

UGAFLOR '97

*Environment, Quality Control
and Labour Issues for a Vibrant
Flower Industry in Uganda*

**August 6th, 1997
Kampala Sheraton Rwenzori
Ball Room**

CONFERENCE PROCEEDINGS

UGAFLOR '97

Environment, Quality Control and Labour Relations, for a Vibrant Flower Export Industry in Uganda

August 6, 1997 at Kampala Sheraton - Rwenzori Ball Room

UGAFLOR '97 is Intended to Address Environment, Quality Control and Labour Issues Related to Production and Marketing of Ugandan Flowers.

Conference Programme

Chairman: Vincent Ssenyonjo, Uganda Flowers Exporters Association (UFEA)

- 8.00 a.m. - 8.30 a.m.** Registration Delegates
- 8.30 a.m - 9.00 a.m** Introductory Remarks:
Vincent Ssenyonjo, Chairman, UFEA
Chief of Party, ADC/IDEA Project
- 9.00 a.m - 9.15 a.m** Official Opening; Hon. Paul Etiang - Third Deputy Prime Minister / Minister of Labour and Social Services. "The Mission that has been Realized"

SESSION ONE

- 9.15 a.m - 9.45 a.m** Floriculture in Uganda: Past, Present and Future.
Steve New, ADC, High Value Crops Production and Marketing Advisor
- 9.45 a.m - 10.30 a.m** Developing a Code of Conduct: The Kenyan Experience
David Gray, former General Manager Fresh Produce Exporters Association of Kenya.
- 10.30 a.m - 11.00 a.m** Developing a Code of Conduct: The Uganda Coffee Traders' Federation Experience
Fred Kawuma, Executive Director.

11.00 a.m - 11.30 a.m

TEA BREAK

SESSION TWO

- 11.30 a.m - 12.00 p.m** The Grower's Environmental Management
James Mwebaze, Manager, Equator Flowers Limited.
- 12.00 p.m - 12.30 p.m** Labour Relations from the Grower's perspective
Peter Kimbowa, Director, Jambo Roses Limited.

12.30 p.m - 1.00 p.m Quality Control Methods: The Grower's Experience,
David Byabazaire, Director, Royal Flowers Limited

1.00 p.m - 2.00 p.m **LUNCH BREAK**

SESSION THREE

02.00 p.m - 02.45 p.m Buyers' Expectations of Environmental and Quality Requirements for the Flower
Marketing
Loek Koop, Bloemen Veiling Flower Auction Holland.

SESSION FOUR

02.45 p.m - 03.45 p.m Panel Discussions and Reactions

03.45 p.m - 05.00 p.m Resolutions on the Code of Practice and Wrap up of the Conference

05.00 p.m - 05.30 p.m CLOSING: Hon. Richard Kaijuka, Minister of Planning and Economic Development

05.30 p.m - 06.30 p.m **Closing Cocktail Reception**

SESSION FIVE

07.30 p.m - 09.00 p.m **CONFERENCE DINNER:**
Guest Speaker: Hon. Hon. Richard Kaijuka, Minister of Planning and Economic
Development and proposed Patron of UFEA. "The Potential of the Uganda Flower
Industry"

Executive Summary

1. Ugaflor 97 was the second international conference of the Uganda Flowers Exporters Association (UFEA), the first having taken place on July 24th - 25th 1996. This conference was held at Kampala Sheraton Hotel, Rwenzori Ball Room on the 6th day of August 1997. The conference was attended by more than 100 delegates from East Africa (Uganda, Kenya and Tanzania) and Europe.

2. In his opening remarks, the Chairman of UFEA, Mr. Vincent Senyonjo made observation of the increase of the number of members to 17 and the setting up of the UFEA Secretariat supported by ADC/IDEA Project and run by InterAfrica Corporate (IAC).

The Acting Chief of Party, Mr. Bill Kedrock of ADC/IDEA Project also made some remarks on behalf of the Project, the implementing arm of the USAID funded Investment in the development of Export Agriculture Projects. He projected that US\$ 15million will be earned from flower exports by the end of the year (1997). He supported his argument with key programs being implemented by the ADC/IDEA Project which have enabled growers and the industry to pick up.

The Permanent Secretary, Ministry of Labour and Social Services, Mrs. Kisakye, speaking on behalf of her Minister Hon. Paul Etyang, explained how the flower industry has become a shining example of the government's modernisation policy. She emphasized the commitment by government, through its agencies/ departments, to assist the flower industry.

3. Presentations were made by Dr. Steve New of ADC/IDEA Project; Mr. David Gray, former General Manager, Fresh Produce Exporters Association of Kenya; Mr. Fred Kawuma, Executive Director, Uganda Coffee Traders Federation; Mr. James Mwebaze, Manager, Equator Flowers Limited; Mr. David Byabazaire, Director, Royal Flowers Limited; Mr. Peter Kimbowa, Director, Jambo Roses Limited; and Mr. Loek Koop, Bloemen Veiling of Flower Auction Holland. Although the issues discussed by the presenters were different all hinged on improving the quality of flower exports so as to capture a larger share on the European market. With an increase in the quantity of flower exports at a good price, the presenters anticipated a boost in the flower industry, an improvement of the members' welfare and a direct contribution to Uganda's economy.

4. Participants agreed that the following deserve extra attention during the coming years.

- Farming methods.
- Disease control.
- Grading and packaging methods.
- Consistency in quality.
- Environment and protective facilities provided to workers.
- Handling and storage facilities to avoid damages on flowers.

It was observed that there was a need to overcome these obstacles so as to meet the standards that would protect exporters in the international market.

5. The presenters made a number of suggestions of ways of improving the floriculture industry. Notable among these were:

- The training of members in the growing of good quality flowers.
- Maintaining regular contacts and good relationships with buyers abroad.
- Diversifying the flower industry by growing other varieties in addition to the 26 varieties currently grown.
- Setting up strict rules relating farming to methods, the protection of labour force and the maintenance of good quality and acceptable standards to be followed by growers and exporters.
- Increasing the acreage under which flowers are grown so as to enjoy advantages enjoyed by other countries including that of economies of scale.

6. Some case studies were presented to demonstrate achievements made by individual members, Associations and other dealers in agricultural products.

- Mr. Fred Kawuma demonstrated how the Uganda Coffee Traders Federation has benefited from adopting a code of conduct.
- Mr. Peter Kimbowa demonstrated how Jambo Roses has developed and benefited from good labour policies and protection facilities.
- Mr. James Mwebaze's (Equator Flowers) study demonstrated how Uganda's climate can be manipulated to grow the best quality roses and therefore capture a large part of the European market.

- Mr. David Byabazaire provided data showing that quality was the first consideration given by consumers and should therefore be given priority by all growers and exporters.
- Mr. Steve New's study showed that Uganda's floriculture industry has grown rapidly and successfully over the period 1993-1997.
- Mr. D. H. Gray's study showed how the Kenyan floriculture industry has benefited from the adoption of a code of conduct.
- Mr. Look Koep demonstrated that even Ugandan growers can attain A¹ quality if they took care of the basics like post harvest handlings.

7. The main recommendations of the conference were:

- UFEA should adopt a code of conduct with rules and regulations concerning preservation and improvement of quality, the protection of labour force, the protection of the environment and other issues intended to the development of the floriculture industry.
- The ADC/IDEA project shall launch a training program to build the capacity of key producers.
- With the assistance of the ADC/IDEA project, special programs of inspection and guidance of local growers should be made so as to uplift the quality and standard of flowers for export.
- Better packaging and grading facilities should be adopted so as to reach the required standard.
- Growers' quality target in adopting the above measures should be the achievement of grade A¹ so as to capture a large share of the flower market and to fulfill consumer requirements abroad.
- Regular contacts with buyers should be maintained so as to develop a good seller-buyer relationship currently needed for the development of confidence in the growers/exporters.
- Research shall be carried on soil diagnosis in Uganda and ways in which studies can be carried out in Uganda rather than taking samples to The Netherlands.
- Hon. Richard Kaijuka provided examples of Malaysia and Singapore to emphasize the need for growers to work harder and rejuvenate the East Africa collaboration so as to face the stiff competition in the market place.

Opening Remarks by Mr. Vincent Senyonjo, Chairman UFEA

In his opening remarks, the Chairman of UFEA, Mr. Vincent Senyonjo thanked the Guest of Honour, Mrs. Kisakye, Permanent Secretary, Ministry of Labour and Social Services, who represented her Minister, Honourable Paul Etiang, for gracing the occasion with her presence. He encouraged participants to participate in the discussions, for the development of a vibrant flower industry in Uganda. Mr. Senyonjo informed participants about the exhibition by flower exporters and input suppliers and encouraged them to hold meaningful discussions with them. He outlined to participants the achievements of UFEA since 1995 to date. UFEA now has a membership of 17 members and has now set up a fully fledged secretariat. He thanked the ADC/IDEA Project for their support to the secretariat and to the members, and InterAfrica Corporate, IAC, who are running the secretariat. On behalf of UFEA members, he pledged further growth. He invited Mr. Bill Kedrock, Acting Chief of Party, ADC/IDEA Project, to make a few remarks.

Remarks by Mr. Bill Kedrock, Acting Chief of Party, ADC/IDEA Project

Bill expressed gratitude for the opportunity to make a few remarks on behalf of the ADC/IDEA Project. The Project is the implementing arm of the USAID funded Investment in the Development of Export Agriculture Project, which has been on the ground now for two and a half years, and is working with most of the growers of UFEA and other individuals involved in the development of Uganda's export capacity.

He commended UFEA and its members for the tremendous impact on Uganda's export base and pledged further support and collaboration. He informed participants that Uganda will earn US\$ 15 million from Flower Exports this year and there is room for further growth in the coming years.

Today's topics are timely and critical if Uganda is to increase its share in the international market. He informed participants that later in August 1997, the IDEA Project, working with UFEA and the Faculty of Agriculture, will launch a training program to build the capacity of key exporters. The Project and staff look forward to working with all in stimulating export agriculture exports.

Remarks by Hon. Paul Etiang, Deputy Prime Minister and Minister of Labour and Social Services.

The remarks were made on behalf of the Minister by Mrs Kisakye, Permanent Secretary in the same Ministry. She thanked distinguished participants for sparing time to deliberate on the future of the flower export industry. She apologised on behalf of her Minister who could not attend due to prior commitments. Below are highlights of the Ministers speech;

Government has, over the last 10 years, been working to create an all-round enabling environment for private sector initiatives to flourish. Modernization of agriculture, promotion of Non Traditional Agricultural Exports (NTAEs) have been central to government policy. The flower industry is a shining example of the success of this policy. Uganda has so far earned over US\$ 50 million from flower exports alone. There has also been a multiplier effect, notably in terms of job creation, broadening the tax base, development of local expertise, air freight capacity utilization, rural development. To government, this is a mission achieved.

Government realises that the flower industry, like all babies, faces numerous constraints and will work with UFEA and the ADC/IDEA Project, to solve these problems. Government agencies like Uganda Investment Authority(UIA), Export Promotion Board(EPB) and Uganda Revenue Authority (URA) will be called upon to assist.

The theme for Ugaflor 97 is appropriate and timely if Uganda is to improve upon its image and credibility in the international market place. A contented and protected labour force, a safe environment and appropriate quality control are all critical to this image.

