kgs with a total value of Tshs
(weight)
.....(.....)
Number) (words)
was lost while was under custody vide title of ownership as mentioned hereunder.

NAME OF OWNERSHIP.....DATE ISSUED

FINANCING BANK
.....

QUALITY DESCRIPTION :-

1.....2.....3.....4.....

VILLAGE/STREET/PLOT.....

PARTICULARS OF THE OFFICER RESPONSIBLE FOR LOSS

Name.....
Village.....

Designation.....

Phone.....

Fax.....

Email.....

Website.....

Pursuant to section I intend to applying to the Board to cancel warehouse receipt number and issue a duplicate of it. This action shall be effective seven days after this notice.

The public must take note that, the Warehouse Receipt numbershall become Null and Void. It is therefore illegal for any person dealing in warehouse operation to accept any transaction emanating from this Warehouse Receipt thereafter.

Given by hand:

Name.....

Designation

Warehouse Operator.....

6. Withhold Goods/Commodity

Notice No. 6.....

DATE:.....

Address of the Board

(Made under Regulations 4(g))

NOTICE OF WITHHELD GOODS

Notice No:

P.O.BOX.....

STREET.....

PLOT NO.....

Phone.....

Fax.....

E-mail.....

Website.....

Notice No:

I..... the authorized officer of
..... would like to give notice of withholding a total of
..... ofKgs with a

(Unit)

(weight)

total value of

Tshs.....(.....)

(Number)

(words)

which are under my custody vide the Warehouse Receipt Number with the
original
title of ownership as mentioned hereunder.

NAME OF OWNERSHIP.....

P.O.BOX.....

DISTRICT/TOWN/CITY.....

VILLAGE/STREET/PLOT.....

Phone.....

Fax.....

Email.....

Website.....

Take note that, you have violated the requirements ofof the Warehouse Receipt Act by not because of the reason mentioned below:

1.
2.
3.
4.

Pursuant to the provision of section **And or Regulation** you are given a period ofdays to settle the outstanding claim. Further action shall be taken against your stocks as clearly indicated in sectionand or Regulation..... of the Warehouse Receipt Act.

Given under my hand thisday of20.....

Full Name

Designation

Signature.....

Note:

- 1st Copy to the owner or agent of the holder of title of the stocks.**
- 2nd Copy to the Tanzania Warehouse Licensing Board.**
- 3rd Copy to the Warehouse Operator/Collateral Manager.**

THIRD SCHEDULE

The Warehouse receipt format made under Regulations 57

WAREHOUSE RECEIPT

(Made under Regulation 57)

Certificate of Pledge

Address of the Board _____



Date of issue _____ 201 _____

Warehouse No _____

Receipt No WRB _____

By this Warehouse Receipt it is confirmed that _____
(Name of Warehouse Operator/Collateral Manager)

Located in: _____
(Physical Address,)

Received for storing from _____
(Name and Physical Address of the Depositor)

Commodity with the following descriptions:

Type (s) and Origin of the Commodity	Number of Package(s)	Physical Weight (kg)	Grade	Class	Moisture (%)		
Physical Weight in Words							

1. The Commodity are fully insured according to Insurance Policy No _____ of _____
(Insurer)

2. The Nature and facts of Ownerships of the Commodity: _____
(Solely / Jointly or Commonly Owned)

3. Warehouse Operator/Collateral Manager hereby agree to undertake the followings:-

(i.) to maintain the quality and quantity as above mentioned until _____ with
(Specify Date)
consideration for deterioration by _____ of quality and weight loss _____ as specified
(Point of Class) (%)
within _____
(period)

(ii.) With no financial interest in the Commodity covered by this receipt except a lien on the Commodity.

(iii.) For a fee of Tshs _____ as lien , until _____
(Amount) (Date)

4. The Holder of this Warehouse Receipt hereby agrees to undertake the following:-

- (i.) To pay the Warehouse Operator the specified Fee as lien
- (ii.) To inform the Warehouse Operator of any mis-delivery or liabilities incurred by use of this receipt.

