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Executive Director's Message

Esteemed Members,

I am pleased to extend the 4th issue of 2025 UFEA Newsletter with updates from the secretariat and planned activities.

The month was focused on working through great collaboration with members, specifically rose growers, the NPPO on FCM dossier to meet the new EU's regulation with stringent phytosanitary requirements, aiming for full compliance to maintain export through April 26th 2025 when it takes effect.

Why It Matters

The EU has intensified its scrutiny of flower imports, particularly for pests like False Codling Moth (FCM). Interceptions not only damage Uganda's market reputation but also indicate system weaknesses. The industry emphasis is now firmly on prevention rather than reaction.

Traceability codes are mandatory for all EU-bound consignments and must be visible and consistent on packaging, phytosanitary certificates, invoices, and packing lists.

Farms must self-regulate and be able to isolate phytosanitary units/greenhouses to swiftly address issues without halting entire farm operations.

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

Your Feedback column

https://forms.gle/QgXyfNdwb9wMLibJ7

Sincerely,

Esther Nekambi

1.0 Regulatory Compliance

1.1 Environmental Compliance

NEMA Conducts Compliance Inspections on Flower Farms

As part of ongoing efforts to promote sustainable environmental practices, the National Environment Management Authority (NEMA), through its Department of Environmental Compliance - Division of Chemical Testing, Radiation, and Pollution Prevention—conducted compliance inspections at four flower farms: Wagagai, Xclusive, Fiduga, and Royal Van Zanten (Wakiso).

These inspections, held on April 30 and May 2, 2025, focused primarily on **chemical and waste management** practices. The exercise follows a collaborative meeting held on February 26, 2025, between NEMA and the Uganda Flower Exporters Association (UFEA), during which NEMA announced the development of a new law on chemical management and pledged to raise awareness among flower farms.

Key objectives of the inspection included:

- Gaining an understanding of flower farm operations
- Assessing chemical and waste management practices
- Reviewing chemical inventories and risk profiling
- Inspecting chemical storage facilities
- Evaluating waste handling procedures
- Identifying training and awareness gaps in chemical and waste management

Findings from these inspections will directly inform the development of a tailored training program aimed at enhancing chemical and waste management within the sector—an initiative agreed upon during the NEMA-UFEA collaboration meeting.

NEMA plans to continue with these inspections to the other flower farms. This is for the Farms that were not inspected to take note of.

1.2 Phytosanitary Compliance

Uganda's Flower Sector Gears Up for New EU Regulations on False Codling Moth (FCM)

New Phytosanitary Requirements Effective from 26th April 2025

The European Union's new regulations on the management of False Codling Moth (FCM) officially came into force on 26th April 2025. These regulations, communicated by Union Fleurs in 2024, introduce additional phytosanitary requirements for exporters of cut-roses.

Sector-Wide Preparation for Compliance

In anticipation of these changes, UFEA began to regularly inform members about the anticipated regulations in mid-2024. Union Fleurs facilitated a series of information sessions starting in June

2024, continuing through the last quarter of the year, aimed at raising awareness and guiding stakeholders through the compliance process.

To meet the new EU requirements, Uganda's National Plant Protection Organisation (NPPO), the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), spearheaded the development of a technical dossier. This document outlined the national systems approach to managing FCM at the production level.

The Uganda Flowers Exporters Association (UFEA) fully supported this process including supplying critical data such as:

- Export volumes for roses over the past 24 months
- FCM pest monitoring data for the same period
- Farm-level traceability codes

A joint meeting between UFEA and MAAIF was held on 11th April 2024 to harmonize essential elements of the systems approach, particularly pest scouting protocols, traceability mechanisms, and FCM critical control points.

The technical dossier was formally submitted on 17th April 2025 and subsequently approved by the European Commission Directorate-General for Health and Food Safety (DG SANTE) on 23rd April 2025.