Hon Etiang thanked UFEA, ADC/IDEA Project and participants for their support to government's efforts. He also wished all participates, good deliberation, and officially opened the conference.

Remarks by Dr. Steve New High Value Crop Adviser of IDEA Project, Conference moderator.

As the conference moderator, he outlined the scope and coverage of the conference, including the presentations, Video, exhibition and meals. He gave a historical brief regarding the flower industry. There was an increase of growers from one (1) in 1993 to seventeen (17) in 1997. The estimated acreage by January 1998 was put at 77 hectares. Conservative estimates put export value for 1997 at US\$ 16 million. 4,000 jobs have been created, local market for flowers awakened, US\$ 2.4 billion spent in wages and the supplementing of rural income with spin-offs to the villages neighboring the farms. Careers, packaging, transport and technology transfer are added benefits.

Because of these benefits to the rural poor, and to the country's overall balance of payments, USAID has pledged support for this sector. ADC/IDEA Project monitors these developments, trains growers and sponsors events such as Ugafloor.

Highlights of Ugafloor '96

Dr. New outlined the resolutions of Ugafloor 96 and progress since.

Human resource Development: There was concern at the time that the industry over-dependended on expatriates, at the expense of local talent. Since then, IDEA Project has worked with Makerere University and UFEA, and, a Diploma in Floriculture will start, to train an initial 17 Ugandans and to prepare them for senior level posts in the rose farms. All growers are cooperating and lecturers are expected from Uganda, Kenya and overseas. Participants will also get a chance to visit growers in Zimbabwe and Kenya and, thereafter, visit markets in Europe.

Concern was raised regarding poor infrastructure, especially at the airport. Since then, there has been some improvement; A cold store has been set up and a contract to manage the facility will be signed in a few weeks' time. The Civil Aviation Authority have committed themselves to improving their services, and to make it possible for growers to build own cold stores at the airport if required.

Limited access to cheap finance; Participants thought they were paying too much interest for finance. Over the last year, because of growing awareness, among banks, of the success registered by the sector, they have become more forthcoming in rendering support to the sector. The UFEA Secretariat was urged to give data on the positive indicators to banks which will enable them positively assess risks/benefits.

Other issues were on technical support and the environment but these too are being addressed.

Future trends

The market for flowers is very big and Uganda is still a tiny player producing less than 10% of Africa's roses. This is less than a half of Kenya's exports a year ago. Yet the rose market is growing and is expected to remain so for the foreseeable future. Hence Uganda should step up rose growing. Mr. New urged growers to emphasise quality and consistence if they are to get a good price for their exports. Growers should keep abreast of new varieties and the IDEA Project will continue its research to enable growers determine which varieties to grow. Currently, there are 26 varieties being grown.

Dr. New advised growers to keep a good buyer - grower relationship. Buyers want a clear conscience when buying. A supermarket can be boycotted if it is selling roses from a blacklisted country. Hence a need to have regular contacts and visits with our buyers.

Dr. New set the pace for the other speakers on labour, environment and quality issues. He urged growers to exercise due diligence in handling these three important aspects.

Presentation on developing a Code of conduct by David Gray, former General Manager, Produce Exports Association of Kenya.

Mr. Gray began by explaining that he will not tell UFEA what to do, basing on the Kenyan experience, but that he would identify key steps and strategies that enabled the Fresh Produce Exporters Association of Kenya to institute a Code of Conduct. He informed participants that the genesis of the Kenyan Code was concern over issues such as pollution, fertilizers, labour and health issues. In addition, there was a need to set standards that would protect exporters in the international market place. The following procedure was followed:

- ⇒ agreement to set up a Code of Conduct reached at a conference similar to Ugaflor.
- ⇒ action plan drawn, identifying areas of concern.
- ⇒ set up committees of 2-3 people to tackle an issue.
- ⇒ took 3 years refining the draft.

Mr. Gray raised additional issues:

- ◇ The Code states what the law says and what the farmers are doing.
- ◇ There is need for each grower to show commitment to the Code.
- ◇ Many growers think that they are preaching to the converted and do not want to be bound by the Code. In reality, they too need the Code.
- ◇ There is need to involve all stake holders and to get their inputs and support.

**Presentation on developing a Code of Conduct by Mr. Fred Kawuma,
Executive Director, Uganda Coffee Traders Federation.**

Mr. Kawuma informed participants that the coffee industry has traditionally been over regulated. Following the liberalisation of the coffee export sector, many new players mushroomed and began exporting coffee. Hence the need to put in place some guidelines - like football, there is need for rules and procedures, to ensure fair play. The process of preparing the Code of Conduct began in 1994, and entailed meetings, memorandums to members and committees being set up, to come up with draft proposals. Emphasis of the code is need to have collective responsibility for action of others, and hence importance of having each member supervise the other. "If one finger catches oil" Chynua Achebe writes, "it oil the others" Compliance with the code is voluntary, but if you violate it, license can be revoked. In the same vein, UFEA needs to come up with its rules and see what to do about non-compliance. Mr. Kawuma pledged to assist UFEA in this process, whenever he is called upon.

Presentation on The grower's Environmental Management by Mr. James Mwebaze, Manager, Equator Flowers Ltd.

The main thrust of Mr. Mwebaze's presentation was that roses are alien to Uganda and require a lot of inputs, in terms of fertilizers, herbicides and labour, if they are to effectively grow in this country. Temperatures and humidity have to be controlled within certain limits if the roses are to attain optimal growth patterns and fetch a good price. This means use of fertilizers, herbicides, pesticides and green houses.

In order to ensure harmony with the environment, UFEA growers work hand in hand with National Agricultural Research Organisation (NARO), Ministry of Agriculture and Forestry, National Environmental Management Authority (NEMA), UFEA and ADC/IDEA project. Because growers know that non compliance with internationally recognised environmental and labour legislation can cause boycotts and disharmony at the farms, great effort is expended to ensure that no violations are carried out. He pointed out that great care is taken to protect workers from occupational hazards through the use of protective clothing and instruction on safety measures. Safe drinking water and shower rooms are provided to the workers, to avoid contamination. Workmen insurance policies are taken out by the growers.

Presentation on Labour Relations from the Grower's perspective by Mr. Peter Kimbowa, Director, Jambo Roses Ltd.

The main thrust of the presentation was labour relations from the point of view of the grower. Every entrepreneur seeks to achieve peak performance from his work force. This entails motivation, training, job security, special appreciation and proper remuneration. Since a healthy employer-employee relationship is very important, Jambo Roses, like other growers in UFEA, attaches great importance to this aspect.

Mr. Kimbowa briefly outlined the salient features of Jambo Roses and its workforce. The farm has 3 hectares of land, employs 150 employees; 80% of whom are women. Employees fall in three broad categories:

- 1) Expatriate staff, to handle the top management and production chores.
- 2) Indigenous skilled staff (midlevel managers) .
- 3) Casual labourers.

Other key points raised about Jambo Roses were:-

- ◇ Work starts at 7:00am and ends at 5:00pm, subject to the situation on the ground. If an employee works overtime, he is compensated. Work on public holidays is by mutual consent.
- ◇ The company complies with the National Social Security Fund(NSSF) and URA Regulations and is a good corporate citizen. Workers are insured with Gold Star Insurance Company.
- ◇ No one below 18 years is employed but where this is done, care is taken to ensure they don't work at night or on difficult assignments.
- ◇ The good service performed at Jambo Roses is testimony to the fact a harmonious relationship exists between management and the employees. While perfection has not yet been attained, the company will work with all relevant authorities to ensure ever greater harmony.

Quality Control Methods; The Grower's Experience.

Presentation by Mr. David Byabazaire, Director, Royal Flowers Ltd.

Mr. Byabazaire 's presentation was mainly focused on quality control, from the point of view of the rose grower. He emphasised that this is essential if Uganda is to survive in the rose market. He read out his presentation, which is attached.

Buyers' Expectations of Environmental and Quality Requirements for the Flower Marketing. Presentation by Mr. Loek Koop, Bloemen Veiling Flower Auction Holland.

Loek is Chief Executive of BVH, the leading buyer of Uganda's flowers, based in the Netherlands. His paper centred on 3 main issues:

Market: There is an upward trend in the market, arising because European economies are emerging out of an economic recession. Supermarkets are becoming important in the market. They like guaranteed quality, price and reliability from their suppliers. They prefer fixed prices over a long period of time, hence direct sales. But make a mistake and you lose your market. Local production in Holland is static, yet market is growing. Average farm now is 5-10 hectare. Uganda, along with Zambia, Kenya and Israel are key exporters to Holland. Prices favor Dutch growers, because they produce A¹ flowers and they are reliable and supply good quality flowers. Uganda may not be getting best prices yet because of damages on the flowers, diseases, poor grading and packaging, and inconsistency in qualities.

Environment: Buyers now want to know how the product they are buying was grown and transported, and need to satisfy their conscience about this. Thus, it is important to avoid bad labour relations, bad environmental practices, etc.

Code of Conduct: Just like confessions, these Codes are critical, if adhered to. ADC/IDEA Project should help UFEA develop a good Code of Conduct.

BVH can assist in training of Uganda farmers, as was the case in Zambia. Better husbandry and post-harvest methods can lead to price increases. This new age of fast telecommunication is very difficult since a malicious article can be disseminated world wide in seconds.

Conclusion and Recommendations from the sessions

The following points emerged from the question and answer session:

- ◇ There is no deliberate attempt by buyers in Europe to increase costs of production in Africa by insisting on certain minimum standards. Rather, buyers the world over have become interested in knowing how the product they consume was produced and delivered to them. In order to keep them buying from you, you have to observe and abide by their rules. Examples of areas of concern include a proper environment for workers to work and live in;
- ◇ Ugandan farmers should increase acreage under flowers, enjoy economies of scale and be able to charter planes. This will enable them reduce air freight costs.
- ◇ Mass media is our next door neighbour. Growers should avoid bad practices as these will lead to bad publicity. Once done, it is too late to salvage the situation. UFEA has got a critical role to play in maintaining good public relations on behalf of its growers. Confrontation is not the answer. Let us be pro-active rather than reactive.
- ◇ UFEA, working hand in hand with ADC IDEA Project, should investigate the possibility of doing soil diagnosis in Uganda, either at an established private institution or at Makerere University or Kawanda Research Institute. Currently many growers take their samples to the Netherlands, complaining that locally it takes too long to get the results. ADC IDEA Project is interested in this matter and would welcome proposals with a commercial bias.
- ◇ UFEA/ADC IDEA Project, working with Mr. Loek Koop can make special programs of inspection and guidance for local rose growers to uplift their quality standards and be able to benefit from higher returns on the world market. This has been achieved in Zambia where Loek helped 2 farms attain quality improvement in a very short period of time.
- ◇ Ugandan growers can attain grade A¹ with some effort. Many growers who lose marks at the grading hall, Make good use of the data from the buyers, to see areas where

improvement is required. There is need to have contact with the buyer. In Holland this is achieved through the internet. UFEA should explore this aspect of communication.

