

# SWEET TREASURES FROM THE FOREST: THE CASE OF LUA LUA BEEKEEPING COOPERATIVE AND MUNGWI BEEKEEPERS

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## CHALLENGE

The Northern Province is the largest province in Zambia and is separated into 12 administrative districts. The Province has 70 protected forest areas covering 113 square kilometers. Within the NTFP value chain (i.e. bee products), SNV Northern Portfolio works in 5 of the 12 districts. One of the main geographical features of the province including Mungwi is its large reserves of forest lands which are administered under customary land tenure (administered by the traditional rulers) and those areas administered by the government i.e. as protected forests. From the forest reserves the local community are able derive a host of benefits like collection of wild fruits, caterpillars (Mopani worms), mushrooms and wild honey as well as herbs for medicinal purposes; these activities have been carried on for hundreds of years now. At the same time these forests have been exploited for more commercial activities such as timber, charcoal and agriculture purposes. Unfortunately many forests are being exploited in very unsustainable ways as the local people sometimes argue that *"what use are trees and animals if we can't benefit from them"*. The success of the honey sector means that local people begin to look at the trees in a different light as well as benefit from alternative incomes and employment opportunities.

### **A Sweet Positioning Choice: Non-Timber Forest Products**

Situated in the middle of Zambia's largest province is Mungwi district which lies about 45 kilometers from the provincial capital Kasama and has a land area of 9,766 square kilometers. The districts high resource endowment of natural forests, central location and accessibility made it a natural choice for intervention into the honey value chain; more importantly a baseline survey made the district one of the entry points for value chain choice at the portfolio. In 2007 there were a total of 500 active beekeepers within the five districts that SNV operated and a potential of engaging a total of 3,000 beekeepers in the province as whole. One important input that beekeepers have requested for was access to modern hives such as top-bar hives. A top-bar hive is not very cheap by local standards costing at K250,000 (50 USD) with a bee keeper needing about 3 hives to realize a reasonable income.

SNVs intervention in the bee products sector is on the premise that both honey and wax are rural based high value products and that the sector as a whole has potential to increase rural household incomes and employment.

## CLIENTS

### **The Client:**

Lua Lua Beekeeping Cooperative was established in 1999 as a cooperative situated some ten kilometers from Kasama the provincial capital of the province, they later expanded from crop farming to beekeeping after realizing the potential in bee products and that historically there have been few processors of honey in the province. They were engaged as a client in 2008 following a Memorandum of Understanding. Through SNV capacity development Lua Lua Beekeeping has evolved from a producer group to a honey processor and buyer. The organization has now got a bulking centre and has moved their main processing facility to Mungwi. They are a small cooperative in terms of actual shareholders but have about 824 members who belong to affiliated beekeeper producer groups in Mungwi, Mpika, Mporokoso and Kasama.

### **The Sub-client:**

Mungwi Beekeepers Association arose as an outcome SNV producer group strengthening interventions in the District working with the District councils forestry departments bee-keeping groups and Lua Lua beekeeping Cooperative bulking centre affiliated groups. They can be considered as a sub-client with future potentials for SNV engagement

**The target group:**

The Mungwi/Kasama outreach area has about 15 producer groups with 360 members, the beekeepers groups are semiformal in that they are registered with the local council, they have mobilized themselves to form into an association to strengthen their numbers and be in a better position to provide services to members. They face challenges in acquiring modern equipment, beekeeping management, access and negotiation with buyers. The buyers will not deal with fragmented producers. There have been some interventions in the past to help them especially through the government but these have been without much coordination amongst stakeholders and they have been left often abandoned either with poorly distributed inputs or poor market linkages after harvesting. Traditional beekeeping practices often prevent women from participating adequately in the sector.

**A Sweet Engagement Strategy: SNV Value Chain Development Approach**

The strategy for Lua Lua Beekeeping Cooperative has been to capacitate producer groups around the bulking centre so that they are able to use modern beekeeping methods, equipment and mobilise more members; all this is in order to increase production of honey and wax as well as improve the quality of the honey that is harvested. Specifically the main strategy has been as follows:

- ✓ Increase production through better hive management, modern equipment and producer group strengthening
- ✓ Acquire modern bee keeping equipment through improved access to finance (internally and externally)
- ✓ Improve incomes and employment by increasing bee keeper's market share through forging market linkages
- ✓ Increase beekeeper Voice by strengthening bee keeper groups to formally register their businesses into cooperatives in the District across the Province
- ✓ *SACCOS Development* to enable the beekeepers improve access to finance for inputs through the establishment of savings and credit cooperatives.

