ESTABLISHING A SUPPLY CHAIN FOR HONEY & BEESWAX FROM RURAL BEEKEEPERS
Honey and beeswax harvested by rural African beekeepers can be of excellent quality. This Guide provides detailed explanation of the many steps that are involved in establishing an efficient supply chain for export of these products to the EU. The first-hand experiences and unique insights shared here will be of utmost value to people planning to engage in African honey and beeswax trade.

This Guide has been produced as part of the Bees for Development Project: Africa — Wales honey and beeswax trade.

The Project took place in Cameroon during 2009 – 2011 and was implemented in partnership with Guiding Hope in Cameroon and Tropical Forest Products Ltd in the UK. We thank the Wales for Africa Grant Programme of the Welsh Government for funding the Project, and The Waterloo Foundation for supporting the publication of this Guide.

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Guide 3 describes how the trading company Guiding Hope was established in 2006, developed relationships with beekeepers, and began successful honey and beeswax purchasing and onward trade.

Guide 4 describes Guiding Hope's first steps to achieve successful export of honey and beeswax to the EU.

Further information about Guiding Hope can be found at www.guidinghope.com
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Acronyms

EU European Union

PAELLA-E Programme d’Appui aux Expériences Locales à L’Auto-Emploi (Program to Support Local Experiences in Self-Employment) — NGO working with Guiding Hope

USD US Dollars
Sales staff of Guiding Hope attending a honey promotion event in Douala
OVERVIEW

Guiding Hope is a honey and beeswax trading company in Cameroon with a social objective. It has doubled the prices available to honey and beeswax suppliers in Adamoua through a sustainable and ethical trading model and now has revenues of hundreds of thousands of USD from international, regional and national markets. A focus on quality assurance and marketing has enabled more than 100 tonnes of beeswax and 20 tonnes of honey to be exported to the EU to date. Structures such as women-led savings schemes help to ensure that income from Guiding Hope leads to broader development for poor, rural beekeepers.

WHAT THIS GUIDE IS ABOUT

• working alongside beekeeping communities
• developing a trading and extension structure compliant with export market requirements
• introducing concepts and tools to make the supply chain more effective, cohesive and professional.
# CHRONOLOGY OF KEY EVENTS

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 2004</td>
<td>Anthropological study of the honey sector in Adamaoua, Cameroon</td>
</tr>
<tr>
<td>May 2006</td>
<td>National Bee Products Market study</td>
</tr>
<tr>
<td>March 2007</td>
<td>Vision for Guiding Hope and PAELLA-E begins to take form</td>
</tr>
<tr>
<td>October 2007</td>
<td>First container of wax arrives in Europe</td>
</tr>
<tr>
<td>December 2008</td>
<td>UK client’s first visit to Cameroon</td>
</tr>
<tr>
<td>January 2009</td>
<td>First organic certificate issued</td>
</tr>
<tr>
<td>February 2009</td>
<td>First collection centres and processing warehouse built</td>
</tr>
<tr>
<td>March 2009</td>
<td>120 initial suppliers trained, first honey purchases</td>
</tr>
<tr>
<td>March 2010</td>
<td>First container of honey arrives in Europe</td>
</tr>
<tr>
<td>April 2010</td>
<td>480 new suppliers trained</td>
</tr>
<tr>
<td>June 2010</td>
<td>Launching of village development committee</td>
</tr>
</tbody>
</table>

This experience is not a prescription for developing a supply chain. Guiding Hope often had to rework examples and advice from outside to fit our context.

Guiding Hope is still in its early stages and has much more to learn so we would like this Case Study to serve as a platform for discussions and development of ideas. We hope that this will lead to the strengthening of more bee product supply chains across Africa.
UNDERSTANDING THE EXISTING TRADE AND POTENTIAL OF THE AREA

We began analysing the existing supply chain in Adamaoua three years before we attempted to intervene.

An anthropological study explored how the apicultural chain linked the village beekeepers with processors, re-processors, wax extractors, stockers, and traders in a relationship of interdependence where nobody got a very good deal. Quantity was more important to beekeepers than quality, as good or poor quality honey fetched the same price. Beekeeping is traditionally one of the backbones of the rural economy, providing a financially and technically accessible livelihood for thousands of rural farmers.