- ◇ UFEA and ADC IDEA Project should spearhead a Total Quality Management Workshop for growers and their line managers.
- ◇ Important question each grower should ask himself are:
 - ⇒ Are you training your staff on safe use of pesticides?
 - ⇒ *Do you provide protective clothing for your staff?*
 - ⇒ Is the farm prepared to handle emergencies?
- ◇ UFEA was requested to prepares a comprehensive code of conduct covering, among others, environmental, labour and quality issues. UFEA to submit draft code of conduct Ugaflor '98. Working Groups to cover these 3 broad areas should be set up.

Speech by Hon. Richard Kaijuka,

The Minister thanked UFEA for the invitation. He paid tribute to UFEA members for what they have achieved over such a short period of time and pledged government support for the sector. He outlined some of the problems faced by investors in this sector (including himself), such as access to finance, high freight costs to the market and negative publicity. He thanked ADC/IDEA Project for the support extended to UFEA and its growers to enable them overcome these constraints. Drawing from the experience of Malaysia and Singapore, he cautioned growers not to think they are the only players in the market place. Given the competition we face, we should work even harder if we are to thrive as a nation. He welcomed efforts to rejuvenate East African collaboration as a way to enable Ugandans face the stiff challenges of global competition. The Minister thanked the Panelists from Kenya, Holland and Uganda for their professional input towards a vibrant rose industry. He was happy to note that members had resolved to prepare and adopt a code of conduct as a way to sustainable manage labour, the environment and quality issues. He closed the function by wishing all investors in this sector very big profits.

Appendices

The Chairman's Introductory Remarks

On behalf of the Uganda Flowers Exporters' Association, I would like to extend a special welcome to our Guest of honour, The Deputy Prime Minister and Minister of Labour and Social Services, Hon. Paul Etiang. I must also welcome all your excellencies and participants here today to the UGAFLOR' 97 Flower Conference.

I would like to take this opportunity to congratulate the flower growers and exporters for having successfully passed through the 1996-97 Export season.

I know the tides have been high throughout the previous season, but we are hoping for a better season.

Ugaflor' 97 is the second such conference to be held in Uganda in which a particular theme is selected and focused upon in relation to the Flower Industry in Uganda with the view of developing and strengthening the competitiveness of the Floricultural sector.

Last year, Ugaflor successfully focused on the Status and the Prospects for the Uganda Rose Industry. This year's theme is "Environment, labour relations, and quality control for a Vibrant Flower Export Industry in Uganda".

The rationale for this year's theme is the need to focus on the major inputs of the Industry, that is, land and labour which have given Uganda a comparative advantage and competitive edge over its European competitors, and how we should jealously guard this preserve.

Speakers have been selected from among the flower growers plus specialists who will present papers on the topical subjects of the day. Subsequently, we shall all participate in group discussions regarding the various issues discussed.

Ladies and gentlemen, I hope that at the end of the day we shall come up with objective recommendations and observations for the development of a Vibrant flower industry in Uganda.

To run along with the conference proceedings, we have organised a mini exhibition by the suppliers of various inputs for the Flower Industry. During the scheduled breaks, I am

specifically encouraging you to discuss your project requirements with the suppliers' representatives present here today.

Last, but not least, I would like to take this opportunity to gratefully acknowledge to you that this conference has been organised with the assistance from Agribusiness Development Centre/ Investment in Development of Export Agriculture [ADC/IDEA] Project, and contributions from the Uganda Flowers Exporters' Association (UFEA) members. We have also benefited from the resourcefulness of InterAfrica Corporate (U) Ltd. who are manning UFEA Secretariat. The tremendous support and assistance from these participants has made the planning and co-ordination of this function feasible.

A Brief about Uganda Flowers Exporter Association, UFEA

UFEA was established towards the end of 1995, as an umbrella organisation bringing together all the flower growers and exporters of Uganda in order to foster and promote the flower industry in Uganda. Enclosed in your folder, you will find a summary of the objectives of UFEA.

The present membership is 17 companies, namely;

1. Nile Roses (U) Ltd..
2. Ziwa Horticultural Exporters Ltd..
3. Jambo Roses (U) Ltd..
4. Uganda Horticulture/ SCOUL (U) Ltd..
5. Royal Flowers (U) Ltd..
6. NBA Roses (U) Ltd..
7. Equator Flowers (U) Ltd..
8. Harvest International (U) Ltd..
9. Van Zanten (U) Ltd..
10. Mairye Estates (U) Ltd.
11. Victoria Flowers (U) Ltd.
12. Tropical Flowers (U) Ltd.
13. Pearl Flowers (U) Ltd.
14. Uganda Young Plants (U) Ltd.-joint venture
15. Nsimbe Estates (U) Ltd.
16. Kajjansi Roses (U) Ltd.
17. Horizon Roses (U) Ltd.

In July 1997, a Secretariat was established at the Uganda International Conference Centre to coordinate the Associations' activities, and to provide data and information to members. This initiative is being coordinated by InterAfrica Corporate (U) Ltd. I encourage all of you members to make use of its facilities and resources. I would also like to add at this stage that the ADC/IDEA Project has just concluded an agreement of understanding with UFEA, under which ADC/IDEA Project will equip the Secretariat with the necessary tools and equipment. Please join me in thanking them.

UFEA is a member of the Uganda National Farmers Association, Private Sector Foundation, Over seas export promotion bodies like COLEACP, and is represented on committees of the Agribusiness Development Centre/ IDEA Project, Uganda Export Promotion Board, Uganda Investment Authority, to mention a few.

UFEA continues to work closely with the various Government and Non Governmental Institutions to develop the Floricultural sector.

On this note, I would like to request the Chief of Party - ADC/IDEA Project to make a few remarks.

I wish you all very fruitful deliberations, thank you.

Grower's Environmental Management.

Presented By: Mr. James Mwebaze, Equator Flowers Ltd.

Introduction:

The word 'Rosa' derives from the Greek word 'Roden' which is said to be of Iranian origin. The family 'Rosa' consists of about 150 species, and they grow wild in the temperate and sub-tropical zones of the Northern Hemisphere.

Very little information exists on Tropical management of cut roses, but we now know that we can produce good quality cut roses in Uganda. Quality cut roses can perform very well in an area where:

- i. There is plenty of light
- ii. Relative humidity of 65^o - 75^o
- iii. Temperatures of between 15^oc - 29^oc

Uganda is blessed with all the above and even more advantages over other rose growing areas in the world:

- i. Climatic conditions devoid of Wintry temperature throughout the year, hence energy is not needed for heating, this keeps energy costs out.
- ii. Plenty of clean fresh water from L. Victoria, available throughout the year at minimum cost.
- iii. Fertile soils all around the Lake Victoria region where cut roses production is concentrated.
- iv. Availability of abundant and relatively cheap labour force.
- v. Large Forest Reserve Covers as source of cheap construction of Greenhouses.

All the above factors give Uganda a large cost comparative advantage over other flowers growers both in Europe and Africa.

Major Environmental issues associated with rose growing and their management.

These are:

1. Good Climate
2. Application and handling of Fertilizers chemicals and Pesticides.
3. Occupational health and safety of workers.

Climate

- a. Temperature: Ideal temp should be:
Day temp. 24^o C - 29^o C
Night Temperature 15^oc - 18^o c

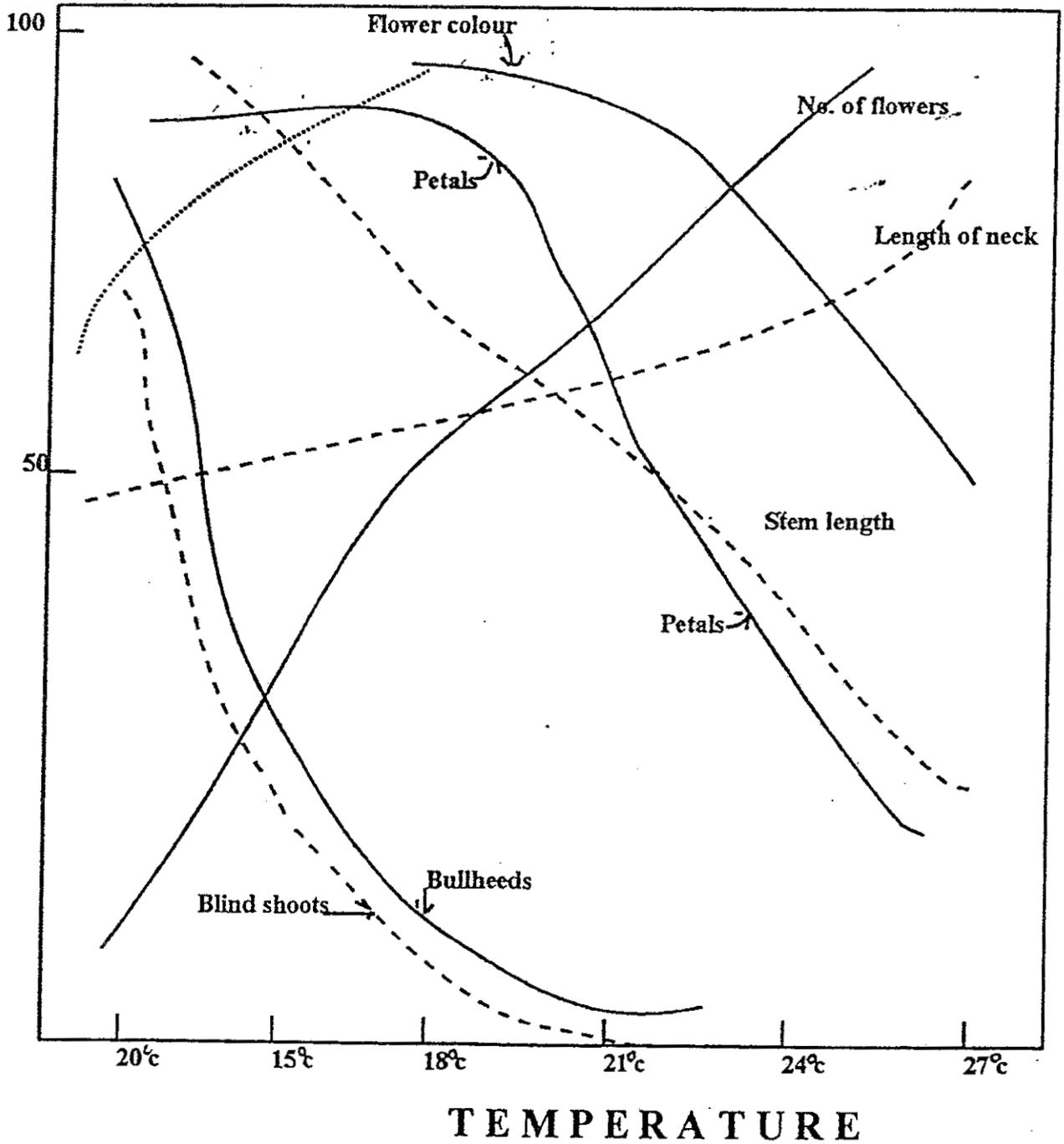
We should note that roses can be grown satisfactorily in Temperature above 30^oc providing humidity is brought up and evaporation slowed. At high temperature the post harvest chain must be good, since, once they have been cut, roses deteriorate rapidly unless cooled immediately.

The effect of temperature on cut roses is clearly shown on graph Figure. A.

- (i) Effect of Temperature on Numbers of Flowers harvested during the season.

The graph shows that an increasing number of flowers are harvested by increasing the temperature. This is also explained by the following table.

