

Warehouse Receipt (General) Regulations, 2020

---

ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY

*Section*

1. Title.
2. Interpretation.

PART II

PROVISIONS RELATING TO LICENSING AND CERTIFICATION

3. Certification and licensing.
4. Additional requirements in application for registration as a warehouse operator and warehouse.
5. Details for application for licence for warehouse person in terms of section 10 of the Act.
6. Issuance, duration, surrender and renewal of certificates and licences.
7. Insurance requirement for applicants for warehouse operator's registration certificate.
8. Cancellation of insurance.
9. Register of certificates and licences.

PART III

WAREHOUSE RECEIPTS

10. Security and prudential requirements for warehouse receipts.
11. Mandatory terms and information in a warehouse receipt.
12. Negotiability of warehouse receipts.
13. Surrender of warehouse receipts books.

PART III

OBLIGATIONS OF WAREHOUSE OPERATOR

*Section*

14. Publicity of location, business hours, tariffs etc.
15. Provision and maintenance of proper means of ingress and egress.
16. Non-discrimination and fair access for all depositors.
17. Inspection, weighing, grading and shelf-life certification.
18. Stored goods inventory.
19. Rights of a holder or depositor with prior notice of alteration on a warehouse receipt.
20. Duty of warehouse operator to give notice to the Registrar.
21. Change of management or cessation of operation.
22. Voluntary cessation of operations.
23. Warehouse operators' Records of Warehouse Receipts.
24. Warehouse operators' records of transactions.
25. Warehouse operators' financial records.
26. Fire proof storage for records.

PART IV

GENERAL

27. Inspectors.
28. Protection of depositors in the event of failure or insolvency of warehouse operator and proceedings instituted in terms of the Insolvency Act [*Chapter 6:07*].
29. Appeals.
30. Annual fee for registered warehouse and licensed warehouse person.
31. Offences.

FIRST SCHEDULE: Fees.

SECOND SCHEDULE: Forms.

THIRD SCHEDULE: Minimum standards and physical requirements of warehouses.

FOURTH SCHEDULE: Required insurance policies and covers.

FIFTH SCHEDULE: Care goods.

IT is hereby notified that the Minister of Lands, Agriculture, Water and Rural Resettlement has, in terms of section 29 of the Warehouse Receipt Act [*Chapter 18:25*], made the following regulations:—

## PART I

### PRELIMINARY

#### *Title*

1. These regulations may be cited as the Warehouse Receipt (General) Regulations, 2020.

#### *Interpretation*

2. In these regulations—

“centralised system platform” means a platform that provides order management, matching, trading, clearing, settlement and ownership transfer of warehouse receipts;

“commingle” means the binning and storage of commodities from different depositors by class, under circumstances other than identity preserved;

“conditioning” means but is not limited to the cleaning or drying of commodities;

“custodian bank” means a securities (custody) licensee as licenced in terms of section 38 as read with section 41 of the Securities and Exchange Act [*Chapter 24:25*];

“fee” means a fee prescribed in the First Schedule;

“fungible goods” means goods of which any unit is, from its nature or by mercantile custom, treated as equivalent of any other unit;

“failure” with regards to warehousing receipt system means—

- (i) inability of the warehouse operator to cover the storage obligations;
- (ii) public declaration of insolvency;
- (iii) revocation of a certificate of registration of a warehouse operator and the leaving of an outstanding obligation to a depositor;
- (iv) failure to redeliver any goods to a depositor in the ordinary course of business and where a *bona fide* dispute does not exist between the warehouse operator and the depositor;
- (v) failure to make application for renewal of a certificate of registration or licence (as the case may be) within 31 days before the licence or certificate of registration expiry date; or
- (vi) denial of the application for a licence renewal;
- (vii) failure to pay relevant annual warehouse fee or annual warehouse person fee;

“identity preserved” means the handling of a commodity in such a manner that guarantees the return of the actual quantity and quality of the commodity to the depositor;

“order” means, an order by endorsement on the warehouse receipt;

“station” means a branch warehouse located away from the head office of the warehouse operator;

“warehouse receipt system” means part or the whole of the process of depositing commodities in a registered warehouse, the issuance of a warehouse receipt reflecting the quantity and quality of the deposited commodity the management of the transfer of the receipt as a document of title and includes, but is not limited to, the regulation of warehouses and actors associated in the processes.

## PART II

### PROVISIONS RELATING TO CERTIFICATION AND LICENSING

#### *Certification and licensing*

3. (1) Further to the provisions on applications provided in the Act (either for certification or licensing) additional requirements as

required to be prescribed shall be made in terms of the applications referred to in subsection (2).

(2) Application shall be made for—

- (a) registration for warehouse operators;
- (b) registration of warehouses;
- (c) licensing of warehousepersons;

(3) The relevant forms are in the Second Schedule.

(4) For the avoidance of doubt every application for a certificate of registration or licence under these regulations and the issuance of any such certificate of registration or licence shall be accompanied by an appropriate fee as prescribed in the First Schedule.

*Additional requirements in application for registration of warehouse operator and warehouse*

4. (1) An application for registration as a warehouse operator and registration of a warehouse shall be in Form WR1 in the Second Schedule and after completion shall be submitted together with an application for a warehouse or the warehouses intended to be used and the prescribed fees.

(2) Every application must name the specific warehouse for which the registration is requested.

(3) Registration of a warehouse operator or registration of the warehouse itself may not be granted if the warehouse does not meet minimum standards prescribed in the Third Schedule and other requirements which the Registrar may specify from time to time.

(4) After receiving an application for a licence the Registrar shall satisfy himself or herself that Form WR1 has been properly completed and if so satisfied shall consider the application within 15 days from the date of application, and make a decision on the application.

(5) If within the prescribed period the Registrar finds that the Form WR1 has not been properly completed or he or she requires further information in connection with an application, he or she must notify the applicant to enable the applicant to furnish the additional information requested (in which event the 15 day period shall run

from the date when the applicant retransmits the application back to the Registrar furnished the additional information requested).

(6) In addition to the provisions of section 4 of the Act, the Registrar shall, before granting registration of a warehouse operator, take into account the following—

- (a) whether the applicant is in possession of a warehouse as a tenant or owner and evidence thereof;
- (b) the sufficiency of net assets of the warehouse operator, as the Registrar requires;
- (c) that the applicant's warehouse person has good business and management reputation and has not been convicted of any criminal offence involving dishonesty or business impropriety in the ten years immediately preceding the application date;
- (d) that the warehouse and the goods which may be kept therein are fully insured against loss by fire, inherent explosion, theft and burglary employee dishonesty or any other risk as per the Fourth Schedule;
- (e) that the applicant is financially capable of conducting the business of warehousing.

(7) To comply with the net asset requirement under subsection (6)(b) above, an applicant for registration as a warehouse operator shall furnish—

- (a) a detailed listing of insurable assets such as buildings, machinery, equipment and merchandise inventory listing the current market value of such assets and the extent that such assets are protected by insurance against loss or damage;
- (b) a certificate of insurance on the insurable assets, providing that no cancellation shall be effective unless thirty (30) days' advance notice of such cancellation is given to the Registrar.

(8) On receipt of an application made in terms of subsection (1) for a registration of a warehouse, in addition to the requirements under subsection (6) the Registrar must satisfy himself or herself of the following—

- (a) that the applicant is in possession of a warehouse whether as a tenant or an owner (in the case of each and every warehouse);
- (b) that upon inspection, the warehouse is suitable for warehousing of goods and meets the minimum standards prescribed in the Third Schedule and any others which the Registrar may specify from time to time;
- (c) that the warehouse is insured against loss by fire, inherent explosion, theft and burglary or any other damage as per Fourth Schedule providing that no cancellation shall be effective unless thirty (30) days' advance notice of such cancellation is given to the Registrar;
- (d) that the applicant is financially capable of maintaining the warehouse to the required minimum standard.