Depositor's Full Name _____ Signature _____

Authorized person of the Warehouse _____
(Family name, position) (Stamp & Signature)

ADVANCES AND LIABILITIES MADE TO THE HOLDER

<i>(Name and Physical Address of the financier)</i>	<i>(Amount advanced)</i>	<i>Discharge Date and Stamp</i>
2 <i>(Name and Physical Address of the financier)</i>	<i>(Amount advanced)</i>	<i>Discharge Date and Stamp</i>
3 <i>(Name and Physical Address of the financier)</i>	<i>(Amount advanced)</i>	<i>Discharge Date and Stamp</i>
4 <i>(Name and Physical Address of the financier)</i>	<i>(Amount advanced)</i>	<i>Discharge Date and Stamp</i>

WAREHOUSE RECEIPT

(Made under Regulation 57)

Certificate of Title

Address of the Board



Date of issue _____ 201_____

Warehouse No _____

Receipt No WRB

By this Warehouse Receipt it is confirmed that _____
(Name of Warehouse Operator/Collateral Manager)

Located in: _____
(Physical Address,)

Received for storing from _____
(Name and Physical Address of the Depositor)

Commodity with the following descriptions:

Type (s) and Origin of the Commodity	Number of Package(s)	Physical Weight (kg)	Grade	Class	Moisture (%)		
Physical Weight in Words							

1. The Commodity are fully insured according to Insurance Policy No _____ of _____
(Insurer)

2. The Nature and facts of Ownerships of the Commodity: _____
(Solely / Jointly or Commonly Owned)

3. Warehouse Operator/Collateral Manager hereby agree to undertake the followings:-

(iv.) to maintain the quality and quantity as above mentioned until _____ with
(Specify Date)
consideration for deterioration by _____ of quality and weight loss _____ as specified
(Point of Class) (%)
within _____
(period)

(v.) With no financial interest in the Commodity covered by this receipt except a lien on the Commodity.

(vi.) For a fee of Tshs _____ as lien, until _____
(Amount) (Date)

4. The Holder of this Warehouse Receipt hereby agrees to undertake the following:-

(iii.) To pay the Warehouse Operator the specified Fee as lien

(iv.) To inform the Warehouse Operator of any mis-delivery or liabilities incurred by use of this receipt.

Depositor's Full Name _____ Signature _____

Authorized person of the Warehouse _____
(Family name, position) (Stamp & Signature)

ADVANCES AND LIABILITIES MADE TO THE HOLDER

1	_____	_____	_____
	<i>(Name and Physical Address of the financier)</i>	<i>(Amount advanced)</i>	<i>Discharge Date and Stamp</i>
2	_____	_____	_____
	<i>(Name and Physical Address of the financier)</i>	<i>(Amount advanced)</i>	<i>Discharge Date and Stamp</i>
3	_____	_____	_____
	<i>(Name and Physical Address of the financier)</i>	<i>(Amount advanced)</i>	<i>Discharge Date and Stamp</i>
4	_____	_____	_____
	<i>(Name and Physical Address of the financier)</i>	<i>(Amount advanced)</i>	<i>Discharge Date and Stamp</i>

WAREHOUSE RECEIPT

(Made under Regulation 57)

Certificate of Title copy

Address of the Board _____



Date of issue _____ 201 _____

Warehouse No _____

Receipt No WRB _____

By this Warehouse Receipt it is confirmed that _____
(Name of Warehouse Operator/Collateral Manager)

Located in: _____
(Physical Address,)

Received for storing from _____
(Name and Physical Address of the Depositor)

Commodity with the following descriptions:

Type (s) and Origin of the Commodity	Number of Package(s)	Physical Weight (kg)	Grade	Class	Moisture (%)		
Physical Weight in Words							

1. The Commodity are fully insured according to Insurance Policy No _____ of _____
(Insurer)

2. The Nature and facts of Ownerships of the Commodity: _____
(Solely / Jointly or Commonly Owned)

3. Warehouse Operator/Collateral Manager hereby agree to undertake the followings:-
(vii.) to maintain the quality and quantity as above mentioned until _____ with
(Specify Date)
consideration for deterioration by _____ of quality and weight loss _____ as specified
(Point of Class) (%)
within _____
(period)

(viii.) With no financial interest in the Commodity covered by this receipt except a lien on the Commodity.

(ix.) For a fee of Tshs _____ as lien , until _____
(Amount) (Date)

4. The Holder of this Warehouse Receipt hereby agrees to undertake the following:-

(v.) To pay the Warehouse Operator the specified Fee as lien

(vi.) To inform the Warehouse Operator of any mis-delivery or liabilities incurred by use of this receipt.

