THE TEA REGULATIONS, 1999

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THE UNITED REPUBLIC OF TANZANIA



THE TEA ACT 1997 (ACT NO.3 OF 1997)

REGULATIONS

(Made under section 31)

THE TEA REGULATIONS 1999

PART I PRELIMINARY

Citation Interpretation Act No, 3 of 1997 Cap. 337 Act. No. 3 of 1997

Ordinance.

- These Regulations may be cited as the Tea Regulations, 1999
 In these Regulations unless the context requires otherwise: -
- "Association" means on association formed and registered under the Societies
 - "Board" means the Tea Board of Tanzania established under section 3 of the Tea Board Act,
 - "Commissioner" means Commissioner of Agriculture or any officer authorized by the Board to act as an inspector in accordance with the provisions of these Regulations;
 - "Member grower" means an individual farmer or company cultivating tea under grower registration;
 - "Minister" means the Minister responsible for Agriculture;
 - "Ministry" means the Ministry of Agriculture and Cooperatives;
 - "Primary society" means a primary society formed and registered under the Cooperative Society Act, 1991;
- "Tea" means the tea plant known botanically as camellia Thea (link) Thea (senensis) and includes its seed;
- "Tea Industry" means all those persons, or companies involved in the growing, manufacturing packing and blending of tea;
- "Tea buyer" means any person or group of persons buying green tea leaves from the growers for either sale or processing whether or not such buyer has sponsored production of that tea by providing inputs and other support services to the growers in line with the farming regulations and it also includes any person or group of persons buying tea for domestic or export market;
- "Green leaf tea" means leaf detached from tea plants but not dried or processed in any way.

	"Made tea" means the leaf of the tea plant when manufactured;
	"Manufacturing" means processing of green leaf tea into made tea;
Act No.3 of 1997	"Register" means register maintained under section 14 of the Tea Board Act;
	"Registered grower" means a registered tea grower for the purposes of the Tea
	Board Act:

- "Tea blending and packing" means the process of mixing different grades and types of made tea from different factories and areas into a standard blend or blends ("blending") and then putting into packets ("packing")
- "Tea grower" means a primary cooperative society, village individual engaged in tea cultivation and registered by the Board;

"Tea pest" means tea beetle (Mites trips, Aphided borers) and other insect organism which the Minister may be notice ion the *Gazette* declare to be a pest of tea;

"Tea premises" means any land, buildings, factory, erection, vehicles article or receptade whatsoever for the purpose of growing, sorting, processing, blending, transporting or in any way connected with the handling of tea or other plants or products liable to be infected by a pest or disease of tea.

PART II **REGISTRATION BY BOARD**

3. - (1) The Board shall register every tea grower as an individual or under a village primary cooperative society or association or company.

(2) Prior to registration the grower shall provide the following information to the Board -

- (a) Name of individual grower or the society or association or name of the company
- (b) Planned hectares for tea growing and estimation of the requirement.

(3) No person shall sell green teal leaves in the field unless he is a registered tea grower.

4. The Board shall be the registrar of tea growers, premises, in Tanzania and of all buildings used or intended to be used for tea manufacturing or processing, packing and blending and the following shall have to be provided by the applicant prior to registration: -

- (a) Name and address of the applicant;
- (b) Location and name of the factory or proposed factory;
- (c) Installed capacity:
- (d) The district where the factory is to be built;
- (e) Approximate total value of the factory in Tanzania shillings broken into foreign cost and local cost and the financial structure;
- (f) Projected sales per year whether export or local in Tanzania shillings;
- (g) Projected business plans and expansion programmes;
- (h) Source of packing materials and its financing;
- (i) Owners of the project and share ownership;
- (i) Intended market, distribution areas and the planned market distribution system;
- (k) Organization and manpower structure indicating how much work force, foreign and local and the plan for phasing out the foreign personnel;
- (1) Product brand name and technology to be used; and
- (m) Sources of tea for processing, blending and packing;

5. Every registered tea grower and manufacture, shall furnish to the Board Tea grower information on the cultivated hectarage, tea production, purchases (in kgs and tax or processor to

provide

paid).

6. - (1) Each registered tea grower, processor, blender or packer shall follow all rules pertaining to growing processing, blending and marketing of tea,

data. Registered persons follow the rules

- (2) Any person who
 - (a) fails or refuses to make a return under the provisions of the Tea Act, 1997, upon request in writing by Board; or
 - (b) knowingly makes or causes to be made false return in a particular manner, commits an offence against the Act.

PART III PURCHASING PROCEDURES

Prohibition 7. - (1) No person shall buy green leaf tea in the field for processing except under and in accordance with a licence issued by the Board.

