NEWSLETTER MARCH 2025



ISSUE 3 2025





CONTENTS

- UFEA Board Chairman's message
- ***** Regulatory Compliance
- Lobbying and Advocacy
- Capacity building
- Upcoming Events

UGANDA FLOWERS EXPORTERS ASSOCIATION

ed@ufea.co.ug/ufea@ufea.co.ug/www.ufea.co.ug

+256 39 3263321,

Twitter: @UFEAUganda, LinkedIn: UFEA

Executive Director's Message

Esteemed Members,

I am pleased to extend the $3^{\rm rd}$ issue of 2025 UFEA Newsletter with updates from the secretariat and planned activities.

Please share your feedback by filling in the form to help us improve.

Your Feedback column

https://forms.gle/QgXyfNdwb9wMLibJ7

Sincerely,

Esther Nekambi

UFEA Board Chairman's message

Dear members of UFEA,

Though the year started with enough challenges to keep us all very busy, the first quarter of 2025 is just ended. I appreciate your resilience as we continue to work together for survival of each company, despite persistent pressure of high freight tariffs which is e still the main concern, together with unpredictable climate patterns. Current USA Administration actions are also one of the main concerns for anyone worldwide in business.

A positive note is that the Euro has become stronger the last 2 months, which is for us as exporters to mostly Europe, an advantage.

We also acknowledge the challenges we have to face and deal with daily in our Ugandan business environment, these might differ per farm but are usually related to government regulators like NEMA, URA, MAAIF, etc.

On Saturday, February 15, I participated in a meeting with a European Union business delegation at Madam Janet's house in Ntungamo, which included the President, Deputy Speaker Tayebwa, and Hon. Anite Evelyne. The delegation comprised ambassadors from the Netherlands, Ireland, Denmark, and the EU, along with 10 private sector representatives. Ian Clark also joined to discuss the coffee sector.

I had the chance to introduce myself and update the President on the sector, highlighting that the 13 companies in the industry generate \$50-60 million annually and employ 10,000 people. I emphasized that, with favorable policies and better promotion outside Uganda, the sector could contribute more to the economy. I also mentioned ongoing efforts to address logistical issues, including a center funded by the EU/Danish and Ugandan governments, though airfreight remains a significant challenge.

The President acknowledged the airfreight issue and stated that he had directed the government to address it, so we are hopeful for progress. It was valuable to remind him of our sector's contributions and challenges.

All those reasons, and many others keep it very challenging but also interesting to be active in the Ugandan flower sector. And I am happy that UFEA is there to support us.

Together with our ED we are planning to visit all our members in the first half of the year 2025. The previous weeks we visited Rosebud, Aurum, Wagagai, JP Cuttings, Oasis, Royal van Zanten and Uganda Hortec.

I would like to thank those companies for welcoming us and their openness. Every farm gave us feedback and ideas. I didn't know some of these companies so well, especially Aurum, Oasis and Uganda Hortec but I was very happy to see that these are professionally run companies with good management on side.

On our list to visit in the coming weeks/months are Dummen Orange, Jambo Roses, Ugarose, Social Good Farms and Pearl flowers. I am looking forward to visit them. **Attached is the Farm visit report Feb-March 2025**

Sjoerd de Boer UFEA Board Chairman

1.0 Regulatory Compliance

1.1 Environmental Compliance

Ensuring Compliance with Environmental and Social Impact Assessment Requirements:

From UFEA's recent engagements with NEMA on member's behalf, we share the call for us to take responsibility of adhering to regulations on environmental protection. One key regulation is the Environmental and Social Impact Assessment (ESIA) as outlined in the National Environment Act, 2019 (Cap. 181). This puts the responsibility to the developer to ensure continuous assessement and mitigate potential environmental and social impacts. Even after receiving your EIA certificate, you are required to conduct annual audits without breach.

Here we highlight the key Steps in the ESIA Process:

- 1. **Project Identification:** Identify projects that require an ESIA, especially those with significant environmental impacts (e.g., large-scale infrastructure or industrial activities).
- 2. **Scoping:** The project proponent submits a brief to NEMA to determine the environmental and social impacts to be studied.
- 3. **Baseline Data Collection:** Gather data on the existing environmental, social, and economic conditions for comparison.
- 4. **Impact Assessment:** Evaluate potential impacts on air, water, biodiversity, socioeconomics, and culture.
- 5. **Public Consultation:** Engage with communities and stakeholders for feedback to ensure transparency.
- 6. **Preparation of ESIA Report:** After gathering data, prepare a report detailing impacts and mitigation strategies.
- 7. **Review and Approval:** NEMA reviews the report and grants approval if criteria are met.
- 8. **Implementation and Monitoring:** Implement mitigation measures and NEMA monitors compliance.
- 9. **Post-Project Evaluation:** After completion, evaluate actual impacts compared to predictions.

