

Better business practices, Uganda's gateway to the world

Agro Trading Principles

1. Businesses should adhere to good trading practices and honour all their commitments to their trading partners.
2. Businesses should put quality at the forefront of their operations and strive to reward quality at all times.
3. Businesses should deal honestly and openly with each other at all times.
4. Businesses should not undermine others' trading arrangements or engage in unfair practices.
5. Businesses should not engage in fraudulent practices of any kind.
6. Businesses should refrain from all forms of exploitation and abuse of dominant positions that fall outside of healthy, competitive behaviour.
7. Businesses should at all times, seek to work with responsible trading partners who respect these principles and avoid dealing with businesses they know to be guilty of malpractice.
8. Businesses should respect all Ugandan legislation and its intentions, including particularly the Companies Act, Law of Contract, Sale of Goods Act, Registration of Business Act and the Trade Marks Act, as well as the standards developed by the Uganda National Bureau of Standards.

1. Businesses should adhere to good trading practices and honour all their commitments to their trading partners

- Do not make commitments to sell if there is not full intention to sell (e.g. conduct side selling)
- Do not make commitments to buy if there is not full intention to buy
- Demonstrate commitment to your trading partners, for example by signing written contracts or providing advance payments

2. Businesses should put quality at the forefront of their operations and strive to reward quality at all times

- Strive to produce good quality products in line with the specific technical standards of your industry
- Avoid trading practices that encourage poor quality production, poor harvesting practices, handling and processing.
- Clearly link high quality products to higher prices

3. Businesses should deal honestly and openly with each other at all times

- Disclose the correct information to trading partners, including information about perceived and known risks
- Provide timely information to trading partners regarding production problems that will affect the next company's operation
- Communicate honestly about your initial capacity to meet an order and to deliver that order on time
- Give reasonable notice to your trading partners of any major changes to your operations

4. Businesses should not undermine others' trading arrangements or engage in unfair practices

- Do not interfere with any trading arrangement that is already set up between other parties and refrain from poaching suppliers from other businesses
- Institute good trading practices, such as a regular review of any contracts, especially those with exclusivity arrangements
- Honour obligations towards buyers who have provided you with inputs, pre-financed or otherwise supported your activities
- Businesses should not disclose information and approaches that have been provided in confidence or are sensitive to the overall operations of trading partners and other businesses in the supply chain
- If supported in your initial investment by particular buyers, inform that buyer of any decision you make to sell to another
- If you are a new entrant to the industry, familiarize yourself with, and respect, existing technical and quality standards and general business practices

5. Businesses should not engage in fraudulent practices of any kind

- Never misrepresent the quality of your product and always present its quality specifications in an honest manner
- Refrain from the adulteration of your product
- Never misrepresent the quantity of the product you are selling
- Refrain from tampering with established measurements and standards
- Refrain from fraudulent practices such as 'air supply'
- Honour payment commitments and refrain from fraud or other financial malpractices

6. Businesses should refrain from all forms of exploitation and abuse of dominant positions that fall outside of healthy, competitive behaviour

- Endeavour to respect initially agreed prices as much as possible. Where there are unavoidable changes, inform your trading partners immediately of the reason
- Ensure negotiations around prices are conducted in as fair a manner as possible
- Be able to provide a full justification for your price
- Be able to provide a full justification of your costs
- Ensure timely payment and honour all credit terms and obligations

7. Businesses should at all times, seek to work with responsible trading partners who respect these principles and avoid dealing with businesses they know to be guilty of malpractice

- Take responsibility to know your suppliers and ensure their trading practices are responsible and meet the ethical standards specified in these principles
- Disclose your full contact details to trading partners in all business dealings
- Keep records, provide receipts and document all transactions with trading partners
- Provide references to buyers on request
- Seek and check references of your suppliers
- Commit to only buying from good, reputable trading partners (possibly exercising a preference for registered or licensed partners if this is relevant)
- De-list trading partners if you find they commit unethical practices in their dealings with others in the supply chain

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