(9) As soon as possible after a decision on an application is made, the Registrar shall notify the applicant of the granting or rejection of the application for a licence by giving the applicant a copy of the application whereon it is indicated whether the application is granted or rejected and, if rejected the reasons for the rejection:

Provided that where an application is rejected or granted with conditions the Registrar shall inform the applicant of his or her right of appeal under section 29.

*Details for application for licence for warehouse person in terms of section 10 of the Act*

5.(1) Any person wishing to be licensed as a warehouse person, in making an application in terms of section 10 of the Act must complete Form WR1 and submit it together with the requirements in section 10 of the Act and the prescribed application fee, to the Registrar.

(2) After receiving an application for a licence the Registrar shall satisfy himself or herself that Form WR1 has been properly completed and if so satisfied shall consider the application within 15 days from the date of application, and make a decision on the application.

(3) If within the prescribed period the Registrar finds that the Form WR1 has not been properly completed or he or she requires

further information in connection with an application, he or she must notify the applicant to enable the applicant to furnish the additional information requested (in which event the 15 day period shall run from the date when the applicant retransmits the application back to the Registrar furnished the additional information requested).

(4) As soon as possible after a decision on an application is made, the Registrar shall notify the applicant of the granting or rejection of the application for a licence by giving the applicant a copy of the application whereon it is indicated whether the application is granted or rejected and, if rejected the reasons for the rejection:

Provided that where an application is rejected or granted with conditions the licensing authority shall inform the applicant of his or her right of appeal under section 29.

*Issuance, duration, surrender and renewal of certificates and licences*

6. (1) Every certificate or licence shall be valid for a period of three years from the date of issuance of such, unless it is earlier surrendered to or cancelled by the Registrar in terms of the Act or these regulations.

(2) If an application for a certificate or licence is successful (whether approved with or without conditions by the Registrar), the Registrar shall—

- (a) inform the applicant accordingly; and
- (b) issue to the applicant in Form WR2 (a certificate of registration for a warehouse operator), or in Form WR3 (certificate of registration for a warehouse) or in Form WR4 (warehouse person's licence) whichever is appropriate, upon payment by the applicant of the prescribed issuance fee; and
- (c) make an appropriate entry in the Warehouse Receipt System register.

(3) Before expiry of a certificate or licence, an applicant may renew it by making an application no sooner than thirty-one (31) days before the expiry of the existing certificate or licence by submitting—



- (a) Form WR5, where there has been no material change in the details of the application for the existing certificate or licence, together with the prescribed renewal fee:

Provided that if in the opinion of the Registrar, circumstances require that new terms or conditions be imposed on any certificate or licence, the Registrar may require an applicant for renewal to make an application for a new certificate or licence in Form WR1; or

- (b) Form WR1, where there has been any material change in the details supplied in or together with the original application for the existing certificate or licence, together with the prescribed application fee for an original licence or certificate.

(4) Upon receipt of an application for the renewal of a certificate or licence—

- (a) in terms of subsection (3)(a), the Registrar shall satisfy himself or herself that Form WR5 has been properly completed and that there has been no material change of the details of the existing certificate or licence, and if so satisfied, shall renew the certificate or licence by endorsing the existing licence accordingly; or
- (b) in terms of subsection (3)(b), the same procedure as is prescribed in sections 4 or 5 (whichever is applicable) for the issuance of an original certificate or licence shall apply.

(5) Where an application for renewing a certificate or licence is made, the applicant shall file with the Registrar such additional insurance as is necessary for compliance with the provisions of these regulations.

(6) The holder of a certificate of registration of a warehouse or warehouse operator, shall display its current certificate and licences issued by the Registrar for warehouse persons in a conspicuous place in its principal office, or where goods are received into the warehouse(s) as the case may be.

## Warehouse Receipt (General) Regulations, 2020

---

### *Insurance requirement for applicants for warehouse operator's registration certificate*

7. (1) Each applicant for a warehouse certificate of registration shall insure his or her warehouse(s) against loss by fire, inherent explosion, employee misconduct, burglary and theft.

(2) A registered warehouse operator shall name and notify the Registrar as the first loss payee of the proceeds of any policies of insurance required. The Registrar shall be designated as the first loss payee for the purpose of ensuring that a warehouse operator meets obligations to depositors or any other parties with an interest in the stored goods.

(3) The registered warehouse operator shall ensure full compliance with the terms and conditions of any insurance policies, and shall not commit any acts or permit any employees or other persons to commit any act or omission which may impair or prejudice such insurance policies.

(4) For the purpose of meeting any insurance, a registered warehouse operator shall pay such premiums and shall permit inspections, surveys or examinations and make such reports as may be necessary for such contracts.

(5) In the event of loss or damage to stored goods arising from fire and allied risks, burglary or employee misconduct, it shall be the duty of the registered warehouse operator to immediately report the occurrence of such incident(s) to the depositors and the Registrar.

(6) If the risk for which an insurance policy was taken materializes, then in the event of any peril in terms of section 4(3)(e) of the Act and these regulations, the registered warehouse operator shall inform the insurance company and obtain a report from any other appropriate authority without delay, to enable processing by insurers.

(7) Whenever the Registrar shall determine that a previously approved insurance is insufficient, it shall require additional insurance to be given by the warehouse operator within a period specified by the Registrar.

*Cancellation of insurance*

8. (1) No warehouse operator shall cancel any approved insurance coverage without the prior written approval of the Registrar and if any insurance company cancels such a policy, the warehouse operator shall immediately notify the Registrar in writing.

(2) No substitute insurance may be issued to a warehouse operator without the written approval of the Registrar.

(3) An insurance company may cancel insurance required by these regulations only after the expiration of a thirty (30) day period from notifying to the Registrar, by registered mail or advised courier service a notice of intent to cancel such insurance.

(4) The insurance company shall, at the time of giving notice to the Registrar, send a copy of such notice to any governmental agency requesting it. Upon receipt of any such notice, the Registrar shall promptly notify the affected warehouse operator.

(5) Not later than fifteen (15) days prior to the date upon which the insurance cancellation becomes effective, the warehouse operator shall give written notice to the Registrar that he or she has obtained new insurance coverage which is to be in full force and effect from the date upon which his or her existing insurance, as the case may be, is to be cancelled.

(6) Notwithstanding any other provisions of these regulations, the warehouse operator shall automatically be suspended for failure—

- (a) to file new evidence of insurance within the thirty (30) day period as provided herein; or
- (b) to maintain at all times insurance as provided herein. and such suspension shall continue as long as any such failure exists:

Provided that for the continued preservation of the goods in the warehouses concerned—

- (i) the warehouse person will continue to ensure the goods are preserved as if the registration was still operational. The warehouse operator shall submit all warehouse receipt books in its possession to the Registrar immediately;

- (ii) the Registrar may appoint an insurance company to insure the goods at the expense of the warehouse operator where the warehouse operator fails to timeously get insurance cover.

(7) Each warehouse operator shall furnish the Registrar with notice of cancellation, termination, or any change of insurance on goods in any warehouse.

*Register of certificates and licences*

9. (1) The Registrar shall establish and maintain a register of certificates and licences to be known as the Warehouse Receipt System Register, which shall be divided into three parts, for warehouse operators' registration certificates, warehouse registration certificates and warehouse persons' licences and in which the following shall be recorded—

- (a) the name and address of every licensee and holder of certificate and the addresses at which he or she sells carries on business; and
- (b) the date of issue of every licence or certificate and the date of expiry and of any renewal thereof; and
- (c) any special terms or conditions subject to which any licence or certificate is issued or renewed; and
- (d) the particulars of any suspension or cancellation or amendment of a licence or certificate.
- (e) any disciplinary action against the holder of certificate or license;
- (f) such other particulars as the Registrar considers necessary.

