



The Inclusive Development of the Economy Programme



giz

(INCLUDE)

Promoting balanced and socially fair economic growth



Value Chain Development: Honey

Kailali



HONEY

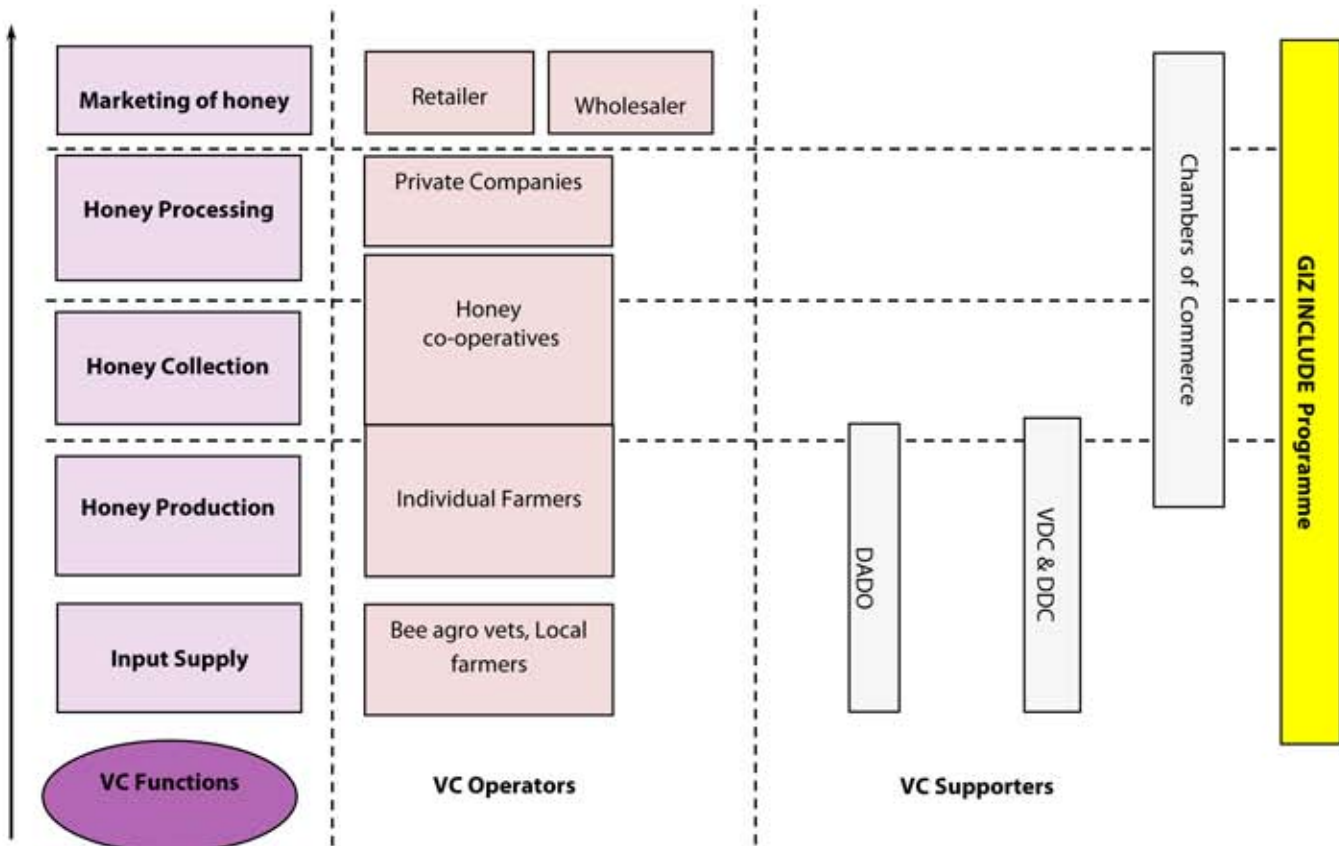


Kailali district has been identified as a district with a high potential for honey production and could become one of the major producers if the potential were fully exploited one day. The district is very rich in floral diversity and could accommodate as many as 50,000 bee hive colonies throughout the year – currently there are only 1,200 active bee colonies in the district. 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) and the Pragatishil Bee Keeping Cooperative only about 4 percent of the people who live in the district are active in the honey sub-sector through cooperatives and many of them are women or members of an ethnic minority, thus there is a significant potential for inclusive growth.