NEMA's Role in Compliance: NEMA monitors environmental changes, evaluates project impacts, and ensures mitigation strategies are effective.

Developer Responsibilities: Developers must ensure the ESIA process is followed, including:

- Compliance with the Act by all involved parties.
- Accountability for the quality of assessments.
- Integrating environmental and social considerations from the start.

Non-compliance can lead to legal and environmental consequences, excluding penalties.

Call to Action: We urge all members to familiarize themselves with the National Environment Act, 2019. By adhering to the ESIA process, even after receiving the EIA certificate to avoid penalties and legal battles with the regulators.

Attached is the EISA Certification Status of flower farms document.

1.2 Phytosanitary Compliance

Payment for Phytosanitary Certificates

On March 5, 2025, UFEA organized a demonstration session for export managers on best practices for making payments for phytosanitary certificates. Experience sharing was led by Rosebud and Wagagai to address the challenges farms face when securing these certificates, which are a prerequisite for export of flowers to meet international plant health standards.

The Ministry of Agriculture, Animal Industry, and Fisheries (MAAIF) raised a concern on abuse of on-line payments and repetition of PRNs/POP. The process involving generating URA payment registration slip (PRN) and making a payment has to be streamlined and application for each e-phyto has to be accompanied by a unique proof of payment (POP) ID to prevent reuse of PRNs.

It came out clearly that farms' payment practices differ and the session explored ways to manage these risks effectively.

Key Insights & Farm Experiences:

- 1. **Generating PRNs:** Farms often create multiple PRNs based on their shipping schedules. While this ensures smooth processing, it also risks issues like system breakdowns or overlapping PRNs.
- 2. **Modes of Payment:** Farms use different payment methods:
 - Bank Payments: Most costly (UGX 2,000–3,000 per PRN).
 - Payway: Moderately expensive.
 - Mobile Money: Most cost-effective, with MTN charging UGX 50 and Airtel UGX 390 per PRN.

3. Best Practices:

- Bulk PRN generation and payments via the Airtel app, ensuring easy traceability.
- Bulk PRN generation and Payway payments, maintaining detailed records.
- Pays for specific PRNs on the shipment day using the MTN app, linking transaction IDs to the e-phyto for clear traceability.

Key Takeaways:

- **Traceability:** Linking PRNs to e-phytos and Proof of Payment (POPs) is critical to preventing PRN misuse.
- Cost & Convenience: Mobile money, especially MTN, is the least expensive due to its affordability and convenience.
- **Flexibility:** Many farms generate bulk PRNs to mitigate risks like system errors and holiday scheduling issues.
- **Knowledge Sharing:** UFEA's role in fostering farm-to-farm communication is essential for overcoming payment-related challenges.

Conclusion:

The demonstration highlighted the complexities of managing phytosanitary certificate payments and provided valuable insights into effective practices.



Wagagai Ltd staff sharing their best practice during the session.

1.3 MAAIF -DCIC-Monthly Farm Audits.

MAAIF continues to share reports for the monthly inspections for all farms. The summary below is for audits conducted in the month of February 2025. please ensure to read MAAIF reports and pay attention to repeated gaps identified. Here are key observations and recommendations:

- Pest management continues to be a major focus, with emphasis on IPM strategies, scout training, and agrobacteria removal.
- There are gaps to be bridged in corrective action plans; the need for timely implementation and traceability systems to be strengthened.
- Grading staff training and visual aids also emerge as common recommendations.
- Regular training and refresher courses for staff, including new staff training, are widely recommended across farms.

Record-keeping is a key area requiring attention, with several farms needing improvements in scouts' records and monitoring IPM strategies.

These observations and recommendations highlight the **need for consistency** in pest management practices, timely action on corrective measures, and the training and **education** of farm staff to maintain compliance with standards and improve operational effectiveness.

1.4 Voluntary Compliance

MPS Standards

Ensuring Compliance with Chemical Procurement Procedures: Key Findings from MPS GAP Audits

During March2025, the Secretariat (UFEA) received two important inquiries regarding audit questions on the authorization of chemicals used for crop protection on flower farms. These concerns stem from the fact that the certification body, MPS, requires all crop protection agents to meet specific criteria—most notably, that they are suitable for use as indicated on their labels and that the correct handling and application procedures are strictly followed.