A market study compared production and sales of honey from Adamaoua Region with three other beekeeping regions in Cameroon, concluding that roughly 95% of Cameroon honey was produced in Adamaoua. The local market within Adamaoua was low-value, saturated and homogenous and any attempts to increase or diversify local consumption would need to employ creative strategies for marketing honey and bee products in new forms. Honey was either resold in the major cities in Cameroon or exported to neighbouring countries. Wax was being resold to bronze-wax casters in the West of Cameroon or Lebanese traders in Douala and Bangui.

The market situation in Adamaoua in 2006

<table>
<thead>
<tr>
<th>Product</th>
<th>Producer price</th>
<th>Local market retail price</th>
<th>National market retail price</th>
<th>Export market price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honey</td>
<td>&lt;1 USD/litre</td>
<td>1-1.4 USD/litre</td>
<td>4-14 USD/litre</td>
<td>Up to 10 USD/litre (Gabon) 2.4 USD/litre (Nigeria) RETAIL</td>
</tr>
<tr>
<td>Beeswax</td>
<td>0.7 USD/kg</td>
<td>Not applicable</td>
<td>2-2.5 USD/kg</td>
<td>2.6 USD/kg (Lebanese traders in Douala and Bangui) BULK</td>
</tr>
</tbody>
</table>

Adamaoua is one of the largest regions of Cameroon (covering 65,000 km²) but is the most sparsely populated, with an average of eight people per km². Ngaoundal, a
town renowned for honey trading, lies on the train line, roads connecting the north of Cameroon with the south, and on the trans-African highway which connects Cameroon with the Central African Republic and Nigeria.

THE INFORMAL SECTOR

It has been estimated that over three million litres of honey produced in Adamaoua are traded annually\(^1\), although figures for this largely informal market are approximate. Beekeepers sell comb honey by the bucket to traders at weekly village markets or if they cannot wait for market day, to intermediary bulkers. Buckets may be scratched, engrained with dirt or missing a lid, after years of usage. Traders do not generally pay much attention to honey quality since in most cases their own clients do not make any quality stipulations, but they will notice unripe honey during processing. Prices fluctuate over the season but are generally standardised across the production areas at any one point. Beekeepers may receive advance payments for their honey before the beginning of the honey season. Otherwise, they receive cash on sale. Transactions take place verbally. No receipts are given, and no sales records kept. People may recognise each other, in most cases without knowing each other’s names. Beekeepers may have allegiances with certain traders, because they are of the same family or ethnic group, or because both sides have kept up their side of the bargain in the past. However these relationships are often abused and then the debtor owing the money or the goods disappears.

A socio-economic survey looked at how beekeepers were earning a living. We found that beekeeping was usually complimented with equally important economic activities such as farming and livestock rearing. In some cases agriculture (mainly for subsistence) was prioritised over beekeeping. Due to wide price fluctuations and generally low prices when the majority of beekeepers wanted to sell, it was difficult for them to make a viable income. The survey enabled us to understand the beekeepers’ technical, financial and social needs, and plan our interventions.

We also took note of the various people involved in trying to organise or support the apicultural supply chain - be it NGOs, private individuals or the government. In particular, there was a dynamic lady who called herself the Queen of Modern Beekeeping attempting to persuade the beekeepers that they could succeed only if they modernised their techniques.

\(^1\) Ingram, Husselman, and Niba-Fon (2009)
### SWOT Analysis undertaken at the beginning of the process

<table>
<thead>
<tr>
<th><strong>STRENGTHS</strong></th>
<th><strong>OPPORTUNITIES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Adamaoua’s cultural and natural environment made it the clear leader in terms of production.</td>
<td></td>
</tr>
<tr>
<td>If value was added to the product before it left the region, Adamaoua could become rich from honey: production from this region alone could satisfy national consumption.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>WEAKNESSES</strong></th>
<th><strong>THREATS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of training and institutional support meant that the sector was disorganised and honey was of poor quality.</td>
<td></td>
</tr>
<tr>
<td>Weak transport and telecommunication networks isolated beekeepers and disrupted the flow of information.</td>
<td></td>
</tr>
<tr>
<td>Lack of potential for a competitive internal market.</td>
<td></td>
</tr>
<tr>
<td>Appropriate and affordable honey storage containers were difficult to access. Beekeepers lacked awareness about the value of their product and were unsustainably exploiting their honey bee colonies.</td>
<td></td>
</tr>
</tbody>
</table>
Local style hive sited in a tree in Adamoua
OUR ORGANISATIONAL STRATEGY FOR TRADING AND EXTENSION

Our end goal was to establish a strong and efficient value chain delivering social and economic benefits to everyone involved.