Implementation Challenges and Sector Response

With the enforcement date of 26th April 2025, several farms encountered issues, including the blocking of consignments by EU phytosanitary authorities. Investigations revealed that many of these issues stemmed from non-compliance with the traceability requirements stipulated in the FCM systems approach.

In response, and under the guidance of MAAIF, a harmonized traceability code list covering all rose-growing farms was compiled and submitted to the EU to resolve the disruptions and ensure alignment with regulatory expectations.

Next Steps and Continued Compliance

We extend our sincere appreciation to all rose growers for their cooperation throughout the preparation phase. Looking ahead, we remind all stakeholders that, effective 26th April 2026, only NPPO-approved production sites—those registered with MAAIF and assigned a valid traceability code—will be permitted to export roses to the EU and UK.

We encourage all growers to continuously monitor and strengthen their on-farm Sanitary and Phytosanitary (SPS) control systems to ensure smooth site approval and sustained market access.

2.0 Networking for stronger Lobby and Advocacy

Project Progress Update: Advancing Sustainable Chrysanthemum Cultivation Through PPP Collaboration

Third Local Stakeholders Meeting – April 7, 2025

The third local meeting of the *Future-Proof and Biocontrol-Based Chrysanthemum Chain Project* was held on April 7, 2025. This innovative initiative is implemented through a Public-Private Partnership (PPP) led by Wageningen University, with collaboration from UFEA, Makerere University, Cuttings Farms in Uganda and Tanzania, NARO, and Milkweed Biologicals.

The meeting served as a platform to share progress, lessons learned, and upcoming steps in building a resilient and sustainable chrysanthemum value chain in East Africa.

Key Project Updates

1. On-Farm IPM Trials – Establishing Predatory Mite Populations

Significant strides have been made in the on-farm Integrated Pest Management (IPM) trials, which aim to sustainably manage pest populations by establishing "standing armies" of predatory mites. These trials are testing the conditions needed for their successful establishment, focusing on:

- Regular supplementary feeding
- Avoidance of harmful chemical pesticides
- Use of drip irrigation systems

Environmental factors such as crop architecture and local climate conditions are also being closely monitored using sensors. Early insights show that pollen application requires hands-on training for effective use, and mite population counts are influenced by temperature fluctuations.

Next Steps:

 Evaluate different food sources for mites under greenhouse conditions to optimize their survival and effectiveness.

2. Pest Inventory - Understanding the Threat Landscape

An extensive pest inventory was conducted, identifying several key pests affecting chrysanthemum crops, including:

- Aphids
- Black and Western Flower Thrips
- Leaf Hoppers
- Broad Mites
- Whiteflies
- Caterpillars
- Fungus Gnat Flies

The emergence of Black Thrips as a particularly damaging pest has raised concerns, especially as thrips species remain under-researched in Uganda. In response, a technical expert on thrips is scheduled to visit Uganda later this year (July or November) to lead a specialized workshop aimed at species identification and control strategies.

Encouragingly, two species of predatory mites have been successfully collected from various regions in Uganda, which could enhance local biocontrol options.

3. Cage Trials – Targeted Aphid Control

Ongoing cage trials are being conducted to explore biocontrol options for aphids, with preliminary results contributing valuable insights into predator-prey dynamics and pest suppression effectiveness.

Looking Ahead

The collaborative efforts of this PPP project are laying a strong foundation for a more sustainable, environmentally friendly approach to floriculture in East Africa. By integrating science-based practices and local expertise, the chrysanthemum value chain is gradually becoming more resilient to pest pressures and better aligned with global market standards.

Stay tuned for more updates as we continue to grow towards a future-proof floriculture sector.

Consultative Meeting on Stamp Duty and Broader Tax Issues organised by Federation of Uganda Employers (FUE) held on 16th April 2025

1. Purpose of the Meeting

The Federation of Uganda Employers (FUE) organized a consultative session to discuss the implications of the Stamp Duty Act and proposed changes in the Tax Amendment Bill 2025. The meeting aimed to gather employer views to shape FUE's advocacy efforts, in collaboration with the Private Sector Foundation Uganda (PSFU), through a unified position paper.

