



The Inclusive Development of the Economy Programme



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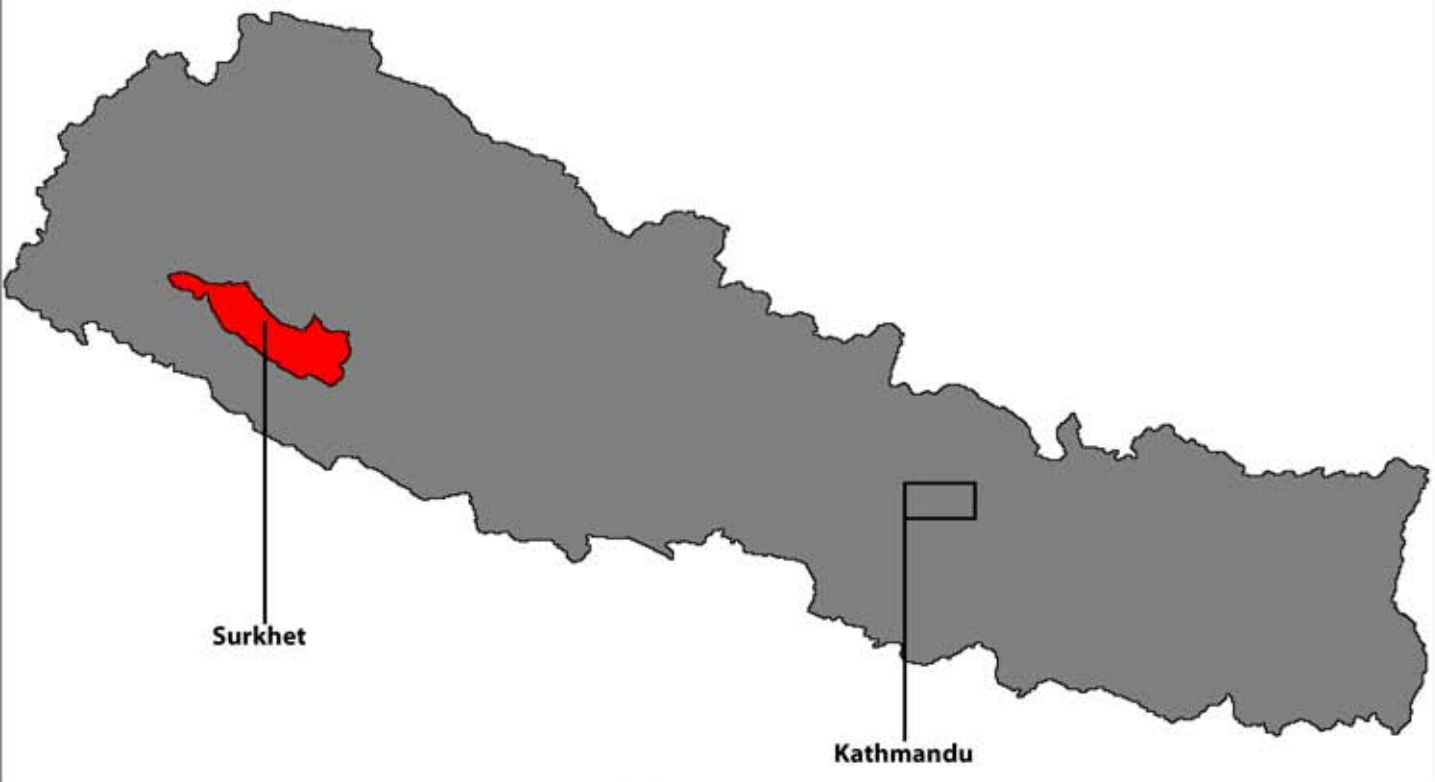
**(INCLUDE)**

