

# NEWSLETTER OCTOBER 2024

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## ISSUE 5 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 5 of Newsletter. Highlights on UFEA Newsletter issue no. 5 include: a message from the Chairman/Board for Members attention, announcing UFEA AGM due on 21<sup>st</sup> November 2024; introduction of UFEA's new member; update on meetings with Koppert on the 25% import duty on biological agents; procedure for off label use of agro-chemicals; meeting held with UNBS on the PVoC exemption; be informed as well of the on-going and upcoming activities at the Secretariat.

Update on stakeholders who benefit from UFEA's services, particularly, the concession to import unregistered inputs for members of the Association to consider making a financial contribution of \$500 (USD five hundred) annually to UFEA to bridge the financial gap for sustainability of the Association. So far, five (5) main suppliers contacted; including Greenhouse chemicals, Grain Pulse Uganda Crop Care Ltd, Balton Uganda and Kengrow have willingly agreed to contribute as per the Board's request. Three (2) have paid in 2024 and 2 will start in 2025.

**Please take note and book your calendars for the AGM due 21<sup>st</sup> November 2024.**

**UGANDA FLOWERS EXPORTERS ASSOCIATION  
NOTICE FOR THE 16<sup>TH</sup> ANNUAL GENERAL MEETING 2024**

**A** Members are hereby informed that Uganda Flowers Exporters Association (UFEA) will hold its Annual General Meeting (AGM) on:

**Date:** Thursday 21<sup>st</sup> November 2024

**Time:** 12.30 P.M.

**G** **Venue:** Protea Hotel, Entebbe

**AGENDA**

**AGM business from 2:00 p.m.**

- M**
1. Adoption of the Agenda
  2. Communication from the Chairman
  3. Confirmation of Minutes of Previous AGM held on the 30<sup>th</sup> November 2023  
To consider Matters arising from the Previous Minutes of 30<sup>th</sup> November 2023 - Action Report
  4. To receive the Auditor's Report and audited Financial Statements for 2023
  5. Chairperson's Report.
  6. Appointment of Auditors.
  7. Receive and approve Budget & Work plan for 2025.
  8. Election of new Board Directors
  9. Any Other Business

**Lunch will be served from 12:30p.m.**

**UFEA AGM meeting cost is sponsored by ABSA Bank.**

## MESSAGE FROM THE CHAIRMAN AND BOARD

Dear members, I would like to thank you all for continued support. It is important to remember that united as flower exporters we stand strong. Hereby I want to appreciate the role which UFEA has played in the last 16 years. Especially on compliance issues, jointly we handled matters that we couldn't have managed individually. Unfortunately, these are difficult times, not only for the farms who struggle with unreliable and costly exports, but for UFEA as well as it struggles financially since some members are not paying their membership fees though they continue to benefit from the services offered.

We still emphasize that UFEA is an all-members Association and we need to continue working together to support and keep it strengthened because of the beneficial image it gives to the sector and services offered to members, including:

- 1) Despite being small; UFEA is recognized as the most organized sector Association; trusted by government for ability to organize her members for self-regulation, quick feedback hence good cooperation and trust from government.
- 2) Collective Bargaining Agreements (CBA) with the union, recognized by government and market actors/certification bodies. A lengthy process taking not less than 6 months.
- 3) UFEA has intervened on a regular basis to solve disagreements between the growers and government, with positive results example MAAIF (threats to stop farm exports, reporting, partnership fund, monitoring monthly farm audits, etc), URA, UNBS, NEMA, UMEME, MoLGSD, Unions, UCAA recommendation for airport passes among others on case basis.
- 4) Facilitating importation of inputs used in the sector. UFEA writes approval letters and recommendation letters for importation of all chemicals, biological products used in the sector; including the unregistered products through concession with MAAIF. Secured terms (MOUs) for quick release by URA by submitting list of imports into the sector and special arrangement with UNBS on destination inspection of members imports.
- 5) One stop linkage with government, partners and market destinations on phytosanitary, environment and social compliance issues; surveillance, PRA, preparation of dossiers, breeders, trials and all information related to the sector. Many threats from external actors are handled at UFEA level, for example, MPS issued a non-conformity to a number of farms due to new laws on off label use of chemicals; breeders' threat to sue Ugandan farms; all these were resolved on intervention by UFEA.