(2) For every warehouse operator, the register shall record, in addition to any other applicable information mentioned in the Act—

- (a) the name of the Managing Director; and
- (b) the name of each Director; and
- (c) the name of the Secretary of the company; and
- (d) the names and respective shareholdings of each shareholder;

- (e) in the case of public companies the largest 20 shareholders;
- (f) the name and address of External Auditors.

(3) For every incorporated partnership warehouse operator, the register shall record in addition to any other applicable information mentioned in these regulations—

- (a) the name of the Managing Partner; and
- (b) the name of each partner; and
- (c) the quantum of his financial contribution; and
- (d) the name and address of External Auditors.

(4) For each licensed warehouse and for each licensed warehouse operator, the Registrar shall, in addition to any other applicable information mentioned in these regulations, record—

- (a) warehouses covered;
- (b) location(s) of warehouse(s);
- (c) cubic size of each warehouse premises;
- (d) nature of the title to warehouse(s) – tenancy or freehold and if tenancy, the expiry date(s);
- (e) status of insurance cover –including risks, quantum and validity period(s);
- (f) whether Registrar is named Loss Payee;
- (g) the location of the premises at which the records or other documents of the licensee are kept.

(5) Any person may—

- (a) inspect the register of licences free of charge at all reasonable times at the premises of the Registrar or at such other place that the Registrar may direct; or
- (b) obtain copies of or extracts from the register for a prescribed fee.

(6) The Registrar shall keep and maintain the register in both material and electronic form.

PART III

WAREHOUSE RECEIPTS

*Mandatory terms and information in a warehouse receipt*

10. (1) A warehouse receipt shall contain the following information and terms—

- (a) the name, location and full postal and street address of the warehouse where the goods are stored;
- (b) the warehouse registration number and date up to which it is valid;
- (c) the date of issue of the receipt;
- (d) the serial number of the receipt;
- (e) name and address of the person by whom or on whose behalf the goods are deposited;
- (f) a short description of the goods or of the packages containing them with particulars of the quantity, quality or grade;
- (g) the commodity based warehouse loss percentage as approved by the Registrar;
- (h) the signature of the registered Warehouse operator;
- (i) the nature and fact of ownership of the goods, whether solely or jointly or commonly owned with others;
- (j) whether or not the underlying goods have been charged;
- (k) the shelf life of any goods for which a receipt is issued;
- (l) that the receipt would be valid only till the date of expiry of declared shelf- life of the goods for which it is issued;
- (m) private marks of depositor on the goods or packages, if any;
- (n) name of the insurance company indemnifying for fire, flood, theft, burglary, misappropriation, inherent explosion and employee dishonesty;
- (o) the fact that the warehouse operator holds a lien on the goods deposited for his or her storage and handling charges;

- (p) a statement that the receipt is issued subject to these regulations;
- (q) a provision reserving for the warehouse operator the right to terminate storage, conditioning and handling arrangements and collect outstanding charges upon the revocation of the warehouse operator's registration.

(2) When several warehouses are operated by one warehouse operator, each such warehouse shall be numbered. This numerical designation shall be on all receipts.

*Security and prudential requirements for warehouse receipts*

11. (1) Warehouse Receipts shall be printed on distinctive paper and in the design specified by the Registrar and shall have security features that would make them difficult to forge.

(2) Each warehouse operator shall file with the Registrar the name and specimen of signature of each person authorized to sign warehouse receipts. Any changes or additions to such authorization shall be immediately brought to the attention of the Registrar by the warehouse operator.

(3) A warehouse receipt shall be valid for delivery till the date of expiry of the declared shelf-life of the goods for which it is issued.

(4) A warehouse operator shall issue a warehouse receipt only upon actual delivery of goods into storage and such receipt shall be issued from the warehouse of storage.

(5) The warehouse person shall not issue more than one receipt for the same lot of goods, except where partial receipts are desired. The total of the aggregate receipts of a particular lot shall be no greater than the total of the original lot unless additional goods are deposited.

(6) Should the depositor desire to consolidate several receipts into one, the warehouse person may issue a new consolidated receipt, but only after the original receipts have been cancelled.

(7) In the hands of a holder who has purchased a warehouse receipt, the warehouse receipt shall be conclusive evidence of the goods described in it.

(8) Warehouse receipts may be hard copy or electronic copy.

(9) A warehouse receipt from only one receipt book shall be issued for goods stored or received for storage in any one warehouse.

(10) When all the receipts of any one book have been issued, and a warehouse operator has need for new books, the warehouse operator must return finished warehouse receipt books to the Registrar and make application for a new receipt book for a prescribed fee.

(11) No receipt shall be issued from a book pertaining to one warehouse for goods stored in another warehouse.

(12) A Warehouse receipt shall not be issued in respect of goods that have not been conditioned.

*Negotiability of warehouse receipts*

12. (1) Subject to Part VI of the Act, the negotiability of warehouse receipts shall be through any of the following mechanisms—

- (a) over-the-counter;
- (b) on a securities exchange registered in terms of the Securities and Exchange Act [*Chapter 24:25*];
- (c) on a registered commodity exchange.

(2) A negotiation of a warehouse receipt is done in the case of subsection (1)(a) when the warehouse person endorses on the warehouse receipt to the order of a named person where trading is done directly between two parties without the supervision of an exchange or a centralised system platform.

(3) For issued receipts to be traded on a secondary market as a security in terms of section 2 of the Securities and Exchange Act [*Chapter 24:25*] (by way of the provisions of subsection (1)(b) or (c)), there is need for a warehouse operator to subscribe with the relevant centralised system platform operator in accordance with the operational guidelines and procedures of the central platform operator approved by the Securities and Exchange Commission.

(4) For the efficient operation of the warehouse receipt system on issued receipts negotiated in terms of subsection (1)(b) or (c) it shall be a requirement to all warehouse operators to ensure that warehouse



receipt issuance, transfer, pledging as collateral, loan repayment, partial or full settlement and release of the underlying goods, cancellation of the receipt, and loss or destruction and subsequent replacement shall all be recorded on the relevant centralised system platform.

(5) All warehouse receipts negotiated in terms of subsection (1)(b) or (c) that are subject to endorsement (due to the reason that the warehouse receipt has been pledged or traded) shall be deposited by the centralised system platform provider with a custodian bank for safekeeping on behalf of the beneficiary at the cost of the depositor.

(6) The warehouse operator for warehouse receipts issued in terms of subsection (1)(b) or (c) shall keep an electronic record of all warehouse receipts deposited with a custodian bank.

(7) The custodian bank shall maintain an accurate register of underlying beneficiaries of the warehouse receipts in their custody.

(8) Each deposited warehouse receipt shall have one or more beneficiary owners with the proportional entitlement of each beneficiary accurately recorded by both the custodian bank and the warehouse operator where the receipt has more than one beneficiary.

(9) All warehouse receipts pledged for credit facilities shall clearly be recorded as such with both the Custodian Bank and warehouse operator.

#### *Surrender of warehouse receipts books*

13. When the registration certificate of a warehouse operator is revoked, cancelled, or has expired, and at the direction of the Registrar, upon the suspension of a Warehouse operator's licence—

- (a) all unused receipts under such licence shall be immediately surrendered to the Registrar or the designated representative; and
- (b) all receipts which have been issued that are still outstanding shall immediately be recalled and, upon delivery of the goods, such receipts shall be marked "cancelled", signed and dated by the warehouse operator who shall notify the Registrar that such receipts have been recalled and cancelled.

PART III

OBLIGATIONS OF WAREHOUSE OPERATOR

*Publicity for location, business hours, tariffs etc.*

14. (1) Each warehouse shall be kept open for the purposes of receiving goods for storage and delivering out of storage every business day.

(2) Every warehouse person shall post in a conspicuous place in his or her office and warehouse a notice stating the days of the week and the hours of each business day that he or she will remain open.

(3) There shall be posted in a conspicuous place in the office of each warehouse the warehouse registration certificate and schedule of rates including storage, shrinkage allowance, cleaning, drying and any other applicable charges.

