



TANZANIA MERCANTILE EXCHANGE (TMX) COMMODITY TRADING PROCEDURE

1.0 Background

During the 2024/25 Trading season, Tanzania Mercantile Exchange (TMX), in collaboration with Cereals and Other Produce Regulatory Authority (COPRA); Warehouse Receipts Regulatory Board (WRRB); Tanzania Cooperative Development Commission (TCDC); and the Regional Government Authorities and their respective District Government Authorities, will administer the trading auctions in Regions using the Warehouse Receipts System. The auctions aim at bringing fair, efficient, transparent, low transaction cost for effective Price discovery for Commodities. This procedure covers **Pigeon Pea, Chick Peas, Green Grams (Lentils) and Beans**. We welcome both domestic and international, small and big buyers to take part in the upcoming auctions.

2.0 Buyers Obligations

- i. The buyer will be required to comply with the Warehouse Receipts Act Chapter 339 (RE) 2016, Commodity Exchanges Act 2015, and the Cooperative Societies Act 2013.
- ii. To fill out the Buyer's Declaration Form to be able to participate on the Online Trading System (OTS) and submit it online to TMX.
- iii. To review the Sales Catalogue and place his bid quantity and price for commodity during the online auction. For further information on how to use the Online Trading System, please contact TMX via mobile phone numbers +255 713 298 314 or +255 685 319 433 or email at info@tmx.co.tz
- iv. To deposit Tanzanian shillings as presented in the table below:

Originality of company	Amount (TZS)
In Tanzania	50,000,000/-
Out of Tanzania	150,000,000/-

Payments to be made into TMX Settlement Account:

Account Name: Tanzania Mercantile Exchange
Bank Name: CRDB
Account Number: 0150259178501
Swift Code: CORUTZTZ

OR

Account Name: TMX Settlement
Bank Name: NMB Account
Number: 20110041162
Swift Code: NMIBTZTZ

- For further information regarding these payments, please contact TMX via telephone number +255 22 2923700 or email info@tmx.co.tz
- Deposit margin by the buyer will be refunded within 24 working hours upon official request.

NB: Other charges will be indicated in the respective region or district sales catalogue and **will be paid by the buyer on top of the price per kilogram.**

- v. The winning buyer in the auction will be required to accomplish the following:
 - a. To settle the payment for commodity he/she has bought within 48 hours from the time the invoice is issued.
 - b. Payments for commodity and other charges will be made into respective Union bank Accounts as indicated in the Sales Invoice.
 - c. If payment is not completed within 48 hours, the buyer will be required to pay the unpaid amount with a penalty charge of 5% of the unpaid amount during a period not exceeding 24 hours following the expiration of the 48 hours indicated in the invoice which was issued to the buyer.
 - d. Failure to do that, the buyer will be declared as a defaulter and the commodity will be re-auctioned, and the deposit margin held by TMX will be utilized to compensate the aggrieved seller due to price difference between in auction and the re-auction.

- vi. For the unsuccessful buyer:
 - a. Upon written request, the deposit margin shall be transferred back to the buyer with 24 hours on working day.
- vii. Buyer is required to adhere to all terms and conditions for participating the trade sessions as stated in this guideline.

3.0 The Buying Process

- i. Buyers fill in Buyers' Declaration Form online.
- ii. Buyers to deposit margin/ initial payment into TMX Settlement Account
- iii. Buyers to register into the TMX Online Trading System (TMX OTS)
- iv. Unions in collaboration with TMX prepare 'Sales Catalogue' using the WRS verified warehouse stock information.
- v. Sales Catalogue Information to be entered for auctions respective of AMCOS/Quantity arranged in the warehouse.
- vi. The TMX OTS is opened for buyers during the pre-bid session for buyers to place their price. Buyers price will be unveiled on the commodity live auction.
- vii. Buyers will bid as per LOT (Each lot showing quantity deposited by AMCOS in the warehouse). Each LOT will be sold in 120 seconds (2 minute). for each price increment, the system will reset time to 60 seconds until no more bids increments;
- viii. Unions will fill in the **Consent Forms** Online.
- ix. The results will be displayed online showing successful buyers' quantity and price. The winner will be determined after the sellers agree to the price within **half an hour** after the trading session is closed.
- x. The winning buyers will receive a notification accompanied by an invoice. The remaining payment will be affected within a period not exceeding 48 hours working days. Payments should be paid as instructed in the Sale's Invoice.
- xi. TMX will provide information to stakeholders showing successful buyers quantity and respective price.
- xii. In the event that a buyer has decided to request for a refund, he/she will be reimbursed within 24 hours working days from the receipt of the official request to TMX.



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**ISSUED BY THE CHIEF EXECUTIVE OFFICER
TANZANIA MERCANTILE EXCHANGE PLC**

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Contact for more information: info@tmx.co.tz or dial;

+255 22 2923700.

**Tanzania Mercantile Exchange PLC, P.O. Box 31632, Dar es Salaam, TANZANIA,
Email: info@tmx.co.tz, website: www.tmx.co.tz**