The opportunity to buy vast amounts of relatively cheap honey and beeswax and sell them on at higher prices to distant markets was enticing. On the commercial side we would need to find solutions to logistical problems related to the collection of honey and wax, and carry out extensive market research to guarantee a market for products. The marketing structure would need to be socially-orientated, working closely with producers and finding roles for some of the intermediaries so as to not push them out of the chain, ensuring that more of the value was felt by the local community. We called the company Guiding Hope because we wanted to bring hope and income to producers by guiding them to the better markets of which they had dreamed.

Supply-chain strengthening activities would be costly and it might not be economically viable to integrate these immediately into Guiding Hope’s business plan. At the outset we needed a distinct development structure driven by a vision of linking people together, developing trust and mutual understanding. To achieve this, an organisation named PAELLA-E was formed to advocate for the needs and position of the weakest in the chain, to provide market information and to offer technical services. PAELLA-E is an acronym for Programme d’Appui aux Expériences Locales à L’Auto-Emploi (Support to Local Experiences in Self-Employment) but signifies also a Spanish dish which assembles a variety of ingredients, flavours and spices into a rich and colourful meal.

Guiding Hope and PAELLA-E are separate entities but one could not exist without the other - so we refer to ‘we’ all through this Guide.
LEGAL FORMS FOR OUR MODEL

PAELLA-E chose to form a development association, which in Cameroon is a step towards becoming a non-governmental organisation. Guiding Hope researched the various formats for operating as an enterprise in Cameroon. We selected a Common Interest Group (Groupe d'Intérêt Commun, or GIC) because it is not too complicated or expensive to set up and its format allows for internal flexibility. In Cameroon registration procedures tend to be unclearly presented, many people are uninformed about the rights and responsibilities of organisations and civil servants may take advantage of this, so we requested help from a lawyer to assemble all the necessary registration documents.
BUILDING A PRODUCER BASE

False promises and embezzlement had led many in Adamaoua to mistrust outsiders’ development projects so we chose to begin working with a limited number of beekeepers. Of twelve communities where we held discussions, we selected six with whom we had built enough basic trust and understanding to be sure that they had the productive capacity and also the patience to work with us. PAELLA-E invited representatives of these six communities to a stakeholder meeting where they were officially introduced to Guiding Hope. The beekeepers were open and ultimately prepared to trust us, perhaps largely as a result of the presence of a successful local honey trader in our team. Many of the beekeepers already traded with him and he had always proved reliable and trustworthy. He could also explain complicated concepts in the local language.

The stakeholder meeting established a participative action plan spanning the fifteen months leading up to the first purchases of honey. Since many of the actions involved the beekeepers only indirectly, it was essential to keep them regularly informed of progress. We did this through monthly meetings held in each of the six villages.

Gaining and maintaining the beekeepers’ confidence while managing their expectations was a major challenge as we laid our foundations. There were few visible signs of our progress, since it was largely conceptual. We were careful never to promise anything beyond what we believed was possible. However, in our optimism we sometimes believed that goals were possible to achieve within unrealistic timeframes.

We asked nothing of our beekeepers except their time. Any costs they incurred for attending meetings outside their villages were reimbursed. If we involved them in physical labour (for example brick-making), their labour was paid. During the stakeholder meeting we had asked the village chiefs whether they wanted to sell land to Guiding Hope for the building of a collection centre, however they decided unanimously to donate the land.