(4) Before making any changes in the schedule of rates, the warehouse operator shall submit in writing to the Registrar, for approval the proposed changes and the reasons therefor at least thirty (30) days in advance of such changes.

(5) The Registrar shall refuse to approve any charge which he or she finds unjust, unreasonable, or discriminatory after opportunity for hearing has been afforded to the warehouse operator.

(6) Each warehouse must have a permanent sign, not smaller than sixteen (16) inches high and thirty-six (36) inches wide, posted at or near the main entrance to the warehouse so as to be visible at such main entrance, which shall include the following in letters or type not smaller than three (3) inches high the—

- (a) name under which the licensed warehouse is operated;
- (b) following: “WRS LICENSED WAREHOUSE”.

*Provision and maintenance of proper means of ingress and egress*

15. (1) A warehouse operator shall provide and maintain safe and adequate means of ingress and egress to the various storage bins and compartments. Storage bins and compartments having an entrance above ground or floor levels shall be equipped with a fixed ladder or a safe and adequate lift.

(2) When equipped with a fixed ladder, such ladder shall have side rails and rungs, the rungs to be spaced not to exceed one foot apart. There shall be sufficient space between ladder rungs and face of the bin or compartment to permit safe foothold.

(3) Catwalks, walkways, lifts, and ladders shall be kept clean and free of goods and other foreign matter.

(4) Storage facilities failing to meet these standards shall be brought to the attention of the warehouse operator by the Registrar. It shall be the warehouse operator's responsibility to immediately make the necessary corrections to bring its storage facility into compliance.

*Non-discrimination and fair access for all depositors*

16. (1) Subject to the capacity of a warehouse, a warehouse operator shall deal in a fair and reasonable manner (as far as practicable on a first come first served basis) with a depositor storing or seeking to store goods in the warehouse, if the goods are—

- (a) of the kind, type and quality for which the warehouse is registered;
- (b) tendered to the warehouse operator in a suitable condition for warehousing; and
- (c) tendered in a manner that is consistent with the ordinary and usual course of business.

(2) Nothing in these regulations shall prohibit a warehouse operator from entering into an agreement with a depositor to allocate available storage space.

(3) No licensed warehouse operator shall—

- (a) directly or indirectly, by any special charge, rebate, draw-back, or other device, demand, collect, or receive from any person a greater or lesser compensation for any service rendered or to be rendered in the receiving, storage, conditioning, or handling of any goods than the operator demands, collects, or receives from any person for doing a like and contemporaneous service in the receiving, storage, conditioning, or handling of any goods under substantially similar circumstances or conditions; or

- (b) make or give any undue or unreasonable preference or advantage to any person in any respect whatsoever; or
- (c) subject any particular person to any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

*Inspection, weighing, grading and shelf-life certification*

17. (1) Inspection, weighing and grading of goods shall be carried out in accordance with the standards approved by the Registrar and shall be based on correct and representative samples under conditions that permit the determination of the true grade of the goods.

(2) Each warehouse operator shall employ, during all regular business hours, a grains inspector who shall be responsible for the accuracy of weights and grades noted on all warehouse receipts.

(3) A weighing apparatus used to ascertain the weight stated in a warehouse receipt shall be subject to approval by the Registrar. The Registrar may, where it deems necessary, disapprove the use of a scale by a warehouse operator, supporting such an order by stating the corrective action the warehouse operator is required to carry out.

(4) A weighing apparatus that is rejected, for the purpose by the Registrar shall not, after it is rejected, be used to ascertain the weight of any goods for the purpose of these Regulations unless it has been recertified by the Registrar.

*Stored goods inventory*

18. (1) Every warehouse operator shall maintain stored goods inventories of quantities, qualities, and grade to meet at all times his or her storage obligations.

(2) Goods evidenced by outstanding and un-cancelled warehouse receipts shall be maintained in the specific warehouse facility shown on the warehouse receipt issued when the goods were deposited originally. For the purposes of this section each separate warehouse facility must maintain such an inventory for receipts issued by it at that location, thus the operation of two or more warehouses as a station shall not allow one warehouse facility to hold warehouse-receipted goods on behalf of another facility even though they constitute a single station.

(3) A warehouse operator shall keep all goods in its warehouse in condition by whatever means so deemed necessary to prevent the quality of such goods from deteriorating. When a warehouse operator discovers or is advised that goods in storage in its warehouse are out of condition, he or she shall immediately comply with the requirements of the Act.

*Rights of a holder or depositor with prior notice of alteration on a warehouse receipt*

19. Where the warehouse operator refuses to deliver the goods as demanded by the depositor or holder of warehouse receipt for the reason that the warehouse receipt was altered, the holder or depositor who had notice of alteration shall be estopped from demanding more or less proprietary rights in the warehouse receipt than those provided on the altered warehouse receipt.

*Duty of warehouse operator to give notice to the Registrar*

20. A warehouse operator as the case may be shall immediately give written notice to the Registrar upon the occurrence of any of the following—

- (a) loss or damage to stored goods or licensed storage facilities;
- (b) the death or legal incapacity of an individual or any member of an operator or its staff operating licensed warehouse;
- (c) change of ownership of a licensed warehouse, including a change in the members of a partnership, or firm;
- (d) change in shareholders or the relative amount of shares held by shareholders where the licensee is a private company with its liability limited by shares;
- (e) change in name under which the warehouse is licensed or operated;
- (f) any major structural change to a bin or storage facility licensed for storage.
- (g) the termination of a lease on a licensed warehouse, the destruction or removal of storage facilities, or the leasing of such a facility to any other person.

*Change of management or cessation of operation*

21. (1) It shall be the duty of every warehouse operator, after notifying the Registrar as to any such change mentioned in section 20 and if directed by the Registrar, to deliver his or her licence and as the case may be all unused warehouse receipts to the office of the Registrar together with a notarized statement accounting for all receipts, and setting forth the arrangements made with depositors for final disposition of the goods in storage and for fulfilling the obligations of the warehouse operator concerned.

(2) When there is a change of management or cessation of operations, the Registrar, when deemed appropriate, may cause an audit and examination to be made at the expense of the warehouse operator.

*Voluntary cessation of operations*

22. (1) Where the warehouse operator intends to stop operating a warehouse, a thirty (30) days' notice of such intention shall be communicated to the Registrar in writing.

(2) The warehouse operator shall be obliged to keep the warehouse operational for a minimum period of thirty (30) days unless the warehouse is cleared of all stored goods before the end of that period.

(3) The warehouse operator shall, upon cessation of operations, surrender to the Registrar the certificate issued in respect of warehouse(s) for amendment or cancellation.

*Warehouse operators' records of warehouse receipts*

23. Every warehouse operator shall maintain at its place of business, pre-numbered warehouse receipt books and a warehouse receipt register containing the duplicate copy of all issued receipts and a list thereof. Upon cancellation of a receipt, the related original shall be retained in the Warehouse operator's files attached to its duplicate, and after cancellation neither the original nor the duplicate shall be removed from the files.

*Warehouse operators' records of transactions*

24. (1) The warehouse person shall maintain and keep updated the following records—

- (a) a daily stock summary (DSS), which shall be a record of goods stored at each registered warehouse in respect of goods delivered to, withdrawn from, and received, stored, or processed by, the warehouse operator for each such registered warehouse.
- (b) the daily stock summary shall state goods:
  - (i) received daily;
  - (ii) taken out daily;
  - (iii) remaining in each registered warehouse at the close of each working day;
- (c) a current copy of the periodic insurance report submitted to the insurer;
- (d) a separate record for each depositor of his or her goods, which shall include a detailed record of all moneys received and disbursed and of any insurance policies taken out and cancelled on request of each depositor.

(2) A warehouse person shall undertake regular inspection of stored goods and shall maintain records for each lot of goods and copies of all inspection records shall be made available to the Registrar.

(3) Physical counting of all goods in-loaded and out-loaded shall be recorded and signed for by both the warehouse person and the person making a delivery.