***As a way forward, the Board is drawing your attention to the following proposals:***

- Joint Negotiation Committee (JNC) meeting costs can't be paid by UFEA but will be charged to the farms as it was in 2016, 2017 & 2018.
- Revolving fund money going forward will only be accessible for up to date paid up members.
- Revolving fund loans outstanding longer than 1 year agreement signed will be charged additional 2% on straight line.

## Welcome New Member: Social Good Farms and Logistics Ltd.

The Uganda Flower Exporters Association (UFEA) Board is excited to announce a new member, Social Good Farms and Logistics Ltd. The company underwent the formal process of registration with UFEA and officially became a member, effective 25<sup>th</sup> October 2024.

The company started in July 2024 is located in Burumbu village, Suuka Lugo LC1, Burumbu Parish, Kasanje Town Council, Wakiso district. They specialize in growing and export of summer flowers in a 36-acre farm; initially to Europe and more identified markets in future. and has since focused on land preparation. Currently, the farm employs about 80 workers.



An open field of summer flowers

UFEA warmly welcomes Social Good Farms to tap into the potential of summer flower production. It is encouraging for us to know that some of the flowers grown here are what we conducted trials on in collaboration with Makerere University. It was not a wasted effort.

We encourage members to join us welcome and support our youngest member as they build and bring an addition to Uganda's flower export industry. Together, we can cultivate a vibrant future for Uganda's flower exports! Management details will be provided in a separate communication.

## Regulatory Compliance

### COMPLIANCE- MPS ECAS- OFFLABEL USE OF AGRO-CHEMICALS.

UFEA – MAAIF practice on how to import small quantities of chemicals for the flower producers is a best practice to MPS on how, Ugandan flower sector, though small is well organized. On receiving a request from the cutting farms on new requirement and the non-conformity issued, UFEA wrote a letter to MPS ECAS explaining how importation of unregistered chemicals for the ornamental sector is dealt with through a concession with government; providing evidence with minutes from meetings held back in 2013 and this topic discussed and demonstration of the flow



of requests from the farms to UFEA to MAAIF or through the input dealers to UFEA to MAAIF for Import permit. 2 virtual meetings were held with MPS ECAS to give understanding on the system.

This letter content is already known by Ecas and MPS has accepted the agreement between UFEA and MAAIF on how to import small quantities of chemicals for the flower producers. The MPS Auditor has referred farms going through audits to ask UFEA for the clearance letter for unregistered chemicals used in their farms.

Thanks to the farms who brought this issue to UFEA's attention when it first came up and together, we worked to show proof with evidence since 2013 that the system works. The growers, importers of chemicals, UFEA and MAAIF are following the procedure laid down strictly.

The recent MPS audits conducted in September and October on flower farms revealed significant gaps in compliance regarding the authorization of certain chemicals. Many of the substances used on the farms are not listed by the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF).

Given that the authorization of crop protection agents is a critical requirement of Global GAP—an international standard that MPS GAP benchmarks against—it's crucial for all flower farms to adhere to the UFEA-MAAIF system. By following this protocol, farms can ensure they are compliant and maintain the integrity of their operations while using necessary crop protection agents that may not be officially listed.

**To take note: All members should follow the procedure already submitted to MPS while importing or buying agro-chemicals to avoid non-conformities. If a chemical is found in use at the farm and the proper procedure was not followed; please note that both UFEA and MAAIF cannot issue letters backwards to clear the non-conformity.**

### Meetings with Koppert on the 25% import duty on biological agents

UFEA has been following up on the 25% import duty on biological agents charged by URA to Koppert Biologicals and Real IPM; and this cost was apparently passed onto the importing farms. UFEA received a letter from URA dated December 21<sup>st</sup> 2023 confirming that the imported biological agents are exempted from taxes, on condition that transfer of ownership shall be effected to the respective flower growers (users of the product) prior to release out of customs.

