

ADENIRAN MUSTAQEEMAT ADEDAMOLA

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A BUSINESS PROPOSAL ON BEEKEEPING AND HONEY PRODUCTION IN NIGERIA.

INTRODUCTION

The honeybees have time immemorial been known for their honey production ability and efficient pollination activities. They contribute in no small amount to the economy and environment through their pollination of fruits, vegetables and pasturage. Honeybees are beyond the doubt the most important pollinating insects providing 80% of pollination services for different plants, shrubs and crop species.

IDENTIFICATION / SELECTION STAGE

Beekeeping is an activity that anyone can undertake as it requires minimal time and effort. Honey is a commodity that can be traded internationally as well as locally, it is a high value product with a stable and lucrative supply versus demand economy. Honey have many health benefits for the consumer and are lucrative trade commodities. It is a proven fact that it improves the economic condition of the beekeepers, restricts the migration of rural youths to urban centers and helps in holistic development of rural society. Beekeeping ensures high productivity and time flexibility. Though time flexible, it requires daily attention but mounts no gender barrier. Both male and female of productive age can practice it. Commercial honey production does not require electric power to run the business as there is manual honey

extractor. Domestication of honey bees in a modern way, do not only create a means of livelihood for beekeepers but also help in the conservation of the bees and production of quality honey. Modern beekeeping and honey production has proved to be a kind of sustainable agriculture as it balances environmental soundness, high productivity, social equity and economic viability. The export of honey is still grossly underexplored and underexploited of recent, exporters of honey in Lagos are currently routing for beekeepers demanding for between 200 to 250 liters of honey weekly, which unfortunately many beekeepers cannot meet.

Therefore, AKD Foods Limited is an Agro-business firm specialized in making drinks from nutritious agricultural produce, and its registered but headquartered in Abeokuta, Ogun State, Nigeria. The farm intends to venture into beekeeping and honey production because of the high demand of pure unadulterated honey in whole of Nigeria and incidentally, there are very few commercial modern beekeepers in the country; and even the few are concentrating on export. Honey production, processing and packaging will be done at a permanent location in Abeokuta, Ogun State, Nigeria.

AKD Foods is a company registered as a limited liability company and its diversifying into commercial beekeeping and honey production in south western region of Nigeria. Its aim is to supply consumers with the most nutritious and healthy farm product that is produce, processed and packaged under the best hygienic condition.

PREPARATION AND ANALYSIS STAGE

Honey production follows a chain of order which start with site selection; followed by positioning and placement of hives in the apiary; then, baiting follows, hive inspection and pest control; next is harvesting; and the last is extraction / processing. In other to achieve optimum yield each of these must be diligently and perfectly carried out. The most challenging aspect in north central Nigeria is the baiting and pest control because of late colonization of bee hives and ant infestation respectively. As soon as all the hives gets colonized, then AKD beekeeping unit's financial statement gets colonized with incremental figures as the Langstroth hive allows for monthly harvesting.

The production of honey is expected to reach two thousand, eight hundred and eighty liters (2,880L) in the first production year. With the assumption that the project will utilize 60% of its total capacity (i.e. only 60% of the proposed 300 hives got colonized in the first year); and it is assumed it increases at 20% per annum.

PROJECT COST

The total cost of the honeybee farm and the honey production, processing packaging and marketing activities is approximately at NGN10.29M and initial outlay of the said amount has been set aside.

APPRAISAL

After a critical review of the project costs, it was discovered that the profit was more than the capital as of the third year. The competition is not high and the demand is very high therefore allowing fast and easy sales. Beekeeping and honey production is very lucrative, it increases employment opportunities and increases economic income.

IMPLEMENTATION / MONITORING

It is assumed that from the first harvest during the 10th month of the first production year, 10 liters will be gotten from the 180(out of 300) hives because 60% of colonization rate is assumed for 1st production year. More so, it is assumed that 3 liters will be gotten from each of the 180 hives in the 11th month and 12th month of the production year; making a total of 2,880 liters in the first production year.

In the second year, 20% of increased hive colonization will give 240 hives. And given the assumed 3 liters per hive in a month; 8,640 liters is therefore realizable in the second year

of production. The 300 hives are expected to get colonized at the assumed 20% increase by the 3rd production year.

EVALUATION STAGE

The demand for honey is high as it serves for different purposes. Neatly packed purehoney however goes for premium prices in stores, pharmacies and offices. School, hostels, hospitals (both private and government) will also be targeted. In addition, AKD sale representatives could also be advised to cover food producing businesses like bakeries, eateries etc. Honey is also used in the manufacturing of soap and cosmetics.