(2) The licence for purchase of green leaf tea shall be issued upon such terms and conditions as the Board may prescribe.

- (3) Any purchaser of green leaf tea shall
 - (a) buy green leaf tea on a delivered factory basis at or above the price that shall be announced by the Tea Board after consultation with the Tea Association of Tanzania.
 - (b) Draw up a schedule for collection of green leaf tea and adhere to it.
 - (c) Buy all green leaf tea that would be plucked and sent to the green leaf collection centers in the particular day and time as previously agreed upon by the parties.
 - (d) Deduct some moneys for repayment of the debts or loans due for payment by the farmers from the farm gate price and remit the same to the respective lender, or his agent. These debts or loans would include the farmers' outstanding loans in respect of agro-inputs given by the defunct Tanzania Tea Authority.
 - (e) Make payment to the farmers for the purchases of green leaf tea within a maximum period of one month from the date of the purchase of the tea.
 - (f) Issue a receipt to the seller or green leaf tea immediately after the sale at the weighing centers and pay the seller as per weight so recorded at the center and not otherwise. Any other costs that will be incurred after weighing the green leaf tea shall be borne by the buyer.
 - (g) Assist farmers in securing inputs and sell the inputs upon such terms and conditions as the parties may agree.
 - (h) Submit to the Board a green leaf tea report on appropriate form and any other reports as may be required by the Board from time to time.
 - (i) Whenever possible carry out tea extension services and maintain field feeder road repairs in collaboration with the local authority or village government or other authorities.
 - (j) Assist the small holder farmer in the procurement of tea planting materials on such terms on payment as the parties may agree.

(4) Notwithstanding paragraph (a) of sub regulation (3) a manufacture may, based on the prevailing world prices, negotiate with the farmer a price higher than that set by the Tea Board.

PART VI PLANT PROTECTION RULES & MISCELLANEOUS

Specification 8. The Commissioner may, upon approval by a recognized tea Institution in cost and

of tea

Restriction on the planting materials

- Central Africa and subject to any other terms and conditions as he may impose specify tea planting materials preferred, for growing in Tanzania.
- 9. -(1) No person shall -
 - (a) import or plant in the country any tea planting materials without the approval of the commissioner:
 - (b) sow tea seeds or plants in his field which have not been certified by the commissioner or an authorized officer;
 - (c) plant tea in any period other than between October and March of every year and any tea planting shall be done by applying the proper crop planting specifications.

(2) The Commissioner or the Board shall have the power at the expenses of the grower to destroy the seeds imported or planted without the relevant permission.

10. - (1) Any building or vehicles used for the manufacture transportation and Sanitary measures storage of tea shall be cleaned regularly or daily and shall be subject to inspection by the health authorities.

(2) No transport vehicles of green leaf or made tea storage facilities shall be used to transport other scented perfumed salt, fertilizer, diesel, petrol or other odorous materials.

(3) No person owning or having control of any premises shall allow any chemicals detrimental to human health be stored in such premises

11. No person shall use fertilizers herbicides, fungicides, nemocides, suckercides for tea without the approval of the Board or authorized officer.

Restriction to tea agrochemical

PART V TEA MANUFACTURING, **BLENDING AND PACKING**

12.- (1) With effect from the date of coming into operation of the Tea Act, 1997, no person shall blend or pack tea unless he is or is deemed, under regulation 13, to be the holder of a tea packing and blending licence lawfully issued to him.

(2) Sub-regulation (1) shall not apply to bulk packing done by registered manufactures for the sole purpose of export sales or bulk packing for sales to Tanzania Tea Blenders Limited, Tanzania Tea Packers Limited or to other licensed domestic blenders or packers.

(3) Any person who contravenes the provisions of this regulation commits an offence.

(4) Every tea blending and packing licence shall specify-

(a) the location or location of the tea packing factories.

(b) The location of sales it to be restricted to any particular area.

(c) Whether export sales area to be allowed or not.

13. (1) No person shall process blend or pack for tea for sale, whether by sun drying or otherwise, except under and in accordance with a licence issued to him by the Board.

(2) Every application for a licence under this regulations shall be made the Board in writing in the prescribed form and on such terms and conditions as the Board may prescribe.

(3) The Board may, subject to such terms and conditions as the Board thinks fit, issue a manufacturing or packing licence. Provided that where the Board refuses to issue the manufacturing or packing licence reasons for so doing shall be communicated to the applicant.

(4) Any licensee who contravenes or fails to comply with any of the conditions or

Application for licences

terms of the licence issued to him under this regulation commits an offence.

(5) Any person who contravenes or fails to comply with any of the conditions subject to which his tea blending or packing licence was issued commits an offence and the Board may cancel the licence or vary the condition thereof, as it may think fit.