Depositor's Full Name _____ Signature _____

Authorized person of the Warehouse _____
(Family name, position) (Stamp & Signature)

2. Local Processor

1. Certificate of Registration (Reg. No)
2. Memorandum and Articles of Association or Constitution
3. District Business License for the Buying center(s)
4. Minimum capacity to buy 50,000 Kgs of the stored commodity
5. Physical Address
6. Bank account
7. Board of Director's / Member's Resolution to do this Business
8. Tax Payer Identification Certificate (TIN and or VAT Number)
9. Fill in Depositor Registration Form

3. Exporter

1. Certificate of Registration (Reg. No)
2. Memorandum and Articles of Association or Constitution
3. Respective Commodity Export License
4. Minimum capacity to buy 50,000 Kgs of the stored commodity
5. Physical Address
6. Bank account
7. Board of Director's / Member's Resolution to do this Business
8. Tax Payer Identification Certificate (TIN and or VAT Number)
9. Fill in Depositor Registration Form

FOURTH SCHEDULE

FEES STRUCTURE

(Made Regulations 4(h))

SNo	Type of Fee	Nature of Fee	Payer	Unit	Amount (Tshs)
1	Application Form	Warehouse Operation License	Applicant	Form	20,000.00
		Inspector's License	Applicant	Form	20,000.00
		Collaral Managers	Applicant	Form	20,000.00
2	Warehouse Operation License	Storage capacity	Applicant	Ton	200.00
3	Warehouse Receipts Administration Fee	Key Actor User fee	Warehouse Operator	Kg	1.00
			Depositor	Kg	0.50
			Buyer	Kg	0.50
			Financial Institutions	Interest Rate	0.25%
4	Warehouse Inspector License Fee	Inspection License	Applicant	Year	200,000.00
7	Inspection fee	Requested Inspection	Requestee	Lot	As Approved by Board
8	Training Charges	Training charges	Applicant	Person/Day	As per Training Policy of the Board
9	Warehouse Operation Lien	Handling Charges	Primary Depositors	Kg	As Approved by Board
			Secondary Depositors	Kg	As Approved by Board
		Storage Charges	Secondary Depositors	Kg	As Approved by Board
		Conditions Charges	Holder of warehouse receipts	Kg	As Approved by Board
11	Extra Storage of the commodity after expire date in the receipt	Depositor / Buyer	Depositor / Buyer	Ton / Day	As Approved by Board

12	Minimum Performance Bond (10% of the value of the Business)	Cash only for the first applicant	Warehouse Operator and Collateral Manager	Grade 'A'	20,000,000.00
			Warehouse Operator and Collateral Manager	Grade 'B'	5,000,000.00
			Warehouse Operator and Collateral Manager	Grade 'C'	1,000,000.00
		Banker guarantee	Warehouse Operator and Collateral Manager	Grade 'A'	20,000,000.00
			Warehouse Operator and Collateral Manager	Grade 'B'	5,000,000.00
			Warehouse Operator and Collateral Manager	Grade 'C'	1,000,000.00
		Landed Properties (Title/ Certificate)	Warehouse Operator and Collateral Manager	Grade 'A'	50,000,000.00
			Warehouse Operator and Collateral Manager	Grade 'B'	12,500,000.00
			Warehouse Operator and Collateral Manager	Grade 'C'	2,500,000.00

FIFTH SCHEDULE

THE SUPERVISORY COMMITTEES

(Made under Regulations 13)

Regional
Committee
members

1.-(1) The Regional Supervisory Committee shall consist of the following members-

- (a) Regional Administrative Secretary who shall be the Chairman during its meeting;
- (b) Head of Economic Cluster, who shall be the Vice Chairman of a Committee;
- (c) Representative of warehouse operator; farmers, financial institution, traders;
- (d) a representative of farmen;
- (e) a representative of financial institution;
- (f) a representative of traders; and
- (g) any other members appointed pursuant to sub-regulation (1).

(2) Secretary shall be appointed by Regional Administrative Secretary by considering the his competence and best fit to this Act and regulations.

District
Committee
members

2.-(1) The District Supervisory Committee shall consist of the following members-

- (a) District Executive Director who shall be the Chairman during its meeting;
- (b) District Agriculture, Irrigation and Cooperative officer who shall be the Secretary of a Committee;
- (c) Representative of warehouse operators;
- (d) Representative of farmers;
- (e) Representative of financial institutions;
- (f) Representative of buyers;
- (g) Representative of collateral manager.

Co-opting of
other persons

3. The Committee may, when dealing with a specific matter for which additional or specialist knowledge is required, co-opt or engage such number persons to give their opinion or offer assistance but such advice shall not bind the Committee.

Tenure of office

4. The tenure of the members of the Committee shall be based on their employment.

Meetings

5. The Committee shall hold its meeting at least once in every three months or whenever need arises.

Quorum

6. The quorum of the Committee shall be three members.

Minutes

7.-(1) The Committee shall cause to be recorded and kept minutes of all the business conducted or transacted at its meetings.

(2) The minutes of each meeting shall be read and confirmed in the next meeting and signed by the Chairman, the Secretary and one member amongst members who were present at that particular meeting.

(3) The Secretary shall submit the draft minutes to the Chairman for signature and circulation to members.

(4) The Chairman may cause to be circulated a resolution for members' signature and such resolution shall constitute a valid decision as if the same was passed by a valid constituted meeting of the Committee.

