

NEWSLETTER MAY 2024



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UGANDA FLOWERS EXPORTERS ASSOCIATION

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ED'S MESSAGE

Dear Esteemed Members,

I am pleased to extend this issue 1 of Newsletter. In this issue, you will be informed of the on-going activities in the Secretariat.

Please be encouraged to check out the Uganda flowers catalogue by scanning the QR code using your smart phone camera or smart scanner or QR scanner options on your smart phone settings; a link will appear, open it and follow the instructions till you download the catalogue. You will be amazed at the information and best practices highlighted by individual farms.

In this issue are updates on lobby and advocacy efforts with government and agencies; progress achieved and on-going efforts. Negotiations with the union update and up-coming project and trainings organized by the Secretariat.

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UGANDA FLOWERS CATALOGUE

UFEA's quest to promote the flower sector – particularly exports of Ugandan flowers and showcasing Uganda's product range, the potential of Uganda as a flower producer and exporter, plus existing investment opportunities; the objective of which is to attract FDIs into the sector from the global audience with the aim of boosting exports, attracting international business prospects and fostering trade partnerships.

With support from Uganda Export Promotion Board (UEPB), UFEA, conducted sector profiling activity to create UpToDate digital profiles of the sector and sector players. The output of the activity includes CD/flash drives with promotional profile video; digital QR Code with individual company profiles. This content can be used in production of promotional and marketing publications. Receive the QR code below:



Using QR Scanner, smart scanner option or normal camera on your phone.

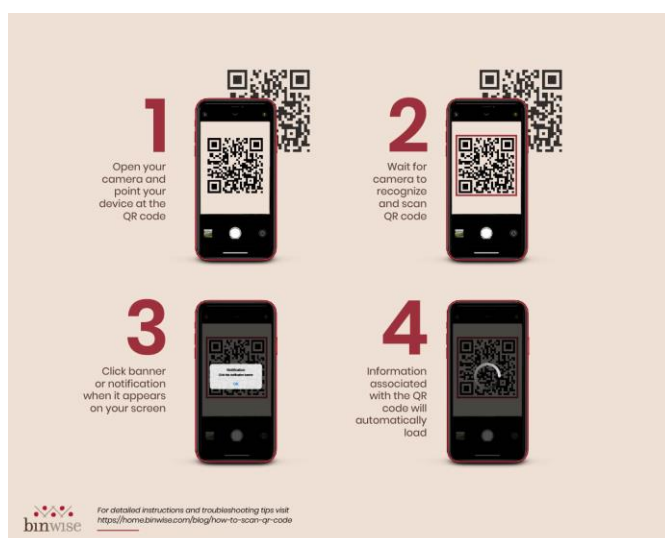


Figure 1: Steps on how to scan QR Code

ENGAGEMENT WITH THE PRESIDENTIAL ADVISORY COMMITTEE ON EXPORTS AND INDUSTRIAL DEVELOPMENT (PACEID) 2024.

PACEID working with University of Oxford did carry out a study on Uganda's export performance post-COVID. The research team visited UFEA on 22nd and 23rd May 2024. Institutions to visit in the country from May 20 to June 2, 2024 included export firms, export sector associations, relevant Government Ministries, Departments, Agencies, think tanks, academicians, and development partners. While at

UFEA, we shared with the Consultants the performance of the sector as an indication that our issues are not necessarily as a result of covid, but have persisted over a longer period as the sector has stagnated below 300ha in production and value of \$55 -\$60million over the last 10 years. Data shared below:

Unit: US Dollar thousand

Importers	Exported value in 2013	Exported value in 2014	Exported value in 2015	Exported value in 2016	Exported value in 2017	Exported value in 2018	Exported value in 2019	Exported value in 2020	Exported value in 2021	Exported value in 2022
World	56422	57611	51651	51806	57774	60880	54531	54443	69313	60755
Netherlands	48468	49176	40910	42845	49570	51492	43111	46951	58400	50086
Germany	1605	1459	1747	1715	1692	1383	1604	1722	2419	2053
United Kingdom	2074	1850	1373	1003	676	744	346	224	462	1838
United States of America	788	865	651	1858	1016	1473	1493	1455	1693	1142
South Africa	1336	1253	651	249	355	1012	973	514	505	932
Japan	145	65	74	158	350	1106	632	470	742	768
Italy	835	964	643	932	331	622	834	566	741	671
Ethiopia	0	0	1	3	2	0	7	188	193	651
Kenya	143	248	542	711	602	641	472	518	1978	650
France	0	48	688	42	84	101	104	355	648	464
Canada	295	312	372	438	403	508	896	388	497	423
Norway	278	519	665	359	550	836	235	241	240	287
South Sudan	0	179	452	143	54	81	113	285	141	151
Greece	0	0	0	92	492	189	191	62	9	119
Hungary	2	1	1	6	3	26	55	66	4	118

Source: ITC calculations based on UN COMTRADE statistics until January, 2015.

