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Chairman's Message

Sincerely,
Sjoerd de Boer

Executive Director's Message

Sincerely,
Esther Nekambi

1.0 Regulatory Compliance

1.1. Phytosanitary compliance:

1.1.1 Interception report – Quarter 3 2025 (July–September)

Q2 and Q3 interceptions comparison

S/N	DATE	TYPE	DESTINATION	QUANTITY (KGS)	INTERCEPTION REASON
1	02.04.2025	Chrysanthemums	Netherlands	747	Documentation
2	14.04.2025	Assorted live plants	Netherlands	508	documentation
3	28.04.2025	Roses	Netherlands	795	Documentation
4	29.04.2025	Roses	Netherlands	315	Documentation
5	30.04.2025	Roses	Netherlands	8758	Documentation
6	30.04.2025	Roses	Netherlands	2723	Documentation
7	30.04.2025	Roses	Netherlands	1340	Documentation
8	30.04.2025	Roses	Netherlands	808	Documentation
9	01.05.2025	Roses	Netherlands	4735	Documentation
10	16.05.2025	Roses	Netherlands	2412	Documentation
11	04.07.2025	Cuttings	France	1008	Bemisia tabaci
12	21.07.2025	Roses	Netherlands	3513	Documentation
13	28.07.2025	Cuttings	Netherlands	20808	Documentation

UFEA Interception Report: Q3 2025 (July–September)

Between July and September 2025, **three (3) farm interceptions** were reported, a decrease from **ten (10) interceptions** recorded between April and May 2025. Despite fewer interceptions, the **total quantity of intercepted product in Q3 (25,339 kg)** was slightly higher than in Q2 (23,141 kg).

Key Observations

- The high number of interceptions in Q2 was mainly **roses**, largely due to **new EU traceability regulations** introduced in April 2025. Farms were still adjusting to these stricter documentation requirements.
- **Documentation issues** remained the primary cause of interceptions in Q3, with **one farm accounting for 80%** of the total intercepted quantity.
- Specific documentation deficiencies included:
 - **Production unit number not provided**
 - **Missing additional declarations**

Recommendations for UFEA Members

1. **Strengthen Documentation Compliance:**

Ensure all shipments include complete production unit numbers and additional declarations as required under EU regulations.

2. **Internal checks:**

Conduct regular internal checks on export documentation before dispatch to minimize risk of interceptions.

3. **Monitor High-Risk Areas:**

Farms previously accounting for large intercepted quantities should implement stricter verification systems for outgoing shipments.

Conclusion:

While the reduction in the number of interceptions is encouraging, the increase in intercepted quantities signals that **documentation compliance remains a critical risk area**. UFEA members are advised to prioritize accurate record-keeping and adherence to EU regulations to avoid potential trade disruptions.

1.1.2 **Xylella Surveillance 2025**

The annual **Xylella surveillance** was successfully conducted from **14th to 17th October 2025**. This year, two rose farms – **Uganda Hortec** and **Oasis Nursery** – were selected as control sites for sampling host plants in surrounding areas, led by **MAAIF**.

A larger number of **test kits** were purchased this year, with the majority used for the surveillance exercise and the remainder allocated for **quarterly testing**. This ongoing data collection will support **future negotiations with the EU** to potentially relax the requirement for annual surveillance to once every 3–5 years.

UFEA appreciates **MAAIF's continued support** in helping the flower sector meet regulatory requirements in phytosanitary control.

1.2 **Environmental Compliance**

1.2.1 **Strengthening Environmental Stewardship: NEMA Visits Wagagai Limited**

On 15th October 2025, NEMA Executive Director Mr. Akankwasa Barirega visited Wagagai Limited, hosted by UFEA and the Wagagai team, to gain firsthand insight into commercial flower production, including waste management, greenhouse operations, chemical handling, and wastewater discharge.

NEMA commended Wagagai's strong sustainability practices, especially in its ecologically sensitive location near Lake Victoria, highlighting measures like soak pits and Integrated Pest Management (IPM) using biological control agents.

Key recommendations for Wagagai and other farms included:

- Upgrading chemical waste treatment technologies
- Strengthening containment structures to prevent environmental seepage
- Implementing robust water quality monitoring programs

The visit reaffirmed the value of UFEA–NEMA collaboration and highlighted lessons for all members on continuous improvement in chemical management, wastewater handling, and environmental monitoring.