One final element in the construction of our producer base has been to respect the status quo in Adamaoua - that beekeepers operate individually. However, bit by bit, we are encouraging beekeepers to see the value of working together, particularly for community development and to achieve economies of scale.
Weighing produce at every stage is essential for accountability along the supply chain.
REQUIREMENTS FOR QUALITY CONTROL AND TRACEABILITY

To guarantee the quality of the honey when it is sold to customers, Guiding Hope must be able to control its quality right from the moment it is harvested. This means knowing that Ousmanou, the beekeeper who harvested it, observed basic hygiene, that minimal smoke was used during harvesting, that his bucket and other equipment was clean, that the honey was ripe and unadulterated, that Ousmanou kept it away from exposure to heat and moisture, and that it was not handled by anybody else before Ousmanou delivered it to the collection centre (including Ousmanou's children, who are always around waiting for a lick of honey when Baba gets back from a night's harvest).

Guiding Hope must know the origin and, up to a certain point, the producer of the honey. This information must be available as the honey is being handled, and even afterwards, and ensures traceability. It serves as a reminder to Ousmanou, the beekeeper, that he must always apply the same high standards. Traceability provides Guiding Hope with the opportunity to recognise where the best quality honey is produced, or alternatively, to identify where there are problems in honey quality and to take action.

We developed training, registration and internal control systems to ensure that all Guiding Hope honey met our requirements.
Honey draining tables were introduced by Guiding Hope as a clean and efficient way to separate honey from comb.
DESIGNING A COLLECTION SYSTEM

Our aim was to introduce our system alongside the existing informal market. The informal market played an important role in the local economy which we did not want to disrupt it. Meanwhile, we hoped that we could together find new ways of integrating the informal into the formal market system.

The design of our export-oriented collection system was based on a number of factors:

1) Our requirements for traceability and quality control (described above).
2) Our knowledge of informal honey trade within Adamaoua (described above).
3) Our objective of operating as a social yet profitable enterprise: we needed to facilitate trade for our suppliers, pay a fair price and make a profit.

We compared the existing market system with our own requirements for quality control. Our analysis is shown in the table overleaf:

Beeswax: the most valued product of our business model.
<table>
<thead>
<tr>
<th>Points we wanted to maintain</th>
<th>Points we needed to improve</th>
<th>Things we wanted to add</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beekeepers are able to sell in their own villages.</td>
<td></td>
<td>Ensure this is permanent.</td>
</tr>
<tr>
<td>Beekeepers receive cash on sale of their products.</td>
<td></td>
<td>To gain beekeepers’ confidence and loyalty, Guiding Hope must offer them at least the same, if not a better service, as before.</td>
</tr>
<tr>
<td>Beekeepers lack clean and appropriate buckets with well-fitting lids.</td>
<td></td>
<td>Guiding Hope must supply buckets and ensure that they are well-maintained and used only for honey.</td>
</tr>
<tr>
<td>Beekeepers cannot verify their own honey quality, nor label their own buckets so it would be impossible for a quality control officer or a secretary based at the central warehouse to keep track of honey quality and origin of all the thousands of litres bought by Guiding Hope.</td>
<td></td>
<td>We would need to introduce an in-village system for traceability and quality control, involving specially trained staff, and reaching beekeepers as soon as they come in from the harvest.</td>
</tr>
<tr>
<td>Traders generally have limited control over the supply of honey and beeswax and sometimes come back empty-handed from buying trips. They often have no clear objectives regarding the quantities they intend to buy during the season.</td>
<td></td>
<td>Guiding Hope needed to predict the volume of honey and beeswax we could procure each season — for our own planning purposes and so that we could negotiate with — and make commitments to — our clients.</td>
</tr>
</tbody>
</table>
ESTABLISHING A SUPPLY CHAIN FOR HONEY & BEESWAX FROM RURAL BEEKEEPERS

SOLUTION: INTERMEDIARY COLLECTION POINT

Guiding Hope’s supplier villages are based up to 120 km from its central processing operations in Ngaoundal, and the only way we could foresee managing all these needs was to introduce intermediary collection points in each village. These are centres where trained and registered beekeepers can borrow buckets just prior to a honey harvesting trip and bring their honey the morning after. The quality of the honey is checked immediately, and if it meets Guiding Hope’s standards the honey is received by the collection centre and the beekeeper is paid. If it does not meet the standards, it is rejected immediately and the beekeeper takes away their honey and leaves the emptied bucket at the collection centre. The collection centre personnel are responsible for washing buckets and keeping the centre clean and tidy. All the financial and traceability paper work is filled in at the collection centre. The goods are stored until Guiding Hope is ready to transport them to the central warehouse in Ngaoundal.