Although, to date the floriculture Sector is the 12th largest export earner of Uganda with export of volume of 7,500 metric tonnes, USD 60 million annually; employing over 10,000 workers, the majority (60%) of whom are women; the number of livelihood supported by the industry is estimated at 40,000 individuals. The total investment is at \$150 million; over \$ 50 million every year is directed back into the economy in form of wages, transport fees, inputs, packaging, purchases, taxes, roads development and maintenance and improving the welfare of workers. The Sector is only 270ha in production and faces very stiff competition in the trade globally and from regional competitors; Kenya with over 4000 hectares value of USD 1 billion, Ethiopia with 3000 hectares and value of USD 600million. Uganda needs to reach at least 1000 hectares to become competitive in the market

Other main challenges highlighted include:

Lack of freight capacity to airlift cargo to Europe; high freight cost, triple in the last 2 months; need to upgrade infrastructure at Exit points; poor state of rural roads leading to the flower farms; high input costs, high cost of electricity/diesel to run the generators; access to land and long-term financing for financing.

During a meeting held on 30th May 2024, PACEID informed about their efforts to promote Uganda's exports across the globe. They have identified and work by appointing Trade Representatives in respective markets; noteworthy is to Russia where Ugandan coffee and flowers are offered direct entry into Russia. If any grower is interested, please let UFEA know and we shall link you to the Representative. Another opening created is in UK, details:



UNITED KINGDOM

BOU Statistics show that following a dip in 2021, Ugandan exports to UK have increased steadily since the COVID 19 pandemic and the resulting control measures

- 2020- USD 11.04m;
- 2021- USD 8.52m;
- 2022- USD 16.10m; and
- 2023- USD 17.42m.

The top 5 goods that Uganda exported to the UK were fruit & vegetables, coffee, tea, cocoa and crude animal & vegetable materials, alongside oil-seeds and oleaginous fruits.

In September 2022, PACEID organised a maiden Trade Summit in the UK that created awareness and demand for Uganda's fruits & vegetables, coffees, and flowers. Unfortunately the effort to supply has not yet been met because of continuing issues around standards.

Compliance to international standards is one of the 4 strategic areas identified by PACEID that impede growth and development of Uganda's exports, and it will be a key focus of PACEID's work in 2024.

Through the efforts of Uganda's Trade Representative Mark Pursey to encourage UK buyers to visit Ugandan companies and determine their potential to supply, 4 companies have been engaged to supply one of the largest Fruit & Vegetable buyers in the UK.

In 2023, PACEID realised the achievements below with the support of Uganda's Trade Representative in the UK:



Hon. Minister of State for Agriculture Fred Bwino Kyakulaga met PACEID team during the company assessment for Flamingo Group international buyers in Nwoya District.

Fact-Finding Mission and Company Assessment by Flamingo Group UK: In November 2023, 7 Ugandan companies were visited by a representative from Flamingo Group. Four companies submitted their business plans and proposals for review and feedback in 2024. These are:

- a) Agricado Farms Uganda Uganda Ltd,
- b) Amaff Farms,
- c) Amfri Farms, and
- d) Rosebud Ltd.

The team also met with a fruits and vegetables association - HortiFresh Association which is supporting 6 Ugandan companies to attain Global G.A.P Certification in 2024/2025.

Buyer Mapping: 2000 UK buyers were identified and categorized into; major supermarkets, major supermarket suppliers, flowers/ horticulture wholesalers, processors, and manufacturers. 8 buyers with unique buyer profiles are interested in buying from Africa, and these are:



Digital and News Trade Portal: The Uganda Trade Information Portal was launched in 2022 to provide access to fully transparent, practical, step-by-step guides to processing licenses, pre-clearance permits, and clearance formalities for the most traded goods in and out of Uganda.

Fruit and Vegetable Journalism Tour: These tours will promote Uganda's F&V sector to the buyers and investors in this sector.



A wrap up session of all companies assessed by PACEID team for Flamingo Group International.



Annual Report 2023 - 2024

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EMPLOYERS AND UNION NEGOTIATIONS

So far 5 JNC meetings held: 27th March 2024; 12th April, 18th April, 23rd April and 24th May 2024.

Proposals from the union was received and counter proposals shared with the union.