(6) Where a licence is cancelled by the Board under sub-regulations (5), the licensee may within ninety days of such cancellation appeal in writing to the Minister whose decision shall be final.

(7) Each licensee shall beside a licence under regulations 12 and 13, apply for and obtain an Industrial licence, all relevant health, safety food licenses and a Tested Product Certificate from Tanzania Bureau of Standards.

Blending and packing licence not to be assigned 14. - (1) No person to whom a tea blending and packing licence has been issued shall lend, transfer or assign such licence to any other person save with the prior permission of the Board.

(2) Any person who lends, transfers or assigns any tea Blending and packing licence issued to him to any other person without having first obtained the permission of the Board commits an offence.

PART VI TEA INSPECTORS

Board appoint inspectors to 15. - (1) The Board shall have power to appoint a number of qualified persons to be tea inspectors.

- (2) Any tea inspector appointed under sub regulation (1) shall:
- (a) supervise the arrangement for the purchase and export of tea and tea products;
- (b) conduct inspection of tea plants, tea factories and buildings, premises, weight and qualities of tea or tea products as may be prescribed by the Board.

(3) Any person who hinders or obstructs any person so authorized by the Board from exercising any power conferred by this regulation, or who failed or refuses to give information in response to such inquiry commits an offence.

Powers of a tea inspector 16.- (1) Any person owning, occupying or having control of tea premises shall comply with any directive issued by the tea inspector for the eradication, reduction or prevention or the spread of a pest of disease of tea and the inspector may notice in writing order the immediate destruction o f tea plants or other plants or products liable to be infected by pest or any disease of tea whether or not the tea is infected with such pest or diseases.

(2) Where the grower or owner or occupier of tea premises fails to comply with the directive given under sub-regulation (1) the inspector may on giving not less than fourteen days notice in writing of his intention to do so cause any such measures to be taken by himself, his agent or contractors and for purpose of taking such measures such inspector may enter or cause his agents or contractors to enter upon tea premises as may be necessary and grower, owner or occupier shall be liable to pay all costs of such undertaking which shall be recoverable as debt due to the Board.

(3) Any person who hinders or obstructs any person so authorized by the Board from exercising any power conferred by this regulation or who fails or refuses to give information in response to such inquiry commits an offence.

Power of Board as to packed 17.-(1) Where any person has been found guilt of packing or blending tea without a licence the Board may, by notice in writing, require such person at his cost within such period, being not less than thirty days, as may be specified in the notice, to

and blended destroy all tea which has been so packed without licence

(2) Where a person to whom a notice has been issued under this Regulation fails within the period specified in the notice to comply with the terms it shall be lawful for the Board or authorized person in that behalf, to enter upon the land occupied by such person and to destroy at the expense of such person all tea so packed without licence; and any such expenses shall be recoverable by the Board as a civil debt.

PART VII TEA SALES CONTRACTS

18.-(1) Any buyer of green leaf tea may after consultation with the Board authorities, enter into sales contract with any grower for a minimum period of one year on such terms and conditions as the parties may agree upon, and no buyer should enter into a sales contract with a grower who has another contract with another buyer.

(2) Parties shall in entering into contract under sub-regulation (1) use standard contract forms prepared by the Board or other authorized public officer.

(3) Each buyer shall after signing a contract, register each sales contract with the Board and submit the copies of the registered contracts to the designated district agricultural officer.

(4) Prior to entering into any sales contract with a grower or growers, the buyer shall have to be satisfied that the grower or growers have no outstanding debts (secured on the crop grown or to be grown) under a different sales contract unless the settlement of the outstanding debts shall be taken account of in new contract.

(5) The parties to the sales contract shall specify clearly the crop production estimated (in hectares and volume) and corresponding inputs requirements and the prices thereof before signing of the contract and the review thereof shall be done after the end of each contract period.

19. The Board shall issue a crop activity calendar for guidance indicating time for sowing the seeds, transplanting and plucking of green the leaves. Board to issue crop activity calendar.

20.-(1) All green tea leaves sales shall be done at the buying centre on the basis of the price to be delivered to factory at the agreed time as stipulated into the contract and within ideal time to take the leaf to the factory in time to avoid the deterioration of the leaves.

(2) Whenever possible every buyer shall pay the grower for green tea purchased at such a bank and within such period as specified in the contract and in default thereof buyer shall pay the grower the prevailing commercial bank interest on purchase price calculated from the due date to the actual date of payment.

21. Every buyer shall very month make a report to the district, regional agricultural officers and the Board of the Planted acreage feeding him with leaf, volume or tonnage of crop purchased and average price thereof, availability of inputs (or plans) and distribution in accordance with the relevant terms of the farming contracts.

