



The Inclusive Development of the Economy Programme



**giz**

**(INCLUDE)**

Promoting balanced and socially fair economic growth



# Value Chain Development: Honey

## Chitwan



# HONEY

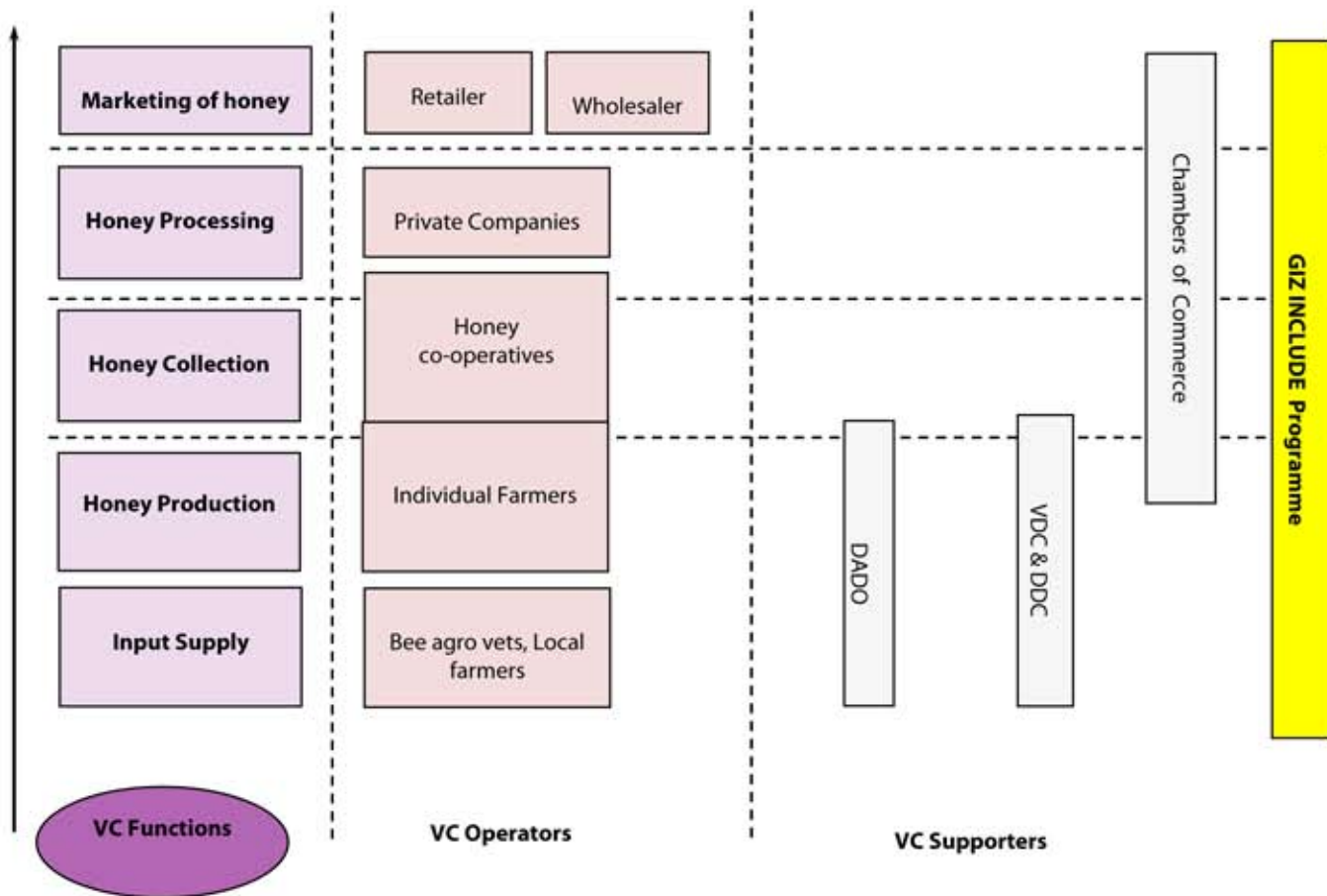
major provider of employment in the programme region with a significant potential for income growth.

Chitwan is currently one of the major producers of honey in Nepal and has a significant potential for growth in this sub-sector. Looking at the potential of inclusive employment creation and income generation through the promotion of honey, this sub-sector has been chosen for the assistance through the Value Chain (VC) approach. According to the Federation of Nepal Bee Keepers (FNBK), Chitwan, eight percent of the people active in the sector through cooperatives in this district are women and four percent are members of disadvantaged groups, thus there is a significant potential to involve both more women as well as more people from disadvantaged groups.



Based on economic potential studies and stakeholder discussions conducted in 2008, INCLUDE has selected the honey sub-sector in the Chitwan district as an entry point for value chain promotion. The honey sub-sector has been identified as a ma-

## Honey Value Chain



## Focus of the intervention

An in-depth analysis of the honey value chain in Chitwan district has identified a number of bottlenecks, which hamper the full exploitation of the sub-sector's potential in the district. In particular it was found that :

- There were not enough grazing areas and the rapid deforestation has further worsened the situation ;
- Transportation of hives for grazing was difficult due to strikes and bandhs as well as lack of awareness among the agriculture farmers about the benefits of beekeeping and therefore indiscriminate use of pesticides ;
- There was a lack of centers that provide technical advice to beekeepers and there was no state-of-the-art honey-processing plant and honey quality testing facility in the region. This made it also difficult for consumers to identify the real quality of honey and consumers were often misled in the past. In recent years about 37 people were arrested for selling inedible honey ;

- Confidence was lacking among the farmers that bee keeping could be a sustainable livelihood ;
- The government was found being inactive about developing the honey sector and beekeepers were often taxed unfairly and by multiple agencies ;
- Generally insufficient coordination among the stakeholders .

A series of activities have been implemented by INCLUDE focused on addressing those bottlenecks and aiming at creating employment and income opportunities for women and disadvantaged groups. INCLUDE has worked with FNBK and Nepal Beekeepers Central Cooperative Union (NBCCU) in order to provide different trainings and technical assistance on topics such as marketing of honey and advanced level beekeeping training . Furthermore, the programme has facilitated the acquisition of financial support from German beekeepers for the Milijuli Bee-Keeping Cooperative of Chitwan to set up a honey carpentry workshop .



## IMPACTS and ACHIEVEMENTS (as of May 2011)

- The average income of farmers active in the honey sub-sector has increased by about 84 percent from annually NPR 73,500 per household in 2009 to NPR 135,000 per household in 2010.
- The number of active people in Chitwan's honey sector through the cooperative has increased by four percent in the period from 2009 to 2010. The number of people active in the honey sector was 240 (Male 220, female 20 and disadvantaged group 7) in 2009, which increased to 250 (Male 227, female 23 and disadvantaged group 10) in 2010. There were no changes reported in the year to date.
- The strengthened cooperation structure in the sector resulted in an increase of the members of the cooperatives by 11 percent between 2009 and 2010.
- The production of honey has increased by 47 percent between 2009 and 2010.
- The 26 beekeepers including two women, 24 men and three Janjati were trained on advance level beekeeping.
- Through the financial support of German beekeepers the Milijuli Bee-Keeping Cooperative has established a bee hive carpentry workshop. Four people have been employed by this workshop. In 2010, the workshop produced and sold 220 beehives to the members of the cooperatives and beekeepers from other districts.