2. Key Tax Proposals in the Amendment Bill

Participants were briefed on several tax changes affecting businesses, including:

- **TIN Linkage:** Individual TINs to be linked to National IDs, and company TINs to URSB. Employers should ensure employees have National IDs to maintain compliance.
- **Start-up Tax Holiday:** A 3-year tax holiday for start-ups with capital not exceeding UGX 500 million, excluding previously exempted or higher-capital ventures.
- **Expanded Definition of Restructuring:** Now includes mergers, not just internal reorganizations.
- **Cross-border Tax Compliance:** URA plans to cooperate with global tax authorities to prevent evasion by companies with foreign TINs.
- **E-invoicing:** Employers must comply with e-invoicing rules or face penalties.

- Penalty Waivers: Proposed waiver of penalties on unpaid taxes up to 30th June 2024 welcomed by employers.
- Clean Energy Incentives: Zero-rating and exemptions proposed for clean energy technologies.
- Excise Duty Refunds: Mechanism proposed for refunds on excise duty for damaged or unsellable goods.

3. Stamp Duty: Issues and Employer Concerns

Context:

URA issued a directive requiring stamp duty on various contracts, including employment and loan agreements, raising major concerns due to unclear definitions, implementation ambiguity, and undefined exemptions.

Employer Concerns:

- Complex and vague legal provisions.
- High compliance and administrative burden.
- Potential business disruption, particularly for firms with high contract turnover.
- Legal uncertainty around Industrial Court cases involving employment contracts.

4. Position from URA and FUE Recommendations

Advocacy Focus by FUE and PSFU:

Waiver of stamp duty arrears and penalties from 2016 to 2024 due to lack of prior awareness.

URA position on the Tax Amendment bill 2025/2056:

Stamp duty is zero rated.

3.0 Capacity Building

Employer Preparation for Effective CBA Negotiations with UHISPAWU

As part of the efforts to enhance the efficiency of Collective Bargaining Agreement (CBA) negotiations, the Federation of Uganda Employers (FUE) offered a special training session for employers representatives on the Joint Negotiation Council (JNC) on **2nd April 2025** at the **UFEA Office**, ahead of the formal negotiation meeting with UHISPAWU on **4th April 2025**.

The training aimed to address common challenges such as misinterpretation and lack of coherence, which have previously prolonged the negotiation process.

During the training session, the following key points were agreed upon to guide the negotiation process:

 Negotiations should aim to conclude within a six-month timeframe, with meetings held twice a month.

- Initial sessions to focus on agreeable items to build rapport before tackling complex issues like discipline, grievance handling, gratuity, and repatriation.
- An editorial team, including a UHISPAWU representative, will be established.
- FUE to provide relevant court precedents to support employer proposals.
- UFEA to share recognition agreements in advance for members' review.
- Employers must align HR manuals with the CBA and prepare clear justifications for counter proposals.
- Emotional composure will be encouraged, including taking breaks during sessions.

UCAA-UFEA Exporters Workshop Highlights - April 22, 2025

Uganda Civil Aviation Authority (UCAA), in partnership with the Uganda Flowers Exporters Association (UFEA), held a one-day workshop focused on enhancing efficiency and compliance in horticultural exports. The event brought together key stakeholders including UFEA, Hortifresh, UFPEA, airlines, ground handlers, and the Ministry of Agriculture (MAAIF).

The training addressed critical aspects of international trade such as:

- Proper documentation and cargo declaration
- Sanitary and phytosanitary compliance
- Airport security and handling procedures
- Export regulations and cold chain management

Participants raised several pressing issues for responsible entities for action. The issues included:

- Limited export permits and high freight costs
- Lengthy airport pass processes
- Poor cargo handling and storage
- Inadequate packaging materials
- Gaps in export procedure knowledge

In response, UCAA committed to more frequent exporter workshops to enhance awareness of export protocols, market requirements, and regulatory standards.

