

Developing Apiculture Business: ASPIRE Brief



Background

Beekeeping is a traditional sideline activity for more than 1.8 million farmers in Ethiopia. Of the 6.2 million domesticated beehives, about 96.5% are traditional hives, which are difficult to manage, especially for women, and produce low honey yields.

SNV, along with its consortium partners – including the Ethiopian Apiculture Board, Enclude and ProFound – implemented the Apiculture Scaling-up Programme for Income and Rural Employment (ASPIRE) to develop and commercialise the apiculture sector in Ethiopia.

The project aimed to transform about 30,000 target beekeepers and their followers from subsistent to semi-commercial beekeeping and, in so doing, make Ethiopia an internationally recognised producer of high-quality honey and other bee products. The project emphasised both business and institutional development in the value chain.

Business development/ commercialisation

Commercialisation entails creating business-minded beekeepers, scaling-up production, addressing quality and apiary management issues,

developing cooperatives, establishing market links with processors and so on. In order to realise a sustainable market, ASPIRE promoted a strong role for the private sector in establishing business relationships and commercialisation, and followed two types of private sector engagement. First, the private sector took the lead in mobilising beekeepers and providing training and other embedded services. Second, where the private sector presence was limited, other support actors took the lead, and the private sector engaged in light touch support, such as product marketing. In both approaches, beekeeping commercialisation developed with the expansion of honey production that could successfully generate a marketable surplus. ASPIRE's complementary support services included:

- enhancing the capacity of private companies to establish business relationships and develop export competitiveness
- developing input supply and the extension system
- promoting the increased engagement of youth and women.

Establishing business relationships and developing companies' capacity to export

Support provided to private companies and beekeepers included:

- **Business relationship development**

Collaborative activities and capacity development initiatives were agreed to develop business relationships between beekeepers and lead private companies. Activities included providing beekeepers with training in production and quality; establishing demonstration sites; and honey collection and marketing arrangements.

- **Developing companies' internal business management and export readiness**

The project supported companies in improving their capacity based on identified gaps, market strategy, and in line with buyers' requirements.

- **ASPIRE Guarantee Facility**

ASPIRE established a guarantee facility to increase the capacity of processors to buy honey from beekeepers and encourage the embedded service provision for a sustainable honey supply. ASPIRE provided partial guarantees for 23 loans – valued at ETB 63 million (€2.8 million) – to 10 aggregating honey value chain actors and two micro-finance institutions. In total, 22,501 beekeepers were reached with 14 working capital and nine input loans.



Input supply system and extension service development

Input supply system development

- ASPIRE supported an integrated input supply involving different actors, selecting 26 input suppliers and providing them with business development training and support, and linking them with national-level suppliers.
- In 2016 and 2017, 14 suppliers provided inputs valued at ETB 9.2 million to more than 5,000 farmers. Individual suppliers' two-year sales ranged from ETB 37,500 to ETB 2.16 million, with an average sale value of about ETB 658,000 per annum. Some farmers also acted as local input suppliers.
- In collaboration with regional training centres, ASPIRE facilitated the training of 64 women and youth enterprise owners in making hives and protective clothing.

Extension service development

- About 150 (51 female) woreda experts received training in business and technical skills to enhance beekeeping extension. These experts trained and coached about 1,364 (262 female) development agents (DAs) and subject matter specialists (SMSs), from national to kebele level, on the ASPIRE minimum training package. The trained DAs and SMSs were also coached by the ASPIRE technical team to provide support to the beekeepers.
- ASPIRE identified and designed apiculture farmers' training centres (FTCs). Around 204 FTCs were used as hubs for knowledge and information sharing, as well as for practical training. About 87 lead beekeepers were trained in modern beekeeping production, skill-based training and business entrepreneurial strategies.
- ASPIRE reached a large number of beekeepers in the short life of the project: about 31,376 beekeepers (6,573 females). These trained beekeepers technically supported about 33,290 (6,568 females) copy beekeepers.

Gender, youth and women mainstreaming

One of ASPIRE's targets was that at least 20% of the project beneficiaries should be women (21% was achieved). The project also encouraged the participation of landless rural youth in apiculture development (4,500 youth, about 14%), creating opportunities for women and youth, and challenging attitudes and practices that perpetuate gender inequalities in the beekeeping value chain.

Institutional development

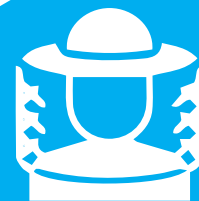
To enhance the sector's competitiveness, ASPIRE strengthened the capacity of sectoral associations, service providers and other institutions.