(4) On or before the tenth (10th) day of each month, the warehouse person shall send to the Registrar copies of the following —

- (a) the stock summary for the last business day of the preceding month;
- (b) a periodic statement on a form prescribed by the Registrar, which may include but is not limited to a schedule of all warehouse receipts issued or cancelled by the warehouse operator, prepared as at the end of that period if such is required by the Registrar. If required, a statement must be filed for a calendar month regardless of whether or not the warehouse operator has goods in storage.

*Warehouse operators' financial records*

25. (1) In addition to the records required by sections 23 and 24, the warehouse operator shall—

- (a) maintain such adequate financial statements as will clearly reflect its current financial position and performance which shall be submitted quarterly;
- (b) annual audited financial statements within the three months of the financial year end;  
as well as such financial information as is required to be submitted to the Registrar from time to time.

(2) A Warehouse operator shall keep and make available for inspection, for a period of not less than six (6) years after the close of the period for which such book or record was 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, all books, records and accounts required by these regulations and any other books, records and accounts relevant to his operation of warehouses as a Warehouse operator.

(3) All of the books, records and accounts required by these regulations shall be kept separate and distinct from the books, records, and accounts held and maintained by the Warehouse operator in connection with any other business.

(4) Inspections shall be performed by the Registrar or his or her designated representative, or an auditor, and may take place at any time during the normal business hours of the Warehouse operator, or if prior notice of the inspection is given to the Warehouse operator, at such time as is specified in that notice.

*Fire proof storage for records*

26. (1) A Warehouse operator shall provide a metal fire-proof safe and fire-fighting equipment.

(2) When not in actual use, all records, books and papers pertaining to the warehouse shall be kept in the metal fire-proof safe.



PART IV

GENERAL

*Inspectors*

27. (1) The Registrar may delegate his or her functions in terms of the Act to—

- (a) such number of inspectors as he or she considers necessary to carry out inspections and ensure the proper enforcement of the Act; and
- (b) such number of officers to carry out such duties as he or she considers necessary for the purposes of the Act.

(2) Persons designated in terms of subsection (1) shall be subject to the supervision and control of the Registrar.

(3) The Registrar shall ensure that every inspector is provided with a document identifying him or her as an inspector.

*Protection of depositors in the event of failure or insolvency of warehouse operator and proceedings instituted in terms of the Insolvency Act [Chapter 6:07]*

28. (1) In the event of failure or insolvency of a warehouse operator, depositors shall be secured creditors.

(2) The warehouse operator must immediately notify the Registrar of any proceedings initiated in terms of the Insolvency Act [*Chapter 6:07*].

(3) The Registrar may represent depositors who have claims against a failed warehouse operator in any action brought to enjoin or otherwise contest the distribution of any commodity, commodity proceeds, and warehouse owned commodities.

*Appeals*

29. (1) Any person who is aggrieved by a decision of the Registrar in respect of any application for a certificate or licence under these regulations may, within thirty (30) days after receipt of the Registrar's decision, apply to the Minister for a review of the decision.

(2) Any person who is aggrieved by a decision of the Minister or the Registrar under these regulations, may seek a review of such decision by the Administrative Court.

(3) Upon a review of the Minister or Registrar's decision the Administrative Court may—

- (a) uphold the decision of the Minister or Registrar;
- (b) refer the decision back to the Minister or Registrar for reconsideration (whether with or without directions on how the decision is to be reconsidered) on any one or more of the following grounds—
  - (i) allowing extraneous or irrelevant considerations to affect the decision;
  - (ii) failure to take into account relevant considerations in arriving at the decision;
  - (iii) any material mistake of fact or law that tainted the decision;
  - (iv) interest in the cause, bias, malice or corruption on the part of any person involved in making or contributing to the decision;
  - (v) gross irregularity in the proceedings or the decision of any person involved in making or contributing to the decision.

*Annual fee for registered warehouse and licensed warehouse person*

30. (1) It shall be a requirement for all warehouse operators to pay annual fees for registered warehouses and licensed warehouse persons in their employ.

(2) Initial payment of annual fees shall be at the point of issuance of a certificate of registration or license respectively then thereafter, all payments in terms of subsection (1) must be made to the Registrar and within 30 days of the beginning of each year.

*Offences*

31. (1) It shall be an offence for a warehouse operator to—

- (a) operate without valid certificates or licences required in the Act and these regulations;
  - (b) carry on the business of operating a warehouse, when he or she ceases to hold a valid insurance policy;
  - (c) fail to display a licence or certificate in contravention of section 14(3);
  - (d) make changes to the schedule of charges without notifying the Registrar in terms of section 14(4);
  - (e) contravene section 16(3) ;
  - (f) operates without appropriate fire-fighting equipment in contravention of section 26(1);
  - (g) fails to pay annual fees for registered warehouses and warehouse persons.
- (2) It shall be an offence for a warehouse operator to—
- (a) issue a receipt for any goods that are not in the operator’s warehouse at the time the receipt is issued; or
  - (b) issue a receipt in excess of the amount of goods held in the operator’s licensed warehouse to cover the goods; or
  - (c) remove, deliver, direct, assist, or permit any person to remove, or deliver any goods from any warehouse for which receipts have been issued and are outstanding without receiving and cancelling the receipt issued therefor; or
  - (d) sell, transfer, or in any manner remove or permit to be sold, transferred, or removed from a licensed warehouse any goods received for deposit for storage, for which warehouse receipts have been issued, without written approval of the holder of the receipt; or
  - (e) remove, deliver, direct, assist, or permit any person to deliver, or remove any goods from any warehouse, whereby the amount of any fairly representative grade or class of any goods in the warehouses of the licensee is reduced below the amount for which receipts for the particular goods are outstanding; or

## Warehouse Receipt (General) Regulations, 2020

---

- (f) issue a ticket showing a grade or description different from the grade or description of the goods delivered; or
- (g) fail to deliver goods upon demand by the depositor; or
- (h) knowingly accept for storage any goods destined for human consumption that have been contaminated with an agricultural pesticide or filth rendering same unfit for human consumption, or knowingly commingling such contaminated goods; or
- (i) terminate storage of goods without giving thirty (30) days' written notice to the depositor;
- (j) obstruct an inspector in the good course of his or her duties;
- (k) falsify any document or information required to be submitted in terms of these regulations;
- (l) fail to notify the Registrar of any circumstance referred to in section 20;
- (m) fails to keep a record of warehouse receipts, in contravention of section 23.

(3) Any person who forges or tampers with a warehouse receipt shall be guilty of an offence.

(4) Any warehouse operator who contravenes subsection (1) shall be guilty of an offence and liable to a fine not exceeding level 10.

### FIRST SCHEDULE

#### FEES (*Section 2*)

| <i>Section</i> | <i>Description</i>                                   | <i>Form Number</i> | <i>Fees (\$US)</i> | <i>Fees (\$ZWL)</i> |
|----------------|--|--------------------|--------------------|---------------------|
| 4(1)           | Application for registration as a warehouse operator | WR1                | 50                 |                     |
| 4(1)           | Application for registration of warehouse            |                    |                    |                     |
| 5(1)           | Application of warehouse person licence              |                    |                    |                     |
| 6(2)(b)        | Certificate of registration of warehouse operator    | WR2                | 150                |                     |
| 6(2)(b)        | Certificate of registration of warehouse             | WR3                | 100                |                     |

S.I. 224 of 2020

| <i>Section</i> | <i>Description</i>   | <i>Form Number</i> | <i>Fees (\$US)</i> | <i>Fees (\$ZWL)</i> |
|----------------|--|--------------------|--------------------|---------------------|
| 36             | Warehouse annual fee   |                    | 1 000              |                     |
| 6(2)(b)        | Warehouse person licence   | WR4                | 50                 |                     |
|                | Warehouse person annual fee  |                    | 50                 |                     |
| 6(3)(b)        | Application for renewal/duplicate of certificate of registration of warehouse operator | WR5                | 50                 |                     |
|                | Application for renewal/duplicate of certificate of registration of warehouse          |                    |                    |                     |
|                | Application for renewal/duplicate of licence   |                    |                    |                     |
|                | Application for amendment of certificate of registration of warehouse operator         | WR6                | 50                 |                     |
|                | Application for amendment of certificate of registration of warehouse                  |                    |                    |                     |
|                | Application for amendment of licence   |                    |                    |                     |
| 11             | Warehouse Receipt Book   | WR7                | 500                |                     |
|                | Inspection of register   |                    |                    |                     |
|                | Electronic copy of the register of licences  |                    |                    |                     |
|                | Hard copy of the register of licences  |                    |                    |                     |
| 34             | Appeals  |                    | 10                 |                     |
| 19             | Warehouse inspection fee   |                    | 20                 |                     |

\*The Zimbabwean dollar equivalent fee shall be as per the rate of the day in term of the official automated auction system.