FIGURE A. The effect of temperature on different quality criteria on the rose flower and stem. (Moe 1979)



Days from cut back until first flush for Different varieties Moe (1979)

Constant night and Day temperatures.

Varieties	12 ^o c	15 ^o c	18 ^o c	21 ^o c
Sonia	90	60	48	42
Belinda	93	63	45	42
Garnette	101	69	52	48
Baccara	111	70	57	47

The above shows how dependant the production is on temperature. In the L. Victoria region where temperature is higher than any other major rose exporting country in the world, early findings are that the Netherlands yield can be obtained in 8 months.

- (ii) Number of Petals per flower. Fig. A. shows that increasing temperature decreases the number of Petals.

Number of Petals per flower at different temperatures.

Semeniuk (1964)

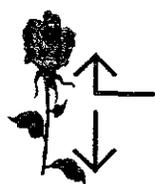
Average Tem. 0c	No. of Petals.
11.1	17
16.7	19
22.1	11
27.3	5
33.3	5

It is important to note that few petals give a soft bud that opens quickly and has a short vase life.

- (iii) Stem length: Stem length decreases with increased temperature. It is important to note that in import markets prices increase with stem length. For growers in the tropics it may sometimes be more profitable to produce one long rose than three short roses - or?
- (iv) Flower Colour: With some varieties, colour is best at around 18^oc. Rose buds start to loose colour intensity at higher temperature. Low temperature can give a very dark colour and some red coloured varieties can turn black at lower temperature. (Baccara, Mercedes, Jaguar).

Israel research appears to indicate that light quality might be the reason for the black flowers.

- (v) Length of the "neck" of the rose: Low temperature will give short necks and high temperature will give long necks. Normally, short necks are favored by importers.



High Temp.
(long neck)



Low Temp.
(short neck)

- (vi) "Bullheads" - Malformed flowers: Some varieties form bullheads easier than others. This type of malformation is mostly found on sites with very low temperatures.
- (vii) Blind shoots: Abortion of initiated bud gives blind shoots. It is not only a temperature problem, it is also affected by the light intensity. Low temperature and low light intensity increase the % of blind shoots.
- (viii) Vase life: Trials to establish effect of temperature on vase life are still going on. Moe (1974) reported that both low and high temperature reduced vase life.

B. Effect of Humidity:

H.R.H. is a major problem in some parts of the tropics. Optimal R.H. should be 65 - 70%.

Low R.H. + H.T. will attract spider mites. High R.H. exposes the plants to serious fungal diseases.

Therefore with the outlined environmental challenges a compromise must be created if quality production is the target.

C. Greenhouses.

As mentioned earlier temperatures above 29°C will negatively affect production and quality, as will temperatures below 10°C at night. It is therefore essential that

greenhouses for rose production be equipped with aeration facilities to lower the temperature in hot periods and to raise the temperature in cold periods.

It is very important to have greenhouses with sufficient height. The air volume is important to decrease the effect of temperature up in an optimum climate, without touching the roof of the greenhouse. It is recommended that the side height of the greenhouses should be of the order of 3.5m - 4m with permanently open vents along the ridges and variable vents along the sides.

The effect of high day temperatures can also be reduced by irrigation - misting. Evaporation reduces the temperature very effectively, and also raises the relative humidity. It is important to use irrigation for temperature control only in the morning and early afternoon in order to keep the plants dry during the night. If the plants are wet during the night, fungus infestation will increase and in addition leaf drop to which some varieties are particularly susceptible.

When using irrigation to reduce the temperature it is important to operate the system for short periods. The idea is not to irrigate, but only to wet the surface of the soil.

2. Application and handling of Fertilizers, Chemicals and Pesticides.

- a. Banned Chemicals:- Banned chemicals are prohibited and are not used in our flower industry. Every grower submits a list of chemicals used at his farm to the Association's Secretariat for guidance. The association is always in contract with the Ministry of Agriculture, NARO, NEMA for guidance on use of chemicals. The association also sends bulletins to flower growers on usage of chemicals especially those that are Environmentally friendly.
- b. Correct use of Chemicals:- By the nature of the flower industry the grower must use sufficient amounts of fertilisers. his is in order to increase the production and improve the quality. The flower grower must also use sufficient pesticides in order to control the spider mites in the greenhouses, the caterpillars and other pests which invade the flower crop from time to time. There is no other way, these pests must be destroyed.

He must use sufficient amounts of fungicides in order to control diseases which can be a menace in the greenhouses.

Certainly the use of all these chemicals could have negative effect on the environment especially soil and ground water systems. BUT when these chemicals are correctly used their harmful effect is tremendously minimized. The grower has to use the right amount and concentration and at the right time. If you spray the right amount of the chemical to the plant, this chemical should be taken up by the plant tissue. After spraying sufficient interval should elapse before applying water say 3 - 4 hrs.

- c. Correct Fertilizer Rates: Correct amounts of fertilizers should be applied to the crop and this will minimise accumulation of excess salts in the soil.

For example we know that a young rose crop say of two months requires an application rate of 4kg/ha per day of Potassium Nitrate. If this rate is correctly applied almost all of this nutrient will be taken up by the plant.

Excess application of chemicals and pesticides should be minimised in order to save our environment.

Recently the association has asked every grower to dig a catchment trench between the Greenhouses and the swamp. The run off in this trench is tasted periodically to discover any contamination.

- d. Other measures to reduce scale of Chemical application include:

Integrated Pest management (IPM) here Cultural, Mechanical and Biological methods of disease control are effectively being used. Infected plants are destroyed, green houses are kept clean. The success of these methods depends on active scout teams in the greenhouses.

- e. Proper Disposal of Used Chemical Containers

These are properly burnt and buried as the case may require. This will ensure that the water bodies down the swamp and the soil are not contaminated by the run off.

f. Use of Resistant Varieties.

There is need for suitable varieties which are more resistant and suitable to our environment.

g. Organic Fertilisers.

There is need to develop research on use of the abundant organic fertilizers e.g. coffee husks, cow manure etc. in the growing of roses.

h. Planting materials.

We need to locally raise planting materials suitable for our local ecological zones.

Some imported planting materials come along with a host of disease problems and these emerge in the first week of planting.

3. Occupational Health and Safety of Workers.

While we apply these chemicals and pesticides, we are very conscious of the health and safety of our workers. The continued good health of our labour force is our priority. This is a group of workers in which the grower has invested highly by way of training on the job, so it is in the growers interest that workers are protected from all forms of hazards be it chemical mechanical or whatever. All or most chemicals used on the farms are hazardous, therefore a number of good measures have been put in place to avoid any incidences.

These are mainly:

- i. Instructions to workers on the procedures of use of different equipments for different chemicals - kind of training.
- ii. Proper Protective clothings when handling or spraying the chemicals - e.g. overcoats, gloves, masks, boots, overalls, gaggles.
- iii. Storage - chemicals and pesticides are properly stored and are not mixed with other products.
- iv. Shower room facilitate where workers who have been handling chemicals retire to wash off the chemicals.
- v. Drinking water - there is always enough safe and clean drinking water for every one.
- vi. Pit latrines are available.
- vii. First Aid Kits are available for handling emergency cases.
- viii. Periodic medical check-ups are carried out.
- viii. Workmen's Insurance policies have been taken up.

Thank you very much for your attention.

Labour Relations From The Grower's Perspective

Presented By: Mr Peter Kimbowa, Director, Jambo Roses Ltd.

The major factors of production in the flower industry are Land, Labour and Capital.

As much as the flower industry in Uganda is capital intensive, it is also still very labour intensive. Therefore, labour plays a very important role in determining the success or failure of any one project in Uganda. Hence, it is of critical importance for any employer in this industry to ensure he/she has a well motivated, well trained and healthy work force.

The existing labour legislation in Uganda also goes a long way towards putting in place and embracing guidelines and laws that govern employment and the different aspects of employment to ensure good labour relations.

At Jambo Roses, we recognise, respect and strive to honour the labour legislation of this country especially so because we know that with good labour relations we shall no doubt achieve our set goals and objectives.

At this juncture, Ladies and Gentlemen, I would like to give you an overview and take you through the practical labour aspects on the ground at Jambo Roses.

Jambo Roses has at the moment developed 3 hectares of Rose Green houses and boasts of a total workforce of 150 employees.

These employees fall in different categories as follows:-

1. **The expatriate staff:** These are basically specialised Technical Personnel. They are involved in the management of production operations, post harvest handling and training of local personnel in the required specialised skills of flower growing. I would like to stress that at the moment we have to rely on foreign expatriates because Uganda still lacks qualified indigenous personnel in flower growing.
2. **The Skilled Staff:** This constitutes mainly local personnel employed on a permanent basis. They fall in the management, supervisory and Accounts categories.
3. **The Unskilled / Semi Skilled Staff:** These constitute the biggest part of our work force and are in two categories:

- a) **The Permanents:** That is those in the clerical, security, field and post harvest sections, drivers, mechanics, store keepers etc.
- b) **The casuals or task workers:** These are called upon as and when required to work on specific tasks e.g. when there is a peak harvest, construction of green houses etc.. they are laid off when a specific task has been satisfactorily achieved.

Employment procedures and other salient labour issues on the farm

Employment Contract:

All Employees of the different categories are employed on contract, prescribing the particulars of the employment, as expected by the company, rules and regulations governing the company, remuneration packages, probation period, hours of service.

Vacancies are either advertised through the newspapers, or solicited directly. Unskilled/Semi skilled workers are engaged directly at the farm site.

The present labour rate for the semiskilled/unskilled is UShs. 1500 per day plus lunch in kind.

Skilled workers are at the moment paid at average and daily rate of UShs. 10,000 per day plus free lunch with transport allowance. Some are housed at the project site while others are paid housing allowance. All the terms and conditions are provided for and spelt out in the employees contract.

On the part of the expatriate, contracts are fixed for a specific period and renewed or amended upon mutual agreement. They are also provided with work permits through the Uganda Investment Authority.

All the contracts referred to above are provided for in a termination clause enabling either party to give termination notice. The period of notice is normally mutually agreed upon but the contract allows for payment in lieu of notice by either party.

For the Permanent Staff work normally begins at 7.00am up to 5.00pm with two hours and tea and lunch break.

Any overtime worked is calculated and paid at one and half times the normal rate of pay. Employees are given 30 days annual leave with full pay but can also be taken by weekly offs. Normally, all gazetted public holidays are granted to the employees, however at times when we require the employees on such days we, pay for them a day off later with later with normal pay.

Salaries and wages for the local staff are paid in local currency and for the expatriates in the preferred currency. A muster roll is kept for all employees monthly payments. The following deductions are made from the employees salary as required by law: The N.S.S.F and P.A.Y.E.

The NSSF scheme is a worker's savings scheme sponsored by the government for the benefit of the members. The company is responsible for paying all contributions to the fund. Each legible employee has a reference NSSF Identification Account Number.

The Employee contributes 5% of his he employees contribute 10% of the employees basic salary to his NSSF Account.

PAYE is an income Tax deductible as required by law from the employees salary and remitted to the relevant revenue authority. Deductions are calculated with reference to the existing income tax deduction guidelines in force.

