



# Grassroots Business Initiative



## Honey Care Africa

Kenya and Tanzania



GBI Profile

### Background

Despite overall economic progress and growth in Kenya, few economic opportunities exist in the rural areas for small-scale farmers attempting to move beyond subsistence agriculture and provide a better standard of living for themselves and their families. The challenge is to assist these farmers to generate more income, and ensure that their enterprises are economically sustainable and environmentally sound. Honey Care Africa provides one such solution.

### What Is Honey Care?

Established in March 2000, Honey Care Africa (HCA) is a socially responsible Kenyan enterprise, promoting small-scale beekeeping as an income generating opportunity for low-income rural households.

Honey Care works with small-scale farmers to provide:

- training primarily for women and youth in commercial beekeeping
- easy access to start-up financing to acquire equipment, like bee hives, for commercial beekeeping
- improved beehive technology and harvesting techniques that increase productivity and protect the environment



Honey Care is a sales and marketing channel for the beekeepers. Once the honey is ready for sale, the organization purchases it at a fixed and competitive farm gate price. HCA then processes and packages the honey according to internationally accepted standards of operations, before selling it on the domestic and foreign markets. The enterprise provides a comprehensive package of services and linkages to other service providers. These range from training to start-up financing, technologies, and market access.

### IFC's Involvement

Through their Grassroots Business Initiative (GBI), the International Finance Cooperation (IFC) is assisting Honey Care to strengthen its business in Kenya, and replicate its operations in Tanzania.

**Kenya:**

GBI is providing HCA Kenya with a technical assistance grant and patient capital to help with:

- **Market expansion and product development:** HCA has been able to expand its market base in Kenya and enter the US and European markets. Additionally, obtaining Fair Trade certification has allowed HCA to charge a premium price in the international market, and expand its beekeepers network by at least 500.
- **Improving processing and packaging:** This includes establishing an HACCP accredited facility for processing and packaging honey, and acquiring an ISO 9001 certification to ensure that HCA's products meet international food safety standards.
- **Strengthening management and monitoring capability by:**
  - establishing collection centers in the field where farmers can deliver their honey for consolidation and processing
  - creating management information systems that can adequately track production and sales performance
  - implementing a monitoring and evaluation system to allow HCA to track its performance and identify impacts at the farmers' household levels that are results of the beekeeping activities supported by HCA.
- **Institutionalizing extension services:** creating a non-profit company that will focus on delivering extension services to farmers. Without this help, HCA could not afford to carry out its operations profitably and sustain its business activities.

**Tanzania:**

Honey Care has started its expansion into Tanzania by forming a separate company with a local partner in the region. Limited credit history and capital makes it hard for HCA TZ to obtain financing from local banks, so GBI is supporting HCA's Tanzania operations with a patient capital loan to finance honey and beeswax purchases for the next two seasons. To date, HCA TZ is collaborating with Swisscontact, a Swiss public-private partnership for small and medium enterprise development, to carry out market research activities. Swisscontact has assisted HCA TZ in creating three collection centers and extension services for rural beekeepers. With GBI's support, Swisscontact will also help develop the company's first business plan.

**Results To-Date**

Total # beekeepers employed	2,439
% of women beekeepers	25%
# of people receiving extension services	4,421
Total Jobs Created	2,481