Mostly, MPS auditors look to crop protection agents being used without clear indication on their labels that they are approved for ornamentals or flower crops. This discrepancy can lead to non-compliance with MPS GAP standard requirements if farms are not able to provide proof of technical authorization for the products in question. At UFEA, we also noticed that some of the products used by some farms and flagged by auditors don't appear in the import list as requested by input dealers.

Standard Operating Procedure (SOP) for Chemical Procurement

Please take note of the agreement between the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) and UFEA for importing unregistered crop protection agents for use on flower farms in Uganda. This procedure was shared with MPS in August 2024 and was officially accepted by the certification body.

When farms demonstrate that they've followed this procedure for the importation and use of off-label chemicals, MPS has been accepting these practices. However, recent audits have highlighted that some farms are not adhering to this procedure, which often results in significant non-compliance issues.

If you have any questions or require clarification on chemical authorization, please do not hesitate to reach out to UFEA. We're here to support you and ensure that the Ugandan flower export sector remains competitive and compliant with international standards.

A Regional Challenge

It's also worth noting that the issue of chemical authorization is not unique to Uganda. Neighboring countries that are also major flower producers have faced similar challenges in ensuring compliance with chemical authorisation requirements. In this regard, the MAAIF-UFEA procedure for importing unregistered chemicals stands as a **best practice** in the Ugandan flower sector—helping to ensure both the health of the flowers and the sustainability of the industry.

MPS-SQ Revises Interpretation of Floor Wage Calculation: What Does This Mean for You?

The Uganda Flowers Exporters Association (UFEA) has recently been approached by one of its members concerning a new development in the interpretation of the floor wage under the MPS-SQ certification standards. This change has sparked a wave of questions, and we believe it's important to share the details with all our members.

Understanding the Floor Wage Under MPS-SQ

Under the MPS-SQ certification standard (version 10.1), farms holding certification are required to ensure that their workers' basic pay does not fall below the World Bank's poverty line of USD 2.15 per day, unless there are statutory or collective labor agreements in place that dictate otherwise.

The Change in Interpretation

However, recent discussions within MPS (MPS-SQ certification body) have led to a revision in how this floor wage is calculated. Specifically, the revised interpretation focuses on what can be counted towards the wage threshold.

In the past, benefits like meals provided by farms were often included in the wage calculation. Now, under the updated guidelines, meals are considered an **in-kind benefit**—meaning they **do not** count towards the floor wage requirement. This means that only **cash payments** are recognized in meeting the minimum wage threshold, leaving noncash benefits like meals outside of the calculation.

Why This Matters to Flower Growers

For many flower farms, providing meals to workers has been a long-standing practice. These meals, often seen as a key part of worker compensation, have traditionally been included when calculating whether a worker's wages meet the minimum requirement.

With the new interpretation, there is concern that excluding meals from the calculation could result in some workers earning below the USD 2.15 per day threshold, even if their total compensation (including meals) previously met or exceeded this amount.

Request for Dialogue

This revision has raised significant concerns among flower farms, and we understand the challenges it may present. Therefore, there is a request for a dialogue among growers to discuss how best to approach MPS and address the potential impacts of this change.

Invasive Alien Species Awareness and MPS GAP Compliance

As part of the MPS GAP Standard version 11.1, growers are expected to be informed about national regulations concerning invasive alien species (both flora and fauna) in the countries where their products are produced and sold. This is crucial for maintaining sustainable agricultural practices and protecting local ecosystems.

However, recent audits conducted in early 2025 have revealed a concerning gap in knowledge regarding these regulations. Several farms, particularly those in Uganda, were found to lack awareness of the national guidelines on invasive species, both within Uganda and in the countries where their products are exported.

What's Next?

This issue was addressed to the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) and they clarified that this does not affect the UFEA Members as per now, since the listed invasive species under this implementing Regulation are true seeds of some plants and fertilised fish eggs of a particular species.

2.0 Networking for stronger Lobby and Advocacy

2.1 UFEA and Fairtrade Africa

On 17th March 2025, UFEA held a meeting with Fairtrade Africa (FTA) at UFEA's office in Entebbe, aimed at exploring opportunities for collaboration for the good of Uganda's flower sector.

The insightful discussions held on strengthening the flower sector and supporting Fairtrade-certified farms.

Key takeaways from our meeting include the need for alternatives to phased-out chemicals under the Hazardous Material List (HML), targeted pesticide training for Producer Organizations, alignment of FLOCERT audits with national policies, and improved market access.

Through the leadership of Fairtrade, Loise, their Flower Manager, will be following up on these discussions to explore possible solutions and collaboration opportunities, including technical training and formalizing our engagement through an MOU.

