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Namibia Investment Promotion
& Development Board

APICULTURE (BEE KEEPING)

INVESTMENT PROPOSITION

General Information

Sector: Agriculture
Sub-Sector: Apiculture

1. Abstract

Namibia, with its unique climate and diverse ecosystems, offers a perfect environment for bee farming. Our nation's pristine landscapes, free from industrial pollution, provide a safe haven for honeybees to flourish and produce some of the world's purest, most high-quality honey. With Namibia's honey recognized globally for its exceptional quality, ranked second at the 2023 National Honey Show in London this initiative harnesses the untapped potential of the country's diverse flora and thriving crop farming regions.

This project focuses on two main components: (1) Local bee farmers who will lease their bees to crop farmers and supply honey and bee products to a state-of-the-art processing plant, and (2) The processing plant, located in Otavi, which will meet both local and international demand for honey and related products. The processing plant will be certified to international standards, ensuring that Namibian honey reaches global markets, including the USA and the UK, where demand for high-quality honey is growing.

This project offers a unique opportunity to restore the health of Namibia's ecosystems while creating a sustainable and profitable industry for local farmers and bee products globally.

2. Value Proposition

Bees are a unique and vital part of the natural environment. They are responsible for pollination, which is crucial for the growth of many plants, as well as for producing valuable products such as honey, royal jelly, beeswax, propolis, and honey bee venom. In Namibia, bees hold significant potential, not only for their ecological contributions but also for economic growth.

Namibia is home to some of the best honey in the world. In 2023, Namibian honey earned second place as the best honey globally. This prestigious award was presented at the National Honey Show, held at Sandown Park Racecourse in Surrey, London, from October 26 to 28, 2023. The event saw over 2,400 entries from more than 90 countries. Namibian honey competed against entries from South Africa, Chile, and Oman, securing an impressive second-place finish, which highlights its exceptional quality.

However, the population of bees in Namibia has decreased drastically, leading to a decline in pollinators. This reduction in bee numbers does not only impact the honey and bee products sector, but also negatively impacts crop production and the overall health of ecosystems.

Therefore, farming with bees presents an opportunity to restore these important pollinators. It can improve environmental activities, provide a sustainable source of income for bee



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farmers, and contribute to economic development. As bees play a crucial role in crop production, supporting bee farming will help to maintain biodiversity and enhance agricultural productivity in Namibia.

The bee farming project will have two parts:

- (a) Bee farmers leasing out bees to crop farmers and supplying honey to the honey processing plant
- (b) The honey processing plant will supply honey locally and internationally.

(a) Bee Farmers

Bee farmers will have land where they will keep bees and also grow flowering plants such as lavender, sunflower that will be used as bee food. Framers will make sure that there are always flowering plants on their land because if there are no flowers the bees will abscond due to lack of food. The farmers will then lease out their bees to crop farmers and also supply honey and other bee products to the processing plant that will process the products and supply locally and to international markets.

Although bees are known for producing a variety of products with diverse uses, this project specifically focuses on the production of honey, which is used in the food and sweetener, medical, and cosmetic/skincare industries; beeswax, which is used in the production of bee combs, pharmaceuticals, and cosmetics; and propolis, which is utilized in the medical industry. All the equipment, tools, and machinery required for beekeeping are readily available in Namibia.

(b) Honey processing plant

Located in Otavi, the plant will be certified to international standards, processing honey and other bee products for both local and international markets. Additionally, the plant will be allocated a piece of land for beekeeping, ensuring a secure supply of inputs. However, more than 50% of the products processed at this plant must be sourced from local farmers. Otavi is strategically positioned in an area known for crop farming in Namibia, making it ideal for proximity to both bee farmers and crop farmers. This location will facilitate easy transportation for bee farmers to deliver their products to the plant and provide a cost-effective solution for transporting honey and other bee products for processing.