Based on economic potential studies and stakeholder discussions conducted in 2008, INCLUDE has selected the honey sub-sector in the Kailali district as an entry point for value chain promotion. The honey sub-sector has been identified as a major provider of employment in the programme region with a significant potential for income growth.

INCLUDE has supported the Pragatishil Bee Keeping Cooperative to create employment and income generation opportunities for women, Dalit, Janjati, landless people and ethnic minorities living in the community through honey value chain promotion. This is the only cooperative in this district that is working in the honey sub-sector.

Honey Value Chain



Focus of the intervention

An in-depth analysis of the honey value chain in Kailali 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 was lack of technical service and quality equipment providers in the district;
- Lack of infrastructure like roads hindered the beekeepers in migrating the bees to the resource area. Lack of infrastructure for collection, transportation and storage facility for honey;
- There was lack of equipment and technical knowledge for honey processing and upgrading. (Drying, filtration, packaging, labelling, certification etc.), causing lack of quality in honey. Knowledge of marketing honey was lacking. There was lack of promotion of honey in the local and regional market. Beekeepers were lacking the capabilities to target the local consumers in urban and semi-urban areas and there was sale of foreign brand honey. There was lack of sound relationship between producers and middlemen;
- Commercial bee keeping was not in practice and real price was not known. Community people mostly depended traditional bee keeping system and not known about the modern technology and commercial bee keeping.

A series of activities have been implemented by INCLUDE focused on addressing those bottlenecks and aiming at creating employment and income opportunities to include women and disadvantaged groups. Pragatishil Bee Keeping Cooperative,

the partner cooperative of INCLUDE was supported with a number of trainings and technical assistance to develop the skills of individual members as well as its institutional capacity. The members of the cooperative received trainings specifically related to skill/ knowledge development in beekeeping such as basic and advance level bee-keeping, queen breeding, bee hive carpentry, exposure visit for bee keepers and beekeeping advisory trainings. At the institutional level the cooperative was supported with Cooperative Auditing and Supervision training and Value Chain and Cooperative Management training. Furthermore, the programme has supported the cooperative with the construction of building to set up the Bee Keeping Service Center which will act as resource centre that with facilities for honey processing, marketing as well as trainings. Aside from these the resource centre will have promotional and educational materials for beekeeping and will sell bee hives and colonies, medicines and necessary equipments for beekeeping. The Bee-keeping Service Centre has also been supported with some necessary equipments. The programme has also supported the cooperative with the beehive exchange programme and has supported the formation of two new groups in Kailali under it to expand beekeeping activities in the district. These two groups have received basic beekeeping training and have been supported with bee hives and simple but necessary equipments to raise bees collectively in line with bee hive exchange programme. With the project support cooperative has purchased office equipment to run the cooperative official work efficiently and effectively. After only a month of carpentry training, the cooperative started to produce quality hives.



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 19,166 per household in 2009 to NPR 35,190 per household in 2011.
- The number of people active in Kailali's honey sector through the cooperative has more than doubled in the period from 2009 to 2011. The number of people active in the honey sector was 27 (Male 14, female 13 and disadvantaged group 3) in 2009, which increased to 60 (Male 38, female 22 and disadvantaged group 9) in 2011.
- The production of honey has more than doubled from 3.25 MT in 2009 to 6.64 MT in 2011.
- 110 beekeepers including 35 women, 75 men and 61 Janjati received training in basic level beekeeping; 27 beekeepers including 8 women, 19 men and 8 Janjati received training in advanced level beekeeping and 13 beekeepers including 4 women and 2 Janajatis received an advisory training. 26 beekeepers (including 10 women) received a refresher training.
- Additional 2 new groups with 52 members (18 of which female) were formed, received training and participated in the bee hive exchange program for the remote areas Khailadh and Sahajpur.
- The cooperative now owns a collection centre with the necessary processing equipment and collection utensils. It has since started to collect, process, package, label and sell honey, wax and bee hives.