However, at times workers or local authorities request that we deduct graduated tax at source which we do over an agreed period and remit to the local authorities who issue the graduated tax tickets directly to the employees.

Other deductions may include advances taken by an employee or actual days not worked.

Other Salient Labour Issues.

a) Employees Insurance:

Jambo Roses has taken up an Insurance policy for workman's compensation with Goldstar Insurance against liability which we may incur to any of our employees under the workman's compensation Act in force.

The main aim is to provide for compensation to workmen for injuries suffered in course of their employment.

Generally, employees injured in the course of employment are paid their wages and compensation. Reasonable steps have been provided for first aid Medicare treatments and other specialised treatments if necessary are normally agreed upon in the employment contracts.

When an Employee dies, his/her due wages and property are given to his next of kin.

b) Employment of Young Persons

Jambo Roses is very well aware of the law restricting employment of persons below 18 years of age and at the moment no such persons is employed.

However, the law permits that if such person is employed he/she should not work at night, in harzadous areas and should only be used for simple and clearly stipulated jobs.

c) Employment of Women

I would like to report that 80% of our employees are women

Women, as policy and practice at Jambo, are not discriminated against or victimised and are being fairly treated like any other male employees.

They are granted maternity leave when pregnant up to 45 days.

I would like to report that experience has shown that they are even better than men in delicately handling the fragile flowers.

d) Workers Training

Jambo Roses gives top priority to investment of its employees. Expatriate staff as I mentioned earlier are involved in importing hands-on-skills to the farm workers.

Field visits are arranged in which selected workers visit other farms to share experiences. Employees are always encouraged to attend seminars and industrial training organised by UFEA or USAID ADC/IDEA project.

In the near future foreign study trips will be organised which will enable selected employees to learn more from the foreign companies in Kenya, Zimbabwe etc. and Europe.

We very well know that this kind of encouragement is very necessary for a stable and confident workforce and is in the end for the good of the company as it will always provide the greatest possible improvements, quality and efficiency.

e) Employees Health, Safety and Welfare

We consider it of Utmost importance to ensure safety, health and welfare of our workers. Considering that the chemicals/Fertilisers used are basically poisonous, the environment which includes both land and the people should jealously be protected.

Workers who get in contact with chemicals are equipped with gloves, masks and overalls or overcoats, boots as protective clothing to ensure that none inhales or gets into contact with the chemicals.

The procedure is that over an area in the greenhouse is sprayed, a minimum period of 3 hours elapses to allow the chemicals to settle before employees are allowed to work in these areas.

I must point out at this juncture that before there were some loopholes in this area but now it is a rule and a must for all employees in these sections to wear protective clothing.

We are also aware of the international repercussions if these measures are not followed as this may eventually lead to sanctioning of our products from International markets.

We have also prepared a list of chemicals ordinarily used at the farm for proper consultation and guidance by the Ministry of Agriculture through the UFEA on the banned chemicals.

In case, an employee is affected, we have is First Aid facilities at the farm. If the case is more complicated medical treatment is provided at hospitals and paid for by the company.

f) Unionisation of workers

Jambo Roses Management fully understands the requirement under the Trade Union's Decree which allows employees to organise themselves in unions as a bargaining unit. It is their constitutional right.

This is one of the areas we are presently tackling with the involvement of the UFEA Secretariat. The relevant department of the Ministry of labour will be approached in the very near future by UFEA to discuss and agree on a harmonised system and integrated approach for the industry in the Trade Unions. We would like to avoid a situation in which the employers and employees can hold each other at ransom. These are key aspects of labour relations at Jambo Roses.

In conclusion, I would like to again reiterate that labour remains one of the most precious assets for a vibrant flower industry in Uganda and we shall at all times endeavour to have the best employer-employee working relations and to abide by the labour laws and resolutions of Uganda.

May I thank you very much for your kind attention.

Quality control methods - the growers perspective.

A paper delivered at UGAFLO^R' 97 by Mr David Byabazaire, Director-Royal Flowers Limited.

The emphasis of my presentation is on quality control, from the point of view of the rose grower. To increase the turnover of all kinds of goods, one has to fulfil the wishes of the consumer. In case of cut flowers, this means in the first place a long vase life. Proper crop husbandry and post harvest treatments by the grower can extend the vase life of flowers to even 2 weeks. Quality is a measure by which a product or service is adapted to the needs, wishes and behaviour of the consumer. This implies that to increase quality one has to do a market survey rather than a product survey.

A survey was carried out in Europe to determine what the consumer looks for when buying flowers with the following results:

Reasons consumers buy a specific type of flower:

- | | |
|---|-------|
| - Long vase life | - 60% |
| - Colour | - 20% |
| - Price | - 10% |
| - Other e.g. bunch size,
fragrance, sentiment etc. | - 10% |

This means that, if one wants to increase his turnover in cut flowers, one has to first increase the vase life of his product. The most important quality parameters are therefore vase life, uniformity and consistence. The potential comparative cost advantages for Uganda in the flower industry cannot be realised unless high quality flowers are delivered to the market.

I would like to high light some of the major factors that influence the quality of cut flowers in general.

1. **Selection of varieties:** Selection of varieties adapted to specific geographical and climatic conditions is essential for production of good quality flowers. The Uganda climate is hot and humid which offers scope to produce very high yields of small

flowered roses of 30-65 cm stem length. Therefore it means that Uganda should promote high quality supply of these types of roses.

At Royal Flowers Ltd, we have selected varieties to grow based on the suitability of the climatic conditions at the farm site, market potential, yield and vase life. Identified candidate varieties for future expansion are being tried out on the farm to establish their viability.

2. **Crop Husbandry and Farm Management:** Proper farm management and crop husbandry practices are of paramount importance for good quality production standards. This is right from the planting stage all through to feeding, watering, pruning, disease control, harvesting and post harvest handling of flowers. To achieve this required commitment and dedication from the entire farm workforce.

At Royal Flowers, we have contracted expatriate staff who possess specialised knowledge and skills in growing roses and are also involved in training local personnel in this specialised field with special emphasis in relation to the chain of activities referred to above.

Soil tests are carried out on a regular basis in laboratories abroad which determine and advise on the suitable types and quantities of fertilisers and water to be administered for a period based on the plant requirements at a particular stage.

Timely strategies for pruning and harvesting programmes are determined by the expatriate grower, as these greatly influence the quantity of the flowers produced by the plant and also their quality.

Harvesting is done in three intervals a day for only flowers at the right maturity stage as prematurely harvested flowers will never come to full bloom. In the same way over ripe flowers will not have sufficient vase life and are easily damaged during transportation.

Disease and pest control is also another major aspect of quality control. Disease and pests can greatly damage the quality of the plants and flowers in the green houses and, if not checked, can lead to great devastation and losses for the grower. Therefore they should continuously be checked for prevention and eradication.

Further more, we have a specific designated team responsible for scouting for diseases and pests in the green houses. At times it requires preventive blanket sprays.

When there is any pest or disease infection, recommended chemicals are used to spray and eradicate the problem. This is done under supervision of properly trained personnel with proper equipment and wear.

Common diseases and pests that attack rose plants include; powdery mildew, down mildew, botrytis, spider mites, aphids and caterpillars. The main control methods are chemical sprays and sulphur dust evaporation.

3. Post harvest handling techniques:

Roses like other cut flowers face unfavourable conditions such as long and dry storage in boxes, rough transport handling and temperature changes. Only these flowers treated with great care can survive these conditions and give the consumer the beauty and pleasure they paid for.

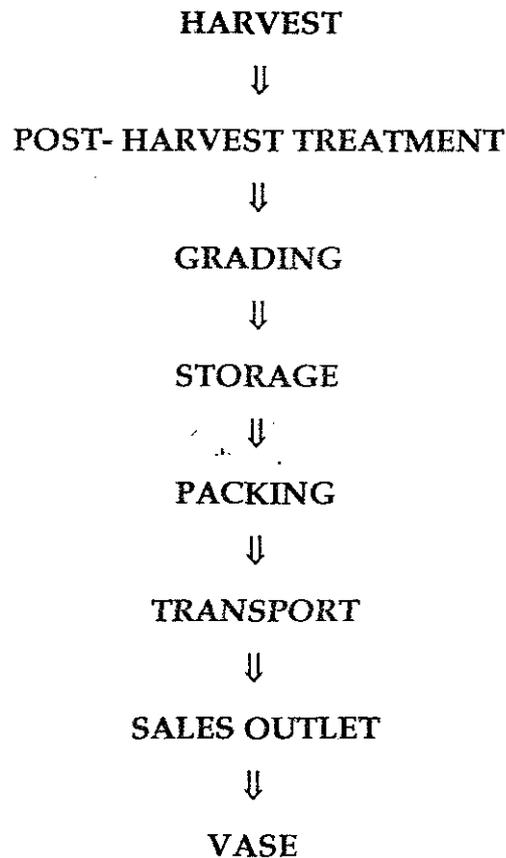
The physiological factors that affect the vase life of cut flowers can be classified in 5 groups:-

1. Ethylene damage
2. Yellowing of leaves
3. Insufficient nutrients
4. Insufficient water uptake
5. Blockage of wood vessels by extensive bacterial growth.

Often we try to counteract these physiological factors by using post harvest treatment. Post-harvest treatment is basically the use of chemicals after harvesting the flowers which is designed to extend the vase life of the product.

In practice we add the chemical to the water in the buckets where we put the flowers after harvesting. The main chemical is aluminium sulphate or florissant. These are simple, cheap and friendly to the environment.

Generally the following scheme is applied for the total post harvest process.



It should be noted that post harvest treatment cannot upgrade poor quality flowers. Post harvest treatments can only maintain the quality as they do not contain components that can be used by the flowers as a nutrient.

Flowers are placed in the post harvest treatment solutions as soon as they are harvested. This process does not take any longer than ten minutes to avoid the influences of the physiological factors I mentioned earlier on.

The flowers are then quickly delivered to the cold rooms at the farm site where they are kept at temperatures of about 2°C for a minimum of 2 hours to remove the field heat.

Thereafter, the grading process begins. Flowers are graded by stem length, proper cut stage, and mechanical damages. After grading, the flowers are placed again in the post-harvest solution, and placed in the cold room at 2°C.

Water uptake is very important for the flowers as insufficient uptake is the cause of bent necks and failure of the buds to open.

Because roses are extremely susceptible to bacteria, great care is taken to prevent contamination by always using clean buckets, clean water and the right post harvest treatment.

Flowers are packed in cardboard boxes within the cold rooms, on to a refrigerated truck for delivery to the airport.

From then on flowers are under the control and supervision of the Entebbe Handling Services (ENHAS) who are responsible for receiving, weighing, palleting and loading onto the aircrafts.

It is very unfortunate that at the moment the cold storage facilities at the airport are not yet functional and no proper shades are yet in place to protect our products from the scorching sun and rain.

It is greatly affecting our product quality and at times causing us great losses without any fall back position to the handling agent for compensation.

Secondly, the airport staff handling our cargo are not properly trained in the specialised skills of handling perishable products and even lack the necessary equipment for the job.

On behalf of my fellow growers, I would like to again request the Civil Aviation Authority to expeditiously find a solution to these problems.

After a long spell of dry transport, the flowers desperately need water. At this stage all matters are handled by our marketing agent who is responsible for receiving, clearing and preparing the flower for auction.

