

# Speciality honey from Nepal

QuaTerNes, Gandaki International and GIZ support Nepalese beekeepers by accessing export markets



## The context

Nepal is situated in the heart of the Asian highlands, with tropical lowlands, sub-tropical highlands and snowy mountain ranges that are home to a number of different plant species. The diversity of species, as well as the local climate, makes Nepal an ideal place for the production of honey. Beekeeping is already regarded as part of the Nepalese cultural heritage tied to traditional methods, undertaken mainly by women in poorer rural areas. Conservative estimation assessed that Nepal has production potential of more than 10,000 tons of honey every year. However, only up to 20 per cent (2,050 tons) of its potential production are currently used for commercial purposes and private consumption – an amount that doesn't cover the national demand of honey. In comparison to other honey-producing countries, the productivity level of Nepalese beekeepers is still low. Honey producers face great challenges in terms of weak organizational structures and marketing strategies for local and international markets.

The demand for organically produced honey is rising steadily in international markets, particularly in the EU and more specifically in the Netherlands. Against strong competition from China and India, Nepalese exporters are however unable to benefit from this rising demand. This is partly due to a lack of a quality control system for export goods, which means that Nepalese honey does not meet the EU quality requirements due to insufficient capacities to implement a national Residue Monitoring Plan.

## Our approach

The Dutch food producer QuaTerNes, its Nepalese joint venture partner Gandaki International and the German Development Cooperation via GIZ have the common goal of supporting Nepalese beekeepers and promoting the honey sub-sector in Nepal to increase its productivity level and to create new opportunities for exports by 2016.

In up to seven different districts (Banke, Bardiya, Surkhet, Kailali, Dang, Pyuthan, Nawalparasi), the project partners will strengthen the individual actors across the whole value chain, enabling them to produce, process and promote speciality honey for local and international markets.

The development partnership is funded through the develoPPP.de program of the Federal Ministry for Economic Cooperation and Development (BMZ). With the Nepali-German Inclusive Development of the Economy (INCLUDE) and the Trade Promotion Programme (TPP) GIZ brings in its local expertise in the implementation of the partnership.

*"It's great, to be allowed, to live today  
and serve the Nepalese honey sector!"*

Jan Hak, founder, owner and CEO of QuaTerNes B.V.

## What we do

In QuaTerNes and Gandaki provide beekeepers, honey collectors and processors with the necessary qualification programs for commercial beekeeping and honey production that meet international quality standards. At least 300 commercial beekeepers with more than 20 bee colonies each will be integrated into the project. The qualification program will be focused on methods for raising queen bees and supplying high-performance bee colonies. Honey producers will be introduced to new processing technologies, such as thermostatic heating, that help ensure the product's quality and hygiene standards. For producers, their cooperatives and organizations, the qualification program will be focused on the production of organic honey. In cooperation with the national metrology institute of Germany (Physikalisch-Technische Bundesanstalt, PTB), the Nepalese partners will receive further support in improving the conditions for quality infrastructure.



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Furthermore, Gandaki supports beekeepers and their cooperatives with the introduction of transportable mini-laboratories for quality control procedures. The company will also set up a mobile consulting and training centre, where 300 beekeepers will be trained at first. Beekeeper cooperatives and their umbrella organizations will receive tailored training in commercializing and marketing honey production in the interest of their members. In order to enable suppliers to produce and collect honey in the appropriate quantity and quality levels, the company will support them with advance payments, bee colonies and other necessary resources for honey production. Purchase contracts with local cooperatives will help secure income sources and fair prices for at least 300 beekeepers. Gandaki, QuaTerNes and the Nepalese beekeepers association will also participate in international trade fairs to market the honey. Lastly, a shop for the sale of the honey will be opened in Kathmandu.

Both QuaTerNes and Gandaki estimate that there are good opportunities to export Nepalese honey products. The traders are seeking to get import permits for the EU, but are also looking to supply to other Asian countries, such as India, Bangladesh, Sri Lanka and Japan. The partnership with GIZ will help the business partners to improve relationships with beekeepers, communities, cooperatives and national organizations with greater ease. Together, the partners are committed to supporting the development of the Nepalese honey sub-sector to meet the growing international demand and secure the income source of local beekeepers.

## Planned impacts

The average quantity of honey produced per year by Nepalese beekeepers should increase by 20 per cent until 2016. The Nepalese partner company Gandaki International will then be able to buy additional 30 tons of honey per year from local cooperatives. Beekeepers will receive higher income in return.

Value addition and profit distribution ratio will increase at least by 25 per cent at beekeeping level. It is assumed that around 300 beekeeping families will directly benefit from the project with at least 40 per cent from disadvantaged population groups (women, ethnic minorities, victims of conflict, etc.). With an increase in quality honey production, Nepalese producers become more competitive towards countries such as India and China. They are better enabled to export honey in international markets. The project will contribute to the vision and objective of the national beekeeping strategy and its action plan, which focuses on commercial apiculture for economic development of Nepal.

## At a glance

<b>Term:</b>	April 2014 until December 2016
<b>Country:</b>	Nepal
<b>Objective:</b>	Strengthen the Nepalese beekeeping and honey production value chain in order to supply international markets.
<b>Partner:</b>	QuaTerNes B.V. and Gandaki International Pvt. Ltd.
<b>Impacts:</b>	<ul style="list-style-type: none"><li>• Beekeepers increase honey production by at least 20 per cent per year.</li><li>• Fair prices assure income of around 300 beekeeping families.</li><li>• Gandaki International boosts trade volumes by at least 30 additional metric tonnes per year.</li><li>• Nepalese beekeeping sector strengthens its competitiveness.</li></ul>

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