SIXTH SCHEDULE

THE CONDITIONS TO QUALIFY AS A DEPOSITOR

(Made under regulations 39)

DEPOSITORS: The Section 3 of the Warehouse Receipt Act define Depositor as "Any person who deposits a commodity in a warehouse for storage, handling, or shipment, or who is the owner or legal holder of an outstanding warehouse receipt, or who is lawfully entitled to the possession of the commodity"

Based on 4(c) of the Warehouse Regulations 2006 there shall be two categories of depositors under Warehouse Receipt Act and its Warehouse Regulations

CATEGORY A: PRIMARY DEPOSTOR

These are mainly aggregators of the commodity from the small-scale producers. There shall be two types of depositors under this category with the following minimum requirement:-

1. Farmer (s)

- i. Own Land (Land Title, Village Title, customary right of occupancy, any other approved document by village council)
- ii. Minimum production of 1,000 kilograms
- iii. Approval / Permit from Respective District Office (DED)
- iv. Physical Address of the Farmer
- v. Bank account
- vi. Tax Clearance Certificate
- vii. Fill in Depositor Registration Form

2. Organization (s) (Association, Society, Institution, Union, Business)

- i. Certificate of Registration (Reg. No)
- ii. Minimum Deposits of 50,000 Kgs of the stored commodity
- iii. Memorandum and Articles of Association or Constitution
- iv. Permit or District Business License for collection/ buying center(s)
- v. Physical Address of the organization
- vi. Bank account
- vii. Board of Director's / Member's Resolution to do this Business
- viii. Tax Clearance Certificate
- ix. Fill in Depositor Registration Form

CATEGODRY B: SECONDARY DEPOSITOR

These are mainly buyer(s) of the commodity from the Licensed Warehouse(s). There shall be three types of depositors under this category namely with the following minimum requirement:-

1. Local Buyer

- i. Certificate of Registration (Reg. No)
- ii. Memorandum and Articles of Association or Constitution
- iii. District Business License for the Buying Center(s)
- iv. Minimum capacity to buy 50,000 Kgs of the stored commodity
- v. Physical Address
- vi. Bank account
- vii. Board of Director's / Member's Resolution to do business of commodities
- viii. Permit or License from the respective Commodity Regulatory Board or Authority
- ix. Tax Clearance Certificate
- x. Fill in Depositor Registration Form

2. Local Processor

1. Certificate of Registration (Reg. No)
2. Memorandum and Articles of Association or Constitution
3. District Business License for the Buying center(s)
4. Minimum capacity to buy 50,000 Kgs of the stored commodity
5. Physical Address
6. Bank account
7. Board of Director's / Member's Resolution to do this Business
8. Tax Payer Identification Certificate (TIN and or VAT Number)
9. Fill in Depositor Registration Form

3. Exporter

1. Certificate of Registration (Reg. No)
2. Memorandum and Articles of Association or Constitution
3. Respective Commodity Export License
4. Minimum capacity to buy 50,000 Kgs of the stored commodity
5. Physical Address
6. Bank account
7. Board of Director's / Member's Resolution to do this Business
8. Tax Payer Identification Certificate (TIN and or VAT Number)
9. Fill in Depositor Registration Form

SEVENTH SCHEDULE

COMPOUNDING FORM

PART I

**UNITED REPUBLIC OF TANZANIA
AGREEMENT FOR COMPOUNDING OF OFFENCES UNDER THE WAREHOUSE RECEIPTS ACT**

T.F.N.
No.
Station
Date

I,
(name)

of
(address)

do hereby admit that I have contravened section/regulation
(state the provision of law contravened)

by
(state particulars of offence)

and hereby declare that rather than being prosecuted for the commission of the aforementioned offence, on my own free will, I admit that the said offence be compounded under section 78A of the Warehouse Receipts Act by

.....
(name of officer compounding the offence)

AND I,
(the name and designation of officer compounding the offence)

.....
, in exercise of the power conferred upon me by section 78 of the Warehouse Receipts Act, hereby order that.....

.....
(name of the offender)
to pay the sum of shillings (Shs.)

Dated this day of, 20.....

.....
(Signature of offender)

.....
(Signature of officer compounding offence)

.....
(witness)

.....
(witness)

The payment of the said sum of shillings has been made vide E.R.V. No. Dated which has been issued to the offender.

.....
(Signature of Officer compounding offence)

This form shall be issued in triplicate.

The original copy shall be served to the offender. A duplicate copy shall be forwarded to the accountant, and the triplicate copy to the Managing Director.

Dar es Salaam,
..08... March, 2016

CHARLES J.P. MWIJAGE
Minister for Industry, Trade and Investments