



The Inclusive Development of the Economy Programme



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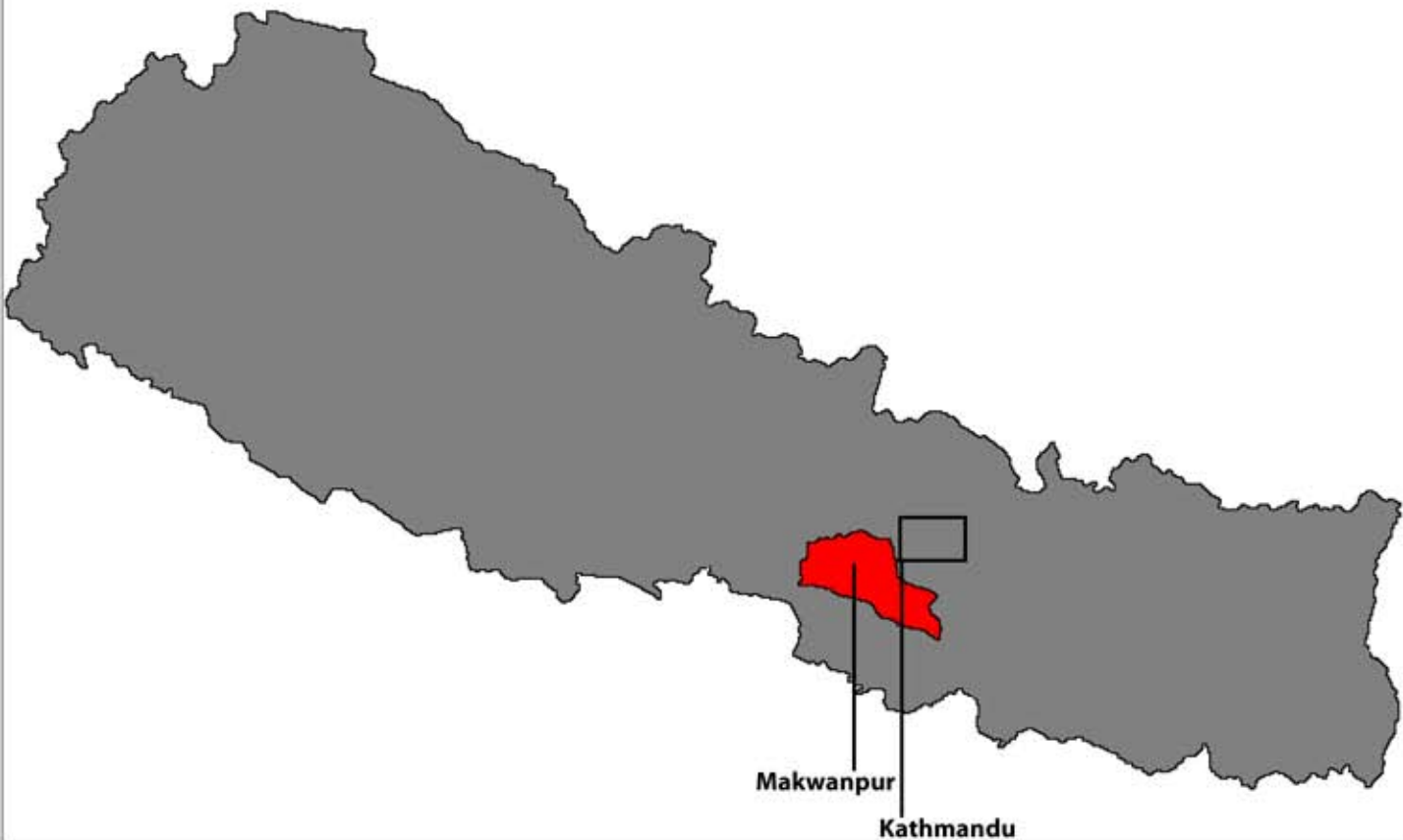
**(INCLUDE)**