SECOND SCHEDULE (*Section 3*)

FORMS

Table of contents

|          |  |
|----------|--|
| Form WR1 | Application for registration as a warehouse operator<br>Application for registration of warehouse<br>Application of warehouse person licence |
| Form WR2 | Certificate of registration of warehouse operator  |
| Form WR3 | Certificate of registration of warehouse   |
| Form WR4 | Warehouse person licence   |

Warehouse Receipt (General) Regulations, 2020

---

|          |   |
|----------|---|
| Form WR5 | Application for renewal/duplicate of certificate of registration of warehouse operator<br>Application for renewal/duplicate of certificate of registration of warehouse<br>Application for renewal/duplicate of licence |
| Form WR6 | Application for amendment of certificate of registration of warehouse operator<br>Application for amendment of certificate of registration of warehouse<br>Application for amendment of licence                         |
| Form WR7 | Notice of Appeal  |

Form WR1



**ZIMBABWE**

**Warehouse Receipt Act [Chapter 18:25]**

**APPLICATION FOR REGISTRATION OR LICENSING**

The Secretary of the Ministry of Lands, Agriculture, Water and Rural Resettlement  
(Warehouse Registration or Licensing),  
P.O. Box CY 550,  
Causeway,  
Harare.

Warehouse Operator Registration

Warehouse Registration

Warehouse Person Licensing

(Tick applicable)

I, .....

(State company to be registered)

of .....

(State company address and attach Registration of Company)

hereby apply to register as .....

(Name of Warehouse Operator)

S.I. 224 of 2020

---

the following warehouses: .....

.....

.....

.....

(State Warehouse, Locations and Addresses)

and the following warehouse persons: .....

.....

.....

.....

(State names of applicants and attach CVs)

Name of person submitting application: .....

Position: ..... Cell No(s) .....

Date: .....

(Signature)

Warehouse Receipt (General) Regulations, 2020

---

Form WR2



No.

**DEPARTMENT OF RESEARCH AND SPECIALIST SERVICES  
Plant Quarantine and Plant Protection Services Institute  
Private Bag 2007, Mazowe**

**CERTIFICATE OF REGISTRATION—WAREHOUSE OPERATOR**

This is to certify that ..... has registered the premises of .....as an agricultural commodity storage warehouse operator, and has paid the Registration fee of \$.....

The addressee is thereby entitled to carry on the business as warehouse operator during the year ending 31st December, 20..... subject to the Warehouse Receipt Act [*Chapter 18:25*].

Plant Inspector

Date Stamp

*for:* Head—Plant Quarantine and Plant Protection Services Institute



Form WR3

No.



**DEPARTMENT OF RESEARCH AND SPECIALIST SERVICES**  
**Plant Quarantine and Plant Protection Services Institute**  
**Private Bag 2007, Mazowe**

**CERTIFICATE OF REGISTRATION—WAREHOUSE**

This is to certify that .....  
has registered the premises of ..... as an agricultural  
commodity storage warehouse operator, and has paid the Registration fee of  
\$.....

The addressee is thereby entitled to carry on the business as warehouse  
operator during the year ending 31st December, 20..... subject to the Warehouse  
Receipt Act [*Chapter 18:25*].

Plant Inspector

Date Stamp

*for:* Head—Plant Quarantine and Plant Protection Services Institute

Warehouse Receipt (General) Regulations, 2020

---

Form WR4



No.

**Warehouse Receipt Act [Chapter 18:25]**

**WAREHOUSEPERSON LICENCE**

This licence is issued in terms of paragraph (a) of subsection 4 of section 10 of the Warehouse Receipt Act [Chapter 18:25] to ..... authorising him/her to handle, process and market agricultural commodities to be stored in the warehouse at.....

This licence is issued for the year.....and shall remain in force until the 31st December of that year. The fee for the licence is \$.....

Plant Inspector

Date Stamp

*for:* Head—Plant Quarantine and Plant Protection Services Institute



**ZIMBABWE**  
**Warehouse Receipt Act [Chapter 18:25]**  
**APPLICATION FOR RENEWAL/DUPLICATE OF REGISTRATION**  
**OR LICENSING**

The Secretary of the Ministry of Lands, Agriculture, Water and Rural Resettlement  
(Warehouse Registration or Licensing),  
P.O. Box CY 550,  
Causeway,  
Harare.

Warehouse Operator

Warehouse

Warehouse Person

(Tick applicable)

I, .....  
(State company to be registered)

of .....  
.....  
(State company address)

hereby apply to renew registration as .....  
(Name of Warehouse Operator and previous Operator number)

operating the following warehouses: .....  
.....  
.....  
.....  
(State Warehouse and previous registration number)

and the following warehouse persons: .....  
.....  
.....  
(State names of applicants and previous license number - use extra attachment if space is limiting)

Warehouse Receipt (General) Regulations, 2020

Name of person submitting application: .....

Position: ..... Cell No(s) .....

Date: .....

(Signature)

Form WR6



ZIMBABWE

Warehouse Receipt Act [Chapter 18:25]

APPLICATION FOR AMENDMENT OF REGISTRATION OR LICENSING

The Secretary of the Ministry of Lands, Agriculture, Water and Rural Resettlement (Warehouse Registration or Licensing), P.O. Box CY 550, Causeway, Harare.

Warehouse Operator Amendment

Warehouse Amendment

Warehouse Person Amendment

I, .....

(State registered Warehouse Operator)

of .....

.....

(State company address and attach Amendment Details)

hereby apply to amend .....

(State Warehouse operator and amendment required)

the following warehouses: .....

.....

.....

State Warehouse and amendment details)

and the following warehouse persons .....

.....

.....

.....

(State names and amendments details)

Position: ..... Cell No(s) .....

Date: .....

(Signature)

Form WR7



**Warehouse Receipt Act [Chapter 18:25]**

**WAREHOUSE RECEIPT (GENERAL) REGULATIONS, 2020**

**NOTICE OF APPEAL**

**Explanatory Notes**

- Appellant shall lodge the appeal with the Minister within 30 days from date of notification of the decision by the Registrar.
- Three copies of this notice must be completed by the Appellant, one of which must be served on the Registrar.
- A copy of the notification of the decision being appealed against must be attached to this Form.
- If the spaces provided in this Form are insufficient an appellant may affix attachments to this Form.
- The Registrar or any officer, as may be assigned, against whom this appeal is being lodged shall assist an appellant in filling in this Form if so requested.