22.- (1) No grower shall use tea agrochemical, fertilizer, tea clones or seeds and Agrochemicals

Maximum sales period contract

tea

other materials related to tea growing which have not been recommended by the **and planting** materials.

(2) Each grower shall: -

- (a) on the course of farming tea use the proper quantities of inputs as recommended by tea research institutions;
- (b) plant only tea clones and feeds variety certified by the Board in collaboration with the appropriate tea research authorities in Tanzania.

23. Each tea manufacture in collaboration with the tea grower shall be encouraged **Tree planting** to plant enough appropriate tree species of fuel wood that shall yield enough plants to support the tea processing units for fuel wood and environmental conservation.

PART VIII MARKETING PROCEDURES

Buyers to obtain tea buying permit	24(1) Any registered manufacturer who wishes to buy green leaf tea shall obtain a buying permit from the districts or local authority.
	(2) The manufacturer who has obtained a permit under sub regulation (1) shall apply and secure a buying licence from the Board prior to buying any green leaf tea.
	 (3) Tea growers shall conduct selling negotiations in certified sheds built specifically for green leaf tea sale or operations with whose surroundings shall be kept to standard sanitary conditions. (4) Registered manufactures shall produce monthly reports to the Board showing weekly showing purchases and deliveries (and producer prices offered) of green leaf tea to the processing factory. (5) A registered manufacturer and every grower shall be represented during the tea weighment which shall be conducted or witnessed by the two parties concerned. (6) No person shall sell green leaf tea in the field unless he is a registered tea grower and has personally grown tea in his farm and selling of green leaf tea in the field by a middleman not being a tea grower himself is an offence. (7) Only tea leaves of the required standard of either two or three leaves and a bud shall be plucked for sale and any buyer may refuse to buy any sub-standard green leaf tea.
Growers to negotiate prices for crop	25. Tea growers shall establish in their own areas grower's associations or primary cooperative society which will negotiate with the buyers the sale prices of the green leaf tea and the prices so negotiated will apply to the respective tea growing area only.
Growers payment according to contract	26. Payment of growers proceeds shall be made according to a written contract between the growers and the payment shall be made at least at the end of each month. Arrangements to pay on shorter periods shall be encouraged.
Green leaf tea to be processed locally	27. All green leaf tea produced in Tanzania shall be processed locally.
Domestic and export market procedures	28. (1) Any registered manufacturer blender or packer may, subject to the acquisition of an export permit from the Board issued upon such terms and conditions as the Board may prescribe, export or sell made tea.(2) Domestic tea sales shall be made by registered manufacturers by private treaty and only to licensed tea blenders and tea packers.

Board to be final arbitrator	29. The Board shall, in issues relating to quality in respect of domestic and export Market, be the supervisor and final arbitrator.
Sales records to be kept	30(1) The Board shall maintain a register of processed tea sold for the domestic and export market.(2) Every licensed manufacturer shall make a monthly return to the Board of domestic and export sales.(3) Every licensed blender or packer shall make a monthly return to the Board of
	tea purchases and tea sales.

31. The Board shall on prescribed terms and conditions issue licences to tea farmers Board to issue manufacturers, blenders and packers, and tea importers in the country provided or revoke always that the Board may revoke such licences issued by it for good cause. licence

PART IX LEVY, CESSES AND OTHER FUNDS

32.- (1) every tea manufacturer, blender or packer and importer shall pay cess or Imposition of cess levy, as the case may be, at such rate as the Minister may on the recommendation of the Tea Board impose by notice in the Gazette.

(2) Every tea manufacturer shall pay research cess to the Tea Research Institute of Tanzania at such rate as the Minister may on the recommendation of the Tea Board impose by notice in the Gazette.

(3) The Minister may, on recommendation of the Tea Board approve by notice in the Gazette an annual cess on every tea grower in respect of each acre or hectare or part thereof.

PART X **MISCELLANEOUS**

33. The Board may delegate some of its function to the Agency upon such terms and **Delegation of** functions conditions as may be agreed upon between the parties.

34. Any person who has been aggrieved by the decision of the Board pursuant to Appeals provisions of any appeal to of these Regulations may appeal to the Minister.

35. Any person who contravenes any of these regulations where no punishment has Penalty been specified commits an offence and upon conviction shall be liable to a fine not exceeding on million shillings or to a term of imprisonment not exceeding two years or to both such fine and imprisonment and in addition to such a fine or imprisonment, the Board may exercise its powers to revoke or suspend the licence formerly issued by it.

Dar es Salaam

MINISTER OF AGRICULTURE AND FOOD SECURITY