Promoting balanced and socially fair economic growth



**Value Chain Development: Honey**

**Makwanpur**



# HONEY

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

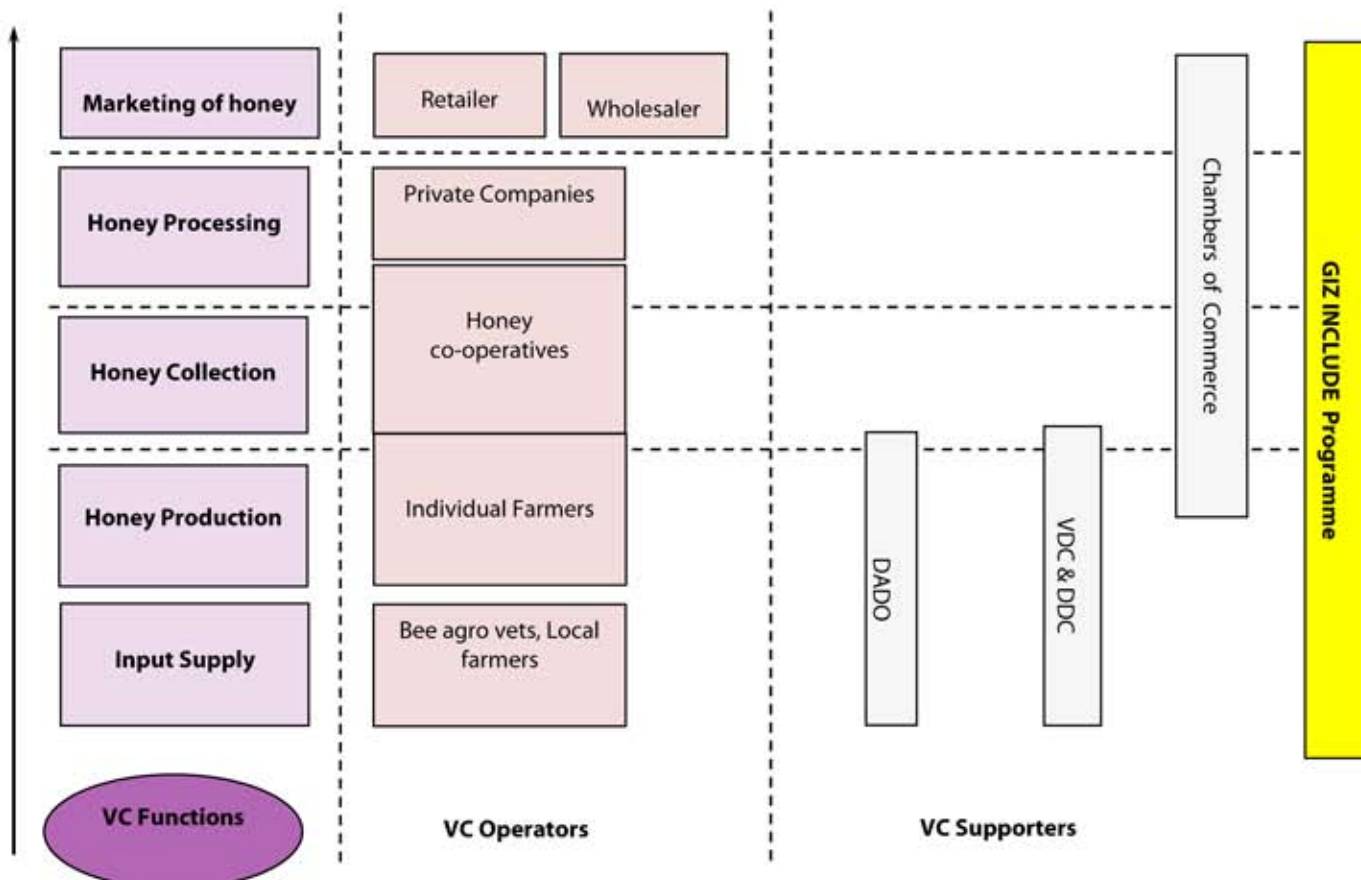


**Makwanpur is currently one of the major producers of honey in Nepal and has a significant potential for growth in this sub-sector. Looking at the potential of inclusive employment creation and income generation through the promotion of honey, this sub-sector has been chosen for the assistance through the Value Chain (VC) approach. According to Janchetana Small Farmer Agriculture Cooperative, Makwanpur, 35 percent of the people active in the sector through cooperatives in this district are women and 100 percent are members of disadvantaged groups.**

INCLUDE has supported the Janchetana Small Farmer Agriculture Cooperative to create employment and income generation opportunities for the *Chepang* community, one of the disadvantaged and gradually disappearing ethnic groups of Nepal, through honey value chain promotion. This is the only cooperative in the district that works in this sub-sector.

Based on economic potential studies and stakeholder discussions conducted in 2009, INCLUDE has selected the honey sub-sector in the Makwanpur district as an entry point for value chain promotion. The honey sub-sector has been identified as

## Honey Value Chain



## Focus of the intervention

An in-depth analysis of the honey value chain in Makwanpur 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:

- Beekeepers were unable to feed the bees during the rainy season and there were not enough grazing areas for bees. Furthermore, there were difficulties when bees had to be transported to new grazing areas. In addition forest fires regularly caused damages to plants important for bees;
- There was no use of modern methods and little commercialization due to a lack of technical know-how on beekeeping and beehive carpentry. The overuse of pesticides for crops by farmers furthermore had negative impacts on the bees. Moreover, there was a lack of coordination among the beekeepers;
- Not enough storage capacities for honey were available and there was a lack of equipment and technical knowledge to upgrade the processing of honey, e.g. drying, filtration, packaging, labeling, certification etc. causing an insufficient quality of the honey produced;
