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Bee keeping{ Apiculture }

A FEASIBILITY REPORT FOR THE ESTABLISHMENT OF BEEKEEPING FARM AND
PRODUCTION OF HONEY IAT THE LAKSEMBIM FARM IBADAN , OYO STATE ,
NIGERIA .

Executive summary

The honeybees have time immemorial been known for their honey production ability and efficient pollination activities . The laksembim farm limited will contribute in no small amount to the economy and environment through their pollination of fruits , vegetables and pasturage . Honeybees are beyond doubt the most important pollinating insect providing 80 percent of pollination services for different plants

The sole aim is to help in the conservation of honey bees and production of quality honey . Modern beekeeping ensures high productivity and time flexibility . Due to the high values of Honey bees and its major product . Laksembim farm will be setting up a bee farm ,honey

Honey processing unit and packaging facilities . The proposed farm center will be in oyo satae , Nigeria . The laksembim farm intend to rear honey bees ,produce , process , pakage honey for Locally and with the time to penetrate the export market . The designed distribution network for Selling laksembim honey will be a bottom approach , honey will be pouched to reach a high Population of people who cannot afford bottled honey . Modern beekeeping and honey product Ion will help to sustain agriculture as it balances environmental soundness , high productivity , Social equity and economic viability .

The project is sponsored by zartech industry limited an agro business firm who are also our management consultancy f the projects . Promoting the use of natural agricultural based products to help farmers generate income and sustain financial groeth in the economy . thereby extending products to the western and southern regions of the country .

Management

The laksembim farm has a merit studded proposed personnel such as farm manager, secretary Production manager , marketers and quality control officer . The commencement of this project Will begin with only a farm manager and two apiary assistant , since the project may utilize only 60 per cent of its total capacity at inception crowding up staff at the beginning will only dample the business. The proposed project will require a qualified farm manager with profound

knowledge and experience in farm management and two apiary assistant with experience in beekeeping and honey production.

Technical assistance

This project is made up of honey bee farming , As such it Involves the direct process of beekeeping stage , honey extraction and processing by packaging and distribution . the proposed will start with 300 hives which will be settled in the farming areas in ogun state where plantation of crops is common .

once the hives are set it will be transported back to the processing site of laksembim where the honey will be extracted from hiney filled frames using honey extractors and stored in large stainless steel drums . After which the processed honey will be transported to zartech research laboratory where it will be tested and certified .

Market and sales

Market orientation : south west and south east of Nigeria

Market share : 50% in the south east of in Nigeria .

User of product : edible for human , sugar product, oral antibiotics , Natural body care products ,

Beeswax candles and candles , health and nutrition products

Competition analysis

It has shown that it is highly competitive to sell honey in the open markets because of the issue

of adulteration . nearly packed pure honey however goes to the premium price in stores and pharmacies and offices . Ibadan produced about 50% plying to trade of unadulterated honey as very expensive while the remaining 50% from Abeokuta described honey as very expensive . 80% of total honey produced try selling honey in packaged sachets . most of the competition is based on the southern part of the country . The only place where high rate production take place is Ibadan and Abeokuta .

Tariff and import restriction

There is no restriction on beekeeping as they can found locally without import will heavily favour the project as equipment can be made out of products .

market potential

The application of segement comprise of food and beverages , pharmaceuticals , cosmetics , and others . There is high demand in the southern part of Nigeria which have applications in the food and beverages industry . beeswax is widely in the northern part as a glazing agent in the food industry to provide waxy protective surface on food products . bakery industry wares coated with Chocolate , snacks , nuts , and coffe beans.

Profitability

The profitability of the honey production investment is most sensitive to the sales price of honey

The rate of hive colonization is the next factor and the stocking density of hives due to weather

environmental factors , it will be noted that a 50% decrease in sales price result to slow production . however the farm manager will be responsible for all risks and safeguard profit .

Technical feasibility

The production of honey and beeswax is technically visible . In terms of technology , the adoption of langstroth hive technology ensures year round honey production . An experienced farm manager who is highly skilled in various innovative techniques in beekeeping and honey processing is part of our team . a laboratory scientist with 10 years experience is part of our team responsible to test each products . In the honey production an experienced apiary assistant who innate in honey production and farm maintenance with wealth knowledge in extraction of honey from the bee hive . The laksembim farm expect to take full advantage of the trends and penetrate the market with new innovations , by using advertisement and demonstrations to lure independent small groups to join our efforts . Major competitors in the south west is alake bee farm produces 10 pounds of honey per day . Even though the demand of bee wax in Nigeria is relatively low due to influx of imported artificial wax in the market , however , beeswax from honey combs can be exported and fetch foreign exchange .

Government support and regulation

The government has formulated new policy to drive the development of apiculture industry in the country through economic diversification . By building infrastructure for beekeepers and

processors to develop the sector . The exposition would help to broaden linkages with regional and international corporations , especially in cross pollination of ideas and market linkages ,

The project will contribute to the growth of apiculture in the country and foster employment by promoting products locally and internationally .However , this will foster international trade and foreign exchange in the country .

Project timeline

The project will be completed with 5 months between July 2020 to November 2020 due to the Environmental factors such as climate changes . it is mostly done during the dry season .

Projects cost and revenue.

Fixed cost

Items	Quantity	Amount #
Complete bee suit	2	6 000 000
Hives with metallic stands	300	30000
Honey extractor	1	245000
Packaging machine	1	1 300 000
Hive tool	2	2000
Pest control pack	80	160000
Harvesting knife	2	1600
Baiting material	300	300 000
Swarm catcher	2	8000
Smokers	2	10 000
Total fixed cost		8 ,356,600

Variable cost

Item	Quantity	Amount
Farm manager	1	360 , 000
Farm assistant	2	480 , 000
Contingencies	5%	103 , 800
Agric insurances		54,495
Rent (processing room)		60,000
Carton packaging		180,000
Branded sachets	115,200	576,000
Marketing	100 ,000	100,000
Total variable cost(A)		#2,234,295

The total cost of the honeybee farm and honey production , processing , packaging and marketing activities is approximately at #10. 29M.

Revenue

Annual returns	Sachets sold per year	Total returns
1 st year	115,200	9,216,600
2 nd year	345,600	2,764,800
3 rd year	432,00	34,560,000
4 th year	432,000	34,560,000
5 th year	432,000	31,104,000
Sub total		31,104,000
Total		31,104,000

Funding mechanism :

Zartech industry will provide 4 hectare of land and laboratory for the production and processing of honey . transport services will be provided by the laksembim farm which will be used to transport honey hives to the processing unit where it will be extracted. A loan of 10% will be secured from the bank of Nigeria which will be used to fund equipment and storage facilities for

the growth of the enterprise .

Conclusion

The proposed honey production business has a reasonably high chance of success at the start and it is highly profitable and sustainable . Aside from profitability the most fascinating about this direct project is that it is directly depicts sustainable investment as it were , because productivity bolsters economic of scale , its environmentally sound and economically viable ensuring continuous stream of income . increasing employment generation is also a key benefit of this enterprise as the business expands over time . the products have the propensity to be produced efficiently and can be marketed effectively . The project is technically feasible and it is therefore recommended for funding .