This benefit has not been implemented by the 2 suppliers. UFEA continued to engage with Koppert Biologicals on how to implement the procedure to the benefit of the members and bring down the cost. So far 4 physical meetings held from beginning of the year, several e-mail exchanges and 2 meetings held within October 24<sup>th</sup> and 25<sup>th</sup> where UFEA invited an expert in Customs clearance to answer all the questions the supplier had. It was agreed that Koppert will discuss with their main company in the Netherlands and try out the procedure given by URA before end of the year 2024. UFEA will offer the necessary support in obtaining the import permit.

## Upcoming EU Phytosanitary Requirements for Cut Roses from Africa

A recent CONNECT session focused brought together the East African flower exporters to the European Union and some importers of EA flowers; to understand the level of preparedness of the countries to the forthcoming phytosanitary requirements for cut roses imported from Africa, particularly in light of the potential introduction of the False Codling Moth (FCM) into EU territories. These measures are set to take effect six months from April 26, 2025.

The informative session gathered key stakeholders involved in sourcing cut roses from East Africa for the EU market. Notable participants included representatives from the National Plant Protection Organizations (NPPOs) KEPHIS of Kenya, EHEPA of Ethiopia and Ugandan NPPO who provided insights into the preparations underway in their respective countries to meet the new EU regulations.

During the session, NPPO representatives emphasized the seriousness of the new requirements and reported on their progress in developing a systems approach to compliance. Uganda announced plans to finalize their systems approach document by November 2024 and pledged to submit a list of compliant farms to the European Commission.

East Africa's representatives stressed the importance of collaboration among East African NPPOs, urging them to share best practices to harmonize their systems approaches.

As the deadline approaches, stakeholders remain committed to ensuring that East African cut roses can continue to thrive in the EU market while adhering to stringent phytosanitary standards.

## The PVoC Exemption meeting held at UNBS on 31<sup>st</sup> October 2024



UFEA wrote to UNBS requesting for extension of the waiver of the PVoC requirements on the inputs of Agro-chemicals, Fertilizers and Equipment imported by Uganda Flowers Exporters members, which are covered by compulsory standard to have all goods inspected in the country of origin before shipment (PVoC). This exemption was granted in December 2021.

With no clear response received, UFEA, through Board Director, Sjoerd contacted Hon. Amelia Kyambadde, as the initiator of PVoC to intervene again in the challenge farms faced while clearing imports; many entries tagged to UNBS are pending clearance in the system.

In the meeting held on 31<sup>st</sup> October 2024; it was clarified by UNBS that the exemption was over taken by events and there is a new regulation 2022 applicable to imports into Uganda. Most of the challenges faced by the flower industry in 2021 were addressed in the new regulation.

Way forward agreed was to set up a committee with representatives from UFEA and UNBS to study the new regulation; identify areas to harmonize with our current situation and report if there's need for special exemption or the members need to apply the requirements of the regulation 2022 for PVoC exemptions while importing their inputs. Committee is already constituted and will give a report in 2 weeks period.

## MAAIF Monthly Audit to the farms

The success and sustainability of flower farms are largely dependent on pest management along with hygiene practices. This is because these farms also experience challenges like pest invasion and disease pressures hence the need for extensive strategies so as to promote growth of healthy plants with good quality flowers while also adhering to all safety regulations. The following recommendations aim at strengthening pest control, increasing productivity and eliminating the scope for compromise with hygiene standards. If these recommendations are implemented, the flower farms will be able protect their crops and enhance their output, making it possible to produce high quality products for the market.

### Key General Recommendations from MAAIF monthly Audit reports:

#### ***Pest Management:***

Remove open flower heads that can attract pests.

Prepare a weekly report on the level of pests and revise the scouting record to include all pests.

Enhance active practices of pest management control. Take immediate action against powdery mildew and other pests.

#### ***Training and Compliance:***

Regular training of staff in regards to identification and management of pests.

Formulate action plans where non-compliance issues are noted from the audits.

#### **Transport and Sanitation**

Ensure that all transport vehicles are completely covered to avoid any sort of infestation.