Processed honey being packed for transit.
Guiding Hopes' honey packed and branded for the local market.
TRAINING AND REGISTRATION OF PRODUCERS

Beekeepers must register as suppliers before they can sell honey to Guiding Hope, and must undertake the training outlined below as a pre-requisite for registration. PAELLA-E trains and registers new and existing suppliers annually before the start of each season.

The majority of our beekeepers are illiterate, and most have been out of school for at least 20 years. To ensure that all the new rules for honey production and handling were understood and adopted, we used theatre, images and plenty of interaction amongst trainees. Guiding Hope funded all the initial training, which was held in each of the supplier villages. By the second year, we had identified ten dynamic and competent beekeepers who then received training to become trainers themselves.

TRAINING PROGRAMME

<table>
<thead>
<tr>
<th>Subject</th>
<th>Message to be communicated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisation within the bee colony.</td>
<td>If we all worked together — like bees do — each of us sticking to our own tasks and doing them to the best of our ability we would have no problems.</td>
</tr>
<tr>
<td>Hygiene of the beekeeper and their tools.</td>
<td>Dirt can be transmitted from humans, tools, pests and the surrounding environment. We need to observe hygiene and cleanliness in all our work.</td>
</tr>
<tr>
<td>Cleanliness within the collection centre.</td>
<td></td>
</tr>
<tr>
<td>Harvest and handling of honey, honey quality and sources of honey contamination.</td>
<td>Analysis by the beekeepers of their current harvesting practices and effect on honey quality. Presentation of Guiding Hope's honey standards and regulations.</td>
</tr>
<tr>
<td>The best way to utilise smoke during harvesting.</td>
<td>The role of smoke in harvesting. Ideas and exchange on how to limit use of smoke, and to avoid bee stings.</td>
</tr>
</tbody>
</table>
QUALITY CONTROL AND TRACEABILITY

Training is necessary to ensure that quality standards are met, however quality must be backed-up also by physical checks. This is important because any honey that fails to meet quality standards at point of sale will be rejected — at our cost. Honey ripeness, smell and taste can be verified easily at collection centres, either by trained staff or with simple equipment. Our internal control system covers these aspects. However, some traits will be picked up only when the honey is filtered, or when samples are analysed. We cannot send quality control officers to watch harvesting of over 6,000 bee colonies: we have to trust that beekeepers want to supply a good quality product and will therefore follow the quality standards that they have understood during the training.
ORGANISATION OF PURCHASES AND RUNNING OF COLLECTION CENTRES

BUILDING AND OWNERSHIP OF COLLECTION CENTRES

With limited capital and an obligation to break even, Guiding Hope was determined to not build ‘white elephants’ that would be irrelevant to the community. Constructing collection centres was necessary and financed within a business plan, both to ensure quality control and to provide a vital symbol of long term commitment.

Guiding Hope’s collection centres are purpose-built and designed to keep the honey as cool as possible using straw insulation in their roofs. They are equipped with a set of buckets, a refractometer for testing water content, and basic cleaning equipment. We considered whether they should belong to Guiding Hope or to the community. In the cultural context of Adamaua, where beekeepers generally operate individually or in small clans, it would be difficult to introduce a community institution. Our suppliers are becoming more interested in working collaboratively, however this is a gradual process. In the meantime, Guiding Hope takes responsibility for its collection centres and its personnel, who are selected from the beekeeping community, a) to ensure that the centres are managed according to Guiding Hope’s procedures, b) to guarantee the safe storage of its products, and c) to make a return on its investments.