- Insufficient management and trade negotiation capacities at the level of the cooperative and therefore lack of sound relationships between producers and middlemen;

- Lack of marketing skills and knowledge about the target markets caused an overall unsatisfactory level of honey promotion.

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 supported Janchetana Small Farmer Agriculture Cooperative in providing different trainings and technical assistance and in developing institutional capacity. In this regard, INCLUDE has also supported trainings on topics such as basic and advanced level beekeeping, honey processing and storage. Furthermore, the programme has supported the creation of a revolving fund for the timely purchase of honey from the beekeepers, the purchase of equipment used for honey collection, extraction and processing. It has also enhanced the capacity of the collection centre and supported the cooperative's secretariat with office equipment.



## IMPACTS and ACHIEVEMENTS (as of May 2011)

- The average income of farmers active in the honey sub-sector has increased by about 60 percent from annually NPR 5,250 per household in 2009 to NPR 8,392 per household in 2010.
- The number of people active in Makwanpur's honey sector through the cooperative has increased by 15.5 percent in the period from 2009 to 2010 and by 22 percent in the period from 2010 to May 2011. The number of people active in the honey sub-sector was 71 (Male 56, female 15 and disadvantaged group 71) in 2009, which increased to 82 (Male 55, female 27 and disadvantaged group 82) in 2010. Similarly, the number of people active in the honey sub-sector increased to 100 (Male 65, female 35 and disadvantaged group 100 in May 2010).
- The strengthened cooperation structure in the sector resulted in an increase of the members of the cooperatives by 15.5 percent between 2009 and 2010 and by 22 percent between 2010 and May 2011.
- The production of honey has increased by 50 percent between 2009 and 2010.
- 40 beekeepers including eight women, 32 men and 39 Janjati were trained on basic level beekeeping. Similarly, 21 beekeepers including four women, 17 men and 16 Janjati were trained on advance level beekeeping.
- 18 beekeepers including one woman were trained on local honey processing and storage. All of them were from the Janjati group.
- The cooperative has now a collection centre with the necessary processing equipments and collection utensils.