APPEAL AGAINST DECISION OF REGISTRAR LODGED ON  
THIS..... Day of.....(month).....(year)

Warehouse Receipt (General) Regulations, 2020

**DETAILS OF APPELLANT**

I, .....  
(Name of the appellant)

of .....  
(Address of appellant)

am aggrieved by (tick the appropriate box):

|   |  |
|---|--|
| 1 | the Registrar's decision to reject an application for registration as a Warehouse Operator/Warehouse or licencing of a warehouse person ( <i>delete inapplicable</i> ) |
| 2 | the Registrar's decision to suspend operations as a Warehouse Operator or warehouse person   |
| 3 | the decision made by the Warehouse Operator as to the quantity, grade or weight of goods ( <i>delete inapplicable</i> ) stored or to be stored in a licensed warehouse |
| 4 | the decision of the Registrar to cancel warehouse registration   |
| 5 | the decision of the Registrar to refuse to issue a renewal certificate for a Warehouse or license of a warehouse person ( <i>delete inapplicable</i> )                 |
| 6 | The decision by the Registrar to refuse approval of change of schedule of rates submitted by warehouse operator  |
|   | Other ( <i>specify</i> ) .....<br>.....<br>.....<br>.....<br>.....   |

**Accordingly**, I wish to appeal to the Registrar of the Warehouse Receipt System to reverse or rectify the aforementioned decision.

The following in brief are facts and grounds on which this appeal is based (*If the space provided below is inadequate, not more than two pages containing details of the grounds of the appeal may be attached to this form*): .....  
.....  
.....  
.....  
.....

.....  
.....  
**Signature of person noting the appeal**

.....  
**if signed in a representative capacity state capacity of signatory**  
.....

---

**FOR OFFICIAL USE ONLY**

Received by the authority

On this ..... day of ..... 20.....

Signed.....

**WAREHOUSE INSPECTION REPORT**

NAME OF WAREHOUSE: .....

PHYSICAL ADDRESS .....

POSTAL ADDRESS .....

WAREHOUSE PERSON.....

CONTACTS.....

COMMODITY (IES) IN STORE .....

| CHECKLIST  | ATTRIBUTES |        |                     |                        |                  |                     | REMARKS |
|------------|------------|--------|---------------------|------------------------|------------------|---------------------|---------|
| 1. Doors   | Locks      |        | No locks            |                        |                  |                     |         |
| 2. Windows | Intact     | Broken | iron bars/<br>bolts | No iron bars/<br>bolts | Clinched inside. | Not clinched inside |         |

## Warehouse Receipt (General) Regulations, 2020

| CHECKLIST   | ATTRIBUTES                                       |                     |   |             | REMARKS |
|---|--|---------------------|---|-------------|---------|
|   | Imper-vious                                      | Not impervious      | Crevice   | No crevices |         |
| 3. Floors   |  |                     |   |             |         |
| 4. Ventilation  | Adequate   |                     | In adequate                                       |             |         |
| 5. Lighting   | Adequate   |                     | In adequate                                       |             |         |
| 6. Hygiene  | Clean  |                     | Dirty   |             |         |
| 7. Waterproofing  | Waterproof                                       |                     | Leaking   |             |         |
| 8. Safety   | Fire-fighting equipment                          | Protective clothing | Security locks(chemical store-room and warehouse) |             |         |
| 9. Storage equipment  | Adequate treated pallets/dunnage and tarpaulins. |                     | No treated pallets/dunnage and tarpaulins         |             |         |
| 10. Fumigation facilities   | Adequate   |                     | Inadequate  |             |         |
| 11. Receiving equipment   | Adequate   |                     | In adequate                                       |             |         |
| 12. Weighing equipment  | Adequate   |                     | In adequate                                       |             |         |
| 13. Grading equipment   | Adequate   |                     | In adequate                                       |             |         |
| 14. Processing equipment  | Adequate   |                     | In adequate                                       |             |         |
| 15. Warehouse suitability   |  |                     |   |             |         |
| 16. Technical expertise on:   | Available  |                     | Not available                                     |             |         |
| 17. Grading   |  |                     |   |             |         |
| 18. Handling  |  |                     |   |             |         |
| 19. Management  |  |                     |   |             |         |
| 20. Safe storage  |  |                     |   |             |         |
| 21. Fumigation  |  |                     |   |             |         |
| <b>PARTB COPORATE GOVERNANCE AND DUE DILIGENCE INSPECTION</b>   |  |                     |   |             |         |
| <b>PART B.1 – STATUTORY REGISTRATION AND DOCUMENTATION</b>  |  |                     |   |             |         |
| ITEM REQUIREMENTS   |  | Yes                 | No  | Comments    |         |
| Certificate of Incorporation  |  |                     |   |             |         |
| Tax Clearance Certificate   |  |                     |   |             |         |
| Vat Registration  |  |                     |   |             |         |
| Fire Service Requirements Certificate, equipment (Extinguishers, smoke detectors etc drill records, floor plans etc.) |  |                     |   |             |         |
| <b>PART B.2 – INSURANCE AND BONDING COMPLIANCE</b>  |  |                     |   |             |         |
|   |  | Yes                 | No  |             |         |
| Policy Compliance Up to date  |  |                     |   |             |         |



S.I. 224 of 2020

| CHECKLIST              | ATTRIBUTES |  |  | REMARKS |
|------------------------|------------|--|--|---------|
| Fire Material Damage   |            |  |  |         |
| Professional Indemnity |            |  |  |         |
| Fidelity Guarantee     |            |  |  |         |
| Performance Bond       |            |  |  |         |

General Remarks.....  
 .....  
 .....  
 .....  
 .....

Compliance Recommendations:

1. Provisional Licence: \_\_\_\_\_
2. Full Licence: \_\_\_\_\_
3. Suspend License (Old Applicants) \_\_\_\_\_
4. Revoke License (Old Applicants) \_\_\_\_\_
5. Reasons for decision \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

6. Any Appeal? Date Filed \_\_\_\_\_

Did It Meet Deadline Requirement?

Appeal Results

(Attach Detailed Subcommittee Report For Each Decision)

Reporting Officer.....

Date...../...../.....

Signature.....

Warehouse Receipt (General) Regulations, 2020

---

SPECIMEN WEIGHT SCALE TICKET

Name of warehouse/shed: .....

Depositor's name: ..... ID No.....

Address: ..... Date Deposited: ..... 20.....  
(Village/Town/District)

SCALE WEIGHT TICKET

This is to certify that the above Warehouse has received the following goods for conditioning.

Nature of required conditioning .....

Goods: ..... Number of Bags(50 Kg): .....

Total Quantity (approxin Weight)..... Declared Grade):.....

Actual Grade:..... Received by:.....

I confirm that the undersigned depositor is the lawful owner of the said Goods.  
Warehouse Quality Manager: .....

Date: .....

I,..... declare that I agree with the content of this Scale Weight Ticket including the Warehouse operator's assessment of grade and quantity of goods received for conditioning.

Depositor's Signature: .....Date: .....

Warehouse operator's signature: .....Date: .....

THIRD SCHEDULE (*Section 4*)

MINIMUM STANDARDS AND PHYSICAL REQUIREMENTS OF  
WAREHOUSES

1. Prior to the issue of warehouse licence, the Registrar shall inspect a warehouse and certify its suitability for the intended purpose.
2. The warehouse should be located in a place where it is accessible throughout the whole year.
3. The warehouse must—
  - (a) be fit for the purpose of storing the goods specified in the licence;
  - (b) be soundly constructed of durable material, fully enclosed and adequately roofed to prevent leakage and access by birds and rodents;
  - (c) be adequate, well-maintained and effective drainage and sufficient clean hard standing at the warehouse entrances to minimise seepage of water and mud into the warehouse;
  - (d) have ventilation that must be adequate to prevent the build-up of hot air and to prevent condensation and must be screened or otherwise designed to prevent the entry of birds and rodents;
  - (e) have a fully covered, clean area where deposits can be sampled and weighed prior to either acceptance or rejection by the warehouse operator. This holding area may be a specially reserved portion of a warehouse.
4. The—
  - (a) floor of the warehouse must be even and with all cracks repaired;
  - (b) floor joints should be fully filled with a mixture of bitumen, sand and cement (failure to do this can render fumigation treatments against insects ineffective through gas leakage).
5. If the floor has not been built incorporating a waterproof membrane then the warehouse must be equipped with pallets on which bag stacks will be built to prevent moisture migration into the stock.
6. There must be security guards in residence during the day and night to control access to the warehouse site and all warehouse doors should be securely padlocked when the warehouse is not attended.
7. No building previously used for the storage of prohibited goods for purposes that might lead to contamination, taint, infestation or transmission of disease, shall be used for storage of goods for which the warehouse is certified, unless the warehouse (including floors, walls, roofs, roof trusses and fittings), has been cleaned and disinfected to the satisfaction of the Registrar.