SUB-CENTRES

After the first series of investments, we took time to observe the use and output of the centres before deciding whether to make further investments. In the first year, many of them were under-used, and where we had expected the highest yields, we were disappointed. Meanwhile, in the villages where beekeepers had pleaded with Guiding Hope to give them a chance to supply, and had offered up their own buildings as storage sites, yields and quality were relatively high. This led us to introduce the concept of sub-centres. These are buildings which are rented from individuals. They are situated in supplier villages where we have not yet spent sufficient time getting to know the beekeepers, their capacity and their commitment to working with Guiding Hope. Sub-collection centres are affiliated to collection centres, and are supervised by the collection centre managers.
PRICING, PURCHASING TARGETS AND DEVELOPMENT IMPACT

To decide the price we could offer, we spent time studying local price variations across the months and years. We then decided to set a fixed price, in relation to the average price we hoped to get on the various markets for which we were aiming. The agreed price accorded the beekeepers with greater stability, and Guiding Hope with a positive balance in the business plan.

At the beginning of the harvest in March, Guiding Hope’s honey buying price is more than twice that available in the local market. Small scale producers depend on honey income and do not have the means to wait for prices in the local market to rise. Even if producers sell elsewhere, the constant price offered by Guiding Hope increases their bargaining power with other traders.

HONEY PRICES IN ADAMAOUA IN 2009

The collection centres work particularly well in villages where there is no major honey-trading market, so beekeepers are glad of the opportunity to sell at a good price in their own village. In larger villages where there is an established honey market, the collection centres serve as a permanent reminder of Guiding Hope’s prices, which are fixed throughout the honey season. Previously, beekeepers would have to juggle needs and gamble their sales in the hope of getting a favourable price on the informal market. Now they can plan their sales knowing that the price will remain the same whenever they choose to sell.
Initially we aimed for a large producer base, believing that the greater the number of producers, the more likely Guiding Hope was to achieve its purchasing targets. Now we have learnt that it is not about the number of beekeepers, but rather their capacity and adherence to our guidelines. Some beekeepers choose to sell to other clients even though Guiding Hope’s price is higher. Others sell one or two buckets just to stay on the supplier register. Our development goal meant that Guiding Hope needed to buy enough honey from individual beekeepers operating on an average scale of production for them to feel the positive impact of selling to Guiding Hope. Therefore we decided to adjust our strategy, and work with fewer beekeepers, supporting them to grow in capacity and work more professionally. We have encouraged the beekeepers to set up savings schemes, which will allow them to increase their hive numbers and increase their quantities to at least 10 drums or 2.2 tonnes of honeycomb per person per year.

Beeswax melted into blocks for efficient packing for export.
PRIMARY PROCESSING AND ONWARD SALE

The honey harvested carefully by our trained suppliers is transferred into sacks weighing roughly 80 kg, then loaded at the village collection centre into the collection vehicle and transported to the central warehouse. As a consignment leaves, a packing list is filled out and handed on arrival to the staff at the central warehouse. The sacks are then registered in the stock entry book and stored in the warehouse.

The next stage involves filtering the honeycomb. The production register is filled out as the sacks of honey are poured over the filtration table. Each table has a capacity of 7 sacks, or 560 kg. Overall, the warehouse has a capacity of around 5 tonnes per production shift. The honey is left to drip on the filtering table over two days, allowing the liquid to separate from the wax comb. When most of the honey has dripped out, the liquid honey and the remaining wax are transferred into separate sacks, weighed, labelled and stored, ready for departure to the transit warehouse in Douala.

As a consignment leaves Ngaoundal for Douala, a new packing list is filled out, which is then handed to the staff at the transit warehouse. The stock is registered and then stored.

The honey now takes one of two directions:

- Export honey is filtered into 1000 litre cubic tanks;
- National honey passes through various stages of filtration and is then packaged in 1 litre bottles and sachets for sale on the national market.

The wax comb is loaded into extraction tanks, after which two products are obtained:

- Organic beeswax
- National B grade honey, aimed at industrial users and packaged in sachets for local consumers

In 2009 Guiding Hope exported 30 kg of propolis, 25 tonnes of honey and 60 tonnes of beeswax. On the national market, 12 tonnes of honey, as well as soap and candles were sold in sales outlets and during promotional fairs. Currently we are experimenting with other types of bee products.
INTERNAL CONTROL

The honey season is an intense period. While Guiding Hope’s personnel are busy purchasing, transporting and processing honey, PAELLA-E’s team is performing an internal control function. This process of checking, controlling and monitoring has been agreed with Guiding Hope. We call this internal control, and PAELLA-E is involved closely with the system, having collaborated with Guiding Hope to devise it. External control is when an officer from the government, an auditor or an inspector comes from an independent organisation to observe what is happening.