Learning and Sharing Knowledge: Rose Growers Visit Pearl Flowers Ltd.

Date of Visit: April 23, 2025

A team from Oasis Nursery Limited and Ugarose Flowers Limited, recently visited Pearl Flowers Limited in a knowledge-sharing initiative spearheaded by Stanley Musiime the MD of Ugarose Flowers. The visit, exclusively focused on rose growing and attendant operations, with the aim to

uncover the secret behind Pearl Flowers' success in producing premium-quality cut flowers for export.

Founded in 1993, Pearl Flowers began as a modest 7-hectare farm. Today, it stands as a leading grower of intermediate rose varieties, thriving at an altitude of 1,450 meters above sea level. Its journey is one of resilience, innovation, and a relentless commitment to excellence.

Objectives of the Visit

The visiting team was particularly interested in understanding the practices that have enabled Pearl Flowers to maintain high standards and overcome specific growing challenges. Key areas of focus included:

- Managing water logging due to a high water table
- Flower boxing techniques that meet international standards, such as those seen at the **Netherlands Flower Show**
- Effective monitoring and control of caterpillars
- Quality control (QC) processes across the farm
- Advanced crop nutrition strategies

Insights from the Farm Walk

The team observed a range of agronomic practices designed to enhance continuous flower production. These included:

- Increasing the number of cut eyes
- Managing die-back using Menofloredese
- Reinvigorating dormant shoots
- Drenching and blanket spraying with Mastercop to heal injuries after removing agrobacterial galls
- Use of enzymes to improve bud size

Best Practices Noted

Pearl Flowers' technical and operational excellence was evident in practices such as:

- Regular bed remoulding
- Incorporation of well-prepared organic compost into the soil
- Impeccable greenhouse hygiene and structural integrity
- Efficient drainage systems to combat water logging
- Disinfection of cut points to prevent disease spread
- Smoking methods to repel pests like False Codling Moth (FCM)
- Use of solar-powered insect traps around greenhouses

- Innovative research and development efforts
- A bonus system to motivate staff
- In-house compost and vermiliquid production to reduce reliance on imported fertilizers

Compost and Vermiliquid Production

Pearl Flowers has dedicated teams, backed by management, for the scientific production of compost and vermiliquid. Compost production is carefully monitored for moisture and temperature to attain the optimum quality of compost as well as eliminate the risk of disease carry-over.

Vermiliquid, derived from farm organic waste (green waste), is rich in nutrients and applied to crops at least twice a week—significantly lowering the cost of inorganic fertilizers.

The Microfactor R&D Initiative

An impressive highlight was Pearl Flowers' **Microfactor** initiative—part of its in-house research and development. This involves culturing beneficial micro-organisms from a starter culture to unlock nutrients trapped in the soil. Mixed with vermiliquid, molasses, and water, the solution is applied via the irrigation system. The results have been encouraging, showing visible improvement in crop health and productivity.

Key Takeaways from the visit

- Strong team spirit and commitment to excellence across all levels
- Consistency in production standards, including flower cut stages
- A clear culture of knowledge sharing and continuous improvement
- Hands-on management with a forward-thinking approach
- Technical expertise and ownership demonstrated by supervisors and staff

Appreciation

UFEA would like to express heartfelt thanks to Pearl Flowers for the warm reception to the visiting team and open sharing of knowledge. Special appreciation is extended to Stanley Musiime for organizing the visit. The team left inspired, with renewed motivation to implement the lessons learned and to foster a culture of collaboration among their respective teams.





4.0 Upcoming Events for April 2025

- JNC meeting on 09th -05-2025
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Your Feedback column

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