Continue the adequate checks at the grading hall and exit points of flowers and cuttings being exported.

#### **Infrastructure Maintenance**

Repair and replace damaged greenhouse components to ensure integrity.

Eliminate all holes, keep areas clean, to prevent pest entrance.

#### **Record Keeping and Observations:**

Periodically revise pest identification charts, with included life cycles of usual pests.

Create harvest inspection form and associated visual aids for the identification of pests.

## Conclusion:

Though the farms have done a good job in keeping proper ways of pest management and hygiene practices, vigilance is recommended so that the standards continue being upheld. This should be kept up through continuous observation of IPM strategies and SPS protocols, since it relates to the health and safety of plants.

## Capacity building

### Strengthening Water Source Protection: Training Initiative for Flower Farms



*Royal Van Zanten sharing their experiences on developing a WSP plan*

October 2, 2024 —nineteen participants from eleven flower farms gathered for a specialized training on Water Source Protection Planning, hosted by the Uganda Flower Exporters Association (UFEA) in collaboration with the Ministry of Water and Environment. This initiative aimed to equip farms with the necessary knowledge to comply with new regulatory requirements for water abstraction permits.

The training was conducted by three technical officers from the Ministry, highlighted the importance of developing a robust Water Source Protection Plan as a prerequisite for obtaining or renewing water permits.

Key topics addressed during the training included: effective implementation of Water Source Protection Plans, community engagement strategies, and the procedural nuances of acquiring water abstraction permits. Participants also exchanged experiences regarding the challenges faced in developing these plans, with notable contributions from three farms already in the process, and one, Xclusive Cuttings, having successfully completed and received approval for their plan.

Participants recognized the critical role of management support and the need for strong relationships with local communities to enhance water source protection efforts.

UFEA plans to further assist its members by facilitating the creation of technical working groups focused on Water Source Protection Planning. Additionally, the Ministry of Water and Environment will initiate farm visits to assess the current status of water protection strategies and offer tailored support.



## FUE and Tinkr Host Webinar on ESG Insights

In a significant move towards enhancing awareness and implementation of Environmental, Social, and Governance (ESG) principles, Tinkr, a Norwegian-based social enterprise, partnered with FUE to host an insightful webinar on October 17, 2024. The event aimed to introduce the concept of ESG, a critical framework for measuring and managing sustainability risks within organizations, which has become increasingly important to investors.

During the webinar, FUE presented preliminary findings from a survey conducted in collaboration with Tinkr on September 9, 2024. The report shed light on various aspects of ESG, including:

- Perceived ESG-related pressure from customers and suppliers
- A comparison of perceived ESG pressure across environmental, social responsibility, and governance factors
- Understanding of ESG regulatory requirements
- General awareness of ESG among companies
- Integration of ESG into corporate risk assessments
- The extent of ESG training conducted at the enterprise level

A key takeaway from the report highlighted a significant knowledge gap regarding ESG among participants, underscoring the need for capacity building in this area. As sustainability becomes a priority for consumers, the business case for integrating ESG practices is gaining traction, with many organizations recognizing that ESG can serve as a competitive advantage.

Contrary to the common belief that ESG compliance demands substantial financial resources, participants were informed that successful ESG implementation is more about the efficient use of available resources. It requires a shift in mindset, viewing ESG not merely as a market obligation, but as a vital aspect for all stakeholders—including businesses, workers, and the community.

Tinkr provided practical steps for organizations looking to initiate their sustainability journey, which included:

- Identifying both positive and negative impacts
- Prioritizing actionable changes
- Implementing strategies
- Reporting on progress

## Upcoming Events for November

- Corporate Governance Training on 7<sup>th</sup> November 2024
- Second Local meeting for the Public Private Partnership (PPP) the Chrysanthemum chain natural biological control project scheduled for 20<sup>th</sup> November 2024
- UFEA AGM 21<sup>st</sup> November 2024
- Engagement meeting with URA (TBC)
- Sending out a survey questionnaire to assess needs of members

## Your Feedback column

<https://forms.gle/QgXyfNdwb9wMLibJ7>