Internal control is an opportunity to remind the beekeepers, collection manager staff or processors about the little things which may have been neglected or forgotten - such as keeping finger nails short, floors swept, paperwork up to date - as well as discovering major issues such as a collection centre manager who is buying in sub-standard honey from non-registered beekeepers and paying an assistant bribes to keep quiet.

All Guiding Hope’s supply areas are certified organic.
SANCTIONS

When problems are identified, they need to be put right. We have developed a system of sanctions for non-compliant behaviour. These sanctions were developed by the beekeepers during the training sessions. In Cameroon, we cannot talk for an hour without football coming into the conversation! So we adopted a card system:

<table>
<thead>
<tr>
<th>Card colour</th>
<th>Significance</th>
<th>Applied by</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green</td>
<td>Warning card given the first time a (non-serious) offence is made.</td>
<td>Collection centre manager.</td>
<td>Offender must be helped to understand what they have done wrong and what they should do differently.</td>
</tr>
<tr>
<td>Yellow</td>
<td>Yellow card given if an offence is repeated a second time, or if the offence is reasonably serious.</td>
<td>Collection centre manager and internal control staff.</td>
<td>The offender is given a severe talking-to. If necessary, they are retrained. A monetary sanction may also apply.</td>
</tr>
<tr>
<td>Red</td>
<td>Red card given if an offence is repeated a third time or is very serious.</td>
<td>Guiding Hope.</td>
<td>The offender is put 'out of the game' until next season. If the offender is a beekeeper, they are banned from supplying the collection centre until the following year. If the offender is a staff member, they are replaced. A monetary sanction will apply.</td>
</tr>
</tbody>
</table>

IT IS NOT ALL BAD

Internal control is an opportunity to recognise where things are working really well so that praise is given, and perhaps bonuses. Also, where people are struggling, some form of motivation and encouragement can be given.
INTERNAL CONTROL OFFICERS

Our first internal control officer was a lady nicknamed *Mami Congossa* (*Congossa* is a Cameroon term for gossip). Her job was to turn up by surprise in the village collection centres, carry out a physical inspection of the building, materials and records, listen and observe everything going on, and then return and write it all up in official reports for PAELLA-E. Women are usually shushed by their husbands and expected to sit either outside the meeting room, listening through the walls, or to sit at the very back of the room and keep quiet unless they are spoken to. However, *Mami Congossa* is an outstandingly courageous young woman who is confident enough to sit and talk with the male beekeepers, and discover the truths that a formal inspector would not uncover. She has now been joined in her task by a series of collection centre managers, who are responsible for internal control of the sub-centres in their zone.

REPORTING

After each inspection, a report sheet is completed and sent back to PAELLA-E’s central office. This way, problems and re-occurring offences can be quickly identified, and reports can be referred to when annual evaluations take place. An example report is reproduced on the following page.
Internal Control Report

Date: 
Inspector: 
Location: 
Staff present: 

Was the visit announced?

Cleanliness and hygiene:
- State of building?
- State of equipment?
- Pest control?

Record keeping (check registers):
- Goods properly registered?
- Any new beekeepers requiring training?

Labelling and storage:
- Goods properly labelled?
- Goods properly stored?

Non-conformity:
- Any issues of non-conformity observed?
- Any sanctions applied?

Observations:

Signed: Collection Centre Staff

Signed: Inspector
ACHIEVING A BALANCE BETWEEN SUPPLY AND DEMAND

The balance between supply and demand is difficult to establish. The peak honey season lasts two to three months a year, usually with a bumper crop every two years because common bee forage flowers have a biennial flowering cycle. After this, honey becomes less abundant and poorer in quality (mixed with pollen and brood, or it has high moisture content) and prices rise. By the end of the season, honey is generally only available from traders who have stocked up. Since Guiding Hope’s aim has been always to buy honey directly from the beekeepers, purchasing must take place during the peak honey season. This requires cash to pay the beekeepers. Beeswax, which is rendered by the traders and bulkers, is available throughout the year, though more abundantly during the honey season.