For each consignment we receive quality remarks from the market which enable us to continuously ensure consistent quality supplies.

Concluding remarks.

That briefly is the chain from farm, to the market place, and the importance of ensuring quality at each stage. The key to this is to:

- a) Select and promote varieties which do well under Ugandan Conditions

- b) Improve farm management and crop husbandry practices to raise production standards
- c) Improve post harvest handling practices to maximise vase life and improve product quality.
- d) Civil Aviation Authority should strive to improve handling facilities at the Entebbe airport.

Thank you very much for your attention.

Floriculture In Uganda - Past, Present A nd Future

By Steve New - ADC/IDEA Project , High Value Crop Advisor

1. THE PAST - Development of the industry 1993-97

Commercial floriculture is still a relatively new industry in Uganda. Prior to 1993 there was occasional exports of orchids and other tropical plants on a very small-scale to specialist overseas buyers, but no organised production. Nile Roses, the first customised farm for commercial flower production for export, was set up in 1993, closely followed by Ziwa Horticultural Exporters. Initially these farms planted exclusively roses, based on systems already well-established in Kenya and other African countries. The rapid growth of the rose industry since 1993 is illustrated in Figures 1-4 and summarised below in table 1.

Table 1. Summary of Rose Exports from Uganda 1993-97

Year	No. Of Farms	Area (Ha)	Stems (millions)	FOB value (US\$ mill)
93/94	1	2	1.02	0.13
94/95	3	8	8.5	1.11
95/96	9	40	26.8	3.48
96/97	12	57	70.7	9.19
97/98	14	77	122.5	15.93

Over the past three years, the value of exports has increased at an average rate of 250% per annum, and will reach a value of \$16 million *FOB* in 1997/98. Since 1995 trials with other flowers and plant cuttings have also been undertaken by several farms, and these products will contribute an estimated \$1 million *FOB* in additional export earnings.

Cooperation amongst growers and investors has been a strong feature of the development of the industry with more than 90% of investment capital for new farms being raised within Uganda. In July 1996 the Uganda Flowers Exporters Association held its first national conference *Ugaflor 96*. Some of the major challenges for the future were recorded in the recommendations of participants at that conference and substantial progress has been made in several areas (see below).

2. THE PRESENT - Current contribution to the economy

Based upon data provided to the ADC by all flower farms, a further large increase in rose and other floricultural exports is anticipated for the 1997/98 season. By January 1998 we estimate that there will be at least 75 hectares of roses in commercial production. At least 26 varieties are being grown commercially with First Red accounting for about 20% of total production. Prophyta varieties account for about 12%, Frisco for 8% (but increasing) and Souvenir for 5%. The majority of other varieties being produced are sweetheart types. At least 15 hectares of other floricultural crops will be produced including limonium, summer flowers, chrysanthemum cuttings, saintpaulia, amaryllis and leather leaf fern. In summary, the floriculture industry will make the following contributions to the national economy in 1997/98:

- ◇ Flowers are becoming a major contributor to foreign exchange earnings. The *fob* value of roses for the 1997/98 season will reach US\$ 15.9 million based on an industry-wide average marketable yield of 150 stems per square metre and an average *fob* value per stem of US\$ 0.13. Other flowers and plant cuttings will contribute at least US\$ 1million.
- ◇ The export flower industry will employ 4,000 workers of which 85% are women, contributing Ush 2.4 billion in wages to the rural economy. Indirect earnings from associated industries such as packaging and transport could double this figure. Although difficult to quantify, the local market for cut flowers and ornamental plants has also expanded over the past few years, indicated by a visible increase in the number of small-scale growers, florists and roadside sellers, and leading to significant employment and income generation.
- ◇ Floriculture has provided new opportunities for agricultural graduates and diploma holders to develop technical skills and develop careers in modern agriculture.
- ◇ The availability of flowers for export has contributed significantly to a build-up in the confidence of air carriers and the continued increase in regular freight capacity which has taken place to the benefit of other industries such as fresh produce and fish.
- ◇ As a non-traditional export, flowers have contributed to the Government objective of widening the tax base.
- ◇ The demand for high quality timber for greenhouse construction has provided additional opportunities and income from commercial eucalyptus planting.

- ◇ Floriculture has contribute to rural stability by providing jobs, income, public services and amenities to villages surrounding flower farms, all of which are situated in rural areas.

In addition to these national benefits, specific progress has been achieved in addressing some of the major constraints to growth identified during Ugaflor 96:

A. Human Resource Development

In the area of human resource development, the lack of trained Ugandan farm supervisors, technicians and researchers was identified as a priority area. Since then the Continuing Agricultural Education Centre of Makerere University has worked together with the IDEA Project and UFEA to develop and fund a basic certificate course in Applied Tropical Floriculture. In August 1997 the first course will start with 18 participants including supervisory staff from most of the flower farms. We believe that this is the first course of its type to be organised in Africa and indicates the determination of the Ugandan floriculture industry to achieve sustainability over the long term.

B. Infrastructure

Another area for concern which was highlighted at Ugaflor 96 was the lack of facilities at Entebbe Airport. The USAID-funded cold store at the airport is now operational and available for the 1997/8 season. Following numerous discussions and representations by UFEA, IDEA and individual exporters the CAA has demonstrated a strong commitment to providing additional shade and an operational cold store at the airport. At a recent CAA conference, the Chairman also announced that land would be made available for rental within the airport perimeter for flower exporters to construct their own facilities.

C. Finance

To address the issue of sensitizing banks about the flower industry, and influencing interest rates and repayment terms, UFEA has set up a secretariat to undertake this task. The secretariat will enable UFEA to communicate to their financiers all the developments taking place within the industry. The banks will also communicate to the flower farms any new facility to ease the process of lending.

D. Technical Support

Technical support to the industry continues to be provided by USAID through the IDEA project's Agribusiness Development Centre. The ADC has provided funding and technical support for four research projects in floriculture, and has assisted several farms directly with various types of management input. Substantial assistance has also been provided to UFEA in setting up their secretariat and in promoting Ugandan flowers on overseas markets. The ADC provides weekly market information and monitors production and export statistics for the industry. Target areas for 1997-98 are training (see above) and environmental management.

3. The Future - Potential and conditions for growth

Uganda is on target to achieve export earnings of \$30 million *fob* from floriculture in the 2000/2001 season, with all the concurrent benefits to the economy indicated above. Several key factors indicate that the market opportunity exists for this:

- ◇ The world and European markets for roses are continuing to grow at a rate which can easily absorb additional production by Uganda.
- ◇ Uganda can be highly competitive in terms of production costs for short and medium stemmed roses.
- ◇ Diversification into other floricultural products is in its very early stages in Uganda and can grow significantly without impacting on market prices.

However, to take advantage of the market opportunities which exist, and to achieve profitability, the industry must continue to improve its performance in several key areas:

- ◇ Quality assurance in terms of product specification, vase life and presentation is essential.
- ◇ Yields and production costs must be optimised to ensure price competitiveness.

- ◇ Marketing relationships must be maintained and further developed to accommodate the changing needs of the final consumers in Europe and other markets.
- ◇ New varieties must be continuously introduced to anticipate changes in market preferences.
- ◇ Codes of practice must be adopted which meet the demands of European consumers in relation to environmental management, natural resource conservation and employment conditions.
- ◇ The concept of voluntary codes of practice is relatively new in Uganda but has become a priority issue for consideration by the industry since commercial flower production is both capital and labour intensive. High inputs of fertiliser, pesticides and packaging can de-stabilise natural ecosystems and give rise to animal and human health hazards if they are not correctly managed. The rapid growth of the flower industry also means that a large number of inexperienced employees are involved in the production and packaging processes. The combination of these two factors presents major challenges to managers in the industry.

These potential threats to the natural and social environment are well-known by European consumers and, in future, they will only buy products from countries which have adopted environmentally-friendly production techniques and management systems.

In order to minimise the potential dangers of intensive horticulture to labourers in the industry, consumers and society in general, it is necessary to develop *codes of practice* which ensure that safe and socially acceptable management systems are in place and implemented. These codes of practice normally cover environmental, labour and quality issues and can be subject to audit by both customers and statutory bodies. The development of a code of practice for the Ugandan floriculture industry is now a major and immediate challenge.

4. Conclusions

- ◇ The floriculture industry has grown rapidly and successfully over the period 1993-97.
- ◇ The industry is making a major contribution to the national economy in terms of foreign exchange earnings, employment and rural development.
- ◇ Good progress has been made in addressing constraints which restrict the growth of the industry but continued action is required.
- ◇ The market exists to increase production to an export value of more than \$30 million *fob* per annum.
- ◇ To achieve this growth, production methods must be improved and quality assurance maintained at a very high level.
- ◇ Although the industry has a good record on environmental and labour management, the rapid growth rate poses potential problems for the future which must be addressed by the introduction of voluntary codes of practice.

Developing a Code of Practice the Kenyan Experience

By: D.H. Gray, Floriculture Consultant 6th August 1997

The following summary is adapted from part of a "Report from East Africa" in Pathfast Publishing's latest International Floriculture Quarterly Report.

The presentation itself will explain more of the background, some of the problems likely to be encountered in drawing up such a code of practice and suggest some of the key issues to be addressed.

Kenya, along with Colombia and other so called developing countries exporting florals to Europe (including, recently, Uganda) has come very much under the spotlight regarding such controversial issues as abuse of the environment. Misuse of pesticides, worker's health and welfare.

However genuine (or "politically" inspired) the accusations have been (and continue to be), the whole matter has to be taken seriously by an industry that is very much market-driven - a market that is sensitive to fashion and fashionable ideas.

There are, of course, always a few bad apples in the basket - but certainly the more serious Kenyan growers - who probably constitute 90% of floral exports - take these matters very seriously, by as witnessed by the fact an increasing amount of produce (including cut flowers) is being sold through the big super market chains - and there are no more fussy customers than them, with their regular audit visits and "greener than thou" competition among themselves.

Specifically - in chronological order - the G.I.F.A.P. - sponsored Safe Use Project (S.U.P) was set up in 1991 (Kenya being one of only 3 countries world wide to be involved) and has gone from strength to strength, in training in safe and efficient pesticide use, and encouraging the introduction of IPM systems where applicable. Almost all the major flower growers are involved with the SUP in regular training and retraining staff at all levels.

With the advent of Maximum Residue Levels legislation in Europe, FPEAK organised a very well attended seminar in 1993 - which led on to the establishment of its Code of Practice - finally launched in mid 1996 - covering labour employment, pesticide usage, product

traceability, conservation of the environment but not at this stage conduct of trade which had been suggested as the fifth "Pillar of Wisdom". Due to a number of Constraints (not least the cost of operating such a scheme), progress has been slower than hoped, but as at mid June 1997, 17 members (12 of them flower exporters) had applied to join the scheme and official audits by SGS were expected to start in early July.

FPEAK have been in discussion with the Dutch MPS scheme, the BGI/Union Fleurs "Flower Label" scheme and the Max Haverlaar Organisation. A cornerstone of the FPEAK Code of Practice is the involvement from the start, of the internationally recognised and independent SGS, the only Non Government Organisation in Kenya licensed to give ISO accreditation.