- **Sectoral associations**
ASPIRE capacitated national-level sectoral associations, including the EHPBEA, EAB and EBA, and established regional Apiculture Board branches.
- **Service providers**
About 158 different business development service providers were given training to help facilitate the commercialisation and expansion of honey production.
- **Higher education institutes and research centres**
ASPIRE capacitated higher education institutions, and supported research centres to strengthen the generation and dissemination of skills and technological innovations.
- **Multi-stakeholder platform strengthening**
To enhance the development of the national apiculture value chain network, about 18 actors were identified and linked on a national-level multi-sectoral platform.
- **Cooperatives and grass root producer organisations**
ASPIRE facilitated the capacity development of about 38 cooperatives and unions with a membership of 35,504 beekeepers (6,958 female members).
- **Ethiopian agri-food laboratories and government staff capacity building**
Twenty-one technicians from nine laboratories (government, private and university) were trained in laboratory analysis and management; full honey analysis; and residue analysis.
- **Legal framework development support**
ASPIRE contributed technically and financially to the draft proclamation and regulation for honey and beeswax marketing.
- **Quality assurance manuals**
ASPIRE developed three quality management manuals on quality production and harvest; processing and marketing; and food safety.
- **Residue monitoring plan**
The annual renewal of third country listing was supported for the last three years to retain Ethiopia's status as an eligible country to export honey to EU markets. In addition, an anti-adulteration taskforce was set up to enhance supply chain control mechanisms.

220% income increase (men) and 300% income increase (women)



33,290
(6,568 female)
copy beekeepers supported by trained beekeepers



31,376
beekeepers reached
(6,573 of whom were female)



**ETB 63 million
of commercial
loans**



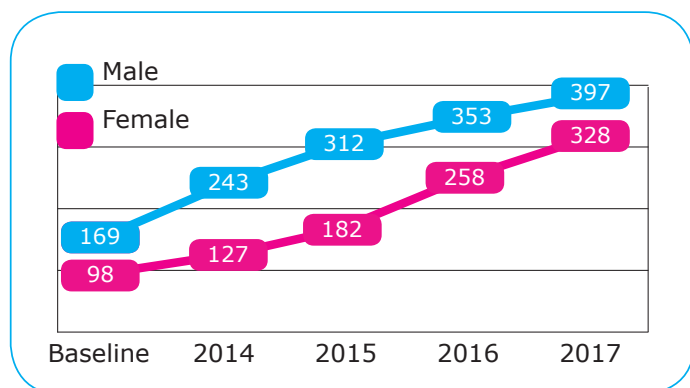
**ETB 9.2
million**

of inputs sold to more
than 6,000 farmers

Changes observed

Over the project period:

- training coverage by the private sector increased from less than 20% in 2013 to 73% in 2017, and advisory services increased from about 16% to above 41%
- technology and financial embedded services increased from 3% to 13%, and from 5% to 11%, respectively
- around 25,519 (4,766 female) beekeepers constructed 67,066 transitional hives
- about 21% of beekeepers (15% of whom were women) multiplied 15,246 bee colonies.



Income increase trend in euros (€)

From 2013 to 2017:

- male beekeepers' average income from the sale of honey and other bee products increased by over 220% – from €169 to €379
- women's average income increased by over 300% – from €98 to €328
- 2,469 female beekeepers (16% of the beneficiaries) were able to have modern beehives, indicating that a large number of female beekeepers adopted them thanks to the ASPIRE project
- study results and secondary data indicate that ASPIRE contributed to minimising gender disparities in beekeeping activities and created job opportunities for rural landless youth.

Lessons

- **Capacity and outreach enhancement**
The private sector and companies with limited experience in the sector in Ethiopia need internal capacity building to be effective.
- **Perceived risks and business partnership challenges need to be minimised**
Challenges need to be addressed to keep and upgrade the relationships between private companies and beekeepers.
- **Retaining dynamic and sustainable opportunities in apiculture**
International buyers are coming to realise the huge potential of apiculture in Ethiopia, and are willing to invest more of their time, energy and money on business partnerships. Measures required to support these opportunities include a strong legal framework to address adulteration, raising awareness of honey quality issues at the country level, and developing quality testing services.
- **Extension content and delivery outreach**
Improving facilities, professional career paths and incentives for apiculture experts is required to motivate and retain these key personnel. The lead beekeeper extension model serves as a community-level beekeeping technology promoter, supporting and coaching other beekeepers. Lead beekeepers are complimenting and becoming an important strategy of the apiculture extension system. Establishing FTCs equipped with vital facilities is also a unique model of extending and providing hands-on skills and knowledge for prospective beekeepers and sustainable apiculture development.
- **Sector associations**
The establishment of the three national sectoral associations is a visible lesson that has influenced the government positively and enhanced its focus on developing the apiculture sector. A clear partnership and management strategy is essential to further develop the sector.