Discussions with overseas clients began several years before the first container of honey was ready to be sold. Several potential clients expressed theoretical interest in buying between 1 and 20 tonnes. We took their interest seriously, and began drafting a business plan based on these quantities. In initial discussions with beekeepers, everyone was keen to push Guiding Hope to buy as much honey as possible. In Guiding Hope’s first year of purchases, we set a quota for each collection centre, which in some cases was divided up among their registered beekeepers. When the season approached, and the beekeepers began analysing how much of their honey they had already committed to selling to their debtors elsewhere, many of them reduced the quantities they could commit to Guiding Hope.

Some of the discussions with overseas clients came to nothing, and those that were still interested preferred not to risk committing to large orders before all the teething problems relating to export had been put right. Initially orders were reduced to a minimum but even then Guiding Hope struggled to meet purchasing targets.

Markets within Cameroon have also tended to grow slowly, since there are no large distributors with whom Guiding Hope could sign a bulk delivery contract. Instead it is a question of negotiating with each private supermarket or individual sales point. It is difficult to predict how sales will pick up: often it depends whether the shop floor assistants are on our side, and choose to promote our honey when a customer asks
their opinion. It takes time to develop a loyal clientele, and once you have it, it is essential to maintain it by ensuring supply. During Guiding Hope’s early years, we often had problems with supply, which we were obliged to supplement with more expensive honey bought from intermediary traders, and with cash flow, since large amounts had been bought up and were taking too long to sell.

Similarly in the case of beeswax, initial orders were discussed at least two years before they were delivered. Bearing in mind clients’ potential interest and the types of prices we could expect, a series of studies on supply and demand within Cameroon led us to focus on a small mountain-top town in the North West where high quality beeswax appeared to be stockpiled without a market. However, when we began working on securing the first container, we quickly discovered that the major production area was in Adamaoua region. Here we realised that we could purchase more beeswax than we required to meet the initial orders, so we began renegotiating with the clients to increase the orders.

In general, Guiding Hope’s principle has been to build in a spirit of discovery, that is, have a rough plan and begin building, laying each block tentatively, always remaining aware of the changing circumstances and newly discovered factors that must be taken into consideration. This method is far more rich and adaptive than one which attempts to finalise the blueprint, before beginning to build.
FUNDING AND SUPPORT

The vision of developing a beekeeping supply chain turned into reality when tangible budget lines began to emerge, requiring resources beyond what we possessed. However, we had to begin somewhere. Therefore the first funding and support we received was based entirely on trust: we had to trust suppliers and clients, and they in turn had to trust that we would deliver on our promises. Years later, we can conclude that the little seed of hope has grown into a tree, crowned with thick foliage providing shade for many people. At the beginning we made a plan to identify and obtain the resources necessary to start. We each contributed as much of our own time, energy and funds as we had available, and then attracted a small pool of supporters who were willing to lend us the additional funds we required. Initial contracts were based on a realistic timeframe and interest rate, allowing us the flexibility we needed during the early stages. Again, it was because these supporters were willing to trust us that the arrangements worked out.

During the early stages, PAELLA-E and Guiding Hope made several funding applications which would have enabled us to pay salaries to a team of people, cover training and start-up costs, and make infrastructural investments, allowing us to use our limited funds as working capital. However, the presence of funds can sometimes destroy existing strengths and motivation, creating a culture of dependency. It is true that most entrepreneurs rejoice in the fact that they have used their own sweat and blood to launch their entrepreneurial effort. Our sweat was the passion to turn our dreams into reality, and this was a strong enough motivation to launch our enterprise.

Along the way, we met certain people that we consider as angels: people who supported our efforts and helped us to grow through their willingness to believe in us. These people eventually became members of the team. In 2008, we received recognition when we won one of five Global Awards from the SEED Initiative. This award helped us to gain international credibility and opened doors to some small grants from donors, and to a working capital loan.

It is important to keep your eyes open to the events and achievements — minor or major, symbolic or tangible, which can be considered as trophies, results of the combined efforts of the whole team and its supporters.