Several engagements, including:

Union wrote to Fairtrade on Fairtrade role in fixing minimum wages which is interfering with the trade unions and collective bargaining. Response received from FT, *“Many companies certified under Fairtrade standards support collective empowerment of workers by maintaining sound industrial relations with their unions and we commend them for that. In so far that certified companies are not engaging with independent trade unions on a regular basis, we would like to draw their attention to Fairtrade’s position on this topic and offer them our support”.*

Bi-lateral engagement with **the Commissioner of labour** for interpretation of the words Gross and Basic and also seek advice whether the discussions would be based on gross or basic.

Employers Representatives to seek for fresh mandate and position on increments. It was therefore agreed as representatives of employers to make consultations on the allegations put forward by the union and present the report in the next meeting.

The Union, However, made a decision that they would meet/visit individual Rose farms and inquire about their willingness to negotiate and also will seek to negotiate for salaries at farm level. The employers did not agree with their decision, the meeting was adjourned and rescheduled to 28th June, 2024.

EU REGULATIONS

Phytosanitary compliance

A notification came in from Union Fleurs on 24th May 2024 to ensure full awareness of the NPPO (MAAIF) and rose growers/exporters that the EU is preparing to introduce special phytosanitary requirements for the import into the EU of cut roses from Africa due to risks related to *Thaumetobia leucotreta* (False Codling Moth / FCM)— a pest classified as a Quarantine priority pest for the EU territory since 2018. New EU regulatory requirements are now in the decision-making phase and are expected to enter into force 6 months after official publication of the Regulation (i.e. by early 2025 /Feb-March 2025 possibly).

These new requirements are expected to put pressure on both ends of the supply chain, but most particularly impact rose growers/exporters and NPPOs in your countries.

Through UFEA’s engagement with the NPPO, a dossier is to be developed for Ugandan grown cut-flowers and be submitted by end of October 2024. We shall keep you informed and involved through the process.

Phytosanitary Capacity Evaluation

UFEA participated in Phytosanitary Capacity Evaluation (PCE) Workshop jointly organized by MAAIF and FAO from 7th to 9th May 2024. The PCE workshop was aimed at assessing Uganda’s phytosanitary capacity. The workshop sought the input of key stakeholders involved in phytosanitary control such as the private sector (like UFEA). A number of weaknesses/challenges on the part of NPPO/MAAIF were noted for future action. A key takeaway from the PCE workshop was the urgent need to establish structures at the NPPO/MAAIF to enable easy implementation of Phytosanitary control activities.

ESTABLISHMENT OF AGRICULTURE AND FOOD REGULATORY AUTHORITY

In 2023, the Cabinet approved the creation of the Food and Agriculture Authority. The authority will bring food safety, plant-animal health agro-inputs, agrochemicals and veterinary drugs under one roof. The objective is to ensure better coordination of SPS regulatory services, increased efficiency and effectiveness of regulatory functions such as surveillance and inspection to protect human health, plant health and human health. UFEA participated at the validation of the regulatory framework and hope the Authority is launched before end of the year 2024.

HORTICULTURE EXPERT WORKING GROUP

UFEA participated in the meeting of the working group on 28th -29th May 2024. The expert working group is drawn from stakeholders from regulators (MAAIF-DCIC); Research (NARO, NACCRI), Academia, private sector (UFEA, Hortifres). Main objective is to set guidelines for preparedness and early response to pest out-breaks. Tasks include prioritizing pests for surveillance and pest risk analysis; support PRA and make recommendations for pest response; developing surveillance methodologies, standards and protocols; assessing capacity gaps in terms of human and infrastructure; support in the development of specific pest survey data and make recommendations to the National SPS committee.

ENVIRONMENT COMPLIANCE- NEMA

UFEA made a formal request on 2nd February 2024, to have a high level engagement meeting with NEMA so as to help farms understand better environmental compliance requirements as well as strengthen collaboration with the environmental agency. In absence of a formal response from NEMA, UFEA went on to engage with the Commissioner of Water Resources Planning and Regulation, Ministry of Water and Environment Uganda, the ministry under which NEMA is. The commissioner committed to follow up closely with the Management and Staff of NEMA on the issues of concern to the flower farms so that the proposed high level engagement meeting ultimately takes place.

FUTURE-PROOF AND BIOCONTROL-BASED CHRYSANTHEMUM PRODUCTION ALONG THE INTERNATIONAL VALUE CHAIN.