Promoting balanced and socially fair economic growth



# Value Chain Development: Honey

## Surkhet



# HONEY

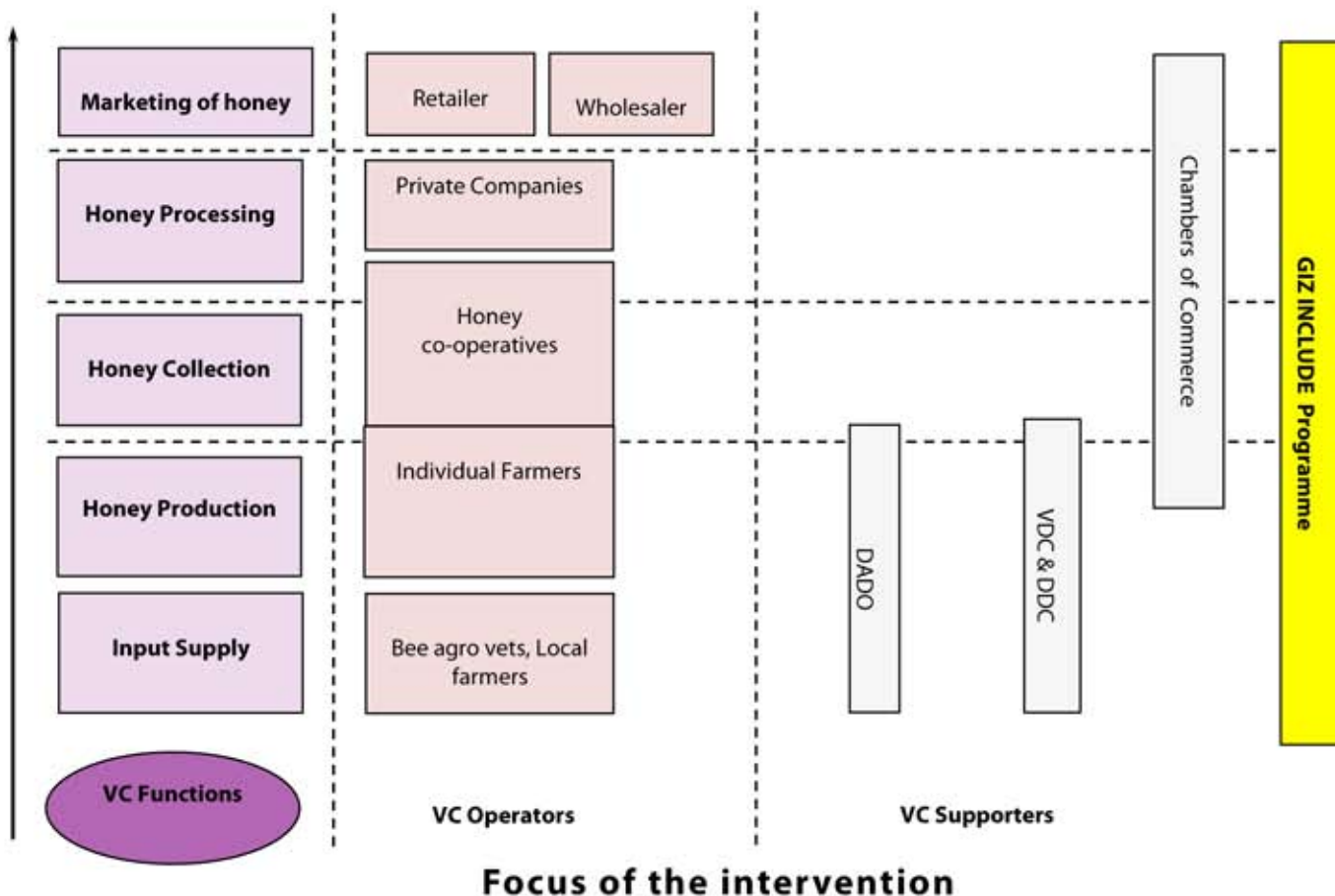


Surkhet has been identified as a district with a high potential for honey production and could become one of the producers if the potential were fully exploited one day. The district is very rich in floral diversity (e.g. butter trees can be found here) and 50% of the land is covered by dense forest. Most of the people in remote area use *Apis Cerana* species where beekeepers in urban areas have adopted *Apis Mellifera* as productive bee species. 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) district chapter and the Kankrebiyar Bee keeping Cooperative only 6 percent of the people who live in this district are active in the sector and they are mostly women, Janajatis and members of disadvantaged groups. Thus, there is a significant potential for inclusive growth.

Based on economic potential studies and stakeholder discussions conducted in 2009, INCLUDE has selected the honey sub-sector in the Surkhet 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.

As a regional hub for the Mid-western region, this district has the potential to become the regional center for honey marketing.

## Honey Value Chain



### Focus of the intervention

An in-depth analysis of the honey value chain in Surkhet 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 knowledge for commercial bee keeping. Bee-keepers were not getting proper service and bee keeping equipment in the district;
- Due to lack of market and real price of honey nobody could believe bee keeping as a sustainable livelihood. Awareness among the agriculture farmers about benefits of beekeeping was lacking. Indiscriminate use of pesticide had been done by the farmers (District Agriculture Office was found insensitive to recommend pesticides less harmful to bees and other beneficial insects). Transportation of hives for grazing was difficult due to strikes and bandhs. There was lack of centers to provide technical advices to bee-keepers. Technical training for bee keepers was lacking.
- Coordination among the stakeholders was lacking. The scientifically build honey processing unit/plant with necessary equipments was lacking. There was lack of technical knowledge on honey processing. There was lack of quality testing facility. There was unhealthy competition among the producers and traders .
- Awareness among the consumers about the quality of Nepalese honey was lacking. Community people mostly

depended traditional bee keeping system and not known about the modern technology and commercial bee keeping. Production cost was high as compared to the market rate.

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. INCLUDE has supported Kankrebihar Bee Keeping cooperative with the technical expertise from FNBK for different training/technical assistance and marketing of honey. In this regard, INCLUDE has supported in providing training such as basic and advance level bee-keeping, queen breeding, bee hive carpentry, exposure visit, value chain and cooperative management, business plan preparation and advisory training in bee-keeping to enhance the capacity of bee keepers and the institutional development of cooperative. Furthermore, the programme has in the partner cooperative with bee hive exchange programme with the aim to increase bee colonies as well as production of honey. The partner cooperative has also been supported to create two new groups of beekeepers; the members of these two new groups have been assisted with bee hives and required beekeeping equipments along with basic beekeeping training from the concerned cooperative.



## **IMPACTS and ACHIEVEMENTS (as of May 2011)**

- The average income of farmers active in the honey sub-sector has increased by 18 percent from annually NPR 7,407 per household in 2009 to NPR 8,750 per household in 2011.
- The number of active in Surkhet'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 19, female 8 and disadvantaged group 13) in 2009, which increased to 57 (Male 32, female 25 and disadvantaged group 22) in 2011.
- The production of honey has increased by 5 MT to 7 MT between 2009 and May 2011.
- Total 118 bee keepers (59 of which women and 46 of disadvantaged groups) were trained on basic bee keeping. 26 beekeepers (5 of which women and 15 of disadvantaged groups) were trained on advanced level beekeeping. 12 beekeepers received the 5 days advisory training.
- Total 25 cooperative members and bee keepers visited beekeepers in Chitwan and Nawalparansi districts to learn from best practice examples.