More recently, and no doubt feeling that FPEAK was not moving fast enough and particularly well aware of concern about Lake Naivasha, a number of the larger flower growers formed the Kenya Flower Council under the banner "Environment Friendly". Its Code of practice is very similar to but more restricted than that of FPEAK - but both organisations are aiming for the same goal and questions are inevitably being asked as to why have 2 organisations when a concerted combined effort by the industry as a whole should be more effective.

Partly reactive - Yes - but the industry is becoming pro-active in these contentious issues also. By setting standards, having independent audit and using PR, growers and exporters are endeavouring to scotch the malicious rumours and convince customers and the public at large that flowers from Kenya are not "poisoned" and neither are the citizens who produce them.

At a recent gathering of about 60 flower exporters, officials and other interested parties, Peter Moeller of BGI/Union Fleurs described the Flower Label concept and invited Kenya to consider joining the scheme. Besides the relatively straight forward technical aspects, two areas of dispute are whether the audit/inspection should be done by "home" or "away" inspectors and (associated with BGI's insistence on the latter) the cost of using the label. \$1 per box smacks of profit making by the sponsors rather than real concern for environment, according to some of the more cynical of the participants at the meeting.

A further recent development in this general area comes from the International Centre for Insect Physiology and Ecology (I.C.I.P.E), based in Nairobi, which has only recently ventured into matters horticultural. The institute has proposed a research project to look into "Cleaner" flower production systems, and is seeking finance from donors, including the growers and exporters themselves.

Alongside this initiative, I.C.I.P.E itself is supporting a project to trial and commercialise insecticides extracted from the seed of the Neem tree which grows wild in the Coastal region but can be cultivated at altitudes up to about 800m under Kanyan conditions. The extract (in liquid and powder forms) is in the process of registration with the PCPB and may be on sale as a natural insecticide within the next year. Incidentally Kenya is the world's leading producing country of natural Pyrethroids - the Pyrethrum flower is grown widely throughout the Rift Valley province and the extract exported worldwide.

The development of IPM - in association with or as a cornerstone of a Code of Practice - is being pursued seriously in Kenya.

However, this strategy is not easy to establish and doubt exists whether 95% control is good enough when the market demands 100% cosmetic appeal.

DEVELOPING A CODE OF PRACTICE; KENYA EXPERIENCE BY D.H.GRAY

1. PRIVATE (COMMERCIAL / ASSOCIATION) INITIATIVE
2. RESPONSE TO CONCERNS EXPRESSED FROM THE MARKET

(GENUINE/"POLITICAL"?)

LABOUR ABUSE; HEALTH, SAFETY, WAGES, UNIONS

CHEMICALS; XS FERTILIZERS (Nitrates etc.)

PESTICIDES MISSUSE

MRL's

WORKER HEALTH & SAFETY

ENVIRONMENT POLLUTION

ENVIRONMENT; DEGRADUATION AND LOSS

FOOD CROPS NOT CASH CROPS/MULTINATIONALS

"UNFAIR" COMPETITION

INCREASING INFLUENCE OF SUPERMARKET CHAINS and "GREEN"

MOVEMENTS

4. WHY HAVE A CODE?

WHO IS THE TARGET?

MARKETING TOOL/PRODUCTION DISCIPLINE?

NATIONAL PR EXERCISE Government/Association/Individuals?

WHO BENEFITS and HOW?

ANOTHER BUREAUCRATIC COST?

PREACHING TO THE CONVERTED ANYWAY?

5. SOME THOUGHTS AND SUGGESTIONS

INVOLVE ALL STAKEHOLDERS FROM THE START

TELL THE MARKET IN GOOD TIME

STANDARD MUST BE ATTAINABLE, BUT ALSO MEAN SOMETHING

DON'T COMPROMISE ON STANDARDS

TIMESCALE

CODE COSTS MONEY/ADMINISTRATION

Who pays/who administers?

CERTIFICATION

who/how?

FPEAK/KFC/ABLH/BGI systems & costs

SUPPORT OF GOVERNMENT

CODE OF PRACTICE v CODE OF CONDUCT

6. RESULT TO DATE

SLOW TO GATHER PACE

A PATHY/IGNORANCE?

TOO MANY CODES

MARKET BENEFIT? Too early to tell

Don't expect better prices, just hope to survive!

Developing A Code Of Conduct: “The Uganda Coffee Traders’ Federation Experience”

Presented By; Mr Fred Kawuma, Executive Director - Uctf.

Introduction

Every industry or area of discipline must have guidelines or rules that define the expected behaviour for its members, operators, or professional people. Sometimes this set of rules may be known as a code of ethics or code of conduct, but in essence such rules define the expected behaviour of the people concerned. The essence of a code of conduct is to give confidence to the operators that all players will follow the same rules of the game.

In state controlled systems, the state gives the quality assurance to all parties in the transaction, and uses its machinery to enforce certain rules or statutes. In those instances some threats or even force may often be used to ensure that there are no deviations from the set standards. In the case of Uganda today, in view of liberalisation, private sector initiative is preferred to prescriptive guidelines by the state. With the implementation of liberal policies, the birth of many productive sectors has come about. Unfortunately, there are some who join a sector happily oblivious of the obligations of the players. As a result of this, it is not uncommon to find that some people do not consider what their duties and responsibilities are in any work they set out to do. In any field, where people have invested their resources, they are eager to get the best return to their investment and always make all effort to protect their interests. When an association is formed to cater for the interests of a group of people the protection of the common interest is very important.

The Experience of the Uganda Coffee Trade Federation

In the case of the Uganda Coffee Trade Federation, Code of Conduct states the expected professional behaviour of all those involved in the coffee trade in Uganda, in upholding as well as achieving the highest possible standards in the handling of coffee. This relates to all activities in the internal marketing system. The aim to preserve and promote the high standing and image of Uganda coffee in terms of quality, both locally and internationally. Liberalisation of the coffee industry in Uganda brought far reaching reforms, with the replacement of the Coffee Marketing Act of 1969, by the UCDA Statute, 1991. The elaborate system of strict regulations and controls originally in the Coffee Act were dispensed with so as to give freedom to the industry to be guided by market forces and to introduce its own

self-regulating mechanisms. When the Minister of Trade and Industry issued the Coffee Regulations in November, 1994 these concentrated on giving the general guidelines, in line with the policy of liberalisation, and lesser bureaucratic controls. This left room, therefore, for the industry to introduce initiatives for self-regulating mechanisms to complement the Government's move. This is where the Code of Conduct became a necessity.

With the freedom given to the industry through liberalisation, there emerged tendencies towards a lack of discipline in the industry, and became evident that unless self-regulating mechanisms were put in place unprofessional conduct could easily jeopardise the reputation of the Uganda coffee trade. Thus, it became imperative that the Uganda Coffee Trade Federation established a code of conduct for its members, in connection with the conduct of the coffee trade in Uganda. The UCTF code of conduct is not a static instrument, but is subject to review at least once annually, in response to the developments in the trade and its environment both locally and internationally.

The UCTF Code of Conduct was the result of wide consultation among the members of the Uganda Coffee Trade Federation, where members decided for themselves what should be required as acceptable behaviour for all the members. Adherence to the code of conduct is not by coercion but through voluntary compliance. The Federation does not serve as an enforcement arm of Government in terms of adherence to any law(s) affecting the coffee industry in Uganda. However, it states the expected professional behaviour for its members, and how the interests of the Federation members might be furthered thereby.

The Need for a Code of Conduct for Flower Exporters

The private sector in Uganda today is the engine of development for the national economy, and therefore does not deserve to be bogged down by bureaucratic controls and procedures. This is why the Government has given freedom, through liberalisation, to all to operate with as little interference as possible. However, where freedom is given, sometimes a problem arises where some people may not know how to act or not to act in order to enjoy that freedom.

As exporters from Uganda, when one person commits an act of negligence or dishonesty in the course of their business, and this affects the product's image on the market, it is not only that player who suffers but all suffer the consequences of that action. Thus, agreement needs to be reached on the critical criteria that must be considered in order to have some

generally acceptable standards of practice, which could be drafted into a code of good practice.

Quality Control Measures

The code should stipulate the quality control measures that members are expected to work in compliance with. These may be derived from national standards and if absent or not exhaustive the international standards can be referred to. It is important to mention what specifically needs to be done or avoided in order to maintain the desired quality. Any operator who is found to consistently breach the code of conduct needs to be disciplined. If no positive behaviour is observed then the member may be removed from the Register of members who have subscribed to the Code. In case the required standards are very high, and seemingly unachievable to some members, a period of grace needs to be given, to those members to rectify any deficiencies so noted. The time given for a member would depend on the level of deficiency and the time required to rectify such deficiency. It is important to clearly stipulate and put it in practice that the code is not used for discrimination of any operators on the basis of sex, race, colour, origin, or other sectarian tendencies.

Integrity of Member

Membership of the Association must be treated with high honour, and members should uphold high standards. They must develop the capacity to operate with high standards of professionalism, in order to remain competitive in the international trade. In addition, members must act with integrity so as to project a good image of the Association and the industry in Uganda as a whole.

Members of the Association must distance themselves from activities which are illegal, unethical, or generally in contravention of the Penal Code, or any other Laws of the land. In order to maintain a high reputation members are advised not to conduct business with any company or individual whose conduct or activities are questionable, and where the integrity of the member may be compromised.

Member should dissociate themselves from actions or intends meant to defraud another member of the Federation, and is expected to take appropriate measures to protect other members from any fraudulent conduct of a purchaser or supplier of materials to any

member may be held responsible if their integrity is brought into disrepute by their officials, representatives or agents.

In summary, members of the Association would be required to undertake the following:

- (a) Maintain the highest standards of integrity at all times, towards other members of the Association that they shall transact with, as well as others with whom they shall trade with or enter into contract with, as well as others with whom they shall trade with or enter into contracts or other transactions;
- (b) Use their best efforts to execute all contracts or undertakings, working in a competent and timely manner, and should not take on contractual obligations which they do not reasonably believe that they will be able to carry out to the satisfaction of their clients; and
- (c) Honour all contracts which shall be entered into freely by the member with any other member being a supplier of flowers or other services to the member, or other party being an importer of Uganda flowers, or any supplier of goods or services to the member. The member shall honour all their undertakings until such understandings are performed, released or excused.

Compliance

All members of the association should be required to subscribe to the code of conduct, and it is the responsibility of each member to ensure that its officials, employees, representatives, or agents abide by the requirements of this code. By definition, "agent or representative" means someone who is appointed in writing to act exclusively for a member.

Once it is established that, any company whose employee or agent is found to act contrary to the code of conduct, the responsible officer should require the company to give an explanation for the misconduct. Sometimes it may not be a deliberate act of misconduct, and natural justice demands that one must be given an opportunity to defend themselves in the face of any accusation. However, it is necessary to state that course of action should be undertaken if it is established that an action of neglect or deliberate misconduct, has been committed.

Provision must be made, however, for any member who is dissatisfied with any decision taken in relation to their non-compliance with the Code of Conduct to shall file a petition, to the executive committee of the Association.

Arbitration

A mechanism should be developed for resolving any dispute arising from disagreements in the execution of a member's responsibilities relating to contracts or other commitments, through arbitration. Rules and procedures for arbitration should be put in place. Arbitration is not necessarily a legal procedure, and it should involve experts in the field rather than lawyers, who may just add unnecessary expenses, and make issues even more complex.

