

COLOMBO TEA TRADERS' ASSOCIATION

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CIRCULAR NO. 25 OF 2020

April 14, 2020

HIGH PRIORITY

FOR THE ATTENTION OF THE CEO

E-AUCTION ARRANGEMENT

Sale No. 12 was successfully concluded over the period April 4th to the 7th, facilitated by a digital platform, and the industry was able to recommence the movement of teas, mitigating the cash flow challenges faced by both the buyers and the sellers and enabling the continued sustainability of the industry. Nevertheless, buyers still face difficulties with regard to processing, packing, shipping, etc.

There is no certainty regarding when the resolution of the current situation, created by the Covid-19 pandemic and the imposition of uninterrupted curfew, will transpire. It has, therefore, been decided to continue with the e-Auction arrangement for an initial period of four months and, thereafter, consider the feasibility of conducting the auction through the digital platform, in keeping with the concept of automation, which the CTTA has endeavoured to implement in the past.

The Service Provider has quoted a fee for a temporary period and the CTTA is in the process of preparing a detailed scope for automation of the auction, to receive bids and finalize costs.

To raise the funds to defray this expense, the Association will have to depend on the buyers and the sellers, who will, obviously benefit from this arrangement, for support.

It has been computed that a charge of Rs.0.30 per kg of tea sold/purchased at the forthcoming auctions will meet this exigency.

It has, therefore, been decided that, to ensure the continued conducting of the auction, a charge of Rs.0.30 per kg will be collected by the brokers from each seller and buyer, on the basis of the respective volumes sold or purchased by them, commencing from Sale No. 13, scheduled to be held on April 16th. This will continue until the final fee is established by the CTTA, based on actual cost.

The brokers will invoice each buyer and seller and transfer the funds collected to the CTTA e-Auction Account.

**THE SECRETARIAT
THE COLOMBO TEA TRADERS' ASSOCIATION**