3. Market Analysis

3.1 Local Demand

3.1.1 Market Gap and Local Demand for live bees

Namibian crop farmers, particularly blueberry farmers, are currently importing bees from Egypt, Israel, and South Africa, an average distance of supply countries at 6,289km. This results in a significant outflow of cash from the country, and the cost of importation adds to the already high production expenses. In 2025, for blueberry farmers alone, about 11.5 beehives will be imported per hectare. With 124 hectares (Namibia Berries 64ha and Mashare Berries 60ha) under blueberry production across the country, the two Blueberry



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farms will import a total of 1,426 hives, at an average price of N\$3,500 per hive, which totals N\$4,991,000.00. This figure excludes additional costs such as logistics and permits, which are another financial burden.

The demand for beehives in the blueberry sector is increasing each year as farmers expand their operations. For example, the Namibia Berries farm alone will need 1,500 hives by 2026. If the current prices remain, the farm will spend N\$5,250,000 on beehives.

Bees imported from Israel and Egypt are bumblebees, which are not well-suited to the environmental conditions in Namibia, particularly in the northern regions. These bees typically die within 11 weeks of arrival, while the pollination period for blueberries lasts about two months. The imported bees are needed only for pollination, and once this process is complete, there is no ongoing business for Namibia.

Given the current demand for bees among crop farmers in Namibia, a healthy, fully equipped beehive costs N\$10,000. However, there is no local supply of such hives, and Namibia is unable to meet even a demand of 150 hives. Farmers in Namibia are struggling to source bees locally.

3.1.2 Market Gap and Local Demand for Natural Honey

Namibia is a net importer of honey, having imported a total of 313 tons valued at US\$1,234,000 in 2023 alone. The country sources its honey from various countries, including Zambia (53.9%), South Africa(26.8%), Uruguay (18.9), and Portugal (0.2).

3.2 Regional Demand

3.2.1 Regional demand for Live Bees

According to the International Trade Centre (ITC) in 2023, with the exception of Namibia and South Africa, no other country within the Southern African Development Community (SADC) imported live bees. However, despite the absence of live bee imports at the regional level, there exists a significant opportunity on the international stage.

3.2.2 Regional demand for Natural Honey

In 2023, the Southern African Development Community (SADC) imported a total of 6185 tons of honey, valued at US\$10,959,000.00. The honey was mainly imported from Zambia, South Africa, UAE, Portugal, Spain, Kenya, India, Saudi Arabia, China, etc. This is an indication that there is an opportunity for Namibian honey on the regional level.

3.3 International Demand

3.3.1 demand for Live Bees

This project will not currently consider the international market for live bees due to the challenges associated with the long distances that bees would need to travel to export destinations. However, this could present a lucrative business opportunity to explore in the future.



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3.3.2 International demand for Honey

The global honey import market was valued at US\$ 2,250,309,000 in 2023. Of this, US\$ 1,556,483,000 was imported by a group of countries, including the USA, Germany, Japan, France, the UK, Belgium, Italy, Spain, Saudi Arabia, and China. The United States had the largest import share of 26%, while China had the smallest import share at 2.8% among the group. Among these countries, only Spain and China reported a positive trade balance, meaning they are net exporters of honey. The remaining countries, including the USA, Germany, Japan, France, the UK, Belgium, Italy, and Saudi Arabia, had negative trade balances, making them net importers of honey.

Additionally, the global honey market showed a negative trade balance of USD -90,597,000, indicating that global demand exceeds supply. Furthermore, honey imports worldwide are growing at an annual rate of 4%. These trends suggest a strong global market for honey, presenting an opportunity for Namibia to tap into this demand.

3.4 Competitive analysis

3.4.1 Local

Although bees are vital in the crop production sector, especially flowering crops, the beekeeping sector is still relatively small in Namibia and Namibia is a net importer for both live bees and honey. With bees responsible for more than 70% of pollination, demand for pollination services can't be supplied as Namibia currently only supplies 4% of the pollination demand and faces a range of challenges and more restraining factors. Namibia currently has a few bee farmers, however, these farmers are farming on a very small scale. The Namibian bee farmers also created a Beekeeping Association of Namibia made up of about 150 hobby beekeepers. Current Namibian farmers are either hobby beekeepers (up to 20 hives) or Urban beekeepers (up to 50 hives). Namibia needs Commercial beekeepers (up to 400 hives) and industrial beekeepers (up to 2 000 hives).