## Warehouse Receipt (General) Regulations, 2020

---

8. If deemed necessary by the Registrar—

- (a) it may request an engineer's report confirming the soundness of the structure and its suitability for the purpose of storing goods. Each separate building should be clearly identified by name, initial, or number securely affixed thereto;
- (b) compartments shall be numbered in such a manner as to clearly show the space covered by each number. All electrical switches, sockets, wiring, lighting etc., shall conform to relevant fire/safety regulations and be sited well clear of all stored materials.

9. A plan of each warehouse shall be lodged with the Registrar.

10. This plan shall identify and number the storage space; location of offices, the grading area and of equipment (including scales).

11. Each warehouse must be equipped with suitable scales in good order, and so placed that all goods, including non-storage goods, can be weighed in and out of the warehouse. The scales shall be subject to examination and certification by the Registrar:

Provided that, notwithstanding the approval, the Registrar may where it deems necessary, disapprove the use of a scale by a warehouse, supporting such an order by stating the corrective action the warehouse is required to carry out.

12. If a warehouse does not have scales on the premises, it may use approved scales owned by third parties located within reasonable distance of the warehouse; and the weigher at the site must be licensed by the Registrar.

13. Where scales belonging to third parties are used, the warehouse must provide a written agreement from the owner of the scale stipulating that the warehouse has unrestricted use of the scale. Licensed warehouses shall have well maintained equipment necessary to sample and grade all inbound and outbound goods for which a warehouse is certified.

14. A warehouse must also have an area with sufficient lighting designated for grading agricultural commodities. Each warehouse shall at all times comply with fire prevention and control requirements of insurance policies they take, including having adequate, functional fire-fighting equipment and material.

FOURTH SCHEDULE (*Section 4*)

REQUIRED INSURANCE POLICIES AND COVERS

*Fire Material Damage*

This insurance covers damage as a result of all forms of fire from whatever cause.

The minimum insured value must be the certified capacity (Mt) of the warehouse multiplied by the insured value per Mt (i.e. average prevailing market value).

*Burglary/Theft*

This policy covers against loss of stored commodity in the warehouse as a result of burglary/theft. The minimum insured value covered by the insurance must be ....% of the certified capacity (Mt) of the warehouse multiplied by the insured value per Mt (i.e. average prevailing market value).

*Fidelity Guarantee*

Fidelity Guarantee covers the loss of money or property due to the fraudulent or dishonest conduct of an employee, for his own gain or the financial benefit of any other person or organisation. The minimum insured value covered by the insurance must be ...% of the certified capacity (Mt) of the warehouse multiplied by the insured value per Mt (i.e. average prevailing market value).

*Professional Indemnity*

A Professional Indemnity policy aims to shield the warehouse operator's assets in the event of a claim therefore ensuring that he/she is able to carry on his or her business.

The minimum insured value covered by the insurance must be .....% of the certified capacity (Mt) of the warehouse multiplied by the insured value per Mt (i.e. Average prevailing market value).

A Professional will hold himself or herself out as having special skills, which can be relied upon by another. Consequently, the law requires that the Professional exercises the required skills to an appropriate level expected by that profession.

Any financial loss arising from negligence by the warehouse operator may mean that an award is made in favour of a person who suffers a loss, damage or injury due to the said negligence of the warehouse operator. The Warehouse operator may also be held to be liable for a mistake even though there was no negligence.

# Warehouse Receipt (General) Regulations, 2020

---

## FIFTH SCHEDULE

### CARE OF GOODS

#### *Safety and sanitation of warehouse with stored goods.*

1. If, at any time, a Warehouse operator shall handle or store non-storage goods otherwise than as a licensed Warehouse operator, or shall handle or store any other goods, he or she shall so protect the goods, and otherwise exercise care with respect to them, as not to endanger the goods in his/her custody as a Warehouse operator or impair the insurance of or his ability to meet his obligations and perform his/her duties under these regulations.

2. If the condition of any goods offered for storage is such that it may affect the condition of other goods in the licensed warehouse, the Warehouse operator shall not receive such goods for storage or store such goods in his or her warehouse.

3. Where a Warehouse operator has separate bins or other containers, or is equipped with proper conditioning apparatus, he/she may receive goods for storage in such separate bins or he may condition the goods and then store them in a manner as shall not lower the grade of other goods.

4. A Warehouse operator shall keep his or her warehouse clean at all times and free from spilled goods and any accumulations of other materials that shall increase the fire hazard or interfere with the handling of stored goods.

5. The floor of the store shall be swept daily and all crop spillage re-bagged but kept separate from the main stock. On a weekly routine all parts of the store and structures within it including roof trusses, ledges and all dust-collecting surfaces shall be cleaned to remove dust.

6. The condition of the store shall be inspected daily. This shall include checking of the store structure for water entry or the presence of pests (rodents, birds and insects), and bags stacks for damaged sacks, presence of pests and evidence of water leakage onto the tops of stacks.

7. Any equipment used for loading or unloading shall be suitable for the purpose and must be routinely maintained in a clean condition.

8. Eating, drinking, smoking or exposed lights shall not be permitted within storage areas in warehouses.

9. All necessary steps shall be taken to minimize the production of dust. Methods for the handling of goods shall be such that generation of dust is minimised. Dust removal from ledges, light fittings etc., shall be carried out frequently.

10. Rodents shall be excluded from the vicinity of any warehouse and measures shall be designed to ensure that poison baits cannot contaminate goods

stored in 49th warehouse. Where practical all baits shall be outside the actual storage area. Waste and scrap materials, old pallets, packaging or other materials, which can encourage and harbour rodents, shall be removed from the proximity of a warehouse and any vegetation around the warehouse must be kept cut back.

11. The Warehouse operator shall take all necessary measures to discourage birds from the vicinity of warehouses and to prevent their entry into warehouses. The measures shall include the use of wire mesh screens fixed over ventilators, windows and any openings there may be at the eaves.

12. When, in the opinion of the Registrar it is necessary to fumigate a warehouse, the Warehouse operator shall fumigate the warehouse with chemicals approved under the Plant Pest and Diseases Act Chapter 19:08.

- (a) After licensing and before any goods are stored in a warehouse, the Warehouse operator shall fumigate the warehouse.
- (b) Once the warehouse becomes operational the warehouse and the goods therein shall be fumigated regularly at least once a month.
- (c) Insecticides, fumigants and rodenticides should be used by experts only.
- (d) The Warehouse operator shall ensure that the following precautions are taken at the time of fumigation—
  - (i) The warehouse must be cleaned before fumigation.
  - (ii) Only authorised personnel shall be allowed in the treatment area.
  - (iii) There shall be prior notices of any fumigation exercise. These notices shall be taken down when the treatment is complete and it is considered safe to enter treated area;
  - (iv) Instructions given by authorized pest-control teams must be strictly followed.
  - (v) Rodenticides placed in the warehouse must not be touched or removed, unless instructed by the authorized pest control team;
  - (vi) Chemicals for pest control should be kept in a separate locked store; and
  - (vii) Written record of all pesticide treatments should be kept on the stack card.

13. Stocks found to be infested by insects shall be fumigated in a timely manner, according to methods approved by the Registrar, to minimize damage to the stock.

14. If at any time a fire or other damage-causing disaster shall occur at or within any licensed warehouse, it shall be the duty of the Warehouse operator to report to the Registrar the occurrence of such fire or disaster and the extent of damage within 24 hours or less.