Conclusion

It is in the interest of every operator to abide by the code of conduct that governs one's operations. It is of utmost importance that every player demonstrates integrity in their business operations. Members who abide by the code minimise their risks in the business, as they develop their capacity to operate professionally.

As an initial step, in developing the code of conduct, the exporters of flowers need to each state where their concerns are in terms of standards that need to be maintained. Reference should also be made to universally accepted standards in the industry. The views of the different players need to be summarised and put together in one simple document, which should be discussed and a final text agreed upon and ratified by the members.

For a new industry or association, such as the code need not be so complicated, but should be a starting point in the building of an attitude of collective responsibility in the common business interest. Later different aspects of concern may progressively be included in the Code so as to cover all aspects that may not have been initially covered. As Uganda attains a higher profile in terms of its position in the international market, it is imperative that its reputation as a reliable origin and producer of high quality is preserved.

The Code of Conduct could be viewed as one of the tools, among the other instruments that may eventually put in place, to bring pride to all players in the industry, also bringing many benefits to the entire economy.

TRENDS IN THE EUROPEAN MARKET FOR CUT FLOWERS

BY: LOEK KOOP - GENERAL MANAGER, BVH

FLOWER AUCTION HOLLAND

UGANDA 1996/1997 IMPORT ROSES QUANTITY

	St/Mln	Price/Cents/Fl
Tot. Sup.	18	33
T. Hybrids	13	37
Sweethearts	5	25
Spray roses	0.6	21

(Zambia improved its price with 10% through quality management)

QUALITY - IMPORT ROSES 1996/1997

SPRAYROSES

	St/Mln	Price/Cents/Fl
Tot. Sup	27	27
A1	15	30
A2	11	23
B1	1	18

(Total Dutch Supply 1996 20mln.

Average price 50 cents)

FLOWER AUCTION HOLLAND

QUALITY - IMPORT ROSES 1996/1997

T-Hybrids

	St/Mln	Price/Cents/Fl
Tot. Sup	70	37
A1	35	41
A2	28	36
B1	6	28

(Total Dutch Supply 1996 143mln.

Average price 66 cents)

QUALITY - IMPORT ROSES 1996/1997

SWEETHEARTS

	St/Mln	Price/Cents/Fl
Tot. Sup	91	28
A1	37	35
A2	27	27
B1	17	20

(Total Dutch Supply 1996 334mln. Average price 34 cents)

FLOWER AUCTION HOLLAND - UGANDA 1996/1997

QUALITY - IMPORT ROSES

SPRAYROSES

	St/Mln	Price/Cents/Fl
Tot. Sup	18	33
A1	7.5	37
A2	10.5	31
B1	0.4	18

(Total Dutch Supply 1996 20mln. Average price 50 cents)

MPS
Floriculture Environment Project
(MILIEU PROJECT SIERTEELT)

CARE FOR THE ENVIRONMENT: A SHEER NECESSITY

It is no longer only nature lovers who are concerned about the environment. Large groups of consumers have come to realise that generations to come also have a right to a healthy environment. And they are therefore making increasingly stringent demands with respect to the way in which products are produced. The field of ornamental plants is also receiving attention. Consumers are now not only interested in the shape, colour or fragrance of flowers and plants, but also in the way in which they have been grown. They assume that the plants and flowers they buy have been cultivated using the smallest possible amounts of crop protection agents, energy and fertilisers and with the least possible waste. The Dutch 'Milieu Project Sierteelt' (MPS: the Floriculture Environment Project) encourages growers to grow flowers and plants in an environmentally sound way.

WHAT IS MPS?

The MPS Project is an initiative of the Dutch floricultural sector (including the flower auctions and other floricultural organisations). The MPS foundation's aim is to reduce the burden on the environment caused by the cultivation of flowers and plants. The main characteristics of MPS are:-

- ◇ improvement of the image of the floricultural sector;
- ◇ reductions in the amounts of crop protection agents, fertilizers and energy consumed and the amounts of waste produced;
- ◇ this can be realised when growers start recording their consumption figures;
- ◇ keeping records makes a grower more aware of what he consumes and enables him to compare his consumption figures with those of other growers;
- ◇ this will ultimately decrease the burden on the environment at the nursery and result in more environmentally benign cultivation;
- ◇ all nurseries growing cut flowers, bulbous flowers, pot plants, herbaceous perennials and arboricultural products can participate in the MPS Project.

Keeping Records Means Cutting Back

"Keeping records enables you to cut back on the amounts of crop protection agents you use," says hydro-grower Bas Kruiswijk, "We have done so quite successfully at our nursery. Cutting back on your energy consumption figures is a bit more difficult, because you are dependent on the weather, I think MPS is a good thing. In our sector we must all make a joint effort to reduce the burden on the environment"

Advantages For The Growers

In the floricultural sector, caring for the environment is essentially a matter of keeping records. It sounds so simple: reducing the burden on the environment by recording your consumption figures. And yet it is indeed as simple as that. Why not turn over a new leaf and start using more environmentally benign cultivation methods next season? You will also be able to learn a lot from comparing your figures with those of your colleagues. But to be able to do that you will have start keeping records. The nurseries that are already participating in MPS have almost all succeeded in reducing their consumption figures. At the same time, they have also saved costs. Participating in MPS ultimately implies a saving in money.

Qualification And Comparisons

All nurseries that decide to participate in MPS are awarded points, on the basis of which they are classified in one environmental class A, B or C. Those that are classified in class A use the most environmentally benign cultivation methods. In the rating system crop protection agents amount 40%, energy 30%, fertilisers to 20% and waste to 10% of the total score. A nursery classified in class C stands a chance of being promoted to class A or class B after one year's registration. The participants are awarded an environmental qualification four times a year. They are sent surveys showing the grounds for the qualification. Those surveys they can use to assess their consumption figures at their nursery. The growers can discuss the surveys with their colleagues at group meetings. The fruitful exchange of experience and know-how at these meetings will encourage the participants to make even more efficient use of crop protection agents, fertilisers and energy.

Mps As An Example To Others

"MPS enables us to show others what efforts we are making towards improving the environment. In that respect MPS can serve as an example to others," responds pot plant grower Vincent Van Riet. "Now that your MPS qualification is indicated on the auction clock you can establish a good reputation for your nursery. I'm quite sure of that. You can show your customers that you care about the environment."

Mps As A Market Factor

For traders MPS provides an ideal opportunity for responding to the increasing demand for 'green' flowers and plants. MPS products are sold at all the Dutch flower auctions, via the clock and the mediating agencies. Whether or not a grower is participating in the project is indicated behind the grower's name on the auction clock. MPS products can also be ordered via the mediating agencies in any desired amount, variety, assortment and packaging. More than one third of all the members of the Dutch flower auction are now participating in the MPS project. They represent about 50% of the suppliers.

The nurseries are inspected by the independent organisation SGS Agro control, which checks whether the growers are recording all the data are required, takes leaf samples and visits the nurseries. The purposes of the MPSS inspections are to guarantee the project's credibility and ensure that the records are correctly submitted.

Mps Bouquets For Sale In A Supermarket Chain

Van Staaveren Bloemenexport BV of aalsmeer has been busy promoting MPS products. "We deliver MPS bouquets to a chain of about 500 supermarkets in Switzerland," says marketing manager Wiebe van der Veen. The wide range of products and their continuous supply are the main reasons which Van Staaveren decided to take its chances with MPS. "And also the inspections by an independent organisation. They guarantee your credibility towards your customers. I expect we will be supplying MPS products to more customers in the future. So far, our customers have shown themselves most enthusiastic."

FLOWER AUCTION HOLLAND

KEYS TO SUCCESS

Quality !!!!!

- ◇ Quality management/Code of Conduct
- ◇ Cultivation and Process Control
- ◇ Awareness of Environment (M.P.S)
- ◇ Post Harvest Treatment

REGULARITY !!!!!

- ◇ Constant Supply
- ◇ Freight Capacity
- ◇ No Surprises
- ◇ Image Building

UGANDA FLOWERS EXPORTERS ASSOCIATION (UFEA)

A SUMMARY OF THE CODE OF ETHICS AND PRACTICE FOR UFEA MEMBERS

MOTTO: *LOYALTY TO YOUR COMPANY, JUSTICE TO UFEA FRATERNITY AND FAITH IN YOUR INDUSTRY AND DEVELOPMENT OF YOUR COUNTRY-UGANDA.*

We the members of The Uganda Flowers Exporters' Association are aware of the importance of collective action and that unity is strength, hereby covenant to uphold the following principles of good practice, and agree to observe them for the betterment of the Association and for our common good in the Flower Industry.

1. At all times to protect the interests of the Flower Growers and Exporters of Uganda.
2. Refrain from withholding any information to Members of the Association that may assist in the general promotion of flower growing and exporting in Uganda.
3. Ensure that proper standards and business ethics are maintained throughout the trade and comply with any measures that may be designed and agreed upon by the Association to achieve this objective.
4. Comply with all set local and International regulations and measures to protect the environment as a priority in conducting the flower growing and export business.
5. Discourage and avoid unfair competition between members without necessarily interfering in any way with individual members' initiatives in the trade.
6. Promote friendly relations and cooperation among members of the Association
7. Comply with set local and International labour legislations as may be in force particularly ensuring employee welfare, safety, and health while at work.

8. Support the weak and disadvantaged groups in our society and promote gender balance.
9. Enhance the proficiency and stature of UFEA by acquiring, maintaining and sharing among the UFEA fraternity current/ up to date technical knowledge.
10. Members of the UFEA shall be treated with high honour, and members will be required to uphold high standards and shall be expected to operate with high standards of professionalism as befits the trade.
11. All members of the Association will be deemed to have subscribed to this Code of Conduct, to observe the standards set out therein and it shall be the responsibility of each member to ensure that his officials, employees, representatives or agents abide by the requirements of this Code.

UFEA MEMBERS' REGISTER

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. Nile Roses Uganda Ltd.
P. O. Box 699, Kampala. 2. Ziwa Horticultural Exporters Ltd...
P. O. Box 5480, Kampala. 3. Jambo Roses Ltd...
P. O. Box 1600, Kampala 4. Tropical Flowers Ltd...
P. O. Box 6683, Kampala. 5. Royal Flowers Ltd...
P.O. Box 5907, Kampala. 6. Equator Flowers Ltd...
P.O. Box 3028, Kampala. 7. Mairye Estates Ltd...
P. O. Box 186, Kampala. 8. SCOUL Roses Ltd...
P.O. Box 1, Lugazi. 9. NBA Roses Ltd...
P.O. Box 3777, Kampala | <ol style="list-style-type: none"> 10. Pearl Flowers Ltd..
P.O. Box 8727, Kampala 11. Harvest International Ltd...
P. O. Box 2474, Kampala 12. Victoria Flowers Ltd...
P. O. Box 5389, Kampala. 13. Van Zanten (U) Ltd...
P. O. Box 5480, Kampala. 14. Uganda Young Plants- Joint venture
P.O. Box 5480, Kampala. 15. Kajjansi Roses Ltd...
P.O. Box 6361, Kampala. 16. Nsimbe Estates Ltd...
P. O. Box Kampala.. 17. Horizon Roses Ltd...
P.O. Box 10355, Kampala |
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