OUTCOME

In 2008 Lua Lua Beekeeping purchased and processed 8 tons of honey; the installed capacity of the bulking centre is 50 tons per season with room to upgrade to 100 tons of honey per season.

**Building Sweet Partnerships**

In developing the honey value chain the client has been linked through SNV with



Training beekeepers to use modern hives

several partners in the district i.e. Micro Bankers Trust the - a local capacity builder specialised in microfinance, Khoza Apiculture centre – a local capacity builder specialised in beekeeping management, Ministry of Tourism, Environment and Natural Resources (MTENR) Mungwi District Forest Office- responsible for forest reserve management, Zatac/ADF Limited – a financial service

provider.

Through Khoza Apiculture Centre the client and producer groups have learnt modern beekeeping methods and management as well as candle and wine making to allow for product diversification. These skills have been passed on to Lua Lua thus allowing them to internalize the training programme which they now offer to the beekeepers. Through Micro Bankers Trust the process of establishing a SACCOs to generate internal sources of financing was initiated. The Mungwi District Office assisted the client in ensuring beekeepers have access to the

protected forests. The District Forest Office also have linked other producer groups through additional project funding to set up additional bulking centres in the district as well as inputs for the beekeepers such as top-bar hives. They have an MOU with SNV, producer groups, and the client to jointly market honey and wax. Zatac (African Development Foundation funding) has been the linkage for the client to trade finance for the operation of the bulking centers as well as funds amounting to K63,000,000 (12,600 USD) to purchase honey from bee keepers.

Lua Lua Beekeeping has increased its outreach to over 861 beekeepers in 40 beekeeper producer groups of which 125 beekeepers are women and has projected growth reach 1,000 beekeepers by the end of 2010

SNV capacitated the client to establish (2) savings and credit cooperatives. This was done in partnership with Micro Bankers Trust a local based microfinance institution. SNV has also capacitated the client with proposal writing skills which has resulted in linkages to two external financiers who have given the cooperative two grants: K110,000,000 (22,000 USD) from JSRPF and K454,690,233 (91,000 USD) from Zatac/USADF respectively.

Part of the funds have been used to supply beekeepers with hives on an out grower scheme basis. This plus effort by the Mungwi district forest office to supply more hives in the area has seen the number of hives Top-bar hives increased from 100 to 300 hives.

## IMPACT

While the Value Chain Development process is still in its early days and ongoing; at the level they have reached now the main achievements there has been increased access to modern equipment, access to finance and knowledge through training of producers. Three smaller bulking centers have been established in the area as well through the Mungwi Forrest Office. The first harvesting of honey has begun and the area has produced 190 kg of honey which they have sold.



Paciaging honey at the bulking centre

In terms of beekeepers the numbers covering Kasama and Mungwi has increased from 200 to 360 in 2009 and the client has targeted to increase their membership to 550 beekeepers by the end of 2010. The beekeepers have benefited from having a local processor as a partner and the local price of honey has

increased from ZMK1,500 (30 US cents) to ZMK4,500 (90 cents) per kg

## SUSTAINABILITY

The process has great potential for replication as it brings together local players to exploit a local resource in a sustainable manner. A total of three Bee keeping co-operatives and two producer associations are currently under registration in five districts in Northern Province i.e. Mporokoso, Mpulungu, Mpika and Mbala Districts. A total of five SACCOS have been established in the District amongst small holder rice farmers and so the approach works across value chains.

## LESSONS LEARNED

The forest reserves have many competing demands for their use and are potential source of conflict thus it is important to seek partnerships with all stakeholders; e.g. the government through the Forest office and traditional rulers to assist in better forest management.

Getting women and other marginalized groups to participate in beekeeping has been a challenge without modern equipment as women are not allowed to climb trees to use the traditional bark and log hives. However potentials lie in engaging

more women if the program embraced a wider range of forest products i.e. Mopani worms and Mushrooms.

Access to modern inputs such as hives and protective wear has been a major challenge due to low levels of income and limited access to credit; it is essential to stimulate value chain financing linkages to address this.

The best sources of honey are also in the remotest parts of the country thus making market linkages difficult; here bulking and systems have been essential in mobilizing the volumes that are required by the market.