UFEA signed a consortium agreement as one of the partners going to work on a project titled:

Future-proof and biocontrol-based chrysanthemum production along the international value chain. The project will contribute to a decrease in the use of pesticides in the East-African and Dutch value chains of floriculture crops particularly Chrysanthemums. Consequently, this will increase the sustainability of the East-African and Dutch floriculture value chain. The partners on the project include: University of Wageningen - UR Glasshouse Horticulture, all cuttings farms, UFEA, MPS, MAAIF, Makerere, NARO among others. Wageningen UR Glasshouse Horticulture is the implementing research institution for this project. The project kick off meeting took place on 28th May 2024 and during this meeting an outline of the project structure was made. The next partner meeting will be held in Uganda on the 11th July 2024.

BUSINESS AND HUMAN RIGHTS

National Occupational Health and Safety symposium May 2024

UFEA participated in this symposium which was a key pre-event activity prior to the commemoration of the World Day for Safety and Health at Work held every year on 28th April. The symposium brought together experts, professionals and the general public to discuss and exchange knowledge, research findings and insights on the subject of Occupational Health and Safety. A key subject of discussion was the effect of climate change on Occupational Health and Safety at the workplace particularly heat stress. Other critical issues that emerged from the symposium were: emerging occupational risk factors such as mental health, the requirement for occupational medical health surveillance at the workplace.

UPCOMING IN JUNE 2024

EMBRACING CORPORATE GOVERNANCE FOR GOOD BUSINESS PRACTICES TRAINING

In today's competitive Ugandan business landscape, strong corporate governance is no longer an option, it's a necessity in most business transactions. This workshop addresses this critical need by equipping senior leaders with the knowledge and tools to build transparent, accountable, and risk-resilient organizations, ultimately leading to increased competitiveness, investor confidence, and sustainable growth for Ugandan businesses.

UFEA in collaboration with the Federation of Uganda Employers (FUE) have organized a fact structured 1-day workshop on embracing corporate governance for good business practices. This program is designed to equip you with the knowledge and tools to elevate your company's performance, transparency, and long-term success.

DATE 13th/06/2024

TARGET AUDIENCE: Senior Managers, Board Members, MDs, General Managers, Compliance Managers



CORPORATE BUSINESS GOVERNANCE TRAINING



UFEA in collaboration with the Federation of Uganda Employers (FUE) have organized a fact structured 1-day workshop on embracing corporate governance for good business practices. This program is designed to equip you with the knowledge and tools to elevate your company's performance, transparency, and long-term success.

Date: 13th June 2024

Venue: DAS Training Center

Time: 8:00am

Fee: 130,000/=

TARGET AUDIENCE: Senior Managers, Board Members, MDs, General Managers, Compliance Managers

INSECT RESISTANCE MANAGEMENT TRAINING

Modern farming practices, while heavily reliant on pesticides, create a near-guaranteed environment for the development of resistance in pest populations. This is due to the constant selection pressure exerted by repeated use of the same pesticides. Essentially, we're weeding out the susceptible individuals, leaving only the resistant ones to thrive and reproduce. However, this evolutionary arms

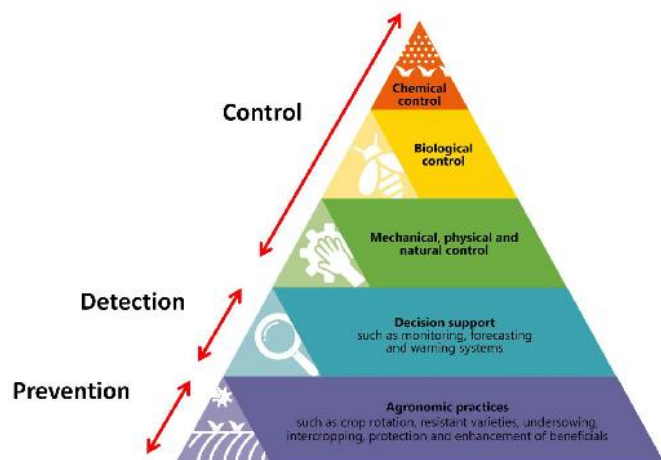
race can be slowed. By employing a multifaceted approach, we can significantly minimize the emergence of resistance.

DATE 21st/06/2024

TARGET AUDIENCE: Production Managers, Crop Protection Managers, Compliance Managers



INSECT RESISTANCE MANAGEMENT TRAINING



TARGET AUDIENCE: Production Managers, Crop Protection Managers, Compliance Managers

Date: 21st June 2024

Venue: DAS Training Center

Time: 8:00am

Fee: Free

For more information, contact

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Your Feedback column

<https://forms.gle/QgXyfNdwb9wMLibJ7>