

COLOMBO TEA TRADERS' ASSOCIATION

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NOTICE TO MEMBERS

E-PLATFORM LEVY

As you are aware, due to the Covid-19 epidemic, as per the health guidelines banned public gatherings and the last "outcry" auction was held on 17th / 18th March 2020. Sale No. 12 scheduled for 24th / 25th March 2020 was suspended. Sale No. 13 of 30th / 31st March 2020 was postponed indefinitely.

On an initiative by the CBA with the cooperation of all stakeholders, together with a software company, the first E-Platform Auction was conducted on 04th April 2020. This extraordinary achievement by all stakeholders resulted in the Tea Industry continuing to function unabated, where the produce was offered for sale on the e-platform, benefiting the value chain.

Towards meeting the operational expenses relating to the conduct of tea auctions electronically, the CTTA in discussion with the buyers and sellers introduced a levy of Rs. 0.30 per kg each, payable by sellers and buyers on the quantity sold / purchased commencing Sale No. 13.

The CTTA appointed a committee supported by Stax, a leading management consultancy firm with experience and expertise in Information Technology undertook a complete review of the value chain with the stakeholders. Thereafter an RFP was prepared identifying, core functional requirements, technology-based requirements and future functional requirements. This enabled the CTTA to call for selection of a service provider for the deployment of an e-auction platform. The primary objective of this initiative is to develop an efficient, user friendly, fast and easy auction engine, to achieve the overall purpose of completing the auction within the shortest period of time. Bids have been received and a team comprising stakeholders together with the consultants are in the process of evaluating commercial bids towards assessing the financial commitment in the next five years.

On completion of the evaluation process and the demonstration of the PROOF OF CONCEPT, depending on the financial commitment, the CTTA may be in a position to review the levy for the benefit of the sellers and buyers, in the near future.

**THE SECRETARIAT
COLOMBO TEA TRADERS' ASSOCIATION**