Conclusion: The meeting marked a significant step toward a sustainable and collaborative future.



Meeting with Fairtrade team at UFEA office on 17th March 20225

2.2 Unlocking Synergies: Collaboration with Makerere University- Horticulture Department

On March 26, 2025, Xclusive Cuttings hosted an insightful meeting between the Uganda Flowers Exporters Association (UFEA) and Makerere University.

The team from Makerere University, led by Dr. Okello Robert included lecturers and professors with expertise in plant breeding, agronomy, plant pathology, and biostatistics. They got interested and are willing to explore work with the sector; in collaboration on areas of research and innovation to address industry challenges and improve the sector's impact.

Opportunities for Collaboration identified include:

- 1. **Memorandum of Understanding (MoU)** A formal agreement to outline roles and responsibilities for collaborative efforts.
- 2. **Internships** Providing students with hands-on experience in the flower industry.
- 3. **Guest Speakers** Bringing experts from the flower sector into the classroom to share real-world insights with students to create awareness about the sector.
- 4. **Excursions** Offering students the opportunity to visit flower farms and learn about the industry firsthand.

5. **Research** – Conducting studies that are directly relevant to the sector's needs, such as pest control and sustainable farming practices.





Meeting with MUK lecturers, Xclusive staff and UFEA on 26-03-2025

3.0 Capacity Building

Learnings from the Phytosanitary Control Systems Study Group Meeting at Aurum Roses

On March 27, 2025, UFEA organized study group meeting at Aurum Roses, bringing together Farm and Production Managers from both roses and cutting farms, to discuss best practices and share experiences regarding pest control, agrobacteria management, and phytosanitary protocols in the farms. Exchange of ideas on improving farm management systems and pest control, particularly concerning False Codling Moth (FCM) and agrobacteria.

Key Learnings & Takeaways for Participants

- 1. Phytosanitary Control Challenges and Solutions
 - Agrobacteria Management: Agrobacteria, particularly at its maturity (old galls) provide conducive environment for the moth to multiply. Farms need to implement robust practices for its removal.

• **FCM Control Strategies:** FCM remains a persistent issue. Pheromone traps were observed in greenhouses, but it was noted that some lures are ineffective.

2. Best Practices in Farm Hygiene

- Disinfection: A significant gap in disinfecting cutting tools was noted, this
 potentially leading to re-infection of plants. The importance of using
 disinfectants, such as alcohol and Silver Nitrate, was emphasized for preventing
 agrobacteria spread.
- Waste Management: Proper management of green waste was highlighted as a critical area for improvement. Poor disposal methods can become breeding grounds for pests.

3. Farm-wide Sensitization on Phytosanitary Control

- A crucial point raised was the need for farmwide training and sensitization on phytosanitary control. Educating staff on pest lifecycle, early intervention, and the importance of cleanliness will enhance pest management efforts across the board.
- Farms should also consider the use of biological pest control methods, such as pheromone traps, to minimize reliance on chemical pesticides. This approach not only helps manage pests effectively but also promotes environmental sustainability.

4. Recommendations for Improvement

- Enhance Farm Hygiene Practices: Continuous attention to cleanliness is key. More effort is needed in maintaining greenhouse structures, improving sanitation, and increasing the frequency of agrobacteria removal.
- Strengthen Disinfection Protocols: The use of disinfectants like alcohol and Silver Nitrate for cutting tools and agrobacteria management is essential.
 Footbaths could also be useful in greenhouses with susceptible varieties.
- **Training and Education:** Regular training on the lifecycle of pests and their control measures should be prioritized to equip staff with the knowledge needed to act at the right time.
- Biodiversity Management: Farms should consider the biodiversity around them and adopt more biological control methods, such as using pheromone traps, to reduce reliance on chemical pesticides.

Conclusion

The study group meeting at Aurum Roses provided participants with valuable insights into improving pest control systems, managing agrobacteria, and enhancing

farm hygiene practices. Collaborative efforts, continuous training, and a focus on biological pest control are key to ensuring the sustainable management of pests and maintaining high-quality farm standards.



Learning and Knowledge sharing session at Aurum Roses

4.0 Upcoming Events for April 2025

- FUE-UFEA training for employer's JNC in negotiating with the union 02nd -04-2025
- Start of CBA terms and conditions of service negotiations 04th -04-2025
- UFEA Board meeting on 17th -04-2025
- UCAA-UFEA organized training for export managers 22nd -04-2025
- Sharing knowledge and experiences in implementing water regulations: a case of water source protection planning

Your Feedback column

https://forms.gle/QgXyfNdwb9wMLibJ7