3.4.2 Regional

As per the International Trade Centre (ITC) in 2023, little to no country in the SADC region currently exports live bees. However, for honey production and exports, the countries such as Zambia, South Africa, Tanzania and Mozambique might be some of Namibia's competitors within the region. The details of honey production and export for these countries are listed below.

- Zambia exported 1002 tons valued at US\$1 933 000 mainly to South Africa (27.8%), United States (27.2%), UK (20.2%), Norway (9.3%), Namibia (8.1%), Botswana (5.8%) and Zimbabwe (1.5%).
- South Africa exported 455 tons of honey valued at US\$1 184 000 mainly to Botswana (42%), Namibia (28.8%), Lesotho (8.6%), Eswatini (7.3%), Mozambique (6.6%), Sri Lanka (2.2%), Malawi (1.3%) and DRC (0.8%).



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- Tanzania Exported 337 tons valued at USD 849 000 mainly to Germany (59.5%), Ireland (17%) Netherlands (14%), Kenya (3.1%), Rwanda (2.5%), Poland (2.1%) and Uganda (0.5%)
- Mozambique exported 19 tons of honey valued at US\$ 43 000 mainly to Malaysia (48.8%), China (27.9%) and UAE (23.3%).

In the same year, Namibia exported 33 tonnes of honey valued at US\$136 000 mainly to the UK (52.9%) and USA (42.3%). Both the USA and the UK are net importers of honey, presenting an opportunity for Namibia to increase its honey exports to these countries.

3.4.3 International

The world exported a total of US\$2 159 712 000 worth of natural honey in 2023 of which US\$1 425 700 000 worth of honey came from China, New Zealand, India, Argentina, Ukraine, Spain, Germany, Brazil, Belgium and Hungary. These countries were the main honey exporters globally. These countries might be a competitor for Namibia.

4. Business Model Considerations

(a). Top 3-5 Major Cost Drivers

- Start up capital especially that spent on purchasing machinery to be used in the honey processing plant.
- Energy to operate the honey processing plant
- Labour, especially, beekeepers, food production specialists, standard auditors and engineers to operate the machinery in the processing plant.
- Food Processing Standard Certification of the processing plant

(b). Revenue Streams

- Natural honey and beeswax sales
- Pollination Services

5. Legal/Policy Considerations

Bee production falls under the jurisdiction of the Ministry of Environment and Tourism, as outlined in the Forest Act 12 of 2001, Section 25. However, matters related to bee health are the responsibility of the Ministry of Agriculture, Fisheries, Water, and Land Reform, as per the Animal Health Act 1 of 2011. Some of the beefarming conditions outlined in the act under Section 25/Regulation 10 and 12 are listed below:

- The Beekeeper must demonstrate knowledge of keeping honey producing organisms or undergo training and have appropriate protective clothing before he/she can be granted a licence
- The licence cost N\$12 per 10 hives
- The licence must be renewed every 12 months
- The farming site must be at a minimum distance of 100 metres from the neighbours
- The neighbours must be informed about the farming practice



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- In Municipal areas, the permit must be issued with the consent of the municipality
- When harvesting honey, at least 10% of the honey must be left for the sustenance of the honey producing organisms
- A signboard must be erected at the site of production.

6. High-Level Risk Profile

- Pest and Diseases
- Competition from imported bees and bee products
- Lack of bee food due to drought and water scarcity

7. Applicable UN Sustainable Development Goals Alignment

1. SDG 2: Zero Hunger
2. SDG 8: Decent Work and Economic Growth
3. SDG 12: Responsible Consumption and Production
4. SDG 13: Climate Action
5. SDG 15: Life on Land

For more information regarding this opportunity, please contact us at catalogue@nipdb.com.