UFEA remains committed to facilitating such engagements to strengthen compliance, promote sustainability, and uphold Uganda’s reputation as a producer of responsibly grown flowers.





2.0 Networking, Lobby and Advocacy

2.1 UFEA–URA Engagement on EFRIS: Key Updates for Flower Exporters

UFEA–URA Engagement on EFRIS: Key Updates for Flower Exporters

UFEA recently (8th and 28th October 2025) held follow-up engagements with the Uganda Revenue Authority (URA) to address challenges with the Electronic Fiscal Receipting and Invoicing System (EFRIS). Discussions focused on system configuration, units of measure, and export documentation.

Key Highlights

- **Unit of Measure:**
Flowers are priced by stems/pieces, but EFRIS currently uses boxes, causing reconciliation issues with ASYCUDA. URA acknowledges the sector's unique needs and is working on solutions.
- **Interim Solutions:**
Exporters should continue **manual conversions** to align invoices with customs

declarations. While laborious, administrative exemptions or solutions are expected by **7th November 2025**.

- **Certificates of Origin:**

Some farms now receive certificates at **Entebbe airport**, avoiding trips to Nakawa. This service will be extended to all UFEA members.

- **Credit Notes:**

URA will provide guidance on correcting past export declarations affected by unit-of-measure errors.

UFEA Requests & URA Commitments

- Temporary reporting in **pieces/stems** during system updates.
- Allow **manual input of boxes** similar to weight handling.
- Provide **leniency during transition** to avoid penalties.
- Fast-track removal of redundant **weight fields** and enhance stakeholder engagement for future rollouts.

Takeaways for Members

- Manual adjustments remain necessary until updates are complete.
- EFRIS will soon better reflect exports by stems/pieces.
- Certificates of Origin will be easier to access at Entebbe airport.
- UFEA continues to follow up on past declaration issues and system improvements.

UFEA appreciates members' active participation and encourages reporting ongoing EFRIS challenges to support advocacy for practical solutions.

2.2 UFEA Explores Collaboration Opportunities with Netherlands–Uganda Trade and Investment Platform (NUTIP)

On 7th October 2025, UFEA met with the Netherlands–Uganda Trade and Investment Platform (NUTIP) in Kampala to explore collaboration opportunities to boost Uganda's floriculture sector.

About NUTIP

Founded in 2013, NUTIP promotes trade and investment between Uganda and the Netherlands. With 75 members across multiple sectors and strong Dutch partnerships, NUTIP organizes networking events, workshops, and business-to-business matchmaking to support growth and innovation.

Key Highlights

- UFEA members gain access to NUTIP's knowledge networks, capacity-building programs, and investment opportunities.
- Several UFEA members, including Xclusive Uganda Ltd, Wagagai Ltd, JP Cuttings, RVZ and Dümme Orange, are already part of NUTIP.
- Collaboration offers opportunities for networking, international visibility, joint advocacy, and attracting investors.

Way Forward

UFEA and NUTIP look forward to engaging more to strengthen their collaboration.

This partnership will enhance Uganda's floriculture visibility, competitiveness, and sustainability while creating new trade and investment opportunities for UFEA members.



2.3 UFEA Raises Key Tax Concerns to PSFU – October 2025

Uganda Flowers Exporters Association (UFEA) recently highlighted tax and compliance challenges affecting flower farms to the Private Sector Foundation Uganda (PSFU). Key issues include:

Biological Assets:

- Crop cycles for roses and mother plants differ from URA's depreciation and tax assumptions.
- Sector practices like replanting mother stock are not fully understood by URA.

EFRIS Challenges:

- Export invoicing is by stems, not weight, yet EFRIS requires kilograms.
- UFEA requests EFRIS modifications to align with sector practices.

VAT Refunds:

- Inconsistent refund timelines—some farms have waited since 2022.
 - Delays affect cash flow and investment planning.

Transfer Pricing & Audits:

- Complex rules require clear guidance.
- Late audits create reporting pressure; sector-informed audits are needed.

Key UFEA Requests:

1. Sector-specific URA Relationship Manager.
2. EFRIS updates to remove mandatory weight reporting.
3. Timely, informed assessments and VAT refunds.
4. Guidance on tax incentives and investment codes.

UFEA continues to engage URA and PSFU to improve tax compliance, cash flow, and sustainable growth in Uganda's floriculture sector.

4.0 JNC MEETINGS UPDATE

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Your Feedback column

<https://forms.gle/QgXyfNdwb9wMLibJ7>

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